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FISCAL IMPACT REPORT

SPONSOR Soules **ORIGINAL DATE** 03/12/15
LAST UPDATED _____ **HB** _____

SHORT TITLE Teacher Evaluation Use of Data **SB** 562

ANALYST Gudgel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Central New Mexico Community College (CNM)

Responses Not Received From

Public Education Department

SUMMARY

Synopsis of Bill

Senate Bill 562 requires the teacher and school leader evaluation system to include effective, appropriate and comprehensive use of relevant data, including the following:

- student attrition and mobility;
- ethnic and racial composition of the student body;
- student-to-certified-teacher ratios at each grade and school level;
- the percentage of students who qualify for free and reduced-price lunch in the school;
- number and categories of special needs students, including students who have been identified as gifted;
- current class size practice at the school;
- students' language background;
- outline of the school curriculum;
- ethnic and racial composition of the teaching and administrative staff; and
- other data determined to be relevant by the school district.

FISCAL IMPLICATIONS

The bill does not include an appropriation. However, significant funds have been appropriated over the past several years to support the department's new evaluation system, including the following:

- \$5 million recurring general fund revenues in 2014 for use in FY15;
- \$3.4 million nonrecurring general fund revenues in 2013 for use in FY13 and FY14; and
- \$1 million nonrecurring general fund revenues in 2012 for use in FY12 and FY13 (reauthorization of a portion of an appropriation made in 2011).

House Bill 2 as adopted by SFC includes \$5 million for the evaluation system for FY15. PED has indicated funds will be used as follows

- \$1.9 million for maintenance and support of the online Teachscape system;
- \$200 thousand to develop and review additional end-of-course exams;
- \$1.0 million to continue end-of-course exams online;
- \$1.2 million for trainings and webinars; and
- \$700 thousand to provide support to school districts.

PED has not submitted an analysis of the requirements of the bill as of 12:30 pm on March 12, 2015, indicating how the changes included in the bill will affect the teacher and administrator evaluation system. It is likely the system would need to be updated to reflect all of the data points included in the bill; however, at this time the potential cost of that is unknown.

SIGNIFICANT ISSUES

Certain provisions of School Personnel Act, enacted in 2003, required PED to adopt criteria and minimum highly objective uniform statewide standards of evaluation for the annual performance evaluation of licensed school employees for the statutory salary minimums to become effective. Since that time PED has adopted a teacher and school leader evaluation system that is based on student academic growth, observations, and other measures. The bill would require PED to include additional data in that evaluation system.

PED's website includes the following information about the current evaluation system:

- Multiple Measures (25%) are a combination of scored professional activities—as described in the NMTEACH Educator Effectiveness Observation Rubric—and locally chosen criteria that capture a teacher's professionalism. Locally chosen measures include teacher attendance, student surveys, and parent surveys.
- Teacher Observations (25%) are formally scored 2 to 3 times per school year. Observers are school leaders trained and certified in the NMTEACH Observation Protocol. Guided by a rubric that describes teacher effectiveness at varying levels, observers have an objective set of criteria to evaluate teachers. Feedback is provided by the observer, and the teacher and observer work together to improve instruction if necessary.
- Improved Student Achievement (50%) indicates a teacher's impact on the growth of individual students. Because not all students come to the classroom at grade level readiness, student achievement is scored using a Value Added Model (VAM). VAM measures individual teacher contribution to student achievement by comparing the

expected growth of the individual student against the *actual* individual student growth while in the teachers' classroom.

ADMINISTRATIVE IMPLICATIONS

PED would be required to update the current teacher and administrator evaluation system to include the data enumerated in the bill.

RSG/aml