

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7498
BILL NUMBER: HB 1550

DATE PREPARED: Jan 25, 1999
BILL AMENDED:

SUBJECT: National Board Certification of Teachers.

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues			
State Expenditures		6,000,000	4,000,000
Net Increase (Decrease)		(6,000,000)	(4,000,000)

Summary of Legislation: (1) This bill would require that the Department of Education (the Department) annually pay the certification fees for up to 2,000 teachers who participate in the certification process offered by the National Board for Professional Teaching Standards (the Board). (2) It would provide a Board incentive grant (incentive grant) to school corporations in the amount of \$5,000 multiplied by each teacher employed by a school corporation who holds a valid certification from the Board, and who is a classroom teacher.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (1) This bill would require the Department to pay, on behalf of a teacher, the \$2,000 certification fee charged to the teacher by the Board for certification. It would require that the Department pay for certification fees for up to 2000 teachers in a year.

Depending upon the number of teachers who would apply for Board certification, the maximum annual cost to the State for defraying Board certification fees in accordance with this bill could total \$4,000,000 (the cost could be \$6,000,000 in FY 2000 since the bill would be effective July 1, 1999, and 2,000 teachers could feasibly apply for Board certification within the last six months of CY 1999).

The amounts necessary to pay certification fees in accordance with this bill are appropriated from the State General Fund.

(2) In addition to state distributions for the following funding items: 1) state tuition support; 2) growing enrollment adjustment grant; 3) at-risk grants; and 4) honors diploma awards, this bill would allow school

corporations to receive \$5,000 incentive grants for each teacher certified by the Board who is employed by the school corporation.

The National Board for Professional Teaching Standards reports that, currently, there are approximately 20 teachers in the State of Indiana who are certified by the Board. If the number of teachers who are certified by the Board remains constant, the State would incur a cost of \$100,000 on an annual basis. However, if the number of teachers who are certified by the Board increases to 2,000 and remains constant, the total State cost could be \$10,000,000 on an annual basis.

Ultimately, the total maximum cost to the State would depend upon the number of teachers who gain Board certification. For school year 1997-98, the number of certified FTE teachers teaching in Indiana's 294 school corporations totaled approximately 56,189.

The bill would make no appropriation regarding this provision.

The Department would experience a minimal increase in administrative cost and time in fulfilling the requirements of this bill.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: School corporations would be eligible to receive \$5,000 incentive grants for each teacher certified by the Board who is employed by the school corporation. The total effects of this bill would depend upon the number of teachers who gain Board certification, and would vary from school corporation to school corporation.

State Agencies Affected: Department of Education.

Local Agencies Affected: School Corporations.

Information Sources: The National Board of Professional Teaching Standards (www.nbpts.org).