



Minimum Teacher Salary Provision in HF 2612

Enactment of HF 2612 included several provisions that impact how AEAs and school districts will be funded starting with FY 2025. This document analyzes the funding for the new minimum teacher salary levels in place for FY 2025.

Minimum salary levels will be increases as follows:

- Minimum teacher salaries were increased in this bill and will be at \$47,500 for teachers with less than 12 years of experience and \$60,000 for teachers with 12 or more years of experience for FY 2025.
- Starting in FY 2026, and in the future fiscal years, the minimums will increase to \$50,000 for teachers with less than 12 years' experience and \$62,000 for teachers with 12 or more years of experience.
- Note that the Department of Education Basic Educational Data Survey (BEDS) staff file data is the source of information to determine the district allocation to fund the provision.

State Funding for the New Teacher Minimum Salary Amounts

The Teacher Salary Supplement funding mechanism built in the school aid formula will be the source to generate funding allocation amounts for the new provision. Specifically:

- In FY 2025, the Department of Management will create 7-Tiers based on enrollment size and increase the TSS per pupil amount for each tier based on the average need of the districts to cover the cost of bringing all full-time teachers to the new minimum salary levels—this is referred to the “**FY 2025 Base Tier Amount**”. Additionally, if that base tier per pupil amount is not sufficient for a district, their per pupil amount will be increased further. If the “**FY 2025 Preliminary Per Pupil Amount**” is above FY 2025 Base Tier Amount, that means the district will need to use all the additional TSS money to cover the costs required to meet the minimum salary increases. Based on the DoM data, 135 (42.0%) of the districts will have a FY 2025 Preliminary Per Pupil Amount that is above the FY 2025 Base Tier Amount. [Click here to see the preliminary TSS information for FY 2025.](#)
- In FY 2026, the Department of Management will go through a similar process to cover the additional costs of increasing the minimum salary levels in FY 2026. The 2024-2025 BEDS data will be the source of information to make those calculations for FY 2026.

- In FY 2027 and beyond, the TSS per pupil amounts will grow by Supplemental State Aid state percent of growth rate for TSS (similar to years prior to FY 2025).