



SENATE BILL 399: Rehire High-Need Teachers.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2019-2020 General Assembly

Committee:	Senate Education/Higher Education. If favorable, re-refer to Pensions and Retirement and Aging. If favorable, re-refer to Rules and Operations of the Senate	Date:	April 17, 2019
Introduced by:	Sens. Horner, Berger, Chaudhuri	Prepared by:	Drupti Chauhan Committee Counsel
Analysis of:	First Edition		

OVERVIEW: Senate Bill 399 allows retired teachers to return to work in certain high-needs schools without adversely impacting their retirement benefits.

CURRENT LAW: For a retiree of the Teachers' and State Employees' Retirement System (TSERS) who wishes to return to work with a TSERS employer and wishes to continue to receive his or her TSERS monthly retirement benefit, the retiree must meet the following conditions:

- Be retired for at least 6 months before returning to work for a TSERS employer.
- Work in a position that does not require membership in TSERS (membership in TSERS is required if a person is a permanent employee who works at least 30 hours per week for 9 months per year).
- Be subject to earnings restrictions. The retiree can earn (i) 50% of the gross pre-retirement salary or (ii) \$33,560 (2019 amount), whichever is greater.

BILL ANALYSIS: Senate Bill 399 allows certain retired teachers to return to work in certain high-needs schools and still receive their full retirement benefits. In order to qualify, a high-need retired teacher must meet the following:

- Have retired on or before February 1, 2019 after attaining 1 of the following:
 - The age of 65 with 5 years of creditable service.
 - The age of 60 with 25 years of creditable service.
 - 30 years of creditable service.
- Be reemployed by a local board of education to teach at a high-need school.

High-Need School: A high-need school is defined as a school that, at any point on or after July 1, 2017, which (i) is a Title I school as defined by federal law or (ii) receives an overall school performance grade of D or F as calculated by the State Board of Education.

Salary During Reemployment: High-needs retired teacher must be paid on the 1st step of the teacher salary schedule. If the high-needs retired teacher is reemployed to teach STEM (science, technology, engineering, and math) or special education, the high-needs retired teacher must be paid on the 6th step of the salary schedule. High-needs retired teachers cannot receive any salary supplements or bonuses and cannot move to higher salary steps on the salary schedule.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

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Term of Contract: The contract between a local board of education and a high-need retired teacher cannot be for more than 1 school year.

The Superintendent of Public Instruction must identify and provide to local school administrative units (LEAs) a list of STEM and special education licensure areas that qualify for reemployment and the LEAs must make this available to high-need retired teachers. The Department of Public Instruction must certify to TSERS that a retiree is employed to teach as high-needs retired teacher.

If the federal Internal Revenue Service determines that allowing retired teacher to return to work in certain high-needs schools while receiving their retirement benefits will jeopardize the status of the TSERS under the Internal Revenue Code, then this act would be repealed 30 days from receipt of that determination by the State Treasurer. The State Treasurer would then notify all LEAs of the repeal and publicly notice the information on the website for the Department of State Treasurer. LEAs would be required to notify all high-need retired teachers who are employed of the repeal.

EFFECTIVE DATE: The bill becomes effective July 1, 2019, and expires June 30, 2021.