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 and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Smith LAST UPDATED HB 139 SHORT TITLE Adjunct Instructors Act SB				ORIGINAL DATE	01/23/14		
	SPONSOR	Smith	1	LAST UPDATED		HB	139
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ANALYST Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Unknown	Unknown			Operating Budget

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 57

SOURCES OF INFORMATION LFC Files

<u>No Response</u> Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 139 creates the Adjunct Instructors Act, allowing the certification and contracting of adjunct instructors in the public school code. The act requires background checks for instructors under Section 22-10A-5 NMSA 1978 of the School Personnel Act, but other provisions of the School Personnel Act shall not apply to adjunct instructors.

FISCAL IMPLICATIONS

This bill does not contain an appropriation. However, PED will be required to administer this new initiative. The department is struggling to effectively maintain day-to-day operations and a number of current initiatives - both new and existing. Given ongoing vacancy levels, the department may not have sufficient staff to effectively administer this new initiative while maintaining quality administration of existing initiatives.

The bill may have significant fiscal implications for the department and school districts depending on the number of applications received and reviewed. Staffing levels may need to be increased in the future to accommodate these new duties and may result in future requests for

increased general fund support.

SIGNIFICANT ISSUES

HB 139 specifies that a local school board, including the governing body of a charter school, shall have the authority to enter into a contract for services with an adjunct instructor. The School Personnel Act shall not apply to adjunct instructors, except for the applicability of Section 22-10A-5 NMSA 1978 regarding background checks.

Provisions of the Adjunct Instructor Act include: 1) the amount of compensation shall be determined by the school board; 2) the adjunct instructor may not be contracted for more than 20 hours per week; and 3) the adjunct instructor is ineligible for health plan benefits or accrual of service credit or employee/employer contributions for retirement or deferred compensation benefits. The term of the contract for services and any renewal of the contract for services shall not exceed one school year, and a local school board may terminate the contract at any time during the contract period. Also, school district or charter school may act on information received from a background check and refuse to approve a person as an adjunct instructor.

The Adjunct Instructor's Act would include additional provisions as to minimal qualifications of adjunct instructors. These include: 1) a bachelor's degree; 2) a minimum of three years' experience in the area of expertise in which the instructor will provide services; 3) the instructor must pass the New Mexico teacher assessments in each area of expertise in which services will be provided; and 4) completes a department-approved pedagogy course provided by the department, a school district or a regional education cooperative. The department may establish other requirements.

ADMINISTRATIVE IMPLICATIONS

There may be additional administrative expenses in hiring and performing background checks for adjunct instructors. The bill currently does not include fee requirements for adjunct instructors to obtain and maintain certification. The educator licensure bureau collects license renewal fees, currently \$95 for teaching, administrative and instructional support providers. However, no such fee is included for adjunct instructors to help defray the administrative costs of implementing the new initiative. The department should consider implementing a fee to cover increased workload caused by the bill.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill duplicates SB 57.

TECHNICAL ISSUES

While the term of the contract for services of an adjunct instructor is limited to one year, the bill currently does not provide timelines for adjunct instructor certification. The department should put expiration of certification in place to ensure adjunct instructors are held to the same standard as all public school teachers and support staff. The bill also does not say if or how adjunct personnel will be evaluated to determine teacher effectiveness.