

Department of Legislative Services
 Maryland General Assembly
 2009 Session

FISCAL AND POLICY NOTE

House Bill 73 (Delegate Rice, *et al.*)
 Ways and Means

Education - Floating Teacher Pilot Program

This bill establishes a Floating Teacher Pilot Program to provide an extra teacher to help students who need additional instruction at each of nine underperforming schools in Baltimore City and Montgomery and Prince George’s counties. The Maryland State Department of Education (MSDE) must reimburse the county boards of education for the cost of implementing the pilot program and report on the effectiveness of the program by December 31, 2011.

The bill takes effect July 1, 2009 and terminates December 31, 2011.

Fiscal Summary

State Effect: General fund expenditures increase by an estimated \$739,500 in FY 2010 and an estimated \$761,600 in FY 2011 to reimburse eligible local school systems for hiring nine floating teachers to implement the pilot program. FY 2012 and 2013 expenditures reflect increases in State payments for teachers’ retirement. Revenues are not affected.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	739,500	761,600	106,600	116,900	0
Net Effect	(\$739,500)	(\$761,600)	(\$106,600)	(\$116,900)	\$0

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

Local Effect: Local school revenues from State aid increase for Baltimore City and Montgomery and Prince George’s counties by an estimated \$739,500 in FY 2010 and \$761,600 in FY 2011 to reimburse the school systems for the costs of hiring floating teachers for the pilot program.

Small Business Effect: None.

Analysis

Bill Summary: The Floating Teacher Pilot Program is in effect for the 2009-2010 and 2010-2011 academic years. The boards of education for Baltimore City and Montgomery and Prince George’s counties each select three underperforming schools to participate in the program. Each selected school receives one floating teacher to assist students, selected by the principal at the school. The students receiving special education and related services may not be assigned to a floating teacher.

Current Law: The Floating Teacher Pilot Program is a new initiative.

Background: Under the federal No Child Left Behind Act (NCLB), schools must meet State standards in reading and mathematics across all grade levels and in all race/ethnicity and special services categories – special education, limited English proficient, and economically disadvantaged students. If a school is unable to meet standards for two consecutive years, it is identified for school improvement status and faces a variety of consequences designed to bring about improvements. The number and percentage of schools identified for improvement during the 2008-2009 school year for the school systems eligible for the pilot program are shown in **Exhibit 1**.

Exhibit 1 2008-2009 Schools Identified for Improvement

<u>Local School System</u>	<u>Number of Schools Identified for Improvement</u>	<u>Percentage of Schools Identified for Improvement</u>
Baltimore City	95	49%
Montgomery County	14	7%
Prince George’s County	55	26%

State Expenditures: General fund expenditures increase by an estimated \$739,454 in fiscal 2010 and an estimated \$761,638 in fiscal 2011 to reimburse eligible local school systems for hiring nine floating teachers to implement the pilot program. The estimate assumes the floating teachers are paid the average salary for the local school system in which they work and estimates local fringe benefits at 23% of salary. Fiscal 2011 expenditures reflect 3% increases in teacher salaries.

State payments for the teachers' retirement program are calculated using actual school system salary bases from the second prior fiscal year. Higher salary bases in fiscal 2010 and 2011, therefore, affect teachers' retirement payments in fiscal 2012 and 2013. The increases are estimated at \$106,600 in fiscal 2012 and \$116,900 in fiscal 2013 and reflect projected State contribution rates of 14.2% and 15.4%, respectively.

Local Fiscal Effect: Local school system revenues from State aid increase by an estimated \$739,454 in fiscal 2010 and \$761,638 in fiscal 2011, which reflects the estimated personnel costs for nine participating teachers. The additional State aid is divided among Baltimore City and Montgomery and Prince George's counties, and the additional funds would be used to pay the costs for one teacher in each of the nine participating schools. **Exhibit 2** details the additional State aid to local school systems.

Exhibit 2
Additional State Aid per Local School System

	# Floating Teachers	Fiscal 2010		Fiscal 2011	
		Estimated Cost per Teacher*	Total Aid	Estimated Cost per Teacher*	Total Aid
Montgomery County Teacher	3	\$94,099	\$282,296	\$96,922	\$290,765
Prince George's County Teacher	3	80,833	242,498	83,258	249,773
Baltimore City Teacher	3	71,553	214,660	73,700	221,100
State Total			\$739,454		\$761,638

* With fringe benefits.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery and Prince George's counties, Baltimore City, Maryland State Department of Education, Department of Legislative Services

Fiscal Note History: First Reader - February 8, 2009
ncs/mwc

Analysis by: Caroline L. Boice

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