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FISCAL IMPACT REPORT

SPONSOR Sapient ORIGINAL DATE 02/06/14
LAST UPDATED _____ HB _____

SHORT TITLE Teacher Evaluation System and Council SB 214

ANALYST Weinberg

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$4,537.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 197, HB 2, HB 3, HB 276, SB 105, HB 289

SOURCES OF INFORMATION

LFC Files

Response Not Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 214 amends the Public School Code to establish a teacher and school administrator evaluation system to include differential performance levels, to establish and educator preparation and effectiveness council to advise and oversee promulgation of rules for the new system and to establish an effective teaching portfolio within the three-tier licensure system.

Four million five hundred thirty-seven thousand dollars (\$4,537,000) is appropriated from the general fund to the public education department for distribution through the state equalization guarantee for expenditure in fiscal year 2015 to increase the minimum level one teaching salary to thirty-two thousand five hundred dollars (\$32,500).

FISCAL IMPLICATIONS

The appropriation of \$4,537,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2015 shall revert to the general fund.

The estimated appropriation is calculated based on amount needed to raise level one salaries from a minimum of \$30,000 to a minimum of \$32,500. This was a part of the LFC recommendation for public school support. Currently, House Bill 2 as adopted by HAFB, includes funding to increase the minimum salary of level one, two, and three-A teachers and level three-B administrators \$2 thousand each in FY15.

SIGNIFICANT ISSUES

This bill directs the Public Education Department (PED) to convene an educator preparation and effectiveness council by July 1, 2014 to make recommendations to the department for its rulemaking process regarding teacher and administrator competencies, teacher and administrator licensure and evaluation, and teacher and administrator program approval. The secretary shall appoint 13 members to the council, including six licensed teachers, three licensed administrators, two deans of the colleges of education, and two members-at-large.

The council will be required to report its recommendations to PED, the Legislative Education Study Committee, and the LFC by July 1, 2015 and on November 1, 2015 all prior department rules pertaining to teacher and administrator evaluation and teacher and administrator licensure levels would become void.

The bill requires PED to create a system of evaluating teachers and administrators that includes a component using indicators of student learning growth and to provide student learning growth scores annually to teachers, administrators, school districts, and charter schools for inclusion in personnel files. The bill also directs PED to publish annually a technical manual describing the process used to compute student learning growth scores and to establish expected student performance growth targets.

This bill establishes criteria for approval of teacher and administrator preparation programs, including: demonstration of content and pedagogical knowledge; clinical partnerships and practices; candidate quality, recruitment and selectivity; program impact based upon outcome data; and preparation program quality assurance and continuous improvement. The bill also directs PED to establish minimum licensure examination requirements and demonstration of equivalent licensure standards for candidates seeking reciprocity.

This bill allows PED to issue level two teaching licenses to teachers who have taught at level one for at least three years and achieved a student learning growth score in the top one-half of all level two licensed teachers in the state, in lieu of an effective teacher portfolio. Similarly, this bill allows the department to issue level three teaching licenses to teachers who have been a level two teacher for at least three years and achieved a student learning growth score for the most recent school year in the top one-half of all level three-A licensed teachers in the state in lieu of an effective teaching portfolio.

As part of an annual and summative teacher evaluation system, this bill establishes five performance levels ranging from exemplary to ineffective and directs to department to establish competencies and indicators in the areas of instruction, professional development and student learning. Annual evaluations shall be based on evidence of meeting expectations of the competencies, progress on professional development goals, and ratings from students. The summative evaluation shall be based on three years of annual evaluations and at least 30 percent shall be based on evidence of improving student achievement.

This bill directs PED to establish an effective teaching portfolio for licensure advancement aligned to the basic competencies and indicators with evidence of improving student achievement counting for at least 30 percent of the overall score.

Level two or three-A teachers rated less than effective will be required to develop performance improvement plans and action may be taken in accordance with existing due process law or Section 22-10-24 NMSA 1978.

PERFORMANCE IMPLICATIONS

PED states 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

This bill requires PED to convene a council by July 1, 2014 to make recommendations regarding educator preparation program approval, licensure, and evaluation by July 1, 2015. Thereafter, the council is charged with annually reviewing PED's rules regulating teacher and administrator licensure, evaluation, and preparation program approval and making additional recommendations as necessary.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 67 and HB 3 both raise the minimum salaries for level one, two, and three-A teachers and level three-B administrators by \$2,000. This bill raises the minimum salaries for level one teachers by \$2,500.

HB 276, SB 104 and SB 105 change the designations for teacher licensure levels (apprentice, professional, and master levels) and streamline advancement through the licensure system for teachers receiving a performance evaluation rating of exemplary or highly effective for two consecutive years.

HB 289 requires evidence of teacher competency as demonstrated through a professional development dossier for advancement in the three-tier licensure system.

SB 197 provides a one-year moratorium on the teacher and school leader evaluation system created by PED.

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 note 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 recommended revising 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.

MW/ds