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FISCAL IMPACT REPORT

SPONSOR Stewart DATE TYPED 2/3/04 HB 243

SHORT TITLE Minimum Teacher Salary Phase-in SB _____

ANALYST Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$26,325.0		See Narrative	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to Appropriation in the General Appropriation Act

Relates to the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Public Education Department (PED)

SUMMARY

Synopsis of Bill

The bill accelerates the scheduled base salary phase-in tied to licensure levels for teachers by two years. Level II teachers would receive \$40 thousand guaranteed base pay in FY05. Level III teachers would receive \$50 thousand guaranteed base pay in FY06. The bill also amends language in the law to read that requirements must be met pursuant to department-approved criteria instead of state board-approved.

Significant Issues

According to the PED, the “high objective uniform standard of [teacher] evaluation” goes into effect on July 1, 2004. Under this bill, Level II teachers would already receive their full base salary guarantee before they have been evaluated on the new standard. PED plans to begin training administrators on the new system in the summer of 2004 and as the new school year begins. This bill would require that full training on the evaluation system be conducted be accelerated.

FISCAL IMPLICATIONS

HB 243 does not contain an appropriation. However, the PED projects a recurring expense to the general fund of \$26,325 million to implement the Level II provisions of the bill in FY05. The expense will be recurring. Costs to accelerate the Level III tier are indeterminate because the effects of “grandfathering” existing teachers in Level III are unknown. Consequently, the previous estimate of \$10, 376.5 becomes the best but uncertain estimate.

ADMINISTRATIVE IMPLICATIONS

The PED reports that:

“Moving up the implementation of salary increases would bring additional pressure on the Public Education Department (PED) to get all components of the new teacher evaluation system in place and train all administrators quickly on the new system. Public school administrators would also have to evaluate all Level II and Level III teachers on the new standards in 2004-2005 while also evaluating all Level I teachers as a matter of course. That means all teachers in New Mexico, 21,000+, would have to be intensely evaluated in one year, which would be an enormous task.”

LB/yr:lg