

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 854

Short Title: Teacher Recruitment & Retention Incentives.

(Public)

Sponsors: Senators Clodfelter; Bingham, Dannelly, and Graham.

Referred to: Education/Higher Education.

March 23, 2005

A BILL TO BE ENTITLED
AN ACT ESTABLISHING A PILOT PROGRAM TO PROVIDE RECRUITMENT
AND RETENTION INCENTIVES TO TEACHERS AT DISADVANTAGED
SCHOOLS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is established a pilot program to provide recruitment and retention incentives to teachers at disadvantaged schools. The State Board of Education shall implement the pilot program in the Charlotte-Mecklenburg County School Administrative Unit and may implement the pilot program in up to three additional local school administrative units.

SECTION 1.(b) Disadvantaged schools are:

- (1) Elementary schools at which (i) sixty percent (60%) or more of the students are eligible for free or reduced-price lunches or (ii) fifty-five percent (55%) or more of the students are not proficient based on the end-of-grade tests; or
- (2) Middle and high schools at which (i) sixty percent (60%) or more of the students are eligible for free or reduced-price lunches or (ii) fifty percent (50%) or more of the students in the school are performing below grade level in Algebra I and Biology.

SECTION 1.(c) Pilot units may implement one or more of the following strategies for the recruitment and retention of teachers:

- (1) A pay-for-performance program. – A pilot unit may use funds appropriated for salary increments for school personnel who are employed at disadvantaged schools to implement a pay-for-performance salary plan for personnel at those schools. The pilot unit's plan shall be subject to the approval of the State Board of Education.

Notwithstanding any other provision of law, salary increases for personnel at schools subject to a pay-for-performance salary plan shall

1 be allocated according to specific criteria established in the plan.

2 Under a plan:

- 3 a. Salary increases for employees who are paid on a salary
4 schedule with step increments shall be allocated in increments
5 equal to the steps on the salary schedule applicable to the
6 employees;
- 7 b. An employee may receive a salary increase that is greater than a
8 single step on the salary schedule; and
- 9 c. No employee shall receive a salary lower than the salary that
10 employee received during the 2004-2005 school year.

11 In accordance with G.S. 115C-325 and by way of clarification, it
12 shall not constitute a demotion as that term is defined in
13 G.S. 115C-325(a)(4) if an employee does not receive a salary increase
14 under an approved pay-for-performance plan.

- 15 (2) 4+1 retirement credit. – Notwithstanding the provisions of G.S. 135-4,
16 a teacher employed in a disadvantaged school that is part of the pilot
17 program established by this act shall receive an additional year of
18 creditable service in the Teachers' and State Employees' Retirement
19 System for every four years of service in the pilot program. This
20 provision does not entitle any teacher to additional creditable service
21 as a result of service rendered outside of the pilot program or after the
22 pilot program is no longer operational.

- 23 (3) A retention bonus. – Teachers who agree to work for at least five
24 consecutive years in schools that are hard to staff shall receive a
25 five-thousand-dollar (\$5,000) retention bonus.

26 Only those teachers whose first year of teaching at the school is the
27 2005-2006 school year shall be eligible to receive the bonus. The
28 bonus, with matching benefits, shall be paid at the rate of one thousand
29 dollars (\$1,000) a year at the end of each consecutive full year of
30 teaching at the hard-to-staff school.

31 **SECTION 1.(d)** The State Board of Education shall adopt rules to
32 implement the provisions of this section.

33 **SECTION 1.(e)** The State Board of Education shall report to the Joint
34 Legislative Education Oversight Committee by February 15, 2006, on its
35 implementation of the pilot program.

36 **SECTION 2.** There is appropriated from the General Fund to the
37 Department of Public Instruction the sum of two million dollars (\$2,000,000) for the
38 2005-2006 fiscal year and the sum of two million dollars (\$2,000,000) for the
39 2006-2007 fiscal year to implement the pilot program to provide recruitment and
40 retention incentives to teachers at disadvantaged schools.

41 **SECTION 3.** This act becomes effective July 1, 2005.