

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1373
Ways and Means

(Delegate Heller)

Education, Health, and Environmental Affairs

Sharon Christa McAuliffe Memorial Teacher Education Award - Qualification
Requirements

This bill requires the State Board of Education to establish separate eligibility criteria for the Sharon Christa McAuliffe Memorial Teacher Education Award program applicable to applicants who earned an undergraduate or graduate degree prior to 1986. The rules must exclude consideration of the applicant's grade point average.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: Expanding eligibility for scholarships does not require additional spending. However, in order to continue awarding a similar number of McAuliffe scholarships based on current eligibility criteria and award additional scholarships based on expanded eligibility criteria, general fund expenditures would increase by an estimated \$43,400 in FY 2006. Future year expenditure increases, which could escalate to an estimated \$54,600 in FY 2010, would reflect increased award amounts and a stable number of additional McAuliffe scholarships awarded each year. Revenues would not be affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: There are three ways an applicant may qualify for a Sharon Christa McAuliffe Memorial Teacher Education Award.

- An applicant may complete 60 credits of undergraduate collegiate education and enroll in a program leading to teacher certification in an area of critical or geographic shortage. An applicant must then be selected competitively based on academic criteria established by the State Board of Education.
- An applicant may complete an undergraduate or graduate degree and enroll in courses leading to teacher certification in an area of critical or geographic shortage. An applicant must then be selected competitively based on academic criteria established by the State Board of Education.
- A teacher may be nominated by the local superintendent of schools of the school system in which the applicant intends to teach and enroll in courses leading to teacher certification in an area of critical or geographic shortage. An applicant must then be selected competitively based on criteria established by the State Board of Education.

Background: The proposed fiscal 2006 State budget includes \$574,027 for the Sharon Christa McAuliffe Memorial Teacher Education Award program, a decrease of approximately \$10,800 from fiscal 2005. In the current academic year, the Maryland Higher Education Commission (MHEC) advises that approximately 70 individuals are receiving awards under the program, and 18 eligible applicants have been placed on the waiting list for scholarships.

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.

State Expenditures: Funding for the McAuliffe scholarship program is as provided in the State budget. Although the bill would most likely result in a slight expansion of the eligibility criteria for McAuliffe awards, the expansion would not require additional expenditures for the program.

To support additional scholarships for the expanded pool of eligible applicants, general fund expenditures could increase by an estimated \$43,420 in fiscal 2006. This estimate is based on the following information and assumptions.

- Approximately 70 teacher education students are receiving awards in the current academic year. A reasonable expansion of the program would add funding for

five additional scholarships per year based on new eligibility criteria that would be established for some applicants.

- The fiscal 2005 average award amount for the program is \$8,200. The award amount is tied to tuition and fees and is therefore expected to increase by approximately 5.9% per year. In fiscal 2006, the average award amount is estimated at \$8,684.

Future year expenditure increases would reflect continued 5.9% annual increases in the average award amount and a stable number of additional awards each year. The Maryland State Department of Education and the State Board of Education could set the new eligibility criteria with existing resources.

MHEC advises that the 18 applicants on the waiting list for McAuliffe scholarships would receive awards before MHEC would expand eligibility for the program beyond its current criteria. The fiscal 2006 cost to eliminate the waiting list is estimated at \$156,312. If eligibility for Sharon Christa McAuliffe Memorial Teacher Education Awards is expanded without additional funding, the waiting list for the program would grow longer.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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