



Education Consumers Foundation

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STATE BUDGET ALERT: \$121.7 million savings possible in K-12 education thanks to TN's new teacher licensure law

Recently, Tennessee enacted its new Transitional Teacher Licensure Policy, making it possible for new teachers to be certified through programs like those offered by ABCTE, Teach for America, and others. The Education Consumers Foundation has analyzed the cost implications of this development and found that, by expanding implementation of its recently enacted policy, **Tennessee can save \$121.7 million over the next decade, beginning with a savings of \$2.3 million over the next year.**

In light of budget cuts and the teacher shortages projected by the University of Tennessee, the state's new teacher licensure law presents a rare opportunity: dramatically reduce the cost of a program without sacrificing quality or quantity.

Teachers earning a transitional license are holders of an academic degree who undergo extensive pre-service training and 3 years of mentored classroom experience in their local school system; recent studies confirm that graduates of these programs are as effective in the classroom as graduates of traditional teacher education programs.

The executive summary that follows explains the nature and scope of projected cost savings; the entire analysis can be downloaded at www.education-consumers.org/ECF_TNCostAnalysis.pdf.

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About the Education Consumers Foundation:

The Education Consumers Foundation is a national nonprofit consumer organization. It gathers and disseminates information about education policy and practice on behalf of parents, taxpayers, and their elected representatives. Tennessee initiatives include its annual Value-Added Achievement Awards, online access to school performance data through its website, and events like its Prepared To Learn meeting on early childhood education. Please visit us at www.education-consumers.org.

Executive Summary

- In times of fiscal austerity, state officials typically prefer budget savings that can be implemented without negatively impacting important services.
- This analysis finds that significant state budget savings can be accomplished without negative consequences for schools or students through a gradual, multi-year restructuring of the pathway for new teachers. Such restructuring would reduce the proportion of new teachers entering from the more costly traditional teacher education programs at public universities and replacing these with more entrants through alternative certification programs.
- Despite some additional expense assumed for alternative certification programs, overall net state budget savings are projected to be approximately \$2.2 Million in Year 1, increasing to approximately \$14.8 Million by Year 9. Over 10 years, net budget savings are projected to total approximately \$121.7 Million. Net savings reflect savings minus the costs.
- Savings are accomplished through a phased reduction in state subsidies to public universities, narrowly focused on reducing the number of students completing traditional teacher preparation programs.
- The plan assumes additional funds for school districts each year, starting in Year 1, to support new district-based transitional licensure programs, including for initial licensing as well as ongoing mentoring.
- There is significant evidence of a substantial, untapped supply of potential new teachers that would participate if the state shifts to increased reliance on alternative certification routes.
- The restructuring is not expected to impact district costs for replacement of departing new teachers; attrition rates for traditionally certified teachers and alternatively certified teachers are about the same.
- Teacher quality will also not be impacted negatively, as there is strong evidence that teachers from traditional programs and teachers from alternative programs are equally effective in raising student achievement. (The exception is if alternatively certified teachers are required to take education courses after they begin teaching, in which case they are less effective.)
- A greater shift toward alternative certification may also assist school districts in filling teacher vacancies in shortage areas; however, other reforms are also likely to be necessary for areas in high demand in other parts of the workforce, such as math and science.

Figure 1. Total Annual Savings (Net)

