Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Education Committee

HB 2573

Brief Description: Concerning the shortage of public school teachers and substitute teachers.

Sponsors: Representatives Santos, Magendanz, Kilduff, Reykdal, Rossetti, Muri, Pollet and Hickel; by request of Superintendent of Public Instruction.

Brief Summary of Bill

- Requires that the salary for beginning teachers be increased as specified.
- Requires the development and implementation of a comprehensive, statewide initiative to increases the number of qualified individuals who apply for teaching positions in Washington, including providing hiring bonuses, recruiting activities, and creating a statewide central application depository.
- Requires that certain experienced out-of-state teachers be issued a Washington state Professional Certificate.
- Expands the Pipeline for Paraeducators Conditional Scholarship Program to alternate route candidates seeking elementary and early childhood endorsements.
- Provides that certain retired teachers may work as substitute teachers without a suspension of their pension benefits.
- Appropriates \$3.6 million for the Future Teachers Conditional Scholarship Account.

Hearing Date: 1/25/16

Staff: Megan Wargacki (786-7194).

Background:

McCleary Ruling and Subsequent Orders.

In the 2012 *McCleary* ruling, the state Supreme Court determined that the state had failed to fulfill its constitutional duty to make ample provision for the education of all children. Among other things, the court ruled that the state funding formulas failed to allocate sufficient funding to

House Bill Analysis - 1 - HB 2573

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.

hire and retain staff to implement the state's program of basic education. In subsequent orders, the court has directed the state to provide the court with a year-by-year plan for full funding of all aspects of basic education. In 2014 the court declared that the state's failure to submit a plan constituted contempt of court, and in 2015 the court imposed sanctions against the state.

Teacher Salary Allocation Schedule.

Funding for certificated instructional staff (CIS), including teachers, is allocated based on a salary allocation schedule, or 'grid,' which provides salary values that increase based on educational credit and years of experience. Each district's CIS allocation is based on its 'staff mix,' that is, the distribution on the state salary grid of the CIS hired by the district.

In general, state salary funding is for allocation purposes only, and school districts are not required to pay CIS salaries according to the state CIS salary grid. Instead, actual CIS salaries are determined by each district's collective bargaining agreements. However, the state places some restrictions on the actual salaries districts may pay, including that CIS salaries may exceed certain limits only by separate contract for additional time, responsibility, or incentive (TRI). Under the TRI restrictions, supplemental contracts may not be used to pay for services that are part of the state's program of basic education.

A report issued in 2012 by the Compensation Technical Working Group (CTWG) (created in ESHB 2261, enacted as ch. 548 Laws of 2009) recommended increasing the starting salary for teachers, providing fair market based salaries according to a grid structured to the stages of the career continuum, adjusting periodically for cost of living increases, and limiting locally funded enhancements to ten percent of the state allocation.

Teacher Certification.

Washington has two levels of certification for classroom teachers. The first tier is the Residency Certificate, which is achieved after completion of an approved preparation program and passage of basic skills and content knowledge tests. Teachers have up to seven years to obtain a second tier certificate, called the Professional Certificate. This certification process requires a minimum of two years of experience and either completion of an external, uniform assessment adopted by the Professional Educator Standards Board (the ProTeach Portfolio) or completion of National Board Certification.

National Board Certification is a voluntary advanced teaching credential offered by the National Board for Professional Teaching Standards. A teacher can only apply for this rigorous certification after attaining three years of experience. Washington offers a monetary bonus to eligible K-12 public school teachers who become National Board Certified Teachers (NBCTs). In addition, teachers coming from out-of-state that are NBCTs are awarded the Professional Certification. With over 6,000 NBCTs, Washington has the fourth largest group of NBCTs in the nation.

Pipeline for Paraeducators Conditional Scholarship Program.

The Pipeline for Paraeducators Conditional Scholarship Program, administered by the Washington Student Achievement Council (WSAC), is available to paraeducators without a college degree who have at least three years of classroom experience. It is anticipated that candidates enrolled in this program must complete their Associate of Arts degree in two years or

less and become eligible for a mathematics, special education, or English as a second language endorsement via Route One in the Alternative Routes to Teacher Certification Program.

Future Teachers Conditional Scholarship Program.

The Future Teachers Conditional Scholarship Program was created in 1987. The program is designed to encourage into the teaching profession individuals who demonstrate outstanding academic achievement, leadership ability, willingness to commit to providing teaching service in shortage areas, and who are likely to be good role models for students. The program is administered by the WSAC.

Participants in the program incur an obligation to repay the conditional scholarship, with interest and an equalization fee, unless they teach for two years in an approved education program for each year of scholarship received. However, participants who teach in a designated teacher shortage area have one year of loan canceled for each year they teach in the shortage area. The program was last funded in fiscal year 2010 at \$1 million annually.

Postretirement Employment Options.

Washington retirement systems have various rules relating to the conditions under which a retiree may return to work for a retirement system-participating employer and continue to receive pension benefits. For members of the Teachers' Retirement System (TRS), pension benefits will generally be suspended after a member works for more than 867 hours per year with a participating employer. The TRS Plans 2 and 3 have an unreduced retirement age of 65. An early retirement formula, or factor, (ERF) was established in 2000, to permit members with 30 years of service to receive a reduced pension as early as age 55. Members retiring under this provision are able to work for up to 867 hours per year without suspension of benefits, just like those retiring at age 65. Another ERF was established in 2008 that allows members to retire with unreduced pensions beginning at age 62, but members are unable to work for a state retirement system employer until age 65 without immediate suspension of benefits. In 2012 an ERF for certain members hired after May 1, 2013 was established that would also allow retired members to work for up to first 867 hours per year without suspension of benefits.

Summary of Bill:

Beginning Teacher Salaries.

The salary for beginning teachers must be increased, with adjustments for inflation, as recommended in the CTWG Final Report, when the Legislature makes modifications to the salary allocation schedule to address the *McCleary* Supreme Court ruling.

Initiative to Increase the Number of Qualified Teacher Applicants.

The Superintendent of Public Instruction (SPI), in consultation with Educational Service Districts (ESD) and school district staff, must develop and implement a comprehensive, statewide initiative to increases the number of qualified individuals who apply for teaching positions in Washington. In developing and implementing the initiative, the SPI must:

- create a system for providing hiring bonuses to new in-state and out-of-state teachers hired in rural school districts, in high-poverty schools, and in schools with identified equity gaps that can be used for relocation expenses and to establish a new classroom;
- include a teacher recruitment component that targets individuals who may be interested in teaching in Washington public schools, such as those with teaching certificates who are

- not employed as teachers, undergraduate college students who have not chosen a major, out-of-state teachers, and military personnel and their spouses;
- contract for a statewide central application depository that can be accessed by school districts for purposes of hiring teachers and other certificated positions;
- enter into an agreement with the association of ESDs to develop a statewide system to provide recruitment and hiring services to districts, with a primary focus on small districts:
- train high school teachers on the curriculum for the Careers in Education course;
- create or enhance an existing web site that provides useful information to individuals who are interested in teaching in Washington; and
- take other actions to increase the number of qualified individuals who apply for teaching positions in Washington.

Reducing Barriers for Out-of-state Teachers.

A Professional Certificate must be issued to out-of-state teachers with five or more years of successful teaching experience if:

- The teacher holds a valid teaching credential issued by the National Board for Professional Teaching Standards; or
- The teacher has a second-level teacher certificate from another state.

<u>Pipeline for Paraeducators Conditional Scholarship Program.</u>

The program is made available to paraeducators in Route One of an Alternative Route to Teacher Certification Program for elementary and early childhood endorsements.

Retired Teachers.

Certain teachers who have retired under the alternate early retirement provisions may be employed with an employer that has documented a shortage of certificated substitute teachers without a suspension of benefits if:

- The retired teacher reenters employment more than one calendar month after his or her accrual date and after the effective date of this section, and
- The retired teacher is employed exclusively as a substitute teacher in an instructional capacity.

Appropriation: An appropriation in the amount of \$3.6 million, for the fiscal year ending June 30, 2017, is made to the WSAC for the Future Teachers Conditional Scholarship Account.

Fiscal Note: Requested on 1/18/16.

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