

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Education

BILL: SB 1088

INTRODUCER: Senator Diaz

SUBJECT: Teacher Salary Enhancement

DATE: January 10, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Sagues	Sikes	ED	Favorable
2.			AED	
3.			AP	

I. Summary:

SB 1088 establishes a new teacher salary enhancement to increase teacher salaries as prescribed by the Legislature in the General Appropriations Act (GAA). The bill allows a school district that meets the teacher salary enhancement requirements specified in the GAA to use any additional funds provided in the allocation for any district operating expenditure.

The bill takes effect on July 1, 2020.

II. Present Situation:

Teacher Compensation

Financial incentives play a role in teacher recruitment and retention. Low pay keeps potentially promising candidates away and contributes to turnover.¹ Research indicates that state financial incentive programs have the potential to direct teachers to shortage areas and ensure they stay, but these programs lose their effectiveness if they are not sufficient, sustainable and paired with improvements to working conditions.² A national study of teachers from 2007-12 found that those who earned a base salary of less than \$40,000 were 17 percent less likely to continue teaching after five years than those who earned more than \$40,000.³

The U.S. average public school teacher salary for 2017–18 was \$60,477. State average teacher salaries ranged from those in New York (\$84,227), California (\$80,680), and Massachusetts (\$80,357) at the high end to Mississippi (\$44,926), West Virginia (\$45,642) and Oklahoma

¹ Education Commission of the States, *Mitigating Teacher Shortages: Financial Incentives May 2016* available at <https://www.ecs.org/wp-content/uploads/Mitigating-Teacher-Shortages-Financial-incentives.pdf> at 3.

² *Id.*

³ *Id.*

(\$46,300) at the low end. On average, public school teacher salaries increased by 1.58 percent from the 2016–17 to 2017–18 school years.⁴

The Department of Education (DOE) annually collects and publishes salary data for Florida school district instructional personnel, including teachers. There were 176,984 classroom teachers in public schools in the 2018-2019 school year with an average salary of \$48,486.⁵ The average salaries of other instructional personnel were as follows:⁶

- \$49,326 for social workers;
- \$52,259 for guidance personnel;
- \$54,308 for librarians or media specialists; and
- \$60,662 for school psychologists.

According to the National Education Association (NEA), Florida ranks 26th in the nation for beginning teacher pay for teachers with a bachelor's degree. In 2017-2018, beginning teachers in Florida with a bachelor's degree, earned an average salary of \$37,636.⁷

Salary Schedules

Currently, there is not a statewide minimum salary for instructional personnel, including teachers. The salaries of instructional personnel are set by each school district.⁸ Salary schedules provide differentiated pay for instructional personnel based on district-determined factors including employee performance.⁹

The performance salary schedule provides the opportunity for annual salary adjustments for instructional personnel and school administrators based on performance.¹⁰ Instructional personnel and school administrators hired on or after July 1, 2014,¹¹ and instructional personnel on annual contracts as of July 1, 2014,¹² must be placed on the performance salary schedule. Only teachers rated effective or highly effective may receive a salary adjustment under a performance salary schedule.¹³

A grandfathered salary schedule is a salary schedule adopted by a district school board for paying personnel hired before July 1, 2014, in which compensation is generally based on seniority and educational degree level. In determining the grandfathered salary schedule for

⁴ National Education Association, *Rankings of the States 2018 and Estimates of School Statistics 2019* (April 2019), available at <http://www.nea.org/assets/docs/2019%20Rankings%20and%20Estimates%20Report.pdf>, at 8.

⁵ Florida Department of Education, *Staff in Florida's Public Schools, Full-Time Instructional Staff Summary, 2018-19, Final Survey 2, State/District Level Report*, available at <http://www.fldoe.org/core/fileparse.php/7584/urlt/ARInstructionalDistStaff1819.xlsx>.

⁶ Florida Department of Education, *District Staff Salaries of Selected Positions, 2018-19*, available at <http://www.fldoe.org/accountability/data-sys/edu-info-accountability-services/pk-12-public-school-data-pubs-reports/staff.stml>.

⁷ National Education Association, *2017-2018 Teacher Benchmark Data* available at <http://www.nea.org/assets/docs/2017-2018%20Teacher%20Benchmark%20Data.pdf> at 3.

⁸ Section 1012.22(1)(c)4., F.S.

⁹ Section 1011.60(4), F.S.

¹⁰ Section 1012.22(1)(c)5. Requirements for the performance evaluation are contained in s. 1012.34, F.S.

¹¹ Section 1012.22(1)(c)5., F.S.

¹² Section 1012.22(1)(c)4., F.S.

¹³ Section 1012.22(1)(c)5.b., F.S.

instructional personnel, a district school board must base a portion of each employee's compensation on the performance evaluation and must provide differentiated pay for instructional personnel and school administrators based on district-determined factors including, but not limited to, additional responsibilities, school demographics, critical teacher shortage areas, and level of job performance difficulties.¹⁴

Florida Education Finance Program

In 1973 the Florida Legislature enacted the Florida Education Finance Program (FEFP) and established the state policy on equalized funding to guarantee to each student in the Florida public education system the availability of programs and services appropriate to his or her educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To equalize educational opportunities, the FEFP formula recognizes varying:¹⁵

- Local property tax bases;
- Education program costs;
- Costs of living; and
- Costs for equivalent educational programs due to sparsity and dispersion of the student population.

The FEFP is the primary mechanism for funding the operating costs of Florida school districts, including salaries. Under the FEFP, financial support for education is based on the full-time equivalent (FTE) student membership in public schools.¹⁶ The number of FTE students in each of the funded education programs is multiplied by cost factors¹⁷ relative to each program to obtain weighted FTE student values.¹⁸ The base student allocation from state and local funds is determined annually by the Legislature in the General Appropriations Act (GAA) and is a component in the calculation of each school district's base funding.¹⁹ In addition to the base funding, the Legislature may appropriate categorical funding for specified programs, activities or purposes.²⁰

Currently, the only component of the FEFP that directly addresses teacher compensation is the Florida Best and Brightest Teacher Scholarship Program. The Florida Best and Brightest Teacher Scholarship Program was established in 2015 to provide eligible classroom teachers with an award based on the teacher's evaluation rating and performance on the SAT or ACT standardized assessment.²¹ In 2019, the Florida Best and Brightest Teacher Scholarship Program

¹⁴ Section 1012.22(1)(c)4., F.S.

¹⁵ Department of Education, 2019-20 Funding for Florida School Districts available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 1.

¹⁶ See s. 1011.62, F.S.

¹⁷ Program cost factors are based on desired relative cost differences between the following programs as established in the annual General Appropriations Act: grades K-3; 4-8; 9-12; two program cost factors for exceptional students; secondary career education programs; and English for Speakers of Other Languages. Section 1011.62(1)(c), F.S.

¹⁸ Section 1011.62, F.S.; Department of Education, 2019-20 Funding for Florida School Districts available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 1.

¹⁹ Department of Education, 2019-20 Funding for Florida School Districts available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 17.

²⁰ Section 1011.62(6), F.S.

²¹ Section 2, ch.2015-232, L.O.F.

was revised to authorize three types of awards with distinct criteria for determining eligibility.²² The funding for the program is provided through the Florida Best and Brightest Teacher and Principal Allocation categorical fund within the FEFP.²³ In 2018-2019, \$284.5 million was appropriated for the Florida Best and Brightest Teacher and Principal Allocation.²⁴

In 2013, the Legislature appropriated \$480 million in the GAA for the Teacher Salary Increase Allocation for salary increases for school district and charter school classroom teachers, guidance counselors, social workers, psychologists, librarians, principals, and assistant principals. The salary increases were based on performance evaluations and were required to be at least \$2,500 for personnel evaluated as “effective” and up to \$3,500 for personnel evaluated as “highly effective”.²⁵

III. Effect of Proposed Changes:

SB 1088 establishes a new teacher salary enhancement operating categorical fund to increase teacher salaries as prescribed by the Legislature annually in the General Appropriations Act (GAA). In addition to establishing this new operating categorical fund, the bill:

- Requires each school district to use the appropriated funds to increase teacher salaries as prescribed by the Legislature in the GAA.
- Requires funds provided in the teacher salary enhancement allocation to move into the Florida Education Finance Program (FEFP) base student allocation in the subsequent fiscal year.
- Allows a school district that meets the teacher salary enhancement requirements specified in the GAA to use any additional funds provided in the allocation for any district operating expenditure.
- Requires each school district to report to the Department of Education the amount expended for teacher salary increases and the amount expended for any other operating expenditures by January 1 of any fiscal year in which the teacher salary enhancement is appropriated.

Establishing a new categorical fund within the FEFP specifically for teacher salary increases may improve teacher compensation. Increasing teacher compensation may incentivize more people to choose the teaching profession and may improve teacher retention.

The bill takes effect on July 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

²² Section 1012.731, F.S.

²³ Section 1011.62(18), F.S.

²⁴ Section 2, ch.2018-9, L.O.F.

²⁵ Section 2, ch.2013-40, L.O.F.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Funding for the teacher salary enhancement categorical fund would be determined by the Legislature in the General Appropriations Act.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 1011.687 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
