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FISCAL IMPACT REPORT

ORIGINAL DATE 2/10/09

SPONSOR Park LAST UPDATED _____ HB 158

SHORT TITLE Decrease Class Size for Grades 4, 5, and 6 SB _____

ANALYST Varela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$0.0		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Finance and Administration (DFA)

NMSU

SUMMARY

Synopsis of Bill

House Bill 158 amends the School Personnel Act (Section 22-10A-20 NMSA 1978). It reduces the average class load for elementary teachers in grades four, five, and six from 24 students to 22 students. This bill makes technical adjustments to language within the Act.

FISCAL IMPLICATIONS

There is no appropriation associated with this bill; however, there are additional operating impacts.

PED notes in their analysis that a reduction in class size from 24 to 22 students in grades 4, 5, and 6 will require school districts to hire additional teachers and to provide additional classroom space to accommodate newly formed classes. The average teacher salary is currently \$41.6 thousand per year. In addition, utilities and necessary custodial services will add to the operating costs associated with more classrooms. The average custodial salary is estimated at \$25 thousand per year. During a time of budgetary constraints and growing populations, this change could add more fiscal challenges for New Mexico's school districts beyond those that already exist. This bill could cause some districts to need more teachers and, or some districts, additional classrooms.

SIGNIFICANT ISSUES

PED reports that a reduction in class size from 24 to 22 in grades 4, 5, & 6 is unlikely to have any substantial impact on student performance. A WestEd research brief documented that significant positive results are obtained only from reductions to a class size of 15 to 17 students, in primary grades, when those students can remain in classes of that size for a minimum of 4 years (Policy Brief #23, August 1998 at http://www.wested.org/pub/docs/policy/class_red.htm).

ADMINISTRATIVE IMPLICATIONS

According to PED, as new classes are created as a result of a reduction in class size, administrative duties will certainly increase. Newly created classes will necessitate coding into the STARS system as well as additional supervision for increased administrations of mandated tests. Newly hired teachers will require more frequent and closer supervision by school administrators, as well as mentoring by other teachers.

POSSIBLE QUESTIONS

Do the school districts currently have the resources (ie. Staff, finances, and facilities) to accommodate the proposed change in class size?

PV/mc