

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 978

Pensions & Retirement and Aging Committee Substitute Adopted 5/13/99

Short Title: School Employee Retirement Credit Changed.

(Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

**AN ACT TO CHANGE THE LAW REGARDING THE CONVERSION OF ANNUAL
LEAVE FOR RETIRING SCHOOL EMPLOYEES.**

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-302.1(c) reads as rewritten:

"(c) Vacation. – Included within the 10-month term shall be annual vacation leave at the same rate provided for State employees, computed at one-twelfth of the annual rate for State employees for each month of employment. Local boards shall provide at least 10 days of annual vacation leave at a time when students are not scheduled to be in regular attendance. However, instructional personnel who do not require a substitute may use annual vacation leave on days that students are in attendance. Vocational and technical education teachers who are employed for 11 or 12 months may, with prior approval of the principal, work on annual vacation leave days designated in the school calendar and may use those annual vacation leave days during the eleventh or twelfth month of employment.

On a day that pupils are not required to attend school due to inclement weather, but employees are required to report for a workday, a teacher may elect not to report due to hazardous travel conditions and to take an annual vacation day or to make the day at a time agreed upon by the teacher and the teacher's immediate supervisor or principal. On a

1 day that school is closed to employees and pupils due to inclement weather, a teacher
2 shall work on the scheduled makeup day.

3 All vacation leave taken by the teacher will be upon the authorization of the teacher's
4 immediate supervisor and under policies established by the local board of education.
5 Annual vacation leave shall not be used to extend the term of employment.

6 ~~Teachers may accumulate annual vacation leave days without any applicable~~
7 ~~maximum until June 30 of each year. In order that only 30 days of annual vacation leave~~
8 ~~carry forward to July 1, on June 30 of each year any teacher or other personnel paid on~~
9 ~~the teacher salary schedule who has accumulated more than 30 days of annual vacation~~
10 ~~leave shall:~~

11 (1) ~~Convert to either sick leave or pay the excess accumulation that is the~~
12 ~~result of the teacher having to forfeit annual vacation leave in order to~~
13 ~~attend required workdays; and~~

14 (2) ~~Convert to sick leave the remaining excess accumulation.~~

15 ~~Local boards of education shall identify which days are accumulated due to the teacher~~
16 ~~forfeiting annual vacation leave in order to attend required workdays. Actual payment for~~
17 ~~excess accumulated annual vacation leave may be made after July 1.~~

18 ~~Upon separation from service due to service retirement, resignation, dismissal,~~
19 ~~reduction in force, or death, an employee shall be paid in a lump sum for accumulated~~
20 ~~annual leave not to exceed a maximum of 30 days. In addition to the maximum of 30~~
21 ~~days pay for accumulated annual leave, upon separation from service due to service~~
22 ~~retirement, any teacher or other personnel paid on the teacher salary schedule with more~~
23 ~~than 30 days of accumulated annual vacation leave may convert some or all of the excess~~
24 ~~accumulation to sick leave for creditable service towards retirement or pay if the excess~~
25 ~~accumulation is the result of the teacher having to forfeit annual vacation leave in order~~
26 ~~to attend required workdays. Local boards of education shall identify which days are~~
27 ~~accumulated due to the teacher forfeiting annual vacation leave in order to attend~~
28 ~~required workdays. Employees going onto term disability may exhaust annual leave~~
29 ~~rather than be paid in a lump sum.~~

30 Notwithstanding any provisions of this subsection to the contrary, no person shall be
31 entitled to pay for any vacation day not earned by that person."

32 Section 2. G.S. 115C-302.1 is amended by adding two new subsections to read:

33 "(c1) Conversion of Leave. – Teachers may accumulate annual vacation leave days
34 without any applicable maximum until June 30 of each year. In order that only 30 days of
35 annual vacation leave carry forward to July 1, on June 30 of each year any teacher or
36 other personnel paid on the teacher salary schedule who has accumulated more than 30
37 days of annual vacation leave shall:

38 (1) Convert to either sick leave or to pay the excess accumulation that is the
39 result of the teacher having to forfeit annual vacation leave in order to
40 attend required workdays; and

41 (2) Convert to sick leave the remaining excess accumulation.

1 Local boards of education shall identify which days are accumulated due to the teacher
2 forfeiting annual vacation leave in order to attend required workdays. Actual payment for
3 excess accumulated annual vacation leave may be made after July 1.

4 (c2) Conversion of Leave Upon Separation of Service. – Upon separation from
5 service due to service retirement, resignation, dismissal, reduction in force, or death, an
6 employee shall be paid in a lump sum for accumulated annual vacation leave not to
7 exceed a maximum of 30 days. Employees going onto term disability may exhaust
8 annual leave rather than be paid in a lump sum.

9 Any teacher or other personnel paid on the teacher salary schedule who has more than
10 30 days of accumulated annual vacation leave at the time the person retires shall:

11 (1) Convert to either sick leave or to pay the excess accumulation that is the
12 result of the teacher having to forfeit annual vacation leave in order to
13 attend required workdays; and

14 (2) Convert to sick leave the remaining excess accumulation which may be
15 used for creditable service at retirement in accordance with G.S. 135-
16 4(e).

17 Local boards of education shall identify which days are accumulated due to the teacher
18 forfeiting annual vacation leave in order to attend required workdays."

19 Section 3. G.S. 115C-272(b)(2) reads as rewritten:

20 "(2) Notwithstanding any provisions of this section to the contrary no person
21 shall be entitled to pay for any vacation day not earned by that person.
22 Vacation days shall not be used for extending the term of employment
23 of individuals and shall not be cumulative from one fiscal year to
24 another fiscal year: Provided, that superintendents may accumulate
25 annual vacation leave days as follows: annual leave may be
26 accumulated without any applicable maximum until June 30 of each
27 year. On June 30 of each year, any superintendent with more than 30
28 days of accumulated leave shall have the excess accumulation converted
29 to sick leave so that only 30 days are carried forward to July 1 of the
30 same year. All vacation leave taken by the superintendent will be upon
31 the authorization of his immediate supervisor and under policies
32 established by the local board of education. An employee shall be paid
33 in a lump sum for accumulated annual leave not to exceed a maximum
34 of 240 hours or 30 days when separated from service due to resignation,
35 dismissal, reduction in force, death, or service retirement. Upon
36 separation from service due to service retirement, any annual vacation
37 leave over 30 days will convert to sick leave and may be used for
38 creditable service at retirement in accordance with G.S. 135-4(e). If the
39 last day of terminal leave falls on the last workday in the month,
40 payment shall be made for the remaining nonworkdays in that month.
41 Employees retiring on disability retirement may exhaust annual leave
42 rather than be paid in a lump sum. The provisions of this subdivision
43 shall be accomplished without additional State and local funds being

1 appropriated for this purpose. The State Board of Education shall adopt
2 rules and regulations for the administration of this subdivision."

3 Section 4. G.S. 115C-285(a)(2) reads as rewritten:

4 "(2) Supervisors and classified principals paid on an hourly or other basis
5 whether paid from State or from local funds may accumulate annual
6 vacation leave days as follows: annual leave may be accumulated
7 without any applicable maximum until June 30 of each year. On June 30
8 of each year, any supervisor or principals with more than 30 days of
9 accumulated leave shall have the excess accumulation converted to sick
10 leave so that only 30 days are carried forward to July 1 of the same year.
11 All vacation leave taken by the employee will be upon the authorization
12 of his immediate supervisor and under policies established by the local
13 board of education. An employee shall be paid in a lump sum for
14 accumulated annual leave not to exceed a maximum of 240 hours or 30
15 days when separated from service due to resignation, dismissal,
16 reduction in force, death, or service retirement. Upon separation from
17 service due to service retirement, any annual vacation leave over 30
18 days will convert to sick leave and may be used for creditable service at
19 retirement in accordance with G.S. 135-4(e). If the last day of terminal
20 leave falls on the last workday in the month, payment shall be made for
21 the remaining nonworkdays in that month. Employees retiring on
22 disability retirement may exhaust annual leave rather than be paid in a
23 lump sum. The provisions of this subdivision shall be accomplished
24 without additional State and local funds being appropriated for this
25 purpose. The State Board of Education shall adopt rules and regulations
26 for the administration of this subdivision."

27 Section 5. G.S. 115C-316(a)(3) reads as rewritten:

28 "(3) Notwithstanding any provisions of this section to the contrary no person
29 shall be entitled to pay for any vacation day not earned by that person.
30 The first 10 days of annual leave earned by a 10- or 11-month employee
31 during any fiscal year period shall be scheduled to be used in the school
32 calendar adopted by the respective local boards of education. Vacation
33 days shall not be used for extending the term of employment of
34 individuals. Ten- or 11-month employees may accumulate annual
35 vacation leave days as follows: annual leave may be accumulated
36 without any applicable maximum until June 30 of each year. On June 30
37 of each year, any of these employees with more than 30 days of
38 accumulated leave shall have the excess accumulation converted to sick
39 leave so that only 30 days are carried forward to July 1 of the same year.
40 All vacation leave taken by these employees shall be upon the
41 authorization of their immediate supervisor and under policies
42 established by the local board of education. Vacation leave for
43 instructional personnel who do not require a substitute shall not be

1 restricted to days that students are not in attendance. An employee shall
2 be paid in a lump sum for accumulated annual leave not to exceed a
3 maximum of 240 hours or 30 days when separated from service due to
4 resignation, dismissal, reduction in force, death or service retirement.
5 Upon separation from service due to service retirement, any annual
6 vacation leave over 30 days will convert to sick leave and may be used
7 for creditable service at retirement in accordance with G.S. 135-4(e). If
8 the last day of terminal leave falls on the last workday in the month,
9 payment shall be made for the remaining nonworkdays in that month.
10 Employees retiring on disability retirement may exhaust annual leave
11 rather than be paid in a lump sum. The provisions of this subdivision
12 shall be accomplished without additional State and local funds being
13 appropriated for this purpose. The State Board of Education shall adopt
14 rules and regulations for the administration of this subdivision."

15 Section 6. G.S. 115C-316(a)(4) reads as rewritten:

16 "(4) Twelve-month school employees other than superintendents,
17 supervisors and classified principals paid on an hourly or other basis
18 whether paid from State or from local funds may accumulate annual
19 vacation leave days as follows: annual leave may be accumulated
20 without any applicable maximum until June 30 of each year. On June 30
21 of each year, any employee with more than 30 days of accumulated
22 leave shall have the excess accumulation converted to sick leave so that
23 only 30 days are carried forward to July 1 of the same year. All vacation
24 leave taken by the employee will be upon the authorization of his
25 immediate supervisor and under policies established by the local board
26 of education. An employee shall be paid in a lump sum for accumulated
27 annual leave not to exceed a maximum of 240 hours or 30 days when
28 separated from service due to resignation, dismissal, reduction in force,
29 death, or service retirement. Upon separation from service due to
30 service retirement, any annual vacation leave over 30 days will convert
31 to sick leave and may be used for creditable service at retirement in
32 accordance with G.S. 135-4(e). If the last day of terminal leave falls on
33 the last workday in the month, payment shall be made for the remaining
34 nonworkdays in that month. Employees retiring on disability retirement
35 may exhaust annual leave rather than be paid in a lump sum. The
36 provisions of this subdivision shall be accomplished without additional
37 State and local funds being appropriated for this purpose. The State
38 Board of Education shall adopt rules and regulations for the
39 administration of this subdivision."

40 Section 7. This act becomes effective July 1, 1999.