

UTAH SCHOOL EMPLOYEES ASSOCIATION

LEGISLATIVE REVIEW

2009 General Session

BUDGET/FUNDING

By the end of the session, the Legislature was able to find enough one-time money, either by cutting or canceling programs, bonding for construction, or by using federal stimulus money, to “backfill” their initial 17% cuts to the base public education budget for FY 2010 (July 2009 through June 2010) to arrive at a net reduction of approximately 5.6%.

The value of the WPU was not changed. The Legislature was able to fund the WPU and anticipated enrollment growth of 13,500 new students with ongoing money.

To do this, various ongoing below-the-line block grants, including the teacher quality block grant and the local discretionary block grant, were reduced or depleted and that ongoing funding placed into the WPU and other ongoing programs.

The Legislature then backfilled the minimum school program with one-time money, most of which was placed in the Social Security and Retirement subsidy line item. The Legislature selected the SS&R line item for these funds because it concluded that the existing distribution formula for that item (proportionately distributed based on current year WPUs) was the most equitable way to distribute funds.

Notwithstanding the placement of that money in the SS&R item, the funding is not earmarked for that purpose. The Legislature clearly expressed its intent that districts distribute funding and cuts as each individual district sees fit. Districts may use salary reductions, benefit reduction or elimination, layoffs, furloughs, or any combination of these they think best in balancing their own budgets.

The Legislature also eliminated the bus depreciation allowance to districts, an additional reduction to the already-reduced pupil transportation subsidy.

The Legislature did not use any of the rainy day fund or education set aside funds to balance the budget, deciding to preserve those funds for possible shortfalls in the next fiscal year. Because of the uncertainty of future revenues, legislators are concerned that a further fall in revenues might compel further reductions in the budget. Legislators specifically warned districts and agencies to be very careful about using reserves or other one-time sources to make up for cuts, because of this uncertainty.

BILLS OF INTEREST

SB 195, “Public Employee Defined Contribution Amendments,” (Sen. Dan Liljenquist)

This bill would suspend the present 1.5% contribution to employees 401(k) for FY 2010 (July 2009 through June 2010), at an initial projected saving of \$21 million.

After substantial outcry from public employees (including USEA members) the bill was amended so that only one half of the contribution, or 0.75%, would be suspended. At some point the projected savings for the cut increased to approximately \$32 million before the reduction.

The stated reason for this bill was to “have another tool” available if needed to balance the budget as the session drew to a close. Fortunately, the need for this tool never arose and the bill died at the end of the session.

Nevertheless, it is possible that this idea will be revived if revenues continue to fall and a special session is needed later to rebalance the FY2010 budget.

USEA opposed this bill.

SB 241 “Instructional Expenses Requirements” (Sen. M. Madsen)

This bill featured the return of the “65% solution” that was last proposed two years ago. The bill would require every school district with enrollment over 5,000 to spend at least 65% of its general fund expenditures on “instructional expenditures.” The bill narrowly defined instructional expenditures as only those directly related to student-teacher or student-staff interaction in a classroom or classroom-like setting. Everything else, including libraries, media, computer lab, and all other support functions was excluded.

USEA opposed this bill

The bill passed out of the Senate Education Committee but failed in the full Senate 12-17.

HB 381 “Public Education Law Revisions - Association Leave” (Rep. C. Herrod)

This bill would prohibit any paid association leave for public education employees, even if the individual district determined that the leave would benefit education and the district. This would mean that USEA local officers would have to use their own paid or unpaid leave for negotiations, district committee work, and other activities.

USEA opposed this bill.

The bill failed to pass out of the House Education Committee.

HB 328 “Teacher Quality Amendments” Rep. Greg Hughes (R Draper)

This bill would allow districts to propose pilot programs for performance pay. The legislation would require that forty percent of the assessment of performance be based on “student achievement.” The pilot programs would be funded at \$300,000 per year.

The original bill was limited to teachers only. After USEA contacted Rep. Hughes and discussed with him the important contributions of classified employees he agreed to amend his bill to include all classroom-related staff, both licensed and classified. Rep. Hughes did make that amendment to the bill when he presented the bill on the floor of the House. He has stated that he believes the bill is better with the inclusion of classified employees.

This bill passed and was funded, using funds originally allocated to the Teacher Supplemental Salary account established in the 2008 general session to provide extra pay for math and science teachers.

We appreciate Rep. Hughes’ willingness to work with classified employees and his recognition of their contribution to student success.

HJR 13 “Joint Resolution: Teacher Performance Pay” Rep. Marie Poulson (D Salt Lake): This resolution, if passed, would express the Legislature’s support for performance pay for teachers. Even though the bill encourages performance pay to reward student achievement, it excludes ESPs and other public education employees who directly and indirectly contribute to student achievement.

We talked to Rep. Poulson and asked her to amend her bill to allow participation by all school employees: she declined to make any changes.

Therefore, USEA testified in opposition to HJR 13 and opposed its passage in its original form.

The bill passed the House. However, the bill never reached the Senate floor and died at the end of the session.

1st Sub. HB 260 “School Employee Termination Amendments” (Rep. Carl Wimmer)

The first version of this bill would have repealed the Orderly School Termination Procedures Act, which gives ESPs and school employees career status and protection from arbitrary terminations. However, before the bill went to committee, Rep. Wimmer

substituted the bill: the major provisions of the substitute bill would increase the probationary period for school employees from three years to five years, and allow probationary employees to be terminated for any reason during the school year.

USEA opposed this bill.

When this bill was heard in the House Government Operations Committee, several serious conflicts and problems with the proposed changes were identified. Rep. Wimmer recognized these problems and subsequently sent this issue to interim for further study.

1st Sub. HB 210, “Posting of Collective Bargaining Agreements by School Districts and Charter Schools.” (Rep. K. Sumison)

This bill would require that a school district post copies of any collective bargaining agreements between it and its employees to its website.

This bill passed the House and the Senate.

1st Sub. HJR 8, “Joint Resolution Regarding Secret Ballot” (Rep. Carl Wimmer)

This bill proposed an amendment to the Utah state Constitution adding this (underlined) language to the existing provision guaranteeing a secret ballot:

All elections, including elections under state or federal law for public office, on an initiative or referendum, or to designate or authorize employee representation, shall be by secret ballot.

This bill passed both the House and the Senate with a two-thirds majority, and will be on the ballot for the November 2010 election.