

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 989 (First Edition)

**SHORT TITLE:** School Administrator's Exam Fee Upped

**SPONSOR(S):** Rep. Rogers

**FISCAL IMPACT**

	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 1997-98</u></b>	<b><u>FY 1998-99</u></b>	<b><u>FY 1999-00</u></b>	<b><u>FY 2000-01</u></b>	<b><u>FY 2001-02</u></b>
<b>REVENUES</b>					
General Fund	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
<b>EXPENDITURES</b>					
General Fund *	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000

\* Will require the General Assembly to appropriate funds to Standards Board for Public School Administration beginning in FY 1997-98.

**PRINCIPAL DEPARTMENT(S) &**

**PROGRAM(S) AFFECTED:** State Board of Education - N C Standards Board for Public School Administration

**EFFECTIVE DATE:** The act becomes effective July 1, 1997.

**BILL SUMMARY:** The bill increases the fee for the school administrator's exam from an amount not to exceed \$150 to an amount not to exceed \$400. The fees are credited to the General Fund as a nontax revenue.

**BACKGROUND:** The General Assembly created the North Carolina Standards Board for Public School Administration in 1993. For administrative purposes, the seven member board is under the State Board of Education. The Board is charged with developing and implementing a North Carolina Public School Administrator Exam effective January 1, 1998. To be eligible for the exam, a person must have a bachelors degree and a graduate degree from an accredited public school administration program. Passage of the exam is required to be certified by the State Board of Education as a public school administrator. Certification by the State Board of

Education is a condition that must be met prior to assuming a job as an assistant principal or principal. Those currently serving as principals or assistant principals are grandfathered in and do not take the exam. However, for those persons who were previously certified as a principal, but are not in a principal position now, would have to take the exam in order to return to a school administrative post.

**ASSUMPTIONS AND METHODOLOGY:** The State Board of Education estimates that 500 individuals will take the public school administrators exam each year. The proposed \$400 fee is \$250 more than the current fee and with 500 exam takers each year it will generate \$125,000 more than the current fee. The exam fee is designed to cover the cost of the exam. However, the original \$150 exam fee was set by statute in 1993 before the Standards Board had determined what type of exam would be given and who would administer the exam. The Board has chosen ETS (Education Testing Service) to administer the exam and the cost is \$400 per exam.

**TECHNICAL CONSIDERATIONS:** There is one technical issue concerning this fee. The exam fee is not a receipt to the Standards Board, but is a nontax revenue deposited into the General Fund. If the Standards Board needs additional funds to pay ETS testing, then the General Assembly must appropriate the funds from the General Fund. A more efficient way of handling the exam fee would be 1) have the applicant pay the fee directly to ETS or 2) have the fee deposited as a receipt with the Standards Board in order to offset the exam cost.

**FISCAL RESEARCH DIVISION**

**733-4910**

**PREPARED BY:** Richard Bostic

**APPROVED BY:** Tom Covington **TomC**

**DATE:** May 7, 1997



**Signed Copy Located in the NCGA Principal Clerk's Offices**