

EDUCATORS DESERVE A BONUS AND RAISE – IT IS WELL-EARNED AND AFFORDABLE

Five additional weeks of work during the fall semester

By surveys and analysis of specific LEAs, TEA estimates Tennessee's certified educators worked an average of *13 additional hours per week to maintain daily instruction during the fall, totaling an additional 230 hours above normal working schedule*, five weeks in total, for an average salary value of \$5,772. The \$42.9 million in the special session appropriations bill would provide the average educator an additional \$570.

Maintaining continuity and quality of instruction—virtually, in-person, in combination or alternating between instruction methods in response to COVID outbreaks—is the cause of the additional hours, with a large percent of educators working 20 or more additional hours to meet student needs.

During the special and regular sessions several educator compensation increases are in order and affordable:

- Reinstatement and increase of the teacher raise in the BEP Instructional Component for FY21;
- A one-time bonus for certified and classified personnel using non-recurring dollars;
- An increase in the BEP Instructional Component for FY22.

Reinstate and Increase Teacher Raise for FY21

In March and June of last year the proposed 4 percent BEP Instructional Component increase for teacher raises -- \$117 million -- was eliminated due falling General Fund revenue concerns.

Since June the state has collected more than \$1 billion than revenue estimates, a general fund surplus of \$369 million for FY20 and \$715 million over the first five months of the current fiscal year.

Restoring an FY21 BEP teacher raise to five percent would cost \$146 million and is affordable under recently increased funding board revenue estimates for FY21 and current revenue collections. Note: *funding board revenue estimate revisions were made prior to December passage of billions in federal COVID stimulus payments to Tennesseans.*

Certified and Classified Educator Bonus for FY21

A simultaneous teacher bonus and raise has substantial precedent in Tennessee state budgets. In FY05, FY06 and FY08, the General Assembly passed separate educator bonuses and raises, with the FY08 bonus “distributed in equal dollar amounts to all licensed personnel.” Such a mechanism can be accomplished today using TNCompass data.

Educator bonuses are non-recurring and can be drawn from state reserves. The FY20 general fund had a cash surplus of \$369 million and the 2020 Tennessee Comprehensive Annual Financial Report showed an increase of the state unrestricted net position from \$6.7 billion for FY19 to \$7.5 billion for FY20.

By utilizing just over half the general fund surplus of FY20 would provide educator bonuses, combined with an FY21 raise, totaling approximately \$4,900 per licensed personnel, close to making educators whole, and provide a bonus for hard working classified employees.

Teacher Raise for FY22

Funding board estimates for FY22 were revised upward to 2.7 – 3.2 percent, providing an opportunity for increased educator compensation. A five percent increase in the BEP Instructional Component would cost approximately \$149 million in general fund dollars.

Such increases would be a substantial incentive for veteran teachers to remain on the job, with many contemplating retirements in the face of extended hours and difficult teaching conditions. Almost one-third of Tennessee teachers can retire in the next few years.

Back-to-back five percent increases in state educator salary funds would bring average teacher salaries above pre-2011 compensation levels in constant dollars and would substantially cut into the professional compensation gap between Tennessee teachers and average salaries of other college educated Tennesseans.

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