

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

Senate Bill 216 (Senator Kittleman, *et al.*)
Education, Health, and Environmental Affairs

Public Schools - Improvement of Education Act of 2003

This bill authorizes a local board of education to use a bonus, stipend, or any other salary enhancement that is considered necessary to recruit or retain a teacher who teaches in a critical teacher shortage area, as certified by the local superintendent of schools and approved by the State Superintendent of Schools. These bonuses, stipends, and salary enhancements must be established outside the collective bargaining process and may not exceed \$500.

The bill is effective June 1, 2003.

Fiscal Summary

State Effect: None.

Local Effect: Local school expenditures could increase to provide bonuses to teachers teaching in areas of critical shortages. If 10% of teachers receive \$500 bonuses, local expenditures would increase by \$2.8 million. The increases would be at least partially offset by potential reductions in negotiated salary levels.

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: In its *Maryland Teacher Staffing Report, 2002 - 2004*, released in August 2002, the State Board of Education recognizes several fields – career and technology, computer science, English for speakers of other languages, mathematics, science, and special education – as critical shortage areas. The State board also projects general teacher shortages for all 24 of Maryland’s public school systems and declares shortages of male teachers and minority teachers.

To further complicate the teacher shortage, the federal No Child Left Behind legislation enacted in January 2002 requires all teachers to be “highly qualified” by the 2005-2006 school year. In effect, this means all public school teachers must meet the State’s professional certification requirements and must demonstrate a high level of competence in the subjects they teach. Maryland was not meeting this goal as of October 2001, the most recent date for which comprehensive data are available. At that time, local school systems employed more than 5,600 teachers who did not hold professional certification (approximately 10% of the teaching workforce). Although the numbers are not immediately available, there are also teachers who teach outside of their areas of certification. The problem is probably most severe in the critical shortage fields.

The State has enacted many programs to aid in the recruitment and retention of certified teachers. Some of the initiatives include scholarships for teacher education students who agree to teach in Maryland public schools after graduation; signing bonuses for new teachers who met high academic standards in college; stipends for teachers working in challenge and reconstitution schools; stipends for teachers who hold certification from the National Board for Professional Teaching Standards; and tuition tax credits for teachers pursuing advanced degrees.

Local Expenditures: Local school expenditures could increase, depending on the use of the bonuses. There are approximately 56,000 public school teachers in Maryland. If 10% of these teachers teach in critical shortage areas and receive \$500 bonuses from their local school boards, local school expenditures would increase by \$2.8 million. These costs could occur annually and, due to the June 1, 2003 effective date, could begin in fiscal 2003.

Providing bonuses to select personnel could also influence the collective bargaining process, although the extent of the impact is difficult to predict. Increased expenditures for the bonuses could result in an equal reduction in negotiated salary expenditures, thereby offsetting the increase entirely. However, for school systems that have multi-year contracts in place with the local teachers’ union, any use of bonuses during the life of the contracts would represent increases in local school expenditures.

Additional Information

Prior Introductions: A similar bill was introduced in 2001 as HB 1421. The bill received an unfavorable report from the House Ways and Means Committee.

Cross File: None.

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

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Analysis by: Mark W. Collins

Direct Inquiries to:
(410) 946-5510
(301) 970-5510