



people for secretaries, bookkeepers and clerks requiring specialized training because salaries for these individuals have remained flat while other school employees have increased. This results in high job-turnover rates resulting in increased costs for recruiting, hiring and training.

### **[FISCAL IMPLICATIONS**

While the study itself will be of minimal cost, if minimum salary schedules for these personnel are put into statute, there will be an increased cost to school districts requiring increases in general fund for the State Equalization Guarantee.

Education reform may require the expenditures of at least an additional \$26 million in FY07 as follows: \$16 million for raising minimum salaries of level 3-A teachers to \$45,000; \$4 million for pre-kindergarten; and \$6 million for fine arts. These will be in addition to expected increased costs for opening the doors (fixed costs, insurance, enrollment growth, and increased employer contributions to the educational retirement fund) which could be another \$35 million. In addition, \$4 million is needed for increased employer contributions to educational retirement fund from higher education institutions. It may be prudent to avoid additional commitments to recurring appropriations in future fiscal years.

### **ADMINISTRATIVE IMPLICATIONS**

LESC will have to determine the most appropriate method to conduct the study.

### **TECHNICAL ISSUES**

Page 2, line 13, correct the spelling of “secretaries”.

### **ALTERNATIVES**

An alternative is to allow school districts to establish salary schedules for these positions based upon job requirements and the salaries paid for similar occupations in the private and public sector in the geographic area of the school district.

Another alternative is to request the Department of Finance and Administration Office of Educational Accountability to conduct the study and make recommendations to the Legislature.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?**

A salary study will not be accomplished.

**GAC/lg**