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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 02/11/01 HB 81
 SHORT TITLE: Education Initiatives Reforms SB _____
 ANALYST: Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		See Narrative			

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 82, SB 307, SB 308, HJR 4, HJR 10, 12, 16, 17

SOURCES OF INFORMATION

LFC Files
 State Department of Education (SDE)
 Commission on Higher Education (CHE)
 New Mexico Legislative Council Service (LCS)

SUMMARY

Synopsis of Bill

House Bill 81 relates to public education and proposes to enact public school reform; provide for more stringent competency requirements for teachers and school principals; provide for licensure of certain school employees; change certain governance structures; prescribe powers and duties; provide for regional service centers; provide for school councils; increase retirement benefits; amend, repeal, enact, and recompile sections of the NMSA 1978, and declare an emergency.

Significant Issues

There are seventy six (76) sections in the bill. The New Mexico Legislative Council Service has provided a section-by-section analysis of the bill. They note that not all sections have substantive amendments; and that there are many sections in the bill that are amended to conform with other, substantive changes. The Council Service analysis is attached as (A).

The State Department of Education also provides an analysis of House Bill 81. They indicate that not all sections include components related to significant issues, fiscal or administrative impact, technical issues or suggested changes. The SDE analysis is attached as (B).

FISCAL IMPLICATIONS

The appropriations to support House Bill 81 are contained in House Bill 82.

OTHER SUBSTANTIVE ISSUES

House Bill 81 is a public school reform bill that reiterates the Education Initiatives and Accountability Task Force recommendations.

The Commission on Higher Education indicates that House Bill 81 relates to higher education and the state's K-16 partnership in the following sections:

- 1) Section 30, requires that by 2001-2002 budgets reflect a school year of at least 190 days. 180 days are for instruction and ten days are for teachers' professional development, provided that there is legislative appropriation to implement this requirement..
- 2) Sections 31 through 41 provide new language to the existing Public School Code and enact a three-tiered system of teacher licensure with a minimum salaries specified for each licensure level. This would apply to both standard 9 ½ month contract and for an annualized contract.
- 3) Section 36, mandates a statewide mentorship program for beginning teachers, including those entering the system with an alternative teaching license.
- 4) Section 42 states that effective with the 2002-2003 school year parents must be notified if their student is being taught by a non-licensed teacher for longer than 30 days.
- 5) Section 46 outlines a system of accountability for teachers and school personnel. It requires the adoption of statewide teacher performance standards and annual evaluation.
- 6) Sections 60-62 amends the Educational Retirement Act (ERA) to provide incentives to retain experienced teachers in the classroom. First, it increases the multiplier for calculating retirement benefits for employees under the ERA who have more than 25 years of service. On a incremental scale, the multiplier will increase from 2.35 percent up to a maximum of 2.50 percent for employees with 30 or more years of service. Second, it enhances average annual salary computations for certain members. Finally, it establishes provisions allowing for the return to employment during retirement.

RS/ar/njw
Attachments