

HB 2040 -- Educational Personnel Compensation

Sponsor: Jetton

This bill changes the laws regarding various forms of compensation and benefits for educational personnel.

MINIMUM TEACHER SALARY

Currently, the minimum teacher salary for a teacher with a bachelor's degree is \$23,000 for the 2007-2008 school year, rising to \$25,000 by school year 2009-2010. For a teacher with a master's degree, the minimum is \$31,000 for the 2007-2008 school year and \$33,000 by school year 2009-2010. This bill changes the base level and the way in which the minimum salary is calculated beginning in 2008-2009.

Using a base of \$31,000 for a teacher with a bachelor's degree who has one to three years of experience and a base of \$33,000 for a teacher with a master's degree, the minimum salary will be multiplied by the dollar value modifier of the district in which the teacher is employed. Experience is reflected on the schedule in three-year brackets, and each experience level after the initial one-to-three-year bracket will multiply the base salary, as revised by the dollar value modifier, by a specified percentage. No matter where a district places a teacher on its local salary schedule, the district must recognize all years of experience for the minimum salary. The state will pay the difference between the participating district's salary schedule and the minimum salary from the Minimum Salary Fund for Teachers which is created for this purpose. The minimum salary is included in retirement calculations to determine a teacher's final average salary.

Participating districts must not vary more than the percentage specified in the bill from their local effort on base salary, retirement, and health care costs. The higher the district's year-end operating fund balance, the less flexibility is permitted. A dollar-for-dollar deduction in the minimum salary supplement for the next fiscal year will be made for districts that exceed the permitted percentage of variance. The bill allows an increase in the minimum salary level when the state cost of funding falls to 85% or less of the full funding cost for the first year.

RETIREMENT

Retired teachers 75 years of age and older in the Public School Retirement System of Missouri who are cost-of-living capped will receive an additional \$5 per month per year of service from

January 1, 2009, to January 1, 2014. Non-teacher retirees meeting the same qualifications will receive \$3 per month per year of service during the same period.

The bill contains an emergency clause.