

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 547 (First Edition)

SHORT TITLE: School Psychologists Salary/Sixth Tier.

SPONSOR(S): Representatives Fisher, Cunningham, B. Turner, and L. Johnson

FISCAL IMPACT					
(\$ in thousands)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
State Impact					
General Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
General Fund Expenditures:	\$428.8	\$435.1	\$442.3	\$448.8	\$453.7
Special Fund Revenues:					
Special Fund Expenditures:					
State Positions:					
NET STATE IMPACT	(\$428.8)	(\$435.1)	(\$442.3)	(\$448.8)	(\$453.7)
Local Impact					
Revenues:					
Expenditures:	Unknown	Unknown	Unknown	Unknown	Unknown
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	#VALUE!
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
Department of Public Instruction Local Education Agencies					
EFFECTIVE DATE: July 1, 2015					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

House Bill 547 (HB 547), School Psychologists Salary/ Sixth Tier, establishes a sixth tier on the Statewide Monthly Teachers Salary Schedule for school psychologists and other individuals paid in accordance with this lane of the salary schedule, such as school speech pathologists, school audiologists. HB 547 continues the practice of setting the first step on the salary schedule for these individuals as equivalent to an educator on step 5 of the Masters lane of the schedule (i.e. 10% over the Bachelors or "A" lane) and allowing salary supplements for academic preparation at the six-year or doctoral degree level.

HB 547 adds a sixth tier, starting at the 26th step, for individuals paid on this lane of the salary schedule. Beginning in the 2015-16 fiscal year, the 26th step of the salary schedule for school psychologists, school speech pathologists, and school audiologists meeting the academic preparation levels and licensing requirements, will be 7.5% higher than the salary received by these same employees on the 25th step of the salary schedule.

BACKGROUND

North Carolina's teacher salary schedule utilizes a tiered step-and-lane model. Each step and lane of the salary schedule corresponds to a specific salary amount. Salaries increase with experience and with additional education or certifications.

Steps on the schedule correspond to years of teaching experience. A new teacher with no professional teaching experience is placed on step 0; an educator who has completed 5 years of teaching experience is placed on step 5; an educator who has 24 years of teaching experience is placed on step 24, etc.

Lanes represent certifications and educational attainment. There are 11 lanes in the salary schedule. Educational attainment defines the base of the lanes in the salary schedule with a lane for educators with a bachelor's ("A"), a master's ("M"), a six-year degree level (Adv), and a PhD (PhD). The other seven lanes are combinations of educational attainment and either the National Board of Professional Teaching Standards certification (NBPTS) or professional licensure for psychologists, audiologists, and speech pathologists, positions that require at least a master's degree. For simplicity, these lanes are known as the Psych lanes and are the ones affected by HB 547.

For most lanes of the salary schedule, there are six tiers, with each tier comprising at least five steps. The tiers are:

- Tier 1: steps 0-4
- Tier 2: steps 5- 9
- Tier 3: steps 10-14
- Tier 4: steps 15-19
- Tier 5: steps 20-24
- Tier 6: steps 25+

However, since the psych lanes begin at Step 5 (i.e. the first step in the second tier) there are only five tiers for individuals paid on these lanes. HB 547 would add a sixth tier.

A majority of educators are State-funded; that is, the State General Fund supports the cost of their salaries and benefits. However, some educators are locally or federally-funded. Regardless of funding source, all educators (teachers and instructional support personnel) are paid in accordance with the Statewide Monthly Teachers Salary Schedule.

ASSUMPTIONS AND METHODOLOGY:

HB 547 maintains the current salary schedule for the first five tiers of the psych lanes and creates a sixth tier that is 7.5 percent above the fifth tier. The increase between the fifth and sixth tiers is equivalent to the increase between the fifth and sixth tiers of the “A” lane of the schedule. Under HB 547, individuals on steps 20-24 of the psych lane would receive a base salary of \$5,500 per month. However, for all psychologists on steps 25+ the base salary would increase to \$5,913 per month. This would make the school psychologist schedule consistent with the teacher schedule in that it would provide a five-step tier at steps 20-24, and provide the highest level of pay for those on steps 25+. Psychologists with advanced and PhD credentials would continue to receive the salary supplements for these additional years of educational attainment (\$126 and \$253 per month respectively).

State Impact

The estimate provided in this fiscal note is based on the December 2014 population of State-funded instructional support paid in accordance with the psychologist lanes of the salary schedule. Table 1 provides the estimated cost of this change to the schedule including benefits and adjusted for inflation of the five-years included in this fiscal note. Inflation rates are based on consumer price index projections provided by Moody's economy.com (Jan. 2015).

Table 1: Estimated Cost of a Sixth Tier for the Psychologist Lanes

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Public Instruction:	\$428.8	\$435.1	\$442.3	\$448.8	\$453.7

Local Impact

Local Education Agencies (LEAs) may have locally- or federally-funded psychologists, speech pathologists, and audiologists. Overall, about 84% of all educators paid in accordance with the teacher salary schedule are State-funded and approximately 16% are locally- or federally-funded. To the extent that there are non-State-funded positions paid on the “psych” lanes, this change could increase costs for LEAs.

SOURCES OF DATA:

Teacher Population Counts from DPI
DPI 2014 Highlights

TECHNICAL CONSIDERATIONS: None

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