

Fifty-fifth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Monday, the sixth day of January, one thousand nine hundred and ninety-seven

SENATE CONCURRENT RESOLUTION NO. 4021

(Senators C. Nelson, Krebsbach, Lindaas)

(Representatives Hanson, Sabby, Wilkie)

A concurrent resolution directing the Legislative Council to study participation in the teachers' fund for retirement by retired persons who have resumed teaching.

WHEREAS, the 1995-96 interim Employee Benefits Programs Committee considered a proposal that would have allowed retired persons to return to teaching for up to one year without losing any benefits if at least 50 percent of the salary earned by that person was donated to in the school district's educational foundation; and

WHEREAS, the consulting actuary of the teachers' fund for retirement reported that the proposal would not have had a measurable actuarial impact on the teachers' fund for retirement but that the proposal could endanger the qualified status of the plan under federal law; and

WHEREAS, under qualified retirement plans, benefits are not taxable until they are received, but if a plan loses its qualified status, accrued vested benefits become immediately taxable; and

WHEREAS, because the consulting actuary reported that the proposal could endanger the qualified status of the plan, the committee gave the proposal an unfavorable recommendation; and

WHEREAS, school district educational foundations help support school districts in an era when school districts need all the financial help available; and

WHEREAS, retired teachers have a vast reservoir of experience and knowledge which would greatly benefit the students if school districts were able to tap this reservoir;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

That the Legislative Council study participation in the teachers' fund for retirement by retired persons who have resumed teaching; and

BE IT FURTHER RESOLVED, that the Legislative Council report its findings and recommendations, together with any legislation required to implement the recommendations, to the Fifty-sixth Legislative Assembly.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

Filed in this office this _____ day of _____, 1997,
at _____ o'clock _____ M.

Secretary of State