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FISCAL IMPACT REPORT

SPONSOR Eichenberg **ORIGINAL DATE** 02/05/09
LAST UPDATED _____ **HB** _____
SHORT TITLE School District Clerk Minimum Salaries **SB** 312
ANALYST Aguilar

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$4,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 312 appropriates \$4 million from the general fund to the Public Education Department to establish a three-tier minimum salary structure for clerks, secretaries, secretary-bookkeepers and bookkeepers.

FISCAL IMPLICATIONS

The appropriation of \$4 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

Section 1 A includes new material to define a structure for unlicensed school employees' minimum salaries to include: \$9.00 per hour or the state minimum wage, which ever is higher, for entry level clerks with up to five years' experience; \$10.50 per hour for intermediate level clerks with five to ten years experience; and \$12.00 per hour for advance level clerks with ten to twenty-five years' experience.

Section 1 B provides for minimum salaries for secretaries or secretary-bookkeepers as follows: \$12.00 per hour for entry level secretaries with up to five years' experience; \$14.00 per hour for intermediate level secretaries with five to ten years' experience; and \$16.00 per hour for advanced level secretaries with ten to twenty-five years' experience.

Section 1 C includes minimum salaries for bookkeepers as follows: \$14.00 per hour for entry level bookkeepers with up to five years' experience; \$16.00 per our for intermediate level bookkeepers with five to ten years' experience; and \$18.00 per hour for advanced level bookkeepers with ten to twenty-five years' experience.

It appears these job classifications, unlike most education licensed positions, are similar if not identical to job classifications in the general workforce, both public and private. It appears these jobs are subject to wage competition across markets and it should not be necessary establish minimum salaries to ensure a sufficient workforce for school districts. In addition, recruitment and retention issues have not been raised to support the need for these minimums.

PED notes the two methods used to collect data on employee salaries in school districts, the Student Teacher Accountability Reporting System (STARS) and the Uniform Chart of Accounts (UCOA), currently do not contain position codes or job classes specific to the positions included in SB 312. For this reason, current salaries directly related to the positions included in SB 312 cannot be determined at this time.

TECHNICAL ISSUES

This bill makes an appropriation to the **Public Education Department** to implement a minimum salary structure for certain job classifications. School district salaries are paid by districts to employees and as such the appropriation should be made to the “**State Equalization Guarantee Distribution**”

PA/svb