



## Senate

General Assembly

February Session, 2002

**File No. 518**

Senate Bill No. 634

*Senate, April 16, 2002*

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

### **AN ACT CONCERNING THE REEMPLOYMENT OF RETIRED TEACHERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-183v of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2002*):

3 (a) Except as provided in subsection (b) of this section, a former  
4 teacher receiving retirement benefits from the system may not be  
5 employed in a teaching position receiving compensation paid out of  
6 public money appropriated for school purposes except that such  
7 former teacher may be employed temporarily in such a position and  
8 receive no more than forty-five per cent of the entry-level salary for the  
9 assigned subject area for such compensation. Any former teacher who  
10 receives in excess of such amount shall reimburse the board for the  
11 amount of such excess. Temporary employment means employment  
12 for less than a school year. Notice of such employment shall be sent  
13 [monthly] semi-annually on January thirty-first and June thirtieth to

14 the board by the employing officials and by the retired teacher at the  
15 end of each assignment.

16 (b) A former teacher receiving retirement benefits from the system  
17 may be reemployed by a local board of education or by any constituent  
18 unit of the state system of higher education [if such employment is  
19 authorized by the Teachers' Retirement Board upon certification to  
20 such board that such reemployment is in the best interests of the local  
21 or regional school system. Such certification shall be made by the local  
22 or regional board of education, if the employer is to be a local or  
23 regional board of education, or the Board of Governors of Higher  
24 Education, if the employer is to be a constituent unit of the state  
25 system of higher education] in a position designated by the  
26 Commissioner of Education as a subject shortage area for the school  
27 year in which the former teacher is being employed. Such employment  
28 may be for up to one full school year but may, with prior approval by  
29 the board, be extended for an additional school year. Such request for  
30 approval shall be made in writing to the Teachers' Retirement Board  
31 prior to the reemployment of such former teacher and shall include a  
32 statement indicating the type of assignment to be performed, the  
33 anticipated date of rehire and the expected duration of the assignment.

34 (c) The employment of a former teacher under subsection (b) of this  
35 section shall not be considered as service qualifying for continuing  
36 contract status under section 10-151 and the salary of such teacher shall  
37 be fixed at an amount at least equal to that paid other teachers in the  
38 same school system with similar training and experience for the same  
39 type of service. Upon approval by the board of such employment, such  
40 former teacher shall be eligible for the same health insurance benefits  
41 provided to active teachers employed by such school system. No  
42 benefits shall be paid in under section 10-183t while such former  
43 teacher is employed by such system.

44 (d) No person shall be entitled to survivor's benefits under  
45 subsection (f) of section 10-183f as a result of reemployment under this  
46 section.

47 [(e) Retirement benefits to a former teacher reemployed under  
48 subsection (b) of this section shall terminate on the first day of the  
49 month of such reemployment. Retirement benefits shall resume on the  
50 first day of the month after reemployment ceases.]

51 [(f)] (e) The same option plan of retirement benefits in effect prior to  
52 reemployment shall continue for a reemployed teacher during  
53 reemployment. [and upon subsequent retirement.]

54 [(g) Any former teacher reemployed under subsection (b) of this  
55 section may elect upon completion of not less than six months  
56 continuous service to make contributions to the system from such date.  
57 The employer of such electing reemployed teacher shall thereafter treat  
58 such teacher with respect to the system in the same manner as any  
59 other member of the system except that such employer shall deduct  
60 only six-sevenths of the amount that would be deducted from the  
61 salaries of other members.

62 (h) Any reemployed teacher electing to make contributions to the  
63 system under subsection (g) of this section may also elect to obtain  
64 retirement credit for service during the period from the beginning of  
65 reemployment to the date of such election by contributing to the  
66 system within six months of the date on which such teacher makes  
67 such election under said subsection (g), six per cent of the salary paid  
68 such teacher during such period together with credited interest from  
69 the time such salary was paid until such contribution is made to the  
70 system.

71 (i) Upon the subsequent retirement of an electing reemployed  
72 teacher, the retirement benefits payable to such retired teacher shall be  
73 increased by triple the amount that would be payable based solely  
74 upon contributions of such teacher made during the period of  
75 reemployment plus credited interest thereon.]

76 (f) The provisions of this section in effect on June 30, 2002, revision  
77 of 1958, revised to January 1, 2001, shall be applicable to any person  
78 making contributions to the Teachers' Retirement System on June 30,

79 2002, in accordance with said provisions.

This act shall take effect as follows:	
Section 1	<i>July 1, 2002</i>

**APP**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

<b>Fund-Type</b>	<b>Agency Affected</b>	<b>FY 03 \$</b>	<b>FY 04 \$</b>
GF - Savings	Teachers' Retirement Bd.	Minimal	Minimal

Note: GF=General Fund

**Municipal Impact:**

<b>Effect</b>	<b>Municipalities</b>	<b>FY 03 \$</b>	<b>FY 04 \$</b>
Potential Elimination of Savings	All Municipalities	Minimal	Minimal

**Explanation**

The bill formalizes the current practice of the Teachers' Retirement Board (TRB) with regards to reimbursing the TRB if re-employed retirees earn in excess of the 45% allowable level. The bill also permits retirees to earn over the 45% level if employed in a designated shortage area. Since the re-employed retired teachers no longer have the option of accruing service credit in the Teachers' Retirement System, there is minimal savings associated with this change.

The bill specifies that re-employed retired teachers in designated shortage areas are to be eligible for the same health insurance benefits provided to active teachers. Currently, such re-employed retired teachers' receive health insurance coverage or a subsidy through the TRB. This change will result in a savings to the TRB health insurance accounts that is expected to be minimal based upon the small number of current re-employed retired teachers. Conversely, the minimal savings municipalities now experience if they choose to hire retired teachers whose health insurance benefits are provided by the TRB will be eliminated under the bill.

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**OFA Bill Analysis**

SB 634

**AN ACT CONCERNING THE REEMPLOYMENT OF RETIRED TEACHERS.****SUMMARY:**

The bill lifts the current post retirement earnings limit for up to two years for positions designated by the education commissioner as in subject shortage areas and retains the current earnings limit of 45% of the entry level salary for non critical teaching areas.

Additionally, the bill eliminates any further accrual of benefits to reemployed members and requires that school districts provide health insurance benefits to reemployed retired teachers in the same manner as they do for active teachers.

**Retired Teachers' Reemployment**

Under current law, a retired teacher may earn no more than 45% of the entry-level salary for a teacher assigned to the same subject area. If a teacher is approved to exceed the 45% level, retirement benefits are suspended and they have the option to accrue additional benefits by making the required contributions.

Under the bill, a retired teacher employed in a non shortage area may earn no more than the current limit. Retired teachers employed in subject shortage areas may earn above the limit and receive active teacher health insurance coverage while maintaining their benefits under the Teachers' Retirement System.

EFFECTIVE DATE: July 1, 2002

**BACKGROUND****SUBJECT SHORTAGE AREAS**

The education commissioner has identified the following subjects in the following grades as shortage areas for the current school year.

- Music, PreK-12
- Bilingual education, PreK-12
- Special education, 1-12
- Mathematics, 7-12
- Technology education, PreK-12
- Spanish, 7-12
- Library media specialist, PreK-12
- Remedial reading, 1-12
- Speech and language pathologist, no grades

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Report

Yea 46    Nay 2