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## Appropriations Committee

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### HB 1266

**Brief Description:** Concerning basic education salary review and rebase.

**Sponsors:** Representatives Sullivan, Dolan, Johnson, J., Bergquist, Santos, Kloba, Callan and Lekanoff.

#### Brief Summary of Bill

- Establishes the K-12 Basic Education Compensation Advisory Committee (Committee).
- Requires the Legislature to review data and recommendations from the Committee in rebasing state salary allocations.

**Hearing Date:** 1/26/21

**Staff:** James Mackison (786-7104).

#### Background:

The state's statutory definition of the program of K-12 basic education includes statewide salary allocations to school districts to hire and retain qualified staff for the state's program. Minimum salary allocations are defined in statute for staff generated by state school funding formulas. State salary allocations increase for inflation based on the Implicit Price Deflator for that fiscal year. Below are the minimum salary allocations for the 2020-21 school year for the three funded staff types in state formulas.

- Certificated Instructional Staff (CIS)—\$67,585
- Classified Staff—\$48,483
- Certificated Administrative Staff—\$100,321

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

A district's actual salary allocation may be adjusted based on two factors:

1. Regionalization Factor - Minimum salary allocations are adjusted for regional differences in the cost of hiring staff. Regionalization factors for school districts were set in 2017. The factors are based on differences in the median residential value of each school district and nearby districts, with adjustments of 6, 12, or 18 percent. Additional adjustments of 6 percent based on districts' actual salaries when the factors were set are also added and are reduced on a specified schedule through the 2022-23 school year. Adjustments of 6 percent are also added for districts that border others with factors that are more than two regionalization levels higher. In total, 112 districts, charter schools, and state tribal compact schools receive some adjustment for regionalization in the 2020-21 school year.
2. Experience Factor - An experience factor of 4 percent is provided to districts with above average experience and education levels for CIS. Experience factors were set for CIS salary allocations in 2018 and were assigned from the 2019-20 school year through 2022-23. In total, 56 districts receive the experience factor in the 2020-21 school year.

Beginning in 2023, and every four years thereafter, the Legislature must review and rebase basic education compensation allocations compared to school district compensation data, regionalization factors, market inflation, and other economic information. To support the rebase, the Department of Revenue will provide updated median residential value data for each district by November 1, 2022.

### **Summary of Bill:**

The K-12 Basic Education Compensation Advisory Committee (Committee) is created. The Committee must make recommendations to the Governor and the Legislature regarding compensation updates as part of the 2023 rebasing of state compensation allocations and subsequent reviews. The Committee is required to meet at least eight times from July 2021 to September 2022. The Committee must review data and develop recommendations for updates to basic education salaries based on a comparable wage analysis, regionalization, inflation factors, adjustments to promote equity considerations, and additional compensation to attract a more diverse workforce and recognize the additional work of educators. The Committee may consider other compensation issues that pertain to salaries and regionalization raised by school districts, educators, and community members. The Committee must report recommendations to the Governor and fiscal committees of the Legislature by September 30, 2022. The Legislature must review the data and recommendations of the Committee.

Members of the Committee include:

- The Governor, or their designee, who serves as Chair;
- A representative of each major caucus in the House of Representatives and the Senate;
- The Superintendent of Public Instruction (the SPI), or their designee;
- A representative of the Office of the Education Ombuds;
- Fourteen representatives from school communities and staff appointed by the SPI, one for

each organization that represents school boards, parents, and a dozen school job categories for instructional, administrative, and classified staff;

- A representative of federally recognized Indian tribes whose traditional lands lie within the borders of Washington; and
- Four members appointed by the Governor in consultation with the state ethnic commissions, who represent the following populations: African Americans, Hispanic Americans, Asian Americans, and Pacific Islander Americans.

Staff support for the Committee is provided by the Office of Financial Management (OFM), the Department of Revenue, the Employment Security Department, the Office of the Superintendent of Public Instruction, the Education Research and Data Centers, non-partisan staff from the House of Representatives and Senate, and the Legislative Evaluation and Accountability Program Committee. The OFM must convene a staff working committee with participants from each of the supporting organizations to provide analysis to the Committee.

The OFM must reimburse members for travel expenses and may reimburse school districts for substitute costs incurred due to staff participation in the Committee.

The deadline for updated median residential value data from the Department of Revenue is moved ahead to September 1, 2021, and every four years thereafter, to aid the Committee's work.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.