

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1421
Ways and Means

(Delegates Flanagan and Kittleman)

Public Schools - Improvement of Education Act of 2001

This bill authorizes local boards of education to use a bonus, stipend, or any other salary enhancement deemed necessary to recruit or retain a teacher who teaches in a critical teacher shortage area as certified by the county superintendent and approved by the State superintendent. These bonuses, stipends, and salary enhancements must be established outside the collective bargaining process.

This bill takes effect June 1, 2001.

Fiscal Summary

State Effect: None.

Local Effect: Enabling local boards of education to establish certain salary enhancements to recruit or retain teachers would not materially affect local finances.

Small Business Effect: None.

Analysis

Current Law: The scope of collective bargaining for public school teachers includes all matters that relate to salaries, wages, hours, and working conditions.

Background: Local school systems in Maryland face ongoing challenges in recruiting and retaining qualified teachers and school principals. Maryland, like most states, is projecting a sizeable teacher shortage in the coming years. The U.S. Department of

Education estimates that school systems across the nation will need to recruit 2.2 million teachers by 2008. Since Maryland imports many of its teachers from other states, the increased nationwide demand for teachers could result in teacher shortages in this State. In fact, according to the Maryland State Department of Education (MSDE), the State has consistently documented teacher shortage by content field since 1984.

Recently, MSDE calculated that 60% of existing teachers and school principals would be eligible to retire in 2005. In addition, local school systems in the State continue to hire teachers in increasing numbers. For example, during the 1999-2000 school year, local school systems hired nearly 7,400 new teachers. This represents a 24% increase over the number of newly hired teachers during the prior school year. MSDE projects that nearly 11,000 new teachers will have to be hired in the 2001-2002 school year.

The State has implemented various programs to recruit teachers, such as the Teacher Salary Challenge Program, mortgage subsidies, a scholarship program, and several stipend programs. In addition, the State will provide local school systems with approximately \$34 million in fiscal 2002 for teacher mentoring and development programs to retain existing public school teachers.

The Teacher Quality Incentive Act of 1999 (Chapter 600) provides: (1) stipends for teachers who hold or earn national teaching certification; (2) salary signing bonuses for new teachers who performed well in college; (3) stipends for teachers with advanced professional certificates who work at challenge schools, reconstitution schools, or reconstitution-eligible schools; (4) enhanced funding for teacher mentoring programs; and (5) graduate tuition tax credits for certified teachers. The Governor's proposed fiscal 2002 budget includes \$14.9 million for the incentives, an increase of \$3.1 million over the fiscal 2001 appropriation.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader – March 19, 2001
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