

# TEACHER AND SCHOOL LEADER RETIREMENT TRENDS

**AGENCY:** Public Schools

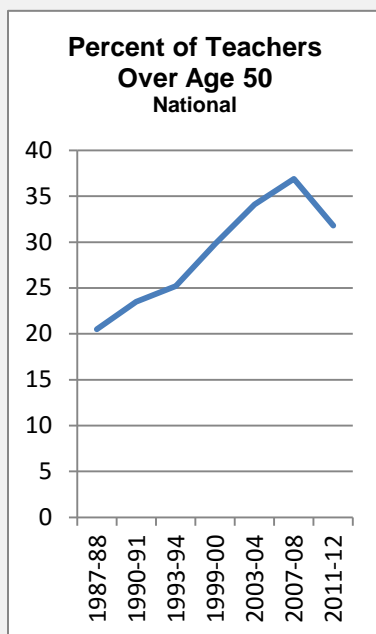
**DATE:** August 18, 2016

**PURPOSE OF HEARING:** To provide context regarding national and local retirement trends among teachers and school leaders.

**WITNESS:** John D. Abraham, Co-Director, Center for Worker Benefits and Capital Strategies, American Federation of Teachers

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**EXPECTED OUTCOME:** Understand national and state-specific trends that could influence teacher retirement in the next decade.



Source: Consortium for Policy Research in Education

## BACKGROUND INFORMATION

Many school districts in New Mexico have struggled with teacher and administrator shortages recently, with retirement and resignations posited as one of the driving factors behind the shortages. This brief lays out national trends in teacher and school leader retirement, as well as population trends that could affect demand for teachers and administrators in the future.

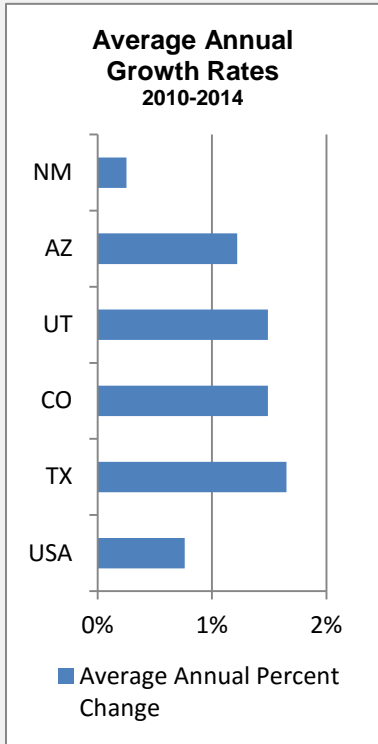
Though retirements played an increasingly large part in nationwide teacher shortages in the late 1990s and early 2000s, the percentage of teachers over age 50 has declined since 2008. According to a Consortium for Policy Research in Education study from 2014, teacher retirements make up just 14 percent of all teacher departures nationally. A much larger proportion of teacher departures stems from voluntary turnover.

While national figures downplay the importance of retirement in teacher shortages, it is unclear if these trends apply to New Mexico. Data from Albuquerque Public Schools (APS) indicate retirement may play a bigger role in teacher shortages in New Mexico. In the 2012-2013 school year, teacher retirements made up nearly 40 percent to total departures (APS, 2014). Further examination of retirement trends in New Mexico is necessary to fully understand the impact on teacher shortages in the state. If retirement rates in other school districts in the state mirror APS data, retirement among teachers and school leaders in New Mexico will have to be considered more seriously than national data would suggest.

Teacher shortages present many challenges, especially for larger school districts, and unintended retirement incentives can reduce the amount of time schools have to fill vacancies. During the current year, APS had more than 250 unfilled teaching positions in late July, including more than 120 special education positions. APS normally has 100 to 200 vacancies at the start of the school year and many classes start with long-term substitutes. APS cited low teacher salaries and competition from charter schools as reasons for so many open positions. By August 3, APS reported that unfilled teaching positions increased to 308 due to retirements. Education Retirement Board (ERB) retirement policies may increase the number of late summer teacher retirements. By delaying filing for retirement until the summer, teachers can earn an additional quarter of ERB credit.

## POPULATION TRENDS IN NEW MEXICO

**Population Change Since 2000.** Given the large percentage of American students educated in public schools, population trends can provide clues about future school enrollment. New Mexico has experienced large population swings since 2000. While the state grew rapidly in the first decade of the century, growth has slowed to almost zero since 2010. Between 2010 and 2014, New Mexico averaged 0.25

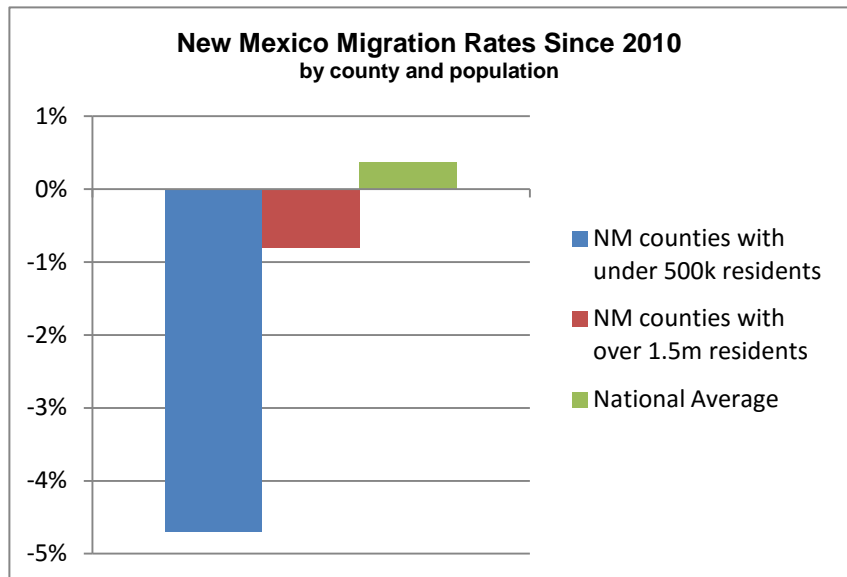


Source: Department of Geospatial and Population Studies, UNM

percent annual population growth, which falls well below both national and regional averages (all New Mexico population data comes from the University of New Mexico Department of Geospatial and Population Studies).

Population change has two main components: rates of birth and death (called natural change) and migration. New Mexico has kept pace with the national average rate of natural change but has the second lowest net migration rate in the country at -0.56 percent since 2010. Only five counties in New Mexico have experienced positive net migration since 2010: Lea, Eddy, Sandoval, Santa Fe, and Harding.

Rural areas were much harder hit by out-migration than urban and suburban areas. Counties with less than 500 thousand people averaged -4.7 percent net migration annually from 2010 through 2014. During the same period, counties with more than 1.5 million people averaged -0.8 percent net migration.



In addition to high levels of out-migration, rural counties in the northeast and south central regions of the state also have disproportionately older populations than the rest of the state. For example, children below the age of 15 make up less than 18 percent of the population in Harding, Sierra, Catron, and Lincoln counties, compared with over 22 percent in the rest of the state. Not surprisingly, each of these counties has a significantly higher proportion of residents over the age of 65.

**State Population Projections.** The Department of Geospatial and Population Studies at the University of New Mexico projects the following four areas of the state will see growth rates of greater than 10 percent by 2030:

- Albuquerque metro area, including Sandoval, Bernalillo, and Valencia counties;
- Doña Ana County;
- San Juan County; and

**New Mexico Projected  
Population Growth  
2010-2030, by county**

County	% change
Sandoval	39.1
Dona Ana	23.8
Lea	19.5
Curry	18.3
Bernalillo	17.0
<i>State Average</i>	<i>10.7</i>
Catron	-14.8
De Baca	-15.3
Hidalgo	-15.5
Sierra	-19.0
Harding	-30.7

Source: Department of Geospatial and Population Studies, UNM

- Southeastern New Mexico, including Curry, Roosevelt, Chaves, and Lea counties.

Areas projected to lose 10 percent or more of their population by 2030 are concentrated in the northeastern (Mora, Harding, Quay, and De Baca counties) and southwestern (Catron, Sierra, and Hidalgo counties) portions of the state.

**RETIREMENT TRENDS IN OTHER STATES**

**California.** WestEd’s 2013 study of teacher retirement trends in California found that fewer teachers were nearing retirement in 2012, but that the teacher workforce was both shrinking and getting older. In California, teacher retirements reached an all-time high in 2010. California’s teacher workforce decreased by almost 17,000 between 2007 and 2012 and teachers under age 30 decreased from 13.7 percent to 8.8 percent. At the same time, the study’s authors concluded that policy changes (such as a pending decrease in class sizes) or demographic changes are more likely to cause teacher shortages.

**Tennessee.** A 2013 study from the Tennessee Department of Education also linked increases in teacher retirement to policy changes. Between 2008 and 2009, Tennessee adopted a teacher evaluation system and modified the tenure system. During that same period, the retirement rate increased from 2.0 percent to 3.5 percent. Of those eligible for retirement, 10 percent retired in 2008, while 20 percent of eligible retirees left the workforce in 2012. The Tennessee Department of Education argues that even though more teachers are retiring, the policies have had the effect of increasing the quality of the teaching workforce. The department argues that retiring teachers tended to have lower evaluation scores than non-retiring teachers; however, this has yet to be validated.

**CONCLUSION**

Many unknowns surround teacher and administrator retirement in the state, including a lack of detailed retirement projections, differences in retirements by geography, how New Mexico retirement statistics compare to national trends, and impact of retirement incentives on retirement trends. Further study should be conducted to understand the the role that retirements will play in current and future supply of teachers and administrators. Better understanding of trends within older school employees will allow more accurate projections of demand for teachers and administrators. Armed with this data, legislators could craft more targeted policy for recruiting and retaining quality teachers. Additionally, teacher training programs in the state could gain clarity on how many credentialed teachers New Mexico public schools need.