

**STATE
REVISED FISCAL IMPACT**

(replaces fiscal note dated April 10, 2012)

Drafting Number: LLS 12-0494

Date: May 4, 2012

Prime Sponsor(s): Rep. Solano
Sen. Bacon

Bill Status: Senate Appropriations

Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING EFFECTIVE EDUCATORS IN LOW-PERFORMING, HIGH-NEEDS SCHOOLS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures State Education Fund	at least \$604,800	at least \$705,600
FTE Position Change		
Effective Date: August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
School District Impact: None.		

Summary of Legislation

This bill, *as amended in the Senate Education Committee*, requires that the Colorado Department of Education (CDE), subject to available appropriations, award a stipend of \$4,800 to public school teachers or principals holding a certification from the National Board for Professional Teaching Standards (NBPTS), and who are employed in low-performing, high-needs schools. A low-performing, high-needs school is defined as any school that is accredited with a priority improvement plan or a turnaround plan.

Background

House Bill 08-1384 established a similar NBPTS certification award program from FY 2008-09 until FY 2010-11, and appropriated \$1.5 million for awards in that first year; however, in the following legislative session, Senate Bill 09-214 eliminated the FY 2008-09 appropriation, and made future awards subject to available appropriations. Although the program received some federal money in FY 2009-10, no state appropriations have been made to award NBPTS bonuses.

Currently, only teachers may seek certification from NBPTS. The NBPTS is preparing a certification program for principals in addition to teachers; however, there are no current principals that can qualify for the stipend, and none are anticipated before FY 2014-15.

State Expenditures

The bill's expenditures are estimated to be at least \$604,800 in FY 2012-13, and at least \$705,600 in FY 2013-14. The bill requires that the CDE make an annual award of \$4,800 to any employed teacher or principal certified by NBPTS, and employed in low-performing, high-needs schools.

To date, 641 teachers in the state have earned NBPTS certification, and each year the number of certified teachers increases as more teachers become certified, and as currently certified teachers enter the state. For example, from 2011 to 2012, the number of certified teachers increased by 17 percent. Currently, there are 288 NBPTS candidates actively pursuing certification. Assuming half of these candidates achieve certification in FY 2012-13, the combined number of teachers with NBPTS certification is 785. Based on current trends, it is estimated that 16 percent, or 126 of these certified teachers also teach in low-performing, high-needs schools, for an expense of \$604,800 ($126 * \$4,800 = \$604,800$). If the number of certified teachers grows by the same amount next year (17%), there will be 919 certified teachers, 147 of whom will be eligible for the stipend, for a total cost of \$705,600.

The National Board is developing a certification credential for school principals, but does not have one yet. In future years, the number of eligible professional educators will increase as this certification becomes available.

In addition, the CDE will incur costs to process and disburse the awards to teachers. The accounting unit will be required to collect a W-9 from each teacher, and verify the NBPTS certification and employment in a low performing, high needs school. The collection of information, maintenance of electronic records, and disbursement of stipends will require approximately 40 hours of administrative effort annually. This fiscal note assumes that the appropriation from the State Education Fund for the bill is sufficient to pay for both stipends to eligible educators, and to cover the administrative effort of the CDE.

State Appropriations

For FY 2012-13, this bill requires an appropriation of \$604,800 from the State Education Fund to the Colorado Department of Education.

Departments Contacted

Education

Law