
Education Committee

HB 2348

Brief Description: Creating a housing allowance program for nonsupervisory educational employees.

Sponsors: Representatives Ruderman, Jarrett, Santos, Upthegrove, McIntire, Sommers, Schual-Berke, Conway, Wood, Esser, Kagi and Nixon.

Hearing Date: 2/4/02

Staff: Susan Morrissey (786-7111).

Background:

In December 2000, the Office of Financial Management (OFM) reported that: (1) housing costs account for most of the differences in the cost of living among regions in Washington; (2) about two-thirds of teacher households in Washington are homeowner households; (3) estimated differences in annual homeowner costs by school district range from approximately \$8,000 in Klickitat County to more than \$42,000 in King County; and (4) the median annual homeowner cost for the 1998-99 school year was \$16,000.

There are state and private programs in Washington providing home-buying assistance for qualified buyers. However, these programs are not specifically designed to assist school employees.

Summary of Bill:

Eligible school districts may provide a housing allowance to non-supervisory classified and certificated employees. School districts in which housing costs exceed the statewide median would be eligible to provide the housing allowance using funds collected through maintenance and operation levies. The current levy lid for maintenance and operation levies would not apply to levies for the support of the housing allowance. Housing allowance levies also would not be considered in determining a district's eligibility for local effort assistance, also called levy equalization.

The Office of the Superintendent of Public Instruction (OSPI) would select a nationally recognized entity to collect statistically valid housing cost data. The selection would be subject to approval by legislative fiscal committees and the OFM. Once every four years, the contractor would collect data on the cost of housing for each school district and on the

statewide median, based on a standard set of housing specifications and on the most recently available data.

There is a formula that determines the maximum amount of money that may be raised in a levy for the housing allowance. The formula is based on the number of eligible employees multiplied by the differences between the district's cost of housing and the median cost of housing statewide. In addition, the difference between the district's cost of housing and the statewide median will not exceed 50 percent of the median.

The amount of the housing allowance paid to employees is subject to collective bargaining. The allowance could not be paid to retired employees.

The housing allowance would not be considered: (1) within the definition of basic education; nor (2) salary for the purposes of current district-level salary limitations and supplemental contracts; nor (3) earnable compensation for the purposes of retirement benefits.

The OSPI will administer the program and adopt rules for its implementation.

Appropriation: None.

Fiscal Note: Requested on 1/30/02.

Effective Date: Ninety days after adjournment of session in which bill is passed.