Department of Planning and Budget
2018 Fiscal Impact Statement

1. **Bill Number:** SB349

House of Origin	☐	Introduced	☐	Substitute	☐	Engrossed
Second House	☐	In Committee	☒	Substitute	☐	Enrolled

2. **Patron:** Peake

3. **Committee:** Education

4. **Title:** Teacher licensure.

5. **Summary:** Makes several changes to the teacher licensure process, including (i) extending the renewable license from a five year license to a 10 year license; (ii) allowing an individual who seeks a provisional teacher license to satisfy certain licensure requirements during the period of provisional licensure; (iii) permitting the Board of Education to extend, for at least one additional year, but for no more than two additional years, the three-year provisional license of a teacher upon receiving from the division superintendent (a) a recommendation for such extension and (b) satisfactory performance evaluations for such teacher for each year of the original three-year provisional license; iii) permitting teachers with a valid out-of-state license, with full credentials and without deficiencies, to receive licensure by reciprocity without passing additional licensing assessments; (iv) eliminating the requirements that teachers seeking initial licensure or renewal of a license (a) demonstrate proficiency in the use of educational technology for instruction and (b) receive professional development in instructional methods tailored to promote student academic progress and effective preparation for the Standards of Learning end-of-course and end-of-grade assessments; (v) permitting any division superintendent to apply to the Department of Education for a biennial waiver of the teacher licensure requirements for any individual whom the local school board hires or seeks to hire to teach in a trade and industrial education program and meets certain criteria; and (vi) specifying that for the purpose of Board of Education regulations for the approval of teacher education programs, the term "education preparation program" includes four-year bachelor's degree programs in teacher education.

   Requires the Board of Education to include in its regulations for teacher licensure an alternate route to licensure for elementary education preK-6 and an alternate route to licensure for special education general curriculum K-12.

   Requires the Advisory Board on Teacher Education and Licensure (Advisory Board), with the assistance of Department of Education staff, to annually analyze and submit a report on (i) the connection between teacher education and licensure and any shortage of teachers in the Commonwealth and (ii) ways in which statutory and regulatory provisions relating to teacher education and licensure may be amended to ameliorate any shortage of teachers in the Commonwealth.

Requires the Advisory Board to (i) conduct an analysis of the assessment requirements for teachers who apply to the Department of Education for teacher licensure by reciprocity in comparison with the assessment requirements for teachers who have graduated from an approved education preparation program in the Commonwealth and who apply to the Department of Education for teacher licensure and (ii) report its findings and any recommendations no later than June 1, 2019, as part of the annual report required by the provisions of this bill.

6. **Budget Amendment Necessary**: Yes, Item 133.

7. **Fiscal Impact Estimates:** Preliminary. See Item 8 for detail.

7a. Expenditure Impact:

Fiscal Year	*Dollars*	*Positions*	*Fund*
2018			
2019	$180,000	0.00	General Fund
2020	$30,000	0.00	General Fund
2021	$30,000	0.00	General Fund
2022	$30,000	0.00	General Fund
2023	$30,000	0.00	General Fund
2024	$30,000	0.00	General Fund

7b. Revenue Impact:

Fiscal Year	*Dollars*	*Fund*
2018		
2019		
2020		
2021		
2022		
2023		
2024	($900,000)	Nongeneral Fund

8. **Fiscal Implications:** Without an increase to the present renewable license fee of $25, changing the length of a renewable license from five years to 10 years will have a negative nongeneral fund revenue impact. The Department of Education's (DOE) Division of Teacher Education and Licensure is supported by license revenues. DOE collects approximately $1.2 million per year in license revenues, with license renewals accounting for approximately 75 percent of annual revenues. If the renewable license is extended from five years to 10 years without a corresponding increase in the renewal fee, license revenues should remain relatively stable from FY 2019 through FY 2023, with the last of the five-year renewals occurring in FY 2023 for licenses issued in FY 2018. From FY 2024 through FY 2028, DOE will experience a significant reduction in license revenues, with revenues reflecting only fees for new licenses. Assuming that license renewals account for 75 percent of annual revenues, the revenue loss is estimated at $900,000 per year. To maintain the current level of support for the Division of Teacher Education and Licensure, DOE will require a general fund appropriation to compensate for lost revenues in FY 2024. However, if the Board of

Education (BOE) decides to double the fee for a renewable license to reflect the extended 10-year period versus a five-year period, DOE should be able to maintain its current level of support for the Division of Teacher Education and Licensure; but, this will require planning and preparation to account for fluctuating revenues.

To establish an alternate route to licensure for elementary education preK-6 and an alternate route to licensure for special education general curriculum K-12, the BOE and DOE will need to assemble a workgroup and hold multiple meetings involving stakeholders to evaluate and receive feedback on alternate routes to teacher licensure. The Advisory Board on Teacher Education and Licensure, which advises the BOE and submits recommendations on policies applicable to the qualifications, examination, licensure, and regulation of school personnel, will need to review proposals for alternate routes to licensure. Based on the cost to support BOE meetings, DOE estimates a cost of $5,000 per meeting. Assuming DOE holds six meetings, DOE estimates a total one-time general fund cost of $30,000 to establish these alternate routes to licensure.

The Advisory Board on Teacher Education and Licensure currently does not have any staff support. To provide staff support to the Advisory Board for the multiple reporting requirements and to assist with the additional licensure changes required by this bill, DOE will contract with a consultant. DOE estimates a general fund cost of $150,000 in FY 2019 and $30,000 in FY 2020 and outgoing years to support this contract.

9. **Specific Agency or Political Subdivisions Affected:** Board of Education, Department of Education, Advisory Board on Teacher Education and Licensure

10. **Technical Amendment Necessary:** No

11. **Other Comments:** This bill is identical to the Senate substitute of HB1125.