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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/21/15

SPONSOR Romero LAST UPDATED \_\_\_\_\_ HB 400

SHORT TITLE Program Units for Certain School Employees SB \_\_\_\_\_

ANALYST Gudgel

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	\$162.3	\$181.8	\$203.6	\$547.7	Recurring	School District and Charter School Operating Budgets

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Public School Support Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Not Received From  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Bill 400 amends the Public School Finance Act to expand the individuals who are eligible to generate program units for a school district or charter school because they have National Board for Professional Teaching Standards certification. The funding formula component is currently limited to teachers and the bill would expand this to all licensed school employees beginning with the 2016-2017 school year.

### FISCAL IMPLICATIONS

An increase in program units generated by school districts or charter schools that is not accompanied by an increased appropriation has the effect of diluting the unit value, impacting school districts and charter schools statewide.

Currently, each National Board of Professional Teaching Standards (NBPTS) certified teacher generates 1.5 program units. These units are multiplied by the unit value, resulting in an amount distributed to the teacher in the form of a one-time salary increase. For FY15, each NBPTS certified teacher will receive \$6,011.63.

Enactment of this will result in a one time salary increase for NBPTS certified counselors. Because PED does not know how many licensed counselors at public schools are NBPTS certified, this analysis assumes 3 percent of counselors – the same percentage as teachers – would be eligible for the one time salary increase. Additionally, the analysis assumes an increase in eligible counselors of 12 percent annually, consistent with the average increase in NBPTS certified teachers.

Assuming approximately 800 licensed school counselors, LFC estimates approximately 27 counselors will be NBPTS certified and eligible for the one time salary increase provided by the bill in the first year and the number of counselors eligible each year will grow by 12 percent.

Staff notes that the number of NBPTS certified teachers has grown from 85 teachers in FY04 to 627 teachers in FY15. If the rate of school counselors receiving certification grows annually, the impact to school district budgets will also grow.

## **SIGNIFICANT ISSUES**

NBPTS offers 25 certificates that cover a variety of subject areas and student developmental levels, and are applicable to more than 95 percent of America’s teachers. Of these 25 certificates, 24 are for teachers while one is for school counselors. Under current statutory language, only school counselors do not qualify to generate units and receive a one-time salary increase. The expansion to all licensed school employees will make NBPTS certified school counselors eligible for the one time salary increase.

The original intent of including units in the funding formula for teachers earning a NBPTS certificate was to offer incentives to teachers to improve their capacity to positively impact student achievement. In 2013, PED recognized the contribution school counselors provide to students, but noted it is unclear if their impact on student achievement rises to the level to that of a teacher or school principal. PED noted there is no research to support a correlation between student achievement and school counselors or other licensed school employee impact. PED stated, “Creating an incentive for this type of credentialing is still suspect, as there is no data to inform on the impact it will have on student outcomes.”

During the 2014 legislative session, PED noted potential long term effects could be for other licensed professionals to seek inclusion in the funding formula for the purpose of similar salary increases for completing a national certification program. Many school employees are “licensed”, including educational assistants, psychologists, speech-language therapists, physical and occupational therapists, and business managers.

## **ADMINISTRATIVE IMPLICATIONS**

PED will be required to approve these units after the school district or charter school verifies the licensed school employee the district is claiming units for has received a one-time salary increase for being NBPTS certified that is at least as much as the amount generated by the units multiplied by the unit value.

**RELATIONSHIP**

HB 318 makes counselors eligible for level three teacher salaries. SB 581 creates an adjustment in the training and experience index for NBPTS certified teachers.

**ALTERNATIVES**

Given PED's concerns, the Legislature may want to study the effect school counselors have on student achievement and the effect NBPTS certification has on student achievement prior to granting a onetime salary increase to NBPTS certified counselors.

RSG/bb