

SENATE BILL REPORT

SB 5115

As of January 19, 2017

Title: An act relating to school directors' compensation.

Brief Description: Concerning school directors' compensation.

Sponsors: Senators Carlyle, Zeiger, Pedersen and Hunt.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/19/17.

Brief Summary of Bill

- Removes from current law the daily compensation rate of \$50 and the limit of \$4,800 annually for school director compensation that school directors may receive.
- Requires the school board to establish a daily rate if school directors receive compensation.
- Limits the annual compensation for school directors to not exceed the annual salary for a legislator, as set by the Citizen's Commission on Salaries for Elected Officials.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Susan Mielke (786-7422)

Background: Compensation for School Board Directors. If authorized by school district board of directors' resolution at a regularly scheduled meeting, the members of the board may receive compensation of \$50 per day, or portion of a day, for attending board meetings and performing other services on behalf of the district. The compensation may not exceed \$4,800 per year and only locally collected excess levy funds available for this purpose may be used to provide the compensation. This compensation is in addition to any reimbursement for expenses. Compensation for board members must not cause the state to incur any present or future funding obligation. Any director may waive part or all of his or her compensation.

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.

Citizens' Commission on Salaries for Elected Officials. The Citizens' Commission on Salaries for Elected Officials (Commission) sets the salaries of the elected officials in the Executive, Legislative, and Judicial branches of state government. Beginning September 1, 2016, the annual salary for a legislator was increased to \$46,839.

Summary of Bill: The daily compensation rate of \$50 and the limit of \$4,800 annually is removed. A school board of directors must establish a daily rate of compensation for board members if school directors receive compensation. The annual compensation may not exceed the annual salary for a legislator as set by the Citizens' Commission on Salaries for Elected Officials.

Appropriation: None.

Fiscal Note: Requested on January 16, 2017.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: School directors are lay people who have always been seen as community volunteers. But the amount of time spent by people who serve on a board of a large school district is substantial and has evolved beyond being a "volunteer". They have important fiduciary responsibility in managing \$1 billion dollars in the large districts. The time requirements and lack of a reasonable salary is adversely effecting large school districts' ability to attract and retain exceptional people to serve on the board. This bill is a permissive, local option that school districts can choose to do.

OTHER: We do appreciate that this provides this option to all school districts not just large districts as it has been introduced in the past. Current law already permits school districts to provide some compensation and most school districts do not pay compensation to their directors. The Washington State School Directors' Association has specifically considered director compensation. By in large the idea of compensation was voted down because of where the state is on funding basic education. The bill and current law specifically provide that local dollars must be used for director compensation, if paid. But we already know that school districts are using local levy funds to pay for basic education and our school directors are uncomfortable accessing funds that should be used for student supports.

Persons Testifying: PRO: Senator Reuven Carlyle, Prime Sponsor.

OTHER: Jessica Vavrus, Washington State School Directors' Association.

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