House Bill 3539

Sponsored by Representatives HARKER, JOHNSON; Representatives BREWER, ESQUIVEL, HUFFMAN, OLSON, SHEEHAN, SPRENGER, Senators ATKINSON, MONROE, MORSE, THOMSEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Provides for establishment of percentage by which district school board shall annually increase total amount of moneys used to pay for salary and benefits of employees under collective bargaining agreement. Provides exceptions.

Applies to collective bargaining agreements entered into on or after January 1, 2012.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to payment to school district employees; creating new provisions; amending ORS 332.075; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

<u>SECTION 1.</u> (1) For each fiscal year, the Department of Education shall establish the percentage by which a district school board shall annually increase the total amount of moneys used to pay for the salary and benefits of the employees of a school district who are employed under a collective bargaining agreement. The district school board shall use the percentage as described in ORS 332.075.

- (2) For the purpose of establishing the percentage under subsection (1) of this section, the department shall:
- (a) Calculate the percentage by which the total amount of moneys available for distribution from the State School Fund for the fiscal year increased as compared to the greatest total amount of moneys that were available for distribution for a fiscal year from the State School Fund during the previous biennium;
- (b) If necessary, adjust the percentage calculated under paragraph (a) of this section as follows:
 - (A) If the percentage exceeds five percent, reduce the percentage to five percent; and
- (B) If the total amount of moneys available for distribution from the State School Fund for the fiscal year did not increase, establish the percentage at zero percent; and
- (c) Use the percentage calculated under paragraph (a) of this subsection after making any adjustments required under paragraph (b) of this subsection.
- (3) The State Board of Education may adopt any rules necessary for the implementation of this section.
 - **SECTION 2.** ORS 332.075 is amended to read:
- 332.075. (1) Any district school board may:
 - (a) Fix the days of the year and the hours of the day when schools shall be in session.
- 28 (b) Adopt textbooks and other instructional materials as provided in ORS 337.120 and 337.141 and courses of study for the use of such schools as provided in ORS 336.035.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

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- (c) Authorize the use of the schools for purposes of training students of an approved teacher education institution, as defined in ORS 342.120, and for such purposes may enter into contracts with the approved teacher education institutions on such terms as may be agreed upon. Such contracts as they relate to student teachers shall have the same effect and be subject to the same regulations as a contract between a licensed teacher and a district school board.
- (d) Develop and operate with other school districts or community college districts secondary career and technical education programs for pupils of more than one district and fix by agreement the duration of the district's obligation to continue such activity, subject to the availability of funds therefor.
- (e) Authorize the school district to be a member of and pay fees, if any, to any voluntary organization, approved under ORS 339.430, that administers interscholastic activities or that facilitates the scheduling and programming of interscholastic activities.
- (f) Accept money or property donated for the use or benefit of the school district and, consistent with the laws of this state, use such money or property for the purpose for which it was donated.
- (2) All contracts of the school district must be approved by the district school board before an order can be drawn for payment. If a contract is made without the authority of the district school board, the individual making such contract shall be personally liable.
- (3) Notwithstanding subsection (2) of this section, a district school board may, by resolution or policy, authorize its superintendent or the superintendent's designee to enter into and approve payment on contracts for products, materials, supplies, capital outlay, equipment and services that are within appropriations made by the district school board pursuant to ORS 294.435. A district school board may not authorize its superintendent or the superintendent's designee under this subsection to enter into and approve payment on contracts that are collective bargaining agreements or service contracts that include the provision of labor performed by employees of the school district.
- (4)(a) Except as provided by paragraph (b) of this subsection, a district school board may not agree under a collective bargaining agreement to an annual increase in the total amount of moneys used to pay for the salary and benefits of an employee of the school district that exceeds the percentage established by the Department of Education under section 1 of this 2011 Act.
 - (b) Nothing in this subsection:

- (A) Prevents a school district from providing a salary increase under a merit pay system or as the result of a promotion or change in duties.
- (B) Requires the total cost of salary and benefits paid to an employee of a school district to be decreased from the previous fiscal year.
- (C) Prevents the parties to a collective bargaining agreement from entering into a written agreement, as part of the collective bargaining process, to provide for the reopening of any sections of the collective bargaining agreement related to salary and benefits. Refusal by either party to reopen sections related to salary and benefits is not grounds for third party interpretation or resolution. The reopening of sections as provided by this subparagraph does not compel either party to agree to a proposal or require the making of a concession.
- SECTION 3. (1) The amendments to ORS 332.075 by section 2 of this 2011 Act become operative January 1, 2012.
- (2) The amendments to ORS 332.075 by section 2 of this 2011 Act first apply to collective bargaining agreements entered into on or after January 1, 2012.

SECTION 4. This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.