

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 1129** HLS 14RS 1500  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

|  |                               |
|--|-------------------------------|
| <b>Date:</b> April 22, 2014 4:58 PM              | <b>Author:</b> THIERRY        |
| <b>Dept./Agy.:</b> Education                     | <b>Analyst:</b> Jodi Mauroner |
| <b>Subject:</b> Teacher professional development |                               |

TEACHERS OR INCREASE GF EX See Note Page 1 of 2  
 Provides relative to professional development for teachers

The proposed legislation provides for professional development for certain categories of teachers based on years of service and other criteria. The bill would require local school boards to provide ongoing professional development for all teachers rather than just beginning teachers and further defines specific professional development activities for each category of teacher. The bill requires certain teachers to be paid at 125% of the compensation of teacher with equivalent education and experience.

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

**EXPENDITURE EXPLANATION**

There will be a significant increase in state expenditures for professional development activities for certain teachers as defined in the proposed legislation. The bill states that subject to the availability of funds, the school board shall provide a maximum three-week summer institute at a public postsecondary institution in the state, at the state's expense, for credit towards a master's degree. Based on the cost of a similar program offered in 2008-2009, the estimated cost of such a program could be in excess of \$46 M annually.

A summer institute (three credit hours over a three week period) may include the following costs per participant: \$2,140 tuition and fees; \$500 housing in on-campus dorms; \$500 for textbooks and materials and a \$3,000 stipend (compensation for time, travel and meals) for a total of \$6,140 per participant. If no stipend were paid the cost would be reduced to \$3,140.

There are approximately 50,000 teachers in the state. Based on the 2012-2013 Compass Evaluation, 4% or 2,000 were rated "Ineffective". Using data from 2010-2011 and 2011-2012 school years, the following is an estimate of the number of teachers that could participate in a three week summer institute at a public postsecondary institution per the proposed legislation.

3,865 new teachers would be labeled "Emerging Teachers"  
 1,732 transfer teachers would be labeled "Emerging Teachers"  
2,000 teachers rated "Ineffective" would be labeled "Provisional Teacher"  
 7,597 total number of eligible participants

Projected cost of participants with a stipend \$46.6 M (7,597 x \$6,140)  
 Projected cost of participants without a stipend \$23.8 M (7,597 x \$3,140)

**CONTINUED ON PAGE 2**

**REVENUE EXPLANATION**

There will be an increase in self-generated revenues for public postsecondary institutions from tuition and fees collected for the summer institute. For illustrative purposes, if the state paid an average tuition rate of \$2,140 and campus housing of \$500 for 7,500 participants, institutions would collect a total of \$19.8 M.

- Senate Dual Referral Rules House  6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}  6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**

There will be a significant increase in expenditures of local school boards to expand professional development resources and activities required by the proposed legislation. The bill requires schools to assign mentors to teachers with less than three years experience and to those rated ineffective. Some school systems have indicated that due to the extensive mentoring requirements for a master teacher, teachers would only be able to work with one or two teachers in addition to their regular classroom duties. For illustrative purposes, a school system has 300 teachers with 0-3 years experience. Based on an average salary of \$50,000 a Master teacher would receive additional 25% compensation plus related benefits (40%); the cost for that teacher would increase by \$17,500 ( $\$50,000 \times 25\% = \$12,500 \times 40\% = \$5,000$ ). The school system would require at least 100 Master Teachers for an additional cost of \$1,750,000.

However, a school system may not have a sufficient number of Master teachers to provide one -on-one training. If a "Master Teacher" worked exclusively as a mentor, the school would have to fill that position with a new classroom teacher. For illustrative purposes, a school system has 300 teachers with 0-3 years experience. Based on an average salary of \$50,000 a Master teacher would receive an additional 25% compensation plus related benefits (40%); the cost for that teacher would increase by \$17,500 ( $\$50,000 \times 25\% = \$12,500 \times 40\% = \$5,000$ ). If the school provided 50 Master Teachers working exclusively at mentoring duties there would be an additional cost of \$875,000 (there could also be associated travel cost if the teacher traveled around the district) Further, there would be an additional cost of \$2.8 M for 50 new classroom teachers ( $\$40,000 \times 40\% = \$16,000 + \$40,000 = \$56,000 \times 50$ ). The total increased cost to the school system would be \$3.7 M.

NOTE: Value added data will not be produced or required for use in Compass in the 2013-2014 and 2014-2015 school years due to the transition to new standards. As such, teacher ratings will not be available prior to FY 15-16. The proposed legislation defines Master Teacher as one rated effective to highly effective for four of seven years, as such, a teacher would not be able to qualify as a Master Teacher prior to the 2022-2023 school year.

Finally, 2010-2011 Classroom Teacher Headcounts indicated there were over 10,000 teachers with less than three years experience in the classroom. The bill requires a minimum two week training for "Novice" teachers employed less than one year (approximately 3,000 teachers). School Boards currently provide new teacher orientation and professional workshops prior to the beginning of the school year. Additionally, some schools provide mentor teachers, new teacher induction, follow up sessions during the school year and stipends for new teachers. To the extent those current training activities would have to be expanded, there will be an indeterminable increase in expenditures for school systems.

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|--|----------------------------|-------|--|
| Senate   | <u>Dual Referral Rules</u> | House | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         |
| <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} |

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