

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: FL/HB 76

52nd Legislature, 1st Session, 2015

Tracking Number: .200503.1

Short Title: Teacher Licensure Levels & Advancement

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**HOUSE FLOOR SUBSTITUTE FOR
HOUSE BILL 76**

Bill Summary:

FL/HB 76 amends sections of the *School Personnel Act* to rename each of the four levels of licensure by adding:

- “associate teacher” to the level one license, both standard and alternative;
- “professional teacher” to the level two license;
- “master teacher” to the level three-A license; and
- “administrator’s” to the level three-B license.

FL/HB 76 defines two terms:

- **“highly objective uniform statewide standard of evaluation”** means an evaluation rating of:
 - exemplary;
 - highly effective;
 - effective;
 - minimally effective; or
 - ineffective; and
- **“professional development plan”** means a written plan that:
 - is initiated as a result of a licensed school employee receiving a minimally effective or ineffective summative evaluation rating;
 - articulates the specific areas of unsatisfactory performance and provides feedback and recommendations on how to improve practice;
 - is in effect for 90 school days; and
 - states the expectation that the teacher demonstrate improvement in certain areas within 90 working days of receiving the professional growth plan.

Among its other provisions, FL/HB 76:

- requires that a beginning teacher seeking a level one associate teacher license undergo a highly objective uniform statewide standard of evaluation (HOUSSE) by a school administrator pursuant to rule of the Public Education Department (PED);
- removes the requirements for associate licensed teachers (currently level one teachers) to wait three full school years before applying for a professional license;
- adds that, if by the end of the school year any licensed teacher fails to demonstrate essential competency, the district is required to provide the teacher with a professional growth plan during the following school year, and if by the end of the year the teacher fails to demonstrate essential competency, a district may choose not to contract with the teacher;
- changes the duration of professional (currently level two) and master (currently level three-A) licenses from nine years to five years;
- allows PED to issue a professional license to an applicant who successfully:
 - completes the associate license or is granted reciprocity as provided by PED rule;
 - demonstrates essential competency required by PED as verified by the local superintendent through the HOUSSE and meets other qualifications as required by PED; or
 - completes at least two years of teaching with a level one associate teacher license and has received a HOUSSE rating of exemplary or highly effective for two consecutive years prior to applying for the license; and
- allows PED to issue a master teacher license to an applicant who:
 - has been a licensed level two professional teacher for at least three years and holds a post-baccalaureate degree or National Board for Professional Teaching Standards (NBPTS) certification;
 - demonstrates instructional leader competence as required by PED and verified by the local superintendent through HOUSSE and meets other qualifications for the license; or
 - who has completed two years of teaching with a level two professional teacher license and has received a HOUSSE rating of exemplary or highly effective for two consecutive years prior to applying for the license.

FL/HB 76 amends the minimum salaries for a licensed teacher for a standard nine and one-half month contract, subject to the availability of funds appropriated by the Legislature:

- for level one associate teachers who received a HOUSSE rating of exemplary or highly effective for two consecutive years:
 - for school year 2015-2016: \$34,000;
 - for school year 2016-2017: \$36,000;
 - for school year 2017-2018: \$38,000; and
 - for school year 2018-2019: \$40,000;
- for level two professional teachers who received a HOUSSE rating of exemplary or highly effective for two consecutive years:
 - for school year 2015-2016: \$44,000;
 - for school year 2016-2017: \$46,000;

- for school year 2017-2018: \$48,000; and
- for school year 2018-2019: \$50,000; and
- for level three-A master teachers who received a HOUSSE rating of exemplary or highly effective for two consecutive years:
 - for school year 2015-2016: \$54,000;
 - for school year 2016-2017: \$56,000;
 - for school year 2017-2018: \$58,000; and
 - for school year 2018-2019: \$60,000.

Additionally, all level three-B administrators will follow the minimum salaries amounts, based on level three-A master teachers' salaries who were rated exemplary or highly effective for two consecutive years, multiplied by the applicable responsibility factor.

Licensed level one associate, level two professional, and level three-A master teachers who are not rated as exemplary or highly effective for two consecutive years will receive the minimum salaries for a standard nine and one-half month contract based on minimum salaries in current law (see "Background, *Teacher Minimum Salaries*," below).

FL/HB 76 also contains an effective date of July 1, 2015, contingent upon certification to the New Mexico Compilation Commission by the Secretary of Public Education that prior to that date PED has established and implemented a funding mechanism to compensate school districts for additional personnel costs associated with implementing the provisions of FL/HB 76.

Fiscal Impact:

FL/HB 76 does not contain an appropriation.

According to the PED analysis of a similar bill from 2014, the expected increase in applications for licenses will generate the revenue required to meet the administrative need at PED to process the applications.

Fiscal Issues:

For minimum salary increases and licensure advancement for teachers rated exemplary or highly effective for two consecutive years and all administrators, the cost for FY 16 is estimated to be \$28,778,042, as shown in the table below.

**FY 16 Cost Estimates for FL/HB 76 Merit Pay and
Licensure Advancement**

Level I	\$6,307,723
Level II	\$14,888,162
Level III	\$1,565,957
Administrators ¹	\$6,016,200
Total	\$28,778,042

Source: PED STARS, 10-1-2014 Snapshot

¹ Based on PED's 2012-2013 District Personnel by Ethnicity and Gender, this figure includes 1,165 administrators in the state.

Assumptions

- that all 3,480 teachers who were rated exemplary or highly effective in the first year of the teacher evaluations received a consecutive rating of exemplary or highly effective (see “Background,” below);
- no other salary increases during the timeframe; and
- PED has established and implemented a funding mechanism to compensate school districts for additional personnel costs associated with implementing the provisions of the act.

As shown in the table below, the total four-year cost is estimated to be \$57,083,597.

Weighted Cost per Level (Merit + License Advancement)					
	Level 1	Level 2	Level 3	Level 3-B²	Total
FY 16	\$ 6,307,723	\$ 14,888,162	\$ 1,565,957	\$ 6,016,200	\$ 28,778,042
FY 17	\$ 1,221,225	\$ 3,338,539	\$ 1,571,413	\$ 3,008,100	\$ 9,139,278
FY 18	\$ 1,224,700	\$ 3,379,887	\$ 1,907,915	\$ 3,008,100	\$ 9,520,603
FY 19	\$ 1,229,312	\$ 3,408,010	\$ 2,000,252	\$ 3,008,100	\$ 9,645,674
Full Phase-in	\$ 9,982,961	\$ 25,014,599	\$ 7,045,537	\$15,040,500	\$ 57,083,597

Source: PED STARS, 10-1-2014 Snapshot

These cost estimates should be viewed as conservative estimates for costs as they do not consider the following factors:

- salaries partially paid with federal funds; or
- any future salary increases that may be appropriated by the Legislature.

Substantive Issues:

As noted under “Bill Summary,” above, one of the major provisions in FL/HB 76 is to change the name or designation of the three teacher licensure levels and the single administrator licensure level. These changes, however, create a conflict between the sections of the *School Personnel Act* that FL/HB 76 does amend and those that it does not, which still refer to licensure levels by their current designations. The sections that are not amended include:

- section 22-10A-11.1, Alternative level two or three license;
- section 22-10A-11.2, Deaf and hard-of-hearing teachers; alternative licensure assessment; saving provision;
- section 22-10A-11.3, Level three-B provisional licensure for school principals;
- section 22-10A-12, Limited reciprocity;
- section 22-10A-14, Certificates of waiver; and
- section 22-10A-19, Teachers and school principals; accountability; evaluations; professional development; peer intervention; mentoring, NMSA 1978.

FL/HB 76 also conflicts with other sections of the *Public School Code* that cite licensure levels by their current designations – the *Instructional Material Law*, for example, section 22-15-8 Multiple list; selection; review process, NMSA 1978.

² Based on PED’s 2012-2013 District Personnel by Ethnicity and Gender, this figure includes 1,165 administrators in the state.

While FL/HB 76 does allow teachers to advance from one licensure level to another more quickly than the current system does, it also requires teachers to renew their licenses more frequently because licenses that are now valid for nine years are valid for only five years under FL/HB 76. Therefore, teachers will be subject to licensure renewal fees on a more frequent basis than they are now.

The analysis of FL/HB 76 by New Mexico State University (NMSU) notes that the new option for satisfying the criteria for a level three-B administrator's license (two years of teaching at level two and a HOUSSE rating of exemplary or highly effective for two consecutive years) may have an adverse impact on the colleges of education at institutions of higher education (IHEs) in New Mexico. According to the NMSU analysis, IHEs in New Mexico have invested funds, time, and energy in response to the original intent of the statute to put into place programs to meet the state's desire for improved professional development for master teachers. The additional option under FL/HB 76 may decrease demand for these programs.

Background:

Current Law

Among its provisions, the *School Personnel Act* requires:

- post-baccalaureate degrees or NBPTS certification before teachers may obtain level three-A or level three-B licenses;
- PED to adopt minimum HOUSSE criteria of licensed school employees;
- the professional development plan for teachers to include documentation on how a teacher who receives professional development that has been required or offered by the state or a school district or charter school incorporates the results of that professional development in the classroom;
- a local superintendent to adopt policies, guidelines, and procedures for the performance evaluation process;
- an evaluation by other school employees to be one component of the evaluation tool for school administrators;
- as part of the HOUSSE for teachers, a school principal to observe each teacher's classroom practice to determine the teacher's ability to demonstrate state-adopted competencies;
- at the beginning of each school year, teachers and school principals to devise professional development plans for the coming year, and performance evaluations to be based in part on how well the professional development plan was carried out;
- if a level two or level three-A teacher's performance evaluation indicates less than satisfactory performance and competency, a school principal to require a teacher to undergo peer intervention, including mentoring, for a period the school principal deems necessary. If the teacher is unable to demonstrate satisfactory performance and competency by the end of the period, the peer interveners may recommend termination of the teacher; and
- at least every two years, school principals to attend a training program approved by the department to improve their evaluation, administrative, and instructional leadership skills.

PED Rule: Performance Evaluation System Requirements for Teachers

To advance through licensure levels, PED rules specify the Professional Development Dossier (PDD) as the central requirement in the process [6.69.4 NMAC]. PED defines the PDD as a “focused, compact collection of documentation” compiled by the teacher and the school district. The PDD:

- includes classroom data such as lesson descriptions, student work, and video and audio recordings, with explanations written by the teacher and verification of the work and recommendation for advancement completed by the superintendent; and
- is organized into five strands:
 - the first three of which – Instruction, Student Learning, and Professional Learning – incorporate the nine teacher competencies specified in PED rule and are completed by the teacher; and
 - two other strands, which, respectively, verify the teacher’s work in the dossier and recommend the teacher for licensure advancement based on the annual evaluations are completed by a district-level administrator.

Adopted in August 2012 and amended in September 2013, the PED rule titled *Teacher and School Leader Effectiveness* implements an evaluation program for public school teachers and administrators called the Effectiveness Evaluation System (EES). During the 2013 interim, the Legislative Education Study Committee (LESC) heard a variety of testimony on the provisions and implementation of this rule and on other aspects of teacher and principal evaluation.

In PED rule, 50 percent of a teacher’s evaluation is based on student achievement measures, whether derived from the state standards-based assessments or some other student assessment. Details vary, however, depending upon whether a teacher is a member of Group A, Group B, or Group C.

- Group A teachers teach subjects tested by the standards-based assessments in those grades in which the assessments are administered;
- Group B teachers teach either non-tested subjects or tested subjects in which the standards-based assessments are not administered; and
- Group C teachers teach in grades K-2.

For the remainder of a teacher’s evaluation:

- 25 percent is based on teaching observations by one of two types of observers – either “approved” or “certified” – using the New Mexico Teacher Evaluation Advisory Council (NMTEACH) observation rubric; and
- 25 percent is based on “multiple measures,” which vary, again, according to the group to which the teacher belongs.

For administrators, the EES requires that every school leader have an annual effectiveness evaluation, which must be conducted by a qualified person approved by PED. For the EES rating itself:

- 50 percent is based on the change in the school’s letter grade;
- 25 percent is based on the school’s multiple measures; and
- 25 percent is based on “documented fidelity observations of the school leader.”

Administrators are categorized into two groups:

- Group A principals are all principals and assistant principals (certified administrators); and
- Group B principals are all principals and assistant principals (certified administrators) who perform observations but not summative evaluations.

Finally, of the state's 21,800 teachers, 15,910, or 73 percent, were evaluated for the first year of the EES.³ The number and percentage of teachers who received each of the five ratings in the EES during school year 2013-2014 are listed below:

1. exemplary: 235 teachers, or 1.5 percent;
2. highly effective: 3,245 teachers, or 20.4 percent;
3. effective: 8,609 teachers, or 54.1 percent;
4. minimally effective: 3,288 teachers, or 20.7 percent; and
5. ineffective: 533 teachers, or 3.4 percent.

Legislative Education Study Committee 2014 Interim Educator Salary Discussion

The topic of the state's regional competitiveness for educator salaries continues to be discussed during the LESC interim meetings. During the September 2014 interim meeting, committee members heard testimony that informed the committee on the support the energy industry provides for New Mexico education. Part of the testimony included discussion that the state's regional energy employment plans should include more education funding to pay teacher salaries, including those that are competitive with Texas, which can be \$10,000 or higher than what New Mexico offers. Further discussion indicated that housing and other factors compound educator salary issues.

Teacher Minimum Salaries

In 2003, LESC-endorsed public school reform legislation was enacted to create a three-tiered teacher licensure, evaluation, and salary system.

This three-tiered system had been recommended by the Education Initiatives and Accountability Task Force and the LESC Ad Hoc Subcommittee for Education Reform. The law describes this licensure framework as "a progressive career system in which licensees are required to demonstrate increased competencies and undertake increased duties as they progress through the licensure levels."

The minimum salaries for each of the prescribed levels were also established in law: \$30,000 for Level 1; \$40,000 for Level 2; and \$50,000 for Level 3-A. The complete five-year phase-in period is as follows:

- level one provisional teacher: \$30,000 in school year 2003-2004;
- level two professional teacher: \$35,000 in school year 2004-2005 and \$40,000 in school year 2005-2006; and

³ According to a media report, PED indicated that some teachers were not evaluated either because their districts missed a deadline for submitting evaluation materials or because they were librarians or instructional coaches, not classroom teachers.

- level three-A master teacher: \$45,000 in school year 2006-2007 and \$50,000 in school year 2007-2008.

Administrator Minimum Salaries

In 2007 LESC-endorsed legislation was enacted to establish, beginning in FY 08, the minimum salary of school principals and assistant principals at \$50,000 multiplied by an applicable responsibility factor. The definitions of the *School Personnel Act* provide for the separate responsibility factors as follows:

- 1.20 for an elementary school principal;
- 1.40 for a middle school or junior high school principal;
- 1.60 for a high school principal;
- 1.10 for an assistant elementary school principal; and
- 1.25 for an assistant high school principal.

Committee Referrals:

HEC/SEC/SJC/SFC

Related Bills:

HB 71a *Streamline Teacher & Administrator Licensure*
SB 91 *Teacher Licensure Levels & Advancement*
SB 126aa *Level 3-B School Admin Licensure Requirements*
SB 153a *Streamline Teacher Administrative Licensure*
SB 223 *Phased Minimum Teacher Salary Increase*
SB 329aa *School Licensure Reciprocity Requirements*
SB 378 *Teacher & Admin Differential Performance*