

HOUSE BILL REPORT

HB 2851

As Reported by House Committee On:
Education

Title: An act relating to increasing compensation for school directors.

Brief Description: Increasing compensation for school directors in districts enrolling twenty thousand or more students.

Sponsors: Representatives Frame, Magendanz, Bergquist, Hargrove, Pollet, Harris, Moscoso, Muri, S. Hunt, Pettigrew, Springer, Kagi, Kuderer, Clibborn, Sawyer, Cody, Stanford, Ormsby, Senn, Farrell, Hudgins, Moeller, Kochmar and Santos.

Brief History:

Committee Activity:

Education: 2/2/16, 2/4/16 [DPS].

Brief Summary of Substitute Bill

- Increases the maximum allowable compensation for school board directors from \$4,800 per year to an amount equaling 50 percent of the annual salary of a beginning certificated teacher in the applicable district.
- Delays the effective date of a board-approved compensation increase until January 1 after the adoption of a compensation increase resolution and the election of one or more district directors.
- Requires school district boards of directors to, beginning August 1, 2017, and every two years thereafter, report the amount of their directors' compensation to the Washington State School Directors' Association.

HOUSE COMMITTEE ON EDUCATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives Santos, Chair; Ortiz-Self, Vice Chair; Reykdal, Vice Chair; Magendanz, Ranking Minority Member; Muri, Assistant Ranking Minority Member; Stambaugh, Assistant Ranking Minority Member; Bergquist, Hargrove, Harris, S. Hunt, Kilduff, Klippert, Kuderer, Orwall, Pollet and Springer.

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.

Minority Report: Do not pass. Signed by 5 members: Representatives Caldier, Griffey, Hayes, McCaslin and Rossetti.

Staff: Ethan Moreno (786-7386).

Background:

Compensation for School Board Directors.

If authorized by board resolution at a regularly scheduled meeting, the members of a school district board of directors may receive compensation of \$50 per day, or portion of a day, for attending board meetings and for performing other services on behalf of the district. This compensation may not exceed \$4,800 per year and is in addition to any reimbursement for expenses. Any director may waive part or all of his or her compensation.

A board of directors may authorize the compensation only from locally collected excess levy funds available for that purpose. Compensation for board members may not cause the state to incur any present or future funding obligation.

Washington State School Directors' Association.

The Washington State School Directors' Association (WSSDA) is established in statute and is authorized to provide advice and assistance to school district boards of directors. The WSSDA is composed of the members of all school district boards of directors in the state.

Among other obligations, the WSSDA is required contract with the Office of Financial Management (OFM) to audit, in odd-numbered years, the WSSDA's staff classifications and employees' salaries. The WSSDA is required to provide copies of the audit reports to the OFM and the committees of each house of the Legislature with jurisdiction over common schools.

Summary of Substitute Bill:

Compensation provisions for school district boards of directors are modified to remove the limits of \$50 per day and \$4,800 per year. Instead, the maximum amount of compensation that a member of a school district board of directors may receive may not, on a per year basis, exceed an amount equaling 50 percent of the annual salary of a beginning certificated teacher, as determined by the board, in the district.

Compensation increases authorized by a board may not take effect before the January 1 after: the adoption of the compensation resolution; and the election of one or more district director.

Beginning August 1, 2017, and every two years thereafter, each school district board of directors that authorizes director compensation must report the annual amount of this compensation to the WSSDA.

Substitute Bill Compared to Original Bill:

The substitute bill makes the following changes to the original bill:

- removes all provisions in the underlying bill allowing the board of directors of a school district that enrolls 20,000 or more students to establish an annual compensation rate for district directors that is equal to or less than the annual salary of a legislator;
- allows any school district board of directors to set a compensation amount for directors that does not, on a per-year basis, exceed an amount equaling 50 percent of the annual salary of a beginning certificated teacher, as determined by the board, in the district;
- specifies that compensation increases for school district boards of directors may not take effect before the January 1 following the adoption of the compensation resolution and the election of one or more district directors; and
- requires school district boards of directors to, beginning August 1, 2017, and every two years thereafter, report the amount of their directors' compensation to the WSSDA.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill gives the largest districts in the state the option of setting higher salaries for their school board directors. This is a local option bill and would provide districts with flexibility to attract and retain school board directors. The demands of some of the largest school districts are so complex, and the budgets are so large, that the state needs to give districts the option of establishing higher compensation levels for their district directors. This bill establishes a salary cap for board members, but the actual compensation will be set at the local level. Board turnover levels at Seattle Public Schools have been high.

For decades, members serving on school boards have been eligible to receive compensation. The WSSDA believes that compensation decisions should be made locally. The \$50 per day and \$4,800 per year compensation limits in current law may not be in step with inflation and other costs for school directors. The time commitments for serving on boards are significant. The Legislature should consider compensation equity for districts across the state, perhaps by basing director compensation on school size. The WSSDA has an acute eye toward the reliance on local levies for funding this compensation, and salary timing issues can be challenging as school board directors need as many funds as possible to be used for basic education requirements. Many school board directors do not realize that they are eligible for compensation and the WSSDA does not have current director compensation data.

(Opposed) None.

Persons Testifying: Representative Frame, prime sponsor; and Jessica Vavrus, Washington State School Directors' Association.

Persons Signed In To Testify But Not Testifying: None.