

# **FISCAL NOTE**

## **HB 1921 - SB 1881**

February 24, 2001

### **SUMMARY OF BILL:**

#### **I. NATIONAL CERTIFICATION:**

1. Authorizes the Commissioner of Education to reimburse up to 100 teachers for evaluation fees incurred while obtaining certification by the National Board for Professional Teaching Standards. Current law authorizes reimbursement of up to 25 teachers.
2. Requires payment of \$2,500 per year to nationally certified public school teachers who have a valid teaching license and valid certification, subject to funding in the general appropriations act.

#### **II. PRESCHOOL FUNDING:**

1. Requires schools for preschool children organized as public schools or as public school classes to be maintained and supported from state, local and federal funds which hereafter may be appropriated specifically for preschool purposes, or from such gifts, donations or grants as may be received for preschool purposes.
2. Allows state funds generated through the BEP formula and local matching funds to be used for preschool purposes.
3. If funded through the BEP, preschool would be based upon average daily preschool membership.

#### **III. COLLEGE SCHOLARSHIPS FOR TEACHERS:**

1. Creates a scholarship program for college juniors, seniors, and post-graduate students who pledge to teach in public schools for a required number of years. Requires the Tennessee Student Assistance Corporation (TSAC) to administer the scholarship program and to provide the Department of Education with rosters of program participants and their areas of endorsement for job placement.
2. TSAC, in conjunction with the State Board of Education and the Tennessee Higher Education Commission, would be authorized to make rules for the program.
3. Each scholarship may be up to the amount of tuition, fees, books, and room and board charged at a public institution of higher education in Tennessee. A scholarship could be renewed two times. A scholarship would be evidenced by a note payable at 9% interest.
4. Authorizes scholarships to be forgiven at the rate of one year's scholarship for two years of teaching or one and one-half years of teaching in a geographical shortage area or low performing school. A scholarship loan could be terminated for withdrawal from school or failure to meet academic standards.

**HB 1921 - SB 1881**

5. Requires all funds appropriated or received by the scholarship program, all funds received as repayment of scholarship loans, and all interest earned on these funds to be placed in a revolving fund to be used for scholarship loans granted under this program.

## **ESTIMATED FISCAL IMPACT:**

### **Increase State Expenditures - \$2,322,500 (Reflected in Governor's 2001-02 Budget)**

This estimate is based on the following assumptions:

#### **I. National Board Certification**

- Reimbursement of evaluation fees incurred while obtaining national board certification of \$2,300 per teacher for up to 100 teachers.
- Payment of \$2,500 per teacher to approximately 37 teachers who are currently certified by the National Board for Professional Teaching Standards.
- The Governor's Budget reflects \$322,500 to fund this item.

#### **II. Early Childhood Education Program**

- The preschool program is funded outside the BEP formula.
- This provision of the bill is permissive since it merely allows state funds generated through the BEP formula to be used for preschools or preschool classes which can not be used for such purpose in absence of the bill unless specifically appropriated for such use.
- The impact on state and local government from this provision is estimated to be not significant, as the bill does not mandate the implementation of the early childhood education program as the bill is currently written.

#### **III. College scholarships for Teachers**

- The average expense for tuition, fees, books, room and board at the nine state universities is approximately \$7,600 per year.
- An estimated 100-300 participants may be eligible to participate. Once the scholarship program is put into place, the number of applicants and the number of scholarships awarded may increase significantly after the first year.
- The Tennessee Student Assistance Corporation will require the addition of two positions and related expenses to handle the requirements of the new scholarship program.
- The Governor's Budget reflects \$2,000,000 for the scholarship program.

**Note:** The Governor's 2001-02 Budget includes the following: \$322,500 to encourage teachers to obtain National Board Certification; \$36.1 million to cover phase I of the academic initiative of the Early Childhood Education Program; and \$2,000,000 for a scholarship program targeted to specific subject areas where shortages exist.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "James A. Davenport". The signature is written in a cursive style with a large, sweeping initial "J".

James A. Davenport, Executive Director