

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Sariñana/Garratt ORIGINAL DATE 2/2/2020
LAST UPDATED 2/19/2020 HB 92/aHEC/aSEC/aSFI#1
SHORT TITLE Teacher Residency Act SB _____
ANALYST Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
See Fiscal Implications			

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB62, HB177, SB36
Companion to Appropriation in the HAFC Substitute for HB2 and 3 as amended by SFC

SOURCES OF INFORMATION

LFC Files
Legislative Education Study Committee (LESC) Files

Responses Received From

University of New Mexico (UNM)
Western New Mexico University (WNMU)
Santa Fe Community College (SFCC)
New Mexico Independent Community Colleges (NMICC)
Northern New Mexico College (NNMC)
New Mexico State University (NMSU)
Public Education Department (PED)

Other Responses

Learning Policy Institute (LPI)

SUMMARY

Synopsis of SFI#1 Amendment

Senate Floor Amendment #1 to House Bill 92 makes technical corrections related to punctuation in the SEC amendment.

Synopsis of SEC Amendment

The Senate Education Committee amendment to House Bill 92 clarifies that public post-

secondary institutions with department-approved teacher preparation programs are eligible to apply to become a teacher resident program. The amendment also clarifies that teacher resident candidates can qualify if they have a bachelor's degree but are ineligible if they have a level 1, level 2, or level 3-A teaching license.

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 92 strikes the \$5 million appropriation and includes additional language clarifying that teacher residencies must ensure teaching residents are prepared for licensure at the end of the program, placed with expert teachers during the residency, and provided a \$20 thousand stipend each year. It should be noted that the HAFC substitute for House Bills 2&3 includes \$2 million contingent on enactment of a bill for this purpose, so the appropriation could cover up to 100 teacher residents.

Synopsis of Original Bill

House Bill 92 creates a teacher residency fund (TRF) and appropriates \$5 million from the general fund to TRF for the purpose of establishing New Mexico teacher residency programs at public post-secondary educational institutions and tribal colleges. The bill requires these institutions to partner with school districts or charter schools to provide employment for teacher residents and establishes eligibility requirements for teacher residents, selection criteria for teacher residency candidates, and programming components for residency programs.

This bill is endorsed by LESC.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a recurring expense to the general fund. This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the Legislature to establish spending priorities.

Provisions of this bill require teacher residents to undergo a full academic year of coursework, a year of guided apprenticeship in the classroom with an expert mentor teacher, and a year of support following the completion of the residency program. The bill requires a livable stipend for teaching residents, professional development for mentor teachers and teacher residents, and additional compensation for mentor teachers.

Estimated costs of teacher residency programs can vary, depending on what constitutes a livable stipend and additional compensation for mentor teachers. The Albuquerque Teacher Residency Partnership, a collaboration between UNM, Albuquerque Public Schools, and Albuquerque Teachers Federation, provides each teacher resident a \$14 thousand stipend, which can cover UNM tuition and fees for licensure, a master's degree, and other expenses. This program is supported through a federal Supporting Effective Educator Development (SEED) grant. LPI notes California's teacher residency program provides \$20 thousand per resident, with an equivalent local match requirement.

Assuming the costs of providing a resident stipend, additional compensation for mentor teachers, and general support and administration add up to \$20 thousand per resident, this appropriation

could cover about 250 teacher residents. Requiring a 50 percent local match from school districts or institutions could double the capacity to 500 residents. **The HEC amendment establishes a \$20 thousand stipend per resident. The HAFc substitute for House Bills 2&3 includes \$2 million contingent on enactment of a bill for this purpose, so the appropriation could cover up to 100 teacher residents.**

The appropriation of \$2 million in the HAFc substitute is from the public education reform fund (PERF), but will likely create future recurring expenses to the general fund. Currently, there are no balances in PERF; however, \$110 million from the state equalization guarantee (SEG) distribution is expected to revert to PERF at the end of FY20.

The executive's FY21 budget recommendation includes a \$5 million nonrecurring, general fund appropriation for teacher preparation development in higher education institutions. The LFC's FY21 budget recommendation includes a \$2 million, nonrecurring appropriation from the public education reform fund for teacher residencies, contingent on enactment of legislation for that purpose. The LFC's recommendation also includes \$6.8 million to provide mentor teachers a pay differential, \$12 million to public schools for costs associated with mentorship and professional development, and \$4.5 million to PED to provide technical assistance on teacher mentorship.

SIGNIFICANT ISSUES

Between 2014 and 2018, about 25 percent of New Mexico teachers left their school district each year. This teacher turnover rate was compounded by declining enrollment in New Mexico's traditional educator preparation programs (EPP). Between FY10 and FY18, in-state EPP enrollment decreased by 5,078 students, or 74 percent. With a shrinking pool of candidates nationally, public schools will have additional difficulties filling teaching positions each year.

PED has not published an educator accountability report to track teacher supply trends as required by statute since 2015. In response, NMSU's Southwest Outreach Academic Research (SOAR) Lab began publishing reports on statewide teacher vacancy rates. According to SOAR's 2019 report, there were 1,054 school personnel vacancies in New Mexico school districts as of September 23, 2019, including 644 teacher vacancies. The report noted a 13 percent decline in teacher vacancies (given 740 vacancies in 2018) and indicated the largest vacancy areas included elementary (173), special education (151), and bilingual (66) teachers. SOAR's report also noted 1,094 students enrolled and 746 students completed EPPs in FY19, a decrease of 47 enrollees and 97 completers from the prior year, suggesting the pool of in-state teacher candidates has not improved from the current trend.

The number of individuals in alternative licensure programs eclipsed the number of students in traditional EPPs in FY17 and maintained a higher share of students in FY18. While alternative licensure programs are less costly and quicker pathways for individuals to become teachers, national trends show that these individuals are 25 percent more likely to leave the profession than traditionally trained teachers when controlling for students, schools, and teaching conditions. According to LESC, teachers with alternative licenses make up 11 percent of New Mexico's teacher workforce, about a 400 percent increase since 2007.

LPI notes teacher residencies are a key strategy to improving educator training while addressing areas of high teacher turnover. Teacher residencies are one year post-baccalaureate programs that

result in very high teacher retention rates for effective teachers in high-need fields by offering high-quality preparation through carefully designed district-university partnerships. Residents – who may enter from other professions (or the military) or after they have finished an undergraduate degree – receive funding for tuition and living expenses (e.g., stipend or salary), while they apprentice with a master teacher in a high-need classroom for an entire school year and take related, tightly interwoven courses that earn them a credential. They repay this investment by committing to teach in the sponsoring district for at least three to four years after their residency year while they receive additional mentoring.

WNMU and NNMC note provisions of this bill require teacher resident to be a noncertified educator, such as a substitute or teaching assistant, which effectively disqualifies alternative licensure programs for funding (The WNMU and NNMC programs currently focus on alternative licensure teachers). Alternative licensure teachers meet the bill’s other eligibility requirements, such as holding a bachelor’s degree and working as a professional outside the field of education. WNMU indicates school districts could consider hiring these individuals as substitutes instead of alternative licensure teachers to make them eligible for a residency program, however, few districts are willing to do so because schools receive some operational funding based on the number of licensed teachers, including alternative licensure teachers.

WNMU and NNMC note the bill makes educational assistants eligible to participate in a teacher residency program if they already hold a bachelor’s degree; however, many educational assistants within those regions do not hold a bachelor’s degree.

PERFORMANCE IMPLICATIONS

The General Appropriation Act of 2019 included \$1 million to PED for teacher residency pilot programs. WNMU received a \$500 thousand award from this appropriation, which the university used to provide \$3 thousand scholarships for students in the alternative licensure teacher preparation program (WNMU indicated program participants were already receiving a full salary as first-year, alternative license teachers). LPI notes New Mexico’s program supporting four residency pilots. While these programs are still in early stages of implementation, early information suggests residents may be serving, all or part of the time, as teachers of record without the benefit of apprenticing alongside an expert master teacher for a full year, and thus may not be full residencies with the benefits that accompany that rigorous training model.

PED notes teacher residency programs are a key component of the department’s goal to develop a robust educator ecosystem. Research has shown that more than 40 percent of teachers leave the profession within their first 5 years. High quality teacher residencies have proven to increase teacher retention. LPI found “Studies of teacher residency programs consistently point to the high retention rates of their graduates, even after several years in the profession, generally ranging from 80–90 percent in the same district after three years and 70–80 percent after five years. In two of the most rigorous studies to date, researchers found statistically significant differences in retention rates between residency graduates and non-residency peers, controlling for the residents’ characteristics and those of the settings in which they taught.”

High-quality teacher residency programs may improve teacher retention rates and increase the racial diversity of the teacher candidate pool. In FY19, half of the first cohort of candidates in the Albuquerque Teacher Residency Partnership were teachers of color and 92 percent successfully completed the program (23 of 25 candidates).

LPI notes New Mexico’s current teacher residency pilot asked applicants to define teacher residency models that worked for their context, resulting in program designs that are not likely to reap the benefits of residencies that provide true clinical apprenticeships. LPI suggests defining teacher residency programs using common elements identified by research as key to strong outcomes, including:

1. Strong district and university partnerships;
2. Coursework about teaching and learning tightly integrated with clinical practice, including ensuring that candidates are provided with instruction in all of the following:
 - a. Teaching the content area or areas in which the teacher will become certified to teach;
 - b. Planning, curriculum development, and assessment;
 - c. Learning and child development;
 - d. Management of the classroom environment;
 - e. Use of culturally responsive practices, supports for language and literacy development, and supports for serving pupils with disabilities;
 - f. Supports for students’ social, emotional, and academic development; and
 - g. Professional responsibilities, including interaction with families and colleagues.
3. A full year of residency teaching in the same classroom with a teacher of record who is an expert mentor teacher;
4. High-ability, diverse candidates recruited to meet specific district hiring needs, typically in fields with shortages;
5. Financial support for residents in exchange for a 3- to 5-year post-residency teaching commitment
6. Cohorts of residents placed in partnership “teaching schools” that model good practices with diverse learners and are designed to help novices learn to teach;
7. Expert mentor teachers who co-teach with residents; and
8. Ongoing mentoring and support for graduates after they enter the teaching force.

ADMINISTRATIVE IMPLICATIONS

NMICC notes the bill requires college faculty to visit residency sites no less than three times per month, which would require community colleges to increase faculty capacity through additional staffing or workload adjustments. SFCC indicates the college may need additional faculty or staff to comply with some of the provisions in the bill, and WNMU would need to hire additional teacher mentors and track the inclusion of eligible participants in collaboration with partner districts.

According to NNMC, small colleges and rural communities may struggle to find eligible candidates for teacher residency programs, given limited faculty capacity at smaller universities and fewer qualified staff in smaller school districts.

UNM notes school districts and institutions would need to establish a memorandum of understanding that defines the parameters, roles, responsibilities, and expectation for collaboration between all parties in a teacher residency program.

COMPANIONSHIP, RELATIONSHIP

This bill is a companion to a \$2 million appropriation in the HAFC Substitute for House Bill 2

and 3, as amended by the Senate Finance Committee, to PED for teacher residencies. The bill also relates to House Bill 62, which creates a fund to pay teachers to mentor new teachers; House Bill 177, which creates a teacher residency program in northern New Mexico; Senate Bill 36, which establishes a teacher preparation task force.

OTHER SUBSTANTIVE ISSUES

WNMU notes Deming Public Schools hires 50 new alternative licensure teachers and Gallup McKinley County Schools hires over 100 alternative licensure teachers annually. While alternative licensure teachers may have content expertise, few are prepared to teach, assess, and manage a classroom effectively.

SFCC notes the bill is aligned to the college's teacher academy and associate's programs and certificates in teacher education. SFCC could utilize existing frameworks and partnerships, as well as its affiliations with four-year institutions located at the Santa Fe Higher Education Center.

POSSIBLE QUESTIONS

The bill requires teacher residency candidates to demonstrate strong content knowledge or a record of achievement. What does this mean for someone who has a degree but not in a content field such as graphic design, physical therapy, etc.?

Should teacher residents that fail to achieve licensure, obtain employment in a school, or maintain a teaching position for the required three year commitment be allowed to continue participating in a residency program?

Should teacher residents be required to pass PED's licensure basic skills test prior to being admitted into the program or are teacher residency programs responsible for preparing residents to pass?

SL/sb/rl