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FISCAL IMPACT REPORT

ORIGINAL DATE 02/01/21

SPONSOR Ferrary LAST UPDATED 03/01/21 HB 171

SHORT TITLE Program Units for Certain School Personnel SB _____

ANALYST Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$183.5 - \$3,708.8	\$183.5 - \$3,708.8	\$367.0 - \$7,417.6	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB84, HB135, HB138

SOURCES OF INFORMATION

LFC Files

Legislative Education Study Committee (LESC) Files

Responses Received From

Educational Retirement Board (ERB)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 171 amends the Public School Code to allow licensed school employees certified by the National Board for Professional Teaching Standards (NBPTS) and not employed in an administrative position to generate program units in the public school funding formula beginning in FY22.

FISCAL IMPLICATIONS

The bill does not make an appropriation; however, changes in program units may affect how funding is distributed to school districts and charter schools through the public school funding formula. Program units are currently counted for NBPTS-certified teachers only, which have increased since FY04 when the component was introduced to the funding formula. LESC notes the number of NBPTS-certified teachers in New Mexico increased from 85 teachers in FY04 to 731 teachers in FY20. By expanding the definition for program units from “teachers” to “licensed school employees,” additional program units may be realized. Without an increase in funding through the formula, additional program units may dilute funding for all public schools

statewide.

Based on preliminary FY21 program units, the funding formula accounted for 731 teachers holding a NBPTS certificate. These teachers each generated 1.5 program units, resulting in a total of 1,097 program units generated statewide. At the current unit value of \$4,536.75, the funding distribution for these units amount to nearly \$5 million.

According to PED, there are 23 library media certificate holders and four school counseling certificate holders in New Mexico. PED notes library media specialists are considered teachers and already generate formula units, but library technicians or assistants would not (see Administrative Implications). PED assumes all library media certificate holders are not serving as library media specialists and would generate new program units under this bill, adding 40.5 units, or \$183.5 thousand at a unit value of \$4,565.41.

According to NBPTS, as of December 7, 2019, there were 1,276 teachers who achieved National Board certification in New Mexico, an increase of 59 new NBPTS-licensed individuals from the prior year. Assuming the difference between the total National Board certified teachers counted by NBPTS and the funding formula (i.e. 545 individuals) is attributable to licensed employees that are not current teachers of record, the potential fiscal impact of including these individuals in the funding formula could be up to 818 new program units, or \$3.7 million. Accounting for PED’s estimate, the range of fiscal impact could be between \$183.5 thousand and \$3.7 million, depending on the number of Board-certified teachers counted in the funding formula.

SIGNIFICANT ISSUES

The NBPTS certification process offers experienced teachers the opportunity to certify knowledge, skills, and accomplished teaching practices for 25 disciplines through a computer-based assessment component and three portfolio components. NBPTS certifications include art, career and technical education, exceptional needs specialist, generalist, library media, music, and school counseling in addition to subject areas such as math, English language arts, and science. To be eligible for most of these certifications, candidates must have completed three years of successful teaching, hold a bachelor’s degree, and meet state licensure requirements.

Certification Areas	
Discipline	Developmental Level
Art	Early and Middle Childhood (ages 3-12)
Art	Early Adolescence through Young Adulthood (ages 11-18+)
Career and Technical Education	Early Adolescence through Young Adulthood (ages 11-18+)
English as a New Language	Early and Middle Childhood (ages 3-12)
English as a New Language	Early Adolescence through Young Adulthood (ages 11-18+)
English Language Arts	Early Adolescence (ages 11-15)
English Language Arts	Adolescence and Young Adulthood (ages 14-18+)
Exceptional Needs Specialist	Early Childhood through Young Adulthood (ages birth-21+)
Generalist	Early Childhood (ages 3-8)
Generalist	Middle Childhood (ages 7-12)
Health Education	Early Adolescence through Young Adulthood (ages 11-18+)
Library Media	Early Childhood through Young Adulthood (ages birth-21+)
Literacy: Reading-Language Arts	Early and Middle Childhood (ages 3-12)
Mathematics	Early Adolescence (ages 11-15)
Mathematics	Adolescence and Young Adulthood (ages 14-18+)
Music	Early and Middle Childhood (ages 3-12)
Music	Early Adolescence through Young Adulthood (ages 11-18+)
Physical Education	Early and Middle Childhood (ages 3-12)
Physical Education	Early Adolescence through Young Adulthood (ages 11-18+)

School Counseling	Early Childhood through Young Adulthood (ages 3-18+)
Science	Early Adolescence (ages 11-15)
Science	Adolescence and Young Adulthood (ages 14-18+)
Social Studies – History	Early Adolescence (ages 11-15)
Social Studies – History	Adolescence and Young Adulthood (ages 14-18+)
World Languages	Early Adolescence through Young Adulthood (ages 11-18+)

LESC notes the National Board certification process is a voluntary system that certifies a teacher meets rigorous national standards for classroom instruction. Although most content areas apply to teachers, certification areas include school counselors and library media specialists.

PERFORMANCE IMPLICATIONS

Multiple studies suggest NBPTS-certified teachers are more effective than their peers in producing academic gains for students. A 2017 Mississippi State University study showed that kindergarteners were 30.7 percent and third graders were 10.7 percent more likely to achieve a proficient literacy assessment score than their peers if they had a NBPTS-certified reading teacher. A 2015 Center for Education Data and Research working paper found NBPTS teachers could produce gains of up to 1.5 months of additional learning. And a 2012 Harvard University study of the Los Angeles Unified School District found students with NBPTS teachers gained the equivalent of 2 months of additional instruction in math and 1 month in English language arts.

While studies on NBPTS teacher impacts on math and reading performance are prevalent, the literature on the impacts of NBPTS certification in other subject areas is limited.

ADMINISTRATIVE IMPLICATIONS

PED will need to update processes and procedures for identifying and verifying the number of NBPTS-eligible employees in the calculation of the funding formula. Training and notification of changes to this policy will need to be promulgated to school districts and charter schools.

PED currently prohibits schools from generating NBPTS units unless the personnel counted are certified teachers. Additionally, PED instructs school districts and charter schools that, although they may reward National Board certification for other, non-classroom instructors within the local school district or charter school framework for local governance, they will not receive units under the program cost calculation to provide stipends. In FY18, PED audited some certificates of teachers generating these units to ensure only teacher certification was included, which is an additional administrative burden. Library media specialists are considered teachers for the purposes of generating these units under the licensure administrative rules (6.64.8.7 NMAC 1978), yet library technicians, library assistants, and school counselors are not, which complicates administration of this section. PED will need to review all NBPTS credentialing for all entities to screen for non-teacher staff, which may be challenging with current staffing levels, particularly given the desk audit conducted in FY18 found no exceptions.

RELATIONSHIP

This bill relates to House Bill 84, which adds a Native American language component into the funding formula; House Bill 135, which changes the at-risk index in the funding formula to an opportunity and equity index; and House Bill 138, which increase the fine arts program factor in the funding formula.

OTHER SUBSTANTIVE ISSUES

The FY21 operating budget includes \$500 thousand for PED to provide scholarships for teachers pursuing National Board certification. The funding was sufficient to cover first-time National Board candidate fees for 250 teachers, and NBPTS noted in November 2020 that 80 teachers had applied.

On December 16, 2020, NBPTS announced a partnership with the Permian Strategic Partnership to help approximately 5 percent of teachers in Eddy County and Lea County pursue National Board certification each year. The partnership aims to engage approximately 700 teachers in the certification process over three years.

SL/sb