

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

FILED SENATE
Mar 1, 2023
S.B. 187
PRINCIPAL CLERK

S

D

SENATE BILL DRS45085-MTzap-78

Short Title: Teacher Licensure/Retired Educator Program. (Public)

Sponsors: Senators McInnis, Johnson, and Barnes (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE CHANGES TO TEACHER LICENSURE REQUIREMENTS AND TO
3 REVIVE AND EXPAND THE PROGRAM TO ALLOW RETIRED EDUCATORS TO
4 RETURN TO WORK IN HIGH-NEED SCHOOLS.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. TEACHER LICENSURE CHANGES**

8 **SECTION 1.1.(a)** G.S. 115C-270.20(a)(4a) reads as rewritten:

9 "(4a) Limited license. – A three-year ~~nonrenewable~~-renewable license issued to an
10 individual who meets the requirements of this subdivision. A limited license
11 shall only be requested by the local board of education currently employing
12 or seeking to employ the individual and shall be used for continued
13 employment only in that local school administrative unit. The State Board
14 shall not require individuals to demonstrate preparation through achieving a
15 prescribed minimum score on a standardized examination for a limited
16 license. To receive a limited license, one of the following shall be met:

17 a. In-state licensee. – Both of the following are met:

- 18 1. The individual was issued an IPL or RL, but failed to fulfill
19 examination requirements under G.S. 115C-270.15 after three
20 years of licensure.
21 2. The local board of education submits to the State Board an
22 affidavit stating that the teacher is currently employed by that
23 local board, is an effective teacher, and will be encouraged to
24 continue to pursue a CPL. The affidavit shall be signed by both
25 the principal and superintendent for the school to which the
26 teacher is currently assigned.

27 b. Out-of-state licensee. – Both of the following are met:

- 28 1. The individual holds current teacher licensure in another state
29 that is in good standing.
30 2. The local board of education submits to the State Board an
31 affidavit stating that the local board seeks to employ the
32 teacher, that the teacher has been employed as a licensed
33 teacher in another state for at least three years, and that the
34 teacher will be encouraged to pursue an IPL or CPL, as
35 appropriate for that teacher. The affidavit shall be signed by



* D R S 4 5 0 8 5 - M T Z A P - 7 8 *

1 the superintendent for the local board of education seeking to
2 employ the teacher.

3 For renewal of a limited license, the local board of education shall evaluate
4 the teacher's effectiveness every three years. For teachers that teach subjects
5 that use the Education Value-Added Assessment System (EVAAS), the data
6 must demonstrate that the teacher meets or exceeds expectations of growth as
7 measured by EVAAS, if available."

8 **SECTION 1.1.(b)** This section applies (i) to any teacher who holds a limited license
9 as nonrenewable as of the date this act becomes law and (ii) beginning with applications
10 submitted on or after the date this act becomes law.

11 **SECTION 1.2.(a)** The State Board of Education, in consultation with the
12 Department of Public Instruction and the Professional Educator Preparation and Standards
13 Commission (PEPSC), shall develop an alternative to the examination requirements for
14 conversion from an initial professional license (IPL) and a residency license (RL) to a continuing
15 professional license (CPL) under G.S. 115C-270.15. The alternative to the examination shall
16 provide for a process to accommodate different circumstances in which the examination may not
17 be required or be the most appropriate or efficient pathway of evaluating a teacher's readiness or
18 effectiveness for licensure.

19 In addition, the State Board, in consultation with the Department and PEPSC, shall
20 examine issues related to licensure classes and teacher salary, including ways to increase
21 recruitment and retention by directly corresponding classes of licensure with amount of
22 compensation. In conducting the study, the State Board shall identify any changes in State law
23 necessary for any proposed recommendations resulting from the findings.

24 **SECTION 1.2.(b)** By February 15, 2024, the State Board, in consultation with the
25 Department and PEPSC, shall report to the Joint Legislative Education Oversight Committee on
26 (i) the development of the alternative to examination requirements for conversion of IPLs and
27 RLs to CPLs, (ii) any proposed salary incentives tied to classes of licensure, and (iii) any
28 legislative changes needed for implementation of the recommendations.

29 **SECTION 1.3.(a)** G.S. 115C-270.1 reads as rewritten:

30 **"§ 115C-270.1. Definitions.**

31 As used in this Article, the following definitions shall apply:

- 32 (1) Administrator. – An administrator or supervisor who serves in general and
33 program administrator roles, as classified by the State Board. Administrators
34 shall include superintendents, assistant or associate superintendents,
35 principals, assistant principals, or curriculum-instructional specialists.
- 36 (2) Professional educator. – An administrator, teacher, or student services
37 personnel.
- 38 (3) Recognized educator preparation program or recognized EPP. – As defined in
39 G.S. 115C-269.1(15).
- 40 (3a) Servicemember. – A member of the uniformed services, as that term is defined
41 in section 101(a)(5) of Title 10 of the United States Code. For purposes of this
42 Article, "servicemember" shall include the spouse of a servicemember.
- 43 (4) Student services personnel. – An individual providing specialized assistance
44 to students, teachers, administrators, or the education program in general, as
45 classified by the State Board. Student services personnel shall include
46 individuals employed in school counseling, school social work, school
47 psychology, audiology, speech-language pathology, and media coordination.
- 48 (5) Teacher. – An individual whose major responsibility is to either teach or
49 directly supervise teaching, as classified by the State Board."

50 **SECTION 1.3.(b)** Article 17E of Chapter 115C of the General Statutes is amended
51 by adding a new section to read:

1 **"§ 115C-270.22. Servicemember transfer applicants.**

2 (a) Servicemembers who (i) possess a teaching license issued by an entity other than the
 3 State Board of Education and (ii) relocate to the State because of military orders for military
 4 service shall be granted a teaching license for the duration of the military orders if the
 5 servicemember meets all of the following criteria:

6 (1) The servicemember provides to the State Board a copy of the military orders
 7 that require the servicemember to relocate to the State.

8 (2) The servicemember remains in good standing with the following:

9 a. The licensing authority that issued the license held by the service
 10 member.

11 b. Every other licensing authority that has issued to the servicemember a
 12 license similar in scope to a teaching license.

13 (3) The servicemember submits to the authority of the State Board for purposes
 14 of standards of practice, discipline, and fulfillment of any continuing
 15 education requirements.

16 (b) The State Board shall adopt rules to determine which class of teacher license shall be
 17 issued to servicemembers, pursuant to this section.

18 (c) If a servicemember is transferred out of the State on military orders for military
 19 service during a school year, a license granted pursuant to this section shall terminate at the end
 20 of the school year during which the member was transferred."

21 **SECTION 1.3.(c)** G.S. 93B-15.1 reads as rewritten:

22 **"§ 93B-15.1. Licensure for individuals with military training and experience; proficiency**
 23 **examination; licensure by endorsement for military spouses; temporary license.**

24 ...

25 (h1) Nothing in this section shall be construed to prevent a servicemember, as defined in
 26 G.S. 115C-270.1, from applying for or being issued a teaching license under G.S. 115C-270.22.

27"

28 **SECTION 1.3.(d)** The State Board of Education shall adopt temporary rules to
 29 comply with this section. Temporary rules adopted in accordance with this subsection shall
 30 remain in effect until permanent rules that replace the temporary rules become effective.

31 **SECTION 1.3.(e)** This section is effective when it becomes law.

32
 33 **PART II. REVIVE AND EXPAND THE PROGRAM TO ALLOW RETIRED**
 34 **EDUCATORS TO RETURN TO WORK IN HIGH-NEED SCHOOLS**

35 **SECTION 2.(a)** G.S. 115C-302.4 is reenacted as it existed immediately prior to its
 36 expiration and expires effective June 30, 2027.

37 **SECTION 2.(b)** G.S. 115C-302.4, as reenacted by this act, reads as rewritten:

38 **"§ 115C-302.4. High-need retired teachers.**

39 (a) Definitions. – The following definitions apply in this section:
 40 context requires otherwise:

41 (1) High-need retired teacher. – A teacher who is a beneficiary of the Teachers'
 42 and State Employees' Retirement System of North Carolina who meets both
 43 of the following requirements:

44 a. Retired on or before February 1, 2019, after attaining (i) the age of at
 45 least 65 with five years of creditable service, (ii) the age of at least 60
 46 with 25 years of creditable service, or (iii) 30 years of creditable
 47 service.

48 b. Is reemployed by a local board of education to provide classroom
 49 instruction as a teacher, as defined in G.S. 135-1(25), employed on an
 50 annual contract to provide classroom instruction exclusively at a
 51 high-need school or schools.

- 1 (2) High-need school. – A school that, at any point on or after July 1, 2017, meets
 2 one of the following criteria:
 3 a. Is a Title I school. As used in this sub-subdivision, a Title I school is a
 4 school identified under Part A of Title I of the Elementary and
 5 Secondary Education Act of 1965, as amended.
 6 b. Receives an overall school performance grade of D or F, as calculated
 7 by the State Board of Education pursuant to G.S. 115C-83.15(d).
 8 (3) STEM. – Science, technology, engineering, and mathematics.
 9 (4) Teacher. – Licensed personnel who are classified as teachers or instructional
 10 support personnel.
 11 (b) Salary Level. – A high-need retired teacher shall be compensated as follows:
 12 (1) Except as provided in subdivision (2) of this subsection, a high-need retired
 13 teacher shall be paid on the first step of the teacher salary schedule.
 14 (2) If a high-need retired teacher ~~serves as a teacher in any of the following~~
 15 licensure areas, meets any of the following criteria, he or she shall be paid on
 16 the sixth step of the teacher salary schedule:
 17 a. Provides classroom instruction in any of the following licensure areas:
 18 a.1. STEM.
 19 b.2. Special education.
 20 b. Is any of the following:
 21 1. A school psychologist.
 22 2. A school speech pathologist who is licensed as a speech
 23 pathologist at the master's degree level or higher.
 24 3. A school audiologist who is licensed as an audiologist at the
 25 master's degree level or higher.
 26 (c) No State Salary Supplements or Increase in Salary. – A high-need retired teacher shall
 27 not receive any State salary supplement or State bonus. A high-need retired teacher shall not
 28 move beyond the salary steps prescribed by subsection (b) of this section, regardless of the length
 29 of time spent as a high-need retired teacher.
 30 (d) Local Salary Supplement. – A high-need retired teacher shall receive any local salary
 31 supplements that are given to employees of the local board of education.
 32 (e) Term of Contract. – A contract between the local board of education and a high-need
 33 retired teacher shall be for a term of no more than one school year.
 34 (f) Identification of STEM and Special Education Licensure Areas. – The Superintendent
 35 of Public Instruction shall identify and provide to each local school administrative unit a list of
 36 STEM and special education licensure areas that qualify for reemployment pursuant to
 37 subdivision (b)(2) of this section. Local school administrative units shall make the list of STEM
 38 and special education licensure areas available to high-need retired teachers."

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

40 "h. Notwithstanding sub-subdivisions c. and d. of this subdivision, the
 41 computation of postretirement earnings of a beneficiary under this
 42 subdivision, who retired on or before February 1, 2019, and who has
 43 been retired at least six months, shall not include earnings while the
 44 beneficiary is employed as a high-need retired teacher, as defined
 45 under G.S. 115C-302.4(a)(1), and the beneficiary shall not be restored
 46 to service as a teacher or employee. The Department of Public
 47 Instruction shall certify to the Retirement System that a beneficiary is
 48 employed by a local board of education as a high-need retired teacher,
 49 as defined under G.S. 115C-302.4(a)(1). A local board of education
 50 shall inform the Retirement System, no later than September 15
 51 annually, if it will not employ high-need retired teachers, as defined

1 under G.S. 115C-302.4(a)(1), for that school year. The retirement
2 allowance of a beneficiary who retired on an early or service
3 retirement shall not cease due to reemployment as a high-need retired
4 teacher, as defined under G.S. 115C-302.4(a)(1). A beneficiary
5 reemployed as a high-need retired teacher is not entitled to any benefits
6 otherwise provided under this Chapter as a result of this period of
7 employment."

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

- 9 "1. Within 90 days of the end of each month in which a beneficiary is
10 reemployed under the provisions of ~~sub-subdivision~~ sub-subdivisions
11 c. and h. of this subdivision, each employer shall provide a report for
12 that month on each reemployed beneficiary, including the terms of the
13 reemployment, the date of the reemployment, and the amount of the
14 monthly compensation. If the required report is not received within the
15 required 90 days, the Board may do any or all of the following:
- 16 1. Assess the employer with a penalty of ten percent (10%) of the
17 compensation of the unreported reemployed beneficiaries
18 during the months for which the employer did not report the
19 reemployed beneficiaries, with a minimum penalty of
20 twenty-five dollars (\$25.00). If after being assessed a penalty,
21 an employer provides clear and convincing evidence that the
22 failure to report resulted from a lack of oversight or some other
23 event beyond the employer's control and was not a deliberate
24 attempt to omit the reporting of reemployed beneficiaries, the
25 Board may reduce the penalty to not less than two percent (2%)
26 of the compensation of the unreported reemployed
27 beneficiaries during the months for which the employer failed
28 to report, with a minimum penalty of twenty five dollars
29 (\$25.00).
 - 30 2. Require the employer to reimburse the Retirement System for
31 any retirement allowance paid to the beneficiary during a
32 period when the allowance would have been suspended under
33 sub-subdivision c. of this subdivision had the report been
34 received within the required 90 days.
 - 35 3. Require the employer to pay any amounts that the beneficiary
36 would have been required to pay to the Retirement System
37 under sub-subdivision f. of this subdivision had the report been
38 received within the required 90 days.

39 Upon receipt by the employer of notice that any payment is due to the
40 Retirement System under this sub-subdivision, the employer shall
41 remit the payment of the amount due to the Retirement System, in one
42 lump sum, no later than 90 days from the date of the notice.

43 If an employer is required to make payments to the Retirement
44 System under sub-sub-subdivision 2. or sub-sub-subdivision 3. of this
45 sub-subdivision, then (i) the beneficiary shall have no obligation to
46 reimburse the Retirement System for related amounts under
47 sub-subdivisions c. or f. of this subdivision, (ii) the provisions of
48 G.S. 135-9(b) relating to offsetting overpayments against payments
49 made from the Retirement System to the member or beneficiary shall
50 not apply, (iii) the Retirement System shall have no duty under
51 G.S. 143-64.80 to pursue repayment of overpayments from the

1 beneficiary, (iv) the overpayments shall not be considered a debt of
2 the beneficiary under Chapter 105A of the General Statutes, and (v)
3 the beneficiary's effective date of retirement shall be adjusted if the
4 adjustment is required under sub-subdivision f. of this subdivision."

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

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

1 coverage by paying to the Retirement System an amount equal to that which
2 would have constituted employee contributions if the employee had been a
3 member during the years of ineligibility, plus interest. Employees of State
4 agencies, departments, institutions, boards, and commissions who are
5 employed in permanent job positions on a recurring basis must work at least
6 30 hours per week for nine or more months per calendar year in order to be
7 covered by the provisions of this ~~subdivision~~. subdivision, except that no
8 high-need retired teacher as defined under G.S. 115C-302.4(a)(1) shall be
9 considered an employee. On and after August 1, 2001, a person who is a
10 nonimmigrant alien and who otherwise meets the requirements of this
11 subdivision shall not be excluded from the definition of "employee" solely
12 because the person holds a temporary or time-limited visa."

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

14 "(1a) All retirees who (i) are employed by an employing unit that elects to be
15 covered by this subdivision, (ii) do not qualify for coverage under subdivision
16 (1) of this subsection, and (iii) are determined to be "full-time" by their
17 employing unit in accordance with section 4980H of the Internal Revenue
18 Code and the applicable regulations, as ~~amended~~. amended, or are high-need
19 retired teachers, as defined under G.S. 115C-302.4(a)(1). The employing unit
20 shall pay the employer premiums for retirees who enroll under this
21 subdivision."

22 **SECTION 2.(g)** The State Treasurer may seek a private letter ruling from the Internal
23 Revenue Service to determine if the provisions of this section relating to the computation of
24 postretirement earnings of retired teachers jeopardize the status of the Teachers' and State
25 Employees' Retirement System.

26 **SECTION 2.(h)** Notwithstanding any other provision of law to the contrary, in order
27 to pay costs associated with the administration of the provisions of this section, the Retirement
28 Systems Division of the Department of State Treasurer may increase receipts from the retirement
29 assets of the Teachers' and State Employees' Retirement System or pay costs associated with the
30 administration directly from the retirement assets.

31 **SECTION 2.(i)** Any beneficiary that is employed by a local board of education as a
32 high-need retired teacher, as defined in G.S. 115C-302.4(a)(1), shall not be eligible to elect into
33 a position that would lead him or her to be eligible to accrue any additional benefits under
34 G.S. 135-3(8). Any failure of a local board of education or a beneficiary to comply with the
35 foregoing shall be corrected by the Retirement System as it determines may be appropriate under
36 State and federal law. Any costs of the correction, as determined by the Retirement System, shall
37 be the sole responsibility of the local board of education and shall be transferred to the Pension
38 Accumulation Fund under G.S. 135-8, under rules adopted by the Board of Trustees.

39 **SECTION 2.(j)** This section is effective when this act becomes law and expires June
40 30, 2027.

41 **PART III. EFFECTIVE DATE**

42 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
43 law.
44