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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 1st Session, 2023

Bill Number HB413 **Sponsor** Trujillo/Gurrola/Borrego/Herndon/Figueroa
Tracking Number .224448.3 **Committee Referrals** HEC/HGEIC
Short Title School Class Load Sizes
Analyst Hoxie **Original Date** 2/25/23
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BILL SUMMARY

Synopsis of Bill

House Bill 413 (HB413) amends the School Personnel Act, to change the maximum number of students allowed in classes, known as class load sizes. To do this, HB413 first decreases maximum class load sizes across all grades, with lower amounts for “high-poverty schools”, which the bill defines as a school in which 75 percent of more of students qualify for free and reduced-price lunch. Class size limits would be as follows:

- Twenty students in a kindergarten or first grade class (or 18 students in these grades in a high-poverty schools)
- Twenty-two students in a second or third grade class (or 20 students in these grades in a high-poverty school)
- Twenty-four students in a fourth, fifth, or sixth grade class (or 22 students in these grades in a high-poverty school)
- A maximum of 150 students per nine-week teaching load in grades seven through 12 (or 125 students for these grades in a high-poverty school)
- A maximum of 125 students per class in seventh and eighth grade English courses (or 110 students for these grades in English courses in a high-poverty school)

Second, HB413 requires the Public Education Department (PED) to create an online portal to allow for the confidential reporting of class load limit violations and prohibits teachers from being penalized for making such reports. Third, HB413 requires an elementary school teacher with a class load of 15 or more students to have the full-time assistance of an educational assistant (EA). Fourth, HB413 allows school districts to apply to PED for a one-time waiver of class load limits. Finally, HB413 requires increased compensation or support for any teacher who is asked to teach a class load over the statutory minimums. The bill has an effective day of July 1, 2023.

FISCAL IMPACT

The bill does not contain an appropriation, however there would likely be expenses for school districts and charter schools to adjust their workforce to accommodate the changes proposed.

Fiscal Impact: Additional Teachers. HB413 would likely require some school districts and charter schools to hire additional teachers to meet new class load limits. One method of determining the need for additional teaching staff is to examine current class load data. According to PED class load data for the 2021-2022 school year, over 650 elementary school classrooms had class loads over the class load requirements of HB413. If all elementary school classrooms over the class load maximums established by HB413 required the hiring of an additional teacher, an additional 687 elementary school teachers would need to be hired. Assuming all 687 new elementary teachers were hired at a Level 1 teaching salary of \$50 thousand annually with 28 percent fringe benefits, this could cost \$43.9 million. This analysis does not include impact to secondary classes, as total nine-week class load data was not available.

Table 1: HB413 Class Load Limits

Grade Level Band	HB413 Non-High Poverty School	HB413 High Poverty School	Classes Above HB413 Limits
Kindergarten and First	20 Students	18 Students	249
Second and Third	22 Students	20 Students	224
Fourth through Sixth	24 Students	22 Students	214
Total			687

Source: PED STARS Data

Another method of determining the potential need for additional teachers is to examine statewide student enrollment data and statewide school personnel data, thus providing the total need for teachers, based on class load limits set by HB413, across the state. Analysis of FY23 student enrollment and FY23 40th day count school personnel data indicates school districts would need to hire an additional 119 elementary school teachers to meet provisions of HB413. Assuming all 119 additional elementary school teachers are hired at a Level 1 teacher salary of \$50 thousand annually, this could cost \$7.6 million. While many school districts and charter schools would likely right size classes to meet the statutory provisions of HB413 by moving teachers to different schools, grade levels, or subject areas, school districts in more rural communities may face challenges in moving teachers to meet provisions of the bill. For example, Gallup McKinley County Schools – the geographically largest school district in New Mexico – could not as easily right size classes as school districts with less geographic distance between school sites.

Fiscal Impact: Educational Assistants. HB413 would likely create considerable expenses for school districts and charter schools to ensure elementary school teachers with 15 or more students have a full-time EA. According to class load data provided by PED for the 2021-2022 school year there are approximately 6,000 unique elementary school classrooms in New Mexico. Of that total, approximately 3,430 elementary classes have class sizes of 15 students or more. Current statute requires a full-time educational assistant for kindergarten classes with a class size of more than 15 students and first grade classes with a class size of more than 21 students. Assuming that all classes above the current class size maximums for kindergarten and first grade already have a full-time educational assistant, provisions of the bill could generate the need for up to 2,270 full-time EAs. If all 2,270 EAs needed to be hired this could cost up to \$50.8 million, assuming a \$15 dollar per hour salary with a 28 percent fringe benefits rate and a 180-day contract. Should HB127—which raises the minimum salaries of educational assistants to \$25 thousand per year—become law, the cost to hire additional EAs would be even greater.

Fiscal Impact: Facilities. The New Mexico Public School Facilities Authority (PSFA) notes HB413 could result in the need for classroom additions or the installation of portable classrooms. It is unclear at this time exactly how many schools would be impacted or need renovations or portable classrooms.

SUBSTANTIVE ISSUES

National Research on Class Loads. Overall, research suggests that students in smaller classes perform better in all subjects and on all assessments when compared to their peers in larger classes. Often cited as the most rigorous class size study conducted, the [Tennessee’s Student Teacher Achievement Ratio Study](#) (STAR) found that students in smaller classes of 13 to 17 students in kindergarten through third grade outperformed their peers in larger classes of 22 to 25 students. Specifically, the study found a reduction in class size was found to increase student achievement by an amount equivalent to approximately three additional months of schooling. The study found having fewer children in a class reduces the distractions in the room and gives the teacher more time to devote to each student. Student improvement from smaller class size at the beginning of the school experience improved the performance of children on standardized cognitive tests after four years. However, class size reductions typically have small effect sizes, and while small classes, between 15 to 19 students, appear to be most effective, there is little difference in outcomes for classes between 20 and 40 students. [Research](#) suggests that other interventions can improve achievement more cost effectively than class size reduction, which tends to be expensive. For example, LFC notes in a [2019 evaluation](#) that high-dosage tutoring is more cost-effective than reducing class size.

Changes to the Educational Workforce. Class size reduction will likely require the hiring of additional certified teachers and educational assistants. It is unclear if school districts and charter schools will be able to find certified individuals to fill these roles. According to the Educator Vacancy Report produced by the New Mexico State University Southwest Outreach Academic Research Evaluation and Policy Center (SOAR), there were 690 teacher vacancies and 446 EA vacancies at the beginning of the 2022-2023 school year. Reducing class sizes has also created workforce issues in other states. For example, in 1996 California enacted a kindergarten through third grade program designed to reduce class size by 10 students per class, from 30 students to 20 students. This program created 25,000 new teaching positions in its first two-years and many of these positions were filled by teachers without certification or prior teaching experience. [Researchers](#) from the University of Wisconsin studied the effect of this program and found the positive effects of classroom reduction were less significant than in the Tennessee STAR study. Additionally, the study found the increases in less experienced teachers offset any gains made by smaller class sizes. Consequently, the study of the California program found that while class size reduction can help student learning it is important to consider potential changes to the educator workforce.

Class Load Limits. Current statute requires, except for kindergarten, that class load limits per teacher are based on averages of grades in each school. An analysis of class load data provided by PED for the 2021-2022 school year indicates, on average, classrooms in New Mexico are below current statutory requirements.

Table 2: Current Statutory Grade Level Bands Class Load Averages

Grade Level Band	Statutory Requirement	2021-2022 School Year Average
Kindergarten	15-20 students per teacher	14.9 students per teacher
1st-3rd Grade	22 students per teacher	14.5 students per teacher
4th-6th Grade	24 students per teacher	15 students per teacher
7th-8th Grade English Courses	27 students per teacher	17 students per teacher
9th-12th Grade English Courses	27 students per teacher	22 students per teacher

Source: PED, FY22 STARS Data

HB413 amends the School Personnel Act to remove averaging language and sets maximum class load limits for teachers. Although class size averages across New Mexico meet the new class load limits set by HB413, not all individual classes during the 2021-2022 school year were below these limits. This means a significant number of classes in New Mexico would not meet the class size requirements of HB413. For example, LESC staff analysis of PED class load data from the 2021-2022 school year indicates over 650 elementary classes would not meet the new requirements, potentially requiring school districts and charter schools to hire additional teachers or educational assistants. It is likely high school classes would also not meet class load limits set by HB413, however at this time nine-week class load data is unavailable.

Exceeding Class Load Limits. HB413 allows a school to request a one-time waiver of the class load limits per school per school year. A school district shall apply to PED for approval and explain with specificity the circumstances creating a need for the waiver and the school district’s plan for coming into compliance with class load limits. Provisions of the bill require additional support or compensation be provided to teachers with a class load above the statutory limits.

ADMINISTRATIVE IMPLICATIONS

HB413 would require PED to promulgate rules for the awarding of additional compensation to teachers who are asked to increase their class load over the maximum limits.

HB413 would require PED to create and operate an online portal to allow teachers and parents to submit confidential reports of class load violations.

RELATED BILLS

HB413 relates to HB127 which increases EA minimum salaries to \$25 thousand.

SOURCES OF INFORMATION

- LESC Files
- Public Education Department (PED)
- New Mexico Public School Facilities Authority