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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/2007

SPONSOR Stewart LAST UPDATED 2/16/07 HB 199

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

ANALYST Dearing

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
\$250.0		Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>			*\$5,450.0	*\$5,450.0	Non- recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB-188  
Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files  
LESC Files

Responses Received From  
Public Education Department (PED)  
Department of Finance and Administration (DFA)

### FISCAL IMPLICATIONS

#### Synopsis of Bill

House Bill 199 appropriates \$250 thousand from the general fund for expenditure in FY07 and FY08 to the public education department for creating a licensure and compensation framework for certain instructional support providers. Enactment of House Bill 199 includes an FY09 migration to a three-tiered minimum salary structure similar to that existing for the State's

teachers, with levels at \$30,000, \$40,000, and \$50,000 for specified instructional support providers.

The bill declares an emergency.

Although this legislation appropriates \$250 thousand in FY08, there is an additional, recurring cost to provide three-tiered licensure. The cost estimated for an FY07 proposal had been \$6.2 million. It should be noted that this cost is dependent on the level of “other” compensation increases prior to the 2009 implementation of the bill’s provisions and would be at progressively lower levels when including intermediate compensation increases. Under various compensation scenarios, the FY09 costs to implement a three-tiered salary structure for instructional support providers ranges from a high of \*\$6.3 million to as low as \$4.1 million, depending on the incremental intermediate compensation increases.<sup>1</sup>

Based on the cost of the evaluation system design for the teacher evaluation system and the time required to implement it, the PED estimates an annual cost of \$250.0 for at least two years to accomplish the evaluation system design. PED’s estimate includes a temporary education administrator-O position or equivalent contractor for six months (1,040 hours @ \$22.74) with benefits (30%) or a total annual staff cost of \$30.7 and other administrative costs as necessary.

The LFC remains concerned about increasing recurring out-year general fund obligations.

## **SIGNIFICANT ISSUES**

The fiscal impact on PED and on public school districts from this legislation appears to be significant, however, will be a recurring out-year increase to existing salary expenditure. The appropriation of \$250 thousand to create a licensure and compensation framework for certain instructional support providers will be a preliminary expenditure prior to the incorporation of a three-tiered salary structure for this group. 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 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.

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 notes 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

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<sup>1</sup> Estimated additional budgetary impact based on mid-point of estimates @ \$5.2 million, plus \$250 thousand in evaluation development costs for a total add'l budgetary cost of \$5.45 million.

instructional providers including physical therapists, speech language pathologists, social workers, and diagnosticians work with students with disabilities. 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.

### **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.

The bill authorizes reciprocity of instructional support provider licensure with other states. The bill also requires that providers work at levels one and two for three full years before advancement to the next higher licensure level.

The evaluation system must be adopted by 2008-2009, in order to migrate to a three-tiered salary structure.

### **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.

PD/mt