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## FISCAL IMPACT REPORT

SPONSOR Trujillo, CH ORIGINAL DATE 2/09/17  
LAST UPDATED \_\_\_\_\_ HB 248

SHORT TITLE School Employee Evaluation Standards SB \_\_\_\_\_

ANALYST Liu/Courtney

### APPROPRIATION (dollars in thousands)

| Appropriation |      | Recurring<br>or Nonrecurring | Fund<br>Affected |
|---------------|------|------------------------------|------------------|
| FY17          | FY18 |                              |                  |
|               | NFI  |                              |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB125, HB158, HB163, HB241, SB34

### SOURCES OF INFORMATION

LFC Files

No Responses Received From  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Bill 248 amends the Public School Code, providing new guidelines for adopted uniform statewide standards for teacher evaluations. Specifically, the bill would disallow the current practice of using test scores, value-added methodology, school employees' utilization of leave, and numerical teacher effectiveness ratings as components of a teacher's annual performance evaluation.

### FISCAL IMPLICATIONS

The bill does not make an appropriation. It is possible that the elimination of currently used practices for teacher evaluation, including the use of value-added models, could lead to small cost savings within PED.

### SIGNIFICANT ISSUES

The current NMTEACH teacher evaluation framework utilizes information and practices that this bill would eliminate, including measurement of student achievement through use of student

test scores, value-added modeling, use of teacher attendance data, and use of teacher effectiveness ratings derived from value-added methodology.

The teacher evaluation process is being challenged in two lawsuits. The first lawsuit, brought by the American Federation of Teachers New Mexico, the Albuquerque Teachers Federation, and other plaintiffs, argues the state’s teacher evaluation system is unfair and could put teachers at risk of being punished or fired. The other lawsuit, brought by the National Education Association of New Mexico, claims the evaluation system unlawfully takes control of teacher evaluations and supervision away from local school districts.

In December 2015, state District Judge David Thomson granted a preliminary injunction preventing consequential decisions against teachers using the state’s teacher evaluation data until the state developed a reliable, fair, and uniform system. PED announced in January 2016 plans to simplify the evaluation system and make it more uniform across the state by reducing the number of tests included in calculating teachers’ scores, ending the use of student achievement data over a year old, removing a measure that evaluated teachers on students they had never taught, and releasing evaluation results in the fall rather than the spring. The American Federation of Teachers New Mexico case has been scheduled for a hearing on October 23, 2017.

The NMTEACH teacher evaluation framework implemented by PED is comprised of four categories: improved student achievement; classroom observations; planning, preparation and professionalism, and surveys and attendance. According to the PED website, each category is weighted according to the amount of student achievement data available for the teacher.

|   | Student Achievement | Classroom Observation<br>Creating an Environment<br>for Learning and Teaching<br>for Learning | Planning and<br>Preparation and<br>Professionalism | Teacher<br>Attendance<br>and/or<br>Surveys |
|---|---------------------|---|--|--|
| <b>Step 1:</b> Teachers who have no student achievement in the last 3 years                                 | 0%                  | 50%   | 40%  | 10%  |
| <b>Step 2:</b> Teachers with 1-2 years of student achievement data (STAM) who teach courses related to STAM | 25%                 | 40%   | 25%  | 10%  |
| <b>Step 3:</b> Teachers with 3 years of student achievement data who teach courses related to STAM          | 50%                 | 25%   | 15%  | 10%  |

The PED website offers the following information regarding the current use of student achievement, value added models, leave, and teacher effectiveness ratings in teacher evaluations:

Measures of Student Achievement

The New Mexico Standards Based Assessment (SBA) and Partnership of Assessment for College and Careers (PARCC) exams, end-of-course (EoC) tests, Dynamic Indicators of Basic Early Literacy Skills and Indicadores Dinámicos del Éxito en la Lectura (DIBELS/IDEL) assessments are the measures of student achievement included when calculating value-added scores (VAS). Istation will replace DIBELS as the K-2 assessment beginning in the 2016-2017 school year.

### Value-added Model

This measure is based on the growth of the individual students in a classroom. The Value-added Model (VAM) used does account for individual student backgrounds by using three years' worth of data for each individual student. The past performance of a student accurately reflects that student's socioeconomic status, mobility, second language learner status, etc. In a hypothetical class, if Matt has scored 30, 30, and 30, we would expect Matt to score 30 this year. If Alia has scored 15, 16, and 14, we would expect her to score 15 this year. If, in this class, Matt scores 32, his teacher helped him achieve two points higher than expected. If Alia scores 18, the teacher helped her achieve three points higher than expected. NMTEACH computes a VAM of 2.5 points (the average of Alia's and Matt's gains) for that teacher.

### Teacher Attendance

Teacher attendance scores are based on a calculation of total points available (20 points) less the number of days absent. If total absences reported is less than or equal to three, then the teacher receives 100 percent of attendance points; if total absences reported is greater than three, then the following formula applies.

- 18–20 Exemplary
- 15–17 Highly Effective
- 10–14 Effective
- 7–9 Minimally Effective
- $\geq 6$  Ineffective

A district can submit its own cut scores, but they cannot be more lenient than the state default scores. Leave that is excluded from the attendance calculation includes leave under the Family and Medical Leave Act (FMLA), bereavement, jury duty, military leave, religious leave, professional development, and coaching.

### Teacher Effectiveness Ratings

PED is updating the NMTEACH summative evaluation in order to simplify the system and establish better clarity. This streamlined approach will eliminate the need for groups, levels, and tags, as well as align district plans. Only individual student achievement will be included in a teacher's student achievement measure of the NMTEACH summative report. The group measure will no longer be an option for an individual teacher's evaluation. Additionally, only SBA/PARCC, EoCs, and DIBELS/IDEL will comprise measures of student achievement for purposes of calculating value-added scores.

For the 2015-2016 school years and all subsequent years, NMTEACH summative reports will be available to districts in the fall semester following the most recent school year. This will enable teachers to have the most recent student achievement data, along with their recent qualitative data as part of their summative report. PED will provide training on the updates throughout the spring and summer to ensure all district administrators and charter school directors are equipped to share the information with their teachers.

## **PERFORMANCE IMPLICATIONS**

Changes to the evaluation system may affect performance measures relating to teacher effectiveness ratings and professional development trainings offered by the department.

## RELATIONSHIP

This bill relates to HB124 which codifies the professional development dossier as the method for advancement within the three-tier licensure system; HB125, which establishes a council to develop and recommend a new educator evaluation system; HB158, which establishes a teacher evaluation pilot project; HB163, which eliminates the inclusion of test scores of students with eight or more unexcused absences from use in teacher evaluations; HB241 which would restrict types and amount of leave that can be considered in teacher evaluations; SB34, which establishes a temporary educator evaluation system and a council to develop and recommend a new evaluation system; and SB40, which adjusts factors and reporting requirements in the educator evaluation system and establishes a work group to study and recommend changes to the evaluation system.

## OTHER SUBSTANTIVE ISSUES

A 2012 LFC program evaluation studied the use of student test scores and value added models (VAMs) in teacher evaluation. The report found that when properly implemented, VAMs can identify teachers for advancement; their complexity, however, limits VAMs role in annual local evaluation of teachers. The evaluation concluded VAMs should not be used in annual local evaluations because of their limitations and complexity. VAMs do a good job of identifying very good and very poor teachers but do not do a good job of differentiating between teacher scores in the middle. The use of VAM in annual local evaluations could provide inaccurate reflections of teacher performance. The evaluation found that depending on the demographic factors used, VAMs produce varied results and recommended the creation and use of a statewide VAM that uses two different calculations to obtain a composite score to help eliminate VAM biases for teachers of certain populations. This recommendation has not been adopted by PED.

A 2016 LFC program evaluation found that teacher absenteeism led to lost time-on-task in New Mexico schools. Specifically, teacher absences led to 4 lost instructional days according to a statewide study conducted by the LFC.

PED has previously claimed the attendance provision in teacher evaluations had a significant impact on teacher attendance in the state, despite being worth only 5 percent of their evaluation. This has created more teacher days in the classroom to increase student achievement and saved the state \$3.6 million in savings by not hiring substitute teachers. It is unclear how the causal link between the attendance provision in teacher evaluations and subsequent outcome of impact of teacher attendance was established by PED.

Enactment of the Every Student Succeeds Act in 2015 removed state requirements to set up teacher evaluation systems based in significant part on students' test scores, a key requirement of the U.S. Department of Education's state-waiver system in connection with the No Child Left Behind Act.

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