

2SSB 5955 - H AMD TO ED COMM AMD (H3180.1) **585**
By Representative Jarrett

FAILED 4/9/2007

1 On page 10, after line 34 of the striking amendment, insert the
2 following:

3 "NEW SECTION. **Sec. 14.** A new section is added to chapter
4 28A.400 RCW to read as follows:

5 A performance-based compensation pilot project for certificated
6 instructional staff in public schools is established under this
7 section for two school districts.

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

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

15 (b) A description of the process by which the district and the
16 exclusive bargaining representative will complete a performance-
17 based compensation agreement;

18 (c) Commitment by all parties of time during the planning year
19 for the joint development of the agreement and development of the
20 performance evaluation, salary schedule, and professional
21 development components of the agreement;

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

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

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

30 (2) Applications shall be submitted to the superintendent of
31 public instruction by November 1, 2007. The superintendent may

1 approve one application from the West side of the state and one
2 application from the East side of the state and shall provide
3 notice of approvals no later than January 31, 2008.

4 (3) Districts selected to participate in the pilot project, in
5 collaboration with their exclusive bargaining representatives,
6 shall develop the components of performance-based compensation
7 agreements during the remainder of the 2007-08 school year. At a
8 minimum, agreements must:

9 (a) Describe how certificated instructional staff can achieve
10 career advancement and additional compensation, including how the
11 school district will provide career advancement options that allow
12 staff who provide direct instruction to retain primary roles in
13 student instruction;

14 (b) Restructure the traditional salary schedule from one based
15 on years of experience, educational degrees, and credits of
16 continuing education to a new salary schedule that bases a
17 significant proportion of any compensation increase on staff
18 performance, measured using schoolwide student achievement gains on
19 the Washington assessment of student learning and other objective
20 student assessments, other indicators of student achievement, and
21 an objective performance evaluation system;

22 (c) Provide for ongoing school and classroom-based professional
23 development activities that are designed to improve instructional
24 skills, aligned with the school improvement plan, based on
25 identified student learning needs and goals, and provided by
26 trained mentor teachers and coaches;

27 (d) Ensure that the compensation of any staff shall not
28 decrease as a result of implementing the agreement; and

29 (e) Estimate the costs to implement the agreement.

30 (4) The objective performance evaluation system under this
31 section must include individual evaluations that are conducted by
32 the building principal or other district staff and other
33 evaluations using multiple criteria that are conducted by a jointly
34 selected and trained evaluation team using a standards-based
35 evaluation instrument and process.

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

1 (6) Districts selected to participate in the pilot project must
2 submit their performance-based compensation agreements to the
3 superintendent of public instruction for approval by July 15, 2008.
4 The office shall review the agreements to ensure the components
5 required under this section are clearly detailed in the agreements
6 and that the agreements are in compliance with applicable state
7 laws. The office may approve only agreements that are legally
8 binding on the school district and the exclusive bargaining
9 representative beginning with the 2008-09 school year.

10 (7) Beginning with the 2008-09 school year and ending with the
11 2012-13 school year, school districts with performance-based
12 compensation agreements approved under this section shall receive
13 one hundred fifteen dollars per full-time equivalent student, which
14 shall be used in combination with the amounts allocated under the
15 statewide salary allocation schedule for certificated instructional
16 staff to pay for the performance-based compensation agreements.

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

20 NEW SECTION. **Sec. 15.** (1) The Washington state institute for
21 public policy shall conduct an evaluation of the performance-based
22 compensation pilot projects established under section 14 of this
23 act, including an examination of:

24 (a) Student academic progress as measured by the Washington
25 assessment of student learning and other measures, compared to
26 similar students and schools in school districts not participating
27 in the projects;

28 (b) Quality of professional development activities conducted
29 under the projects;

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

31 (d) Teacher, principal, and parent satisfaction with the
32 projects and the results.

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

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

1 **Sec. 16.** RCW 28A.400.200 and 2002 c 353 s 2 are each amended
2 to read as follows:

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

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

10 (b) Except as authorized under a performance-based compensation
11 agreement approved under section 14 of this act, s alaries for
12 certificated instructional staff with a masters degree shall not be
13 less than the salary provided in the appropriations act in the
14 statewide salary allocation schedule for an employee with a masters
15 degree and zero years of service;

16 (3)(a) Except as authorized under a performance-based
17 compensation agreement approved under section 14 of this act, the
18 actual average salary paid to certificated instructional staff
19 shall not exceed the district's average certificated instructional
20 staff salary used for the state basic education allocations for
21 that school year as determined pursuant to RCW 28A.150.410.

22 (b) Fringe benefit contributions for certificated instructional
23 staff shall be included as salary under (a) of this subsection only
24 to the extent that the district's actual average benefit
25 contribution exceeds the amount of the insurance benefits
26 allocation provided per certificated instructional staff unit in
27 the state operating appropriations act in effect at the time the
28 compensation is payable. For purposes of this section, fringe
29 benefits shall not include payment for unused leave for illness or
30 injury under RCW 28A.400.210; employer contributions for old age
31 survivors insurance, workers' compensation, unemployment
32 compensation, and retirement benefits under the Washington state
33 retirement system; or employer contributions for health benefits in
34 excess of the insurance benefits allocation provided per
35 certificated instructional staff unit in the state operating
36 appropriations act in effect at the time the compensation is
37 payable. A school district may not use state funds to provide
38 employer contributions for such excess health benefits.

1 (c) Salary and benefits for certificated instructional staff in
2 programs other than basic education shall be consistent with the
3 salary and benefits paid to certificated instructional staff in the
4 basic education program.

5 (4) Salaries and benefits for certificated instructional staff
6 may exceed the limitations in subsection (3) of this section only
7 by separate contract for additional time, additional
8 responsibilities, or incentives. Supplemental contracts under this
9 subsection may be incorporated into a performance-based
10 compensation agreement approved under section 14 of this act.

11 Supplemental contracts shall not cause the state to incur any
12 present or future funding obligation. Supplemental contracts shall
13 be subject to the collective bargaining provisions of chapter 41.59
14 RCW and the provisions of RCW 28A.405.240, shall not exceed one
15 year, and if not renewed shall not constitute adverse change in
16 accordance with RCW 28A.405.300 through 28A.405.380. No district
17 may enter into a supplemental contract under this subsection for
18 the provision of services which are a part of the basic education
19 program required by Article IX, section 3 of the state
20 Constitution.

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

23 **Sec. 17.** RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each
24 amended to read as follows:

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

27 (a) The cost-of-living increase shall be calculated by applying
28 the rate of the yearly increase in the cost-of-living index to any
29 state- funded salary base used in state funding formulas for
30 teachers and other school district employees. Beginning with the
31 2001-02 school year, and for each subsequent school year, except
32 for the 2003-04 and 2004-05 school years, each school district
33 shall be provided a cost-of- living allocation sufficient to grant
34 this cost-of-living increase.

35 (b) A school district shall distribute its cost-of-living
36 allocation for salaries and salary-related benefits in accordance
37 with the district's salary schedules, collective bargaining
38 agreements, and compensation policies. No later than the end of

1 the school year, each school district shall certify to the
2 superintendent of public instruction that it has spent funds
3 provided for cost-of-living increases on salaries and salary-
4 related benefits.

5 (c) Any funded cost-of-living increase shall be included in the
6 salary base used to determine cost-of-living increases for school
7 employees in subsequent years. For teachers and other certificated
8 instructional staff, the rate of the annual cost-of-living increase
9 funded for certificated instructional staff shall be applied to the
10 base salary used with the statewide salary allocation schedule
11 established under RCW 28A.150.410 and to any other salary models
12 used to recognize school district personnel costs. For school
13 districts with a performance-based compensation agreement approved
14 under section 14 of this act, the annual cost-of-living increase
15 shall be applied only to the base salary used with the statewide
16 salary allocation schedule.

17 (2) For the purposes of this section, "cost-of-living index"
18 means, for any school year, the previous calendar year's annual
19 average consumer price index, using the official current base,
20 compiled by the bureau of labor statistics, United States
21 department of labor for the state of Washington. If the bureau of
22 labor statistics develops more than one consumer price index for
23 areas within the state, the index covering the greatest number of
24 people, covering areas exclusively within the boundaries of the
25 state, and including all items shall be used for the cost-of-living
26 index in this section.

27 **Sec. 18.** RCW 41.59.935 and 1990 c 33 s 571 are each amended to
28 read as follows:

29 Nothing in this chapter shall be construed to grant employers
30 or employees the right to reach agreements regarding salary or
31 compensation increases in excess of those authorized in accordance
32 with RCW 28A.150.410 and 28A.400.200, and, if applicable, a
33 performance-based compensation agreement approved under section 14
34 of this act.

35 NEW SECTION. **Sec. 19.** Sections 14 through 18 of this act
36 expire September 1, 2013."

1 Renumber the remaining section consecutively and correct
2 internal references accordingly.

EFFECT: A performance-based compensation pilot project is authorized for two school districts. Districts apply for the project by submitting a proposal signed by the school board and the exclusive bargaining representative of certificated instructional staff. Selected districts develop specified components of a performance-based compensation agreement during the 2007-08 school year and submit the agreements for review by SPI by July 15, 2008. If SPI approves, the agreements are implemented beginning in 2008-09. Participating districts receive \$115 per student in additional funding to implement the agreements. The Washington State Institute for Public Policy evaluates the pilot projects, which expire September 1, 2013.