

# UNDERSTANDING THE TEACH ACT AND THE CHALLENGE OF INCREASING STARTING SALARIES FOR TEACHERS

EDUCATION INTERIM COMMITTEE  
PAD MCCracken - JANUARY 2024

## WHAT'S THE PROBLEM?

Montana has ranked at or near the bottom of the states for starting teacher salary for at least two decades. The National Education Association publishes an annual Teacher Salary Benchmark Report and the April 2023 report<sup>1</sup> put Montana at 51<sup>st</sup> with a statewide average beginning salary of \$33,568 which is \$6,000 to \$13,000 less than our neighboring states.

Fewer people are entering the teacher preparation "pipeline" and a significant number of those who do graduate from Montana's ten educator prep programs seek employment outside the state or outside the profession entirely.

A dozen or so states have statewide salary schedules and a handful more establish statewide minimum salaries for teachers, but Montana is not one of them. Salary (and benefits other than retirement benefits) are determined locally in Montana.

## WHAT ABOUT THE TEACH ACT?

House Bill No. 143<sup>2</sup> (2021; Jones) is known as the "TEACH Act" and created an incentive for districts to increase starting teacher salaries by establishing a "legislative goal" of 10 times the Quality Educator (QE) payment as the benchmark for "competitive base pay". In FY 2024, the QE payment is \$3,566, so the legislative goal for starting teacher pay is \$35,660. The QE payments is one of several components within Montana's funding formula that typically receive an inflationary adjustment every year. In FY 2025 the increase will result in a legislative goal of \$36,730 for competitive base pay.

The Quality Educator payment of \$3,566 in FY 2024 generates about \$45 million statewide for school district general fund budgets based on roughly 13,000 quality educators. For perspective though, total general fund budgets statewide were nearly \$1.3 billion in FY 2024. The QE payment is not a major revenue driver in the funding formula.

The incentive is simply an additional QE payment added to the district's general fund budget *for teachers in the first three years* of their teaching career. The QE payment, like several other smaller funding components is 100% state-funded.

An additional requirement applies to larger school districts<sup>3</sup> to be eligible for the incentive: the base pay in the district cannot be less than 70% of the average teacher pay in the district.

<sup>1</sup> <https://www.nea.org/resource-library/educator-pay-and-student-spending-how-does-your-state-rank/starting-teacher>

<sup>2</sup> <https://leg.mt.gov/bills/2021/billhtml/HB0143.htm> ; now codified at 20-9-324, MCA

<sup>3</sup> Class 1 districts with total district population above 6,500; Class 1 *districts* are NOT the same as AA *high schools*, a classification designation of the Montana High School Association. In 2024, there were 57 Class 1 school districts, including Somers Elementary, Ronan High School, and Frenchtown K-12.

## IMPACTS OF THE TEACH ACT

Just over 100 school districts qualified for the TEACH Act incentive in FY 2024, with nearly 500 FTE early career teachers generating \$1.8 million in additional revenue for the districts. The additional QE payment under the TEACH Act does not go directly to early career teachers, it supplements the districts' general fund budgets for those first three years as an incentive/reward for reaching the legislative goal. It is difficult to know yet how big an impact the TEACH Act might have in raising starting teacher salaries. While the total number of FTE qualifying for the incentive increased a bit from 2023 to 2024, the total number of school districts receiving the incentive dropped.

## SALARY SCHEDULES AND CHALLENGES

One of the difficulties involved with increasing starting teacher salaries is that it often necessitates increasing other "steps and lanes" within a typical salary schedule.

Salary schedules are basically matrices in which one moves down a step (to a higher salary) with every year of teaching experience and possibly over a lane (to a higher salary) based on earning more postsecondary credits or credentials. The salary for a starting teacher with the minimum bachelor's degree will be found in the top left cell in step 1 of lane 1.

Three example salary schedules are included with this brief: one from Conrad, a small district that qualified for the TEACH Act incentive in FY 2024, one from Jordan, a small district that did not, and one from Bozeman, a large district that did qualify.

Conrad's salary schedule shows a unique approach to meeting the requirements of the TEACH Act. While the listed base salary is slightly below the legislative goal, the asterisk indicates that the district can adjust the base pay specifically in order to meet the legislative goal. In Conrad's case, this looks like increasing the base pay by about \$1,000 would mean another \$3,500 from the incentive.

Jordan's salary schedule shows that its starting salary of \$30,473 is over \$5,000 below the legislative goal. It is hard to figure out how Jordan might be able to meet the goal using the \$3,500 incentive alone. And, if it raised that first cell, it would need to adjust all the other cells in the steps and lane matrix or it would result in less experienced teachers making more than veteran teachers.

Bozeman's salary schedule begins well above the legislative goal for starting salary at \$45,895, but as a large Class 1 district Bozeman is subject to the 70% requirement as well, so we can calculate that the average teacher salary in Bozeman is less than roughly \$65,500. One interesting feature of Bozeman's schedule is that salary increases cease after a certain number of steps within each lane; this incentivizes further education.

## APPENDIX A

### Salary Schedules Continued

2023-2024 Salary Schedule												
Step	BA	BA+05	BA+10	BA+15	BA+20	BA+30	MA	MA+05	MA+10	MA+20	MA+25	MA+30
1	*34,500	35,265	36,030	36,795	37,560	38,325	39,325	40,325	41,325	42,325	43,325	44,325
2	35,265	36,030	36,795	37,560	38,325	39,090	40,325	41,325	42,325	43,325	44,325	45,325
3	36,030	36,795	37,560	38,325	39,090	39,855	41,325	42,325	43,325	44,325	45,325	46,325
4	37,295	38,060	38,825	39,590	40,355	41,120	42,825	43,825	44,825	45,825	46,825	47,825
5	38,060	38,825	39,590	40,355	41,120	41,885	43,825	44,825	45,825	46,825	47,825	48,825
6	38,825	39,590	40,355	41,120	41,885	42,650	44,825	45,825	46,825	47,825	48,825	49,825
7	39,590	40,355	41,120	41,885	42,650	43,415	45,825	46,825	47,825	48,825	49,825	50,825
8	40,355	41,120	41,885	42,650	43,415	44,180	46,825	47,825	48,825	49,825	50,825	51,825
9	41,720	42,485	43,250	44,015	44,780	45,545	48,425	49,425	50,425	51,425	52,425	53,425
10	42,485	43,250	44,015	44,780	45,545	46,310	49,425	50,425	51,425	52,425	53,425	54,425
11			44,780	45,545	46,310	47,075	50,425	51,425	52,425	53,425	54,425	55,425
12					47,075	47,840	51,425	52,425	53,425	54,425	55,425	56,425
13					47,840	48,605	52,425	53,425	54,425	55,425	56,425	57,425
14					-	49,370	53,425	54,425	55,425	56,425	57,425	58,425
15	43,950	44,715	46,245	47,010	49,305	50,835	55,125	56,125	57,125	58,125	59,125	60,125
16									58,125	59,125	60,125	61,125
17										60,125	61,125	62,125
18											62,125	63,125
19												64,125
20			47,710	48,475	50,770	52,300	56,825	57,825	59,825	61,825	63,825	65,825

BA Step or Lane Change: \$765  
 MA Step or Lane Change: \$1,000

Step 4 - Retention Bonus: \$500  
 Step 9 - Retention Bonus: \$600  
 Step 15 - Retention Bonus: \$700  
 Step 20 - Retention Bonus: \$700

\*Base pay can be adjusted by the District in order to qualify for reimbursement as outlined in HB 15 and HB 143.  
 Any increases to the base pay salary shall not be construed to require corresponding increases to any other teacher of the district.

# Jordan Public Schools Salary Schedule

## 2023-2024 APPENDIX A

STEP	BA	BA + 1	BA + 2	BA + 3	BA + 4	BA + 5	MA	MA + 1
1	30473.00	30973.00	31473.00	31973.00	32473.00	32973.00	33973.00	34473.00
2	31473.00	31973.00	33473.00	32973.00	33473.00	33973.00	34973.00	35473.00
3	32473.00	32973.00	33473.00	33973.00	34473.00	34973.00	35973.00	36473.00
4	33473.00	33973.00	34473.00	34973.00	35473.00	35973.00	36973.00	37473.00
5	34473.00	34973.00	35473.00	35973.00	36473.00	36973.00	37973.00	38473.00
6	35473.00	35973.00	36473.00	36973.00	37473.00	37973.00	38973.00	39473.00
7	36473.00	36973.00	37473.00	37973.00	38473.00	38973.00	39973.00	40473.00
8	37473.00	37973.00	38473.00	38973.00	39473.00	39973.00	40973.00	41473.00
9	38473.00	38973.00	39473.00	39973.00	40473.00	40973.00	41973.00	42473.00
10	39473.00	39973.00	40473.00	40973.00	41473.00	41973.00	42973.00	43473.00
11	40473.00	40973.00	41473.00	41973.00	42473.00	42973.00	43973.00	44473.00
12	41473.00	41973.00	42473.00	42973.00	43473.00	43973.00	44973.00	45473.00
13	42473.00	42973.00	43473.00	43973.00	44473.00	44973.00	45973.00	46473.00
14	43473.00	43973.00	44473.00	44973.00	45473.00	45973.00	46973.00	47473.00
15	44473.00	44973.00	45473.00	45973.00	46473.00	46973.00	47973.00	48473.00
16	45473.00	45973.00	46473.00	46973.00	47473.00	47973.00	48973.00	49473.00
17	46473.00	46973.00	47473.00	47973.00	48473.00	48973.00	49973.00	50473.00
18	47473.00	47973.00	48473.00	48973.00	49473.00	49973.00	50973.00	51473.00
19	48473.00	48973.00	49473.00	49973.00	50473.00	50973.00	51973.00	52473.00
20	49473.00	49973.00	50473.00	50973.00	51473.00	51973.00	52973.00	53473.00
21	50473.00	50973.00	51473.00	51973.00	52473.00	52973.00	53973.00	54473.00
22	51473.00	51973.00	52473.00	52973.00	53473.00	53973.00	54973.00	55473.00
23	52473.00	52973.00	53473.00	53973.00	54473.00	54973.00	55973.00	56473.00

Note: 1 year of experience begins at step 2  
2 years of experience begins at step 3  
3 years of experience begins at step 4  
4 years of experience begins at step 5  
5 years of experience begins at step 6

**BOZEMAN PUBLIC SCHOOLS**  
**APPENDIX A**  
**Certified Salary Schedule 2023-2024**

BASE=\$45,895

STEP	BA	BA+15	BA+30	BA+45	BA/MA+45	BA+60	BA/MA+60	BA+75	BA/MA+75	BA+90	BA/MA+90	BA/MA+105
1	\$ 45,895	\$ 47,731	\$ 49,612	\$ 51,448	\$ 54,202	\$ 53,330	\$ 56,084	\$ 55,166	\$ 57,919	\$ 57,047	\$ 59,801	\$ 61,683
2	\$ 47,364	\$ 49,199	\$ 51,035	\$ 52,917	\$ 55,671	\$ 54,753	\$ 57,506	\$ 56,634	\$ 59,388	\$ 58,470	\$ 61,224	\$ 63,106
3	\$ 48,786	\$ 50,668	\$ 52,504	\$ 54,340	\$ 57,093	\$ 56,221	\$ 58,975	\$ 58,057	\$ 60,811	\$ 59,939	\$ 62,693	\$ 64,574
4	\$ 50,255	\$ 52,091	\$ 53,973	\$ 55,808	\$ 58,562	\$ 57,644	\$ 60,398	\$ 59,526	\$ 62,280	\$ 61,362	\$ 64,115	\$ 65,997
5	\$ 51,678	\$ 53,559	\$ 55,395	\$ 57,277	\$ 60,031	\$ 59,113	\$ 61,866	\$ 60,949	\$ 63,702	\$ 62,830	\$ 65,584	\$ 67,466
6	\$ 53,146	\$ 54,982	\$ 56,864	\$ 58,700	\$ 61,453	\$ 60,581	\$ 63,335	\$ 62,417	\$ 65,171	\$ 64,299	\$ 67,053	\$ 68,934
7	\$ 53,146	\$ 56,451	\$ 58,287	\$ 60,168	\$ 62,922	\$ 62,004	\$ 64,758	\$ 63,886	\$ 66,640	\$ 65,722	\$ 68,475	\$ 70,357
8	\$ 53,146	\$ 56,451	\$ 59,755	\$ 61,591	\$ 64,345	\$ 63,473	\$ 66,226	\$ 65,309	\$ 68,062	\$ 67,190	\$ 69,944	\$ 71,826
9	\$ 53,146	\$ 56,451	\$ 59,755	\$ 63,060	\$ 65,813	\$ 64,896	\$ 67,649	\$ 66,777	\$ 69,531	\$ 68,613	\$ 71,367	\$ 73,248
10	\$ 53,146	\$ 56,451	\$ 59,755	\$ 64,528	\$ 67,282	\$ 66,364	\$ 69,118	\$ 68,200	\$ 70,954	\$ 70,082	\$ 72,835	\$ 74,717
11	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 67,833	\$ 70,587	\$ 69,669	\$ 72,422	\$ 71,504	\$ 74,258	\$ 76,140
12	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 69,256	\$ 72,009	\$ 71,137	\$ 73,891	\$ 72,973	\$ 75,727	\$ 77,608
13	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 72,560	\$ 75,314	\$ 74,442	\$ 77,195	\$ 79,077
14	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 74,029	\$ 76,782	\$ 75,864	\$ 78,618	\$ 80,500
15	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 75,451	\$ 78,205	\$ 77,333	\$ 80,087	\$ 81,968
16	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 75,451	\$ 78,205	\$ 78,756	\$ 81,510	\$ 83,391
17	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 75,451	\$ 78,205	\$ 80,224	\$ 82,978	\$ 84,860
18	\$ 53,146	\$ 56,451	\$ 59,755	\$ 65,951	\$ 68,705	\$ 70,724	\$ 73,478	\$ 75,451	\$ 78,205	\$ 80,224	\$ 82,978	\$ 87,659

Additional Compensation for those beyond Step 18 on the Salary Schedule:

In recognition of veteran teachers' involvement in leadership through service on committees, mentoring beginning teachers and serving an important role in helping to implement District initiatives, the following is added to the Salary Schedule.

1. The following amounts will be added to the salary of those teachers that have:

Completed 4 Years at Step 18	\$500
Completed 8 Years at Step 18	\$1,000
Completed 12 Years and more at Step 18	\$1,500

2. The above amounts only apply to employees in the 5th Year of BA+105MA columns of the salary schedule as these employees are "topped out" on the salary schedule.

3. To qualify the employee must be meeting or exceeding the expectations of the District.

4. Employees at Step 18 will receive \$240 annually towards their insurance program in addition to the regular insurance contribution.