

SENATE BILL REPORT

SB 5507

As of February 27, 2011

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

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

Sponsors: Senators Kilmer, White, Chase, Nelson, Keiser, Conway, Kline, Kohl-Welles and Murray.

Brief History:

Committee Activity: Higher Education & Workforce Development: 2/11/11, 2/18/11 [DPS-WM, DNP].

Ways & Means: 2/25/11.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5507 be substituted therefor, and the substitute bill do pass 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.

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.

Currently, every fiscal year, each college district receives a cost-of-living allocation sufficient to increase community and technical college academic employees salaries, including

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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 State Board of Community and Technical Colleges (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.

The SBCTC may declare a financial emergency under the following conditions: (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.

Summary of Bill (Recommended Substitute): 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 Substitute): It removes the second paragraph of the intent section, which required the SBCTC to examine the concept of a statewide salary allocation model and to present its recommendation to the Legislature no later than December 1, 2012.

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: There is value in setting forth a policy that adequately sets out funding. This bill moves the discussion from policy to funding. Faculty currently earn increments through a locally negotiated combination of professional development and experiences. The use of the formula in the bill will pay one year's worth of increments. Even without a salary increment schedule for part-timers, they will share as well. The bill doesn't alleviate requirement to request funds from the Legislature. It is good policy to encourage faculty to pursue professional development. We are proud of the faculty across the state. With falling resources, the faculty have stepped up to do more work with less money. A measure of overall student achievement, shows they are up over 26 percent, which is substantial improvement in overall educational effectiveness. Each of the 30 college districts has a unique contract with locally determined increments. This is about putting increments in statute to ensure the money is there. Unless the budget declines precipitously, the state will keep its commitment. It is clear when the trigger suspends money. Without increments it is difficult to recruit and hire people in technical fields who are already taking a pay cut. Salary increments are an important retention tool for faculty, provide predictability of compensation for a career path, and allow for a rational compensation system. When faculty leave the colleges lose momentum and the ability to continue to build programs. Regularly funding increments would solve a major systems problem. Washington faculty are 13 percent underpaid compared to other states. Community and technical college faculty are treated different from all other employees in the state without automatic increases. A predictable funding stream would encourage colleges to plan step increases. There is no research on income increases impacting student achievement in Washington, but we are looking for continued ways to incentivize faculty. Differential in pay across colleges has been built up over time. Local bargaining has caused this disparity, and it is a huge problem with part-time faculty. The Legislature previously gave money specifically for equalizing salaries. We want to create a level playing field for faculty, and this helps to narrow the gap between part-time and full-time. The bill is necessary for all faculty members. There is nothing worse than not being paid what you know you are worth. There is a slight flaw in bill, section 1(2) is not necessary, because a review of salaries has been done already.

CON: The bill is unfair to adjunct faculty and ratifies the current system of increments which contributes to salary disparity. It continues to allow turnover savings to go to full-timers. Allows colleges to distribute increment money to all part-timers. Allows colleges to distribute money based on salary schedules, but they don't exist for part-timers. Unions are run by tenured faculty that are full-time. There are no salary gains at the local level. Giving part-timers their own union might help. I agree with the intent of the bill to regularize funding increments, but the bill fails to establish an increment schedule for part-time faculty. If increment funds are used as general adjunct salary increases, it will become difficult to modify this and get an increments schedule. An amendment should be offered to disallow the provision placing increment funds intended for adjuncts into general salary increases and to stipulate that each college be called upon to bargain increments for their faculty.

Persons Testifying (Higher Education & Workforce Development): PRO: Senator Kilmer, prime sponsor; Charlie Earl, John Boesenberg, SBCTC; Denise Yochum, Pierce College; Sandra Schoroeder, American Federation of Teachers (AFT)-WA; Sharon Mitchler, Bernal Baca, AFT-WA, Centralia College; Kathryn Smith, AFT-WA, Cover Park Tech.; Ruth Windhover, Washington Education Assn. (WEA)–Higher Education, Highline Community College; Katy Baldwin, WEA-Higher Education, Olympic College.

CON: Keith Hoellen, Washington Part-Time Faculty Associations; Jack Longmate, Olympic College, Washington Part-Time Faculty Association.

Staff Summary of Public Testimony on Recommended Substitute (Ways & Means):
PRO: An important difference in this bill from one offered last biennium is that during an instance of financial emergency the salary increments would not happen, which is sound public policy. Currently, community and technical college employees are the only type of employee where there is no presumption of salary increases, and they have to advocate for that separately. This would provide a process to achieve good compensation to our faculty which will ultimately benefit the students. This bill sends an important message to the faculty that the Legislature supports them. Salary increments are an effective and important tool to motivate faculty to maintain their knowledge in their subject areas and in teaching. This is good policy with important budget safeguards.

Persons Testifying (Ways & Means): PRO: Senator Kilmer, prime sponsor; Bernal Bacca, AFT Washington; John Boesenberg, State Board for Community and Technical Colleges.