

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

**FISCAL NOTE**

House Bill 1116 (Delegate Finifter, *et al.*)  
Ways and Means

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**Public Schools - Kindergarten - Required Use of Instructional Assistants**

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This bill requires local boards of education to assign teacher assistants in all kindergarten classes and for all kindergarten-related school activities. A teacher assistant cannot work without supervision by a certified teacher and cannot supplant a certified teacher. A teacher assistant must have either a high school diploma or a general equivalency diploma. A teacher assistant may not work in a class in which his/her child is a student. The State must cover 20% of the costs to provide instructional assistants in kindergarten classes. The county appropriation made to cover the local share of the costs to provide instructional assistants in kindergarten classes does not count towards a county's maintenance of effort requirement.

The bill takes effect July 1, 2001.

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**Fiscal Summary**

**State Effect:** General fund expenditures would increase by \$9.1 million in FY 2002. Future year expenditures reflect retirement payments, salary increases, and enrollment growth.

| (\$ in millions) | FY 2002 | FY 2003 | FY 2004  | FY 2005  | FY 2006  |
|------------------|---------|---------|----------|----------|----------|
| Revenues         | \$0     | \$0     | \$0      | \$0      | \$0      |
| GF Expenditure   | 9.1     | 9.3     | 13.0     | 13.4     | 13.8     |
| Net Effect       | (\$9.1) | (\$9.3) | (\$13.0) | (\$13.4) | (\$13.8) |

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

**Local Effect:** Local school expenditures would increase by \$36.2 million in FY 2002 and by \$40.8 million in FY 2006. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** None.

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## **Analysis**

**Current Law:** Local school systems have the discretion to assign instructional assistants for each elementary school classroom.

**State and Local Fiscal Effect:** As of October 1999, local school systems employed 24,174 elementary school teachers and 4,700 instructional assistants. It is estimated that approximately 1,900 public school teachers are assigned solely to kindergarten classes. This is based on an average class size of 20 students and 33% of kindergarten students attending a full-day program. Most instructional assistants are assigned to pre-kindergarten classes; specialized classes such as art, music, and physical education; special education; and Title 1 classes for disadvantaged children.

This bill could require local school systems to hire an additional 1,900 instructional assistants to assist public school teachers in the classroom. This would increase local school expenditures by \$45.3 million (\$36.2 million for salaries and \$9.1 million for benefits). This estimate is based on an average salary of \$19,078 and a 25% local fringe benefit rate.

The State is required to cover 20% of the costs for the additional instructional assistants. Accordingly, State expenditures would increase by \$9.1 million beginning in fiscal 2002. Local school system expenditures would increase by \$36.2 million beginning in fiscal 2002. Future year expenditures reflect salary increases and additional students.

### *Teacher Retirement Costs*

The State is responsible for paying the retirement costs for certain local school employees, including costs for instructional assistants. These costs would total approximately \$3.4 million beginning in fiscal 2004. This is based on a \$36.2 million salary base and a 9.35% contribution rate. Since the State payments for teachers' retirement are based on the salary base in the second prior year, State retirement expenditures will not increase until fiscal 2004.

### *Total Impact on State and Local Expenditures*

The total increase in State and local expenditures resulting from the bill, including the additional costs for the instructional assistants and State paid retirement payments, is illustrated in the following exhibit.

**Exhibit 1**  
**Projected Increase in State and Local Expenditures**  
**(\$ in millions)**

|                          | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> |
|--------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Local Costs</b>       | \$36.2         | \$37.3         | \$38.5         | \$39.6         | \$40.8         |
| <b>State Costs</b>       |                |                |                |                |                |
| Instructional Assistants | 9.1            | 9.3            | 9.6            | 9.9            | 10.2           |
| Retirement               | 0              | 0              | 3.4            | 3.5            | 3.6            |
| <i>Sub total</i>         | <i>9.1</i>     | <i>9.3</i>     | <i>13.0</i>    | <i>13.4</i>    | <i>13.8</i>    |
| <b>Total Costs</b>       | \$45.3         | \$46.6         | \$51.5         | \$53.0         | \$54.6         |

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**Additional Information**

**Prior Introductions:** A similar bill (SB 273) was introduced in the 2000 session and received an unfavorable report by the Senate Economic and Environmental Affairs Committee. The bill would have required instructional assistants in all classes in kindergarten through the third grade.

**Cross File:** SB 781 (Senator Bromwell) – Economic and Environmental Affairs and Budget and Taxation.

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

**Fiscal Note History:** First Reader – March 12, 2001  
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