

SENATE BILL REPORT

SB 6332

As of February 3, 2016

Title: An act relating to the shortage of public school teachers and substitute teachers.

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

Sponsors: Senators Litzow, McAuliffe, Rivers, Rolfes, Billig, Fain, Mullet and Conway; by request of Superintendent of Public Instruction.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/26/16.

Brief Summary of Bill

- Increases the state salary allocation to school districts for beginning teachers.
- Establishes hiring bonuses for new out-of-state teachers and in-state teachers hired in rural school districts, high poverty schools, and schools with identified equity gaps.
- Creates a recruitment campaign for out-of-state teachers and prospective new teachers in Washington.
- Develops a central depository that allows teachers to apply for jobs in multiple school districts and for school districts to have access to a broader pool of applicants.
- Provides recruiting and hiring assistance to smaller school districts.
- Funds teacher training to implement the new Careers in Education course.
- Allows recently retired teachers to serve as teachers or substitutes without penalty to pension benefits.
- Allows out-of-state teachers with at least five years of teaching experience and a National Board Certification to obtain a professional certificate in Washington.
- Increases funding to the Conditional Scholarship Program and adds elementary and early childhood to the list of endorsements eligible for the scholarship.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

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.

Staff: Alia Kennedy (786-7405)

Background: The Office of Superintendent of Public Instruction (OSPI) and the Association of School Principals conducted a statewide survey in fall of 2015 and found that principals are struggling to hire qualified teachers and substitutes. The feedback showed a particular shortage of teachers in areas that are typically difficult to fill, such as special education, mathematics and science.

Of the principals who responded, 45 percent said they were unable to fill all teacher positions this school year with certificated instructional staff who met the job qualifications. In addition, 54 percent said they were often unable to find enough substitutes.

Teacher Compensation. The Legislature allocates money to each school district for state-funded school employee salaries. The actual salaries paid to certificated instructional staff and classified staff are subject to the collective bargaining process, within certain minimum and maximum requirements.

State funding for teachers and other certificated instructional staff salaries is provided through the state salary allocation model, which uses education and years of experience to vary the salary levels. The salary allocation is increased for each additional year of experience, up to 16 years, and for additional education. School districts must pay at least the minimum salary on the state salary allocation model and cannot exceed the average salary calculated on the state salary allocation model.

There is no state salary allocation model for certificated administrative staff or classified staff such as bus drivers, food service workers, custodial staff, and classroom aides. Each school district receives an allocation for these staff based on historical salary allocations, adjusted for cost-of-living increases.

In the 2012 Washington Supreme Court opinion *McCleary v State*, the Court found that the State had failed to meet its paramount constitutional duty to amply fund the costs of its basic education program. As part of that decision, the Court identified state salary allocations as an area of shortfall.

In 2009, the Legislature created the Compensation Technical Work Group (CTWG) to recommend an enhanced salary allocation model that aligns the compensation system with educator certification. The final report was submitted June 20, 2012. The CTWG recommendations include increasing the beginning salaries; providing K–12 employees a state salary allocation level comparable to occupations with similar knowledge, skills, abilities, education, and training requirements; conducting a comparable wage analysis every four years to ensure that the K–12 salaries keep pace with the wages of comparable occupations; compressing the salary allocation model and structuring it according to the stages of the career continuum for educators; and providing the higher salary allocation from either the new or the old model as the new model is phased-in.

Recruitment Campaign. In 2015, the Professional Educator Standards Board (PESB) released a report of recommendations addressing the current teacher shortage. The report highlighted several areas of improvement for reducing teacher attrition in Washington,

including assisting school districts with the hiring process. In addition, the report mentions the need for a more robust recruitment campaign geared at encouraging young people to enter the teaching profession and attracting out-of-state teachers to positions in Washington public schools.

Retired Teachers. The normal retirement age for members of Plans 2 and 3 of the Teachers Retirement System (TRS) is 65. TRS Plan 2 members with 20 years of service and TRS Plan 3 members with 10 years of service can retire as early as age 55. Benefits paid to persons who retire early from TRS Plans 2 or 3 with less than 30 years of service are calculated using early retirement factors that provide a full actuarial reduction based on the number of years between the retirement age and age 65. For example, there is a 27 percent reduction of benefits for retirement at age 62 and a 41 percent reduction of benefits for retirement at age 60.

Two early retirement factor options are available to TRS Plan 2 and 3 members who retire with 30 or more years of service. One of the options was created in 2000 and reduces benefits by 3 percent for each year in the period between the retirement age and age 65. For example, there is a 9 percent reduction of benefits for retirement at age 62 and a 15 percent reduction of benefits for retirement at age 60. The other option that provides smaller benefit reductions was implemented in 2008 as a replacement for gain-sharing benefits. Under the 2008 early retirement factors, TRS Plan 2 and 3 members with 30 years of service may retire at age 62 with no reduction of benefits and at age 60 with a 5 percent reduction.

State law does not prohibit persons who retire from TRS Plans 2 or 3 from returning to work but it does limit when a retiree may work and continue receiving pension payments. In general, payments are suspended when a TRS retiree works more than 867 hours per year in a position included in TRS or another state retirement plan. However, payments are suspended immediately if a TRS Plan 2 or 3 retiree who retired using the 2008 early retirement factors returns to work in any kind of position with a state retirement plan employer prior to age 65. This includes returning to work as a substitute teacher.

Professional Certification for Experienced Out-of-state Teachers. PESB is a 13-member board responsible for establishing the requirements for the state certification of educators and approving educator preparation and certification programs.

Current law requires passage of a Washington Educator Skills Test Basic (WEST-B) for admission to approved teacher preparation programs and for persons from out-of-state applying for a Washington teaching certificate. The WEST-B contains three sub-tests that measure basic skills in reading, mathematics, and writing. Passage of all three sub-tests is required to meet the WEST-B requirement.

Conditional Scholarship Program. The Alternative Routes to Teacher Certification and Educator Retooling programs are designed to help school districts recruit teachers in subject matter and geographic areas with a teacher shortage. Conditional scholarships are available to qualifying participants wishing to participate in either program. In return for the conditional scholarship, participants agree to teach in specified subject shortage areas in Washington K-12 public schools.

PESB determines the shortage areas and selects the recipients. The Washington Student Achievement Council administers the program. Typical shortage areas include bilingual education, computer science education, English language learner, mathematics, science, and special education.

The loan amount for the Alternative Route program is currently \$8,000 per year. The state will forgive one year of loan obligation for every two years a loan recipient teaches in a Washington State public school. The Educator Retooling Conditional Scholarship Program provides financial support (scholarships up to \$3,000) to Washington certified teachers who seek to add an endorsement in a subject or geographic shortage area.

Summary of Bill: Teacher Compensation. When modifications are made to the salary allocation schedule by the Legislature to address the *McCleary* decision on education funding, the salary for beginning teachers must increase, with adjustments for inflation, as recommended in the Compensation Technical Working Group Final Report dated June 30, 2012.

Recruitment Campaign. OSPI must develop a recruitment campaign for out-of-state teachers and prospective new teachers in Washington. The campaign must target individuals with certificates who are not employed as teachers, undergraduate college students who have not chosen a major, out-of-state teachers, military personnel and their spouses, and other groups of individuals who may be interested in teaching in our public schools.

The recruitment campaign activities include:

- creating a system for providing hiring bonuses to new out-of-state teachers and in-state teachers working in rural school districts, high poverty schools, or schools with identified equity gaps - the funds may be used for moving expenses, initial rental and housing costs, and other expenses incurred by the new teacher in relocating to a new community and establishing his or her classroom;
- developing a central depository that allows teachers to apply for jobs in multiple school districts and school districts to have access to a broader pool of applicants;
- creating or enhancing an existing website that provides job related information to individuals who are interested in teaching in Washington;
- working with educational service districts to develop a statewide system for providing recruiting and hiring assistance to smaller school districts; and
- training high school teachers on the curriculum for the new “Careers in Education” course.

Retired Teachers. A teacher in Plan 2 or Plan 3 that retires under the alternate early retirement provisions can return to work as a teacher or substitute teacher without suspension of pension benefits.

Professional Certification for Experienced Out-of-state Teachers. Out-of-state teachers with at least five years of successful teaching experience must be given a professional teaching certificate if they have a National Board Certification or obtained a second-level certificate in another state.

Conditional Scholarship Program. \$3,600,000 is appropriated to the Washington Student Achievement Council. In addition, elementary and early childhood endorsements are added to the list of endorsements eligible for the Conditional Scholarship.

Appropriation: Appropriates \$3,600,000 to the Washington Student Achievement Council for the purposes of funding the Future Teachers Conditional Scholarship.

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: PRO: There is a serious shortage of teachers in Washington. Almost all schools in the state report difficulties hiring qualified teachers. There is a particular shortage in hard to fill subject areas, such as math and special education. Schools are in competition with each other when it comes to hiring qualified teachers. Rural areas have a particularly hard time attracting qualified teachers. Principals and other administrative or specialized staff have to fill the gaps. Schools are forced to fill positions with unqualified educators and emergency substitutes. There are retired teachers who are willing to serve as substitutes but are unable to do so without penalty of benefits. The bill should allow retired teachers to not only return as teachers or substitutes, but also in mentorship positions. Washington is behind the national average with regard to its number of paraeducators. Research supports that qualified teachers are key to student achievement. Teachers stay in the profession when they are supported. This bill is a broad based, multifaceted approach that provides both short and long term solutions. Allowing retired teachers to return is a short term emergency solution that is cost effective and brings qualified teachers back to the classroom. The teacher shortage will only get worse next year with continued education reforms. Washington needs a fast track teacher certification process. Current certification requirements discourage out of state teachers from applying in Washington. Universities in our state are not producing enough teachers to meet state demands. To establish and maintain a qualified pool of teachers and substitutes the state must maintain long term and short term solutions, particularly with smaller school districts. Reduced applicant pools have resulted in higher disciplinary issues with teachers.

OTHER: The teaching profession is perceived as having low respect and compensation. Washington needs to do a better job at encouraging young people to enter the teaching profession. Higher compensation and loan forgiveness initiatives can help with attracting and retaining teachers. The state must continue to grow the alternative routes and retooling programs. The standards should continue to be comparable to that already required of teachers in Washington. Moving to a centralized application depository is a step in the right direction, as many educational service districts are already starting to do this. Changing the certification requirements for out of state teachers has the potential to reduce current licensure standards. The bill could benefit from involving higher education in teacher recruitment initiatives. In addition to conditional scholarships, the Legislature should considered providing stipends to student teachers. Rather than individual hiring bonuses, additional funding in the coming year should be used to support alternative routes programs.

Persons Testifying: PRO: Randy Dorn, Superintendent of Public Instruction; Pam Veltri, Mead School District; Dr. Ken Bergevin, Heritage University; Jim Kowalkowski, Superintendent of Davenport School District and Director of the Rural Education Center; Jack Irion, Yakima School District; Henry Strom, Mt. Adams School District; Steve Myers, ESD 105 Supt; Jessica Vavrus, Washington State School Directors' Association; Doug Nelson, PSE/SEIU 1948; Jerry Bender, Association of Washington School Principals; Cary Evans, Stand for Children; Dan Steele, Washington Association of School Administrators.

OTHER: Lucinda Young, Washington Education Association; Joyce Westgard, Washington Association of Colleges for Teacher Education; David Brenna, Professional Educator Standards Board; Jack Archer, State Board of Education.

Persons Signed In To Testify But Not Testifying: No one.