Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may 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	Papen	ORIGINAL DATE LAST UPDATED	2/2/06	HB	
SHORT TITI	EEE	tant Licensing Framewor	°k	SB	232
			ANAL	YST	Aguilar

APPROPRIATION (dollars in thousands)

Арргор	riation	Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$5,866.3	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates House Bill 206

Relates to an Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Public Education Department (PED) Department of Finance and Administration (DFA) State Personnel Office (SPO)

SUMMARY

Synopsis of Bill

Senate Bill 232 appropriates \$5.9 million from the general fund to the public school fund for the purpose of implementing an educational assistant licensing framework.

The bill establishes a four-tiered licensure framework for educational assistants; sets forth the requirements for licensure and provides for minimum salary guarantees statewide for educational assistants at each licensure level. The minimum salaries are:

- Level One \$12,000
- Level Two \$13,000
- Level Three \$15,000
- Level Four \$17,000.

Senate Bill 232 – Page 2

School districts must implement a career salary framework for educational assistants that supports the licensure system, including salary increments above the minimums based on training and experience. The PED is authorized to promulgate transition rules and rules' assuring that levels three and four meet the paraprofessional standards of the federal No Child Left Behind Act of 2001.

FISCAL IMPLICATIONS

The appropriation of \$5.9 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.

House Bill 2 contains appropriations of \$7.1 million for a 9.5 percent salary increase for educational assistants.

The three-tier career ladder for teachers is in it fourth year of implementation while the principal's ladder is poised for implementation beginning in FY08. The LFC is concerned that adding additional out-year obligations before meeting existing responsibilities may cause budget issues to arise in the future.

SIGNIFICANT ISSUES

As of the 120th day of school year 2004-2005, there were approximately 5858.93 full-time equivalent educational assistants whose salaries were paid from state operational funds. The FTE breakdown of licensure levels is 438.78 Level 1, 873.88 Level 2, and 4546.27 Level 3 educational assistants. There are currently no Level 4 licensed educational assistants in the state of New Mexico as the level does not exist.

PED notes the level one license is a three-year license for beginning educational assistants who do not meet the requirements for higher levels of licensure. The level one EA must be a high school graduate, be at least 18 years of age and complete a local orientation session pertinent to his/her work assignment. An EA must be intensively evaluated locally for at least two years before advancing to level two.

The level two license is a nine-year license. A level two EA meets the same requirements as level one and is evaluated annually.

The level three license is a nine-year license that is issued to an EA who meets all of the requirements of a level two EA plus has completed at least 48 semester hours of postsecondary non-remedial coursework that prepares the EA to work effectively in instructional support or has demonstrated competency by passing a state-approved test or through a locally administered portfolio assessment. The level three EA is also evaluated annually.

A level four EA license is for nine years and requires the EA to meet all of the requirements of a level three license as well as earning an associate's degree or higher.

Senate Bill 232 – Page 3

It is important to note that of the four tiers, only educational assistants in levels 3 & 4 meet the No Child Left Behind requirements of being highly qualified. Although this requirement is only needed for working in Title I schools, highly qualified personnel should be assigned to all schools.

An EA may be issued a level three or four license if he/she qualifies for either of those levels, without first holding levels one and two licensure. This is important for recruiting EA's who must meet the paraprofessional status required by NCLB

PERFORMANCE IMPLICATIONS

Supporters of SB-232 argue that higher salaries and more rigorous qualifications for educational assistants who have instructional duties in Title 1 schools will result in better academic performance for students. Since Title 1 schools serve the children most in need of support, this effort may help New Mexico reduce the achievement gap, particularly for poor and minority students.

ALTERNATIVES

The Legislature may wish to consider leaving the base salary for educational assistants at \$12 thousand and creating only two additional tiers only for those assistants achieving No Child Left Behind certification.

PA/nt:mt