

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** SB1185-ER

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron:** Vogel

**3. Committee:** Passed Both Houses

**4. Title:** Strategic Compensation Grant Initiative created.

**5. Summary:** Establishes the Strategic Compensation Grant Initiative and Fund, which provides that local school divisions may submit proposals to the Department of Education to receive grants that may be used as incentives to improve teacher and school performance. School divisions must include in their proposals a compensation model and designate groups or types of teachers to receive awarded funds. The bill sets forth eligibility requirements for teachers receiving funds. No individual shall receive more than \$5,000 per year.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See item 8.

**8. Fiscal Implications:** The Governor's proposed amendments to the 2012-2014 biennial budget (HB1500/SB800) include an additional \$15.0 million from the general fund in fiscal year 2014 to support the Strategic Compensation Grant Initiative. It is anticipated that any costs incurred by the Department of Education related to the development of guidelines to set forth the requirements of qualifying for such grants would be nominal and absorbed within existing resources. In subsequent actions, the House amendments to the budget reduce funding for the Grant Initiative by \$7.5 million; whereas, the Senate amendments reduce funding by \$12.0 million.

**9. Specific Agency or Political Subdivisions Affected:** Department of Education and local school divisions.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** This bill is identical to HB2083-ER.

**Date:** 2/22/13

**Document:** H:\BOS\Legislative Session\2013 Session\Enrolled FIS\SB1185ER.doc