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## FISCAL IMPACT REPORT

**LAST UPDATED** \_\_\_\_\_

**SPONSOR** Sariñana/Ferrary/Trujillo/Soules **ORIGINAL DATE** 1/31/23

**BILL**

**SHORT TITLE** National Board Certified Program Units **NUMBER** House Bill 181

**ANALYST** Liu

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

|       | FY23 | FY24                   | FY25                   | 3 Year<br>Total Cost   | Recurring or<br>Nonrecurring | Fund<br>Affected |
|-------|------|------------------------|------------------------|------------------------|------------------------------|------------------|
| Total |      | \$439.0 -<br>\$1,176.3 | \$439.0 -<br>\$1,176.3 | \$878.0 -<br>\$2,352.6 | Recurring                    | General Fund     |

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Legislative Education Study Committee (LESC) Files

No Response Received

Public Education Department (PED)

## SUMMARY

### Synopsis of House Bill 181

House Bill 181 amends the Public School Code to allow licensed school employees certified by the National Board for Professional Teaching Standards (NBPTS) to generate program units in the public school funding formula beginning in FY24.

## FISCAL IMPLICATIONS

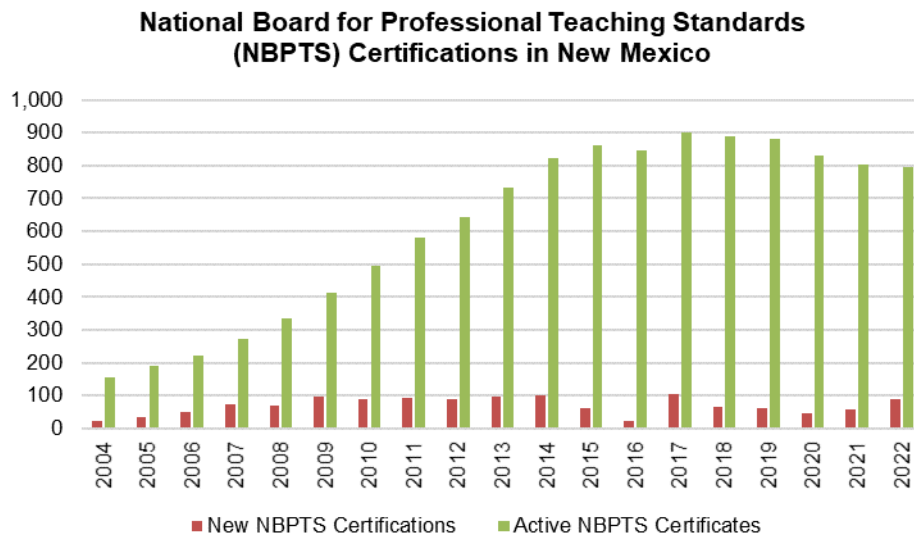
The bill does not make an appropriation; however, changes in program units may affect how funding is distributed to school districts and charter schools through the public school funding formula. Program units are currently counted for NBPTS-certified teachers only, which have increased since FY04 when the component was introduced to the funding formula. According to NBPTS data, the number of valid NBPTS-certifications in New Mexico increased from 155 educators in FY04 to 797 educators in FY22. By expanding the definition for program units from “teachers” to “licensed school employees,” additional program units may be realized. Without an increase in funding through the formula, additional program units may dilute funding for all public schools statewide.

Based on preliminary FY23 program units, the funding formula accounted for 744 teachers holding a NBPTS certificate. These teachers each generated 1.5 program units, resulting in a total of 1,116 program units generated statewide. At the current unit value of \$5,522.50, the funding distribution for these units amount to nearly \$6.2 million.

Assuming the difference between the total National Board certified teachers counted by NBPTS and the funding formula (i.e. 53 individuals) is attributable to licensed employees that are not current teachers of record, the potential fiscal impact of including these individuals in the funding formula could be up to 79.5 new program units, or \$439 thousand. According to NBPTS, there were 89 NBPTS-licensed individuals whose license recently expired in 2022. These individuals may be in the process of renewing their license and may increase the costs of these provisions up to \$1.2 million.

## SIGNIFICANT ISSUES

Since FY04, NBPTS certifications have increased substantially but have declined from peak certifications in FY17, when 900 educators had active certifications. NBPTS-certified teachers receive additional compensation through the funding formula for maintaining the certification, which is about \$8,284 for FY23. Since FY21, New Mexico has provided \$500 thousand in scholarships to prospective educators seeking NBPTS certification. According to the New Mexico National Board Certified Teacher Network, PED awarded 263 scholarships to NBPTS candidates, Los Alamos National Laboratory Foundation awarded 15 scholarships, and Permian Basin Grant supported 36 teachers in FY23.



Source: NBPTS

The NBPTS certification process offers experienced teachers the opportunity to certify knowledge, skills, and accomplished teaching practices for 25 disciplines through a computer-based assessment component and three portfolio components. NBPTS certifications include art, career and technical education, exceptional needs specialist, generalist, library media, music, and school counseling in addition to subject areas such as math, English language arts, and science. To be eligible for most of these certifications, candidates must have completed three years of successful teaching, hold a bachelor’s degree, and meet state licensure requirements.

| Certification Areas             |  |
|---------------------------------|--|
| Discipline                      | Developmental Level                                      |
| Art                             | Early and Middle Childhood (ages 3-12)                   |
| Art                             | Early Adolescence through Young Adulthood (ages 11-18+)  |
| Career and Technical Education  | Early Adolescence through Young Adulthood (ages 11-18+)  |
| English as a New Language       | Early and Middle Childhood (ages 3-12)                   |
| English as a New Language       | Early Adolescence through Young Adulthood (ages 11-18+)  |
| English Language Arts           | Early Adolescence (ages 11-15)                           |
| English Language Arts           | Adolescence and Young Adulthood (ages 14-18+)            |
| Exceptional Needs Specialist    | Early Childhood through Young Adulthood (ages birth-21+) |
| Generalist                      | Early Childhood (ages 3-8)                               |
| Generalist                      | Middle Childhood (ages 7-12)                             |
| Health Education                | Early Adolescence through Young Adulthood (ages 11-18+)  |
| Library Media                   | Early Childhood through Young Adulthood (ages birth-21+) |
| Literacy: Reading-Language Arts | Early and Middle Childhood (ages 3-12)                   |
| Mathematics                     | Early Adolescence (ages 11-15)                           |
| Mathematics                     | Adolescence and Young Adulthood (ages 14-18+)            |
| Music                           | Early and Middle Childhood (ages 3-12)                   |
| Music                           | Early Adolescence through Young Adulthood (ages 11-18+)  |
| Physical Education              | Early and Middle Childhood (ages 3-12)                   |
| Physical Education              | Early Adolescence through Young Adulthood (ages 11-18+)  |
| School Counseling               | Early Childhood through Young Adulthood (ages 3-18+)     |
| Science                         | Early Adolescence (ages 11-15)                           |
| Science                         | Adolescence and Young Adulthood (ages 14-18+)            |
| Social Studies – History        | Early Adolescence (ages 11-15)                           |
| Social Studies – History        | Adolescence and Young Adulthood (ages 14-18+)            |
| World Languages                 | Early Adolescence through Young Adulthood (ages 11-18+)  |

LESC notes the National Board certification process is a voluntary system that certifies teachers who meets rigorous national standards for classroom instruction. Although most content areas apply to teachers, certification areas include school counselors and library media specialists.

## PERFORMANCE IMPLICATIONS

Multiple studies suggest NBPTS-certified teachers are more effective than their peers in producing academic gains for students. A 2017 Mississippi State University study showed that kindergarteners were 30.7 percent and third graders were 10.7 percent more likely to achieve a proficient literacy assessment score than their peers if they had a NBPTS-certified reading teacher. A 2015 Center for Education Data and Research working paper found NBPTS teachers could produce gains of up to 1.5 months of additional learning. And a 2012 Harvard University study of the Los Angeles Unified School District found students with NBPTS teachers gained the equivalent of two months of additional instruction in math and one month in English language arts.

While studies on NBPTS teacher impacts on math and reading performance are prevalent, the literature on the impacts of NBPTS certification in other subject areas is limited.

## ADMINISTRATIVE IMPLICATIONS

PED will need to update processes and procedures for identifying and verifying the number of NBPTS-eligible employees in the calculation of the funding formula. Training and notification of changes to this policy will need to be promulgated to school districts and charter schools.

PED currently prohibits schools from generating NBPTS units unless the personnel counted are certified teachers. Additionally, PED instructs school districts and charter schools that, although they may reward National Board certification for other, non-classroom instructors within the local school district or charter school framework for local governance, they will not receive units under the program cost calculation to provide stipends. In FY18, PED audited some certificates of teachers generating these units to ensure only teacher certification was included, which is an additional administrative burden. Library media specialists are considered teachers for the purposes of generating these units under the licensure administrative rules (6.64.8.7 NMAC 1978), yet library technicians, library assistants, and school counselors are not, which complicates administration of this section. PED will need to review all NBPTS credentialing for all entities to screen for non-teacher staff.

SL/mg/ne