

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill No: HB 152

49th Legislature, 1st Session, 2009

Short Title: School Employee Salary Increases

Sponsor(s): Representative Al Park and Others

Analyst: Eilani Gerstner

Date: February 10, 2009

Bill Summary:

HB 152 makes an appropriation from the General Fund to the Public Education Department (PED) for expenditure in FY 10 to provide an 8.0 percent salary increase to all public school employees, including transportation employees.

Fiscal Impact:

\$165.6 million is appropriated to PED from the General Fund for FY 10. Unexpended or unencumbered funds revert to the General Fund.

Due to budget constraints, HB 3, *Education Appropriation Act*, as amended by the House Education Committee, does not contain an appropriation for salary increases for public school personnel, nor do the FY 10 public school support recommendations of the Legislative Education Study Committee, Legislative Finance Committee, or the Executive.

According to the PED analysis of HB 152, the appropriation amount included in the bill would be sufficient to provide an 8.0 percent increase for these employees.

Fiscal Issues:

- HB 152 appropriates the funds for the salary increases to PED; however, funds for salaries of public school personnel, except for school transportation employees, are distributed to school districts through the State Equalization Guarantee (SEG) Distribution (Public School Funding Formula). School transportation employee salaries are funded through the transportation distribution.
- The sponsor may wish to amend the bill to appropriate the funds to the SEG distribution and to the transportation fund, if applicable. Funding the salary increases through the funding formula would ensure that the increases are incorporated into the SEG base and booked as recurring costs.

Background:

In 2008, the Legislature provided sufficient dollars for:

- a mandatory average 2.0 percent salary increase for all school personnel, including school transportation employees; and

- an additional 1.0 percent average salary increase for certain other school personnel, including: educational assistants; secretarial, clerical, and technical assistants; business office support staff; and maintenance, custodial, warehouse, delivery, food service, and school transportation employees.

In 2007, the Legislature appropriated sufficient dollars to provide a mandatory average 5.0 percent increase for all school personnel, including school transportation employees.

Related Bills:

HB 18 *School District Clerk Minimum Salaries* (identical to SB 312)

HB 136 *Educational Assistant Licensing & Salaries*

HB 137 *Educational Assistant Minimum Salaries*

SB 312 *School District Clerk Minimum Salaries* (identical to HB 18)