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FISCAL IMPACT REPORT

SPONSOR:	Stewart	DATE TYPED:	01/22/00	HB	47
SHORT TITLE:	Program Cost Calculation			SB	
				ANALYST:	Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	\$ 300.0			Recurring	G/F

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY00	FY01			

(Parenthesis () Indicate Revenue Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

LFC Files

State Department of Education did not provide a response.

SUMMARY

Synopsis of Bill

House Bill 47 amends the public school funding formula to recognize a new category and cost differential, National Board for Professional Teaching Standards (NBPTS). Districts will receive additional program units determined by multiplying 1.5 by the number of certified school instructors who are nationally board certified and employed by the school district on or before the 40th day of the school year.

Teachers that are nationally board certified will receive a one-time increase in salary equal to or greater than the amount generated by the program units multiplied by the program unit value.

Significant Issues

School districts must provide verification to SDE the number of teachers that are certified by the NBPTS.

FISCAL IMPLICATIONS

This bill appropriates \$300.0 from the general fund to SDE for expenditure in fiscal year 2001. Any unexpended or unencumbered balance remaining at the end of fiscal year 2001 shall revert to the general fund.

According to SDE, as of November 1999, 75 teachers currently hold NBPTS certification. Based on the current unit value of \$2,460, each NBPTS certified teacher would receive a one-time salary increase of \$3,690. The total cost to provide the one-time increase to all 75 teachers would be a minimum of \$276.7. If the unit value is greater than \$2,460 in FY01, the cost will also increase.

Based on the 1998-99 average teacher salary of \$32,428 each teacher receiving the one-time differential of \$3,690 would receive the equivalent of a 11.5 percent salary increase.

Under this proposal, each teacher would receive at least \$3,690 each year as long as the teacher is generating program units. Thus, if a teacher is certified for 20 years, the salary differential for holding a NBPTS certificate, could result in earnings of over \$73.8. Since the differential is dependent upon the unit value, the differential will increase over time with the unit value.

OTHER SUBSTANTIVE ISSUES

History

1994-95 - NM Legislature appropriated \$400.0 for staff development of which \$327.9 was allocated to support teachers seeking NBPTS certification.

1995-97 - NM Legislature appropriated funds to support teachers seeking NBPTS certification, however the appropriations were vetoed.

1995-99 - School districts have supported the program with funding from the Goals 2000 federal grant or with district operation funds.

SDE reports that some school districts are utilizing operational funds to support NBPTS candidates and the associated fees. This option is available to all districts.

1999 - Legislation similar to this bill was passed but vetoed by the Governor.

CTF/njw