



ISSUE BRIEF

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Statewide Collective Bargaining for Teachers

What is statewide collective bargaining?

In statewide collective bargaining for teachers, all school districts in the state are represented collectively by a single representative and teachers are similarly represented by a single entity. The agreement reached would affect all the teachers and school districts in the state.

One model of statewide collective bargaining requires that all terms and conditions of employment be negotiated at the state level. Another model has only salary or salary and benefits negotiated at the state level while other terms and conditions continue to be bargained at the local level.

A variation of this model sets a statewide minimum salary schedule, but allows individual districts to increase (but not decrease) its teachers' salaries. For example, Hawaii carries out "two-tier" negotiations, which allows selected schools to modify the master agreement.

Anticipated benefits of statewide collective bargaining

Those in favor of statewide bargaining argue that school boards banding together will increase management's bargaining power. Additionally, without time-consuming negotiations local boards could focus more on curricula and instructional issues.

A single agreement would also eliminate what is known as the "whipsaw effect," which occurs when unions point to another district's salary and benefit package and demand a similar package for their own district teachers.

Another argument in favor of statewide collective bargaining is the existence of statewide education standards and equalized funding among districts. If districts – and therefore teachers – are expected to perform at the same high level with the same resources available to them, then teachers should be compensated at the same rate.

Lastly, the entity that funds schools – the state through its legislature – will now be responsible for how the majority of those funds are spent by determining the salary and benefits of teachers, thus better connecting funding and policy decisions.

Anticipated drawbacks of statewide collective bargaining

Others are concerned about the negative impacts statewide bargaining might have. One concern is that the union will not support decreasing any of their members' packages, so there will be a tendency to use the most generous agreement as the floor of any negotiation. This is known as the "upward leveling effect." This tendency was seen in during school district mergers. A 1993 study of statewide collective bargaining estimated the cost of the upward leveling effect to

be \$36,955,000 for one year.¹

The flip side of a united school board will likely be a united union. Some fear that the most aggressive local leaders would dominate the statewide units. Tactics, such as strikes, would have a powerful disruptive effect if done on a statewide basis. The state legislature would likely become the battleground for determining employment issues.

Others believe that delegating bargaining responsibilities away from the local district would have a detrimental impact on delivering educational services to students. If such issues such as length of year and workday were determined on a statewide level, districts would also be ceding some control and flexibility of the local district's education program. If the local district retained negotiating powers over issues other than salary and benefits, many wonder if the negotiation process would be any cheaper or speedier. Also, without the ability to use money issues as leverage, some believe that local districts will have a more difficult time settling contentious working condition issues.

Another consideration is the use of monetary rewards by some districts for superior superintendent performance. It might be more difficult to budget for performance incentive or performance pay programs on a statewide basis.

Where does statewide collective bargaining currently exist?

No state collectively bargains with its teachers on a statewide basis except Hawaii; Hawaii is unique in the nation in that it consists of a single school district.

Several states *do* have some form of statewide salary schedules. These schedules may be revised upward by local districts. They include South Carolina, Tennessee, Georgia, Alabama, Delaware, Kentucky, Mississippi, Texas, and Washington.

Washington State

Washington State has a statewide, legislatively adopted salary *allocation* schedule. The legislature develops a salary schedule and allocates state school funds as if all districts were using it. However, local districts are only required by law to pay no less than the salary indicated for a beginning teacher with a Bachelor's degree or a Master's degree. Local districts may depart from the schedule within those guidelines. Out of the 296 school districts in Washington, 260 use the entire state salary schedule.

The Washington State statewide salary schedule takes into consideration the educational degrees and years of service of the teaching staff. This data is then used to determine the revenue that will be provided to each local school district from the state. The formula assumes a 180-day school year, a set staff ratio for elementary grades, and five periods of instruction for secondary schools.

Local school districts are allowed to negotiate additional contracts regarding such

¹ Rutledge, Ed, *A Study of the Fiscal and Policy Costs and Benefits of Negotiating Teachers' Salaries on a Statewide Basis*, September, 1994.

subjects as lengthening the school day or school year, extra curricular activities, school reform activities, and staff development.

Because the salary schedule is approved by the legislature, lobbying is intense and considerable time is required of legislators and legislative staff as the school funding budget is developed. Walkouts and statewide strikes have occurred while the legislature was in session debating the schedule.

The 1999 Washington Legislature intended to give bigger raises to beginning teachers as a way to keep newer teachers in the profession. The budget passed by the Legislature in April included money to give pay raises of 2-7 percent to teachers in the first six years of their careers, in addition to the 7.67 percent raises approved for all classroom workers. However, several school districts used the money for more experienced teachers or gave across-the-board pay raises.²

Hawaii

Hawaiian schools are all within a single district and negotiate a master agreement. Under two-tier negotiations, selected schools may modify the master agreement in regards to teaching conditions and hours and work year.

Policy Considerations

Before embarking on a statewide collective bargaining plan or a statewide teacher salary schedule, legislators should determine what their goal is and whether a statewide plan accomplishes this. Potential goals include the following:

- Greater control over state expenditures.
- Uniformity in salary for teachers across the state (fairness).
- Discouraging teachers in remote areas from relocating to better paying urban areas.
- Allowing local boards more time to spend on education program.
- Reducing costs.
- Greater involvement of state government in the delivery of education services.

Operational Considerations

Should statewide collective bargaining be implemented, a number of administrative details would need to be worked out.

- Identifying a single entity to bargain on behalf of the teachers, and a bargaining entity for the state.
- Identifying what issues should be bargained on a statewide level, and what issues local boards should decide (if any).
- Identifying components of a salary schedule (experience, degrees held) and whether local districts would have any flexibility in setting salaries.
- Determining whether the state negotiator would need an on-going office.
- Determining a benefits provider.
- Determining who has the responsibility to resolve pay disputes.

LEGISLATIVE HISTORY

1993 Study

The budget for the Employment Relations Board (HB 5029), contained a budget

² *Some of beginning teachers' pay raises go to veterans*, The Oregonian, September 20, 1999, p. E2

note that directed the Executive Department's Personnel and Labor Relations Division³ to conduct a study of the fiscal and policy costs and benefits of negotiating teacher salaries on a statewide basis. "Salaries" was interpreted to encompass salaries and certain insurance benefits.

The study reviewed statewide salary schedules in Washington, Hawaii, and two Canadian provinces. It concluded that the impact of statewide collective bargaining was speculative. It stated that "it was unrealistic to believe that teachers' compensation would move downward" and that "it is possible that statewide negotiations of teachers' insurance benefits could produce certain economies of scale." It made no recommendations.

At the time of the report's release, various groups were asked to comment on the report. The Oregon School Employees Association, the Oregon Federation of Teachers, Education and Health Professions, the Oregon School Board Association, and the Employment Relations Board comments were submitted and raised additional issues and concerns not addressed in the study. Such issues included unspecified goals of statewide bargaining, unspecified subjects that might remain with the local district to bargain, dealing with bargaining units that are not represented by OEA, possible increases in costs to districts due to the upward leveling effect, and the variation of perceived needs from district to district.

HB 3616
(1993)

HB 3616 would have required statewide collective bargaining for compensation and insurance benefits of all school district employees, beginning on an unspecified date. The State of Oregon was to be considered the employer of all school district employees, with the Department of Education negotiating on behalf of the state.

The requestor of the bill is not on record. No hearings or work sessions were held on the bill and it was not enacted.

HB 2636
(1995)

HB 2636, sponsored by Rep. Bob Tiernan, contained the same language as HB 3616 from the 1993 session. It too failed to receive a hearing or work session and was not enacted.

HB 3032
(1997)

HB 3032, sponsored by Rep. Dennis Luke, would have required that a representative of the Governor be included in any collective bargaining negotiations between a school district and a labor organization; the representative was to have represented the state's interest in the negotiations.

The bill received a hearing the House Education Committee, chaired by Rep. Luke. Rep. Luke testified that he was concerned that the state had no control over how the education budget was spent, once it was appropriated. The OEA and

³ Note: The Executive Department has been renamed the Department of Administrative Services, and the Personnel and Labor Relations Division has been reorganized into two divisions, the Human Resources Management Division and the Labor Relations Division.

OSBA testified in opposition and the bill was not enacted.

HB 3637
(1997)

HB 3637, sponsored by Rep. Mark Simmons, would have required a statewide collective bargaining agreement for compensation and insurance benefits to apply to all school district employees, except superintendents and administrators. The Department of Administrative Services, in consultation with the Department of Education, was to negotiate on behalf of the state. The bill allowed separate agreements between licensed and non-licensed employees. The bill allowed regional salary schedules, dividing the state into four regions: eastern Oregon, central Oregon, the coast and southern Oregon, and the I-5 corridor to Eugene. The bill also prohibited strikes by school district employees.

The bill did not receive a hearing or work session and was not enacted.

SB 1181
(1999)

SB 1181, sponsored by Senators Neil Bryant and Gene Derfler and based on a Wisconsin law, did not propose statewide collective bargaining, per se, but would have allowed districts to make a “qualified economic offer” to teachers in lieu of negotiating a collective bargaining agreement. A qualified economic offer was to be statutorily defined as an increase of 3.8 percent in total compensation and fringe benefit costs for any 12-month period and maintenance of existing benefit packages. A salary step increase was also allowed.

While a statewide salary schedule would not have been imposed, a statewide growth factor would have been an option for districts.

The Oregon Quality
Education Model
(1999)

The Oregon Quality Education Model, released in 1999, recommended that a state salary schedule be examined.

For more
information

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