

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Committee Substitute

for

Senate Bill 506

By Senators Tarr, Barrett, Grady, Rucker, Woelfel,

Bartlett, Rose, Willis, and Takubo

[Reported March 19, 2025, from the Committee on
Education]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
2 designated §18A-4-2d, relating to enhanced pay for certain teachers; setting out legislative
3 findings; defining terms; requiring use of the highest of two multipliers to be used to set the
4 amount of the market pay enhancement; providing for certification to State Auditor;
5 requiring the State Auditor to issue a lump sum distribution to all certified teachers in any
6 county requiring a market pay enhancement; requiring market pay enhancement to be
7 adjusted every five years; making lump sum subject to personal income tax; declaring
8 there is no right to a grievance for any pay disparity that exists due to a market pay
9 enhancement distribution; providing payments are in excess of certain other amounts;
10 requiring West Virginia Board of Education report to the Joint Committee on Government
11 and Finance in any year a market pay enhancement calculation is required; and allowing
12 West Virginia Board of Education rules to explain and implement this new section.

Be it enacted by the Legislature of West Virginia:

ARTICLE 4. SALARIES, WAGES AND OTHER BENEFITS.

§18A-4-2d. State minimum salary supplement for teachers for market pay.

1 (a)(1) Findings --The Legislature finds that it has a constitutional requirement to provide the
2 citizens of this state with a thorough and efficient system of free schools. This requirement
3 mandates that the Legislature create and maintain a high-quality public school system.

4 (2) To continue to offer our citizens a high-quality public education, the Legislature
5 recognizes West Virginia must retain and attract certified teachers in order to offer the best
6 available public education to the citizens. To that end, the Legislature must address the issue of
7 West Virginia's regional disparity in cost of living by providing competitive, market-appropriate pay.

8 (3) Lastly, the Legislature finds that certified teachers throughout the state should be
9 compensated according to the county or regional market in which they provide instructional
10 services. Therefore, this section shall create market pay for certified teachers based on the
11 median home price of the county or region in which they provide educational services to enhance

the salary of certified teachers whose base salary is not sufficiently competitive to certified teachers' salaries in states near the West Virginia certified teacher's work location.

(b) Definitions -- For the purposes of this section, the terms defined in this section have the meanings ascribed to them unless a different meaning is clearly required by the context in which the term is used:

"Border state" means any of the five states which border the state of West Virginia.

"Contiguous county" means any county regardless of which state it is situated that borders on the county of employment of a teacher.

"County median home price" means the median home price of the county of employment of a teacher as determined by the National Association of Realtors for the calendar year immediately preceding the calculation as required by this section.

"Market pay enhancement" means a positive result obtained when subtracting the West Virginia median home price from the regional median home price and dividing the difference by the West Virginia median home price; subtracting the West Virginia median home price from the county median home price and dividing the difference by the West Virginia median home price; and then multiplying the highest of the two preceding figures by the average teacher salary in a county.

"Region" means the county in which a teacher is employed and each contiguous county to that county. A contiguous county may be a county in a border state.

"Regional median home price" means the average of the median home price of the county of employment and the counties contiguous to that county of employment of a teacher as determined by the National Association of Realtors for the calendar year immediately preceding the calculation as required by this section.

"State board" means the West Virginia Board of Education.

"West Virginia median home price" means that figure as determined by the National Association of Realtors as the median home price in this state and shall be for the calendar year

immediately preceding the calculation as required in this section.

(c) (1) Market pay for teachers multiplier-- Beginning on January 1, 2026, and continuing on the first day of January every fifth year thereafter, the state board shall determine:

(A) The West Virginia median home price for the immediately preceding calendar year based on data available from the National Association of Realtors;

(B) The regional median home price for the immediately preceding calendar year based on data available from the National Association of Realtors. A regional median home price shall be calculated for each of West Virginia's 55 counties; and

(C) The county median home price for the immediately preceding calendar year based on data available from the National Association of Realtors. A county median home price shall be calculated for each of West Virginia's 55 counties.

(2) These figures shall be used to determine the multiplier used to set the amount of a market pay enhancement. In order to determine the multiplier to set the amount of the market pay enhancement, the state board shall determine two multipliers and the higher of the two multipliers shall be used to calculate the market pay enhancement. The state board shall calculate the first multiplier by deducting the West Virginia median home price from the regional median home price. This figure divided by the amount of the West Virginia median home price is the first multiplier. The state board shall calculate the second multiplier by deducting the West Virginia median home price from the county regional median home price and this figure divided by the amount of the West Virginia median home price is the second multiplier. The higher of these two multipliers shall be used in calculating the market pay enhancement. The multiplier shall be rounded down to the nearest whole percentage.

(d) Calculation of market pay enhancement. – Beginning July 15, 2025, and on July 15 every fifth year thereafter, the state board shall determine the immediately preceding year's average teacher base salary in each of West Virginia's 55 counties. The multiplier as determined by subsection (c) of this section shall be multiplied by the average teacher's base salary in each

county. If the calculation results in a positive calculation, then certified teachers in that county shall receive that amount as a market pay enhancement annually until the next year that the enhancement rate is redetermined. The state board shall certify to the State Auditor by March 31 of any year in which a calculation is required pursuant to the provisions of this section that a lump sum, annual pay enhancement is required in the appropriate counties. In providing the certification the state board shall, for any impacted county, provide:

(1) The calculations used to determine the multiplier;

(2) The West Virginia median home price;

(3) The regional median home price;

(4) The county median home price; and

(5) The amount of the enhancement for any impacted county.

(e) Distribution -- Beginning July 15, 2026, and on July 15 every year thereafter, the State Auditor shall issue a distribution to all certified teachers in any county requiring a market pay enhancement. The distribution shall be in a lump sum in the amount of the market pay enhancement as determined by this section. The market pay enhancement for each county shall be adjusted every five years as set forth in §18A-4-2d(d). The purpose of this payment is to keep West Virginia certified teacher salaries in higher cost of living markets competitive with teachers in contiguous counties and border states to encourage certified teachers to reside and work in West Virginia. The lump sum shall be subject to the personal income tax as set forth in §11-21-4g. There is no right to a grievance for any pay disparity that exists due to a market pay enhancement distribution made pursuant to this section.

(f) Applicability of payments --These payments:

(1) Shall be in addition to any amounts prescribed in the applicable State Minimum Salary Schedule, any specific additional amounts prescribed in this article and any county supplement in effect in a county pursuant to §18A-4-5a; and

(2) Shall be paid in a lump sum as set forth in subsection (e) of this section.

90 (g) Reporting. — The state board shall prepare a report in any year where a market pay
91 enhancement calculation is required pursuant to the provisions of this section to the Joint
92 Committee on Government and Finance detailing any relevant information regarding market pay
93 enhancements for certified teachers.

94 (h) Rulemaking. — Notwithstanding any provision of this code to the contrary, the state
95 board may propose rules for legislative approval in accordance with the provisions of §29A-3-1 *et*
96 *seq.* explaining and implementing this section.