

SENATE BILL REPORT

HB 1631

As Reported by Senate Committee On:
Higher Education & Workforce Development, March 18, 2011
Ways & Means, April 1, 2011

Title: An act relating to salary increments for academic employees at community and technical colleges.

Brief Description: Providing for academic employee salary increments for community and technical colleges.

Sponsors: Representatives Reykdal, Hope, Sells, Haigh, Seaquist, Rolfes, Santos, Appleton and Kenney.

Brief History: Passed House: 3/02/11, 55-42.

Committee Activity: Higher Education & Workforce Development: 3/16/11, 3/18/11 [DPA-WM, DNP].

Ways & Means: 3/31/11, 4/01/11 [DPF].

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Tom, Chair; Shin, Vice Chair; Kastama, Kilmer and White.

Minority Report: Do not pass.
Signed by Senators Hill, Ranking Minority Member; Becker and Ericksen.

Staff: Kimberly Cushing (786-7421)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Maria Hovde (786-7710)

Background: Salary increments are increases in pay for faculty who upgrade their skills and experiences. Increment funding is not automatic. Salary increments are available only if funding is provided in the budget. However, the Legislature gave special authorization in fiscal years 2010 and 2011 to the State Board for Community and Technical Colleges (SBCTC) to use turnover savings to help fund salary increments.

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.

Currently, every fiscal year, with the exception of the 2009-10 and 2010-11 fiscal years, each college district receives a cost-of-living allocation sufficient to increase community and technical college academic employees salaries, including mandatory salary-related benefits, by the rate of the yearly increase in the cost-of-living index.

Community and technical college districts distribute their cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and other compensation policies. At the end of each fiscal year, each college district certifies to the SBCTC that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits. The SBCTC includes any funded cost-of-living increase in the salary base used to determine cost-of-living increases for academic employees in subsequent years.

Summary of Bill: As part of its biennial budget, the SBCTC must request funds which, together with academic turnover savings, are sufficient to cover the projected state-funded costs of increments for the community and technical college system. Increments means an increase in the base salary of an academic employee and may be based on time, completing specific requirements, or a combination of time and requirements. The basis for the request must be 0.8 percent of an academic employee's salary base plus the value of any associated benefits. The SBCTC must determine the allocation of funds appropriated by this purpose, provided any appropriations generated from the proportionate share for the part-time faculty salary base is only accessible for part-time faculty. The board of trustees must award employee salary increments based on local collective bargaining agreements.

Funds allocated by the SBCTC to boards of trustees for part-time faculty may be used for cost-of-living increases for part-time faculty. The boards of trustees may combine the allocated employee salary increments with cost-of-living salary adjustments. To the extent the cost-of-living salary funding is used to pay employee increments, the cost-of-living increase should be reduced by the same amount.

Awards of academic employee salary increments must be suspended if there is a (1) reduction of allotments by the Governor, or (2) reduction by the Legislature from one biennium to the next or within a biennium of appropriated funds based on constant dollars using the implicit price deflator.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (Recommended Amendments): The striking amendment does the following:

- adds language that suspends academic employee salary increments if there is a (1) reduction of allotments by the Governor, or (2) reduction by the legislature from one biennium to the next or within a biennium of appropriated funds.
- removes the provision that in years when the Legislature does not provide funding for faculty salary increments, a board of trustees may use additional funds that exceed those provided by the Legislature.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill (Higher Education & Workforce Development): PRO: Faculty in two-year college system is one employee group whose step increases do not get automatically funded by formula or by statute. The Legislature has a good track record of funding every two years. However, this bill would suggest to the Legislature that in those years where it can't afford to fund increments, the local boards may fund this out of other funds. Universities have this ability, as does K-12 through collective bargaining. Now that tuition becomes a larger portion of colleges' budgets, what other steps do faculty have in times of fiscal crises? This allows local boards to set up a collaborative process to work together to see if funding is available and to prioritize whether to keep faculty moving on their steps. Tuition is not the only source of funds available to colleges. It is not a good idea in the long run to fund permanent sources on short-term funds. This bill would give colleges the entrepreneurial flexibility to attract and retain the kinds of faculty we need to make economy grow. We are currently losing faculty to out-of-state colleges who can offer opportunity for advancement. This will help to recruit more nurses as faculty to teach in faculty programs, because it is difficult to recruit nurses now when they earn more working in hospitals. Many faculty colleagues are no longer taking professional development because their increments are not paid. The funding mechanism for increments should not be dependent on a line item in the budget.

This bill would guarantee that part-time faculty would get a proportionate share and is an investment in their future. The part-time faculty salary base portion will go to those faculty members and puts in place the notion that part-time faculty will not lose ground to full-time faculty. Part-time faculty can have nothing, or a proportionate share.

CON: We are opposed because part-time faculty don't bargain for increments. There is no establishment of a salary increment schedule. Without increments an adjunct in his first year and one in his second decade earn the same amount of salary. There is no part-time turnover savings because there is no differential salaries. Part-time and full-time faculty do not earn the same pay for teaching the same class. The bill will increase the pay disparity between salaries because the full-time faculty have a higher base salary. Another bill is needed. We would like to see the salary gap closed.

We support faculty increments but are concerned with allowing boards of trustees to decide to use extra funds in years when the Legislature doesn't appropriate funds for increments. Extra tuition revenue is used to cover dropping enrollment and to open additional sections of classes. We don't want salary obligations to compete with class funding. When not all funding obligations are met, layoffs occur. Administrators and boards have great respect for collective bargaining, but this bill would lead to negative outcomes including a move to rely on a quickly changing source of funds (tuition) for fixed expenses (salaries); a move away from ability to respond to direct enrollment; and a potential source of significant conflict between trustees, faculty, and administrators. Local salary negotiations will result in significant disparities between colleges.

Persons Testifying (Higher Education & Workforce Development): PRO: Representative Reykdal, prime sponsor; Kathryn Smith, AFTWA; Karen Stickland, Seattle AFT; Carla Naccarato Sinclair, Community Colleges of Spokane WEA; Larry Brown, Machinists Union; Ellie Menzies, SEIU-Healthcare 1199.

CON: Jack Longmate, Dana Rush, Keith Hoeller, Washington Part-Time Faculty Associates; Pamela Transue, Tacoma Community College; Patrick Schmitt, Pierce College; Mauri Moore, Edmonds Community College; John Boesenberg, SBCTC.

Staff Summary of Public Testimony (Ways & Means): No public hearing was held.

Persons Testifying (Ways & Means): N/A.