LAO
55 Years of Service

Governor's Proposals on Teacher Recruitment and Retention SB 1505 (Alarcon)

Legislative Analyst's Recommendations

Presented To
Senate Education Committee

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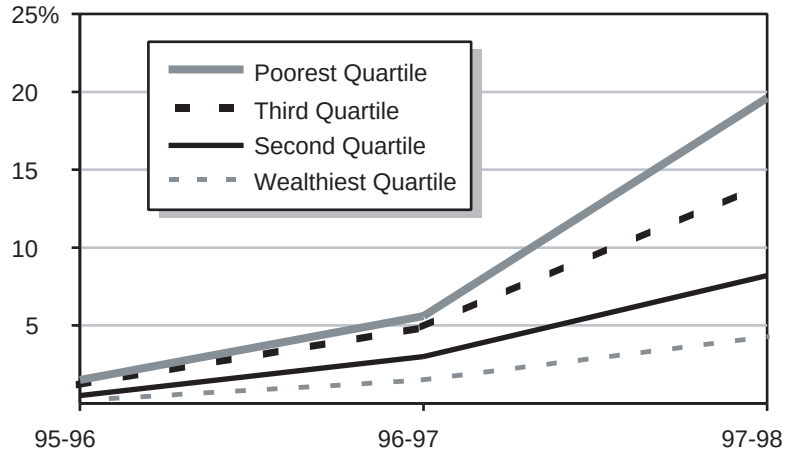
K-3 Teachers Lacking Credentials, by Schools With Different Proportions of Low-Income Students



- ***Governor's Proposals***. Senate Bill 1505 includes several proposals by the Governor meant to address the problem of recruiting/retaining credentialed teachers to "low-performing" schools. The bill defines "low-performing" as schools scoring in the bottom half of the state's Academic Performance Index (API).

- ***The Policy Problem***. Recruiting and retaining teachers can be a challenge almost anywhere in the state today, but in most schools it is a manageable problem. However, according to a recent study, about one-fifth of the state's public schools—those where 20 percent or more of the teachers lack a credential—face recruitment/retention challenges so serious they have fallen into educational dysfunction. *This is the problem that requires state intervention*.

- ***Misplaced Target***. The chosen target of the bottom half of the API is overly broad and has no relationship to the policy problem described above. This misplacing of the target not only would dissipate large amounts of state funds, but could leave the basic problem largely unaddressed.

- ***Misplaced Discretion***. The administration's various incentive proposals leave the people who must manage teacher recruitment and retention on a daily basis—school district and school site administrators—without meaningful discretion over (1) the allocation of resources or (2) their specific application to the problems at hand.

Recruiting and Retaining Teachers to Hard-to-Staff Schools (Continued)

- ***LAO Recommendation.*** We recommend the Legislature redirect $122 million proposed for four new programs into a block grant for recruiting/retaining teachers in hard-to-staff schools. We recommend targeting those schools where at least 20 percent of the teachers lack a credential. The four programs affected are:
  - National Board certification incentive (sections 4 through 7 of the bill).
  - Regional teacher recruitment centers (section 8).
  - Teaching as a Priority Program (section 9).
  - Teacher Home-Buyer Assistance (section 26).

State Teachers' Retirement System (STRS)—Earnings Limit

- Section 2 of the bill proposes to lift the statutory cap on earnings for STRS retirees returning to work as public school teachers or teacher support providers.
- We recommend extending the proposal to retirees returning to work as principals or vice principals. (*Analysis of the 2000-01 Budget Bill*, page E-31.)

Proposed Elimination of Cal Grant "T"

- ***The Cal Grant "T" Program***. The program currently provides tuition payments for over 2,600 students in teacher preparation programs. *The 1999-00 Budget Act* included $10 million for the program.

- ***Proposed Elimination of the Program***. Sections 10 through 13 of SB 1505 would eliminate the program. The administration believes the program is not an effective policy tool because it does not require students to formally commit to teaching.

- ***LAO Recommendation—Keep the Cal Grant "T"***. The state needs a variety of "tools" to address the serious problem of too few qualified teachers. The administration does not make a compelling argument for discarding this tool. Over 50 percent of Cal Grant "T" recipients commit to teaching in shortage areas and low-performing schools by simultaneously participating in the Assumption Program of Loans for Education (APLE) program. Many others add to the statewide "pool" of credentialed teachers even without making a formal commitment.

Assumption Program of Loans for Education

- ***Revision and Expansion of APLE***. Sections 14 through 24 of the bill revise and expand the APLE program. The bill authorizes an additional 1,000 loan assumption “warrants” to be issued annually and somewhat simplifies the warrant allocation process.

- ***LAO Recommendation—Target APLE to Serve Schools With Greatest Needs***. The bill includes an overly broad definition of "low-performing" schools for purposes of targeting the loans. (We discussed the issue of an overly broad definition of low-performing schools on page 2 of this handout.) As we recommend on other proposals intended to address the recruiting problems of low-performing schools, we recommend targeting to those schools where at least 20 percent of the teachers lack a credential.

Teaching Fellowships

- ***Proposal.*** Section 25 of the bill would establish the Governor's Teaching Fellowships to be administered by CSU. For the 2000-01 fiscal year the bill authorizes award of 250 fellowships—of $20,000 each—for meritorious candidates in "fifth-year" teacher preparation programs. Beginning in 2001-02, a total of 1,000 fellowships could be awarded annually.

- ***Related Budget.*** The *2000-01 Budget Bill* includes $2.5 million for 250 fellowships, $1 million for CSU administration, and $79,000 for the Commission on Teacher Credentialing to track recipients.

- ***LAO Recommendation—Convert Fellowship to an "APLE Plus."*** The proposal has excessive administrative requirements and has an overly broad target for low-performing schools. We recommend:

  - Targeting the service requirement to those schools where at least 20 percent of the teachers lack a credential.

  - Converting the fellowship into a forgiveable $20,000 loan, along the lines of APLE.

  - Move program administration to the Student Aid Commission, which successfully administers APLE at reasonable cost.