
State Minimum Salary Schedule for Fiscal Year 2026-27

The Background:

T.C.A. § 49-3-105(e) allows the General Assembly to restrict a portion of the annual increase to the base funding for the sole purpose of providing salary increases to existing educators. The FY2026-27 Budget includes $125,000,000 in improvements to the Tennessee Investment in Student Achievement (TISA) formula that have been restricted for this purpose. Because TISA is a funding plan and not a spending plan, each district will utilize its additional salary funds to meet its unique compensation needs for existing educators. Districts are not required to provide across-the-board pay increases based solely on seniority or education attainment, but rather have the ability and flexibility to determine areas of need and adjust compensation structures accordingly.

Pursuant to T.C.A. § 49-3-306(a)(1), the Commissioner of Education is required to annually present and submit to the State Board of Education for approval a state salary schedule for licensed personnel. The salary schedule must include a base salary for licensed personnel with a bachelor's degree and zero years of experience. Licensed personnel with more training and experience must receive higher salaries than the established base salary.

The current state minimum salary schedule includes a base salary of $50,000. In accordance with legislation passed during the 2023 session of the General Assembly, the minimum salary for educators has increased to $50,000 for the 2026-27 school year.

One hundred percent (100%) of the $125,000,000 improvement for salaries must be spent on improving existing educators' salaries. The salary schedule and any adopted adjustments represent only the minimum salary that a district must pay to individual teachers. Most school districts currently exceed the state minimums identified on the schedule and will continue to do so with the proposed schedule.

In 2013, the State Board of Education revised the structure of the state minimum salary schedule to provide additional compensation flexibility to school districts while maintaining a commitment to salary improvements, especially for teachers at or near the state minimum. The proposed 2026-27 schedule continues to address these two policy goals.

The Fiscal Analysis Impact:

T.C.A. § 49-1-212 requires that the Department prepare a fiscal analysis of any policy, rule, or regulation proposed to the State Board of Education.

Based on final TISA allocations, it is estimated that 99 districts will be required to increase at least one level of their local salary schedule to comply with the new state minimum salary schedule. For all these districts, their share of the $125,000,000 over each of the past four years that was restricted for improving existing educators' salaries under TISA provided the necessary funding to meet the required expense. Approximately 9,632 educators will be impacted by the increase to the minimum salary schedule. The increase to the minimum salary to $50,000 represents a $3,000 increase over the current minimum salary of $47,000.

Districts may use the balance of the restricted salary funds, together with other state and local funds, to further improve educators' salaries. The amounts shown on the attached schedule are only the amounts needed to meet the new minimum salary schedule.

Connection to the Master Plan:

This item supports the State Board's strategic focus Teachers and Leaders outlined in the Master Plan by highlighting Tennessee's commitment to increasing educator salaries.

The Recommendation:

The Department of Education recommends approval of this item on first and final reading. The SBE staff concurs with this recommendation.