

**Department of Legislative Services**  
 Maryland General Assembly  
 2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 882 (Delegate McKee)  
 Ways and Means

**Education - Certificated Professional Public School Employees - Reconstitution Schools, Reconstitution-Eligible Schools, and Challenge Schools - Stipend**

This bill allows any certificated professional public school employee, other than an administrator, who is employed by a local board of education to receive a \$2,000 per year stipend for working in a challenge school, a reconstitution-eligible school, or a reconstitution school. To receive a stipend, an employee must perform satisfactorily.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by an estimated \$2.8 million annually beginning in FY 2002 to provide additional stipends. No effect on revenues.

(\$ in millions)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	2.8	2.8	2.8	2.8	2.8
Net Effect	(\$2.8)	(\$2.8)	(\$2.8)	(\$2.8)	(\$2.8)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

**Analysis**

**Current Law:** Only classroom teachers who hold advanced professional certificates are eligible to receive the stipends for working in a challenge school, a reconstitution-eligible school, or a reconstitution school.

**Background:** The stipend for teachers with advanced professional certificates who teach in challenging school environments was one of the incentives established under the Teacher Quality Incentive Act of 1999 (Chapter 600). The Maryland State Department of Education (MSDE) reports that 2,483 classroom teachers are receiving the stipend in fiscal 2001. The Act also enhanced funding for teacher mentoring programs and established graduate tuition tax credits for certified teachers, salary signing bonuses for new teachers who performed well in college, and stipends for teachers who hold or earn national teaching certification. 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.

**State Expenditures:** This estimate assumes that public school employees who are eligible for the Governor's Teacher Salary Challenge Program (such as teachers with Standard Professional Certificates, school counselors, school psychologists, and teacher mentors) and who work in reconstitution, reconstitution-eligible, or challenge schools would be eligible for the \$2,000 annual stipend. MSDE estimates that approximately 1,400 employees in over 100 schools would be eligible for the stipend. Assuming this number remains relatively constant, general fund expenditures would increase by an estimated \$2.8 million annually beginning in fiscal 2002.

**Local Fiscal Effect:** The bill would not have a direct effect on local government expenditures or revenues because the State pays the stipends. Local governments could benefit indirectly, however, if the bill results in additional school employees applying to work in reconstitution, reconstitution-eligible, or challenge schools.

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### 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 – February 23, 2001  
ef/hlb Revised – Correction – March 14, 2001

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