

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6714

BILL NUMBER: HB 1373

DATE PREPARED: Dec 15, 2001

BILL AMENDED:

SUBJECT: Administration of Teacher Licensing.

FISCAL ANALYST: Chris Baker

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the Department of Education (the Department) rather than the Professional Standards Board (the Board) governs training, licensing, and professional development of teachers. The bill establishes a division within the Department to administer these functions. The bill also changes the current Professional Standards Board into an Advisory Board to advise the Superintendent of Public Instruction, the State Board of Education, and the Department of Education on matters concerning teacher training, licensing, and professional development. It establishes a fund from fee revenue to be used for program administration. The bill removes references to IC 20-6.1-8, which was repealed in 2001, repeals a redundant section, and makes transitional provisions.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The specific impact of this proposal is indeterminable and would depend on the actions taken by the Department in order to implement this proposal.

Under the bill, the following would be transferred from the Board to the Department: all real and personal property of the Board; all powers, duties, assets, and liabilities of the Board, and all appropriations to the Board.

For the 2001 - 2003 biennium, the Indiana General Assembly in FY 2002 appropriated \$3.8 M and in FY 2003 \$3.6 M for administration and programs. Additionally, the General Assembly appropriated \$220,000 over the 2001 - 2003 biennium for Professional Standards Board licensing.

As of December 3, 2001, the Board had 37 filled positions. Of these positions, 32 employees were full-time and 5 were on leave.

The bill would allow the 19 members of the Board to be transferred into the Advisory Board for Teacher

Training, Licensing, and Professional Development (the Advisory Board.) The members of the Advisory Board would receive the same per diem, travel reimbursement, and payment for services rendered in relation to direct duties to the Advisory Board. Under the bill, the Superintendent of Public Instruction would appoint the chairman of the Advisory Board.

The bill also establishes the Division of Teacher Training, Licensing, and Professional Development (the Division) within the Department. The Division would essentially assume the duties of the Board. Under the bill, rules may be adopted to set standards for teacher licensing and the administration of a professional licensing and certification process by the Department.

The bill also would require the creation of the Teacher Training, Licensing, and Professional Development Fund (the Fund) to consist of fee revenue. The Fund would be administered by the Department. Money in the Fund would not revert at the end of the state fiscal year. Money in the Fund would be continuously appropriated for use by the Department for the administrative expenses related to training, licensing, and professional development of teachers.

Background: The Professional Standards Board was established by P.L.46-1992 to train, license, and professionally develop teachers, school superintendents, and school psychologists. The Board also holds hearings and has the power to revoke the license of a licensed individual. Prior to 1992, the State Board of Education via the Department, held the responsibility for licensing of teachers.

Explanation of State Revenues: Under current law, fee revenue for teacher licensing is deposited into the state General Fund. Currently, the fee charged for licensing, including initial license, renewal, duplications, and transcript evaluations, cannot exceed \$5. Limited licenses and substitute certificates are provided for a fee of \$5. Funds placed in the state General Fund for licensing are for use of the Board to comply with the duties of the Board.

Under the bill, the fee revenue for teacher licensing would be placed into the Teacher Training, Licensing, and Professional Development Fund, and no longer placed into the state General Fund. Money in the Professional Standards Board Licensing Fund, established by P.L. 291-2001, would be transferred to the Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Board of Education, Department of Education, Professional Standards Board.

Local Agencies Affected:

Information Sources: State of Indiana, *List of Appropriations July 1, 2001, to June 30, 2001*; State of Indiana, *HRM Detail Staffing Report, December 3, 2001*.