

NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR: Garcia, M.P. DATE TYPED: 2/19/03 HB 380/aHEC
 SHORT TITLE: Salary Differential for Certain Teachers SB _____
 ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$428.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Relates to:

HB 177, SCHOOL DIFFERENTIAL PAY ACT
HB 183 & SB 216, EDUCATONAL PROGRAM COST CALCULATIONS (identical bills)
SB 232, RECRUIT NATIONAL BOARD CERTIFIED TEACHERS

Relates to Appropriation for the State Department of Education in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From
 State Department of Education (SDE)
 Commission on Higher Education (CHE)

SUMMARY

Synopsis of HEC Amendment

The amendment adopted by the House Education Committee strikes the reversion clause and makes sections 1 and 2 consistent.

Synopsis of Original Bill

House Bill 380 requires that a salary differential of \$4,000 be awarded to any teacher who is certified by the National Board for Professional Teaching Standards (NBPTS) and teaches in a New Mexico public school that has at least 90% of the students attending the school receive a free lunch; and appropriates \$428.0 to the SDE from the general fund for expenditure in fiscal year 2004 and subsequent years to carry out the provisions of this act.

Significant Issues

Schools with a high concentration of low-income students score consistently low on standardized tests and usually have a higher percentage of teachers who do not fully meet certification standards adopted by the State Board of Education (SBE). Research studies, along with conventional wisdom, strongly suggest these are the schools and students who need and deserve the most qualified teachers available.

FISCAL IMPLICATIONS

The appropriation of \$428.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

RELATIONSHIP

HB 380 relates to:

HB 177, which enacts the School Differential Pay Act to address the shortage of qualified teachers in elementary schools that have a high percentage of low-income students by providing differential pay incentives of \$3,000 a year for no more than four years to teachers with master's degrees who agree to teach in those schools and appropriates \$2,000.0 from the general fund for the purposes of the Act, and to

HB 183 & SB 216, identical bills which amend the Public School Finance Act by adding National Board for Professional Teaching standards (NBPTS) certification to the itemized program units in the program cost calculation by providing a method to calculate a one time salary differential for NBPTS-certified teachers; and appropriates \$470.0 from the general fund to SDE for this purpose.

SB 232, which appropriates \$300.0 to the SDE to recruit and assist qualified teachers to become NBPTS certified.

TECHNICAL ISSUES\AMENDMENTS

The bills authorizes expenditures in fiscal year 2004 and subsequent years and also carries a fiscal year 2004 reversion clause. It is recommended the bill be amended so the two sections are consistent.

POSSIBLE QUESTIONS

1. Has this approach to compensating instructors for teaching in schools with a high concentration of students from low-income families been tried anywhere else?
2. How did you determine that \$4,000 would be a viable incentive for NMPTS certified teachers to go to schools with a high concentration of low-income students?
3. Are there other incentives that could be used to encourage our best teachers to accept assignment to these schools?