

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 28, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB652 by Seliger (relating to professional staff salaries paid by school districts that establish a local minimum hiring schedule.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill applies only to school districts that establish local minimum hiring schedules that prescribe the minimum salary applicable to employees subject to the minimum salary schedule (MSS) that the district will pay a new employee based on years of experience without prescribing a minimum salary for subsequent years.

The bill would establish that school districts to which it applies that pay employees subject to the MSS in Texas Education Code, 21.402, are not required to provide annual increases based on years of experience to employees paid above the minimum salary established in the MSS. If the state increased the minimum salary schedule and provided additional funding for the increase, a school district would not be required to pay an employee more than the sum of the additional funding per employee and the employee's salary in the prior year.

Local Government Impact

School districts may establish a local hiring schedule as long as it meets the minimum requirements established in the state MSS. Certain districts that pay above the MSS would not be required to give annual pay increases based on years of service and would be required to deliver mandated pay raises for current employees.

Source Agencies: 701 Central Education Agency, 323 Teacher Retirement System

LBB Staff: JOB, JSp, UP, JSc