

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7069 PCB EDC 17-02 Best and Brightest Teachers and Principals
SPONSOR(S): Education Committee, Diaz, Jr.
TIED BILLS: **IDEN./SIM. BILLS:** SB 1410

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Education Committee	17 Y, 1 N	Brink	Hassell
1) Appropriations Committee		Potvin	Leznoff

SUMMARY ANALYSIS

Research shows that a teacher's academic ability matters in improving student outcomes. It has also been established that effective principals are able to recruit and retain highly effective teachers, thereby improving student outcomes, particularly at low-income schools. Accordingly, the bill amends the Best and Brightest Teacher Scholarship Program eligibility criteria to include additional academic credentials, thereby increasing access to awards under the program. The bill also establishes the Best and Brightest Principal Program to recognize principals who are able to recruit and retain excellent teachers.

With respect to the Best and Brightest Teacher Scholarship Program, the bill deletes the statutory expiration date of July 1, 2017, and amends eligibility criteria by:

- lowering the threshold for a qualifying assessment score from the 80th percentile to the 75th percentile based on the National Percentile Ranks in effect when the assessment was taken;
- allowing teachers to use scores from other assessments that measure cognitive ability to qualify;
- allowing teachers to qualify with an assessment score at the 70th percentile or higher if they earned a baccalaureate degree with a Latin honor (e.g., *cum laude*); and
- allowing teachers to demonstrate they are "highly effective" based solely on their value-added model rating.

The bill creates the Best and Brightest Principal Scholarship Program, which:

- establishes a procedure for identifying principals who qualify for recognition under the program;
- establishes eligibility criteria for principals, as follows:
 - The principal must have served as principal at his or her school for at least the last 2 years; and
 - The faculty at the principal's school must have a ratio of best and brightest teachers to other classroom teachers that is at the 80th percentile or higher, statewide, for that school type (elementary, middle, high, or combination);
- provides a monetary award, established in the General Appropriations Act, for principals who are designated as best and brightest and requires that qualifying principals at a Title I school receive a greater award; and
- requires school districts to provide qualifying principals with the autonomy over budgetary and personnel decisions that are currently provided to principals participating in the Principal Autonomy Pilot Program Initiative (PAPPI).

The estimated fiscal impact of this bill for the expansion of the Best and Brightest Teacher Scholarship Program is indeterminate but significant and could exceed \$450 million; the fiscal impact of the new Best and Brightest Principal Scholarship Program is indeterminate.

The bill takes effect July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

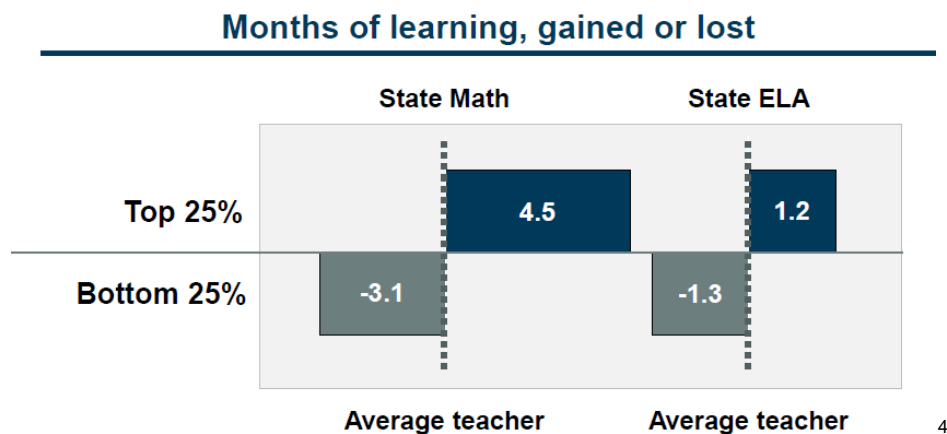
A. EFFECT OF PROPOSED CHANGES:

Present Situation

Best and Brightest Teacher Scholarship Program

Internationally renowned public education systems, such as those in Finland and Singapore, recruit, develop, and retain the leading academic talent, most of who graduated near the top of their collegiate class. However, in the United States, only 23% of all teachers, and only 14% of teachers in high-poverty schools, come from the top third of college graduates.¹

With the success of these systems in mind, the Best and Brightest Teacher Scholarship Program was established to attract teachers with high cognitive ability and retain those teachers who demonstrated they were highly effective at improving student outcomes. Research shows the importance of a teacher's high cognitive ability in the classroom, as there is a correlation between a teacher's academic achievement (including undergraduate GPA, college entrance test scores, and college selectivity) and their effectiveness² and because "[a] very good teacher as opposed to a very bad one can make as much as a full year's difference in learning growth for students."³



Moreover, to improve the quality of teacher candidates, new national teacher preparation program accreditation standards have increased the entrance requirements for undergraduate GPAs and test

¹ The Council for the Accreditation of Education Preparation, *Recruitment and Selection In Educator Preparation*, at 6 (2011), available at <http://caepnet.org/~media/Files/caep/accreditation-resources/recruitment-and-selection.pdf>.

² National Bureau of Economic Research, *Teacher Applicant Hiring and Teacher Performance: Evidence From DC Public Schools* (2016) at 23, available at <http://www.nber.org/papers/w22054>; SHARON KUKLA-ACEVEDO, *Do Teacher Characteristics Matter? New Results on the Effects of Teacher Preparation on Student Achievement*, 28 ECON. OF ED. REV. 49, at 53 (2007); BOYD ET AL, *The Narrowing Gap in New York City Teacher Qualifications and Its Implications for Student Achievement in High-Poverty Schools*, 27 J. OF POL'Y ANALYSIS & MGMT. 793 (2008). Attaining certification from the National Board for Professional Teaching Standards is not associated with raising student achievement data in Florida. See DOUGLAS HARRIS AND TIM SASS, *The Effects of NBPTS-Certified Teachers on Student Achievement*, 28 J. OF POL'Y ANALYSIS AND MGM'T 55, at 77 (2009).

³ DAN GOLDBABER, *Teacher Pay Reforms: The Political Implications of Recent Research* (Washington, DC: Center for American Progress, at 4 (2009)), available at http://www.americanprogress.org/issues/2006/12/pdf/teacher_pay_report.pdf.

⁴ Bellwether Education Partners, *Ensuring Effective Teachers For All Students: hearing before the House PreK-12 Quality Subcommittee* (Jan. 11, 2017) (citing Bill & Melinda Gates Foundation, *Gathering Feedback for Teaching* (2011)).

scores of teacher candidates.⁵ The standards progressively increase average test scores for incoming teacher preparation program cohorts to the top half of a school's student body.⁶

In 2015, the Legislature established the "Best and Brightest Teacher Scholarship Program" in the General Appropriations Act and appropriated \$44,022,483 to fund the program.⁷ In 2016, the Legislature codified the program in statute and appropriated \$49,000,000 to continue it for the 2016-2017 school year.⁸ Under the program, teachers who are rated "highly effective"⁹ and who scored at or above the 80th percentile nationally on either the SAT or the ACT at the time the assessment was taken can be provided a payment of up to \$10,000. First-year teachers who do not yet have an evaluation can qualify if they scored at or above the 80th percentile on the SAT or ACT at the time the assessment was taken.

To demonstrate eligibility for an award, a teacher must submit to the school district, no later than November 1, an official record of his or her SAT or ACT score demonstrating that the teacher scored at or above the 80th percentile based upon the national percentile ranks in effect when the teacher took the assessment. Once a teacher is deemed eligible, including a teacher deemed eligible for the 2015-16 school year, the teacher remains eligible as long as he or she remains employed by the school district as a classroom teacher at the time of the award and receives an annual performance evaluation rating of "highly effective."

By December 1, each school district, charter school governing board, and the Florida School for the Deaf and Blind must submit to the Department of Education (DOE) the number of eligible teachers who qualify for the award. By February 1, the DOE must disburse funds to each school district for each eligible teacher to receive the award. By April 1, each school district, charter school governing board, and the Florida School for the Deaf and the Blind must provide payment of the award to each eligible teacher. If the number of eligible teachers exceeds the total appropriated amount, then the DOE must prorate the per teacher award amount.¹⁰

As of February 2, 2017, 7,188 teachers have been identified as qualifying for an award for 2016, which is a 35 percent increase from the 5,334 recipients in 2015, and represents about 3.8% of the 188,322 certificated classroom teachers statewide.¹¹

Best and Brightest Teacher Scholarship Awards		
	2015 Recipients	2016 Qualifiers
State Total	5,334	7,188
Award Amount	\$8,248/per award	\$6,816/per award ¹²

Although a larger number of elementary schools have at least one Best and Brightest teacher than any other school type, high school teachers make up the highest percentage of scholarship award recipients.¹³

⁵ CAEP Accreditation Handbook, Council for the Accreditation of Education Preparation, at 34 (Mar. 2016) (http://caepnet.org/~media/CAEP%20Accreditation%20Handbook_March%202016.pdf?la=en).

⁶ See *id.* at 34. These thresholds correspond approximately to the 70-75th percentiles. See National Council on Teacher Quality, *Understanding our Selection Criteria Standard* (2016) at 7, available at http://www.nctq.org/dmsView/NCTQ_-_Standard_1_How_Programs_Stack_Up.

⁷ Specific Appropriation 99A, s. 2, ch. 2015-232, L.O.F.

⁸ Section 25, ch. 2016-62, L.O.F., creating s. 1012.731, F.S. The section of law will expire on July 1, 2017.

⁹ As determined by the district evaluation system pursuant to s. 1012.34, F.S.

¹⁰ Section 25, ch. 2016-62, L.O.F.

¹¹ Email, Florida Department of Education, Government Relations (Feb. 2, 2017).

¹² Email, Staff of the House of Representatives PreK-12 Appropriations Subcommittee (Dec. 21, 2016).

¹³ Email, Florida Department of Education, Government Relations (Feb. 2, 2017).

School Type	Best and Brightest 2016	
	# Schools	# Teachers
Elementary	901	2,014
Middle	363	1,249
High	439	3,192
Combination/Other	198	642
Not Reported	10	14
Total	1,911	7,111¹⁴

The statutory authority for the program is set to expire on July 1, 2017.

Value-Added Model

In recent years, several states have adopted the use of value-added models as part of their education accountability systems.¹⁵ Value-added models are used to measure the causal effect teachers, and in some cases schools, have on student learning growth by controlling for differences in student backgrounds. Such models are generally based on standardized assessment scores and have been the favored model used by economists to measure the impact teacher quality has on student academic and economic outcomes.¹⁶ Value-added models, when used alongside other measures of teacher performance, significantly improve the ability of teacher evaluation systems to identify the most effective teachers.¹⁷

In Florida's value-added model (VAM) is used to objectively measure student learning growth on the:

- statewide, standardized English language arts assessment in grades 4-10;
- statewide, standardized math assessment in grades 4-8; and
- Algebra I end-of-course assessment.¹⁸

Student learning growth, as measured by VAM, comprises at least one third of a teacher's performance evaluation if the teacher is assigned a class associated with one of the assessments for which VAM

¹⁴ Although there were 7,188 classroom teachers who were identified for a 2016 Best and Brightest scholarship award, a small percentage of teachers reported as eligible by their school districts could not be located in the DOE's staff database for purposes of this statistical analysis. A number of factors could cause a record for the Best and Brightest program not to match the staff database, such as misspelled names, teachers on leave during the staff reporting window, name changes due to marriage or divorce, or other similar reasons. Email, Florida Department of Education (Feb. 20, 2017).

¹⁵ DAVID MORGANSTEIN & RON WASSERSTEIN, *ASA Statement on Using Value-Added Models for Educational Assessment* 1 STATISTICS & PUB. POL'Y 108 (2014).

¹⁶ RAJ CHETTY, JOHN FRIEDMAN, AND JONAH ROCKOFF, *Discussion of the American Statistical Association's Statement (2014) on Using Value-Added Models for Educational Assessment* (2014), available at <http://amstat.tandfonline.com/doi/pdf/10.1080/2330443X.2014.956906?needAccess=true>.

¹⁷ Bellwether Education Partners, *Ensuring Effective Teachers For All Students: hearing before the House PreK-12 Quality Subcommittee* (Jan. 11, 2017) (citing Bill & Melinda Gates Foundation, *Gathering Feedback for Teaching* (2011)).

¹⁸ See rule 6A-5.0411, F.A.C. The Commissioner of Education adopted the committee's recommended value-added model (VAM) student learning growth formula for FCAT Reading and Mathematics assessments in June 2011. See Florida Department of Education, *Florida's Value Added Model* (2011) at 11, available at <http://www.fldoe.org/core/fileparse.php/7566/urlt/0075073-presentationvalue-addedmodel.pdf>.

data is calculated.¹⁹ The DOE must calculate VAM scores for these teachers, and school districts must use the scores in the student performance portion of their evaluations.²⁰

VAM establishes the expected learning growth for each student, called a predicted score. Florida's VAM model bases each student's predicted score on the typical learning growth seen among students who share characteristics, called covariates, that are statistically controlled for in the model. The covariates used in Florida's student learning growth formula are:

- up to two prior years of achievement scores;
- students with disabilities (SWD) status;
- English Language Learner status;
- gifted status;
- attendance;
- the number of subject-relevant courses in which the student is enrolled;
- mobility, i.e., the number of school transitions a student makes in the same school year;
- difference from modal age in grade, i.e., the student's age in relation to what is normal for students enrolled in that grade (as an indicator of retention);
- class size (which is a continuous measure counting the number of students linked to the educator); and
- homogeneity of entering test scores of students in the class (which identifies variations in the achievement levels of students in a class when first assigned to the educator).²¹

The VAM score represents the amount, on average, that students taught by a given teacher performed above or below their predicted level of performance. A positive score indicates that the teacher's students performed better than expected; a negative score indicates that the teacher's students performed worse than expected; and a score of "0" indicates that the teacher's students performed no better or worse than expected based on the factors accounted for in the model.²²

A VAM score provides an objective view of the impact a teacher has on a student's learning. Other evaluation components, including teacher observations and other indicators chosen by the district, incorporate subjective measures of a teacher's quality and can be influenced by collective bargaining. This can lead to instances where teachers who are rated highly effective based on their DOE-calculated VAM score are nonetheless rated effective or lower on their performance evaluation due to the more subjective, district-determined portions of their evaluation.

School Administrators

A school's principal is the most critical influence on the school's ability to recruit and retain the most effective teachers.²³ A quality school principal can reduce teacher burnout and increase retention rates, even in challenging school settings, by "providing recognition and support to teachers, working with staff to meet curriculum standards, and encouraging professional collaboration."²⁴ It follows that

¹⁹ Section 1012.34(3)(a), F.S.

²⁰ See s. 1012.34(2) and (8), F.S.

²¹ Rule 6A-5.0411(3)(a)3., F.A.C. The law specifies student attendance, disability, and English proficiency as variables that must be considered in formula development. Section 1012.34(7)(a), F.S.

²² Jeffrey Solochek, *How does Florida's VAM work (in English)?*, Tampa Bay Times, February 26, 2014, <http://www.tampabay.com/blogs/gradebook/how-does-floridas-vam-work-in-english/2167478> (last visited Apr. 29, 2016). See rule 6A-5.0411, F.A.C.

²³ See CLAIRE ROBERTSON-KRAFT AND NATE BRONSTEIN, *Delaware Talent Co-operative: Final Report*, at 26 (2015) (on file with committee staff).

²⁴ SEAN KELLY AND LAURA NORTHROP, *Early Career Outcomes for the "Best and the Brightest": Selectivity, Satisfaction, and Attrition in the Beginning Teacher Longitudinal Survey*, 52 AM. ED. RESEARCH J. 624, at 650 (2015); SUSANNA LOEB AND MICHELLE REININGER, *Public Policy and Teacher Labor Markets: What We Know and Why it Matters*, The Education Policy Center at Michigan State University, 2004, at 47.

principals have a significant effect in improving education outcomes for students, including at schools with a high-poverty student population.²⁵

Currently, the distribution of teachers who qualify for a Best and Brightest scholarship award is more heavily concentrated in non-Title I schools than in Title I schools.²⁶

	Best and Brightest 2017		State Teacher Distribution
	Number Qualifying for Best and Brightest	Percent Qualifying for Best and Brightest	
Non-Title I Schools	5,150	72%	52%
Title I Schools	1,946	27%	48%
N/A	15	0%	0%
Total	7,111	100%	100%

The law prohibits school districts from assigning more than the school district average of temporarily certified teachers, teachers in need of improvement, or out-of-field teachers to schools graded “D” or “F”²⁷ and authorizes district-determined salary supplements for teachers assigned to Title I schools and schools rated “D” or “F.”²⁸ However, these provisions appear to have little effect on placing highly effective teachers with strong academic credentials in Title I schools.

“School administrators” include school principals, school directors, career center directors, and assistant principals.²⁹ Among other things, school principals are responsible for:

- fully supporting the authority of classroom teachers and school bus drivers regarding student discipline and conduct;
- providing instructional leadership in the development, revision, and implementation of a school improvement plan;
- making the necessary provisions to ensure accurate and timely compliance with statutory reporting requirements;
- the management and care of instructional materials; and
- facilitating parental involvement in their child’s education and providing information to parents regarding their child’s educational progress and available educational choices.³⁰

When filling instructional positions³¹ at the school level, the district school superintendent must consider nominations received from school principals of the respective schools in the school district. The superintendent then must make recommendations to the district school board regarding each position

²⁵ Rand Corporation, *School Leadership Interventions Under the Every Student Succeeds Act: Evidence Review*, at 25 (2016), available at http://www.rand.org/content/dam/rand/pubs/research_reports/RR1500/RR1550-2/RAND_RR1550-2.pdf.

²⁶ Email, Florida Department of Education, Government Relations (Feb. 2, 2017). A school’s Title I status is determined by the school district based on the number of students who qualify for certain federal assistance programs, such as free or reduced price lunch. See 20 U.S.C. s. 6313(a)(5) and (b)(1).

²⁷ See s. 1012.2315(2)(a), F.S.

²⁸ See s. 1012.22(1)(c)5.c., F.S.

²⁹ See s. 1012.01(3), F.S. Administrative personnel are K-12 personnel who perform management activities such as developing and executing broad policies for the school district. Administrative personnel include district-based instructional and non-instructional administrators, as well as school administrators who perform administrative duties at the school-level. *Id.*

³⁰ Section 1001.54, F.S.

³¹ Instructional personnel include classroom teachers; staff who provide student personnel services, e.g., guidance counselors, social workers, career specialists, and school psychologists; librarians and media specialists; other instructional staff, e.g., learning resource specialists; and education paraprofessionals under the direct supervision of instructional personnel. Section 1012.01(2), F.S.

to be filled and the persons to fill such positions. The school board has discretion to approve or reject any of the superintendent's recommendations.

Before transferring a classroom teacher from one school to another, the superintendent must consult with the principal of the receiving school and allow the principal to review the teacher's records, student performance results,³² and interview the teacher. If a principal believes students would not benefit from the placement he or she may request an alternative placement subject to the approval by the superintendent.³³ However, the superintendent must accept the principal's decision to refuse placement or transfer of instructional personnel if the instructional personnel has a performance evaluation rating of needs improvement or unsatisfactory.³⁴

These restrictions on personnel-related decision making can make it difficult for a principal to effectively and efficiently operate a school, particularly where a school is in significant need of improvement. Principals who have additional autonomy to establish favorable working conditions and a positive school climate can attract effective teachers, reduce teacher turnover, and improve morale.³⁵

In 2016, the Legislature established the Principal Autonomy Pilot Program Initiative (PAPPI) within the Department of Education (DOE) to provide the principal of a participating school with increased autonomy and authority regarding allocation of resources and staffing to improve student achievement and school management.³⁶ School district participation in PAPPI is voluntary, and only open to school districts in Broward, Duval, Jefferson, Madison, Palm Beach, Pinellas and Seminole Counties. School districts seeking to participate in PAPPI must submit a principal autonomy proposal to the State Board of Education for approval. A participating school must have earned at least two school grades of "D" or "F" during the previous three school years, and a participating principal must have earned a highly effective rating on the prior year's performance evaluation.³⁷

The program exempts participating schools from the K-20 Education Code and state board rules implementing such provisions, with some exceptions.³⁸ In addition, a principal at a participating school may select qualified instructional personnel for placement at the school and refuse placement or transfer of instructional personnel by the district school superintendent, in any case.³⁹ The principal also has greater budgeting authority to allocate resources to help improve student achievement.⁴⁰

Effect of Proposed Changes

Best and Brightest Teacher Scholarship Program

The bill extends the Best and Brightest Teacher Scholarship Program indefinitely by eliminating the July 1, 2017, statutory expiration date.

In light of research showing that a teacher's academic qualifications are correlated to measures of teacher effectiveness and to help schools recruit and retain excellent teachers, the bill expands the program's eligibility requirements by:

³² As measured by the instructional personnel's performance evaluation. Section 1012.28(6), F.S.

³³ Section 1012.27(1)(b), F.S.

³⁴ Section 1012.28(6), F.S.

³⁵ BRENDA IASEVOLI, *Study Highlights Importance of Principals in Teacher-Retention Efforts*, http://blogs.edweek.org/edweek/teacherbeat/2016/09/principals_hold_the_key_to_ret.html?cmp=eml-eb-popweek+09302016 (last visited Feb. 15, 2017).

³⁶ Chapter 2016-223, L.O.F. *Codified at* ss. 1012.28(8), and 1011.6202, F.S.

³⁷ Section 1011.6202(2)(a)1. and 2., F.S.

³⁸ *See* s. 1011.6202(3), F.S.

³⁹ Section 1012.28(8)(a), F.S.

⁴⁰ Section 1012.28(8)(b), F.S.

- lowering the qualifying assessment score threshold from the 80th percentile to the 75th percentile based on the National Percentile Ranks in effect when the classroom teacher took the assessment;
- allowing a teacher to qualify based on a test score at the 70th percentile or higher if he or she has earned a baccalaureate degree with a Latin honor designation of *cum laude* or higher;
- recognizing other national, standardized assessments that measure cognitive ability in lieu of the SAT or ACT; and
- allowing teachers to satisfy the highly effective rating requirement based solely on their value-added score calculated by the DOE.

The revised minimum assessment score requirements more closely reflect national teacher preparation program accreditation standards.⁴¹

The bill identifies the LSAT, GRE, GMAT, and MCAT as additional assessments on which classroom teachers can earn qualifying scores. The percentile requirements in the bill apply the same to these assessments as to the SAT and ACT. Allowing a teacher to use his or her VAM score to meet the “highly effective” requirement prevents subjective district evaluation criteria from affecting the teacher’s eligibility for a scholarship award.

Best and Brightest Teacher Eligibility Requirements Under the Bill

Achieved a composite score at or above the 75th percentile on the SAT, ACT, LSAT, GRE, GMAT, or MCAT; **or**

Achieved a qualifying test score on a recognized assessment between the 70th and 75th percentile and earned a baccalaureate degree with a Latin honor designation of *cum laude* or higher

and

Has a district performance evaluation rating of “highly effective”; **or**

Is rated highly effective based solely on the state-calculated VAM score

Best and Brightest Principal Scholarship Program

The bill also creates the Best and Brightest Principal Scholarship Program. Under the program, a principal may receive a scholarship award, as determined in the General Appropriations Act, if:

- he or she has served as principal at the school for at least the last 2 consecutive school years; and
- the faculty at his or her school has a ratio of best and brightest teachers to other classroom teachers that is at the 80th percentile or higher, statewide, for that school type (elementary, middle, high, or combination).

By requiring a principal to have been at the school for at least 2 years to qualify, the principal will have demonstrated his or her influence on recruiting and retaining the most qualified teachers.

Further, because teacher effectiveness is essential to closing the achievement gap, including at schools with a high-poverty student population, the bill specifies that a greater award amount must be provided to a qualifying principal who is assigned to a Title I school.

The bill requires each school district, by December 1 each year, to provide the name and master school identification (MSID) number of each school in the district to which a teacher eligible for a Best and Brightest Teacher Scholarship Program award is assigned. The district must also provide the name of the school principal of each eligible teacher’s school if he or she has served as the school’s principal for at least 2 consecutive school years, including the current school year. This will allow the DOE to identify qualifying principals for the purpose of disbursing monetary awards.

⁴¹ See n. 6, *supra*.

By February 1 each year, the DOE must identify qualifying principals and disburse funds to each school district for each eligible principal to receive the award. By April 1, each school district, charter school governing board, and the Florida School for the Deaf and the Blind must provide payment of the award to each eligible principal.

In addition to the monetary award, the bill requires school districts to provide a principal designated as best and brightest with the same autonomy principals participating in PAPPI have concerning budgetary and personnel decisions.

The bill specifies that the term "school district," for purposes of the Best and Brightest Principal Program, includes the Florida School for the Deaf and the Blind and charter school governing boards.

B. SECTION DIRECTORY:

Section 1. Amends s. 1012.731, F.S.; revising the eligibility criteria for the Florida Best and Brightest Teacher Scholarship Program; requiring certain classroom teachers to submit an official transcript with a specified honor to demonstrate eligibility; providing for retention of a classroom teacher's scholarship eligibility under certain circumstances; requiring each school district to annually submit certain information to the Department of Education.

Section 2. Creates s. 1012.732, F.S.; creating the Florida Best and Brightest Principal Scholarship Program; providing legislative intent; providing for funding of the program; providing for certain school principals to receive a scholarship under the program; providing eligibility requirements; requiring the department to annually identify eligible school principals and disburse funds to school districts by a specified date; requiring each eligible school principal to receive a scholarship; requiring scholarships to be prorated under certain circumstances; requiring school districts to annually award scholarships to eligible school principals by a specified date; requiring school districts to provide best and brightest principals with specified additional authority and responsibilities; defining the term "school district."

Section 3. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The estimated fiscal impact of this bill for the expansion of the Best and Brightest Teacher Scholarship Program is indeterminate but significant and could exceed \$450 million; the fiscal impact of the new Best and Brightest Principal Scholarship Program is indeterminate.

The table below illustrates the potential impact; however, this estimate is speculative due to various assumptions.

165,000	Evaluated Teachers
75,431	Highly Effective
46%	Highly Effective Percentage FY 2015-16
59,528	Highly Effective Percentage FY 2014-15
26.71%	Highly Effective % increase from year 1 to year 2
95,579	Estimated Highly Effective Teacher FY 2016-17
58%	Estimated Highly Effective Percentage FY 2016-17*
152,000	Estimated Returning Teachers
67,701	70th Percentile SAT Estimated @ 44.54%
44.54%	Percentage of first year teachers estimated over 70%**
13,000	Estimated number of first year teachers
Total Estimated First Year Teachers Receiving Best & Brightest based on SAT	
5,790	First year Teachers at 70%
Total Estimated Returning Teachers Receiving Best & Brightest based on 58% Highly Effective	
39,217	Estimated Pool at 70th Percentile
Total Estimated Teachers receiving Best & Brightest - First Year & Returning Teachers	
45,007	Estimated Awards at 70th Percentile = \$450 Million

* Growth in percentage of teachers achieving highly effective rating based on trend increase of 26.71% from year 1 to year 2 and applying that increase to the next fiscal year.

** Based on known ranges of SAT scores and an assumption that a teacher population of 165,000 would achieve the same distribution of scores as the population at large.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.