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## FISCAL IMPACT REPORT

LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 2/14/25

SPONSOR Soules

BILL  
NUMBER Senate Bill 343

SHORT TITLE Teacher Salary Rates Changes

ANALYST Mabe

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
PED	No fiscal impact	At least \$34.8 to \$102.8	At least \$34.8 to \$102.8	At least \$69.6 to \$205.6	Recurring	General Fund

Parentheses ( ) indicate expenditure decreases.  
\*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 63, House Bill 156, and House Bill 201  
Relates to appropriation in the LFC recommendation for the General Appropriation Act

### Sources of Information

LFC Files

Agency Analysis Received From  
Regional Education Cooperatives (REC)

Agency Analysis was Solicited but Not Received From  
Public Education Department (PED)

## SUMMARY

### Synopsis of Senate Bill 343

Senate Bill 343 ensures equal minimum salary for all teachers at each licensure level by removing exceptions currently in statute for vocational teachers and replacing an outdated reference to K-5 Plus with K-12 Plus.

The effective date of this bill is July 1, 2025.

## FISCAL IMPLICATIONS

This bill does not include an appropriation. Based on the latest available personnel data from the Public Education Department's (PED) operating budget management system (OBMS), the average salary for nearly 500 FTE teachers labeled vocational and technical is \$67.6 thousand. While teacher pay among this group varies significantly, almost all teachers make more than the minimum salary for level one teachers of \$50 thousand. It would cost \$34.8 thousand to bring all

vocational teachers to the current minimum. If, however, House Bill 156 is enacted, raising minimums by \$5,000 per tier, it would cost \$102.8 thousand to bring all vocational teachers to \$55 thousand. Further, OBMS data does not include teachers experience; it may therefore cost more to align teachers with experience levels qualifying them for current level 2 and level 3-A salaries or with the House Bill 156-increased minimum salaries.

## **SIGNIFICANT ISSUES**

In 2023, Senate Bill 417 created a pathway for vocational teachers to fall under the regular educator three-tiered licensure system that allowed industry experience to count in place of traditional education requirements. For example, a level 1 license could be obtained with either a bachelor's degree or five years of experience in the field a candidate would be teaching. It also included exceptions to minimum salaries for vocational teachers. Senate Bill 343 seeks to remove these exceptions to ensure vocational teachers cannot earn less than the minimums for traditionally licensed teachers. As discussed in the fiscal impact section, most vocational teachers make more than the minimum for level one teachers. It is more difficult to determine whether all level 2 and level 3 vocational teachers make the respective minimums for those levels. Increasing minimums could signal a commitment to CTE programs and make these jobs more attractive to industry experts.

The bill also replaces references to the K-5 Plus Program with K-12 Plus Program. Many school districts have increased teacher salary schedules above required statutory minimums, in line with additional calendar days from the K-12 Plus Program. As such, costs of this adjustment are anticipated to be minimal.

## **ADMINISTRATIVE IMPLICATIONS**

Schools will have to reevaluate vocational teacher contracts and salaries to make sure that they align with minimums.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

This bill relates to House Bill 156, which raises minimum teacher salary levels by \$5 thousand each tier to \$55 thousand for level 1, \$65 thousand for level 2, and \$75 thousand for level 3. This bill also relates to a \$4.4 million appropriation in the LFC recommendation for the General Appropriation Act for the state equalization guarantee (SEG) distribution to raise minimum teacher and principal salary levels to the level included in House Bill 156. Additionally, this bill relates to House Bill 201, which raises the minimum wage for all school employees to \$30 thousand regardless of FTE status. Lastly, it relates to House Bill 63, which is Legislative Education Study Committee-endorsed legislation that would revise the formula creating more SEG funding for grades six through 12 that schools could spend in , including CTE programming and teachers.

## **TECHNICAL ISSUES**

Senate Bill 343 removes references to the K-5 plus program and replaces them with K-12 Plus. However, the bill leaves references to the extended learning time program, which has also been replaced by the K-12 plus program.

RM/sl/rl