

# HOUSE BILL REPORT

## HB 2422

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### As Reported by House Committee On: Appropriations

**Title:** An act relating to restoring the suspended inflationary increases in educational employee compensation.

**Brief Description:** Restoring the suspended inflationary increases in educational employee compensation.

**Sponsors:** Representatives Dunshee, Haigh, Bergquist, Haler, Muri, Stonier, Blake, Walkinshaw, Riccelli, Appleton, Habib, Senn, Tarleton, Reykdal, Sawyer, Seaquist, Fey, Wylie, Goodman, Gregerson, Robinson, Sells, Moeller, Ryu, Moscoso, Kirby, Tharinger, Takko, Santos, Fitzgibbon, S. Hunt, Freeman, Farrell, Morrell, Pollet, Stanford, Green, Van De Wege, Hudgins, Orwall, Lytton, Jinkins, Ormsby, Carlyle, Morris, Condotta, Kagi, Pettigrew, Hurst, Cody, Hansen, Hawkins and Hope.

#### **Brief History:**

##### **Committee Activity:**

Appropriations: 2/4/14, 3/1/14 [DP].

#### **Brief Summary of Bill**

- Restores the Initiative 732 cost-of-living adjustment, beginning in fiscal year 2015.
- Restores inflationary adjustments to the National Board for Professional Teaching Standards certification bonus, beginning in fiscal year 2015.

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#### **HOUSE COMMITTEE ON APPROPRIATIONS**

**Majority Report:** Do pass. Signed by 19 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Carlyle, Cody, Dunshee, Green, Haigh, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, Morrell, Parker, Pettigrew, Seaquist, Springer, Sullivan and Tharinger.

**Minority Report:** Do not pass. Signed by 12 members: Representatives Chandler, Ranking Minority Member; Ross, Assistant Ranking Minority Member; Wilcox, Assistant Ranking

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Minority Member; Buys, Christian, Dahlquist, Fagan, Haler, Harris, G. Hunt, Schmick and Taylor.

**Staff:** Jessica Harrell (786-7349).

**Background:**

Initiative 732 Cost-of-Living Adjustments.

Initiative 732 (I-732) was approved by voters in the November 2000 general election. It required the state to provide an annual cost-of-living adjustment (COLA) for K-12 teachers and other public school employees, as well as community and technical college academic employees and classified employees at technical colleges. The COLA is based on the Seattle-area Consumer Price Index (CPI) from the most recently completed calendar year.

Including the current biennia, the I-732 COLA has been suspended during four of seven biennia since its approval by voters. The prior biennial suspensions occurred during the 2003-05, 2009-11, and 2011-13 biennia. The current suspension of the COLA was adopted by the Legislature in Chapter 5, Laws of 2013, 2nd sp.s. (HB 2043). At the time of the most recent COLA suspension, the Seattle CPI estimates were 2.5 percent for the 2013-14 school year, and 1.8 percent for the 2014-15 school year. The current estimate for the 2014-15 school year, as of November 2013, is 1.3 percent. The next updated estimate for the calendar year 2013 Seattle CPI should be available the third week of February 2014.

National Board for Professional Teaching Standards Program.

The National Board for Professional Teaching Standards (NBPTS) program provides an opportunity for teachers to seek an advanced teaching credential by undertaking a rigorous application process. Once earned, the certification is valid for 10 years. Washington is in its fourteenth year of participation in the NBPTS program. In 2000 Washington had 71 NBPTS-certified teachers. The Office of the Superintendent of Public Instruction projects 5,878 teachers will be certified in the 2014-15 school year, of which 521 teachers will be in their first year of certification.

Inflationary increases to the National Board Bonus are based on a payment of \$5,000 in the 2007-08 school year, adjusted for inflation each year thereafter. The inflation adjustments to the bonus for school years 2013-14 and 2014-15 were also suspended by the Legislature in Chapter 5, Laws of 2013, 2nd sp.s. (HB 2043). Based on current inflation-estimates, the inflation adjusted National Board Bonus for the 2014-15 year would have been \$5,549, up from the \$5,090 bonus included in the current enacted budget.

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**Summary of Bill:**

The I-732 COLA is restored beginning in fiscal year 2015 for all applicable education employees. Inflation adjustments for the NBPTS certification bonus are also restored for the 2014-15 school year.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on July 1, 2014.

**Staff Summary of Public Testimony:**

(In support) Paraeducators make a difference in the futures of their students every day and their compensation does not reflect that. Education professionals did their part during the recession and have gone six years without a cost of living increase. It's a modest and adequate step toward meeting the Legislature's obligations to meet the McCleary decision. New laws, new pressures, less time, and more responsibility have eroded the morale of the state's teaching workforce. Teacher after amazing teacher might choose to stay if they knew they were valued. Raises have been limited to what is bargained with the school districts. Current pay levels make it difficult to encourage the next generation to enter the teaching profession. Teachers dedicate themselves to their students. When those teachers have to work a second job to make ends meet, their focus is taken away from their students. There is a crisis in the profession. Forty-six percent of teachers leave in their first five years of teaching because they can't pay their bills and they don't feel like they are appreciated. The six years of COLA cuts equate to a loss of 16.5 percent in buying power. The COLA should be restored retroactively.

Community and technical college employees face challenges every day to meet the needs of a very diverse student group. Salaries have been frozen at just \$45,000 despite an average beginning salary in the market that is \$7,000 to \$8,000 more. Nearly 60 percent of the full-time faculty will need to be replaced as they move to retirement. It will be difficult to meet those replacement needs when COLA's are not provided and the starting salaries are so much lower than what the market demands.

(Opposed) None.

**Persons Testifying:** Representative Dunshee, prime sponsor; Cathy Smith, Julie Salvi, and Ruth Windhoverand, Washington Education Association; Rina York, Sumner School District; Kimberly Ramsey, Puyallup School District; Katherine Redman, Franklin Pierce School District; Chase Parsley, Kent School District; Barb Randall Saleh, Dove John, and Kimberly McRae, American Federation of Teachers Washington; Tim Kopp; Lani Todd, Service Employees International Union Local 925; Dan Steele, Washington Association of School Administrators; Christian Dube, International Union of Operating Engineers, Local 286; Tim Voie, Tumwater Education Association; and Patrick Nicholson, Brownsville Elementary School.

**Persons Signed In To Testify But Not Testifying:** None.