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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/08

SPONSOR Hall LAST UPDATED \_\_\_\_\_ HB 15

SHORT TITLE Educator Licensure Fund Purposes SB \_\_\_\_\_

ANALYST Aguilar

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

House Bill 15 amends existing statute to provide that funds in the Educator Licensure Fund be subject to legislative appropriation and that the purposes of the fund be expanded.

### FISCAL IMPLICATIONS

According to a performance evaluation discussed under “Significant Issues”, the PED received \$400,000 in General Fund appropriations to support the cost of overseeing the PDD process; the PED’s vendor that processed the PDDs collected a little over \$250 in FY07 and approximately \$75 in FY08; the Educator Ethics Bureau collected \$753.3 in application fees in FY07. The bill does not affect revenues or appropriations, but directs the fund into which they must be deposited and the uses for those funds.

### SIGNIFICANT ISSUES

A performance evaluation of the Public Education Department’s three-tiered teacher licensure system by LFC, LESC and the Office of Education Accountability recommended, among other things, that Section 22-8-44 be amended to clarify the uses of the Educator Licensure Fund. The joint evaluation concluded that current licensing fee revenue was not sufficient to cover the costs associated with the PED’s educator licensing functions, professional development dossiers (PDD) and general oversight.

## **House Bill 15 – Page 2**

Current statute provides for money in the fund to be used to fund the educator background check program. The bill expands the use of the fund to include enforcement of educator ethics requirements and the processing of applications for licensure or renewal of licensure, including review of professional development dossiers (PDD).

The findings of the joint evaluation also expressed concern that there is no clear method in place to assure that fees paid through Vision Link to reviewers are being reported to either the state or federal government as income.

### **TECHNICAL ISSUES**

The PED manages an Online Portfolio Alternative License (OPAL) program that supports the PED obligation to issue level one license through an alternative method. In order to collect application fees from those seeking licensure through an alternative method the department suggests the following language for consideration by the Legislature.

On Page 2, line 8 after the word “dossiers” insert thereof “and portfolios for alternative licensure”

### **OTHER SUBSTANTIVE ISSUES**

PED notes that funds paid to Vision Link, the PDD contractor, by contractual agreement are retained by Vision Link in an interest bearing account. The contractor is required to return any unused funds and deposit them into the educator licensure fund at the end of the four-year contract.

PA/bb