

SENATE BILL REPORT

SB 5194

As of April 24, 2013

Title: An act relating to reducing adjustments to compensation for educational and academic employees.

Brief Description: Reducing educational employee cost-of-living adjustments and bonuses.

Sponsors: Senator Honeyford; by request of Office of Financial Management.

Brief History:

Committee Activity: Ways & Means: 4/23/13.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Elise Greef (786-7708)

Background: Initiative 732. Initiative 732 (I-732) was approved by the voters in the November 2000 general election. It requires the state to provide an annual cost of living adjustment (COLA) for K-12 teachers and other public school employees, as well as community college 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.

In 2003, after the Washington Supreme Court ruled in *McGowan v. State* regarding interpretation of the state's funding obligation, the statute was enacted to specify that the state must provide funding for cost-of-living increases for K-12 state-funded formula staff units only.

Legislation was enacted to suspend I-732 for the 2003-05 biennium. Therefore, no COLAs were provided for the 2003-04 or 2004-05 school years. However, a salary adjustment was provided that biennium for state formula certificated instructional staff in their first seven years of service. Legislation again suspended I-732 for the 2009-11 and the 2011-13 biennia.

Initiative 732 COLA adjustments assumed in the 2013-15 maintenance level budget are 2.7 percent for the 2013-14 school year, and 2.3 percent for the 2014-15 school year. According to the November 2012 forecast from the Economic Revenue and Forecasting Council, the Seattle CPI is 2.7 percent for calendar year 2012 (applicable to school year 2013-14) and 2.3 percent for calendar year 2013 (applicable to school year 2014-15).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

National Board for Professional Teaching Standards Program. The National Board for Professional Teaching Standards (NBPTS) provides an opportunity for teachers to seek an advanced teaching credential by undertaking a rigorous application process. Once earned, the certification is valid for ten years. The application process requires candidates to complete ten assessments that are reviewed by trained educators. The assessments include four portfolio entries that feature teaching practice and six constructed response exercises that assess subject knowledge. The NBPTS program was created in 1987 after several important research reports documented emerging needs for outcomes-based professional development in the teaching profession. The NBPTS program is framed around five core principles which shape the requirements of certification. They include the following:

- teachers are committed to students and their learning;
- teachers know the subjects they teach and how to teach those subjects to students;
- teachers are responsible for managing and monitoring student learning;
- teachers think systematically about their practice and learn from experience; and
- teachers are members of learning communities.

Washington is in its 12th year of participation in the program. In 2000 Washington had 71 NBPTS-certified teachers. The maintenance-level budget for the 2013-15 biennium assumes 6730 teachers will receive the NBPTS base bonuses of \$5,090 per teacher, plus inflation, in the 2013-14 school year while 2026 teachers will receive an additional \$5,000 per-teacher bonus for teaching in high-poverty schools. Additionally, the Office of the Superintendent of Public Instruction offers a conditional loan that funds \$2,000 of the \$2,500 fee for beginning the process of the NBPTS certification. The loan is competitive and must be repaid once a candidate achieves certification and receives a bonus.

Summary of Bill: Initiative 732 COLAs are suspended for the 2013-14 and 2014-15 school years for K-12 employees, and for the 2013-14 and 2014-15 fiscal years for applicable higher-education employees.

Bonuses for teachers certified under the NBPTS program are subject to appropriations in the operating budget for the 2013-14 and 2014-15 school years.

Appropriation: None

Fiscal Note: Available.

Committee/Commission/Task Force Created: None

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2013.

Staff Summary of Public Testimony: CON: Initiative 732 was broadly approved by the voters. Teachers and other educational employees will now go six years without a COLA, on top of a 3 percent salary cut. These COLAs were not funded in either the House or Senate budgets. The *McCleary* decision recognized the importance of staff compensation, and the Legislature did nothing to address this need. Classified employees are the lowest-paid employees in the K-12 system, and many of these employees have seen their work hours reduced and health insurance premiums increased.

Persons Testifying: CON: Randy Parr, WA Education Assn.; Doug Nelson, Public School Employees & Service Employees International Union.