

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

Revised

House Bill 733 (Delegate Rawlings)

Ways and Means Ref. to Econ. & Environ. Aff. and Budget & Taxation

**Higher Education Institutions - Teacher Training Programs - Accreditation**

This bill requires a higher education institution that offers an undergraduate or graduate teaching certification program, by July 1, 2000, to: (1) file its intent to seek national accreditation; or (2) certify to the Maryland State Department of Education (MSDE) that it has received national accreditation or a waiver from the State Superintendent of Schools. After July 1, 2004, a higher education institution may not offer an undergraduate or graduate studies program that certifies an individual to teach unless the institution has received national accreditation or a waiver.

MSDE must develop and administer a technical support program to assist higher education institutions that seek national accreditation. MSDE is required to pay any fee or training fee that an accrediting agency charges an institution in connection with the accreditation process and one-half the expenses incurred by an institution in connection with the accreditation visit of a review team of an accrediting agency. This bill takes effect July 1, 1998.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$69,600 and higher education unrestricted fund expenditures could increase by \$9,500 in FY 1999. Future year expenditures reflect inflation and additional institutions receiving accreditation. Revenues are not affected.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$0	\$0	\$0	\$0	\$0
SF Revenues	0	0	0	0	0
GF Expenditures	69,600	76,500	95,300	85,500	79,000
SF Expenditures	9,500	9,600	9,700	9,800	9,900
Net Effect	(\$79,100)	(\$86,100)	(\$105,000)	(\$95,300)	(\$88,900)

Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds

**Local Effect:** None.

**Small Business Effect:** None.

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### Fiscal Analysis

**State Effect:** Twenty-two institutions of higher education offer undergraduate or graduate teaching programs. Four institutions (Bowie State University, Coppin State University, Morgan State University, and University of Maryland, College Park) have already received national accreditation. Pursuant to this legislation, the remaining institutions must obtain national accreditation by July 1, 2004 or obtain a waiver from MSDE, if the institutions want to continue to provide teaching programs. Only a liberal arts college with less than 2,000 students or a nationally recognized professional school of fine arts specializing in music or art can receive a waiver from MSDE. Assuming all eligible institutions receive a waiver, only eight institutions would have to obtain national accreditation. This fiscal note is based on the costs to obtain accreditation from the National Council for Accreditation of Teacher Education.

The national council imposes an annual \$1,200 candidacy fee for each institution seeking accreditation. The national council's accreditation process is an ongoing collaborative effort among officials at the State, institution, and national levels that culminates in an intensive five-day on-campus assessment of the institution's educational program. The on-campus assessment includes a review of institutional resources that support the teaching program, site visits of student teacher programs, and interviews with university officials. The cost associated with an accreditation visit totals approximately \$19,000 for each institution. MSDE is required to pay one-half of the costs (\$9,500) and the higher education institution is required to pay the remaining costs. Future year costs are assumed to increase by 1% annually.

In addition, MSDE would have to hire an individual to coordinate the program and to provide training for State representatives on the accreditation review team. Accordingly, general fund administrative expenditures could increase by an estimated \$58,927 in fiscal 1999, which accounts for a three-month start-up delay. This estimate reflects the cost of hiring a Staff Specialist to coordinate the accreditation process. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$38,657
Staff Training Costs	14,000
Operating Expenses	<u>6,270</u>
<b>Total FY 1999 Administrative Expenditures</b>	<b>\$58,927</b>

Future year administrative expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

In sum, State expenditures would increase by \$79,127 in fiscal 1999. **Exhibit 1** shows the total State fiscal impact for fiscal 1999 through 2003. This estimate is based on one institution obtaining accreditation in fiscal 1999, two each in fiscal 2000 through 2002, and one in fiscal 2003.

**Exhibit 1  
Potential State Costs for National Council Accreditation**

Itemized Costs	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Institutions	1 public 0 private	1 public 1 private	1 public 1 private	1 public 1 private	1 public 0 private
Candidacy Fee	\$1,200	\$2,400	\$2,400	\$2,400	\$1,200
Annual Fee	\$0	\$1,200	\$3,600	\$6,000	\$8,400
Accreditation Visit (MSDE)	\$9,500	\$19,200	\$19,400	\$19,600	\$9,900
Accreditation Visit (IHE-public only)	\$9,500	\$9,600	\$9,700	\$9,800	\$9,900
Administrative Costs*	\$58,927	\$53,702	\$69,853	\$57,511	\$59,517
<b>Total</b>	<b>\$79,127</b>	<b>\$86,102</b>	<b>\$104,953</b>	<b>\$95,311</b>	<b>\$88,917</b>

\*includes \$14,000 in training costs in fiscal 1999 and \$14,280 in fiscal 2001.

**Information Source(s):** Department of Legislative Services, Maryland State Department of Education, Maryland Higher Education Commission

**Fiscal Note History:** First Reader - February 27, 1998  
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