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FISCAL IMPACT REPORT

SPONSOR: Nava DATE TYPED: 03/17/03 HB _____

SHORT TITLE: Educational Program Cost Calculations SB 216/aSFC/aHAFC

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	See Narrative				

(Parenthesis () Indicate Expenditure Decreases)

Similar to HB 183

Relates to Appropriation for the State Department of Education in the General Appropriation Act

SOURCES OF INFORMATION

LFC files

SUMMARY

Synopsis of HAFC Amendments

The Amendments adopted by the House Appropriations and Finance Committee add “fine arts education” to the list of programs that may be included in calculating a school district’s program cost and add a new section to the bill that reads as follows:

“Section 3. A new section of the Public School Finance Act is enacted to read:

“[NEW MATERIAL] FINE ARTS EDUCATION PROGRAM UNITS. - - The number of fine arts education program units is determined by multiplying the full-time equivalent MEM in programs implemented in accordance with the provisions of the Fine Arts Education Act by the cost differential factor of 0.0166 for fiscal year 2004, 0.0332 for fiscal year 2005 and .05 for fiscal year 2006 and succeeding fiscal years””.

Senate Bill 216/aSFC -- Page 2

Synopsis of SFC Amendment

The amendments adopted by the Senate Finance Committee strike the appropriation from the bill. However, CS/HB 2 includes \$4,473.1 for enrollment growth and \$4,500.0 for the enrollment growth formula change.

Synopsis of Original Bill

Senate Bill 216 amends the Public School Finance Act by adding National Board for Professional Teaching standards (NBPTS) certification to the itemized program units in the program cost calculation by providing a method to calculate a one time salary differential for NBPTS-certified teachers; and appropriates \$470.0 from the general fund to SDE for this purpose.

This bill was submitted for the Legislative Education Study Committee.

Significant Issues

Teachers who obtain NBPTS certification are subjected to a program of intensive training that culminates with a rigorous exam and evaluation process before they are certified. The State Board of Education has consistently supported the program, and the Legislature has appropriated funds to assist teachers who want to seek NBPTS certification. The basis premise is that improved teacher training will result in improved student achievement.

It is estimated that 160 teachers will qualify for the one-time salary increase.

FISCAL IMPLICATIONS

The appropriation of \$470.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund

DUPLICATION, RELATIONSHIP

SB 216 duplicates HB 183, PROGRAM COST CALCULATION.

SB 216 relates to:

HB 380, SALARY DIFFERENTIAL FOR CERTAIN TEACHERS, appropriates \$428,000 from the general fund and requires a salary differential of \$4,000 for every NBPTS certified teacher who teaches in a school where at least 90 percent of the students that receive free or reduced price meals.

HB 37A, SCHOOL EMPLOYEES SALARY INCREASE, appropriates \$119.0 million to provide an 8% salary increase for all public school employees.

HB 451, PUBLIC SCHOL EMPLOYEE ONE-TIME SALARY INCREASE, appropriates \$14.0 million for a one-time, supplemental salary increase to all public school employees, explains the method for determining the increase, and stipulates that the increase will not be considered salary for purposes of the Education retirement Act.

SB 317, INCREASE TEACHER SALARIES, appropriates \$53.7 million to provide a salary increase of \$2.250 to all teachers, including preschool, with the increase to become a part of the base salary for these employees and be incorporated into the public school equalization distribution in subsequent years.

HB 212 AND SB 23 PUBLIC SCHOOL REFORMS, amend the Public School Code and some of the bills' provisions call for a 3-tiered salary approach to compensating teachers.

POSSIBLE QUESTIONS

1. How much does it cost to obtain NBPTS certification and how much time does it take?
2. Does someone other than the principal give candidates on-site performance evaluations?
3. Will this approach lead to additional compensation for teachers in fields of short supply, such as math, science, special education and bilingual education? Should it?

LRB/prr