

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 995** HLS 14RS 1464
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

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Dept./Agy.: Education	Analyst: Jodi Mauroner
Subject: Teacher Evaluations	

TEACHERS/EVALUATION OR INCREASE GF EX See Note Page 1 of 1
 Provides relative to teacher evaluations

Proposed legislation deletes the use of the value-added assessment model and instead requires school and district accountability be based on multiple indicators of student growth and achievement from multiple data sources, as defined in The Teacher Effectiveness and Measurement (Team) system, beginning with the 2015-2016 school year. The bill retains the provisions of law regarding an intensive assistance program for teachers rated "ineffective", but requires a second evaluation be performed within the next school year following the rating and placement in the intensive assistance program. The local school board may terminate the teacher after a second "ineffective" rating, but is not required to do so. The Board of Elementary and Secondary Education shall develop the TEAM system which shall be used to measure the effectiveness of teachers and administrators. The bill further defines minimum requirements of the TEAM system.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	INCREASE	INCREASE	INCREASE	INCREASE	<u>\$0</u>
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There will be an increase in state expenditures by the Department of Education to develop and implement the Teacher Effectiveness and Measurement (TEAM) system. The DOE cited contract costs expended for the development of Compass which included resource and training development and support over a two year period which totaled \$2.4 M, and out year costs of \$80,000. In addition, the DOE projects a cost of \$920K for the development of an online portfolio system as required by the bill (\$115 per hour x 8,000 hours) and out year system maintenance costs of \$239K. The DOE did not provide a detailed breakdown of what is included in the total in order for the LFO to ascertain the extent to which these projected costs appear likely.

Expenditures for local school systems will increase if there is an increase in the number of teachers rated "effective" under the new model. Teachers rated ineffective are not eligible for salary increases for a year following the evaluation. The amount of any increase will be determined by the number of teachers who otherwise would have been rated ineffective, their salary base and the amount of any salary increases.

The 2010-2011 Classroom Teacher cumulative head count was 49,847. According to the 2013 Compass Report, 4% of the teachers statewide received a Final Evaluation Rating of ineffective (1,994 teachers). There were 49 districts where the percentage of teachers rated ineffective fell between 0-5%; 14 districts where the percentage of teachers rated ineffective fell between 6%-10%; 3 districts where the percentage of teachers rated ineffective fell between 11%-15%; and 3 districts where the percentage of teachers rated ineffective fell between 16%-20%.

In September 2013, the forecast adopted by the Education Estimating Conference estimated an average teacher statewide pay raise of \$747 per teacher for the 2013-2014 academic year. For illustrative purposes, if only 6% (120) of the teachers previously rated "Ineffective" were to receive a rating of "Effective" and be eligible for an increase in this amount; expenditures would increase by \$114,388 (includes 28% employer retirement contributions); if as many as 20% (399) of the teachers were eligible, expenditures would increase by \$381,293. These expenses may be funded with MFP and local funds. This does not include salary supplements that may be provided by local school districts and funded with local revenues.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		