

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 15 (Delegate Campbell)

Ways and Means

Education, Health, and Environmental Affairs

Education - Teacher Salary Signing Bonus - Eligibility Requirements

This bill alters the qualification for the teacher salary signing bonus by requiring a new teacher to have a college grade point average of at least 3.5 or its equivalent.

Fiscal Summary

State Effect: Assuming the bill would first apply to new teachers hired for the 2003-2004 school year, general fund expenditures would increase by an estimated \$150,000 annually beginning in FY 2004. No effect on revenues.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	150,000	150,000	150,000	150,000
Net Effect	\$0	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A \$1,000 salary signing bonus is paid to newly hired teachers who graduated in the top 10% of their classes. A teacher who receives the bonus must remain employed in the public school system for a minimum of three years or repay the State the bonus.

Background: The salary signing bonus was one of the incentives established under the Teacher Quality Incentive Act of 1999 (Chapter 600). The Act also enhanced funding for teacher mentoring programs, established graduate tuition tax credits for certified teachers, and established stipends for teachers who hold or earn national teaching certification and stipends for teachers with advanced professional certification who teach at challenge schools, reconstitutions schools, and reconstitution-eligible schools. The proposed fiscal 2003 State budget includes \$12.2 million for the incentives.

State Expenditures: Approximately 380 teachers receive the salary signing bonus each year. If eligibility for the bonus is based on a 3.5 grade point average rather than a ranking in the top 10% of a class, teachers hired out of graduate schools and other schools where class rankings are not calculated would be able to receive the bonuses. The Maryland State Department of Education estimates that this would allow 150 additional teachers to receive signing bonuses each year at a cost of \$150,000.

It is assumed, however, that teachers hired for the 2002-2003 school year would not be affected by the legislation due to the bill's October 1, 2002 effective date. The first teachers who would be eligible for signing bonuses under the criteria established in the bill would be those hired for the 2003-2004 school year. Therefore, expenditures would not be affected until fiscal 2004.

Additional Information

Prior Introductions: As amended in the House, HB 1218 of 2001 would have made a similar alteration to eligibility for a teacher salary signing bonus. HB 1218 passed with amendments in the Senate, but a Senate conference committee was not appointed to reconcile the House and Senate versions of the bill.

Cross File: None.

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

Fiscal Note History: First Reader - January 30, 2002
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