## FISCAL AND POLICY NOTE Revised

(Delegates Rudolph and Elmore)

Ways and Means

House Bill 330

Education, Health, and Environmental Affairs

## **Education - School-Based Employees - Stipends**

This bill expands eligibility for the stipend that is awarded for achieving certification by the National Board for Professional Teaching Standards (NBPTS). State stipends in an amount equal to the local grant for national certification must be paid to any nonadministrative certificated school employee who works directly with students or teachers at a public school. The bill also updates language identifying schools in which teachers with advanced professional certification must work to earn \$2,000 State stipends.

# **Fiscal Summary**

**State Effect:** General fund expenditures would increase by an estimated \$40,000 in FY 2006 due to the expansion of eligibility for State NBPTS stipends. The Maryland State Department of Education (MSDE) advises that the proposed FY 2006 State budget includes sufficient funding for Quality Teacher Incentives to make the necessary awards. Future year expenditures reflect projected increases in the number of qualifying individuals. Revenues would not be affected.

FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
\$0	\$0	\$0	\$0	\$0
40,000	80,000	120,000	160,000	200,000
(\$40,000)	(\$80,000)	(\$120,000)	(\$160,000)	(\$200,000)
	\$0 40,000	\$0 \$0 40,000 80,000	\$0 \$0 \$0 40,000 80,000 120,000	\$0 \$0 \$0 \$0   40,000 80,000 120,000 160,000

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

**Local Effect:** Local school expenditures could increase in accordance with local policies for awarding stipends to individuals who achieve NBPTS certification.

#### Small Business Effect: None.

# Analysis

**Current Law:** Only classroom teachers are eligible to receive the State stipend for certification by NBPTS. A State stipend equals the local grant for holding national board certification, up to a maximum of \$2,000 annually. Local school systems that currently offer stipends for NBPTS certification are shown in **Exhibit 1**.

### Exhibit 1 Local Incentives for National Board for Professional Teacher Standards Certification

School System	Incentive
Allegany	\$1,500 per year
Baltimore County	\$2,000 per year
Calvert	\$2,000 per year
Carroll	\$1,000 per year
Cecil	\$1,000 per year (subject to availability of funds in the budget)
Charles	\$2,500 per year
Dorchester	\$2,000 one-time bonus with summer assignment for two summers
Frederick	\$1,000 per year
Harford	\$1,000 one-time bonus
Howard	\$2,000 per year
Kent	\$2,000 per year
Montgomery	\$2,000 per year
Prince George's	\$2,000 per year plus \$1,000 one-time bonus
Queen Anne's	\$1,500 per year (must be teaching in area of certification)
St. Mary's	\$1,000 per year
Washington	\$2,000 per year
Wicomico	\$2,000 per year
Worcester	\$2,000 per year

Source: Maryland State Department of Education

**Background:** MSDE advises that the bill would expand eligibility for NBPTS stipends to at least four categories of school personnel: library media specialists, reading specialists, guidance counselors, and teacher mentors. MSDE reports that there are currently 498 nationally certified teachers working in Maryland, including 9 library

media specialists and 11 reading specialists who recently earned national certification. Another 320 teachers are currently working towards national certification.

Stipends for certification by NBPTS were originally established in the Quality Teacher Incentive Act of 1999 (Chapter 600). The proposed fiscal 2006 State budget includes a total of \$7.6 million for quality teacher incentives that were adopted in the Act. In addition to stipends for NBPTS certified teachers, the funding supports teacher salary signing bonuses for newly-hired teachers who performed well in college and stipends for teachers with advanced professional certification who teach in low-performing schools. When quality teacher incentives were enacted, the State's accountability system labeled schools that were not meeting standards reconstitution-eligible schools and reconstitution schools. The federal No Child Left Behind Act of 2001 changed the accountability terminology, and these schools are now called schools in corrective action or schools in restructuring.

The Quality Teacher Incentive Act was introduced and eventually enacted with the stated intent of attracting and retaining high quality teachers. For several consecutive years, the State Board of Education has projected teacher shortages for all 24 local school systems in Maryland. The board has also identified teacher shortages in a number of subject areas, including career and technology education, computer science, English for speakers of other languages, foreign languages, mathematics, science, and special education.

NBPTS is an independent, nonprofit, nonpartisan organization with a mission "to establish high and rigorous standards for what accomplished teachers should know and be able to do." Its goal is to strengthen teaching and improve student learning through the following "core propositions."

- Teachers are committed to students and their learning.
- Teachers know the subjects they teach and how to teach those subjects to students.
- Teachers are responsible for managing and monitoring student learning.
- Teachers think systematically about their practice and learn from experience.
- Teachers are members of learning communities.

**State Expenditures:** The bill would initially extend eligibility for State stipends to 20 additional individuals, 9 library media specialists and 11 reading specialists, who recently obtained certification from NBPTS. If all 20 of these individuals work for school systems that offer stipends of \$2,000 or more for national certification, general fund expenditures would increase by \$40,000 in fiscal 2006 to match the local stipends. MSDE advises that there is sufficient funding in the proposed fiscal 2006 State budget to provide for the additional stipends that would be required by this bill.

In future years, expenditure increases would depend on growth in the number of NBPTS certified professional school employees who are not classroom teachers but who work directly with students and teachers. Assuming the number of qualifying individuals increases by 20 per year, general fund expenditures would increase by \$80,000 in fiscal 2007 and by \$200,000 in fiscal 2010.

MSDE advises that the change in the statutory language for the State stipend awarded to advanced professionally certificated teachers working in low-performing schools conforms with the current practice for awarding the stipends. The update of the language, therefore, has no impact on State finances.

**Local Expenditures:** Local school expenditures could increase depending on current policies for providing NBPTS certification grants to professional school employees who are not classroom teachers. Because Maryland library media specialists and reading specialists have just begun to receive national certification, it is not known if local school systems intend to give stipends to these individuals. If local school systems only grant stipends to NBPTS certified school personnel who qualify for State matches, the bill would result in an increase in local school expenditures. If local school systems intend to provide the stipend irrespective of a State match, then the bill would not impact local school expenditures. Regardless, the bill does not require any additional spending by local school systems.

# **Additional Information**

**Prior Introductions:** HB 416 of 2002 would have allowed school administrators who were promoted from classroom teachers to receive the NBPTS certification stipend. The bill received an unfavorable report from the House Committee on Ways and Means.

Cross File: None.

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

<b>Fiscal Note History:</b>	First Reader - February 23, 2005
ncs/rhh	Revised - Enrolled Bill - May 5, 2005

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