NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

The LFC is only preparing FIRs on bills referred to the Senate Finance Committee, the Senate Ways and Means Committee, the House Appropriations and Finance Committee and the House Taxation and Revenue Committee. The chief clerks are responsible for preparing and issuing all other bill analyses.

Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Room 416 of the State Capitol Building.

## FISCAL IMPACT REPORT

SPONSOR:	Maes	DATE TYPED:	3-3-01	HB	
SHORT TITLE: Teacher Salary Increase		ase		SB	549
			YST:	Segura	

#### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring	Fund
FY99	FY2000	FY99	FY2000	or Non-Rec	Affected
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### **SOURCES OF INFORMATION**

State Department of Education (SDE)

#### **SUMMARY**

#### Synopsis of Bill

Senate Bill 549 creates a new section of the Public School Code, Section 22-5-13, Legislative Appropriation Percentage Salary Increase. This new section would require local school boards to approve and provide salary increases to teachers at the same percentage increase as specified in any legislative appropriation.

#### Significant Issues

Section 22-5-4 of the Public School Code currently allows local school boards to fix the salaries of all employees and certified personnel of the school district. Senate Bill 549 would amend this section of the Public School Code to add the exception provided in the proposed Section 22-5-13.

According to SDE, a review of a six-year trend in teacher salary increases shows that the majority of the school districts provided salary increases to teachers that either met or exceeded the intended salary percentage increases stated in legislative appropriations.

# Senate Bill 549 -- Page 2

## FISCAL IMPLICATIONS

Senate Bill 549 does not contain an appropriation. The SDE states that if SB549 is enacted, some school districts may find it difficult to provide the salary percentage increase set forth in legislative appropriations without compromising other areas of their operational budgets.

RS/njw