

- SUBJECT:** Exempting retired teachers who return to work from the salary schedule
- COMMITTEE:** Public Education — favorable, without amendment
- VOTE:** 5 ayes — Grusendorf, Branch, Dawson, Eissler, Madden
3 nays — Oliveira, Griggs, Hochberg
1 absent — Dutton
- WITNESSES:** For — Arthur “Skip” Casey, Coleman ISD; Juan Cruz, Texas Association of School Boards and Council of School Attorneys; Karen Soehnge, Texas Association of School Administrators

Against — Doris Aceli Muldoon; Lonnie Hollingsworth, Texas Classroom Teachers Association; Ted Melina Raab, Texas Federation of Teachers; Marjorie Wall, Texas State Teachers Association

On — Trish Conradt, Texas Retired Teachers Association
- BACKGROUND:** Education Code, sec. 21.002 requires that each classroom teacher, principal, librarian, nurse, or counselor be employed under one of three types of employment contracts: probationary, continuing, or term. Sec. 21.402 requires that full-time school nurses and certified employees such as classroom teachers, full-time librarians, and full-time counselors be paid according to a minimum monthly salary schedule that increases with experience.

Government Code, sec. 824.602 sets forth situations under which public school retirees may return to work without losing their Teacher Retirement System (TRS) pension benefits. Sec. 824.602(a)(5) allows a retired teacher to return in a position as a classroom teacher on a full-time basis, as long as he or she has been separated from service for at least 12 months.
- DIGEST:** HB 1253 would allow a school district to employ a retired teacher without a contract, as an at-will employee. The school district would not have to pay the minimum salary to an educator who received a service retirement annuity from TRS.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2003. It would not apply to the salary of an educator who was employed under a contract before the effective date.

**SUPPORTERS
SAY:**

HB 1253 would give school districts added flexibility in hiring by allowing them to hire retired teachers as at-will employees. Retirees already receive pensions and health benefits from TRS, so when they return to work, they receive a monthly annuity in addition to their salary. Therefore, if teachers retire with an annuity equal to 80 percent of their salary and the school district pays them 60 percent of their salary to return to work, they still receive 140 percent of their former salary. Exempting retirees from the minimum salary schedule would give districts more options in dealing with restrictive budgets, and it would give retired employees more flexibility to negotiate. Also, this option would apply to principals, nurses, librarians, and counselors as well as to teachers.

**OPPONENTS
SAY:**

HB 1253 would create a disincentive for retired teachers to return to teaching in public schools. Retired teachers should have the same contract protections as any other teacher. Many of them have spent the majority of their working years in public schools, and they deserve to have their experience rewarded by being compensated according to the salary schedule. This bill would create a subclass of teachers who would be compensated less than others. Beyond removing salary and contract protections, this would create issues of fairness and age discrimination.

**OTHER
OPPONENTS
SAY:**

HB 1253 could jeopardize the TRS pension fund, which already faces an \$854 million shortfall in the coming biennium. Any incentive to bring retired teachers back to the classroom shifts costs back to the state, because school districts no longer must pay worker's compensation, unemployment insurance, social security, or health insurance benefits for TRS retirees. While this would help districts that are bumping up against their local tax caps, it also would amount to using the state pension fund to give teachers a raise. Using the pension fund for a salary supplement would subvert the purpose of the fund.