
HOUSE BILL 2095

State of Washington 60th Legislature 2007 Regular Session

By Representatives Jarrett, Priest and Moeller

Read first time 02/07/2007. Referred to Committee on Education.

1 AN ACT Relating to creating performance-based compensation pilot
2 projects for staff in public schools; amending RCW 28A.400.200,
3 28A.400.205, and 41.59.935; adding a new section to chapter 28A.400
4 RCW; creating a new section; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.400
7 RCW to read as follows:

8 A performance-based compensation pilot project for staff in public
9 schools is established under this section for up to five school
10 districts.

11 (1) School districts may apply to participate in the pilot project
12 by submitting a proposal to the superintendent of public instruction,
13 signed by the school district board of directors and the exclusive
14 bargaining representatives for certificated instructional staff and
15 classified staff of the district, that contains the following:

16 (a) The goals and objectives of the project and how success will be
17 measured;

18 (b) A description of the process by which the district and the

1 exclusive bargaining representatives will complete a performance-based
2 compensation agreement;

3 (c) Commitment by all parties of time during the planning year for
4 the joint development of the agreement and development of the
5 performance evaluation, salary schedule, and professional development
6 components of the agreement;

7 (d) The extent to which learning improvement days will be used to
8 support the project;

9 (e) The extent to which supplemental contracts and resources for
10 additional time, additional responsibilities, or incentives will be
11 incorporated into and aligned with the project; and

12 (f) Other information that indicates a willingness, readiness, and
13 capacity by all parties to design and implement a high-quality
14 performance-based compensation pilot project.

15 (2) Applications shall be submitted to the superintendent of public
16 instruction by November 1, 2007. The superintendent may approve up to
17 five applications and shall provide notice of approvals no later than
18 January 31, 2008.

19 (3) Districts selected to participate in the pilot project, in
20 collaboration with their exclusive bargaining representatives, shall
21 develop the components of performance-based compensation agreements
22 during the remainder of the 2007-08 school year. At a minimum,
23 agreements must, as applicable:

24 (a) Describe how certificated instructional staff can achieve
25 career advancement and additional compensation, including how the
26 school district will provide career advancement options that allow
27 staff who provide direct instruction to retain primary roles in student
28 instruction;

29 (b) Restructure the traditional salary schedule from one based on
30 years of experience, educational degrees, and credits of continuing
31 education to a new salary schedule that bases a significant proportion
32 of any compensation increase on staff performance, measured using
33 schoolwide student achievement gains on the Washington assessment of
34 student learning and other objective student assessments, other
35 indicators of student achievement, and an objective performance
36 evaluation system;

37 (c) Provide for ongoing school and classroom-based professional
38 development activities that are designed to improve instructional

1 skills, aligned with the school improvement plan, based on identified
2 student learning needs and goals, and provided by trained mentor
3 teachers and coaches;

4 (d) Ensure that the compensation of any staff shall not decrease as
5 a result of implementing the agreement;

6 (e) Include components of performance-based compensation for
7 classified school staff; and

8 (f) Estimate the costs to implement the agreement.

9 (4) The objective performance evaluation system under this section
10 must include individual evaluations that are conducted by the building
11 principal or other district staff and other evaluations using multiple
12 criteria that are conducted by a jointly selected and trained
13 evaluation team using a standards-based evaluation instrument and
14 process.

15 (5) Performance-based compensation agreements shall be implemented
16 districtwide, but may include components that are unique to individual
17 schools within the district.

18 (6) Districts selected to participate in the pilot project must
19 submit their performance-based compensation agreements to the
20 superintendent of public instruction for approval by July 15, 2008.
21 The office shall review the agreements to ensure the components
22 required under this section are clearly detailed in the agreements and
23 that the agreements are in compliance with applicable state laws. The
24 office may approve only agreements that are legally binding on the
25 school district and the exclusive bargaining representatives beginning
26 with the 2008-09 school year.

27 (7) Beginning with the 2008-09 school year and ending with the
28 2012-13 school year, school districts with performance-based
29 compensation agreements approved under this section shall receive one
30 hundred fifteen dollars per full-time equivalent student, which shall
31 be used in combination with the amounts allocated under the statewide
32 salary allocation schedule and the omnibus appropriations act for staff
33 salaries to pay for the performance-based compensation agreements.

34 (8) The superintendent of public instruction may develop guidelines
35 for the operation of the performance-based compensation pilot projects.

36 NEW SECTION. **Sec. 2.** (1) The Washington state institute for

1 public policy shall conduct an evaluation of the performance-based
2 compensation pilot projects established under section 1 of this act,
3 including an examination of:

4 (a) Student academic progress as measured by the Washington
5 assessment of student learning and other measures, compared to similar
6 students and schools in school districts not participating in the
7 projects;

8 (b) Quality of professional development activities conducted under
9 the projects;

10 (c) Impact on recruitment and retention of staff; and

11 (d) Teacher, principal, and parent satisfaction with the projects
12 and the results.

13 (2) School districts participating in the pilot projects shall
14 assist the institute with the evaluation, including but not limited to
15 distributing surveys, conducting interviews, and providing data.

16 (3) The institute shall report its findings to the legislature by
17 December 1, 2012.

18 **Sec. 3.** RCW 28A.400.200 and 2002 c 353 s 2 are each amended to
19 read as follows:

20 (1) Every school district board of directors shall fix, alter,
21 allow, and order paid salaries and compensation for all district
22 employees in conformance with this section.

23 (2)(a) Salaries for certificated instructional staff shall not be
24 less than the salary provided in the appropriations act in the
25 statewide salary allocation schedule for an employee with a
26 baccalaureate degree and zero years of service; and

27 (b) Except as authorized under a performance-based compensation
28 agreement approved under section 1 of this act, salaries for
29 certificated instructional staff with a masters degree shall not be
30 less than the salary provided in the appropriations act in the
31 statewide salary allocation schedule for an employee with a masters
32 degree and zero years of service;

33 (3)(a) Except as authorized under a performance-based compensation
34 agreement approved under section 1 of this act, the actual average
35 salary paid to certificated instructional staff shall not exceed the
36 district's average certificated instructional staff salary used for the

1 state basic education allocations for that school year as determined
2 pursuant to RCW 28A.150.410.

3 (b) Fringe benefit contributions for certificated instructional
4 staff shall be included as salary under (a) of this subsection only to
5 the extent that the district's actual average benefit contribution
6 exceeds the amount of the insurance benefits allocation provided per
7 certificated instructional staff unit in the state operating
8 appropriations act in effect at the time the compensation is payable.
9 For purposes of this section, fringe benefits shall not include payment
10 for unused leave for illness or injury under RCW 28A.400.210; employer
11 contributions for old age survivors insurance, workers' compensation,
12 unemployment compensation, and retirement benefits under the Washington
13 state retirement system; or employer contributions for health benefits
14 in excess of the insurance benefits allocation provided per
15 certificated instructional staff unit in the state operating
16 appropriations act in effect at the time the compensation is payable.
17 A school district may not use state funds to provide employer
18 contributions for such excess health benefits.

19 (c) Salary and benefits for certificated instructional staff in
20 programs other than basic education shall be consistent with the salary
21 and benefits paid to certificated instructional staff in the basic
22 education program.

23 (4) Salaries and benefits for certificated instructional staff may
24 exceed the limitations in subsection (3) of this section only by
25 separate contract for additional time, additional responsibilities, or
26 incentives. Supplemental contracts under this subsection may be
27 incorporated into a performance-based compensation agreement approved
28 under section 1 of this act. Supplemental contracts shall not cause
29 the state to incur any present or future funding obligation.
30 Supplemental contracts shall be subject to the collective bargaining
31 provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240,
32 shall not exceed one year, and if not renewed shall not constitute
33 adverse change in accordance with RCW 28A.405.300 through 28A.405.380.
34 No district may enter into a supplemental contract under this
35 subsection for the provision of services which are a part of the basic
36 education program required by Article IX, section 3 of the state
37 Constitution.

1 (5) Employee benefit plans offered by any district shall comply
2 with RCW 28A.400.350 and 28A.400.275 and 28A.400.280.

3 **Sec. 4.** RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each
4 amended to read as follows:

5 (1) School district employees shall be provided an annual salary
6 cost-of-living increase in accordance with this section.

7 (a) The cost-of-living increase shall be calculated by applying the
8 rate of the yearly increase in the cost-of-living index to any state-
9 funded salary base used in state funding formulas for teachers and
10 other school district employees. Beginning with the 2001-02 school
11 year, and for each subsequent school year, except for the 2003-04 and
12 2004-05 school years, each school district shall be provided a cost-of-
13 living allocation sufficient to grant this cost-of-living increase.

14 (b) A school district shall distribute its cost-of-living
15 allocation for salaries and salary-related benefits in accordance with
16 the district's salary schedules, collective bargaining agreements, and
17 compensation policies. No later than the end of the school year, each
18 school district shall certify to the superintendent of public
19 instruction that it has spent funds provided for cost-of-living
20 increases on salaries and salary-related benefits.

21 (c) Any funded cost-of-living increase shall be included in the
22 salary base used to determine cost-of-living increases for school
23 employees in subsequent years. For teachers and other certificated
24 instructional staff, the rate of the annual cost-of-living increase
25 funded for certificated instructional staff shall be applied to the
26 base salary used with the statewide salary allocation schedule
27 established under RCW 28A.150.410 and to any other salary models used
28 to recognize school district personnel costs. For school districts
29 with a performance-based compensation agreement approved under section
30 1 of this act, the annual cost-of-living increase shall be applied only
31 to the base salary used with the statewide salary allocation schedule.

32 (2) For the purposes of this section, "cost-of-living index" means,
33 for any school year, the previous calendar year's annual average
34 consumer price index, using the official current base, compiled by the
35 bureau of labor statistics, United States department of labor for the
36 state of Washington. If the bureau of labor statistics develops more
37 than one consumer price index for areas within the state, the index

1 covering the greatest number of people, covering areas exclusively
2 within the boundaries of the state, and including all items shall be
3 used for the cost-of-living index in this section.

4 **Sec. 5.** RCW 41.59.935 and 1990 c 33 s 571 are each amended to read
5 as follows:

6 Nothing in this chapter shall be construed to grant employers or
7 employees the right to reach agreements regarding salary or
8 compensation increases in excess of those authorized in accordance with
9 RCW 28A.150.410 and 28A.400.200, and, if applicable, a performance-
10 based compensation agreement approved under section 1 of this act.

11 NEW SECTION. **Sec. 6.** This act expires September 1, 2013.

--- END ---