

Legislative Analysis



MERIT PAY FOR SCHOOL EMPLOYEES

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House Bill 5609

Sponsor: Rep. Tim Melton

Committee: Education

Complete to 11-30-09

A SUMMARY OF HOUSE BILL 5609 AS INTRODUCED 11-18-09

House Bill 5609 would amend the Revised School Code to include job performance and accomplishments as factors when determining an educator's compensation.

Currently under the law, a school district or intermediate school district *may* implement and maintain a method of compensation for its employees that is based on job performance and job accomplishments—customarily called merit pay. House Bill 5609 would *require* that all school districts and charter schools do so.

Specifically, the bill says that a school district, public school academy, or intermediate school district *shall* implement and maintain a method of compensation for its employees that includes job performance and job accomplishments as a factor in determining compensation. The assessment of job performance must include (but need not be limited to) improvement in student performance on state or local assessments.

In addition, House Bill 5609 says it would not apply to employees who have a collective bargaining agreement in place that prevents a merit pay system until that agreement expires.

MCL 380.1250

FISCAL IMPACT:

The bill would have an indeterminate fiscal impact for both local school districts and the Department of Education. There may be administrative costs in establishing and monitoring such a compensation system.

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