

HOUSE RESEARCH

Bill Summary

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Subject: Qualified economic offer for teachers

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Overview

Proposes to establish a process whereby a school board offers its teachers a salary and benefits package that settles all economic issues related to teachers' employment and thereby precludes teachers from pursuing a strike or interest arbitration to settle compensation disagreements. When a school board and its teachers can not agree, determines teachers' total compensation based on the school board paying the same percentage for teachers' benefits as in the previous employment contract and applying any remaining percentage increase in the general education formula allowance to the compensation total. Advocates believe this process helps school boards control staffing cost increases.

1 **Qualified economic offer.** (a) For teachers generally, prevents teachers from striking or pursuing interest arbitration on an issue related to their total compensation when a school board offers its teachers a biennial employment contract that includes a percentage increase in their total compensation that at least equals the percentage increase in the general education formula allowance in the first year of the contract. Allows teachers to strike or pursue interest arbitration for noneconomic issues.

(b) Defines total compensation for teachers when the school board and the exclusive representative of the teachers fail to agree to a total compensation amount by January 15 of an even-numbered year, consistent with the statutory section establishing a January 15 collective bargaining deadline and aid penalty. Determines total compensation under this paragraph based on (1) continuing teachers' benefits at the same percentage of the total compensation and in the same manner as the benefits provided in the last contract and (2) calculating any remaining percentage increase in total compensation (based on the percentage increase in the general education formula allowance), first, on any alternative teacher professional pay plan in effect, second, on number of years of teaching service, and third, on promotion and continuing education.

(c) Defines teachers to include classroom teachers, principals, and supervisory personnel. Defines total compensation to include salaries and other employee benefits.

Makes this section effective after July 1, 2011.

2 **Qualified economic offer.** (a) For teachers in Minneapolis, St. Paul, and Duluth, prevents teachers from striking or pursuing interest arbitration on an issue related to their total compensation when a school board offers its teachers a biennial employment contract that includes a percentage increase in their total compensation that at least equals the percentage increase in the general education formula allowance in the first year of the contract. Allows teachers to strike or pursue interest arbitration for noneconomic issues.

(b) Defines total compensation for teachers when the school board and the exclusive representative of the teachers fail to agree to a total compensation amount by January 15 of an even-numbered year, consistent with the statutory section establishing a January 15 collective bargaining deadline and aid penalty. Determines total compensation under this paragraph based on (1) continuing teachers' benefits at the same percentage of the total compensation and in the same manner as the benefits provided in the last contract and (2) calculating any remaining percentage increase in total compensation (based on the percentage increase in the general education formula allowance), first, on any alternative teacher professional pay plan in effect, second, on number of years of teaching service, and third, on promotion and continuing education.

(c) Defines teachers to include classroom teachers, principals, and supervisory personnel. Defines total compensation to include salaries and other employee benefits.

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