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HOUSE BILL 1266

State of Washington 67th Legislature 2021 Regular Session

By Representatives Sullivan, Dolan, J. Johnson, Bergquist, Santos, Kloba, Callan, and Lekanoff

Read first time 01/18/21. Referred to Committee on Appropriations.

- 1 AN ACT Relating to basic education salary review and rebase;
- 2 amending RCW 28A.150.412; adding a new section to chapter 28A.150
- 3 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- When the legislature adopted chapter 13, 5 NEW SECTION. Sec. 1. 6 Laws of 2017 3rd sp. sess., structural changes to compensation 7 allocations were implemented including increases to better reflect comparable wages, changes to an average salary allocation instead of 8 one based on the average years of experience and education for 9 10 certificated staff in a district, and regionalization factors to 11 reflect the varying costs of living in different regions of the 12 state. In subsequent years, the experience mix factor has been 13 created to reflect higher average salary cost in districts that have 14 higher than average concentrations of staff with more years of 15 experience and advanced educational attainment.
 - Chapter 13, Laws of 2017 3rd sp. sess. created a cycle for rebasing basic education salaries every four years to keep basic education salaries comparable to similar professions over time. The first rebase is scheduled for the 2023 legislative session, but the process and expectations for this review have not been outlined.

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Compensation policies and the allocation of resources to districts are significant public policy areas which will benefit from insight from educators, administrators, community members, and state leaders. The legislature must examine how compensation policies impact and influence the makeup of the K-12 workforce and equity among districts. Districts without the same ability to raise local resources may face greater challenges recruiting and retaining educators. In addition, many educators of color serve on more committees to ensure diverse voices are at the table and take on additional mentorship roles for new educators and students. This can create a cultural taxation that adds work and responsibilities that are not compensated and can lead to greater burnout and turnover for educators of color.

Therefore, the legislature is establishing a K-12 basic education compensation advisory committee to provide input on issues related to the salary rebase process, comparable wages, and impact of regionalization, and to review the ways in which compensation policy can support equity and greater diversity in the education workforce.

- Sec. 2. RCW 28A.150.412 and 2018 c 266 s 203 are each amended to read as follows:
 - (1) Beginning with the 2023 regular legislative session, and every four years thereafter, the legislature shall review and rebase state basic education compensation allocations compared to school district compensation data, regionalization factors, what inflationary measure is the most representative of actual market experience for school districts, and other economic information. The legislature shall revise the minimum allocations, regionalization factors, and inflationary measure if necessary to ensure that state basic education allocations continue to provide market-rate salaries, attract and retain a diverse workforce, and that regionalization adjustments reflect actual economic and recruiting differences between school districts. The legislature shall review the data and recommendations from the K-12 basic education compensation advisory committee created in section 3 of this act.
 - (2)(a) For school districts with single-family residential values above the statewide median residential value, regionalization factors for school years 2018-19 through school year 2022-23 are as follows:
 - (i) For school districts in tercile 1, state salary allocations for school district employees are regionalized by six percent;

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1 (ii) For school districts in tercile 2, state salary allocations 2 for school district employees are regionalized by twelve percent; and

- (iii) For school districts in tercile 3, state salary allocations for school district employees are regionalized by eighteen percent.
- (b) In addition to the regionalization factors specified in (a) of this subsection, school districts located west of the crest of the Cascade mountains and sharing a boundary with any school district with a regionalization factor more than one tercile higher, are regionalized by six additional percentage points.
- (c) In addition to the regionalization factors specified in this subsection, for school districts that have certificated instructional staff median years of experience that exceed the statewide average certificated instructional staff years of experience and a ratio of certificated instructional staff advanced degrees to bachelor degrees above the statewide ratio, an experience factor of four percentage points is added to the regionalization factor, beginning in the 2019-20 school year.
- (d) Additional school district adjustments are identified in the omnibus appropriations act, and these adjustments are partially reduced or eliminated by the 2022-23 school year as follows:
- (i) Adjustments that increase the regionalization factor to a value that is greater than the tercile 3 regionalization factor must be reduced by two percentage points each school year beginning with school year 2020-21, through 2022-23.
- (ii) Adjustments that increase the regionalization factor to a value that is less than or equal to the tercile 3 regionalization factor must be reduced by one percentage point each school year beginning with school year 2020-21, through 2022-23.
- (3) To aid the <u>K-12 basic education compensation advisory committee established in section 3 of this act and the</u> legislature in reviewing and rebasing regionalization factors, the department of revenue shall, by ((November 1, 2022)) September 1, 2021, and by ((November)) September 1st every four years thereafter, determine the median single-family residential value of each school district as well as the median value of proximate districts within fifteen miles of the boundary of the school district for which the median residential value is being calculated.
- (4) No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary

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1 allocation as a result of adjustments that reflect updated 2 regionalized salaries.

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- (5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- (a) "Median residential value of each school district" means the median value of all single-family residential parcels included within a school district and any other school district that is proximate to the school district.
- 9 (b) "Proximate to the school district" means within fifteen miles 10 of the boundary of the school district for which the median 11 residential value is being calculated.
 - (c) "School district employees" means state-funded certificated instructional staff, certificated administrative staff, and classified staff.
- 15 (d) "School districts in tercile 1" means school districts with 16 median single-family residential values in the first tercile of 17 districts with single-family residential values above the statewide 18 median residential value.
 - (e) "School districts in tercile 2" means school districts with median single-family residential values in the second tercile of districts with single-family residential values above the statewide median residential value.
- (f) "School districts in tercile 3" means school districts with median single-family residential values in the third tercile of districts with single-family residential values above the statewide median residential value.
- 27 (g) "Statewide median residential value" means the median value 28 of single-family residential parcels located within all school 29 districts, reduced by five percent.
- NEW SECTION. Sec. 3. A new section is added to chapter 28A.150 RCW to read as follows:
- (1) The K-12 basic education compensation advisory committee is 32 established. Beginning in July 2021 and every four years thereafter, 33 the advisory committee shall make recommendations to the governor and 34 the legislature regarding compensation updates that should be made as 35 part of the review and rebase of state basic education compensation 36 allocations required in RCW 28A.150.412. The advisory committee 37 38 shall, at a minimum, meet eight times between July 2021 and September 2022 and corresponding review timelines prior to each periodic review 39

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and rebase required in RCW 28A.150.412 to review data and formulate recommendations to the legislature related to:

- (a) Compensation updates to K-12 basic education salaries based on a comparable wage data analysis;
- (b) Updates to regionalization data, including consideration of a hedonic wage model and other improvements to better reflect regional differences, address differences in recruiting and retention, incorporate data from neighboring communities in other states where appropriate, and mitigate boundary effects of regionalization policies;
- (c) Adjustments to inflationary factors used in state budgeting if the inflation documented through the comparable wage analysis is significantly different than the inflation that had been funded in state budgets since the last comparable wage analysis;
- (d) Compensation adjustments to promote equity considerations, which could include additional compensation to attract and retain educators in school districts with fewer resources from combined state and local dollars per student, adjustments to institutional education compensation, and additional compensation tied to complex need factors of schools; and
- (e) Additional compensation targeted to recruit and retain a more diverse workforce and to recognize the additional work of educators who serve on multiple committees and assume mentoring responsibilities to support new educators and students.
- (2) In addition to the subjects outlined in subsection (1) of this section, the advisory committee may review other compensation issues identified by school districts, educators, and community members that are relevant to the analysis of rebasing salaries and regionalization factors.
 - (3) The advisory committee consists of:
- (a) One representative of each major caucus of the house of representatives appointed by the speaker of the house of representatives and one representative of each major caucus of the senate appointed by the president of the senate;
 - (b) The governor, or their designee;
 - (c) The superintendent of public instruction, or their designee;
 - (d) A representative of the office of the education ombuds;
- 38 (e) One representative each from organizations representing 39 school boards, school administrators, school principals, school 40 district human resources professionals, school business officials,

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teachers, school psychologists, school social workers, school counselors, certificated school nurses, classified staff in instructional roles, classified staff in school operations roles, classified staff in facility maintenance roles, and parents appointed by the superintendent of public instruction;

- (f) A representative of federally recognized Indian tribes whose traditional lands and territories lie within the borders of Washington state, designated by the federally recognized tribes; and
- (g) Four members appointed by the governor in consultation with the state ethnic commissions, who represent the following populations: African Americans, Hispanic Americans, Asian Americans, and Pacific Islander Americans.
- 13 (4) The advisory committee chair is the governor or their 14 designee.
 - (5) (a) The office of financial management, department of revenue, employment security department, office of the superintendent of public instruction, education research and data centers, legislative evaluation and accountability committee, and nonpartisan staff from the house of representatives and senate fiscal committees shall provide staffing support to the advisory committee.
 - (b) The office of financial management shall convene a staff working committee that includes representatives to the organizations listed in (a) of this subsection (5), which shall perform analyses in support of the work of the advisory committee. The employment security department shall make available information necessary to determine the comparable occupations and wages for each K-12 job category in RCW 28A.150.260.
 - (6) Members of the advisory committee must be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. In addition, if the service of any certificated and classified school personnel serving on the advisory committee results in the need to employ a substitute, payment for such a substitute may be made by the office of financial management to the appropriate school district from funds appropriated for the support of the advisory committee.
 - (7) The advisory committee shall report its recommendations for salary rebase and compensation adjustments to the governor and the fiscal committees of the legislature by September 30, 2022, and every four years thereafter.

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