

**LEGISLATIVE FISCAL ESTIMATE**

[Second Reprint]

**SENATE, No. 2833**

**STATE OF NEW JERSEY  
219th LEGISLATURE**

DATED: MAY 28, 2021

**SUMMARY**

<b>Synopsis:</b>	Establishes Teacher Residency Program.
<b>Type of Impact:</b>	Annual State and local cost increase; annual cost increases to institutions of higher education
<b>Agencies Affected:</b>	Department of Education; Office of the Secretary of Higher Education; Local School Districts; Institutions of Higher Education.

**Office of Legislative Services Estimate**

Annual Fiscal Impact	
State Cost Increase	Indeterminate
Local School District Cost Increase	Indeterminate
Institutions of Higher Education Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that this bill may lead to indeterminate, annual cost increases to the Department of Education (DOE), local school districts, and institutions of higher education. The primary driver of these increases under the bill would be the provision of stipends to program participants in each of the three stages of the Teacher Residency Program.
- The provisions of the bill require a program participant to receive a stipend award during each of three stages associated with the program, as follows: 1) \$2,000 during stage one of the program; 2) \$10,000 during stage two of the program; and 3) \$15,000 during stage three of the program. Additional stipends may be authorized for program participants whose course of study while enrolled in the program may lead to a subject area endorsement in a subject area in which there is a teacher shortage.
- The OLS cannot estimate the levels of program participation among public high school students entering grade 12 and non-certificated staff with a minimum of 60 college credits or

an associate degree who are employed in a public school who will be eligible for the residency program, and so cannot determine the scope of program costs.

- The bill does not explicitly specify the source of funds for these stipends. The OLS assumes that the costs of providing these stipends will be primarily borne by the DOE, and that school districts hosting program participants and the institutions of higher education with which these districts partner will also incur costs related to their participation in this program. To the extent that the residency program drives higher enrollment in institutions of higher education, these institutions could realize additional tuition revenue.

## **BILL DESCRIPTION**

This bill establishes a Teacher Residency Program, the purpose of which is to offer stipends and provide program participants with the education and field experience necessary to obtain a New Jersey certificate of eligibility with advanced standing (CEAS), a credential that allows an individual to seek and accept employment as a teacher in a public school. The Teacher Residency Program is open to public high school students entering grade 12 and non-certificated staff members who have obtained a minimum of 60 college credits or an associate degree and who meet certain eligibility criteria. Under the bill, a non-certificated staff member is defined to mean a member of the staff, including a paraprofessional, of any public school holding office, position, or employment of such character that the qualifications, for such office, position, or employment, do not require the staff member to hold a valid and effective standard, provisional, or emergency certificate issued by the State Board of Examiners.

Under the bill, a public school and institution of higher education chosen by the DOE to offer the Teacher Residency Program will jointly enter into an agreement with the department in which the public school and institution of higher education agree to provide program participants with the education and field experience necessary to obtain a CEAS.

Under this bill, the Teacher Residency program will be comprised of three stages. Stage one of the program is open to high school students entering grade 12, stage two of the program is open to individuals who have completed stage one of the program and non-certificated staff members who have obtained a minimum of 60 college credits or an associate degree, and stage three of the program is open to individuals who have completed stage two of the program. Individuals who complete stage three of the program will be awarded a Teacher Resident II credential. Individuals with a Teacher Resident II credential who meet the general certification requirements established by the State Board of Education will be eligible for a CEAS.

As a condition of acceptance into the program, the bill requires a program participant to enter into an agreement with the DOE to maintain employment as a teaching staff member in the State for four years following completion of the program. A program participant who is unable to obtain employment as a teaching staff member in the State following completion of the program may seek a waiver from the department from this requirement.

Under the bill, a program participant will receive stipend awards, which will be distributed in such manner as determined by the Commissioner of Education and Secretary of Higher Education. The stipends will be awarded as follows: (1) \$2,000 during stage one of the program; (2) \$10,000 during stage two of the program; and (3) \$15,000 during stage three of the program. In order to receive the full stipend award during stages two and three, the program participant must be enrolled full-time in an institution of higher education and complete all required hours of field experience. The bill permits the commissioner and secretary to provide

additional stipend awards to a program participant whose course of study while enrolled in the program may lead to a subject area endorsement in any subject area in which there is a shortage of teachers in the State as determined by the commissioner.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS determines that this bill may lead to indeterminate, annual cost increases to the DOE, local school districts, and institutions of higher education. The primary driver of these cost increases under the bill would be the provision of stipends to program participants in each of the three stages of the Teacher Residency Program. The provisions of the bill require a program participant to receive a stipend award during each of three stages associated with the program, as follows: 1) \$2,000 during stage one of the program; 2) \$10,000 during stage two of the program; and 3) \$15,000 during stage three of the program.

The bill provides that program participants will receive a stipend award, which would be distributed in a manner determined by the Commissioner of Education and the Secretary of Higher Education. The bill does not explicitly specify the source of funds for these stipends. The OLS assumes that the costs of providing these stipends will be primarily borne by the DOE and that school districts hosting program participants and the institutions of higher education with which these districts partner will also incur some costs to implement and carry out the program.

The OLS cannot estimate the levels of program participation among public high school students entering grade 12 and non-certificated staff with a minimum of 60 college credits or an associate degree who are employed in a public school, and so cannot determine the scope of program costs. The OLS notes that, according to the New Jersey School Performance Report for the 2019-2020 school year, there were 102,088 students counted as being in Grade 11. According to the DOE's Non-Certificated Staff Survey for the 2019-2020 school year, there was a total of 79,567 non-certificated staff, broken down as follows: 4,933 professional staff, 20,236 instructional paraprofessionals, 11,799 non-instructional paraprofessionals, 1,862 technicians, 12,884 clerical and secretarial staff, 22,743 service workers, 2,065 skilled craft persons, and 3,045 unskilled laborers.

The bill permits the commissioner and secretary to provide additional stipend awards to program participants whose course of study while enrolled in the program may lead to a subject area endorsement in a subject area in which there is a shortage of teachers in the State. According to the United States Department of Education, the following subject areas have a teacher shortage in the 2020-2021 school year: English as a Second Language, World Languages, Mathematics, Science, Special Education, and Career and Technical Education.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).