



March 5, 2023

SUMMARY OF BILL AS AMENDED (004840): Requires local education agencies (LEAs) to grant six work weeks of paid leave to any teacher, principal, supervisor, or other individuals required to hold a valid license of qualification for employment in an LEA after the birth or stillbirth of the employee's child or the employee's adoption of a minor child if such employee has been employed for at least six consecutive months with an LEA and provides 30-days prior notice.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures - \$15,466,900/FY23-24 and Subsequent Years

Increase Local Revenue - \$15,466,900/FY23-24 and Subsequent Years

Increase Local Expenditures - \$16,642,200/FY23-24 and Subsequent Years*

Other Fiscal Impact - There could be additional expenditures and liabilities incurred by the Department of Children's Services and the Department of Education related to employees of the special school districts. Any increase is unknown but is assumed to be accommodated within the payroll equity of each department.

Assumptions for the bill as amended:

- Based on data from the U.S. Census Bureau, approximately 2,221,408, or 32 percent, of the state's total population is between the ages of 20 to 44.
- Based on data from the Department of Health and the CDC, it is estimated that approximately 82,196, or 3.70 percent of the population between the ages of 20-44, will experience a birth or stillbirth of a child or will adopt a child.
- Based on the 2021 Annual Report from the Department of Education there are 87,288 certified personnel in the LEAs.
- The National Center for Education Statistics reported that approximately 70.80 percent of teachers are under the age of 50. It is assumed this percent is representative of all certified personnel in LEAs meaning 61,800 personnel (87,288 x 70.80%) will meet the eligibility requirements to receive the proposed leave.
- It is further assumed this population will experience a similar rate of births, stillbirths and adoptions as the state population; therefore, approximately 2,287 (61,800 x 3.70%)

LEA certified personnel will experience a life event that results in receiving six weeks of paid leave.

- According to the Basic Education Program Review Committee 2022 Annual Report, the average licensed salary was \$58,620 in FY21-22.
- The estimated increase LEAs paying for six weeks of paid leave is \$15,466,921.

School certified population	87,288
Population 49 years of age and under	61,800
Total population six weeks paid leave	2,287
Average salary	\$ 58,620
Salary for six weeks	\$ 6,764
Total increase for six weeks paid leave	\$ 15,466,921

- On average, females take at least six weeks of maternity leave; therefore, LEAs will not need to hire substitute teachers for additional time beyond what is currently covered for maternity leave.
- On average, men take at least two weeks of paternity leave; therefore, LEAs will need to hire substitute teachers for at least four weeks (6 weeks – 2 weeks) that male instructional staff are on leave.
- Instructional staff account for approximately 71 percent of all staff and males account for approximately 25 percent of all instructional staff, resulting in approximately 406 substitute teachers (2,287 leave population x 71% x 25%) being hired for a four-week period of time.
- The average salary for a substitute teacher in Tennessee is \$37,642. The estimated increase in local expenditures is \$1,175,271.

Substitute Teacher Salary	\$ 37,642
Instructional Substitutes	406
Total Weeks for All Substitutes	1,624
Total Cost	\$ 1,175,271

- The total estimated increase in local government expenditures is \$16,642,192 (\$15,466,921 + \$1,175,271).
- It is assumed that employees of the Department of Children’s Services special school district and the Achievement School District administered by the Department of Education will also qualify for the provisions of proposed legislation. Due to several unknown variables, an exact impact cannot be quantified. It is reasonably assumed that any increase in expenditures can be accommodated within the payroll equity of such departments.
- The proposed legislation requires the state to reimburse an LEA that provides paid leave as proposed in the legislation; therefore, the increase local government expenditures for the leave paid by LEAs will be paid for by state funds resulting in an increase in state expenditures of \$15,466,921.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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