

Individual State Agency Fiscal Note

Bill Number: 6184 SB	Title: Bonuses for teachers	Agency: 350-Supt of Public Instruction
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
General Fund-State 001-1	0	9,897,000	9,897,000	32,370,000	62,683,000
Total \$	0	9,897,000	9,897,000	32,370,000	62,683,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Sec. 1 reads "Teachers who attain national board certification should be acknowledged and rewarded in order to encourage more teachers to pursue certification for the benefit of Washington students.

Sec. 2 reads "Certificated instructional staff who have attained certification from the national board for professional teaching standards shall receive a bonus of ten thousand dollars each year in which they maintain their certification from the national board for professional teaching standards. The annual bonus for national certification is provided in addition to compensation received under a district's salary schedule.... and shall not be included in calculations of a district's average salary and associated salary limitations.....The bonus shall not be considered earnable compensation...."

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Sec. 2 establishes a \$10,000 salary bonus for certificated instructional staff that attain certification from the National Board for Professional Teaching Standards. Certificated staff will remain eligible for the bonus during the life of their certification with the National Board.

Assumptions:

- 1) The rate of growth in the number of National Board Certified Teachers (NBCTs) has averaged around 70% based on an average of the last five years of participation. However, the bonus is currently \$3,500 per year. It is assumed that with the larger bonus, there will be more interest in the program and that participation will increase.
- 2) This request also includes fringe benefits of approximately 8.29%.
- 3) The maintenance level (ML) is subtracted from the total amount needed for the legislation. The fiscal impact shown on the fiscal note is for the difference between what is considered ML and OSPI projections.

On the attached table, projections for total certificates was calculated in the following manner:

Certification November 2007 FY08

First time candidates: 800 x 50% 400

Retake Candidates: 345 x 60% ** 207

Total certified for cohort: 607

Total number of NBCTs: 1285 + 607 = 1892

**345 = (529 x 50%)+(200 x 40%)

Certification November 2008 FY09

First time candidates: 800 x 50% 400

Retake Candidates: 538 x 60% ** 323

Total certified for cohort: 723

Total number of NBCTs: $1892 + 723 = 2615$

**538 = $(800 \times 50\%) + (345 \times 40\%)$

Certification November 2009 FY10

First time candidates: $900 \times 50\%$ 450

Retake Candidates: $665 \times 60\%$ ** 399

Total certified for cohort: 849

Total number of NBCTs: $2615 + 849 = 3464$

**665 = $(900 \times 50\%) + (538 \times 40\%)$

Certification November 2010 FY11

First time candidates: $1000 \times 50\%$ 500

Retake Candidates: $766 \times 60\%$ ** 460

Total certified for cohort: 960

Total number of NBCTs: $3464 + 960 = 4424$

**766 = $(1000 \times 50\%) + (665 \times 40\%)$

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		9,897,000	9,897,000	32,370,000	62,683,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$0	\$9,897,000	\$9,897,000	\$32,370,000	\$62,683,000

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.