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 (<a href="www.nmlegis.gov">www.nmlegis.gov</a>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

# FISCAL IMPACT REPORT

SPONSOR	Ma	drid/Garratt	ORIGINAL DATE LAST UPDATED	2/18/19	НВ	495
SHORT TITI	LE	Level 1 Teacher	Mentoring		SB	
				ANAL	YST	Liu

# **APPROPRIATION (dollars in thousands)**

Appropr	iation	Recurring	Fund	
FY20 FY21		or Nonrecurring	Affected	
\$2,500.0	\$0.0	Recurring	General Fund	

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 5, SB 1

Duplicates Appropriation in the General Appropriation Act

#### SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

#### **SUMMARY**

Synopsis of Bill

House Bill 495 appropriates \$2.5 million from the general fund to PED for the purpose of mentoring level 1 teachers as required by Section 22-10A-7 NMSA 1978. Any unexpended or unencumbered balance remaining at the end of FY20 will revert to the general fund.

# FISCAL IMPLICATIONS

Prior to FY11, PED received a general fund appropriation between \$900 thousand and \$2 million each year to provide beginning teacher mentorship through a special "below-the-line" program. To address impacts of the Great Recession, funding for this initiative was reprioritized between FY11 and FY14. In FY15, a \$1.5 million recurring appropriation for beginning teacher mentorship was added to the base of the state equalization guarantee (SEG) distribution, essentially building costs for beginning teacher mentorship programs into the recurring operational funding for school districts and charter schools. In FY16, \$1 million was appropriated to PED for Teachers Pursuing Excellence (TPE), a teacher mentorship program

#### House Bill 495 - Page 2

modeled after the state's Principals Pursuing Excellence principal mentorship program. The Legislature has consistently funded this below-the-line program each year, providing \$2 million for TPE in FY19. Similarly, the executive and LFC FY20 budget recommendation for public schools includes \$2.5 million for teacher mentorship.

This bill would provide a \$2.5 million appropriation for beginning teacher mentorship in addition to the \$1.5 million base amount in the SEG and PED below-the-line appropriation for teacher mentorship.

## **SIGNIFICANT ISSUES**

Data from PED shows New Mexico public schools employed 22.6 thousand teachers in FY17, 21.7 thousand teachers in FY18, and 23.6 thousand teachers in FY19. PED notes in FY17, 2,986 teachers entered the classroom for the first time and about 10 percent of teachers in New Mexico are new each year. Historic trends in the last decade suggest New Mexico maintained a relatively consistent supply of teachers each year; however, newer teachers turned over sooner, and experienced teachers left the profession faster than those replacing them. Between FY08 and FY15, the New Mexico teaching workforce fell and rose slightly. The total number of licensed teachers fell from 22.3 thousand in FY08 to 21.4 thousand in FY13 before increasing slightly to 21.7 thousand in FY15. Over this same period, the annual number of teachers leaving the profession increased from 2,546 teachers in FY08 to 3,033 teachers in FY15, outpacing the number of new teachers entering the workforce.

According to the Learning Policy Institute (LPI), teachers in the United States are less likely than teachers in top-performing countries to have mentors, adequate preparation, involvement with curriculum and assessment planning, and compensation competitive with other professions. On average, teachers in the U.S. tend to spend more time teaching larger class loads with more low-income students. Teacher attrition rates are higher, and enrollment in teacher preparation programs has declined in recent years. LPI notes teachers who receive effective mentoring are twice as likely to be retained as a teacher than peers who did not receive mentoring support.

For 2017, LPI rated New Mexico on par with the U.S. average in teacher equity due to having more teachers of color and fewer inexperienced and uncertified teachers in high-minority classrooms. Although the institute rated New Mexico significantly worse for teaching attractiveness due to testing-related job insecurity, higher turnover rates, and more inexperienced teachers overall, LPI found wage competitiveness with other professions in New Mexico, administrative support, and collegiality within schools was on par with the national average.

The Legislature appropriated \$2 million in FY19 for TPE programs, which provide cohorts of teachers with professional development and mentoring for two years. PED reports that teachers participating in TPE programs improved their teacher evaluation ratings. PED also reports that students at TPE schools achieved higher growth than the state average growth on PARCC exams. According to PED, students of TPE teachers experienced 4.5 times more growth than the state average growth in PARCC English language arts proficiency, and 2.7 times more growth in PARCC math proficiency from 2016 to 2017. Professional development and mentoring programs for teachers, such as TPE, may help teacher recruitment and retention.

The bill references Section 22-10A-7 NMSA 1978, which requires each school district to provide mentorship and evaluation of level 1 teachers. Although not referenced in the bill, Section 22-

#### House Bill 495 – Page 3

10A-9 NMSA 1978 provides a statutory framework for beginning teacher mentorship, requiring level 2 or level 3 mentors to provide mentorship services to first-year teachers. The statute further authorizes PED to provide funding for mentorship services, if funds are available, beyond the first year if a school district or charter school certifies a need for further mentorship. However, the state is not permitted to pay for more than 3 years of mentorship for any beginning teacher.

## **ADMINISTRATIVE IMPLICATIONS**

PED will need to train districts on how to apply for these funds and assign employees to administer and evaluate this program.

## **DUPLICATION, RELATIONSHIP**

This bill relates to House Bill 5 and Senate Bill 1, which require schools to report on beginning teacher mentorship programs annually in an educational plan.

This bill duplicates an appropriation in the General Appropriation Act.

#### OTHER SUBSTANTIVE ISSUES

Enrollment and program completions at New Mexico educator preparation programs (EPP) continue to decline, with over a 40 percent decrease in teachers graduating in the last six years. The LFC's 2018 Progress Report, *Teacher and School Leader Preparation Programs*, found PED and EPPs have raised standards for teacher candidates in recent years by increasing GPA requirements and teacher licensure exam cut scores. Additionally, PED developed an A-F grading system for EPP approval in 2018, enhancing accountability for the performance and characteristics of EPP teacher candidates. However, between FY12 and FY16, New Mexico EPP candidate enrollment decreased by 58 percent and program completion decreased by 34 percent. Nationally, enrollment in education degree programs is also declining, creating teacher shortages in high-need areas and pushing some schools to start recruiting internationally to fill teacher positions.

According to New Mexico State University's Southwest Outreach Academic Research Lab, there were 1,173 school personnel vacancies in New Mexico school districts as of October 1, 2018, including 740 teacher vacancies. Despite demand for more teachers, PED reports New Mexico's statewide average student-to-teacher ratio was 15:1 in FY18, suggesting teacher shortages are concentrated in specific areas or regions and low teacher retention may be a root cause.

## WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Beginning teacher mentorship will continue to be funded through the SEG and PED teacher mentorship initiatives.

SL/al