

Department of Legislative Services
 Maryland General Assembly
 2002 Session

FISCAL NOTE

House Bill 1220
 Ways and Means

(Delegates Shriver and Finifter)

Public Schools - Kindergarten - Required Use of Instructional Assistants

This bill requires local boards of education to assign instructional assistants in all kindergarten classes and for all kindergarten-related school activities. An instructional assistant may not work without supervision by a certificated teacher and may not supplant a certificated teacher. An instructional assistant must have either a high school diploma or a general equivalency diploma. An instructional 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 does not count toward a county's maintenance of effort requirement.

The bill takes effect July 1, 2002.

Fiscal Summary

State Effect: General fund expenditures would increase by \$7.1 million in FY 2003. Future year expenditures reflect retirement payments, salary increases, and enrollment growth.

(\$ in millions)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	7.1	7.4	10.7	11.0	11.4
Net Effect	(\$7.1)	(\$7.4)	(\$10.7)	(\$11.0)	(\$11.4)

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

Local Effect: Local school expenditures would increase by \$28.6 million in FY 2003 and by \$33.0 million in FY 2007. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

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 2000, local school systems employed 24,688 elementary school teachers and 4,725 instructional assistants. It is estimated that approximately 2,100 public school teachers are assigned solely to kindergarten classes. This is based on an average class size of 20 students and 46% 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.

It is assumed that 600 instructional assistants are currently assigned to kindergarten classes. Accordingly, this bill would require local school systems to hire an additional 1,500 instructional assistants to assist public school teachers in the classroom. This would cost approximately \$35.7 million (\$30.0 million for salaries and \$5.7 million for benefits). This estimate is based on an average salary of \$20,000 and a 19% 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 \$7.1 million beginning in fiscal 2003. Local school system expenditures would increase by \$28.6 million beginning in fiscal 2003. 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 \$3.0 million beginning in fiscal 2005. This is based on a \$30.0 million salary base and a 9.87% 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 2005.

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)

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Local Costs	\$28.6	\$29.7	\$30.8	\$31.8	\$33.0
State Costs					
Instructional Assistants	7.1	7.4	7.7	8.0	8.2
Retirement	0	0	3.0	3.1	3.2
<i>Subtotal</i>	<i>7.1</i>	<i>7.4</i>	<i>10.7</i>	<i>11.1</i>	<i>11.4</i>
Total Costs	\$35.7	\$37.1	\$41.5	\$42.9	\$44.4

Additional Information

Prior Introductions: Similar bills were introduced at the 2001 session as SB 781/HB 1116. SB 781 received an unfavorable report by the Senate Economic and Environmental Affairs Committee. The House Ways and Means Committee did not take any action on HB 1116. At the 2000 session, a bill (SB 273) that required instructional assistants in all classes in kindergarten through the third grade was introduced and received an unfavorable report by the Senate Economic and Environmental Affairs Committee.

Cross File: None.

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

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