

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 986

(Delegate Ebersole, *et al.*)

Ways and Means

Education, Energy, and the Environment

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Primary and Secondary Education - New Teachers - Retention Program

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This bill requires each local board of education to establish a new teacher retention program with specified features. The bill also alters the content required to be included in the teacher support and retention guidelines developed by the State Board of Education (SBE). Consequently, SBE must update the teacher and retention guidelines to reflect the bill's requirements by July 1, 2026. **The bill takes effect July 1, 2025.**

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Fiscal Summary

**State Effect:** General fund expenditures increase by \$72,600 in FY 2026 for contractual staffing costs to develop the teacher support and retention guidelines. Future years reflect elimination of the one-time expenses. No effect on revenues.

| (in dollars)   | FY 2026    | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|----------------|------------|---------|---------|---------|---------|
| Revenues       | \$0        | \$0     | \$0     | \$0     | \$0     |
| GF Expenditure | 72,600     | 0       | 0       | 0       | 0       |
| Net Effect     | (\$72,600) | \$0     | \$0     | \$0     | \$0     |

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

**Local Effect:** Local school systems expenditures may increase, potentially significantly, to meet the additional requirements for a teacher retention program. Costs could include stipends for new and retired teachers, and substitute teachers. Revenues are not affected. **This bill may impose a mandate on a unit of local government.**

**Small Business Effect:** None.

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## Analysis

### **Bill Summary:**

#### *Teacher Retention Policy*

The purpose of a new teacher retention program is to provide support to new teachers (those who have taught for less than three complete school years) to ensure that they continue to be motivated and retain their passion to teach.

In addition to current requirements, a new teacher retention program must:

- provide new teachers in the county with regular cohort-based opportunities to share experiences and lessons learned on the job;
- assign an experienced teacher to each new teacher cohort to provide oversight and guidance for the cohort;
- assign each new teacher to a highly competent teacher mentor in the county, who could be a retired teacher, to provide support and information at the new teacher's school;
- survey new teachers on their teaching challenges and the school climate;
- provide principals with the resources and support needed to help new teachers in their schools succeed in their first years of teaching and to remain teaching at their schools; and
- incorporate the guidelines developed by the State for the Teacher Incentive Program.

In establishing a program, a local board must prioritize addressing issues faced by new teachers (1) from a diverse background and (2) in schools or teaching subject areas with high rates of teacher turnover.

A local board of education must provide supplemental compensation to a public school employee who oversees a new teacher cohort or serves as a teacher mentor in accordance with a teacher retention program through additional pay or planning time. To the extent practicable, a local board must provide supplemental compensation to a retired teacher who serves as a teacher mentor in accordance with a teacher retention program.

#### *Teacher Support System Guidelines*

In developing guidelines for a teacher support system (as required by current law), SBE must:

- incorporate research on successful approaches to retaining new teachers and keeping new teachers motivated;
- analyze the information provided by the Maryland Educator Recruitment, Retention, and Diversity dashboard to develop strategies to support the most vulnerable teachers;
- examine issues faced by teachers from a diverse background and the policies necessary to preserve a teaching workforce that reflects the diversity of the public school students in the State;
- address the unique needs of teachers in schools or who teach subjects with high rates of teacher turnover; and
- conduct an assessment of the advisability and feasibility of providing support to local boards of education, including through competitive grants, *professional development, and sustained program support*, to assist in the development and implementation of a teacher support program.

As under current law, it is the intent of the General Assembly that, if money becomes available, the Governor include an appropriation in the State budget for grants for teacher support programs established in accordance with the guidelines developed. The bill makes additional conforming changes.

### **Current Law:**

#### *Teacher Incentive Program*

SBE must develop guidelines for an incentive program to encourage public school systems to (1) adopt a teacher support system that provides year-long assistance and support to teachers through a teacher consulting program in which consulting teachers are fully trained and apply rigorous teaching standards and (2) improve teacher retention during the first five years of service.

In developing the guidelines, SBE must conduct an assessment of the advisability and feasibility of providing competitive grants to county boards to assist in the development and implementation of a teacher support incentive program.

It is the intent of the General Assembly that, if money becomes available, the Governor include an appropriation in the State budget for grants for teacher support incentive programs established in accordance with the guidelines developed.

## *Diversity Dashboard*

By January 1, 2025, the Maryland State Department of Education (MSDE) must establish and maintain a Maryland Educator Recruitment, Retention, and Diversity Dashboard. The dashboard must include demographic information and specified key data points. The dashboard must not include any demographic information that could be used to identify specific individuals. By December 1 each year, each local board must report to MSDE demographic and job status information as specified. Each local board must report the information required disaggregated as specified.

**State Expenditures:** In 2023, MSDE conducted a statewide analysis of its teacher induction program. However, MSDE advises that conducting a further assessment on the advisability and feasibility of providing support to local boards of education for the development and implementation of a teacher support program would require an estimated \$500,000 in fiscal 2026 to hire an independent consulting agency.

MSDE interprets the bill to require a feasibility study, including a literature review and a 50-state scan, to examine national best practices. Given the extensive work associated with implementing the Blueprint for Maryland's Future, MSDE advises it lacks the internal capacity to complete this analysis. Additionally, the recent federal cancellation of contracts with the Regional Education Laboratories, which have previously provided similar research and analysis, limits MSDE's ability to leverage external resources at no cost.

The Department of Legislative Services (DLS) advises that while feasibility studies of this nature typically involve research, data collection, and stakeholder engagement, the total cost may vary depending on the scope of the work and the consultant selected. Alternative approaches – such as leveraging existing state research capabilities, drawing from its prior research, partnering with higher education institutions, or narrowing the study's scope – could potentially reduce costs. Thus, DLS advises that the bill's requirement can likely be met by hiring one full-time contractual education analyst.

Therefore, general fund expenditures for MSDE increase by \$72,577 in fiscal 2026, which accounts for a 90-day start-up delay following the bill's July 1, 2025 effective date. This estimate reflects the cost of hiring one full-time contractual education specialist to research and develop guidelines for a teacher support system as required. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

|   |                 |
|---|-----------------|
| Contractual Position                    | 1.0             |
| Salary and Fringe Benefits              | \$65,208        |
| Operating Expenses                      | <u>7,369</u>    |
| <b>Total FY 2026 State Expenditures</b> | <b>\$72,577</b> |

Future year expenditures reflect completion of the research and guidelines and termination of the contractual position on July 1, 2026.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

**Local Expenditures:** Local school system costs depend on current teacher retention and support programs. Two local school systems indicate that implementing a program meeting the bill's requirements would significantly increase annual expenditures. Anne Arundel County Public Schools (AACPS) estimates an annual cost increase of approximately \$7.7 million, which includes funding for 83 additional full-time mentors and \$360 stipends for 1,200 new teachers participating in activities. Such costs may be mitigated, potentially significantly, to the extent that AACPS can use part-time mentors and/or retired teachers. Frederick County Public Schools projects annual costs of \$34,650, reflecting mentor teacher stipends of \$1,353 each. Local school system costs may be further mitigated to the extent they provide mentors with increased planning time instead of stipends, but in some cases that may require hiring substitute teachers, offsetting any savings.

Conversely, Baltimore City Public Schools, Baltimore County Public Schools, Montgomery County Public Schools, St. Mary's County Public Schools, and Wicomico County Public Schools report minimal additional costs, as the bill's requirements align with their current practices. Prince George's County Public Schools advises that its new teacher program already addresses at least some of the bill's requirements, but any remaining gaps between its existing program and the bill's additional requirements necessitates further funding. However, these gaps have not yet been identified.

**Additional Comments:** In 2023, MSDE convened a statewide workgroup to (1) identify evidence-based induction and mentoring practices that were found to increase student outcomes and teacher retention; (2) compare current Maryland teacher induction guidelines to national best practices; and (3) recommend guidelines for new teacher induction based on evidence-based practices. Based on the recommendations of the workgroup, MSDE drafted amendments to the Code of Maryland Regulations (COMAR) 13A.07.01 Comprehensive Teacher Induction Program. The [regulations](#) were approved by the SBE on January 28, 2025, and are expected to be published in the Maryland Register for public comment in March 2025. The current regulations were adopted in 2010 and last amended in 2011.

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has been introduced within the last three years. See HB 1326 of 2024.

**Designated Cross File:** None.

**Information Source(s):** Maryland State Department of Education; Baltimore City Public Schools; Anne Arundel County Public Schools; Baltimore County Public Schools; Frederick County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Wicomico County Public Schools; Department of Legislative Services

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