

## 2025-27 Budget Review

### Teacher Standards and Practices Commission

	2021-23 Actual	2023-25 Legislatively Approved *	2025-27 Current Service Level	2025-27 Governor's Budget
General Fund	1,127,899	2,005,295	769,493	1,287,198
Other Funds	13,641,555	18,273,044	16,400,133	15,980,676
<b>Total Funds</b>	<b>14,769,454</b>	<b>20,278,339</b>	<b>17,169,626</b>	<b>17,267,874</b>
Positions	35	38	28	30
FTE	31.75	33.00	27.50	29.50

\* Includes legislative and administrative actions through December 2024.

#### PROGRAM DESCRIPTION

The Teacher Standards and Practices Commission (TSPC) licenses educators, maintains and enforces professional standards for educators, and approves educator preparation programs in Oregon. The Commission is composed of 17 members who are appointed by the Governor and confirmed by the Senate. The agency's three statutory responsibilities are:

- Establishing rules and issuing licenses and registrations to teachers, administrators, school nurses, school counselors, and school psychologists.
- Maintaining and enforcing professional standards of competent and ethical performance and proper assignment of licensed educators through investigations and sanctions.
- Establishing standards for college and university teacher education preparation programs and approving those programs that meet standards.

The agency operationalizes these primary responsibilities through four programs: Professional Practices, Licensure, Program Approval, and Agency Operations. Recent legislation has added requirements for TSPC to establish standards for nontraditional pathways to licensure.

There are more than 79,000 active licenses, registrations, and certificates issued by TSPC, with teachers representing roughly 87% of licensees. Approximately 32,000 teachers are working in Oregon's public schools, with the remainder of licensed educators working in Oregon private schools, in other states or countries, in higher education, or are licensed, but not employed in the education field. TSPC is one of a handful of stand-alone teacher licensing entities among the states; often educator licensing bodies are a unit within a state's education agency. Funding for the agency comes primarily from licensing fees. As is the case with other small fee-supported state agencies, revenue growth has lagged expenditure growth, and maintaining revenues to support current service level expenditures has been an issue for the agency. Licensure fees were last increased in 2019, with a \$5 License System fee added in 2021 to pay for an upgrade to the Educator Data System. Since 2020, TSPC has seen a steady decline in licensures.

## BUDGET ENVIRONMENT

The Commission has recovered from a period of falling revenues that occurred during the last recession, when fewer teachers applied for, or renewed their licenses. The Commission eliminated positions, left positions vacant, reduced other spending, and used its ending balance resources to address its revenue shortfall. These actions resulted in backlogs in several areas, including investigations, processing of licenses, and responding to emails and phone calls. Furthermore, the agency discontinued its call center during the pandemic. One-time resources were added during the 2023-25 biennium to reduce these backlogs, but they still continue today, and there has been an increase in complex investigations and requests for hearings. The Professional Practices division is both the largest cost sector and the only cost center that does not have a specified revenue source to support these efforts. Though fee revenues are projected to be steady for the 2025-27 biennium, they are not expected to keep up with expenditure growth rates, which may require a fee increase in order to maintain funding for agency services.

## CURRENT SERVICE LEVEL

The 2025-27 current service level budget for TSPC totals \$17.2 million and supports 28 positions (27.50 FTE). CSL is 6.1% less than the 2023-25 legislatively approved budget. One-time resources for addressing backlogs and the development of a new educator data system added through legislation in 2023-25 were phased out.

## GOVERNOR'S BUDGET SUMMARY

The Governor's budget for TSPC is \$17.3 million total funds and 30 positions (29.50 FTE), 0.6% more than CSL. Four of the agency's requested policy option packages were funded in the Governor's budget, adding two positions (2.00 FTE) and \$517,705 General Fund, and reducing Other Funds by \$419,457. The Governor's budget investments include:

- Educator Data System - \$1.5 million Other Funds to continue development of the Educator Data System, which will replace the current eLicensing system.
- Move the Oregon Administrative Scholars Program (OASP) to the Higher Education Coordinating Commission - transfers the program between agencies for program realignment, consisting of one position (1.00 FTE) and \$2 million Other Funds.
- Early Literacy Initiative Implementation - \$517,705 General Fund and two positions to the Oregon Educator Preparation Program for implementation of the Governor's Early Literacy Initiative.
- Literacy Position Adjustment - \$50,000 General Fund to reclassify an existing position in the Oregon Educator Preparation Program to include supervisory duties to manage the positions associated with the Governor's Early Literacy Initiative.

## OTHER SIGNIFICANT ISSUES

The Commission started the process to replace its electronic licensing system during the 2023-25 biennium. The current licensing system went live in 2016 and has never been fully functional, despite several attempts by the vendor to meet business requirements. DAS' Enterprise Information Services

endorsed the business case through the Stage Gate process and the Governor's budget includes funding to develop the new Educator Data System.

## KEY PERFORMANCE MEASURES

A copy of the TSPC Annual Performance Progress Report can be found on the LFO website: [APPR - View Report](#)

### **Contact Information**

Wendy Gibson, Principal Legislative Analyst

### **Legislative Fiscal Office**

900 Court Street NE, Room H-178, Salem, Oregon 97301

Oregon State Capitol | (503) 986-1828 | [www.oregonlegislature.gov/lfo](http://www.oregonlegislature.gov/lfo)