

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 422

SPONSOR: Education Committee and Senator Kirkpatrick

SUBJECT: Teacher Bonus/At-Risk Schools

DATE: February 21, 2000 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>White</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>FP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This Committee Substitute provides a bonus of 10 percent of the prior year's average salary to certain teachers who work in schools that received a grade of *D* or *F* for the prior school year, schools with student populations of 70 percent or more students who qualify for the subsidized lunch program, or schools that are classified as second-chance schools or alternative schools that serve disruptive or violent youth. To be eligible, a teacher must agree to teach at the school for another 4 years and must also meet three out of the following four criteria:

- ▶ Hold a Masters or Doctoral degree;
- ▶ Meet the certification requirements of the National Board of Professional Teacher Standards;
- ▶ Have received an exemplary evaluation for the previous 2 years; or
- ▶ Have served as a member of the school advisory council.

This bill creates a new section of the Florida Statutes.

II. Present Situation:

The Excellent Teaching Program, created by s. 236.08106, F.S., provides incentives for teachers to gain certification by the National Board of Professional Teaching Standards. Those teachers who are successful in earning the certification become eligible for a bonus equal to 10 percent of the prior year's state average teacher's salary. Currently 566 Florida teachers have achieved national board certification.

Currently, s. 240.4063, F.S., is the only state law authorizing a specific incentive to some teachers to work in a particular kind of school. The Florida Teacher Scholarship and Forgivable Loan Program offers double the loan forgiveness rate to program participants for each full year they teach in a high-density, low-income urban school or at a low-density, low-income rural school, as identified by the State Board of Education. There are no statutory provisions offering bonuses or incentives to attract teachers to low performing schools, schools that serve many students whose

families are in poverty, or schools for disruptive youth. School boards are required, however, to adopt salary schedules for employees that recognize efficient service and job performance.

Job performance will, in fact, become a preeminent factor in determining compensation for teachers and administrators. Chapter 99-398, L.O.F., the *A+ Plan*, amended s. 230.23(5)(c), F.S., to require that by June 30, 2002, at least 5 percent of the salary of teachers and administrators be based on job performance as measured by the assessment procedures and criteria contained in s. 231.29, F.S. This section of law was also amended by the *A+ Plan* to require the assessment of job performance of instructional and administrative personnel to be based primarily on improvement in student performance. There is some concern that these changes may act as a deterrent to attracting or keeping accomplished teachers in low-performing schools.

The importance of good teachers to student performance is well documented. An interim study report on teacher effectiveness by the Senate Education Committee (Interim Project Report 2000-30) cited a finding by the 1996 National Commission on Teaching and America's Future that the teacher is the single most reliable variable in predicting student gains in achievement. This finding would seem to have particular significance for low performing schools or schools that serve low-income areas or at-risk students. For example, another study cited in the Education Committee report found that students in such schools have less than a 50 percent chance of having a math or science teacher who is certified to teach math or science.¹

A review of literature on teacher salaries in school systems around the nation revealed that compensation plans in effect or being negotiated are moving toward performance pay; however, the concept of using incentives to attract teachers to low performing schools does not appear to be an item of discussion.

Currently in Florida, the 79 public schools with a grade designation of *F* employ 3,495 teachers. The 592 with a designation of *D* employ 27,085 teachers. Elementary schools represent the overwhelming majority of schools with *D* and *F* grades. Of all the *D* and *F* schools, 453 or 66.8 percent also have 70 percent or more students eligible for the subsidized lunch program.²

An additional 213 schools with grades of *A*, *B*, or *C* have 70 percent or more of their students eligible for the subsidized lunch program. These schools employ 6,854 classroom teachers.

Second chance schools and schools for disruptive or violent youth frequently are operated by the Department of Juvenile Justice under contract with a school district, so it is not possible to estimate with certainty how many teachers they employ.

¹J. Oakes, *Multiplying Inequalities: the Effects of Race, Social Class, and Tracking on Opportunities to Learn Mathematics and Science*, RAND Corporation, 1990.

²Many children whose families are in poverty do not apply for the subsidized lunch program, so the list of high poverty schools is incomplete when that indicator is used. For instance, only two high schools in the state are on the list because high school students typically avoid school lunch programs.

III. Effect of Proposed Changes:

The legislation under consideration provides a bonus of 10 percent of the prior year's average salary for classroom teachers to certain teachers who work in schools that meet any of the following criteria:

- ▶ Received a grade of *D* or *F* for the prior school year,
- ▶ Enroll 70 percent or more students who qualify for the subsidized lunch program, or
- ▶ Are classified as second-chance schools or alternative schools that serve disruptive or violent youth.

To be eligible, a teacher must agree to teach at the school for another 4 years and must also meet three out of the following four criteria:

- ▶ Hold a Masters or Doctoral degree;
- ▶ Meet the certification requirements of the National Board of Professional Teacher Standards;
- ▶ Have received an exemplary evaluation for the previous 2 years; or
- ▶ Have served as a member of the school advisory council.

For the 2000-2001 school year, the bonus would be at least \$3,700.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

A number of teachers will be eligible for a bonus of 10 percent of the statewide average salary. Currently, the statewide average is \$35,916. In the first year of implementation, 2000-2001, it will be at least 3 percent higher, so the first bonuses will be at least \$3,700.

C. Government Sector Impact:

The 678 schools with grade classifications of *D* and *F* employ 30,580 teachers. An additional 6,854 teachers are employed at schools that have 70 percent or more students eligible for subsidized meals but higher grade classifications. Therefore, the total number of teachers who might try to become eligible is 37,434. The cost of \$3,700 per bonus would depend on how many were willing to contract and able to meet the additional qualifications. If 10 percent of teachers at eligible schools met the standards, the cost would be \$13.9 million.

Using the following assumptions, the Department of Education provided an estimated cost of \$3,229,500:

- ▶ 300 schools could be identified as eligible;
- ▶ Each school has 25 teachers;
- ▶ Of those, 20 percent would be eligible; and
- ▶ Of those, 50 percent would be willing to contract for an additional 4 years.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.