

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: CS/SB 2100

SPONSOR: Education Committee and Senator Wasserman-Schultz

SUBJECT: Student Financial Assistance for Teachers

DATE: April 16, 2003

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Dormady	O'Farrell	ED	Favorable/CS
2.	_____	_____	AED	_____
3.	_____	_____	AP	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

SB 2100 makes education paraprofessionals and substitute teachers eligible for participation in the Florida Teacher Scholarship and Forgivable Loan Program. It also adds, within the Florida Teacher Scholarship and Forgivable Loan Program, a scholarship loan program to provide 4-year scholarship loans of up to \$5,000 per year to Florida high school seniors interested in preparing to teach in the state's public schools. These loans would be forgiven if, within 7 years after graduation from post-secondary school, the recipient teaches for 3 consecutive years in a public school in a poor or underperforming area.

The bill expands the "critical teacher shortage tuition reimbursement program" to include reimbursement for graduate-level courses or state-approved undergraduate courses leading to teacher recertification. The bill also provides that participants in the tuition reimbursement program may enroll in tuition-free courses on a space-available basis at state universities if the courses lead to certification in a new critical teacher shortage subject area or to recertification by a teacher employed in one of these areas.

The bill expands the Critical Teacher Shortage Student Loan Forgiveness program to apply to personnel who work in areas in which at least 50 percent of the students receive free or reduced-price school lunches. The bill also raises the dollar limits of loan principal repayments that the Department of Education may make pursuant to the program. The bill provides for a \$12 million appropriation to the Department of Education to carry out its provisions.

This bill substantially amends the following sections of the Florida Statutes: 1009.57, 1009.58, 1009.59, and 1003.52.

The bill takes effect July 1, 2003.

II. Present Situation:

Florida Teacher Scholarship and Forgivable Loan Program. The Florida Teacher Scholarship and Forgivable Loan Program has two components: (1) a \$1,500 per year scholarship for a student's first two years of post-secondary school and (2) a forgivable loan for upper-division undergraduates in an amount of up to \$4,000 per year, or a forgivable loan for 2 graduate school years in an amount of up to \$8,000 per year. Loans are forgiven under the program if students teach in Florida schools after graduation from their teaching program. The program was designed to encourage would-be teachers to go to college, although Department of Education (DOE) staff reported some issues with respect to the scholarship component of the program in this regard. In order to receive scholarships, students as high school seniors are required to declare their intent to become teachers, but some of these students changed their minds during college and ultimately did not go into teaching. Additionally, some students who did not apply for the scholarships decided during college that they wished to teach, but were unable at that time to receive any scholarship money. Accordingly, with respect to the scholarship portion of the program, some of these funds were targeted ultimately on the wrong populations.

This program was last funded in fiscal year 2001-2002, in an amount of approximately \$1.3 million.

Critical Teacher Programs: The two critical teacher programs, further detailed below, were together funded in an approximate amount of \$1.7 million in fiscal year 2002-2003, and were funded approximately \$3.5 million in fiscal year 2001-2002. Both programs are to be implemented only to the extent specifically funded each year. In recent years, with lowered funding, all eligible applicants were provided funds under the program, but at a reduced prorated amount.

Critical Teacher Shortage Tuition Reimbursement Program. This program was designed to improve the skills of current teachers or persons preparing to teach in critical teacher shortage areas. Any full-time public school employee or developmental research school employee certified to teach in Florida is eligible to participate in the program. Tuition reimbursement under the program is limited to courses in critical teacher shortage areas as determined by the State Board of Education (SBE). Participants may receive tuition reimbursement payments for up to 9 semester hours per year, up to a total of 36 semester hours, if they receive a grade of at least 3.0 or its equivalent in a given course.

Critical Teacher Shortage Student Loan Forgiveness Program. This program was designed to encourage qualified personnel to seek employment in subject areas with critical teacher shortages, as identified by the SBE. It makes repayments toward student loans from federal programs or commercial lending institutions for the support of postsecondary education study. From funds available, the DOE may make principal loan repayments of up to \$2,500/year for up to 4 years on behalf of certain teachers with undergraduate degrees and of up to \$5,000/year for up to 2 years for certain teachers with graduate degrees.

Statistics for Teachers in Florida. As of the beginning of the 2002-2003 school year, there were approximately 141,000 public K-12 teachers in Florida and approximately 17,000 other instructional personnel (including librarians, counselors, social workers, school supervisors,

school principals, library media specialists, and athletic coaches). For certification in Florida, teachers generally must have documentation of a bachelor's or higher degree from an accredited institution of higher learning. Additionally, every teacher in Florida is required to renew his or her teaching certificate every five years, and must take the equivalent of at least six semester hours of college credit to do so. Some teachers use professional development programs offered by school districts to meet these credit hour requirements.

Substitute Teachers. Under s. 1012.35, F.S., the compensation and procedures for employment of substitute teachers are to be established by each district school board. An estimate of the number of substitute teachers in the state of Florida is not available from the Department of Education.

Statistics for Education Paraprofessionals in Florida. In Florida, there were approximately 30,000 education paraprofessionals in public schools functioning as classroom aides as of the beginning of the 2002-2003 school year. These education paraprofessionals are not certified at the state level; minimum educational requirements for these positions are determined by each school district that employs these workers. Pursuant to provisions in the No Child Left Behind Act of 2002, however, as of January, 2006, all education paraprofessionals with instructional duties in schools supported by Title I funds will be required to have met certain new qualifications. Among these qualifications is the requirement that such persons have completed two years of study at an institution of higher learning, have obtained an associate's or higher degree, or be able to demonstrate, through formal assessments, knowledge of relevant topics and ability to assist in instruction. Accordingly, many education paraprofessionals in the state now and in the future will be more likely to seek post-secondary education, regardless of local district requirements.

One program now exists under current law to assist with educational opportunities for education paraprofessionals, but it applies only to recipients of public assistance. The Certified Education Paraprofessional Welfare Transition Program provides certain incentives to recipients of public assistance who are certified to work in schools with a high proportion of economically disadvantaged children. The incentives, which are provided to encourage recipients to excel, may include stipends, bonuses, and child care services for children of participants, among others.

According to the American Federation of Teachers, Paraprofessionals and School-Related Personnel, AFL-CIO, education paraprofessionals are usually paid on an hourly basis and they generally work only during the months that schools are in session. Salaries average about \$8 per hour, and can range from as low as minimum wage to as high as \$20 per hour.

III. Effect of Proposed Changes:

Changes to Florida Teacher Scholarship and Forgivable Loan Program. SB 2100 amends s. 1009.57, F.S., to provide that the Florida Teacher Scholarship and Forgivable Loan Program will provide scholarship assistance to education paraprofessionals and substitute teachers in order that these persons may attain required qualifications to teach in a subject area or a designated high priority location area. "High priority location areas" are defined pursuant to s. 1009.59, F.S., as amended by the bill, to include areas in which 50 percent or more of the students receive free or reduced cost school lunches.

The bill also amends s. 1009.57, F.S., to establish a scholarship loan program providing 4-year scholarship loans of up to \$5,000 per year to Florida high school seniors interested in preparing to teach in the state's public schools. The bill specifies that the loan program would be administered by the DOE, and stipulates requirements for high school seniors to be eligible for such scholarship loans, including a declared intention to teach in a designated subject area or underserved geographical area. These scholarship loans may be used for attendance at a state university, community college, or an independent nonprofit college or university located in and chartered by Florida. The funds may be used for tuition; fees, books and housing, and the loan may be renewed annually if a student meets eligibility requirements set by the DOE. Loans will be evidenced by notes bearing an 8 percent interest rate, but these loans will be forgiven by the DOE if, within 7 years after graduation from a postsecondary institution, the loan recipient teaches for 3 consecutive years in a public school in a poor or underperforming area. The bill provides that funds appropriated by the Legislature for the program must be deposited in the State Student Financial Assistance Trust Fund for use for these scholarship loans.

Critical Teacher Shortage Tuition Reimbursement Program. The bill amends s. 1009.58, F.S., to provide that the critical teacher shortage tuition assistance reimbursement program be referred to as the "critical teacher shortage tuition *assistance and* reimbursement program" (emphasis added). Under the program currently, teachers are permitted to apply for tuition reimbursement for certain categories of classes. The bill provides that, in addition to the categories of classes already approved, teachers would be able to apply for reimbursement for tuition for graduate-level courses or state-approved undergraduate courses leading to recertification. As noted above, teachers are required to renew their educators' certificates every five years, and must take the equivalent of 6 credit hours of university credit in order to do so.

The bill also amends the section to provide that participants may enroll in tuition-free courses on a space-available basis at state universities when such courses lead to certification in a new critical teacher shortage subject area or to recertification by a teacher employed in a critical teacher shortage area.

Critical Teacher Shortage Student Loan Forgiveness Program. The bill expands the Critical Teacher Shortage Student Loan Forgiveness Program to provide for repayments on teachers' student loans if the teachers seek employment in high priority location areas, which are defined to include areas in which at least 50 percent of the students receive free or reduced-price school lunches. Reimbursement will apply for applicants who begin teaching for the first time in one of these high priority location areas.

The bill also raises the amounts reimbursable under the program as follows: (1) up to \$5,000 per year (versus \$2,500 in existing law) for up to 4 years on behalf of certain specified graduates of undergraduate teacher preparation programs, persons certified to teach pursuant to any applicable teacher certification requirements, or selected graduates from states participating in the Interstate Agreement on the Qualification of Educational Personnel; and (2) up to \$7,500 per year (versus \$5,000 per year in current law) for up to 2 years on behalf of certain specified graduates of graduate teacher preparation programs and certain other persons with graduate degrees.

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:

Teachers and education paraprofessionals would recognize substantial cost savings and other financial benefits if this bill were adopted and its programs were fully funded. The provisions of the bill could make it affordable for some educators, especially education paraprofessionals, to meet new and ongoing education requirements attendant to retaining their employment positions or pursuing career advancement opportunities.

C. Government Sector Impact:

The costs of the various provisions of SB 2100 are not clear, and will depend upon teacher participation in the programs as well as the amount of state funding provided for the programs. Because the bill expands scholarships and forgivable loans available to teachers, implementation of the bill would require additional state funding and likely will not provide any immediate cost savings, unless some cost savings are realized from the beneficial effects that these expanded programs would likely have on recruiting efforts. The bill provides for an \$8 million appropriation to fund its provisions.

While it is not possible to determine a specific cost to implement the bill's provisions, certain of the program expansions contained in the bill have the potential to require fairly significant funding. For example, in light of the fact that there are approximately 141,000 certified educators in the state who require the equivalent of 6 credit hours of instruction every five years in order to renew their certification, the expansion of the tuition reimbursement provisions of the Critical Teacher Shortage Tuition Reimbursement Program to include tuition for the purposes of recertification could, if fully funded and widely used, have a significant fiscal impact. Similarly, new educational requirements for certain of the 30,000 education paraprofessionals in Florida will almost certainly drive up post-secondary class enrollments for this group. Provision

of tuition-free classes for teachers on a space-available basis as described in Section 2 of the bill would diminish colleges and universities' revenues from tuition and, while not requiring any fiscal outlay on the part of the state, may cause colleges and universities to bear certain incremental additional costs.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
