

\$4.7 million each year, assuming the same services currently provided continue to be provided to the additional teachers.

Detailed Fiscal Analysis

Currently, the specifics of the educator licensing process, including standards for teacher preparation programs, are governed by the Ohio Administrative Code. The bill modifies many of these provisions and puts them in the Ohio Revised Code. In particular, the bill makes changes to the mentoring program and assessments required for a teacher to obtain a professional license. Currently, the State Board of Education uses a teacher assessment system developed by the Educational Testing Service called the Praxis series. In order for teachers to obtain provisional teaching licenses, they must pass the Praxis II assessment in their field. The Praxis II assessment measures basic principles of teaching and learning as well as subject-specific knowledge and skills. In order for teachers to obtain professional teaching licenses, they must complete a one-year mentoring program, called an "entry-year program" and pass the Praxis III assessment. The Praxis III assessment measures classroom performance.

Pre-service assessment systems

The bill requires the Ohio Department of Education (ODE), in collaboration with the Chancellor of the Board of Regents, to establish a committee with members representing practicing teachers and public and private teacher preparation programs. The committee is required to develop a "pre-service assessment system" to be fully implemented by December 31, 2009. Among other requirements, this system is to include multiple assessments of students in teacher preparation programs, training for teachers and faculty members who provide supervision and instruction to student teachers during their field experiences, and development of a portfolio by each educator license candidate. While these requirements are likely to be costly for the teacher preparation programs, they do not seem to differ considerably from what the programs are currently required to do. Under the Ohio Administrative Code, teacher preparation programs are required to be accredited by either the National Council for Accreditation of Teacher Education or the Teacher Education Accreditation Council. Requirement for accreditation from either of these organizations seem to be in line with the requirements of the bill.

Induction program

The bill replaces the current one-year entry-year program requirement with a two-year induction program requirement. ODE is required to establish a committee to develop standards for the new induction program. Schools are required to fully implement the program, beginning with the 2010-2011 school year. This expansion would effectively double the number of teachers involved in any given year. The cost of the program is primarily related to the provision of mentoring services to each beginning teacher, therefore, assuming schools maintain the same services for teachers in the second year of the program, the cost is likely to increase.

Currently, districts and schools with beginning teachers may apply for state funding to help defray the cost of their entry-year programs. In FY 2007, according to ODE, approximately \$4.6 million of state funding was provided to support the approximately 5,800 beginning

teachers participating in the entry-year program throughout Ohio. The total cost of the current program is not known, as there may be additional costs that are not compensated by the state. The current state cost, however, can be used as an estimate of the lower end of the total cost. In FY 2007, this cost is approximately \$790 per beginning teacher (\$4.6 million/5,800 teachers). The number of new teachers entering the entry-year program each year ranges from approximately 5,000 to 6,000 teachers. Based on these estimates, therefore, expanding the program from one to two years could increase costs by approximately \$3.9 million (5,000 x \$790) to \$4.7 million (6,000 x \$790) each year starting in the 2010-2011 school year, when the new induction program is fully implemented.

Phase-out of Praxis III and summative assessments

The bill requires the State Board of Education and ODE to begin, on the bill's effective date, the phase-out of the use of the Praxis III as an assessment tool. The phase-out is to be completed under the bill by July 1, 2010, at which time the State Board of Education, with certain exceptions, is prohibited from requiring a teacher to pass the Praxis III test in order to convert a provisional teacher license to a professional educator license. Instead, eligibility will be based on a teacher's rating on a "summative assessment" approved by the Board and included as part of the teacher's induction program. The summative assessment will serve as the final formal assessment of a beginning teacher's classroom performance near the end of an induction program. The bill requires the Board to adopt rules establishing the standards and procedures of the summative assessment, as well as determine the expected rating attainment that the beginning teacher needs to achieve in order to qualify for a professional educator license, no later than July 1, 2010. Since standards, other than those required in the bill, have not been developed, it is unknown what fiscal effect the summative assessments will have, if any, on schools and districts.

ODE and BOR assistance

ODE and BOR could incur some minimal administrative costs in establishing and supporting committee work associated with developing induction programs and pre-service assessment systems. In addition, the bill requires that ODE continuously evaluate the effectiveness of the induction programs and permits them to contract, if sufficient funds are available, with an independent contractor to conduct the evaluations and report the results to ODE. In either case, ODE costs may increase.

Synopsis of Fiscal Changes

- **Phase-out of Praxis III.** The "As Introduced" version of the bill replaced the Praxis III assessment currently used by the state to assess a teacher's suitability for a professional license with locally developed assessments by FY 2009. First, the substitute version delays full implementation of the phase-out of the Praxis III until FY 2011, which ultimately delays any change in costs associated with developing and implementing the new assessment. Second, instead of assessments created at the local level, the substitute version requires the State Board of Education to adopt a "summative assessment" to assess a beginning teacher's classroom performance near the end of the teacher's induction program. This change effectively removes any costs associated with schools and districts developing local assessments in the "As Introduced" version, and, instead, increases the administrative burden of ODE.
- **Distribution of Praxis III funds.** The "As Introduced" version of the bill specified that in FY 2009 the \$4.2 million that otherwise was budgeted to support the Praxis III assessment system based on FY 2007 expenditures, instead be distributed to districts and schools on a per entry-year teacher basis. This provision is eliminated in the substitute version of the bill.
- **Induction program and pre-service assessment systems.** Under the substitute version of the bill, ODE and BOR could incur some minimal administrative costs in establishing and supporting committee work associated with developing induction programs and pre-service assessment systems. The "As Introduced" version of the bill did not contain these provisions.
- **ODE evaluation of induction programs.** The substitute bill requires that ODE continuously evaluate the effectiveness of the induction programs and permits them to contract, if sufficient funds are available, with an independent contractor to conduct the evaluations and report the results. In either case, ODE costs may increase. The "As Introduced" version of the bill did not contain this provision.

LSC fiscal staff: Edward Millane, Budget Analyst

HB0347H1/lb