

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 937

(Senator Augustine)

Education, Energy, and the Environment and
 Judicial Proceedings

Ways and Means and Appropriations

Grow Your Own Educators Grant Program - Established

This bill establishes the Grow Your Own Educators Grant Program to provide support to eligible provisional teachers and noncertified education support professionals interested in teaching who pledge to fulfill a service obligation. Administered by the Maryland State Department of Education (MSDE), the program provides grants to local school systems in collaboratives for certain teacher candidates’ expenses and program administration costs. Collaboratives (consisting of local school systems, employee organizations representing those employees, and approved teacher preparation programs) may apply for grants by submitting plans to MSDE. The Governor may include in the annual budget bill an appropriation for the program. MSDE must report data about the program, as specified. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: General fund expenditures increase by almost \$1.5 million in FY 2025, increasing to at least \$5.4 million annually beginning in FY 2028 when the program is fully phased in for grant funding and for staff to administer the program. Higher education revenues and expenditures for public four-year institutions likely increase.

(\$ in millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Higher Ed Rev.	-	-	-	-	-
GF Expenditure	\$1.5	\$2.7	\$4.0	\$5.4	\$5.4
Higher Ed Exp.	-	-	-	-	-
Net Effect	(\$1.5)	(\$2.7)	(\$4.0)	(\$5.4)	(\$5.4)

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

Local Effect: For local school systems that choose to establish a program, local school system expenditures increase for stipends and other costs to administer the program. Costs may be partially or fully offset by *up to* an estimated total of \$1.2 million in grant funding in FY 2025 (excluding any MSDE administration costs) increasing as the program cohorts

phase in and as tuition and fees increase. Local school systems that are part of a collaborative are required to pursue long-term funding for a program; thus, revenues and expenditures may further increase in the out-years.

Small Business Effect: None.

Analysis

Bill Summary:

Eligible Individuals

To be eligible for the program, a teacher candidate applicant must (1) be employed as a noncertified education support professional or provisional teacher by a participating local school system on the effective date of the program and (2) meet the educational requirements determined by the collaborative. A “provisional teacher” means an individual employed by a local school system through a provisional contract as a conditional teacher.

At most, one-quarter of the funds used to support teaching candidate applicants may be used to support teaching candidates who are provisional teachers.

Plan

To apply for a grant, a collaborative must develop and submit to MSDE a plan to (1) select at least one content area in the local school system in which there is a shortage of teachers, as identified by MSDE; (2) select at least one teacher preparation program at an institution of higher education that satisfies the training requirements for teacher candidates; and (3) designate an individual from a collaborative to assist teacher candidates and provide program guidance.

Furthermore, the plan should estimate the numbers of (1) teacher applicants likely to complete the program who are noncertificated education support professionals; (2) teacher applicants likely to complete the program who are provisional teachers; and (3) mentor teachers necessary to support the teacher candidates. The collaborative must also provide evidence of a written billing agreement with an institution of higher education, detailing the total cost for the teacher cohort and prorated tuition costs if a candidate does not complete the program, and ensuring that no candidate is required to pay tuition or fees or for books.

In addition to the plan, the collaborative must develop and submit an outreach plan to recruit teacher candidates and mentor teachers. This plan should prioritize candidates and

mentor teachers with linguistic diversity and from racial and ethnic groups historically underrepresented in the teaching profession. It should also estimate program expenses by category, as specified, and identify at least one source of long-term funding, including the process and timeline for obtaining it.

Finally, the collaborative must include any other materials required by MSDE in its submission.

Program Requirements

MSDE must award a grant to a local school system that is part of a collaborative for employees of the local school system to complete a teacher preparation program at an institution of higher education. The grant must be for (1) tuition, books, and fees for teacher candidates; (2) stipends for mentor teachers; and (3) costs associated with the administration of the program.

In awarding a grant, MSDE must take necessary steps to ensure that, at most, one-quarter of expenses awarded in the grant go to supporting provisional teacher participants in the program. MSDE, in collaboration with the Maryland Department of Labor (MDL), must, on request, provide technical assistance to a collaborative in obtaining State, federal, or other funding for the operation of the program.

Teacher candidates must be paid and offered benefits that are at least equivalent to those received by noncertified education support professionals or provisional teachers of the same classification and tenure in the local school system, as outlined in the collective bargaining agreement.

Each teacher candidate must be provided with a mentor teacher for the entirety of the program. The teacher candidate cannot serve as a teacher of record or substitute for any teacher other than their assigned mentor teacher.

Local school systems and employee organizations representing teacher candidates must negotiate a gradual release model that allows teacher candidates to primarily focus on internship and practicum requirements.

Teacher candidates are required to fulfill a service obligation by teaching full time in the State in a public school or public prekindergarten program, specifically in high-needs schools identified by MSDE or in grade levels or content areas with a shortage of qualified educators, as identified by MSDE, for a minimum of two years.

Reporting Requirements

MSDE is required to gather and publish specified information on its website. When reporting this data, MSDE must make reasonable efforts to anonymize it in order to protect the privacy of teacher candidates.

Current Law: An individual must have a certificate issued by the State Superintendent to be employed in the State as a county superintendent, assistant superintendent, supervisor, principal, or teacher. “Noncertified education support professional” is not explicitly defined in statute but presumably applies to any public school employee not listed above. The collective bargaining process for these employees is established in Title 6, Subtitle 5 of the Education Article. A local school system, State-operated school, or specified nonpublic school that provides special education services may request a “conditional license” for an individual, if the school cannot fill a position with an individual who qualifies for a license. A conditional license is valid for five years and may not be renewed. A conditional license may only be issued to an individual who possesses a bachelor’s degree or higher, and an applicant who is issued a conditional license must pursue a pathway to professional licensure.

Chapter 627 of 2023 established the Teacher Development and Retention Program as a six-year pilot program and made significant changes to the existing Teaching Fellows for Maryland Scholarship Program. Both programs provide financial support to candidates for teacher certification and require that participants fulfill a service obligation in a public school following certification.

Teacher Development and Retention Program

The stated purpose of the Teacher Development and Retention Program is to provide support to eligible individuals who ultimately pledge to fulfill a service obligation as a teacher employed full time in a high-needs school, grade level, or content area in the State in which there is a shortage of teachers, as identified by MSDE. More specifically, the program must provide financial support (*i.e.*, initial stipend and internship stipend) to eligible individuals interested in pursuing a career in the teaching profession, beginning by offering eligible individuals a one-time stipend for participation in an experiential learning opportunity in a classroom and concluding by placing those individuals in high-needs schools, grade levels, or content areas.

The Office of Student Financial Assistance (OSFA) in the Maryland Higher Education Commission must establish eligibility criteria for the program, including requirements for an applicant to (1) be enrolled in the first or second year at an institution of initial eligibility (where at least 40% of the attendees receive federal Pell Grants) in an associate or bachelor’s degree program and (2) before receiving an educator internship stipend

established by the bill, pledge to fulfill a service obligation as a teacher employed full time in a high-needs school, grade level, or content area in which there is a shortage of teachers, as identified by MSDE, for a minimum of two years.

OSFA must administer the program, including developing processes for eligible individuals to apply for the program and for awarding stipends to those who meet the eligibility criteria. OSFA must give preference to applicants who have been employed in a public school or a publicly funded prekindergarten program within the last five years.

Teaching Fellows for Maryland Scholarship Program

The Teaching Fellows for Maryland scholarship encompasses students who pledge to work as public school or public prekindergarten teachers in the State upon completion of their studies at (1) a high-needs school, as identified by MSDE or (2) in a grade level or content area in which there is a shortage of qualified educators, as identified by MSDE.

Chapter 627 modified the service obligation for undergraduate recipients from one year for every year of award to two years for everyone, regardless of how many years an award was received.

If a recipient is unable to perform the service obligation requirement because there are no available positions in a qualifying school, grade level, or content area, the recipient may work in any public school or public prekindergarten program in the State. If a recipient performs the service obligation by teaching at a school or in a grade level or content area previously identified as high needs that is no longer identified as such, the recipient may continue to teach in that school, grade level, or content area without being required to repay the scholarship funds.

In selecting awardees for a Teaching Fellows for Maryland scholarship, OSFA must give preference to applicants, as specified, who have been employed in a public school or a publicly funded prekindergarten within the last five years.

OSFA must focus on publicizing the scholarship (1) at historically Black colleges and universities in the State; (2) to teaching assistants and other educational support staff currently working in public schools and publicly funded prekindergarten programs; and (3) in a manner that promotes the program to students who are members of groups that are underrepresented in the teaching profession. OSFA must collaborate with MSDE in publicizing the scholarship.

State Fiscal Effect:

Maryland State Department of Education

General fund expenditures increase by almost \$1.5 million in fiscal 2025 to meet the requirements of the bill, increasing to at least \$5.4 million in fiscal 2028 to reflect four cohorts of participants. While funding is discretionary, this analysis assumes that an appropriation of *at least* this amount is necessary to cover both administrative costs for MSDE (discussed below) and provide for a meaningful amount of grants (which could total more than \$5.1 million each year when the program is fully phased in and must cover the tuition, fees, and books for participants; stipends for mentors; and local administrative costs).

Grants: This estimate accounts for four cohorts, each comprising 100 eligible individuals over four years, attending public four-year institutions with teacher preparation programs. The cost of grants for the initial cohort totals more than \$1.2 million. Each year, another cohort is added, which has a compounding effect on costs. Beginning in fiscal 2028, costs reflect all four cohorts and grants account for more than \$5.1 million. The estimate assumes expeditious implementation with the first cohort funded for the 2024-2025 academic year (which roughly coincides with fiscal 2025). It also reflects an average cost for tuition and fees of approximately \$10,400 for all public institutions in the State with a teacher preparation program, along with an estimated \$1,250 for books per student, based on the costs projected by the University of Maryland, College Park Campus. Additionally, the estimate includes \$500 annual stipends for mentor teachers, assuming a one-to-one mentorship for each future teacher. Further, the estimate assumes a 2% annual increase in the tuition and fees component of grants, reflecting the escalating costs of in-state tuition and fees for public higher education institutions. A program that includes a private institution of higher education may require additional funding for tuition and fees due to their higher costs. To the extent participants attend on a less than full-time basis, costs may be lower annually – but they may be spread over more years. There also may be programs that allow eligible individuals to attend a teacher preparation master’s degree program; such programs are generally two rather than four years long, but tuition and fees may be higher. Actual costs depend on the plans submitted and approved for funding.

Administrative Costs: MSDE advises that two full-time and one half-time education program specialists are required to administer the Grow Your Own Educators Grant Program. The Department of Legislative Services advises that the program can likely be administered by two full-time education program specialists at a cost of \$238,273 in fiscal 2025. The estimate reflects hiring the staff on the bill’s July 1, 2024 effective date so that awards can be made for the 2024-2025 academic year. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. It is assumed that MDL can provide technical assistance on request using existing resources.

Positions	2.0
Salaries and Fringe Benefits	\$223,221
Operating Expenses	<u>15,052</u>
Total FY 2025 MSDE Administrative Expenditures	\$238,273

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Institutions of Higher Education

Institutions of higher education with a teacher preparation program approved by MSDE may apply for a grant as part of a collaborative with a local school system and an employee organization. Institutions with [teacher preparation programs](#) include the University System of Maryland institutions, Morgan State University, and St. Mary’s College of Maryland, as well private institutions of higher education. One of the requirements of a program is that participants not be charged tuition or fees (or pay for books). Accordingly, revenues and expenditures may increase to the extent the bill increases the number of students enrolled in teacher preparation programs, with tuition and fees covered by program grants.

Local Fiscal Effect: In the 2023-2024 school year, Maryland local school systems faced a significant teacher shortage, with 1,935 teacher vacancies in addition to 5,304 teaching positions filled by conditionally certified teachers working toward full certification. The U.S. Department of Education identified 40 critical shortage areas in Maryland, including middle school English, mathematics, science, and social studies.

As a response to this shortage, it is anticipated that some local school systems establish collaboratives with higher education institutions and employee organizations. For those opting to develop such programs, expenditures may increase to cover tuition, fees, and the cost of books for teacher candidates and provisional teachers, stipends for mentor teachers, and administrative costs to the extent those costs are not covered by grant awards. Local school systems must continue to pay the noncertified education support professionals and provisional teachers and provide them benefits while they are teacher candidates.

Additionally, local school systems involved in collaboratives must seek long-term funding, leading to potential increases in both revenues and expenditures if external funding sources are secured.

Additional Comments: Private institutions of higher education with teacher preparation programs may establish collaboratives with local school systems and employee organizations. Thus, their revenues and expenditures may be affected. However, the magnitude and direction of the impact cannot be reliably estimated and any impact is due to choosing to be part of a collaborative.

In 2022, MSDE [announced](#) the award of \$47.5 million to 23 of the 24 local school system for Grow Your Own Staff Programs as part of the Maryland Leads program. It was estimated that the programs have the potential to (1) generate more than 300 new teachers and 1,000 new paraprofessionals; (2) support more than 400 conditionally certified teachers to pass licensure exams; and (3) build a sustainable talent pipeline. The grant period ends September 30, 2024.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 1157 (Delegate Wilkins) - Ways and Means and Appropriations.

Information Source(s): St. Mary's County Public Schools; Maryland Higher Education Commission; Maryland State Department of Education; Maryland Independent College and University Association; University System of Maryland; St. Mary's College of Maryland; Department of Legislative Services

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