Senate Research Center 81R2084 PAM-D

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2006, the legislature provided a teacher pay raise through the enactment of H.B. 3, 79th Legislature, 3rd Called Session. The language to provide the pay raise was added to the Education Code through the addition of Section 19.007(f). In addition, H.B. 3 added Section 21.402(c-1) to the Education Code, stating that for the 2006-2007 school year, an employee "is entitled to a monthly salary that is at least equal to the sum of the monthly salary the employee would have received for the 2006-2007 school year under the district's salary schedule for the 2005-2006 school year, if that schedule had been in effect for the 2006-2007 school year, including any local supplement and any many representing a career ladder supplement the employee would have received in the 2006-2007 school year and \$250."

Some school districts do not have a salary schedule, and therefore had no predetermined salaries for 2006-2007. In these districts, salaries are updated yearly by the school board based on cost of living and the amount of money the district has available for pay raises. It is also important to note that all of these districts pay above the state's minimum salary schedule. Historically, hiring schedules have been interpreted as salary schedules by the Texas Education Agency, which forces the districts to give "step" increases and often costs them more than they have budgeted for a pay raise. Because Subsection (c-1) expired on September 1, 2007, modification to that language is unnecessary.

As proposed, S.B. 398 provides that a school district that pays each teacher, librarian, counselor, or school nurse more than the minimum monthly salary is not required to provide annual pay increases based on the employee's level of experience. The bill authorizes a school district to establish a local minimum hiring schedule that prescribes the minimum salary, based on the employee's level of experience, that the district will pay a new employee, without prescribing a minimum salary applicable to subsequent years of that employee's employment with the district. S.B. 398 also provides that if the minimum salaries are increased and the state provides additional funding for that increase, a school district is not required to pay an employee more than the sum of the additional funding per employee provided by the state and the employee's salary for the school year immediately preceding the school year for which the additional state funding is provided.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter I, Chapter 21, Education Code, by adding Section 21.4021, as follows:

Sec. 21.4021. SALARIES IN CERTAIN DISTRICTS. (a) Provides that a school district that pays each classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse a greater amount than the minimum monthly salary to which the employee is entitled under Section 21.402 (Minimum Salary Schedule for Certain Professional Staff) is not required by this code to provide annual pay increases based on the employee's level of experience.

(b) Authorizes a school district described by this section, in addition to any other salary arrangement permissible under law, to establish a local minimum hiring schedule that prescribes the minimum salary, based on the employee's level of experience, that the district will pay a new employee, without prescribing a minimum salary applicable to subsequent years of that employee's employment with the district.

(c) Provides that if the minimum salaries prescribed by Section 21.402 are increased and the state provides additional funding for the amount of that increase, a school district described by this section is not required to pay an employee more than the sum of the additional funding per employee provided by the state and the employee's salary for the school year immediately preceding the school year for which the additional state funding is provided.

(d) Provides that to the extent of any conflict between this section and Section 21.402, Section 21.402 prevails.

SECTION 2. Makes application of this Act prospective to the 2009-2010 school year.

SECTION 3. Effective date: upon passage or September 1, 2009.