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:                          | Garcia, M.J. | DATE TYPED: | 03/14/01 | HB |          |
|-----------------------------------|--------------|-------------|----------|----|----------|
| SHORT TITLE: Classified Staff T&E |              | Index       |          | SB | 756/aSFC |
|                                   |              |             | Segura   |    |          |

### **APPROPRIATION**

| Appropriation Contained |        | Estimated Additional Impact |              | Recurring  | Fund         |
|-------------------------|--------|-----------------------------|--------------|------------|--------------|
| FY99                    | FY2000 | FY99                        | FY2000       | or Non-Rec | Affected     |
|                         |        |                             | \$ 119,333.3 | Recurring  | General Fund |

(Parenthesis ( ) Indicate Expenditure Decreases)

#### SOURCES OF INFORMATION

State Department of Education (SDE)

#### **SUMMARY**

# Synopsis of SFC Amendment

The Senate Finance Committee amendment indicates how the Classified Staff Training and Experience Index would be used in helping to determine program cost. For the 2002-2003 school year, total program units would be calculated by multiplying the total membership program units by the sum of the instructional staff training and experience index and by one-tenth of the classi-fied staff training and experience index. For the 2004-2005 and subsequent school years, total program units would be calculated by multiplying total membership program units by the sum of the instructional staff training and experience index and by three-tenths of the classified staff training and experience index. Total membership program units are those units generated by early childhood education, basic education, special education and bilingual multicultural education.

According to SDE, there was no indication in the original bill of how the additional T&E index for classified staff would be applied. SB756/a clarifies the application of the classified staff T& E. A portion of this new index, one-tenth in 2002-2003 will be added to the instructional staff T& E index. The sum of these two indices will then be multiplied against total membership program units.

The department raises technical issues with the amendment; the amendment does not specify how the classified T&E index will be applied in the 2003-2004 school year. For the fiscal impact it is assumed that the 2002-2003 application method applies to 2003-2004.

### Senate Bill 756/aSFC -- Page 2

# Synopsis of Original Bill

Senate Bill 756 proposes to add a new section to the Public School Code, Section 22-8-24.1 "Classified Staff Training and Experience Index". SB-756 would create a training and experience index that would apply to classified staff not assigned to an instructional program, such as principals, substitute teachers, instructional assistants, secretaries, and clerks. These individuals are not included in the calculation of the Instructional Staff Training and Experience (T&E) Index.

### Significant Issues

According to SDE, in order to calculate the proposed index:

- School districts will count the number of classified staff on the October payroll for calculating the classified staff training and experience index;
- the number of years of experience will be used in calculating the training and experience index based on the number of years of experience allowed for salary increment purposes on the salary schedule of the school district;
- -the training and academic degree component will also be used in the calculating of the training and experience index based on the training and additional degrees allowed for salary increment purposes on the salary of the school district; and
  - Calculation instructions shall be issued by the State Superintendent.

### FISCAL IMPLICATIONS

Senate Bill 756 does not contain an appropriation. According to SDE, based on the 2000-01 40<sup>th</sup> day membership and the current value of \$2,647.56, the total dollar amount generated from the instructional T&E index is \$119,840,424. It is not possible to do a similar analysis for the proposed Classified Staff Training and Experience Index because, (1) district-by-district data are not available, and (2) the manner in which the index is to be applied is not specified.

#### **ADMINISTRATIVE IMPLICATIONS**

The SDE will be required to establish procedures for collecting the data needed to calculate this new index which will likely involve updating the existing T&E database.

## CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

**Duplicates HB-899** 

## **TECHNICAL ISSUES**

According to SDE, there is no indication in the bill how the additional T& E index for classified staff would be applied. Would it serve as a multiplier in addition to the existing T& E index, or would it be merged with the existing index.

RS/njw:ar