

CHAPTER NO. 840

HOUSE BILL NO. 3064

By Representatives Kisber, Walker, Davidson

Substituted for: Senate Bill No. 3056

By Senator Cohen

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 36, Part 7, relative to retirement benefits.

WHEREAS, the State of Tennessee is currently experiencing a significant shortfall between available revenues and expenditures recommended by the Governor; and

WHEREAS, one of the areas most impacted is education, especially higher education; and

WHEREAS, numerous presentations by higher education officials have stressed a perceived decline in the relative position of Tennessee's institutions of higher education; and

WHEREAS, a recurring theme to these presentations has been the non-competitiveness of faculty salaries and benefits, relative to states which surround Tennessee; and

WHEREAS, in these circumstances, it seems imprudent to expend higher education funds on additional, unearned, benefits for retiring persons; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 36, Part 7, is amended by adding the following as a new appropriately designated section:

8-36-7_ . (a) The Board of Trustees of the University of Tennessee may grant to any former president of the University of Tennessee the title "president emeritus". The Board of Regents of the state university and community college system may also grant to any former president of any college or university governed by the Board of Regents a similar "emeritus" title. No former president shall receive any compensation or remuneration for holding the emeritus title, unless the following conditions are met:

(1) The remuneration is for time actually spent by the former president in performing services for the University or Board of Regents;

(2) An agreement is executed between the respective board and the former president which sets forth the duties to be performed by the former president;

(3) The agreement cannot exceed a term of one (1) year. The Board of Trustees of the University of Tennessee or the Board of Regents may enter into additional one (1) year agreements with the former president. No renewal agreement shall be entered into until the respective board reviews and is

satisfied with the emeritus work performed by the former president. Any such renewal must be approved by an affirmative vote of a majority of the respective board;

(4) The former president must reside in the State of Tennessee at the time of the initial appointment and at the time of any subsequent appointment; and

(5) The former president shall not accrue any additional retirement credit as a result of such appointment.

(b) Notwithstanding any other law to the contrary, any former president receiving compensation or remuneration for holding the emeritus title pursuant to this section shall be eligible to continue drawing such person's retirement allowance provided the former president does not work and is not compensated for more than one hundred (100) days or the equivalent thereof during the one-year appointment, or, if working as a teacher, for more than twenty-one (21) quarter credit hours or fifteen (15) semester credit hours during the one-year appointment. Should the period exceed that specified in this subsection (b), the former president's monthly retirement allowance shall be reduced in direct proportion thereto. The retirement system is authorized to obtain reimbursement for any retirement benefits overpaid as a result of any compensation being paid to a former president in excess of that permitted by this section. Such reimbursement may be made by deductions from the former president's monthly benefit.

(c) For each emeritus appointment for which compensation or remuneration will be paid, the Board of Trustees of the University of Tennessee and the Board of Regents shall be responsible for filing the agreement with the retirement division which sets forth the name of the person holding the title, and the beginning and ending date of the appointment. The agreement shall be accompanied with documentation showing the amount of compensation to be paid to the person and the number of hours to be worked. The agreement and documentation shall be filed annually, if applicable, and signed by the former president acknowledging the conditions of the appointment. The Board of Trustees of the University of Tennessee and the Board of Regents shall further send written notice to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairs of the Senate Standing Committees on Education and on Finance, Ways, and Means, and the Chairs of the House Standing Committees on Education and Finance, Ways, and Means of each emeritus appointment for which compensation or remuneration will be paid.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

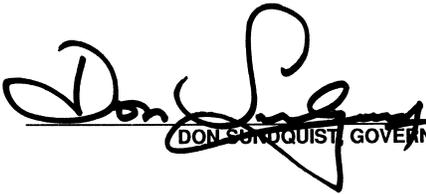
SECTION 3. This act shall take effect on July 1, 2000, the public welfare requiring it, and shall apply to all current and future emeritus appointments.

PASSED: May 15, 2000


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 24th day of May 2000


DON SUNDQUIST, GOVERNOR