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FISCAL AND POLICY NOTE

Senate Bill 449 (Senator Middleton)
Education, Health, and Environmental Affairs

**Higher Education - Associate of Arts in Teaching Degree - Transfer to
Baccalaureate Degree**

This bill requires the Maryland Higher Education Commission (MHEC), in cooperation with the Maryland State Department of Education, to estimate the number of public elementary and secondary teachers by discipline that will be needed in upcoming years. Each year, public senior higher education institutions must accept the number of applicants with associate of arts in teaching (AAT) degrees that MHEC determines will be needed by the applicants' graduating years. Applicants must meet the academic standards of the institutions and must complete the normal number of credits needed to acquire baccalaureate degrees in teaching. Public senior higher education institutions must report annually on the number of applicants who hold AAT degrees, the number who are accepted, and the number who are enrolled in the institutions.

Fiscal Summary

State Effect: Higher education expenditures could increase minimally beginning in FY 2004 due to a minimal increase in the number of AAT transfer students accepted. Any expenditure increase would be partially offset by an increase in tuition and fees revenues. The reporting requirements could be met with existing resources.

Local Effect: No direct impact on local finances.

Small Business Effect: None.

Analysis

Current Law: Individuals with AAT degrees may apply for acceptance at public senior higher education institutions – the institutions within the University System of Maryland (USM) as well as Morgan State University and St. Mary’s College of Maryland. If an applicant is accepted, the four-year institution may require the applicant to take additional credits to acquire a baccalaureate degree in teacher education.

An AAT degree is established in COMAR as a degree that is earned at a community college in the State and meets the lower-level degree requirements for teacher education, similar to the first two years of a baccalaureate program in teacher education. To earn an AAT, a student must receive a grade point average of at least 2.75 and a passing score on Praxis I.

Background: To address the State’s teacher shortage, the MHEC Education Policy Committee worked with four-year institutions and community colleges to develop a framework for an AAT degree that would streamline the process for teacher education students to transfer from community colleges to four-year institutions in Maryland. The AAT degree was established in COMAR, and has been an option for teacher education students at some community colleges since the 2001-2002 academic year. Prior to the implementation of the AAT degree, community college teacher education students could transfer to four-year institutions, but community colleges and four-year institutions had 352 separate transfer articulation agreements. The AAT degree was designed to transfer seamlessly to any four-year institution.

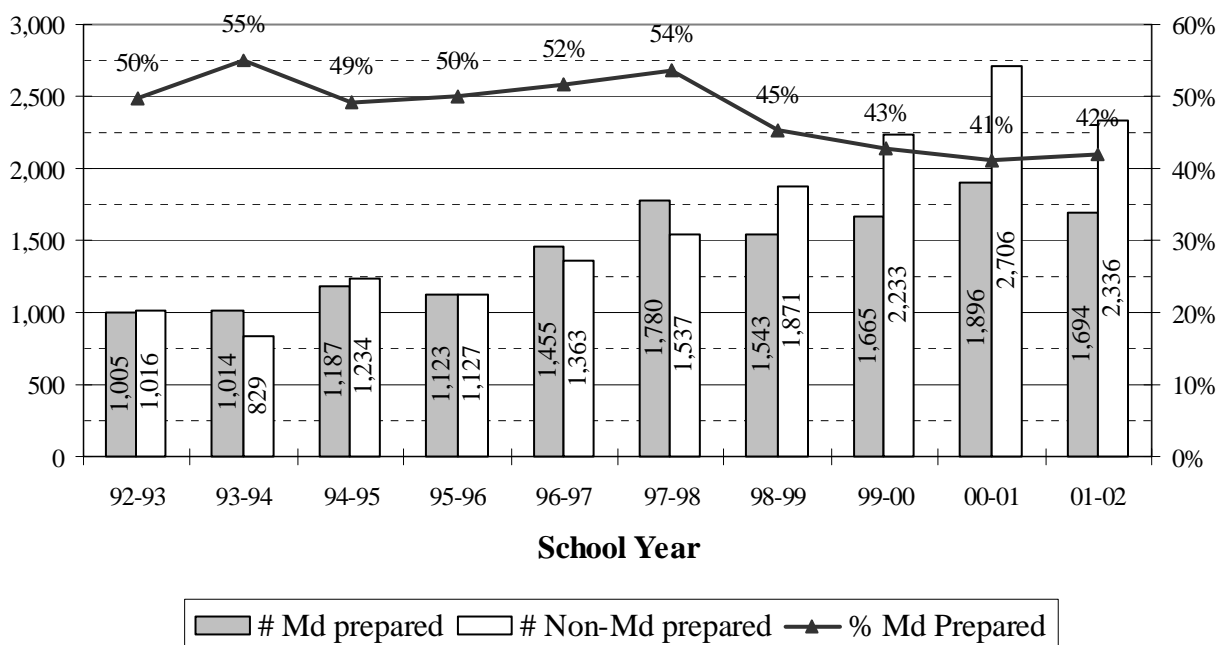
In its *Maryland Teacher Staffing Report, 2002 - 2004*, released in August 2002, the State Board of Education projects teacher shortages for all 24 of Maryland’s public school systems. The report also declares shortages of male teachers and minority teachers and recognizes several fields – career and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

To further complicate the teacher shortage, the federal No Child Left Behind Act of 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 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 is 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). Furthermore, the recent trend has been towards greater use of provisionally certified teachers. From 1999 to 2001, the number of school-level staff

with provisional licenses increased by 34%, while the number of professionally certified staff increased by 3%.

Maryland public schools hired 4,003 beginning teachers for the 2001-2002 school year, down from 4,600 hired for the 2000-2001 school year. As seen in **Exhibit 1**, 1,694, or 42%, were trained in Maryland institutions of higher education. Although the number of beginning teachers hired out of Maryland institutions has increased over the last decade, the percentage of teachers trained in Maryland declined from a high of 55% in the 1993-1994 school year to a low of 41% in the 2000-2001 school year and 42% last school year. The decrease in the percentage of teachers prepared in Maryland is mostly due to large increases in the number of teachers imported from other states.

Exhibit 1
Number and Percentage of Beginning Teachers Prepared in Maryland
1992-1993 to 2001-2002 School Years



Source: *Maryland Teacher Staffing Report, 2002 - 2004*; Maryland State Department of Education

State Fiscal Effect: The bill would not impact State general fund support for institutions of higher education and community colleges. The bill could, however, have an impact on public higher education revenues and expenditures beginning in fiscal 2004.

The bill would require the public higher education institutions to accept more applicants with AAT degrees, which could increase costs at the institutions. AAT transfer students would be subject to the same tuition and fees policies as other students. For in-state

students, however, tuition and fees only cover approximately 40% of total per pupil expenditures. Therefore, any increase in expenditures due to an increased number of AAT transfers would only be partially offset by increased tuition and fee revenues.

The bill would also prohibit public four-year institutions from requiring AAT students to take additional courses. This could reduce the credit hours that AAT students must complete in order to graduate, thereby reducing revenues that might otherwise be collected from AAT students.

The Maryland Association of Community Colleges advises that roughly 40 community college students will finish AAT degrees this school year, and another 100 students could finish next year. The students could transfer to eight USM institutions with teacher education programs or Morgan State University. In addition, some of the students could choose to attend independent colleges and universities in Maryland, which are not affected by the legislation. Therefore, the number of AAT students who would transfer to any one institution in fiscal 2004 and 2005 would be relatively small. Students would have to meet the normal academic standards to be admitted to the institutions.

If the AAT degree program grows significantly in future years, the fiscal impact on USM and Morgan State University would increase. Over the last ten years, the number of associate of arts (AA) degrees in teacher education that have been granted by Maryland community colleges has ranged from a low of 212 in 1998 to a high of 320 in 1993. Even if 300 students per year were to earn AAT degrees and transfer to public four-year institutions, the impact on the institutions could probably be absorbed within their existing budgets.

The reporting requirements for MHEC and institutions of higher education could be met with existing resources.

Local Fiscal Effect: The bill would not have a direct effect on local school system expenditures or revenues. Local systems would benefit indirectly, however, if the bill results in an increase to the number of available school teachers.

Additional Information

Prior Introductions: None.

Cross File: HB 349 (Delegate Rudolph, *et al.*) – Appropriations.

Information Source(s): Maryland Association of Community Colleges, Maryland Higher Education Commission, University System of Maryland, Department of Legislative Services

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