

# BRIEFINGS



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## **Teacher Pay Review: National Definitions of Key Terms Related to Determining a State's Average Teacher Salary Need to be Developed in Order to Accurately Compare States**

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### **Average Teacher Salary**

The most commonly known and used national rankings that compare states' average teacher salaries are neither sufficient nor reliable to accurately compare average teacher salaries across states. Debates about teacher pay frequently cite comparisons between salaries offered by each state. National studies provide comparative data and have ranked states based on teacher salaries; however, these national studies often conflict in state rankings because they are not consistent in the criteria they require states to use to report their average teacher salary or in how they define a classroom teacher.

- States differ in which personnel are included in their average teacher salary calculation. Some states use full-time equivalent (FTE) and some use headcount.
- Some states include supplements and bonuses and some do not.
- Only a few states do not have a state income tax.
- Some states pay full teacher retirement benefits, but most require teacher contributions.
- Some states have a high percentage of teachers with master's degrees, which increases the state's average teacher salary.
- States with high student enrollment growth have a greater percentage of beginning teachers; beginning teacher salaries are well below a state's average teacher salary.

As an independent, scientific research institute, Florida TaxWatch knows the importance of data collection systems that have integrity, accuracy, and consistency. Good quality information forms the foundation of good public policy. The current system of collecting state-by-state data on teacher compensation is fundamentally flawed and does not adequately serve our nation's nor our state's school children, their families, or other taxpayers who support public education.

<b>Florida's Average Teacher Salary Ranking Scenarios, NEA, 2004-05</b>				
	<b>Florida ATS Plus Indicated Addition</b>			
Florida Average Teacher Salary	\$41,587	\$41,587	\$41,587	\$41,587
Average Supplement [a]		\$754	\$754	\$754
Average Bonus [a]			\$305	\$305
Average Retirement Contribution				\$3,073
TOTAL	\$41,587	\$42,341	\$42,646	\$45,719
NEA Ranking [b][c]	32	29	29	21
<b>Florida's Average Teacher Salary Ranking Scenarios, AFT, 2003-04</b>				
	<b>Florida ATS Plus Indicated Addition</b>			
Florida Average Teacher Salary	\$40,598	\$40,598	\$40,598	\$40,598
Average Supplement [a]		\$782	\$782	\$782
Average Bonus [a]			\$331	\$331
Average Retirement Contribution				\$3,000
TOTAL	\$40,598	\$41,380	\$41,711	\$44,711
AFT Ranking [d][c]	29	28	27	20

Note: All average calculations are based on the total amount divided by the total number of teachers.

[a] Source: Florida Department of Education. The average supplement and average bonus differ from AFT, 2003-04, because Florida submits a special data run of classroom teachers only to NEA, and submits data on instructional staff to AFT. The data is also for a different year.

[b] Source: Rankings and Estimates, Update, Fall 2005, NEA Research, Table 1, *Average Salaries (\$) of Public School Teachers, 2004-05 and 2003-04 (Revised)*.

[c] For purposes of this illustration other state's ranking information remains constant, with variables applied to Florida data only.

[d] Source: *Survey and Analysis of Teacher Salary Trends 2004*, AFT 2005, Table II-1: "Average Teacher Salary in 2003-04, State Rankings," p. 24.

Adjusted Average Teacher Salary Rankings for 15 States Reviewed (State Income Tax and Teacher Retirement Contributions)								
	15 State Ranking Order	Average Teacher Salary, NEA	Taxes <sup>[a]</sup>	Average Salary After Taxes	Ranking After Taxes	Teacher Retirement Contribution	Average Salary After Taxes & Retirement Contribution	Revised Ranking
<b>Florida</b>	12	\$41,587	No state income tax	\$41,587	9	(\$0)	\$41,587	6
<b>Alabama</b>	15	\$38,186	(\$1,868)	\$36,318	15	(\$1,909)	\$34,409	15
<b>Arizona</b>	9	\$42,905	(\$1,437)	\$41,468	10	(\$3,175)	\$38,293	11
<b>California</b>	2	\$57,876	(\$3,447)	\$54,429	2	(\$0)	\$54,429	1
<b>Colorado</b>	7	\$43,949	(\$2,035)	\$41,914	8	(\$3,516)	\$38,398	9
<b>Connecticut</b>	1	\$58,688	(\$2,734)	\$55,954	1	(\$3,521)	\$52,433	2
<b>Georgia</b>	6	\$46,526	(\$2,603)	\$43,923	6	(\$2,326)	\$41,597	5
<b>Kentucky</b>	14	\$40,522	(\$2,168)	\$38,354	14	(\$2,026)	\$36,328	14
<b>Massachusetts</b>	4	\$54,325	(\$2,879)	\$51,446	4	(\$2,716)	\$48,730	4
<b>New York</b>	3	\$56,200	(\$3,454)	\$52,746	3	(\$1,686)	\$51,060	3
<b>North Carolina</b>	8	\$43,348	(\$2,905)	\$40,443	12	(\$2,601)	\$37,842	12
<b>Oregon</b>	5	\$48,330	(\$4,166)	\$44,164	5	(\$2,900)	\$41,264	7
<b>South Carolina</b>	10	\$42,207	(\$2,591)	\$39,616	13	(\$2,683)	\$36,933	13
<b>Tennessee</b>	11	\$42,072	Limited <sup>[b]</sup>	\$42,072	7	(\$2,104)	\$39,968	8
<b>Texas</b>	13	\$41,009	No state income tax	\$41,009	11	(\$2,625)	\$38,384	10

[a] Assessed taxes were obtained using each state's 2005 tax table and does not take into considerations exemptions. Estimates, do not take into consideration exemptions.

[b] State income tax is limited to dividends and interest income only.

### Recommendation

It is time to develop uniform national standards for the definition and calculation of average teacher salary, average teacher compensation, and average teacher market value. Implementing such standards would allow for a national comparison of these important aspects among states.

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