

## Issue Brief – Educator Licensing Fees

STATE BOARD OF EDUCATION – OFFICE OF EDUCATION

PED IB-USOE 1

### **SUMMARY**

The Legislature, through the Educator Licensing and Professional Practices Act, established that “the high quality of teachers is absolutely essential to enhance student achievement and to assure education excellence in each classroom in the state’s public schools.” The Legislature has established a method of charging licensing fees for educators, ensuring that educators meet and maintain “high standards both as to qualifications and fitness for service as educators.”<sup>1</sup>

### **OBJECTIVE**

This brief provides information on the regulatory fees charged to educators in Utah to obtain a license and a proposed FY 2008 fee schedule submitted by the Legislative Fiscal Analysts Office.

### **DISCUSSION AND ANALYSIS**

Through intent language passed in the 2004 General Session, the Legislature requested that the State Board of Education submit an educator licensing fee plan that provided enough revenue to support the costs of the USOE – Educator Licensing Section. To date, the Board has not done this for FY 2008. Statute requires that educators seeking licensure in Utah be charged a fee and statute requires that these fees cover the expenses of issuing these licenses. By passing the above mention intent language, the Legislature reaffirmed the statutes that require educator licensing, collecting a fee for these licenses, and the sufficient generation of fee revenue to cover costs.

#### ***Statute Requires Fees***

The Educator Licensing and Professional Practices Act states that “the board shall levy a fee for each new, renewed, or reinstated license or endorsement”<sup>2</sup> issued in the state. During the 2004 General Session, the Legislature amended statute to include charging fees for renewed licenses. The statute was amended to ensure that the State Office of Education could charge for renewed licenses. The statutory clarification for renewal fees provides the fee capacity necessary for the USOE to operate educator licensing without the use of Uniform School Funds.

#### ***Statute Requires Fee Revenue Cover Expenses***

The Budgetary Procedures Act requires that “Each fee agency shall: (a) adopt a schedule of fees assessed for services provided by the fee agency that are: (i) reasonable, fair and reflect the cost of services provided.”<sup>3</sup> Due to this statute, subsidizing Educator Licensing with state revenue may be in conflict with state law.

Educator licensing fee revenue is credited to the Professional Practices Restricted Subfund in the Uniform School Fund. The State Board of Education “shall pay the expenses of issuing licenses and of UPPAC (Utah Professional Practices Advisory Commission) operations, and the costs of collecting license fees from the restricted subfund.”<sup>4</sup>

Indicators suggest that the revenue collected from the various educator licensing fees, approved by the Legislature and charged by the State Office of Education, are not being deposited into the Professional Practices Restricted Subfund in the Uniform School Fund as statute dictates. This situation is being reviewed and may result in some adjustment to the USOE budget in a subsequent appropriations act this session in order to correct for fee revenue sources that are currently defined as dedicated credits.

<sup>1</sup> UCA 53A-6-102(2) – Legislative findings on teacher quality.

<sup>2</sup> UCA 53A-6-105(1) – Licensing fees.

<sup>3</sup> UCA 63-38-3.2(2)(a)(i) – Fees – Adoption, procedure, and approval.

<sup>4</sup> UCA 53A-6-105(3) – Licensing fees.

***FY 2008 Educator Licensing Requests***

*Alternative Route to Licensure* – the State Office of Education has requested a state appropriation to help oversee the Alternative Route to Licensure (ARL) program. The requested \$267,000 in ongoing Uniform School Fund revenue will be used by the USOE to ensure that all beginning ARL candidates have completed intensive training and provide supervision/mentoring of these candidates as they begin teaching. According to USOE all ARL candidates must have intensive supervision and mentoring in order to be reported as highly qualified. In FY 2007 Alternative Route to Licensure was given one-time monies in the amount of \$234,000 to enable the Utah State Office of Education time to evaluate the costs associated with overseeing and issuing these alternative licenses and find ways to reduce licensing fees in general.

*Recommendation:* The Analyst recommends that the subcommittee closely scrutinize these requests by the State Office of Education. As stated above, the Legislature has made the distinct policy decision to have regulatory fee revenue cover the costs of issuing regulatory fees. In the case of the Educator Licensing, the Legislature reaffirmed this policy during the 2005 General Session.

The Analyst recommends moving teacher licensing fees into its own line item. This line item should contain all revenue from teacher licensing fees deposited into Professional Practices Restricted Account. The Analyst further recommends that the Legislature transfer from Law, Legislation, and Education Full Time Equivalents associated with this program to this new line item. It will require the Utah State Office of Education to account for the proper cost associated with issuing teacher licenses. It would require the Utah State Office of Education to pay for the Full Time Equivalents with revenue generated dedicated for that purpose pursuant to statute. This will also prohibit the Utah State Office of Education from subsidizing management of Education Licensing with other funding sources primarily Uniform School Funds which is currently prohibited under the Budgetary Procedures Act.

The Analyst requested that the State Board of Education provide a fee schedule that would produce sufficient revenue to support these functions of the Educator Licensing Section without reinstating a state appropriation. To date, the Utah State Office of Education has yet to approve a new fee schedule to cover operations of the program. Please refer to Attachment A for this fee schedule. The Analyst recommends that the Legislature adopt the fee schedule provided in Attachment A.

**LEGISLATIVE ACTION**

This section provides a guide of what actions might be taken if the Legislature wishes to adopt the recommendations made in this brief. The Analyst recommends that the Legislature consider adopting:

1. The fee schedule, provided in Attachment A, that provides sufficient revenue to support the functions of the USOE Educator Licensing Section without the reinstatement of state revenue.

**ATTACHMENT A**

<b>Fees for Law, Legislation and Education Services:</b>	<b>Old Fee</b>	<b>New Fee</b>	<b>Change</b>	<b>Quantity</b>	<b>Revenue</b>
Teacher Licensure Fees					
Level I					
Utah Institutionally Recommended	50.00	54.00	0.00	2,593	144,396
Out of State					
Application Fee	75.00	81.00	6.00	478	38,718
Evaluation Fee	50.00	50.00	0	406	20,300
Additional License Areas and Endorsements	30.00	30.00	0	200	6,000
District/Charter License					
District/Charter License	40.00	43.00	3.00	22	946
Evaluation Fe	50.00	50.00		50	2,500
Additional License Areas and Endorsements	30.00	30.00	0	50	1,500
Renewal					
Inactive Educators	65.00	70.00	0.00	600	42,000
Active Educators	40.00	43.00	0.00	4,900	210,700
Non-Resident	100.00	100.00	0	500	50,000
Alternative Licensure					
Application and Evaluation	50.00	100.00	50.00	324	32,400
Program Development and Tracking	230.00	280.00	50.00	167	46,760
Career and Technical Education					
Career and Technology Education	40.00	43.00	3.00	82	3,526
Evaluation Fee	50.00	50.00	0	211	10,550
Level Upgrade	40.00	43.00	3.00	877	37,711
Underqualified Educators					
Letter of Authorization Request	25.00	27.00	2.00	50	1,350
State Approved Endorsement Program					
Application/Evaluation Fee	30.00	32.00	2.00	50	1,600
Subsequent Year Supervision Fee	155.00	155.00	0	800	124,000
Endorsements					
Individual Application	35.00	38.00	3.00	1,000	38,000
Institutionally or District Approved	25.00	27.00	2.00	548	14,796
Duplicates/Replacements	15.00	16.00	1.00	50	800
Finger Printing Fees					
FBI & BCI	49.00	49.00	0.00	8,821	0
Utah Professional Practices Advisory Commission	20.00	20.00	0.00	8,821	0
<b>Total</b>					<b>\$828,553</b>