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Purpose: Provide a status update on financial incentives for teachers and individuals pursuing a career in teaching

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Expected Outcome: Understand the impact of recently enacted legislation as it pertains to teacher recruitment and retention

Update on Financial Aid for Teacher Recruitment and Retention

Financial incentives, such as scholarships and loan repayment programs are intended to increase the number of people who pursue a specific career path. To address the shortage of teachers in New Mexico, targeted scholarships and loan repayment programs help in offsetting the initial costs of pursuing an education degree or help teachers who have already incurred loans to decrease their debt.

This brief will outline the impact of recently enacted legislation as it pertains to teacher recruitment and retention including enacted amendments to the Teacher Loan Repayment Act and enactment of the new Teacher Preparation Affordability Act and the Grow-Your-Own Teachers Act.

Legislative Efforts to Recruit and Retain Teachers

Recruitment

Scholarships for Teacher Preparation. Substantial investments were made during the 2019 legislative session for scholarships for individuals pursuing a teaching career. Laws 2019, Chapter 193 (House Bill 275) created the Teacher Preparation Affordability Act which authorizes the Higher Education Department (HED) to provide need-based scholarships prioritized for English learner and minority students pursuing a teacher education degree as well as students noting an intent to work in a high-need teaching position. The Act authorizes individual scholarships of up to \$6,000 per year for up to five years to pay for tuition, fees, books, course supplies, living expenses, and other education expenses.

The General Appropriation Act of 2019 included a \$10 million general fund revenue transfer to the teacher preparation affordability fund; however, the GAA did not include an appropriation of money from the fund, indicating the funds may not be used by HED without an appropriation. The Legislature will need to make a special appropriation during the 2020 legislative session to authorize HED to spend any of the transferred funds. Despite not having the authority to allocate the funds, HED made awards to institutions of higher education totaling \$5 million. See **Attachment 1, Teacher Preparation Affordability Scholarship Allocations**. It is unclear that \$5 million is the amount the Legislature should appropriate, however, HED has not responded to requests to provide details on the number of teacher candidates benefiting from the program.

Research shows grow-your-own programs are successful because they recruit diverse candidates who are often more representative of the student population than the current teacher work force. These programs can fill shortages in content areas of high need such as bilingual and special education.

Laws 2019, Chapter 230 (House Bill 20) created the Grow-Your-Own Teachers Act, a scholarship program for educational assistants who want to pursue a teaching degree. The Act requires public schools to grant scholarship recipients professional leave for college classes, exams, and practice teaching. Scholarship amounts will not exceed \$6,000 per year for a maximum of five years. Grow-your-own programs create local pipelines to recruit and retain talented individuals who have a comprehensive understanding of the needs of their community. The Grow-Your-Own Teachers Act has been touted to have the potential to recruit high-quality, diverse teachers who are experts on the needs of their specific community. Because the Grow-Your-Own Teachers Act is targeted to support educational assistants, there are no other requirements to how funds should be prioritized, although HED rule indicates scholarship awards may be prioritized for educational assistants who are closest to completion of licensure requirements; serve in a bilingual, early childhood, or special education setting; or serve in a high-need teacher position as defined by the Public Education Department. See **Attachment 2, Grow-Your-Own Teachers Scholarship Allocations**.

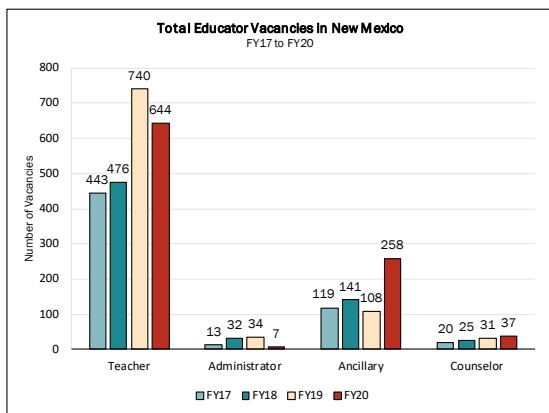
Pursuant to the Grow-Your-Own Teachers Act, HED was required to survey educational assistants prior to implementation of the scholarship program. Of over 1,000 educational assistants surveyed, 80 percent indicated they would complete coursework and assessments required for licensure if scholarship funds were made available, with almost half of the respondents indicating cost was among the biggest challenges to completing their teacher education degree.

The Deans and Directors encountered some obstacles in implementing the grow-your-own teachers scholarship program because the Grow-Your-Own Teachers Act defines “educational assistant” as an individual who has worked as an educational assistant in a public school for at least two years. Educational assistants turnover rapidly due to low pay and the demanding nature of the job. Additionally, often educational assistants use the job as temporary employment before obtaining a higher paying, less demanding job. Of the over 1,000 educational assistants surveyed by HED, over 300, or 30 percent, of respondents indicated they had been hired in 2017 or 2018, creating a large pool of educational assistants who do not meet the statutory requirement to qualify for the program. Some teacher preparation programs indicated this barrier posed challenges in disbursing all available funds pursuant to

the grow-your-own teachers scholarship program. The Legislature may want to consider amending the definition of an “educational assistant” to be an individual who has worked as an educational assistant in a public school for at least one year.

Retention

Fifty percent of teachers in New Mexico leave the profession in the first five years. Increased retention of teachers can be achieved through appropriate compensation for the professionalism and skill required of teachers. Increased retention and the quality of teachers can be supported through



financial incentives that are structured to ensure teachers stay in the profession longer.

Loan Repayment for Practicing Teachers. A growing teacher shortage led the Legislature to prioritize teacher retention during the 2019 legislative session with a particular focus on teacher diversity. Seventy-five percent of students in New Mexico classrooms are students of color; however, only 36 percent of teachers in New Mexico are teachers of color. Research shows students improve academic outcomes when their teacher looks like them. The Teacher Loan Repayment Act was amended by Laws 2019, Chapter 193 to build a more diverse teacher workforce and fill high-need positions. The amendments to the Teacher Loan Repayment Act changed statute to align with current educator workforce needs by prioritizing funds for teachers who are licensed and teach bilingual, early childhood, science, technology, engineering, mathematics, career technical, and special education due to the high vacancy rates in these teacher positions.

HED reports over 100 teachers apply annually for loan repayment awards, though HED only had enough funding to grant eight awards in FY19.

Additionally, payment and contract terms were amended to increase teacher retention. When the Teacher Loan Repayment Act was originally enacted, teachers could have their loans repaid by teaching in a designated high-risk position for a minimum of two school years. The amendments to statute now require teachers to have taught at least three years in New Mexico to qualify for loan repayment. Loan repayment recipients would then enter into a two-year contract to have their loans repaid over the subsequent years. HED would make annual payments to the teacher's lender not to exceed \$6,000 per completed year. Teachers would be able to enter into a maximum of four two-year contracts for a potential total maximum repayment award of \$48 thousand. These changes to the Act may lead to more teachers staying in the profession past the five-year mark because they require individuals to teach for three years and have their loans repaid over subsequent years — during which time the teacher will work to obtain a level 2 teaching license and receive a raise. This is important because 50 percent of level 1 teachers never move to a level 2 license.

Implementation of Programs

Per HED rule, and consistent with statute, institutions of higher education are required to determine initial and continuing student eligibility for the grow-your-own teachers and teacher preparation affordability scholarship programs, distribute awards to qualifying students, and annually provide HED with financial aid data, including income reported on the Free Application for Federal Student Aid and the number of students enrolled in the teacher preparation programs within the institution of higher education. Additionally, HED is required to allocate funds to institutions of higher education based on a student need formula calculated according to the financial aid data institutions of higher education are required to provide to HED. LESC has requested data on the number of students benefiting from these programs, including the type of teaching licensure and endorsement they are pursuing; however, only few institutions of higher education provided information.

HED engaged with the New Mexico Association of Colleges of Teacher Education, also known as the Deans and Directors before promulgating rules to implement the grow-your-own teachers and teacher preparation affordability scholarship programs

and indicated individual institutions should ensure students were aware of these programs such that institutions of higher education would have waitlists for the programs. Although the Deans and Directors appreciated the collaboration on the front end, the group reports the turnaround time to ensure students had access to the funds was too quick. LESC recommends HED ensures communication and establishes realistic timelines so institutions of higher education can be aware of available funds and disburse them appropriately.



Teacher Preparation Affordability Scholarship Allocations

FY20

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|-----------------------------------|---------------------------------------|--------------|
| Research Universities | NM Tech | \$20,757 |
| | NMSU Main | \$638,584 |
| | UNM Main | \$1,036,630 |
| Comprehensive Universities | ENMU Main | \$514,042 |
| | NMHU Main | \$479,853 |
| | Northern NMC | \$52,503 |
| | WNMU Main | \$256,410 |
| Branch Community Colleges | ENMU Roswell | \$29,304 |
| | ENMU Ruidoso | \$8,547 |
| | NMSU Alamogordo | \$34,188 |
| | NMSU Carlsbad | \$29,304 |
| | NMSU Dona Ana | \$239,316 |
| | NMSU Grants | \$29,304 |
| | UNM Gallup | \$133,089 |
| | UNM Los Alamos | \$18,315 |
| | UNM Taos | \$34,188 |
| | UNM Valencia | \$95,238 |
| | Independent Community Colleges | Clovis CC |
| CNM CC | | \$820,513 |
| Luna CC | | \$25,641 |
| Mesa CC | | \$15,873 |
| NM Junior College | | \$74,481 |
| SFCC | | \$221,001 |
| SJC | | \$105,006 |
| Tribal Colleges | | Dine College |
| | SIPI | \$ 15,873.00 |
| Total | | \$5,000,000 |

Source: HED

Grow-Your-Own Teachers Scholarship Allocations

FY20

| | | |
|---------------------------------------|-------------------|-----------|
| Research Universities | NM Tech | \$1,708 |
| | NMSU Main | \$70,934 |
| | UNM Main | \$112,128 |
| Comprehensive Universities | ENMU Main | \$48,428 |
| | NMHU Main | \$46,117 |
| | Northern NMC | \$5,225 |
| | WNMU Main | \$27,027 |
| Branch Community Colleges | ENMU Roswell | \$4,220 |
| | ENMU Ruidoso | \$804 |
| | NMSU Alamogordo | \$3,517 |
| | NMSU Carlsbad | \$3,115 |
| | NMSU Dona Ana | \$27,730 |
| | NMSU Grants | \$3,115 |
| | UNM Gallup | \$12,760 |
| | UNM Los Alamos | \$1,708 |
| | UNM Taos | \$3,617 |
| | UNM Valencia | \$10,047 |
| Independent Community Colleges | Clovis CC | \$1,105 |
| | CNM CC | \$78,168 |
| | Luna CC | \$3,014 |
| | Mesa CC | \$1,407 |
| | NM Junior College | \$7,134 |
| | SFCC | \$19,492 |
| | SJC | \$11,052 |
| Tribal Colleges | Dine College | \$6,430 |
| Total | | \$510,000 |

Source: HED