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FISCAL IMPACT REPORT

SPONSOR Youngblood/ Gallegos, DM ORIGINAL DATE 2/09/17 LAST UPDATED _____ HB 350

SHORT TITLE Teacher & Principal Effectiveness Act SB _____

ANALYST Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY17 | FY18 | FY19 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|-------------------------|------|-------------------|---------------------------|---------------|
| Total | | See Fiscal Implications | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with HB124, HB248, SB34, SB40
 Relates to HB125, HB158, HB163, HB241

SOURCES OF INFORMATION

LFC Files

No Responses Received From
 Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 350 creates the Teacher and Principal Effectiveness Act, establishing new definitions and requirements for annual teacher and principal evaluations. The bill codifies an evaluation framework for teachers and principals and requires post-evaluation professional growth plan for teachers rated as minimally effective or ineffective.

FISCAL IMPLICATIONS

The bill does not make an appropriation. Given the similarity of the evaluation framework in the bill with the current NMTEACH evaluation framework, no significant costs are expected for adjusting the evaluation system.

Additional costs of supporting individual professional growth plans will primarily be borne by school districts. The number of teachers rated ineffective and minimally effective statewide was 6,067, or 28.7 percent, in 2016. Provisions of the bill require the evaluator to conduct a post-evaluation conference with teachers rated ineffective or minimally effective to make recommendations for improving areas of unsatisfactory performance.

SIGNIFICANT ISSUES

The current 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 currently weighted according to the amount of student achievement data available for the teacher. Section 4.A.(1)(a) of the bill requires the teacher evaluation to include “student academic improvement, as measured over a period of multiple years,” indicating PED may use the current step-model to evaluate teachers without multiple years of data as outlined in the chart.

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

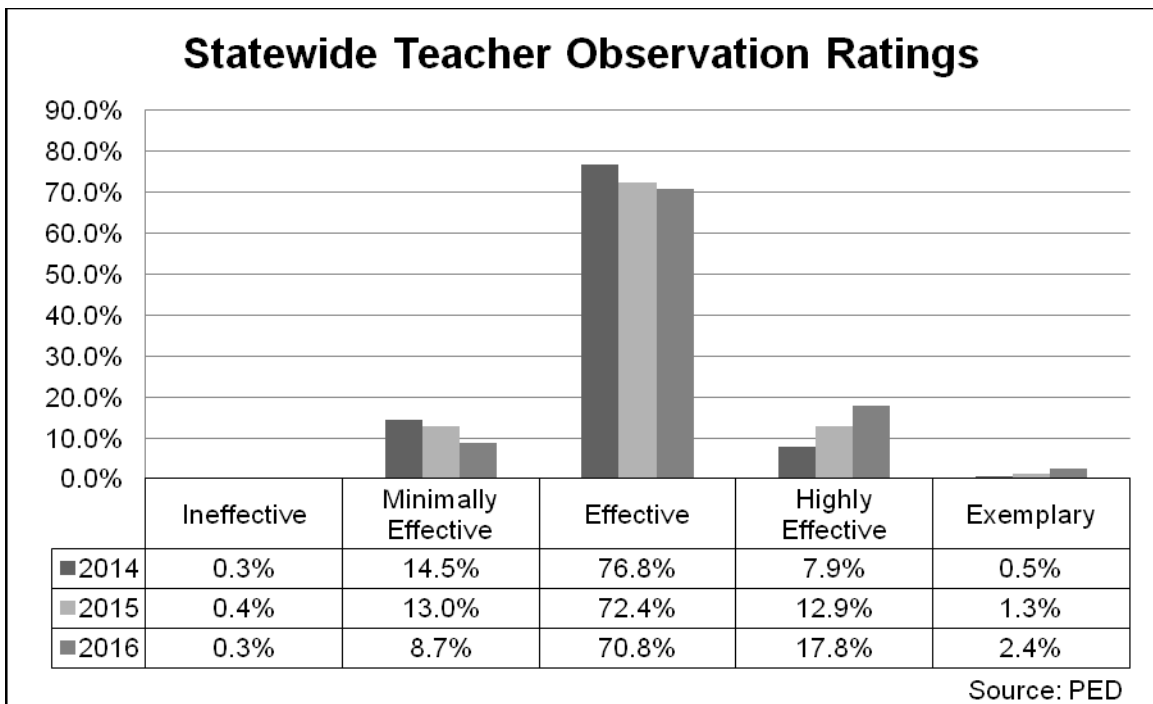
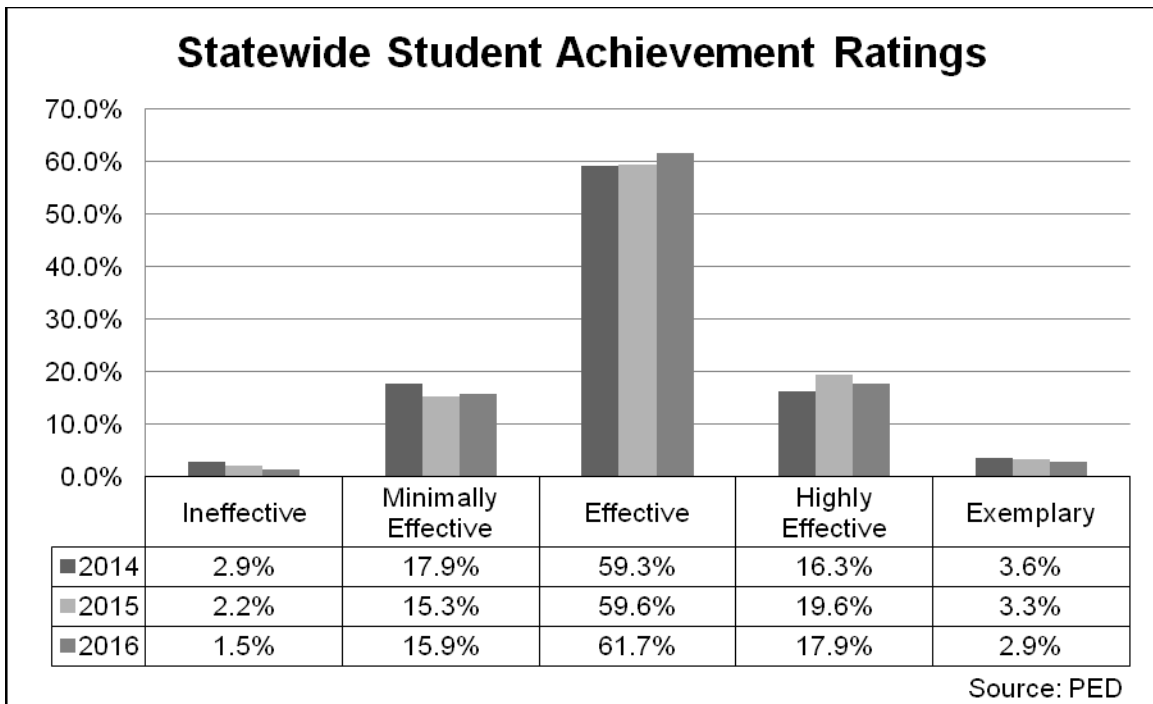
Section 4 of the bill establishes specific weights for each component of the teacher evaluation, which are similar to current weights for current Step 3 teachers. The major difference appears to be a 10 percentage point decrease in the student growth and achievement component and subsequent increase of 10 percentage points for in-classroom observations.

| | Student Growth and Achievement | In-Classroom Observations | Professionalism and Professional Development | Student and Parent Surveys | Work Attendance |
|--|--------------------------------|---------------------------|--|----------------------------|-----------------|
| HB350: Teachers with multiple years of student achievement data | 40% | 35% | 15% | 5% | 5% |

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 shift of weight from the student growth and achievement component to the in-classroom observation component will likely increase statewide teacher evaluation ratings due to a skewed distribution of in-class observation ratings as shown in the graphs below.



The bill establishes an evaluation framework for school principals, consisting of:

1. Valid and reliable measures of the school’s student academic growth and achievement, including that growth as measured by PED in accordance with the A-B-C-D-F Schools Rating Act;
 - This component will constitute 40 percent of the evaluation.

2. Measures of instructional leadership skill;
3. Teacher, other school staff, and parent surveys;
4. Measures of the principal's:
 - a. Effectiveness in implementing the Teacher and Principal Effectiveness Act; and
 - b. Skill in supporting teachers whose performance needs improvement; and
5. Results of the highly objective uniform statewide standard of evaluation conducted in accordance with Subsection D of Section 22-10A-11.4 NMSA 1978 and related rules.

Similar to the shift in the teacher evaluation framework, Section 7 of the bill establishes a 40 percent weight for the student achievement component of the principal evaluation, 10 percentage points lower than the current weight of 50 percent. Presumably, the remaining 60 percent of the evaluation is dedicated to the aforementioned components, although the bill does not specify weights for each. It is unclear what effect this shift in weights will have on statewide principal evaluation ratings.

| Current School Leader Effectiveness Evaluation Components | Current Subcomponents | Current Rubric Point Value | HB350 Proposed Components |
|--|---|-----------------------------------|---|
| Student Achievement Measures 50% | School Growth | 20 | Student Achievement Measures 40% |
| | 3 rd Quartile Growth (highest performing students) | 40 | |
| | 1 st Quartile Growth (lowest performing students) | 40 | |
| Observations 25% | Completion by deadline | 10 | Measures of instructional leadership skill, surveys, teacher support skills, and highly objective uniform statewide standards of evaluation 60% |
| | Feedback within 10 days | 20 | |
| | Reliability/Rigor | 20 | |
| Multiple Measures 25% | HOUSSE Form D Guidance (PDP) | 30 | |
| | Teacher Survey | 20 | |

Unlike the teacher evaluation, the bill does not include requirements for an “individual professional growth plan” or post-evaluation conference for principals rated as minimally effective or ineffective. The effective date of this bill is the 2017-2018 school year.

PERFORMANCE IMPLICATIONS

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

CONFLICT, RELATIONSHIP

This bill conflicts with HB125, which establishes a council to develop and recommend a new educator evaluation system; HB248, which prohibits the use of test scores, value-added methodology, school employees’ utilization of leave, and numerical teacher effectiveness ratings as components of a teacher’s annual performance evaluation; 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.

This bill relates to HB124 which codifies the professional development dossier as the method for advancement within the three-tier licensure 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; and HB241 which would restrict types and amount of leave that can be considered in teacher evaluations.

OTHER SUBSTANTIVE ISSUES

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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