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FISCAL IMPACT REPORT

ORIGINAL DATE 2/07/17

SPONSOR Garcia Richard **LAST UPDATED** _____ **HB** 158

SHORT TITLE Teacher Evaluation Pilot Project **SB** _____

ANALYST Liu/Marmol Serna

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications			Recurring	PED Operational Budget

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with HB125 and SB34
Relates to SJM1

SOURCES OF INFORMATION

LFC Files

Responses Received From
Higher Education Department (HED)

No Response Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 158 creates a new section of the Public School Code, allowing PED-selected school districts to pilot new teacher evaluation systems developed by teachers, principals, students, parents, and community members. The new evaluation systems would use short-cycle assessments that link teaching performance improvement with student academic or vocational and social achievement. Additionally, the new evaluation systems would have to incorporate research-based rubrics for peer and principal observations, promote learning for all students, support teacher professional development, measure student achievement, support instruction that leads to higher levels of student achievement, and recognize differences in assignments and responsibilities. PED would select a representative group of schools reflecting various school sizes from urban and rural locations that are large enough to provide data to evaluate the project. School districts participating in the pilot would be exempted from the current PED evaluation

system for the duration of the pilot. PED would be required to conduct a six year study on the pilot's efficacy and make annual interim and final reports to the Legislature and governor.

FISCAL IMPLICATIONS

The bill does not make an appropriation. Any administrative costs from establishing data collection and reporting requirements of pilot participants would be incurred by school districts and PED.

SIGNIFICANT ISSUES

PED has sole discretion for choosing the school districts who will participate in the pilot evaluation project. No specific language in the bill suggests that local school districts may volunteer or submit an application. Additionally, the bill does not specify the school district population size necessary to participate in the pilot project. Some micro and rural school districts might not be able to participate in the pilot project if PED determines the district is not "large enough and diverse enough to provide the data necessary to evaluate the pilot project."

The teacher evaluation process is being challenged in two lawsuits. The first lawsuit, brought by the American Federation of Teachers New Mexico, the Albuquerque Teachers Federation, and other plaintiffs, argues the state's teacher evaluation system is unfair and could put teachers at risk of being punished or fired. The other lawsuit, brought by the National Education Association of New Mexico, claims the evaluation system unlawfully takes control of teacher evaluations and supervision away from local school districts.

In December 2015, state District Judge David Thomson granted a preliminary injunction preventing consequential decisions against teachers using the state's teacher evaluation data until the state developed a reliable, fair, and uniform system. PED announced in January 2016 plans to simplify the evaluation system and make it more uniform across the state by reducing the number of tests included in calculating teachers' scores, ending the use of student achievement data over a year old, removing a measure that evaluated teachers on students they had never taught, and releasing evaluation results in the fall rather than the spring. The American Federation of Teachers New Mexico case has been scheduled for a hearing on October 23, 2017.

PERFORMANCE IMPLICATIONS

Exemption of pilot schools from the evaluation system may affect performance measures relating to teacher effectiveness ratings and professional development trainings offered by PED.

CONFLICT

This bill conflicts with HB125 and SB34 which establish teacher and principal evaluation councils to develop and recommend a new teacher and principal evaluation system. The bill relates to SJM1, which establishes a study group for alternative assessments.

OTHER SUBSTANTIVE ISSUES

HED states "HB158 provides performance measures but does not provide relative weightings for the components with regard to short-cycle assessments and research based rubrics." HED also

notes no representatives from colleges of education or teacher preparation programs are specifically included within the list of stakeholders participating in developing the evaluation systems.

The recently enacted federal Every Student Succeeds Act (ESSA) includes provisions allowing states or consortia of states to develop their own accountability system to measure student performance. States are encouraged to pilot projects that enhance the measurement of student performance. In FY16, the U.S. Department of Education (USDE) over \$25 million in enhanced assessment instrument awards to seven states.

ESSA also allows the USDE secretary to give innovative assessment demonstration authority in the first three years of implementation to seven participating state education agencies. Such innovative assessments may allow students to demonstrate proficiency in the form of portfolios, projects or extended performance task, and other locally designed formative assessments in mathematics, reading, language arts or science. Although applications for this innovative assessment pilot program were accepted in September 2016, it is anticipated that future applications will be accepted.

SL/sb