

# Budget Brief – Educator Licensing

STATE BOARD OF EDUCATION

PED EL-01

## 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> More information on Educator Licensing can be found in the Compendium of Budget Information (COBI) for Public Education in chapter 11–Utah State Office of Education, specifically under the section for Law, Legislation and Educational Services.

## DISCUSSION AND ANALYSIS

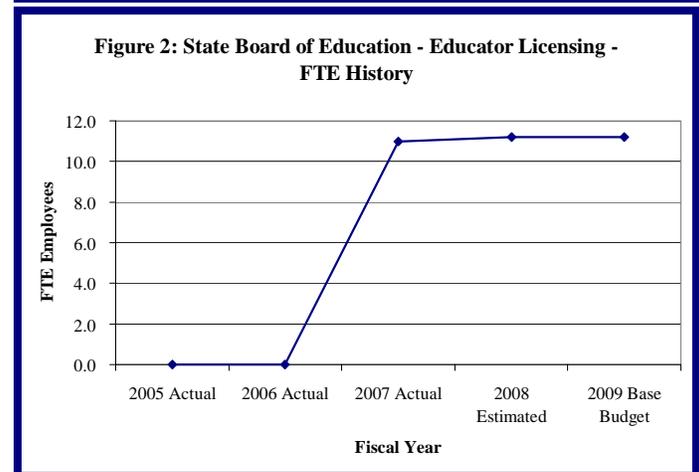
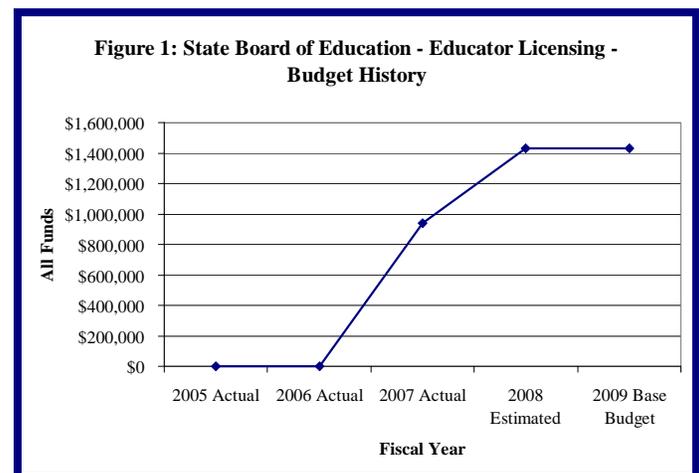
Through intent language passed in the 2004 General Session, the Legislature requested that the State Board of Education submit an educator licensing fee plan that provided enough revenue to support the costs of the USOE–Educator Licensing Section. The Board submitted a fee plan to the Legislature during the 2005 General Session which was approved. Statute requires that educators seeking licensure in Utah be charged a fee and that the fees cover the expenses of issuing these licenses. By passing the above-mentioned intent language, the Legislature reaffirmed the statutes that require educator licensing to collect 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.

### *Fee Revenue Credited to Professional Practices Restricted Subfund*

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) operation, and the costs of collecting license fee from the restricted subfund”.<sup>3</sup>



<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 53A-6-105(3) – Licensing fees.

In the 2007 General Session, the Legislature moved teacher licensing fees into its own line item. This line item was designed to contain all revenue from teacher licensing fees deposited into the Professional Practices Restricted Account. Additionally, the Legislature transferred from Law, Legislation, and Education, the 11.0 FTEs associated with the program to this new line item. This action has required the State Office of Education to account for the proper cost associated with issuing teacher licenses. It has also required the State Office of Education to pay for the FTEs with revenue generated and dedicated for that purpose pursuant to statute. Finally, it has prohibited the State Office of Education from subsidizing management of Education Licensing with other funding sources, primarily Uniform School Funds, as it is prohibited under the Budgetary Procedures Act.

There still remains some question as to whether revenue collected from the various educator licensing fees, approved by the Legislature and charged by the State Office of Education, are being deposited into the Professional Practices Restricted Subfund in the Uniform School Fund as statute dictates. The State Office of Education Finance division and the Analyst's office will track these revenues during the coming fiscal year to ensure they are being properly deposited into the correct fund as directed by statute or some other funding mechanism.

### ***Educator Licensing Fee Plan Adjustments for FY2009***

After no new plan was adopted by the State Board, the Analyst's office made adjustments to the licensing fee plan according to some changes given by the State Office of Education and based on the plan adopted by the Legislature in the 2007 General Session. The table contained in Attachment A includes any new revenue that will be generated as a result of the changes and the total revenue that is projected for collection during FY2009.

*Recommendation:* It is the Analyst's recommendation that the Legislature adopt the changes in the fee schedule plan for Educator Licensing FY 2009.

### **BUDGET DETAIL TABLE**

<b>State Board of Education - Educator Licensing</b>						
	<b>FY 2007</b>	<b>FY 2008</b>		<b>FY 2008</b>		<b>FY 2009*</b>
<b>Sources of Finance</b>	<b>Actual</b>	<b>Appropriated</b>	<b>Changes</b>	<b>Revised</b>	<b>Changes</b>	<b>Base Budget</b>
Dedicated Credits Revenue	852,700	0	1,432,800	1,432,800	0	1,432,800
USFR - Professional Practices	86,100	1,432,800	(1,432,800)	0	0	0
<b>Total</b>	<b>\$938,800</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>
<b>Programs</b>						
Educator Licensing	938,800	1,432,800	0	1,432,800	0	1,432,800
<b>Total</b>	<b>\$938,800</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>
<b>Categories of Expenditure</b>						
Personal Services	477,900	767,000	0	767,000	0	767,000
In-State Travel	4,300	4,300	0	4,300	0	4,300
Out of State Travel	5,900	5,900	0	5,900	0	5,900
Current Expense	367,400	572,300	0	572,300	0	572,300
DP Current Expense	5,400	5,400	0	5,400	0	5,400
Other Charges/Pass Thru	77,900	77,900	0	77,900	0	77,900
<b>Total</b>	<b>\$938,800</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>	<b>\$0</b>	<b>\$1,432,800</b>
<b>Other Data</b>						
Budgeted FTE	11.0	11.0	0.2	11.2	0.0	11.2

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

**ATTACHMENT A**

<b>Fees for Educator Licensing:</b>	<b>Old Fee</b>	<b>New Fee</b>	<b>Change</b>	<b>Quantity</b>	<b>Revenue</b>
Teacher Licensure Fees					
Level I					
Out of State					
Application Fee	81.00	81.00	0.00	478	0
Evaluation Fee	50.00	50.00	0.00	406	0
Utah Institutionally Recommended	54.00	55.00	1.00	2,674	2,674
Out of State					
Additional License Areas and Endorsements	30.00	30.00	0.00	200	0
District/Charter License					
District/Charter License	43.00	45.00	2.00	22	44
Evaluation Fee	50.00	50.00	0.00	50	0
Additional License Areas and Endorsements	30.00	30.00	0.00	50	0
Renewal					
Inactive Educators	70.00	70.00	0.00	600	0
Active Educators	43.00	45.00	2.00	4,900	9,800
Non-Resident	100.00	100.00	0.00	500	0
Alternative Licensure					
Application and Evaluation	100.00	100.00	0.00	324	0
Program Development and Tracking	280.00	300.00	20.00	167	3,340
Career and Technical Education					
Career and Technology Education	43.00	45.00	2.00	82	164
Evaluation Fee	50.00	50.00	0.00	211	0
Level Upgrade	43.00	45.00	2.00	877	1,754
Underqualified Educators					
Letter of Authorization Request	27.00	30.00	3.00	50	150
State Approved Endorsement Program					
Application/Evaluation Fee	32.00	35.00	3.00	50	150
Subsequent Year Supervision Fee	155.00	155.00	0.00	800	0
Endorsements					
Individual Application	38.00	40.00	2.00	1,000	2,000
Institutionally or District Approved	27.00	30.00	3.00	548	1,644
Duplicates/Replacements	16.00	16.00	0.00	50	0
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>New Revenue \$21,720</b>
					<b>Total Revenue \$1,458,922</b>