

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 2, 2008
POSITION: Neutral, note concerns
SPONSOR: EdVoice

BILL NUMBER: SB 1660
AUTHOR: G. Romero

BILL SUMMARY: Teachers: Compensation

This bill would authorize a school district to use Professional Development Block Grant (PDBG) funds to compensate new and existing mathematics, science, and special education teachers in schools ranked in deciles 1, 2, or 3 of the Academic Performance Index (API) from an alternative salary schedule if agreed to by both the district and the teachers' exclusive representative. This bill would also require school districts to annually report the amount of funds used for the purpose specified in this bill to designated legislative and control agencies.

FISCAL SUMMARY

Since current law already allows teacher compensation to be funded by the PDBG and does not prohibit school districts from developing alternative salary schedules for mathematics, science, and special education teachers, we do not believe this bill would result in additional costs. However, to the extent that it encourages schools to develop such alternative salary schedules rather than using the funds for professional development, this bill could create unknown Proposition 98 General Fund cost pressure to backfill PDBG funding redirected for this purpose.

COMMENTS

The Department of Finance is neutral on this bill but notes the following concerns:

- Because current law authorizes teacher compensation as an eligible use of funds, we believe this bill is unnecessary. Furthermore, current law authorizes schools, districts, and exclusive representatives to negotiate alternative salary schedules for all certificated staff.
- To the extent that this bill encourages more school districts to take advantage of using PDBG funds to support alternative salary schedules for mathematics, science, and special education teachers, this bill could create Proposition 98 General Fund cost pressure to backfill the redirected professional development funding.

Chapter 871, Statutes of 2004 (AB 825), established the PDBG for staff development and recruitment and retention of qualified teachers through bonuses and compensation in schools ranked in deciles 1 through 5 of the API. It includes funding for three former programs that were consolidated by AB 825, Instructional Time and Staff Development Reform, Teaching as a Priority, and Intersegmental Programs, and is based on the statutes that existed for the programs prior to consolidation.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)								Fund Code
	SO								
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	
6110/Dept of Educ	SO	No		-----	See Fiscal Analysis	-----			0001
6110/Dept of Educ	LA	Yes		-----	See Fiscal Analysis	-----			0001

Analyst/Principal (0352) L. Del Castillo	Date	Program Budget Manager Jeannie Oropeza	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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