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FISCAL IMPACT REPORT

Thomson/Stapleton/
 Martinez, R/Trujillo, **ORIGINAL DATE** 2/14/2019
SPONSOR L/Trujillo, CH **LAST UPDATED** _____ **HB** 446/aHEC
SHORT TITLE Dual-Licensed Providers in 3-Tier Licensure **SB** _____
ANALYST Lobaugh

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$227,915.7	\$227,915.7	\$455,831.4	Recurring	School District and Charter School Operating Budgets

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB31, HB46, and SB437

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Educational Retirement Board (ERB)
 New Mexico Public Schools Insurance Authority (PSIA)

Responses Not Received From

Public Education Department (PED)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 446 would add language to the School Personnel Act stating that “a dual-licensed instructional support provider is licensed as one of the following professions: (1) audiologist; (2) interpreter for the deaf; (3) speech-language pathologist; (4) diagnostician; (5) psychologist; (6) social worker; (7) nurse; (8) counselor; (9) physical therapist; (10) occupational therapist; and (11) any other professional that meets the educational, licensure and other qualifications to be a dual-licensed instructional support provider.” This language appears to align with the existing statutory definition of “instructional support provider” (Section 22-1-2.F NMSA 1978).

Synopsis of Original Bill

State statute defines “instructional support provider” as a person who is employed to support the instructional program of a school district, including educational assistants, school counselors, social workers, school nurses, speech-language pathologists, psychologists, physical therapists, occupational therapists, recreational therapists, marriage and family therapists, interpreters for the deaf and diagnosticians (Section 22-1-2.F NMSA 1978).

House Bill 446 amends the School Personnel Act to add dual-licensed instructional support providers to the three-tier licensure system for teachers and school administrators. HB446 would raise the minimum salaries, for a standard nine and one-half month contract, for teachers and dual-licensed instructional support providers to \$45 thousand with Level I licensure, \$55 thousand with Level II licensure, and \$65 thousand with Level III-A licensure. HB446 requires that the minimum salary for dual-licensed instructional support program administrators, with Level III-B licensure, be the same as the minimum salary of an assistant school principal multiplied by the applicable responsibility factor. HB446 does not contain an appropriation.

HB446 specifies that a licensed instructional support professional seeking initial Level I dual-licensure would be required to have:

- A baccalaureate or higher degree from an accredited educational institution as required for professional licensure;
- A New Mexico license to practice the instructional support provider’s profession; and
- Passed any Public Education Department (PED) examination or additional qualification requirements required by PED, including clearance of the required background check.

Under HB446, a dual-licensed instructional support provider would be eligible for Level II dual-licensure after meeting PED requirements and demonstrating essential competencies. Dual-licensed instructional support providers seeking Level III dual-licensure would be required to have:

- Three years of experience as a Level II dual-licensed instructional support provider; and
- A master’s or doctoral degree in the instructional support provider’s licensed profession.

FISCAL IMPLICATIONS

HB446 does not contain an appropriation. LFC staff estimate that HB446 would require an additional \$227.9 million in operating budget expenditure for public school districts and charter schools. The estimate of \$227.9 million includes \$185.3 million to increase salaries and \$42.6 million to cover the cost of additional employee benefits, which PED estimates at 23 percent. The LFC staff analyzed a dataset from PED which includes public school staff salary information from the first reporting date (40th day) of the 2018-2019 school year. Based on this dataset, HB446 would raise the salaries of 5,305 out of 5,830 educational assistants and other instructional support providers.

The current licensure levels for instructional support providers (i.e. Levels I, II, and III) are not associated with minimum salary requirements (see Significant Issues section) and are not aligned

with the teacher and school administrator licensure system salaries. For example, the average salary for full-time Level III educational assistants is around \$17.4 thousand, whereas the minimum salary for Level III-A teachers in state statute is currently \$54 thousand.

SIGNIFICANT ISSUES

PED currently issues instructional support provider licenses to eligible professionals who have valid licenses in their respective professions. According to PED administrative rules (6.63.3 NMAC), PED issues instructional support provider licenses in the following manner:

- Level I three-year provisional licensures to those providers with fewer than three full school years of school experience in the service area of the license;
- Level II, nine-year professional licensure to those providers with three to five full school years of school experience in the service area of the license; and
- Level III, nine-year instructional support leader, to those providers with six or more full years of school experience in the service area of the license.

Under the current PED licensure system for instructional support providers, there are not minimum salaries associated with each licensure level for instructional support providers.

ADMINISTRATIVE IMPLICATIONS

School districts and charter schools would need to adjust their salary schedules for instructional support providers for FY20 and subsequent fiscal years. School districts and charter schools would also need to adjust their operating budgets in order to absorb additional operating budget costs.

The Educational Retirement Board (ERB) reports that wages for dual-licensed instructional support providers would be considered “salary” under the Educational Retirement Act and ERB rules for contribution and benefit calculation purposes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB446 relates to House Bill 31, which would increase the state’s minimum wage rate to \$12 per hour by 2022 with future increase indexed to inflation; House Bill 46, which would increase the minimum wage to \$15 per hour by 2020 with future increases indexed to inflation; and Senate Bill 437, which gradually increases the state minimum wage to \$10 per hour (secondary school students would have separate minimum wage of \$8.50 per hour).

TECHNICAL ISSUES

The plain language of HB446 would suggest that the terms “dual-licensure” and “dual-licensed” refer to a person simultaneously having 1.) a license to practice a specific profession in the state of New Mexico and 2.) a license from PED to be an instructional support provider in a given profession working in a public school. However, the terms “dual-licensure” and “dual-licensed” are not specifically defined either in the current Public School Code, PED’s current administrative rules for instructional support providers (6.63.3 NMAC), or HB446.

HB446 sets new minimum salaries for instructional support providers, which includes educational assistants (Section 22-1-2.F NMSA 1978), but does not amend the existing section

of statute which sets a minimum annual salary of \$12 thousand for licensed educational assistants (Section 22-10A-17.1 NMSA 1978).

CSL/gb/sb