

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

Senate Bill 266 (Senator Pinsky, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

Quality Teacher Incentive Act - Increasing Participation

This bill increases from 500 to 750 the maximum number of teachers that the State Board of Education may select each year to pursue national certification under the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards.

Fiscal Summary

State Effect: General fund expenditures would increase by an estimated \$33,300 in FY 2007 and by an estimated \$200,000 in FY 2008 to pay two-thirds of the \$2,500 fee for national board certification. If the maximum of 750 teachers participate in the program, expenditures for that year would increase by \$416,750. Expenditures could continue past FY 2008 if the program termination date is extended. Revenues would not be affected.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	33,300	200,000	0	0
Net Effect	\$0	(\$33,300)	(\$200,000)	\$0	\$0

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

Local Effect: Local school expenditures would increase by an estimated \$16,700 in FY 2007 and by an estimated \$100,000 in FY 2008 to pay one-third of the national board certification fee. If 750 teachers participate in the program, local school expenditures would increase by \$208,250.

Small Business Effect: None.

Analysis

Current Law: Each school year, the State Board of Education must select, consistent with the amount provided in the State budget for the program, a maximum of 500 teachers to participate in the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards. Under the program, the State board pays the cost of the certification fee charged by the National Board for Professional Teaching Standards (NBPTS) and the local board of education reimburses the State for one-third of the cost. A teacher who participates in the program but does not complete all of the requirements for assessment by the national board must repay the certification fee.

The program is scheduled to terminate on May 31, 2008.

Background: 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.

There are currently 498 nationally certified classroom teachers working in Maryland, and another 320 are working towards national certification this year. In addition to the State and Local Aid Program for Certification by NBPTS, the State matches local school system incentives that are paid to teachers who earn national certification, up to a maximum of \$2,000 per year. The local school systems that offer national board stipends are shown in **Exhibit 1**.

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

<u>School System</u>	<u>Incentive</u>
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

This maximum number of annual participants in the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards was most recently adjusted by Chapter 578 of 2001, when it was increased from 300 to 500. The program's termination date has also been extended twice, most recently by Chapter 240 of 2004.

State Expenditures: General fund expenditures would increase by an estimated \$33,340 in fiscal 2007 and by an estimated \$200,040 in fiscal 2008 to pay the NBPTS certification fee for additional teachers. This estimate is based on the following information and assumptions.

- Participation in the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards will increase by 100 teachers per year over the next three years, exceeding the current 500 participant cap by 20 in fiscal 2007 and by 120 in fiscal 2008. The program is scheduled to terminate after fiscal 2008.
- Beginning January 1, 2006, NBPTS will charge a \$2,500 certification fee per teacher. The State will pay two-thirds of the fee, or \$1,667 per teacher.

If the maximum of 750 teachers participate in the program in any given year, general fund expenditures would increase by \$416,750. If the program is extended beyond its current termination date, the fiscal impact of this bill would continue beyond fiscal 2008.

The State matches local school system incentives for nationally certified teachers, up to \$2,000 annually. If this bill results in more teachers certified by NBPTS, general fund expenditures for the State stipend would also increase.

Local Expenditures: Assuming that 520 teachers are chosen to participate in the program in fiscal 2007 and 620 teachers are chosen to participate in fiscal 2008, local school expenditures to pay for one-third of the NBPTS certification fees would increase by \$16,660 in fiscal 2007 and by \$99,960 in fiscal 2008 as a result of the bill. If the maximum of 750 teachers participate in the program, local expenditures would increase by \$208,250. Local school systems nominate teachers for participation in the program, so any increase in expenditures that results from this bill would be at the discretion of the local school systems. Local school systems that offer stipends for national certification could also incur additional expenditures if the bill results in more teachers who are nationally certified.

Additional Information

Prior Introductions: None.

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