



# Strategies for Recruiting and Retaining High-Quality Teachers

## Teacher Compensation: An Overview

Prepared for the Committee to Study New Hampshire Teacher Shortages and Recruitment Incentives  
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### **Effective, well-qualified teachers are one of the most important resources that schools have.**

- Well-prepared and supported teachers can improve student test scores, attendance, and graduation rates, enhance important life outcomes, and close the racial opportunity gap.
- Teacher shortages, led by both smaller applicant pools and high rates of teacher turnover, are costly and undermine student growth and achievement efforts, especially in lower-income schools.

### **Fair and competitive compensation is critical to building and maintaining an effective teacher workforce.**

- Fair and competitive compensation is a key factor in the recruitment and retention of highly skilled, qualified, and effective teachers.
- Teachers are more likely to quit when they work in districts with lower wages.<sup>1</sup>

### **New Hampshire ranks #20 nationally in teacher pay.**

- According to 2020-2021 data, the **average teacher salary** in New Hampshire was **\$61,849** -- that's about \$3,500 less than the national average.
- Regionally, New Hampshire's average teacher salary is behind Massachusetts (\$86K), Connecticut (\$79K), Rhode Island (\$75K), and Vermont (\$62K). NH ranks above Maine (\$57K).
- New Hampshire's average **starting teacher salary is \$39,737**, which is about \$2,000 less than the national average.
- Regionally, this is lower than all states but Maine -- which recently passed a bill mandating a \$40K minimum salary for all teachers statewide, starting in 2022-2023.

### **There is a lot of variation within New Hampshire.**

- There is significant variation in teacher pay throughout the state: First year teachers with a bachelor's degree earned 59% more in the highest paying district compared to the lowest paying district. For step 10 teachers, that gap increases to 72%. For teachers with a master's degree, the gap is even greater: first-year teachers in the highest paying district earn 75% more than the lowest paying district, and step 10 teachers earn 88% more.

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<sup>1</sup> [Solving the Teacher Shortage: How to Attract and Retain Excellent Educators](#)

- It would take a teacher with a bachelor's degree in the lowest paying district 18 years to reach the same first-year salary as a teacher in the highest paying district.
- It would take a teacher with a master's degree in the lowest paying district 28 years to make the same starting pay as a first-year master's degree teacher in the highest paying district.
- School districts with more property wealth and fewer students navigating poverty tend to pay their teachers more than other school districts.

**The “teacher pay penalty” has grown significantly since 1996.**

- Nationally, teachers make 24% less than their college-educated, non-teaching counterparts, up from 6% in 1996. In New Hampshire, teachers make about 19% less than their non-teaching counterparts.
- The “benefits advantage” has not been enough to offset the growing wage penalty: When factoring in benefits, teachers make about 14% less than their non-teaching counterparts annually.

**Wages have not kept up with inflation.**

- Statewide, teacher salaries have increased 6% over three years, but the rate of inflation was about 16%.
- When adjusted for inflation, New Hampshire teacher salaries are about 8% less than they were in 2019.

**The school funding formula puts high-need schools at a disadvantage.**

- New Hampshire’s school funding formula has remained relatively unchanged since 2008. When the formula was created, the average salary for a certified teacher with a bachelor’s degree and three years of experience was about \$35,000. Today, that average salary is about \$42,000 – a 16% increase. However, the school funding formula has only increased about 7% in that time period, meaning that the cost of educators has downshifted substantially to local school districts.

**There are opportunities for building, strengthening, and diversifying the teacher workforce.**

- The American Rescue Plan Act (ARPA) provides substantial flexibility to districts and the state to address critical teacher workforce needs.

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