

**Department of Legislative Services**  
 Maryland General Assembly  
 2016 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

Senate Bill 493

(Senator Pinsky, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

**Teacher Induction, Retention, and Advancement Act of 2016**

This bill establishes a Teacher Induction, Retention, and Advancement Pilot Program for specified first-year teachers to be afforded at least 20% more time than other teachers to be spent on mentoring, peer observation, assistance with planning, or other preparation activities. Any costs incurred must be borne 80% by the State and 20% by the local boards of education that choose to participate in the pilot program; an appropriation of \$5.0 million is mandated annually through fiscal 2022 for the program. The bill also increases, permanently, the maximum State matching stipend for teachers who hold National Board Certification (NBC) from \$2,000 to \$4,000. In addition, the bill establishes a matching State stipend of up to a maximum of \$1,500 for specified Anne Arundel County classroom teachers; the Governor is required to include funding for the stipends in the budget for fiscal 2017 through 2019.

The bill takes effect July 1, 2016. The stipend for specified Anne Arundel County Public School teachers terminates June 30, 2019. The Teacher Induction, Retention, and Advancement Pilot Program terminates June 30, 2022.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by an estimated \$1.4 million annually beginning in FY 2017 if local school systems fund the maximum NBC stipend, by an additional \$5.0 million annually from FY 2017 through 2022 for the State share of the pilot program, and by an estimated \$1.9 million in FY 2017 through 2019 (as discussed below) for the maximum Anne Arundel County stipend. Revenues are not affected. **This bill establishes mandated appropriations beginning in FY 2018 for varying time periods.**

(\$ in millions)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	8.2	8.2	8.2	6.4	6.4
Net Effect	(\$8.2)	(\$8.2)	(\$8.2)	(\$6.4)	(\$6.4)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Beginning in FY 2017, local school system expenditures increase by up to \$1.4 million if they choose to increase their NBC county grants (and the Governor funds it in FY 2017; mandated appropriation begins in FY 2018); local school system revenues from the State match increase based on their county grants and the number of eligible educators. Also beginning in FY 2017, local school system expenditures increase by up to \$1.25 million if they choose to participate in the Teacher Induction, Retention, and Advancement Pilot Program; local school system revenues increase by up to \$5.0 million beginning in FY 2017 (if the Governor funds it in FY 2017; funding is mandated in FY 2018 to 2022) for school systems that participate. Anne Arundel County Public Schools expenditures increase by up to \$1.9 million in FY 2017 through 2019 (if the Governor funds it in FY 2017; funding is mandated in FY 2018 and 2019), as discussed below, if it chooses to grant specified teachers the maximum stipend amount; revenues increase by the same amount due to the State match.

**Small Business Effect:** None.

---

## Analysis

### Bill Summary:

#### *National Board Certification*

To the maximum extent practicable, each local board of education must utilize teachers who have obtained NBC in leadership roles within the school.

#### *Anne Arundel County Stipend*

For fiscal 2017 through 2019, an Anne Arundel County classroom teacher who meets specified conditions receives a stipend from the State equal to a specified Anne Arundel County grant up to a maximum of \$1,500. Specifically, the teacher must (1) teach in a public middle or high school in which at least 30% of the students as a percentage of full-time equivalent students qualify for free and reduced-price meals under the National School Lunch Program; (2) hold a standard or advanced professional certificate; and (3) be employed by the Anne Arundel County Board of Education. For fiscal 2017 through 2019, the Governor must include funding for the stipends in the budget. The Anne Arundel County grant for teaching in an economically disadvantaged school may be established either as part of or outside the collective bargaining process.

### *Teacher Induction, Retention, and Advancement Pilot Program*

Each local board of education may choose to participate in the Teacher Induction, Retention, and Advancement Pilot Program and must select the first year teachers to participate in the pilot program. A local board of education is encouraged to give priority to teachers who teach in schools that are part of a cluster of schools in which the majority of the elementary and middle schools that feed into one high school are Title I schools.

The additional time afforded a first-year teacher who participates in the program may not include student supervision or administrative responsibilities. At the request of a first-year teacher made to the principal of a school, the additional time afforded may include support from a veteran teacher. A local board of education must provide each first-year teacher participating in the pilot program from that jurisdiction with information regarding resources available to the first-year teacher that may be used during the additional time that include mentoring, peer observation, and assistance with planning.

MSDE must develop criteria by which funds must be allocated to local school systems to allow first-year teachers to participate in the program.

MSDE must disburse funds to each local board of education that has first-year teachers participating in the program. MSDE must include any costs incurred by a local board in meeting the requirements to provide support from veteran teachers and the other resources available.

It is not the intent of the General Assembly that enough funds be provided to ensure that every first-year teacher be able to participate in the program. By December 1, 2021, MSDE must report on the retention of first-year teachers who participated in the program versus similarly situated first-year teachers who did not participate and make recommendations on whether to continue, modify, or eliminate the pilot program.

### *Workgroup and Reports*

MSDE must convene a workgroup composed of stakeholders from primary and secondary education, higher education, and other education policy experts to determine how to:

- recruit, retain, and promote quality teachers at all levels of education in the State;
- incorporate and interweave the principles of NBC with the Advanced Professional Certificate, Master of Education programs, and other teacher preparation programs;
- make the teacher recertification process more valuable, including an exploration of how to link recertification to career ladders and content or high-need area specializations;

- link loan forgiveness to teaching in high-need schools; and
- incorporate induction best practices into professional eligibility certificates.

The workgroup must also determine how existing State laws and regulations impact teacher recruitment, retention, and promotion for specified areas, and evaluate whether the stipend for specified Anne Arundel County Public Schools teachers was effective in retaining effective teachers in schools with a critical mass of economically disadvantaged students.

The workgroup must make recommendations regarding (1) its findings; (2) legislative changes that will ensure that teacher preparation academics, as authorized under the federal Every Student Succeeds Act, will be of the highest quality and rigor if they are implemented in Maryland, and the individuals that participate in these academies will be fully prepared and trained to be in a classroom in Maryland; (3) a coordinated statewide strategy for recruiting, retaining, and promoting quality teachers at all levels of education by specified stakeholders; and (4) the best methods of incentivizing effective teachers to choose to teach in low-performing schools and schools with a critical mass of economically disadvantaged students in light of federal regulations that require the equitable distribution of effective teachers.

By November 1, 2016, MSDE must submit an interim report on the workgroup's recommendations; and by November 1, 2017, MSDE must submit a final report on the workgroup's recommendations.

### **Current Law/Background:**

#### *National Board Certification Stipend*

A classroom teacher or other nonadministrative school-based employee in a public school, identified by the State Board of Education as having comprehensive needs, who holds a standard professional certificate or an advanced professional certificate, who is employed by a local school system, and who holds a certificate issued by the National Board for Professional Teaching Standards, *i.e.*, NBC, receives a stipend from the State in an amount equal to the local grant for national certification, up to a maximum of \$2,000 per qualified individual.

A classroom teacher or other nonadministrative school-based employee in a public school, identified by the State Board of Education as *not* having comprehensive needs, who holds a standard professional certificate or an advanced professional certificate, who is employed by a local school system, and who holds a certificate issued by the National Board for Professional Teaching Standards, *i.e.*, NBC, receives a stipend from the State in an amount equal to the local grant for national certification, up to a maximum of \$1,000 per qualified individual.

Chapter 489 of 2015 (Budget Reconciliation and Financing Act), repealed a third stipend (\$1,500) that did *not* require NBC and applied to a classroom teacher who holds an advanced professional certificate teaching in a public school identified by the State Board of Education as having comprehensive needs beginning in fiscal 2017. Chapter 489 also limited all of the stipends, in fiscal 2016 only, to teachers/school-based employees who were eligible to receive the stipend in fiscal 2014.

The National Board for Professional Teaching Standards (NBPTS) is an independent, nonprofit, nonpartisan organization governed by a board of directors comprised primarily of classroom teachers. The NBPTS mission is “to advance student learning and achievement by establishing the definitive standards and systems for certifying accomplished educators, providing programs and advocating policies that support excellence in teaching and leading, and engaging National Board Certified Teachers and leaders in that process.”

NBPTS standards are based upon five core propositions:

- teachers are committed to students and their learning;
- teachers know the subjects they teach and how to teach those subjects to students;
- teachers are responsible for managing and monitoring student learning;
- teachers think systematically about their practice and learn from experience; and
- teachers are members of learning communities.

The initial NBPTS certification fee is approximately \$2,450, the certification renewal fee is \$1,250, and there are fees to retake components. NBPTS reports that there are more than 111,400 nationally certified teachers in the United States; with over 2,700 working in Maryland. The fiscal 2017 State budget includes \$2.5 million for Quality Teacher Incentive (QTI) stipends. The fiscal 2016 working appropriation for QTI stipends is \$9.5 million, which reflects the freeze at fiscal 2014 eligibility, and in fiscal 2015, QTI stipends cost \$21.9 million.

### *Teacher Induction Program*

The Code of Maryland Regulations (13A.07.01.04) requires each local school system to establish and maintain a comprehensive induction program for all new teachers. All teachers new to the profession must participate in all induction activities until they receive tenure (13A.07.01.05). Veteran teachers, in their first year of teaching in the district, must participate in induction activities. To the extent practicable given staffing and fiscal concerns, local school systems must consider the following options for first-year teachers: (1) a reduction in the teaching schedule; and (2) a reduction in, or elimination of, responsibilities for involvement in noninstructional activities other than induction support.

According to COMAR 13A.07.01.06, a local school system must establish a mentoring program as part of its comprehensive induction program. A local school system must establish a cadre of full- or part-time mentors to support teachers during their comprehensive induction period. To the extent practicable given staffing and fiscal concerns, local school systems must establish the maximum ratio of mentors to mentees in the comprehensive induction program at one mentor to 15 mentees. A mentor under the comprehensive induction program may be assigned school-level administrative duties only on an emergency basis. A mentor under the comprehensive induction program may not participate in the formal evaluation of a mentee.

**State Expenditures:** If local school systems provide the maximum stipend for NBC educators, general fund expenditures increase by an estimated \$1.4 million annually beginning in fiscal 2017 (mandated beginning in fiscal 2018). Also beginning in fiscal 2017, general fund expenditures increase by \$5.0 million annually for the State share of the Teacher Induction, Retention, and Advancement Pilot Program; these funds are mandated in fiscal 2018 to 2022, as discussed below. In addition, if Anne Arundel County Public Schools provide the maximum stipend for teachers in economically disadvantaged schools in fiscal 2017 through 2019, general fund expenditures increase by an estimated \$1.9 million annually in fiscal 2017 and 2019 (if the Governor funds it in fiscal 2017; State funding is mandated in fiscal 2018 and 2019). The following information and assumptions were used in this estimate.

- MSDE advises that there were 676 NBC educators based in comprehensive needs schools who were eligible for the stipend in fiscal 2015. For the purposes of this estimate, it is assumed that the number of educators eligible for this stipend remains stable. If the number of educators eligible for the stipend increases or decreases general fund expenditures for the stipend will increase or decrease accordingly.
- The current maximum for the State NBC stipend in comprehensive needs schools is \$2,000. The bill increases the stipend by \$2,000 to \$4,000. The State provides a stipend up to that maximum equal to the county grant for national certification. For the purposes of this estimate, it is assumed that all the local school systems set their county grant at \$4,000 per eligible educator. Thus, it is assumed that general fund expenditures increase by \$1.4 million beginning in fiscal 2017. Fiscal 2017 funding is at the discretion of the Governor; mandated funding begins in fiscal 2018. To the extent that local funds are not sufficient to pay for the maximum stipend for all eligible educators, State funds for the stipends would be prorated.
- The bill requires the Governor to provide an annual appropriation of \$5.0 million for MSDE to administer the Teacher Induction, Retention, and Advancement Pilot Program. The mandate begins in fiscal 2018 and expires after fiscal 2022. It is assumed that local school systems participate at a level that meets or exceeds

the matching requirement in each year beginning in fiscal 2017 (although fiscal 2017 funding is at the discretion of the Governor).

- There were an estimated 1,242 Anne Arundel County classroom teachers who were eligible for the stipend for teachers teaching in economically disadvantaged schools during the 2015-2016 school year, if the county were to provide matching funds. For the purposes of this estimate, it is assumed that the number of teachers eligible for this stipend remains stable and that the county provides the maximum stipend. If the number of teachers eligible for the stipend increases or decreases, or the county provides less than the maximum stipend amount, general fund expenditures for the stipend will increase or decrease accordingly. As explained below, it is assumed that \$1.9 million in State matching funds for the stipend are provided in fiscal 2017 through 2019. However, fiscal 2017 funding is at the discretion of the Governor. State funding is mandated for fiscal 2018 and 2019.
- MSDE can convene the workgroup and produce the required reports using existing resources.

**Local Fiscal Effect:** Local school system expenditures for the NBC stipend increase by an estimated \$1.4 million annually beginning as soon as fiscal 2017, as explained above. Local school system revenues for the educator stipends increase according to their expenditures beginning in fiscal 2017 due to the State match. Revenues and expenditures for the stipend program depend on local choices.

Local school systems are required to cover 20% of expenses incurred under the Teacher Induction, Retention, and Advancement Pilot Program. The Governor must appropriate \$5.0 million annually for the program for MSDE to administer the program in fiscal 2018 through 2022. Thus, local school system expenditures increase by up to \$1.25 million annually in fiscal 2018 through 2022. These expenditures may begin in fiscal 2017 if the Governor funds the program.

There were 1,242 Anne Arundel County classroom teachers who would be eligible for the stipend for teachers teaching in economically disadvantaged schools during the 2015-2016 school year if the county decided to provide such a grant. Assuming that number stays stable and assuming Anne Arundel County chooses to establish a stipend of at least \$1,500 for these teachers, Anne Arundel County Public Schools expenditures increase by an estimated \$1.9 million in fiscal 2017 through 2019 (if the Governor funds it in fiscal 2017; State funding is mandated in fiscal 2018 and 2019). Anne Arundel County Public Schools revenues for the specified teacher stipends increase according to their expenditures in fiscal 2017 through 2019 due to the State match.

## Additional Information

**Prior Introductions:** None.

**Cross File:** HB 1410 (Delegate M. Washington) - Ways and Means.

**Information Source(s):** Maryland Association of Counties, Maryland State Department of Education, Anne Arundel County Public Schools, Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - February 23, 2016  
kb/rhh Revised - Senate Third Reader/Clarification - March 23, 2016  
Revised - Enrolled Bill/Updated Budget Information - May 17, 2016

---

Analysis by: Caroline L. Boice

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510