

SESSION OF 2002

SUPPLEMENTAL NOTE ON SENATE BILL NO. 638

As Amended by Senate Committee of the Whole

Brief*

SB 638 concerns employment of teachers who are Kansas Public Employees Retirement System (KPERs) retirants by the school district from which the teacher retired and 2001-02 school year continuing contract notification requirements.

**School District Employment of Certain
Teacher Retirants**

Under current law, when a teacher retires from a school district under KPERs, is re-employed by the district, and then earns \$15,000 or more during a calendar year from the district, the teacher loses the KPERs benefits for the months employed after which the teacher reaches the \$15,000 threshold. Amendments provide an exception to this limitation from July 1, 2002, through June 30, 2006, for teachers determined by the employer to be teaching in hard-to-fill teaching disciplines, subject to the limitation that either the teacher retired under KPERs, meeting one of the regular requirements of age or points, or, if the teacher took early retirement under KPERs, did so at least 30 days before July 1, 2002.

Annually, the State Board of Education will identify a list of hard-to-fill teaching disciplines in which there is a critical shortage of teachers. (Now, the State Board of Education prepares a listing of critical shortage teaching disciplines and underserved areas for the State Board of Regents for purposes of the Teacher Scholarship Program.) The determination of whether a teacher is being employed under this provision is made by the school district which employs the teacher. Also, in accord with the procedure established by the State Board, a

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/cgi-bin/fulltext/bills.cgi>

school district may request the State Board to designate a vacant position, not included in the State Board listing, as a position in a hard-to-fill discipline for the school district. A teacher employed under these provisions may continue to receive the benefit of this program after June 30, 2006, as long as the school district employer determines that the teacher is still teaching in a hard-to-fill teaching discipline.

The retirant teacher under this law receives no vested right in a retirement benefit, does not become subject to the continuing contract law, and is excluded from the teacher due process provisions of KSA 72-5438 through 72-5443.

During the 2005 summer interim, the Legislative Educational Planning Committee would review the effects of this legislation and report to the 2006 Legislature regarding the merits of continuation of the program.

Continuing Contract Law Notification Requirements—2001-02 School Year

During the 2001-02 school year only, the statutory continuing contract notification dates are changed. The deadline by which the board must serve the teacher notice of its intention not to renew a contract is changed from May 1 to May 15 and the deadline by which the teacher must notify the school board of the teacher's desire not to continue the contract is changed from May 15 to May 30.

Effective Date

The bill becomes effective upon publication in the *Kansas Register*.

Background

The chief proponent of SB 638, as introduced, was Senator Dave Kerr who, along with Senators Ruth Teichman and Jean Schodorf, directed preparation of the bill, conceived to be a partial, temporary solution to teacher shortages in certain teaching fields. Other proponents included spokespersons for the United School Administrators, Topeka (USD 501), Wichita (USD 259), and Schools for Fair Funding.

The United School Administrators urged consideration of a broadened "hard-to-fill" listing. The Kansas National Education Association expressed support for the basic concept contained in the bill, but not for the provision that would exempt retirants re-employed by the school district from certain of the teacher due process features of the law.

The fiscal note on SB 638 noted that it is reasonable to expect changes in SB 638 might affect retirement rates in future years, but explained that it is difficult to predict this impact. For this reason, a range of assumptions was provided. The bill's cost to the KPERS Fund was determined by measuring the difference in the unfunded actuarial liability and actuarial contribution rate for the December 31, 2000, actuarial valuation, assuming additional retirements of 100, 250, and 500, and that members remained in their current positions. The results are noted below:

	Number of Additional Retirements (Dollars in Millions)		
	100	250	500
Increase in Unfunded Actuarial Liability	\$7.70	\$19.40	\$38.70
Increase in Actuarial Contribution	\$0.44	\$1.10	\$2.20
Decrease in Estimated Payroll	\$4.70	\$11.80	\$23.50
Net Effect on Total Actuarial Contribution Rate	0.02%	0.04%	0.09%

One amendment adopted by the Senate Education Committee modified provisions of the continuing contract law for the 2001-02 school year. Other Committee amendments related to clarifications in accord with the original intent of the bill.

Senate Committee of the Whole amendments were technical in nature.