

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2025**

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**SENATE BILL 441**

Short Title: Revive High-Need Retired Teachers Program. (Public)

Sponsors: Senators Corbin, Lee, and Overcash (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 25, 2025

A BILL TO BE ENTITLED  
AN ACT TO REVIVE AND EXPAND THE PROGRAM TO ALLOW RETIRED  
EDUCATORS TO RETURN TO WORK IN HIGH-NEED SCHOOLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-302.4 is reenacted as it existed immediately prior to its expiration and expires effective June 30, 2027.

**SECTION 2.(a)** G.S. 135-3(a)(8) is amended by adding a new sub-subdivision to read:

"i. Notwithstanding sub-subdivisions c. and d. of this subdivision, the computation of postretirement earnings under this subdivision shall not include earnings while a beneficiary is employed as a high-need retired teacher as defined under G.S. 115C-302.4(a) and the beneficiary shall not be restored to service as a teacher or employee. The Department of Public Instruction shall certify to the Retirement System that a beneficiary is employed by a local board of education as a high-need retired teacher. No later than September 15 annually, a local board of education shall inform the Retirement System if it will not employ any high-need retired teachers for that school year. The retirement allowance of a beneficiary who retired on an early or service retirement shall not cease due to reemployment as a high-need retired teacher. A beneficiary reemployed as a high-need retired teacher is not entitled to any benefits otherwise provided under this Chapter as a result of this period of employment."

**SECTION 2.(b)** G.S. 135-3(a)(8)c1. reads as rewritten:

"c1. Within 90 days of the end of each month in which a beneficiary is reemployed under the provisions of sub-subdivision c. or i. of this subdivision, each employer shall provide a report for that month on each reemployed beneficiary, including the terms of the reemployment, the date of the reemployment, and the amount of the monthly compensation. If the required report is not received within the required 90 days, then the Board may do any or all of the following:  
...."

**SECTION 2.(c)** G.S. 135-1(10) reads as rewritten:

"(10) "Employee" shall mean all full-time employees, agents or officers of the State of North Carolina or any of its departments, bureaus and institutions other than educational, whether such employees are elected, appointed or employed:



1            Provided that the term "employee" shall not include employees of the  
2            University of North Carolina Health Care System who are not eligible for  
3            participation under G.S. 135-5.6, employees of the East Carolina University  
4            School of Medicine or Dental School of Medicine who are not eligible for  
5            participation under G.S. 135-5.7, any person who is a member of the  
6            Consolidated Judicial Retirement System, any member of the General  
7            ~~Assembly or Assembly, any high-need retired teacher as defined under~~  
8            G.S. 115C-302.4(a), or any part-time or temporary employee.  
9            Notwithstanding any other provision of law, "employee" shall include all  
10          employees of the General Assembly except participants in the Legislative  
11          Intern Program, pages, and beneficiaries in receipt of a monthly retirement  
12          allowance under this Chapter who are reemployed on a temporary basis.  
13          "Employee" also includes any participant whose employment is interrupted  
14          by reason of service in the Uniformed Services, as that term is defined in  
15          section 4303(16) of the Uniformed Services Employment and Reemployment  
16          Rights Act, Public Law 103-353, if that participant was an employee at the  
17          time of the interruption; if the participant does not return immediately after  
18          that service to employment with a covered employer in this System, then the  
19          participant shall be deemed "in service" until the date on which the participant  
20          was first eligible to be separated or released from his or her involuntary  
21          military service. In all cases of doubt, the Board of Trustees shall determine  
22          whether any person is an employee as defined in this Chapter. "Employee"  
23          shall also mean every full-time civilian employee of the North Carolina  
24          National Guard who is employed pursuant to section 709 of Title 32 of the  
25          United States Code and paid from federal appropriated funds, but held by the  
26          federal authorities not to be a federal employee: Provided, however, that the  
27          authority or agency paying the salaries of such employees shall deduct or  
28          cause to be deducted from each employee's salary the employee's contribution  
29          in accordance with applicable provisions of G.S. 135-8 and remit the same,  
30          either directly or indirectly, to the Retirement System; coverage of employees  
31          described in this sentence shall commence upon the first day of the calendar  
32          year or fiscal year, whichever is earlier, next following the date of execution  
33          of an agreement between the Secretary of Defense of the United States and  
34          the Adjutant General of the State acting for the Governor in behalf of the State,  
35          but no credit shall be allowed pursuant to this sentence for any service  
36          previously rendered in the above-described capacity as a civilian employee of  
37          the North Carolina National Guard: Provided, further, that the Adjutant  
38          General, in the Adjutant General's discretion, may terminate the Retirement  
39          System coverage of the above-described North Carolina National Guard  
40          employees if a federal retirement system is established for such employees  
41          and the Adjutant General elects to secure coverage of such employees under  
42          such federal retirement system. Any full-time civilian employee of the North  
43          Carolina National Guard described above who is now or hereafter may  
44          become a member of the Retirement System may secure Retirement System  
45          credit for such service as a North Carolina National Guard civilian employee  
46          for the period preceding the time when such employees became eligible for  
47          Retirement System coverage by paying to the Retirement System an amount  
48          equal to that which would have constituted employee contributions if the  
49          employee had been a member during the years of ineligibility, plus interest.  
50          Employees of State agencies, departments, institutions, boards, and  
51          commissions who are employed in permanent job positions on a recurring

basis must work at least 30 hours per week for nine or more months per calendar year in order to be covered by the provisions of this subdivision. On and after August 1, 2001, a person who is a nonimmigrant alien and who otherwise meets the requirements of this subdivision shall not be excluded from the definition of "employee" solely because the person holds a temporary or time-limited visa."

**SECTION 2.(d)** G.S. 135-48.40(b)(1a) reads as rewritten:

"(1a) All retirees who ~~(i) are~~ meet all of the following criteria:

- a. The retiree is employed by an employing unit that elects to be covered by this subdivision, (ii) do subdivision.
- b. The retiree does not qualify for coverage under subdivision (1) of this subsection, and (iii) are subsection.
- c. The retiree is either a high-need retired teacher under G.S. 115C-302.4 or is determined to be "full-time" by their employing unit in accordance with section 4980H of the Internal Revenue Code and the applicable regulations, as amended.

The employing unit shall pay the employer premiums for retirees who enroll under this subdivision."

**SECTION 2.(e)** If the Internal Revenue Service determines that any provision of this section jeopardizes the status of the Teachers' and State Employees' Retirement System of North Carolina under the Internal Revenue Code, then this section is repealed on the last day of the month following the month of receipt of that determination by the State Treasurer. Upon receipt of that determination, the State Treasurer shall notify the Revisor of Statutes of the determination and the date of receipt. Within three business days of receipt of the determination, the State Treasurer shall notify all local school administrative units of the repeal of this section and shall publicly notice the receipt of this information on the Department of State Treasurer's website. Within three business days of receipt of the notice from the State Treasurer, a local school administrative unit shall notify all high-need retired teachers employed by its local board of education of the repeal of this section.

**SECTION 2.(f)** Any beneficiary that is employed by a local board of education as a high-need retired teacher, as defined in G.S. 115C-302.4(a), shall not be eligible to elect into a position that would lead the beneficiary to be eligible to accrue any additional benefits under G.S. 135-3(a)(8). Any failure of a local board of education or a beneficiary to comply with the foregoing shall be corrected by the Executive Director of the Retirement System as may be appropriate under State and federal law. Any costs of the correction, as determined by the Executive Director of the Retirement System, shall be the sole responsibility of the local board of education and shall be transferred to the Pension Accumulation Fund under G.S. 135-8 under rules adopted by the Board of Trustees.

**SECTION 3.** This act is effective when it becomes law and expires June 30, 2027.