Highly qualified and well-supported teachers are critical in ensuring a robust public education for students. One of the most effective ways to build and maintain a strong, diverse, and effective teaching workforce is to ensure that teachers receive fair and competitive pay. Though teacher salaries have risen since 2019, salary increases have not kept up with the rising cost of living, thus leaving teachers with comparatively less money than three years ago. Vast disparities also exist from school district to school district across New Hampshire. Many districts with higher rates of students experiencing poverty and low property valuations pay teachers significantly less than districts with wealthier populations. These differences raise concerns for equity and may be leaving some districts at a disadvantage when trying to hire experienced, highly qualified teaching staff.

Background

Every student deserves a high-quality, enriching, and challenging education -- and achieving that goal requires investment in well-prepared and supported teachers. Teachers are one of the most critical school resources to advance student achievement and are among the most important people in ensuring that students feel welcomed, safe, and ready to learn at school. Therefore, it is essential that decision makers at the local and state level ensure that New Hampshire has a strong, diverse, and well-prepared teaching profession.

Fair and competitive compensation is identified by many school leaders as one of the most significant and effective methods of drawing and retaining high-quality and effective teachers. Well-prepared teachers can improve student test scores, attendance, and graduation rates, enhance important life outcomes, and close the racial opportunity gap.[1]

Therefore it is critical that the state is invested in building and maintaining a strong teaching workforce. However, the current school funding formula does not support that goal. In 2008, lawmakers identified the standard teacher salary as roughly $35,000 in the school funding formula, which was the average salary for a certified educator with a bachelor's degree and three years of teaching experience. In 2021, the median salary for a certified educator with a bachelor's degree and three years of teaching experience was $42,467, a 16.3% increase from 2008. The funding formula, however, has increased 7% over the same period.**

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[1] Invest in Teachers First, *Center on Great Teachers and Leaders at the American Institutes for Research.* 2021. https://files.eric.ed.gov/fulltext/ED614065.pdf

Teacher Salaries Lagging Behind Inflation

Since Reaching Higher NH's last study on New Hampshire teacher salaries in 2019, yearly increases in teacher salaries have not been enough to offset increases in the cost of living. Many teachers now make relatively less money than they did in 2019. Over this three year period, the New Hampshire school funding formula has also remained unchanged, further accelerating this trend. Other factors, such as large variations in teacher pay between school districts, have created challenges for districts looking to attract and retain highly qualified teachers. According to our analysis, the cascading effects of stagnant teacher salaries hurt low-income students the most[2].

For the 2021-2022 school year, the New Hampshire Department of Education reported that the average public school teacher salary was $62,695[3]. This represents a 6% increase since the 2018-2019 school year. **Though the average teacher salary may have risen over the past three years, this increase has not kept up with rising costs.** Over the same three-year period, the rate of inflation increased by approximately 16%, more than double the salary increase[4]. Teachers would have needed an increase in salary of over $9,000 since 2019 in order to keep up with inflation alone; however, the average salary only rose by about $3,500.

> **When compared directly to increases due to inflation, New Hampshire teachers are making approximately 8% less than they were in 2019.**

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[2] Ronfeldt, M., Loeb, S., & Wyckoff, J. (2013). *How Teacher Turnover Harms Student Achievement.* American Educational Research Journal, 50(1), 4–36.

[3] N.H. Department of Education. (2022). *Teacher Average Salary in Public School Districts fro School Year 2021-2022.* Retrieved from https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/teach-sal21-22f.pdf

[4] *U.S. Inflation Calculator.* Retrieved from https://www.usinflationcalculator.com/
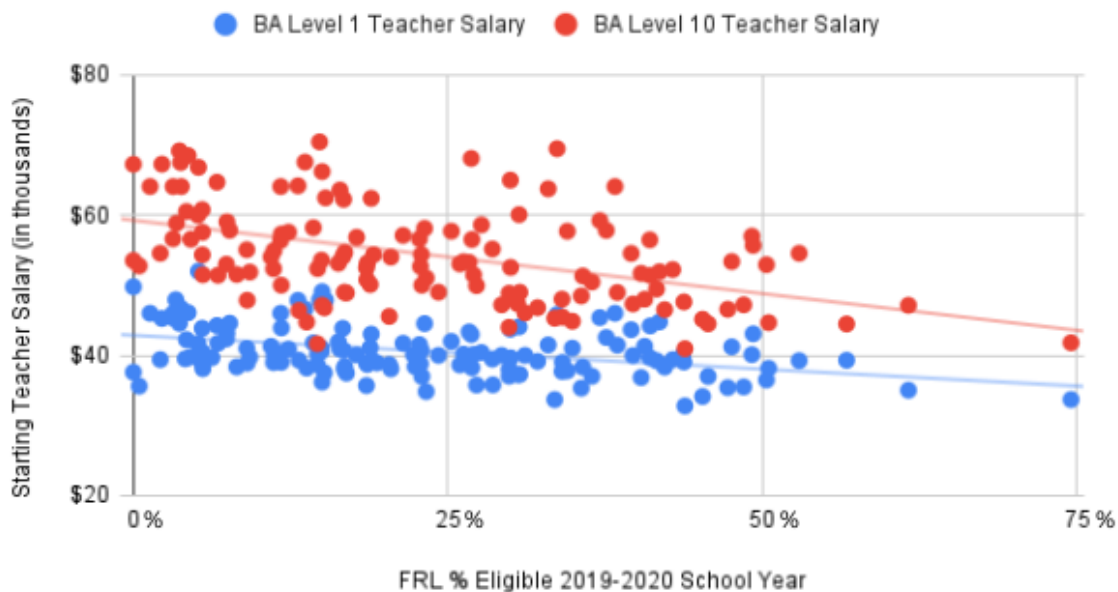
SOCIOECONOMIC VARIATIONS AMONG DISTRICTS

We also see strong relationships when comparing salaries to community indicators like the relative poverty level of the school district (measured by the number of students receiving Free and Reduced-Price Lunch [FRL rate], which is often used as a proxy indicator of poverty) and property wealth of the community (measured by the equalized valuation per pupil [EVPP], which measures a town's tax capacity per student).

Teacher Salary and Concentrations of Poverty
There is a strong relationship between teacher salary and concentrations of poverty: Districts with higher concentrations of students navigating poverty tend to pay teachers less than those in higher income school districts, as shown in Figure 1 below.

Figure 1: Teacher Salary Variations by Concentration of Student Poverty, by District (2021)
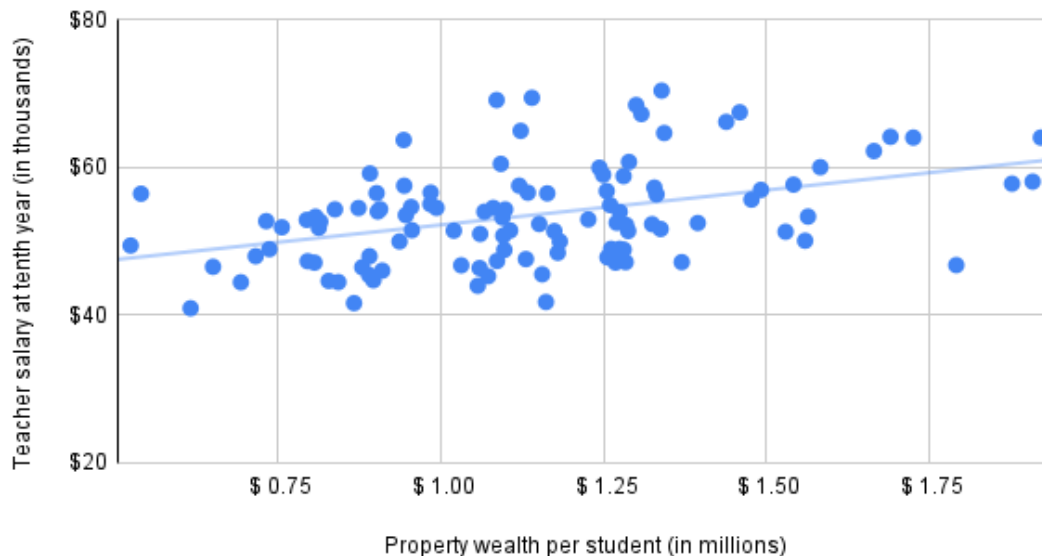
Teacher Salary and Property Wealth

There is also a strong relationship between the property wealth of a community and teacher pay in the school district: Communities with more property wealth tend to pay teachers more than those school districts with less property wealth (first-year teacher salary shown in Figure 2 and tenth-year teacher salary shown in Figure 3). Property wealth, measured by the Equalized Valuation Per Pupil (EVPP), measures a municipality's available tax capacity per each student in their schools.

Figure 2: First-Year Teacher Salary Variation in Communities with <$2m Per Pupil, by District (2021)

Note: This figure excludes data with an EVPP above $2 million

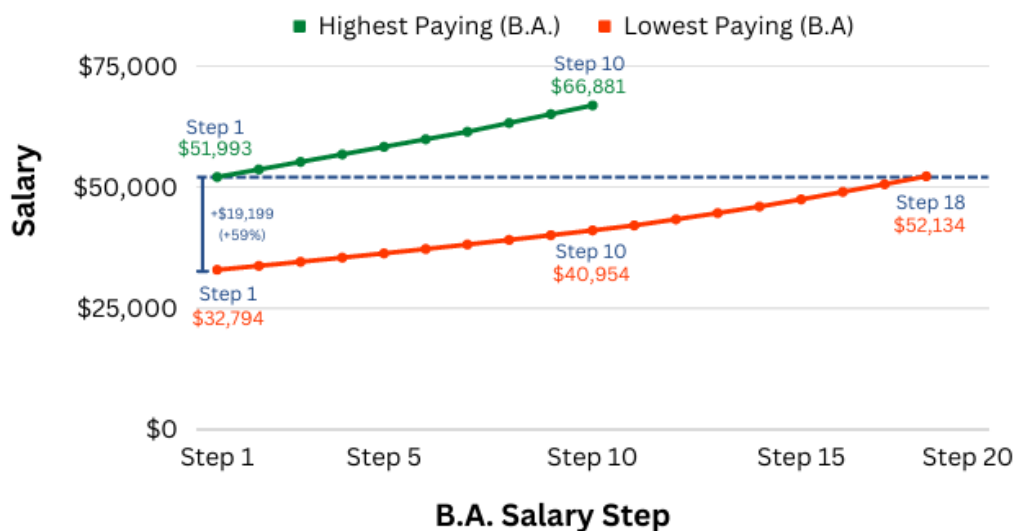**Figure 3: Tenth-Year Teacher Salary Variation in Communities with <$2m Per Pupil, by District (2021)**

Note: This figure excludes data with an EVPP above $2 million

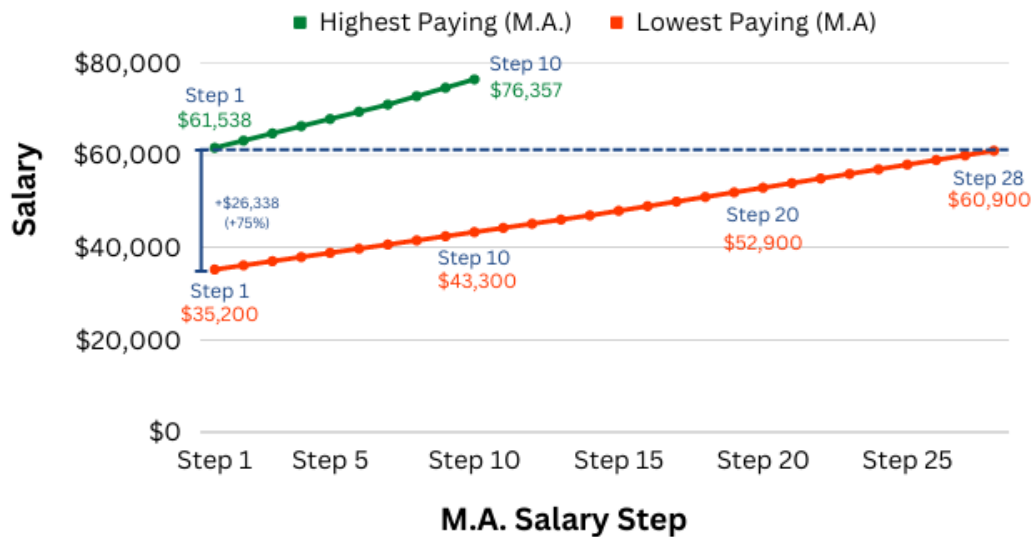**VARIATION IN FIRST- AND 10-YEAR TEACHER SALARIES**

There is a striking variation in pay among districts throughout New Hampshire. As shown in Figure 4, first-year teachers with a bachelor's degree working in the lowest paying district make $19,199 less than those with the same education and experience in the highest paying district. This pay gap grows over time as teachers work longer in their districts and increase their step on the salary schedule. For example, it would take 18 years at the lowest paying school district for a step 1 teacher with a bachelor's degree to make an equivalent yearly salary as a step 1 teacher with a bachelor's degree in the highest paying district.

Figure 4: Teacher Salary Change Over Time, Lowest versus Highest Paying Districts (2021)
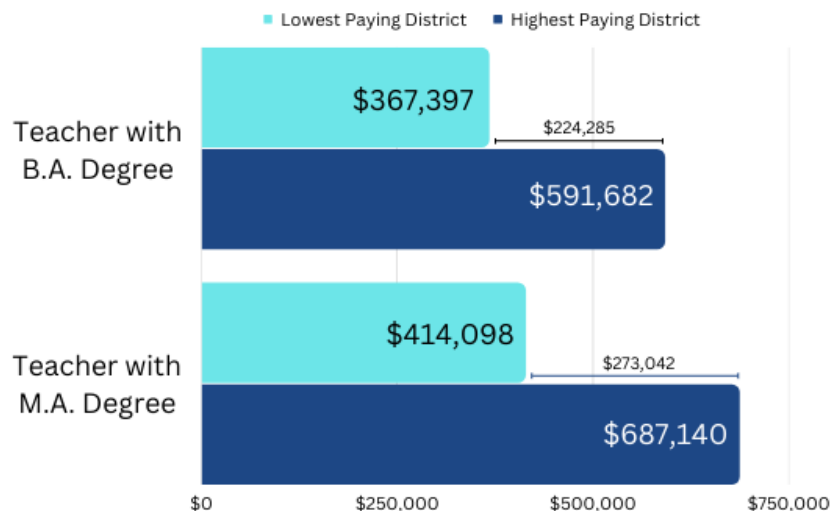

This same trend is exacerbated when looking at the salary data comparing the lowest and highest paying districts for teachers with master's degrees, as shown in Figure 5. It would take 28 years at the lowest paying school district for a step 1 teacher with a master's degree to make the same yearly salary as just a step 1 teacher with a master's degree in the highest paying district.

Figure 5: Teacher Salary Change Over Time, Lowest versus Highest Paying Districts (2021)

Highest Paying (M.A.) ■   Lowest Paying (M.A) ■

Salary values shown:
- Step 1: $61,538 (Highest Paying)
- Step 10: $76,357 (Highest Paying)
- +$26,338 (+75%)
- Step 1: $35,200 (Lowest Paying)
- Step 10: $43,300 (Lowest Paying)
- Step 20: $52,900 (Lowest Paying)
- Step 28: $60,900 (Lowest Paying)

X-axis: M.A. Salary Step (Step 1, Step 5, Step 10, Step 15, Step 20, Step 25)

These income effects are compounded when examining the 10-year income projections for teachers in these districts. These cumulative salary effects are highlighted in Figure 6, which shows that over a 10-year period, teachers in the lowest paying district make significantly less money than those in the highest paying district.

Figure 6: Total Teacher Income Over 10 Year Period

Lowest Paying District ■   Highest Paying District ■

Teacher with B.A. Degree:
- $367,397 (Lowest Paying District)
- $224,285
- $591,682 (Highest Paying District)

Teacher with M.A. Degree:
- $414,098 (Lowest Paying District)
- $273,042
- $687,140 (Highest Paying District)

X-axis: $0, $250,000, $500,000, $750,000

These vast disparities in salary and income potential are also shown by the rate of change in the average highest and lowest paying districts, as teachers increase from step 1 to step 10. The

chart for the bachelor's degree data, shown in Figure 7 below, and the master's degree data, shown in Figure 8 below, both show a stark difference in how salaries increase over 10 years from step to step. Both the bachelor's and master's charts show that the highest paying districts increase their salaries at a higher rate, allowing for larger yearly salary increases, while the 10 lowest paying districts have a lower rate than both the highest paying districts and the state average. This creates larger gaps in pay year after year.

Figure 7: Growth in Teacher Salary from B.A. Step 1 to B.A. Step 10 Among Highest- and Lowest-Paying Districts
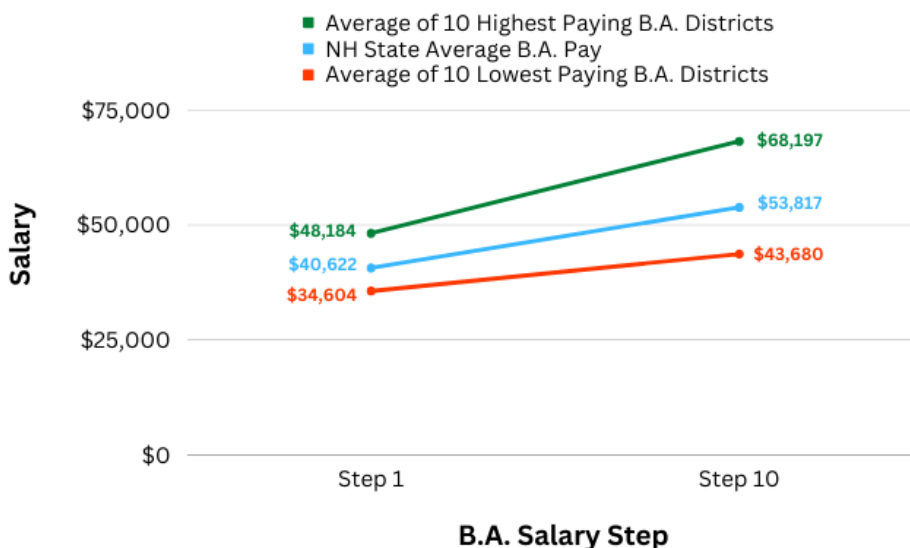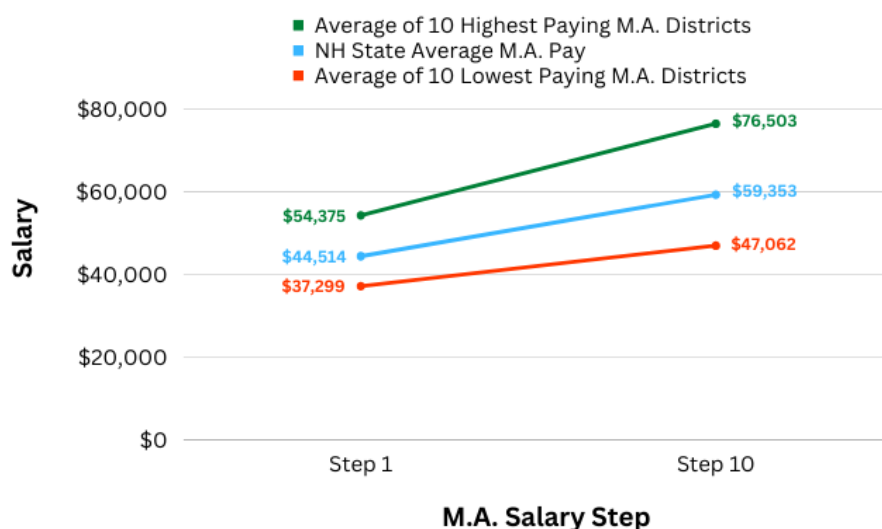

Figure 8: Growth in Teacher Salary from M.A. Step 1 to M.A. Step 10 Among Highest- and Lowest-Paying Districts

These differences in the rate of increase point to differences in step increase for teachers. For example, the average increase for a teacher with a bachelor's degree from step 1 to step 2 within the 10 lowest paying districts was $1,165, while the average increase for the same teacher for the 10 highest paying districts was nearly $500 more, at $1,655. This difference represents a 42% higher salary increase for the higher-paying districts. This same trend is reflected in the master's degree step data, with the average increase from step 1 to step 2 for the 10 lowest paying districts being $1,217, and the average increase of the higher paying districts being $1,898 – a difference of $681, which represents a 56% higher increase in salary for the higher paying districts.

Starting Salaries For BA Degree-Holders

High:	$51,993
Median:	$40,000
Low:	$32,794

First year teachers with BA degrees earned **58.5% more** in the highest paying district compared to the lowest paying district

Starting Salaries For MA Degree-Holders

High:	$61,538
Median:	$43,868
Low:	$35,200

First year teachers with MA degrees earned **74.8% more** in the highest paying district compared to the lowest paying district

Step 10 Salaries For BA Degree-Holders

High:	$70,431
Median:	$53,349
Low:	$40,954

Teachers on Step 10 with BA degrees earned **72.0% more** in the highest paying district compared to the lowest paying district

Step 10 Salaries For MA Degree-Holders

High:	$81,567
Median:	$58,210
Low:	$43,300

Teachers on Step 10 with BA degrees earned **88.4% more** in the highest paying district compared to the lowest paying district
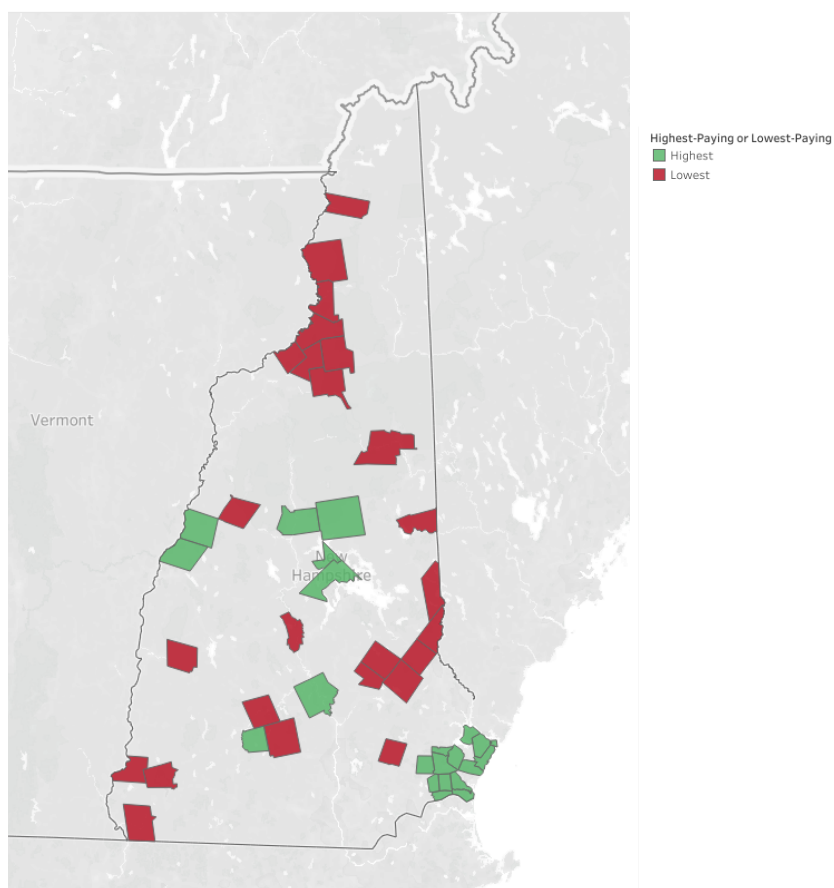
For digital maps highlighting district salaries and profiles, please visit the following website: https://tinyurl.com/RHNH-Teacher-Salary-Maps

GEOGRAPHIC VARIATION IN TEACHER SALARY

The map shown in Figure 9 below indicates that the highest paying districts for first-year teachers (in green) are concentrated in the Seacoast and Lakes Region, while the lowest paying districts for first-year teachers (in red) are scattered throughout the state.

With the exception of the North Country school districts, the lowest and highest paying districts are relatively close -- meaning that districts with lower starting salaries may have a more difficult time finding new teachers. Administrators in these districts have testified many times that their socioeconomic characteristics, combined with the inequitable school funding formula that does not adequately reimburse districts for highly qualified and experienced teachers, make hiring and retention difficult.

Figure 9: Map of the Highest Paying and Lowest Paying School Districts in New Hampshire

Link to interactive online map: https://tinyurl.com/RHNH-Teacher-Salary-Maps

DISCUSSION AND CONSIDERATIONS

With increased reports of teacher shortages across the nation, it is important that increases in teacher salaries be included as part of recruitment and retention efforts. It is well documented within national and state-wide research that low teacher salaries are a major contributing factor for teachers who decide to change jobs or leave the profession entirely. A 2012 study found that 67% of teachers who left the profession but would consider returning rated salary increases as "extremely" or "very important to their decision to return".[5] Also, a 2013 study found that increases in teacher salary and compensation helped to increase the size and quality of job applicants for teaching positions, and led to an overall increase in the quality of the teaching staff[6]. Other forms of compensation, such as bonuses and stipends, have been shown to be effective at lowering the rates of retirement and helping recruit and retain teachers[6].

Besides the teacher shortages facing districts – in-part due to teacher salaries – districts face high costs associated with replacing teachers. A study done by the Learning Policy Institute found that the cost associated with replacing teachers can exceed $20,000 per teacher[7]. These high replacement costs may best be countered by simply increasing teacher salaries in order to retain more teachers. Increasing and equalizing salaries throughout the state can also help prevent under-resourced districts from losing qualified teachers to better-resourced districts[8].

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[5] Podolsky, A., Kini, T., Bishop, J., and Darling-Hammond, L. (2016). *Solving the Teacher Shortage: How to Attract and Retain Excellent Educators.* Learning Policy Institute. Retreived from https://learningpolicyinstitute.org/product/solving-teacher-shortage

[6] Partnership for the Future of Learning. *Teacher Profession Playbook.* Retrieved from https://static1.squarespace.com/static/5f4048bbd7dba74d40ec9c46/t/608edfd555f6f13a4cecb5e9/1619976159553/Teaching+Profession+Playbook+-+Partnership+for+the+Future+of+Learning+-+050121.pdf

[7] Carver-Thomas, D. and Darling-Hammond, L. (2017). *Teacher Turnover: Why It Matters and What We Can Do About It.* Retrieved from https://learningpolicyinstitute.org/sites/default/files/product-files/Teacher_Turnover_REPORT.pdf

[8] Adamson, F. and Darling-Hammond, L. (2011). *Speaking of Salaries: What It Will Take to Get Qualified, Effective Teachers in All Communities.* Retrieved from http://cdn.americanprogress.org/wp-content/uploads/issues/2011/05/pdf/teacher_salary.pdf?_ga=2.81580695.1678702378.1663160397-1661091566.1663160397

BACKGROUND

This brief includes data from New Hampshire K-12 public school teachers in districts that use a step salary schedule. It does not include salaries for public charter schools, private schools, or online schools, and does not include districts that use methods other than a step schedule to determine teacher salaries.

Teacher contracts are negotiated at the local district level, and are commonly presented in the form of a table, known as the "salary schedule" or "step and lane schedule." In a step schedule, districts pay teachers based on a teacher's educational level and years of experience. Each "step" is typically one year of experience.

Any salaries negotiated by individuals without a union are not represented in this data and may be structured differently. Salary data in this brief include base salary, but do not include benefits, additional payments, and/or stipends.

DEFINITIONS:

Salary Schedule ("Step and Lane Schedule") - A table contained within a teacher's contract that outlines the salary a teacher will make based on years of experience and educational attainment.

Step Increase - An increase in salary for an additional year's worth of teaching experience

B.A. - Bachelor's degree; teachers holding only a bachelor's degree, with no further educational credits will receive a salary in the B.A. range

M.A. - Master's degree; teachers holding a master's degree will receive a salary in the M.A. range.

Highest Paying - Districts that are within the top 10 highest paying for one of the four salary categories: B.A. Step 1, B.A. Step 10, M.A. Step 1, M.A. Step 10

Lowest Paying - Districts that are within the bottom 10 lowest paying for one of the four salary categories: B.A. Step 1, B.A. Step 10, M.A. Step 1, M.A. Step 10

Free and Reduced-Price Lunch (FRL) - A federal program administered by the USDA that allows qualifying families to apply for free or reduced-price meals for students at public schools. Families qualify for free meals if their household income is below 130% of the federal poverty level and qualify for reduced-price meals if their household income is between 130% and 185% of the federal poverty level. This figure is the most trusted indicator of poverty within a community.

Equalized Valuation Per Pupil (EVPP) - The amount of tax revenue available to municipalities based on the town or city's equalized assessed valuation, divided by the number of public school students in the school district. As defined by the NH Department of Revenue, the "equalized assessed valuation represents the equalized value of all "taxable" properties in a municipality." (3) Equalization is defined within the administrative rules of the Department of Revenue as "the process by which adjustments are made to each municipality's locally assessed values to calculate the estimated market value of the municipality." (4)

ABOUT REACHING HIGHER NH

Reaching Higher NH is a nonpartisan 501(c)3. Our mission is to provide all New Hampshire children with the opportunity to prepare for college, for immediate careers, and for the challenges and opportunities of life in 21st century NH, by serving as a public education policy and community engagement resource for New Hampshire families, educators, and elected officials.

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