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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/5/06

SPONSOR Stewart LAST UPDATED 2/7/06 HB 418/aHEC

SHORT TITLE Instructional Support Provider Licensure SB \_\_\_\_\_

ANALYST Aguilar

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	See Fiscal Implications	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to House Bill-206, HJM-37, HB-164, SB-162  
 Relates to Appropriation in the General Appropriation Act

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY06	FY07	FY08	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$250.0	\$250.0	\$500.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)  
 Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 418 makes technical adjustments to language, provides for the implementation of the instructional support provider licensure and compensation framework beginning with the 2007-2008 school year, removes appropriations and removes the emergency clause.

## **FISCAL IMPLICATIONS**

House Bill 418 as amended establishes a licensure and compensation framework for instructional support providers and provides for it to be implemented in FY08. Although there is no longer an appropriation attached, the LFC remains concerned about increasing recurring out-year obligations before completing existing initiatives. Implementing the final year of the teacher career ladder is scheduled for FY08 as is the implementation of minimum salaries for principals.

### Synopsis of Original Bill

House Bill 418 appropriates \$6.2 million from the general fund to the public education department for implementing a licensure and compensation framework for certain instructional support providers.

The bill declares an emergency.

## **FISCAL IMPLICATIONS**

The appropriation of \$6.2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

The fiscal impact on PED and on public school districts appears to be significant. The department notes the requirement in the bill to design and implement a statewide evaluation system within a five month time period. HB 418 requires the PED to develop a highly objective evaluation system for instructional support providers by the 2006-2007 school year. The term “instructional support provider” covers approximately twenty professional positions including nurses, audiologists; diagnosticians; speech language pathologists; occupational, recreational, and physical therapists; psychologists, counselors, and others. Further, provisions contained in the bill require the evaluation system to be in place prior to the implementation of the salary structure. Based on the cost of the evaluation system design for the teacher evaluation system and the time required to implement it, the department estimates an annual cost of \$250 thousand and at least two years to accomplish this work.

The LFC remains concerned about increasing recurring out-year obligations before completing existing initiatives. Implementing the final year of the teacher career ladder is scheduled for FY08 as is the implementation of minimum salaries for principals.

## **SIGNIFICANT ISSUES**

HB 418 requires PED to develop and implement a three-tiered licensure system for instructional support providers whose profession requires a license and a bachelor’s degree or higher.

The requirement of the bill directing the department to design and implement an evaluation system prior to the 2006-2007 school year does not appear to be achievable given the lack of funding in the bill for this effort and the limited time, particularly coupled with the requirement the department is to consult with professional licensing boards and professional organizations.

Minimum salaries for the three levels of licensure would be \$30,000; \$40,000; and \$50,000, re-

spectively. These minimum salaries would go into effect for the 2006-2007 school upon the adoption by PED of the evaluation system.

The bill authorizes PED to adopt rules considering verified employment as a certified professional in a clinical or parallel setting in lieu of experience in a school setting when determining placement of instructional support providers in the licensure levels.

### **PERFORMANCE IMPLICATIONS**

The Office of Educational Accountability note increasing the rigor of the evaluation system for instructional support providers may address one of New Mexico's biggest challenges in terms of helping schools meet the NCLB requirements of Adequate Yearly Progress (AYP). Many of the instructional providers including physical therapists, speech language pathologists, social workers, and diagnosticians work with students with disabilities. An OEA analysis of 416 New Mexico schools that failed to make AYP in 2005 revealed that 126 of these schools failed to make AYP only because of students with disabilities. Over 90% of these special education subgroups failed to make AYP in reading and 66% failed to make AYP in mathematics. Much of the burden of helping students with disabilities falls on the shoulders of instructional support providers.

### **ADMINISTRATIVE IMPLICATIONS**

Provisions contained in the bill require PED to provide a progressive licensing framework as well as develop a highly objective performance evaluation. The department notes the effort required to develop and implement the teacher evaluation

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB 164 and SB 162 require the design of a statewide competency evaluation system for principals and assistant principals. If enacted, the design of an evaluation system for principals and assistant principals would have to be accomplished at the same time as the systems identified in this bill. Neither HB 164 nor SB 162 provides appropriations for accomplishing these tasks.

House Joint Memorial 37 requests PED to study criteria that could be used to develop a three-tiered career ladder and salary schedule similar to that adopted for public school teachers. HJM 37 does not include a timeline for the completion of this study.

### **TECHNICAL ISSUES**

It is important to note that classroom teachers, after a few years of teaching, become instructional support providers particularly with respect to teachers who become counselors. Under provisions contained in this bill, a level 2 or level 3A teacher who became a counselor would have to start as a level one instructional support provider licensure. The individual could be forced to move from a minimum \$40,000 teacher salary back to a minimum \$30,000 instructional support provider salary. The provision on page 3, lines 16-20 do not clearly authorize the department to establish in rules how a new instructional support provider could be placed at level two or three in order with respect to the level of teaching license.

**OTHER SUBSTANTIVE ISSUES**

PED notes that educational diagnosticians have completed their study and developed a rule and an evaluation component for a three-tiered system. Their work could serve as a model for the other instructional support providers.

PA/yr:mt