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FISCAL IMPACT REPORT

ORIGINAL DATE 02/12/14

SPONSOR Roch **LAST UPDATED** _____ **HB** 276

SHORT TITLE Teacher Licensure Advancement **SB** _____

ANALYST Chavez/Gudgel

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16		
	\$0.0 to \$186.0	\$0.0 to \$186.0	Recurring	Educator Licensure Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 276 renames level one, two, and three-a licenses as apprentice, professional, and master licenses, respectively, establishes an accelerated process for advancing licensure level, and makes professional and master licenses five-year licenses (rather than nine-year licenses). The accelerated process for licensure advancement would allow an apprentice and professional license holder to advance to a professional or master license after two years of teaching at their current licensure level and receiving an objective performance evaluation rating of exemplary or highly effective for two consecutive years prior to applying for the license.

The bill renames the level three-b license to an administrator license and maintains the nine year license term currently in law.

The bill has an effective date of July 1, 2014, contingent on the Secretary of PED's certification prior to that date that PED has established and implemented a funding mechanism to compensate school districts for additional personnel costs associated with implementing the provisions of this act. There is no appropriation contained in this bill.

FISCAL IMPLICATIONS

This bill contains a contingency clause that would only allow it to be effective if PED established and implemented a funding mechanism to compensate school district for additional personnel costs associated with implementing the provisions of this bill. Exact costs are difficult to estimate and are dependent on the number of teachers advancing licensure based on the accelerated process. Additionally, the shortened license terms may also have some fiscal impact, but again, these costs are difficult to estimate.

Because of the shorter license period – from nine to five years - PED may receive increased revenues through license renewals, unless renewal fees are pro-rated for the shorter license. Under this bill, LFC staff estimates PED could collect up to \$184 thousand in additional fees annually based on current license fees.

SIGNIFICANT ISSUES

The bill adds definitions to the School Personnel Act, including “objective performance evaluation rating”, which includes ratings of exemplary, highly effective, effective, minimally effective, or ineffective. The bill also adds a definition for a “professional growth plan” that includes the expectation that a teacher demonstrate improvement in certain areas within 90 working days of being placed on a professional growth plan. (See Technical Issues.)

Changes to the level one “apprentice” license include requiring that the licensee undergo an annual performance evaluation by a school administrator pursuant to department rules. Under current statute teachers have to undergo evaluations for three years before being able to apply for a level two license. This change codifies the teacher evaluation program put in place by PED.

Changes to the level two “professional” license include reducing the license from a nine to five year license. If a teacher with a professional license is not found to be competent for two years, a school district may choose not to contract with that teacher. The language “to teach in the classroom” has been stricken. (P.13, line 25).

The bill adds another method by which teachers may obtain a professional license, by receiving an objective performance rating of exemplary or highly effective for two or more consecutive years of teaching with an apprentice license.

Changes to the level three-a “master teacher” license include reducing the license from a nine to five year license. As with the “professional” license teachers, if a teacher with a master license is not found to be competent for two years, a school district may choose not to contract with that teacher. The language “to teach in the classroom” has been stricken.

Also as with “professional” teachers, the bill adds another method by which teachers may obtain a master license, by receiving an objective performance rating of exemplary or highly effective for two or more consecutive years of teaching with a professional license. This shortens the time frame by which a teacher may advance to the next level.

The bill also renames the level three-b license an “administrator’s license”.

PERFORMANCE IMPLICATIONS

PED states creating incentives around performance will increase student achievement in the state, adding that recent research from the National Bureau of Economic Research found school principals must establish high levels of rigor in conducting observations and providing meaningful feedback to improve teacher performance in the classroom.

ADMINISTRATIVE IMPLICATIONS

PED would have to establish and implement a funding mechanism to compensate school districts under provisions of this bill.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The following bills amend the School Personnel Act and should be considered at the same time: HB 67; HB 127; HB 139; HB 148; HB 276; HB 289; HB 294; HB 352; SB 57; SB 104; SB 105; SB 214.

TECHNICAL ISSUES

Section 22-10A-19 NMSA 1978 - Teachers and school principals; accountability; evaluations; professional development; peer intervention; mentoring – contains the following requirement: “The department shall adopt criteria and minimum highly objective uniform statewide standards of evaluation for the annual performance evaluation of licensed school employees. The professional development plan for teachers shall 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.” This is different from the definition of professional growth plan outlined in the bill; the definitions should be reconciled.

The bill requires master level teachers who have not demonstrated essential competency to be provided with a “professional growth plan”; however, similar language for professional level teachers has not been changed to include a “professional growth plan”.

It is unclear if a teacher must have an effective evaluation for the two years immediately prior to applying for an professional or master license or if the teacher must have had an effective rating for any two consecutive years in order to apply, pursuant to the new language proposed in Paragraph B (1) of Section 2 (page 4 line 25 through page 5 line 4). If the intent is that the teacher must have an effective evaluation for the two years immediately prior to application this should be clarified.

OTHER SUBSTANTIVE ISSUES

In 2003, the Legislature passed comprehensive education reform, including the establishment of the three-tiered system and corresponding new minimum salaries. New Mexico introduced the three-tiered system to increase the recruitment and retention of quality teachers to improve student achievement. The system created a three-level career ladder for teachers to ascend based on experience, leadership, and skills. Movement up a level results in pay increases of \$10 thousand.

Previous evaluations of the three-tiered system confirmed the system decreasing widespread teacher shortages, reducing unqualified teachers, and improving teacher pay. Student performance, however, has not improved with taxpayer investments in teacher pay. A 2009 LFC evaluation using one year of performance data confirmed small differences in performance despite large differences in pay among teachers and offered solutions for improvement; however, those recommendations have not been implemented. Since that time, nearly 6,000 teachers advanced to new license levels, receiving \$59 million in mandatory salary increases.

Since that 2009 evaluation, the LFC has completed two more studies related to teaching and the three-tiered licensure system (“Public Education Department Teacher and Administrator Preparation in New Mexico December 5, 2012” and “Public Education Department Promoting Effective Teaching in New Mexico November 15, 2012”). These reports noted that despite investments in the state’s three-tiered licensure system, colleges of education continue to attract and admit academically average candidates and student performance within teacher licensure levels and between licensure levels suggests the local and state evaluation systems are not screening teachers for their effectiveness in the classroom.

Given one of the primary purposes of the three tiered system is to ensure student success, the report noted it is appropriate to explore the connections between advanced licensure levels and increases in student performance. The three-tiered system continues to offer a solid framework to align resources to performance, but student achievement must be better incorporated into the process. If modified, the report noted student achievement could be a data-driven concern for all teachers and serve as a way to reward the state’s best teachers and intervene for struggling teachers.

RSG/svb:ds