

**MINUTES
LESC MEETING
JULY 10-12, 2013**

Senator John M. Sapien, Chair, called the meeting of the Legislative Education Study Committee (LESC) to order at 9:30 a.m., on Wednesday, July 10, 2013, at Ruidoso High School in Ruidoso, New Mexico.

The following voting members of the LESC were present:

Senators John M. Sapien, Chair, Craig W. Brandt, Gay G. Kernan, and Howie C. Morales; and Representatives Nora Espinoza, Jimmie C. Hall, Dennis J. Roch, and Mimi Stewart.

The following voting members of the LESC were not present:

Representatives Rick Miera, Vice Chair, and Sheryl M. Williams Stapleton.

The following advisory members of the LESC were present:

Senators Lee S. Cotter, Daniel A. Ivey-Soto, and John Pinto; and Representatives Alonzo Baldonado, Nathan "Nate" Cote, David M. Gallegos, Stephanie Garcia Richard, Timothy D. Lewis, James E. Smith, and Bob Wooley.

The following advisory members of the LESC were not present:

Senators Jacob R. Candelaria, Linda M. Lopez, William P. Soules, and Pat Woods; and Representatives George Dodge, Jr., Tomás E. Salazar, and Christine Trujillo.

On a motion by Representative Roch, seconded by Senator Kernan, the committee approved the agenda for the meeting.

Dr. George Bickert, Superintendent, Ruidoso Municipal Schools (RMS), welcomed the committee to Ruidoso and introduced Ms. Caron Snow, Director of Finance, RMS; Ms. Angie Lane, Food Services Director, RMS; and Mr. Cody Paterson, Assistant Principal, RMS.

In addition, Dr. Clayton Alred, President, Eastern New Mexico University-Ruidoso, welcomed the committee.

**NEW MEXICO TEACHER OF THE YEAR 2012-2013:
MS. PAMELA CORT, LAS CRUCES HIGH SCHOOL
LAS CRUCES PUBLIC SCHOOLS (LCPS)**

The Chair recognized Dr. Steven Sanchez, Deputy Superintendent, LCPS, who introduced Ms. Pamela Cort to the committee. Ms. Cort, a French teacher, said she appreciated the opportunity to attend the meeting. The committee presented her with proclamations from the House and the Senate in recognition of her achievements and more than 20 years of service with the district.

CURRENT EDUCATION ISSUES

The Chair recognized Dr. George Bickert, Superintendent, Ruidoso Municipal Schools (RMS), to discuss current education issues, including the A-F Schools Grading System and teacher evaluation. Dr. Bickert began by discussing the formula used by PED to calculate A-F grades, and stated that, on June 5 he asked the Public Education Department (PED) whether RMS could calculate the points to verify its own school grades. In response, PED rejected the request and implied that the process was too complicated for RMS to understand it. Although he believes PED is on the right track with teacher evaluations and school grades, Dr. Bickert testified that New Mexico superintendents must still be allowed to provide more input and insight to improve these initiatives.

Referring the committee to his first handout, which displayed the percentage of students proficient in reading and math for five New Mexico elementary schools in 2012, Dr. Bickert compared two of the schools and noted that one school received a higher A-F grade than another school, despite the fact that the other school had a significantly higher percentage of proficient students. After distributing a second handout showing the indicators and point distribution for elementary and middle school A-F grading, Dr. Bickert pointed out that one way to improve the grading system would be to increase the points given to schools for their current standing in student proficiency. He noted that the current performance of students accounts for 25 points (based on 12.5 points for reading proficiency and 12.5 points for math proficiency), while student growth over the past three years accounts for 65 points. While acknowledging the importance of student growth, Dr. Bickert commented that parents would typically give more weight to current standing than growth when deciding the best school for their child to attend.

Regarding teacher evaluation, he stated that the US Department of Education has allowed an additional year for states receiving a *No Child Left Behind* waiver to implement the initiative, and suggested that New Mexico's teacher evaluation pilot project should be extended for an additional year as well. Dr. Bickert also suggested that the superintendents should be permitted to come up with a teacher evaluation proposal to present to PED.

Committee Discussion

When a committee member asked other superintendents in the audience if they were involved in the process, the Chair recognized Mr. Paul Benoit, Superintendent, Floyd Municipal Schools and President of the New Mexico School Superintendents' Association (NMSSA). He informed the committee that, NMSSA has held workshops to gain an understanding of the processes; and the superintendents should have a louder voice and their input should receive more consideration.

In response to a committee member who asked how he would characterize the observation of teachers, Dr. Bickert replied that teacher observation is based on a rubric calculated by PED, and indicated that principals will receive training this summer.

A-F SCHOOLS GRADING SYSTEM: BACKGROUND

The Chair recognized Ms. LaNysha Adams, LESC staff, for a background report relating to the A-F school grading system.

Referring to the LESC staff reports, Ms. Adams explained that, as enacted in 2011, the *A-B-C-D-F Schools Rating Act* created a new public school accountability system that, beginning in school year 2011-2012, was to operate in addition to, and separate from, the existing Adequate Yearly Progress (AYP) system created in state and federal law. Among its provisions, she stated, the act requires that:

- all public schools be graded annually on an A-F scale;
- the grading scale for elementary and middle schools include factors such as student proficiency and growth, as well as growth of the lowest 25th percentile of students;
- the grading scale for high schools include additional academic indicators such as high school graduation rates and growth in those rates;
- parents of a student in a public school rated F for two of the last four years have the right to transfer the student to any public school in the state or continue schooling through the statewide cyber academy; and
- the Public Education Department (PED) ensure that a local school board or charter school governing body is prioritizing the resources of a public school rated D or F until the school earns a grade of C or better for two consecutive years.

Ms. Adams noted that while the overall A-B-C-D-F (A-F) grading system is prescribed in law, the details and many of the substantive provisions are in PED rule, first promulgated in December 2011 and then revised in May 2012. She reported that during the 2012 interim, PED used this grading system to issue two sets of school grades: preliminary grades on January 10, 2012 and final or official grades on July 9, 2012.

Throughout the 2012 interim, Ms. Adams reported, the LESC heard testimony on the A-F grading system, as provided both in law and in PED rule, including:

- basic provisions;
- the calculation of the school grades: a review of technical material and resources;
- preliminary, final, and post appeal school grade for school year 2011-2012;
- the A-F grading system instructional audits; and
- issues and questions in general.

Ms. Adams stated that the staff report includes a summary of 2013 legislative actions relating to the grading system, including:

- two pieces of legislation that did not pass: (1) a bill (H 215a, *Remove School AYP & Funding Incentives*) that attempted to clarify the state's federal waiver for AYP by removing all references to AYP from state law; and (2) a house joint memorial (HJM 29, *LESC A-F School Grading System Study*) that requested the LESC to convene a work group to study the A-F school grading system; and
- a bill (S 587a, *State School Grades Council* to revamp the A-F grading system by forming a state school grades council; however, this piece of legislation was vetoed.

To conclude, Ms. Adams reported that the 2013 Legislature appropriations relating the grading system included:

- \$15.95 million for the 2013 K-3 Plus program with appropriation language to require that:
 - elementary schools receiving a “D” or “F” school grade for the 2011-2012 school year be eligible to apply for K-3 Plus funds;
 - PED ensure that applicant schools that meet the high poverty standard defined in Section 22-13-28 NMSA 1978 be prioritized; and
 - remaining funds be made available to applicant schools that do not meet the high poverty standard but that received a “D” or “F” school grade for the 2011-2012 school year;

- \$4.0 million to PED for interventions in D and F schools, with appropriation language that:
 - makes the appropriation contingent on PED allocating the funds to schools rated D or F for school year 2012-2013; and
 - allows PED to prioritize funding to school districts that commit to provide matching funds; and

- \$2.0 million to PED to provide stipends to:
 - teachers and school leaders to move from schools rated A or B to schools rated D or F that serve a high proportion of at-risk students or high-poverty students; and
 - high school teachers of advanced placement (AP) classes that increase the proportion of students receiving college credit for AP classes.

A-F SCHOOL GRADES: 2012-2013 SCHOOL YEAR

The Chair recognized Ms. Hanna Skandera, Secretary-designate of Public Education, for a report on the A-F school grades for school year 2012-2013. Upon informing the Chair that the new A-F grades would not be released until tomorrow (July 11), Ms. Skandera provided the committee with an overview of the statewide Standards-based Assessment results for 2013.

Referring to a handout she distributed to the committee, Ms. Skandera reported:

- mixed results for grade 3 reading proficiency, citing an approximate 3.0 percent year-to-year increase for all students;
- a 7.5 percent increase for African-American third graders;
- a 10 percent gain in reading proficiency for grade 11; and
- a 55.5 percent reading proficiency in 2013 for juniors who participated in a 2012 cohort as sophomores and who scored a 34.7 percent reading proficiency in 2012.

Ms. Skandera emphasized that grade 3 participants in the New Mexico Reads to Lead! program showed a 7.8 percent increase in reading compared to a 2.9 percent increase in reading for grade 3 students who did not participate in the program. To conclude, she highlighted improvements in grade 3 reading scores attributed to the Reads to Lead! program in the Raton, Pecos, and Bernalillo school districts and referred the committee to charts showing greater increases in

reading among free and reduced lunch students in grade 11 and English language learners in grade 3.

Committee Discussion

Referring to the second slide of the PED handout, the Chair asked the secretary-designate to explain improved reading in grade 11. In response, Ms. Skandera listed three factors: (1) accountability for each student; (2) a no social promotion policy, which means that students must graduate at their grade level; and (3) turning the standards-based assessments into high-stakes tests.

The Chair asked that PED reports in the future provide more in-depth information that will explain how academic progress is being made, and identify actions with the results.

In response to the Chair's request for a more in-depth report on the standards-based assessment scores that outlines academic progress, Ms. Skandera stated that PED staff would provide a link to the complete data set for the standards-based assessments on the department's website.

Committee members discussed a number of other issues related to A-F school grades, including:

- the use of value-added models to "level the playing field";
- the shift from Adequate Yearly Progress to the A-F grading system, and the need to make improvements to the new system while ensuring comparability from year to year; and
- opportunities to implement improvements to the grading system.

VIRTUAL CHARTER SCHOOLS

The Chair recognized Mr. Kevin Force, LESC staff, for a report of committee action undertaken during the previous interim and the recent legislative session regarding virtual charter schools.

Providing background, Mr. Force indicated that, while 31 states had virtual charter schools serving approximately 275,000 students in school year 2011-2012, research regarding the effectiveness of fully online schools has yielded mixed results: some sources claim virtual school students perform better; other sources report low results; and some indicate no real difference between virtual and traditional students unless data are selectively chosen.

Mr. Force then informed the committee of related discussions from the 2012 interim, including:

- the legal definition of the term "school," and whether virtual charter schools fell within that definition;
- contractual prohibitions in the *Charter Schools Act*, particularly one barring contracting with a for-profit entity for the management of a charter school, while nevertheless not including a legal definition of the term "management";
- the role of the chartering authority in New Mexico, particularly the consideration of certain issues when reviewing charter applications, such as technological expertise, prior performance of curriculum suppliers and management firms, academic reporting, and special education; and

- potential areas of regulation of virtual charter schools, such as attendance, teacher qualifications, assessments, academic accountability, and funding.

During the late 2012 and early 2013 interim LESC meetings, Mr. Force continued, the committee considered several policy options from the interim for potential legislation, including:

- prohibition or delayed approval of virtual charters until some of these outstanding issues could be addressed; and
- a review of the *Public School Code* and other areas of state law that might be ripe for repeal or amendment to accommodate and regulate virtual charters.

Mr. Force noted that consideration of these issues led to introduction of at least three pieces of legislation in the 2013 legislative session:

1. HB 392, *Public Education Commission as Independent*, which severed the administrative attachment between the Public Education Commission (PEC) and PED, granted rulemaking authority to the PEC, shifted \$375,000 in administrative set-aside funds from PED to PEC, and reworked the application and appeal process. HB 392 passed both houses, but was ultimately vetoed by the Governor.
2. CS/CS/HB 460, *School Management Contracts and Charter Boards*, which prohibited private entities from managing public schools, and was passed by both houses, but pocket-vetoed by the Governor.
3. *CS/SB 338, *Define Virtual Charter School and Moratorium*, which added temporary provisions to the *Charter Schools Act* to establish a one-year moratorium on initial applications for virtual charters, to give the LESC and PED time to consider some of the many outstanding issues raised by the proliferation of virtual charter schools.

Mr. Force then introduced to the committee representatives of K12, Inc. (K12) and the New Mexico Virtual Academy (NMVA): Ms. Mary Gifford, Regional Vice President of K12; and Ms. Mari Adkins, Special Education Manager from NMVA.

Referring to their presentation in the committee notebook, Ms. Adkins explained that NMVA:

- is a charter school authorized by the Farmington Municipal Schools district with a governing council comprised of local leaders and business owners;
- serves 500 students in grades 6-11 (adding grade 12 for school year 2013-2014);
- has New Mexico certified, highly qualified teachers to deliver and guide instruction;
- has a drop-in learning center in Farmington that can accommodate 45 students (approximately 12 students attended the learning center on a daily basis in school year 2012-2013);
- students take all state assessments;
- students must meet state standards and district/state graduation requirements;
- students must receive special services and accommodations as required by laws and individual education plans;
- students must demonstrate attendance/engagement consistent with state laws and regulations; and
- utilizes the K12 curriculum as its instructional model.

She also gave the committee a breakdown of NMVA's demographics, and noted that 75 percent of NMVA students reside in seven counties, including 28 percent of its students residing in Bernalillo County. After stating that approximately 81 percent of NMVA students reregister, Ms. Adkins provided the following withdrawal rates for NMVA:

- an overall withdrawal rate of 29.8 percent;
- a middle school withdrawal rate of 17 percent; and
- a high school withdrawal rate of 51.6 percent.

In addition, Ms. Adkins gave a program overview for grades 6-8 and high school, then briefed the committee on the NMVA instructional model and how virtual education works.

To conclude, Ms. Gifford referred LESC members to the last three slides of the presentation, which compared the school year 2012-2013 standards-based assessment results of NMVA students with Farmington Municipal Schools (FMS) students and public school students statewide. The results indicated that:

- in general, a higher percentage of NMVA students scored proficient and above in reading than FMS and statewide students; and
- in general, a lower percentage of NMVA students scored proficient and above in math than FMS and statewide students.

The standards-based assessment results for science showed that a higher percentage of NMVA students scored proficient and above compared to their district and statewide counterparts for grades 7 and 11, which were the only tested grades in that subject.

Committee Discussion

Initial committee discussion focused on the service agreement between K12, LLC (a wholly owned subsidiary of K12, Inc.) and the NMVA Governing Council, and whether the prescribed responsibilities of K12 under the agreement rose to the level of "management." Questions posed by members to the K12 and NMVA representatives during this discussion, to which Ms. Gifford indicated she would reply in writing, included:

1. Which New Mexico counties do not have student representation at the NMVA?
2. What percentage of students at the NMVA is from the Farmington school district?
3. What is the total funding per student?
4. Of the student withdrawals from NMVA, how many drop out versus how many move back to homeschooling or traditional school, change school districts, etc?

Other issues of concern to members noted in committee discussion included:

- the availability of Advanced Placement classes;
- how state funding follows a student from his or her original district to the virtual charter school, and vice versa;
- verification of student work; and

- how virtual charters are to be included in the teacher and school leader evaluation program, particularly with regard to the observation of teachers.

Finally, noting that representatives from the recently approved New Mexico Connections Academy (NMCA) were unable to attend today's hearing, the Chair directed LESC staff to draft a letter to the NMCA governing council requesting that a copy of the NMCA service agreement be provided to the committee.

K-12 RANKINGS

At the request of the Chair, this item was moved to the LESC meeting in August.

There being no further business for the day, the LESC recessed at 4:45 p.m.

LESC MEETING JULY 11, 2013

Senator John M. Sapien, Chair, called the meeting of the Legislative Education Study Committee (LESC) to order at 9:13 a.m., on Thursday, July 11, 2013, at Ruidoso High School in Ruidoso, New Mexico.

The following voting members of the LESC were present:

Senators John M. Sapien, Chair, Craig W. Brandt, Gay G. Kernan, and Howie C. Morales; and Representatives Nora Espinoza, Dennis J. Roch, and Mimi Stewart.

The following voting members of the LESC were not present:

Representatives Rick Miera, Vice Chair, Jimmie C. Hall, and Sheryl M. Williams Stapleton.

The following advisory members of the LESC were present:

Senators Lee S. Cotter, Linda M. Lopez, John Pinto, William P. Soules, and Pat Woods; and Representatives Nathan "Nate" Cote, Timothy D. Lewis, James E. Smith, and Bob Wooley.

The following advisory members of the LESC were not present:

Senators Jacob R. Candelaria and Daniel A. Ivey-Soto; and Representatives Alonzo Baldonado, George Dodge, Jr., David M. Gallegos, Stephanie Garcia Richard, Tomás E. Salazar, and Christine Trujillo.

The Chair recognized Ms. Marilyn Orr, a 10th grade teacher at Ruidoso High School (RHS) and President-elect of the New Mexico Association of Classroom Teachers (NMACT), to discuss issues related to the New Mexico Standards-based Assessments.

She reported that “on the ground” strategies that teachers at RHS have implemented to improve student performance, include:

- professional development and planning time with academic departments, grade level teams, and teachers to examine test questions to pinpoint standards tested;
- district staff collaboration to make tests created by RHS look more like the standards-based assessment so that students would be familiar with the appearance of the test;
- interventions, for example, an experienced 11th grade teacher volunteered to give up one section of her academic assignment to work with a group of at-risk students; and
- student commitment and dedication, i.e., the district’s students knew that they were not going to be allowed to slip through the cracks, and as a result, they turned in more regular class work and were more diligent in their work on the standards-based assessment.

Ms. Orr then discussed concerns relating to the use of one test during one week to assess both students and teachers. She noted that the motivation of students as they take the test tends to change. For example, she stated that, if students work hard and pass the test as sophomores, what will be the motivation for them to work hard on the test as juniors? This is a concern, she emphasized for a teacher in that 50 percent of the teacher’s evaluation is based on how those students show improvement from the 10th to the 11th grade level.

To conclude, Ms. Orr reported that NMACT proposes that a pre- and post-test be given at the beginning and end of each year, and recommends that other indicators of student success and growth be considered as part of a teacher’s evaluation.

NATIONAL COUNCIL ON TEACHER QUALITY (NCTQ), TEACHER PREP REVIEW 2013 REPORT

The Chair recognized Ms. LaNysha Adams, LESC staff; Dr. Michael Morehead, Chair, NM Deans and Directors of Education and Dean of the College of Education at the New Mexico State University (NMSU); Dr. Mary Kallus, Interim Dean of the College of Education and Technology and Associate Professor of Reading Education at the Eastern New Mexico University (ENMU); and Dr. Viola Florez, Interim Dean of the College of Education and Professor in the Department of Educational Leadership and Teacher Education at the University of New Mexico (UNM), for a report on the National Council on Teacher Quality (NCTQ) and *U.S. News & World Report* study *Teacher Prep Review: A Review of the Nation’s Teacher Preparation Programs, 2013*.

Referring to the LESC staff report included in the committee notebooks, Ms. Adams summarized:

- the *Teacher Prep Review* methodology;
- the program rating results of the eight New Mexico institutions in the *Teacher Prep Review*; and
- background on the *Teacher Prep Review*.

She reported that even though NCTQ evaluated a total of eight institutions of higher education in New Mexico, only six of them had “sufficient data for an overall program rating,” including:

- Eastern New Mexico University (ENMU);
- New Mexico Highlands University;
- New Mexico State University (NMSU);
- University of New Mexico (UNM);
- University of the Southwest; and
- Western New Mexico University.

Ms. Adams explained that according to NCTQ, the *Flexner Report* of 1910 was cited as a resource for the *Teacher Prep Review* because of how the report's critical evaluation of medical schools led to transformations in the way doctors are trained. Ms. Adams stated that, as a result of the *Flexner Report*, nearly half of the 155 medical schools in North America at the time either merged or were closed. To conclude, Ms. Adams further explained that the same day that NCTQ's *Review* was released, the American Association of Colleges for Teacher Education (ACTE) published a press release warning that the *Review* is "misleading, unreliable and an effort to promote an ideological agenda rather than a genuine effort to inform the public and improve teacher preparation."

Dr. Morehead began his presentation by stating that the NCTQ depicts neither a true picture of NMSU's program successes nor the quality of NMSU's students or graduates. Dr. Morehead provided a brief description of NMSU's teacher preparation programs and summaries of feedback NMSU received from employers, graduates, and cooperating teachers.

Referring the committee to his presentation handout, Dr. Morehead explained that teacher candidates in the undergraduate and graduate programs exceed the minimum grade point average (GPA) required for admission to a teacher preparation program. As an example, Dr. Morehead stated that admission to NMSU's teacher preparation was rigorous in that candidates are required to meet additional criteria prior to applying, including grades of C or higher in several course prerequisites, submission of a portfolio, and the passing of state tests.

Dr. Morehead concluded his presentation by discussing upcoming changes to NMSU's teacher preparation admission. He stated that prior to admission, every NMSU candidate in teacher education will be required to have a bachelor's degree.

Dr. Kallus stated that NCTQ's report methodology was not rigorous and that the *Teacher Prep Review* findings would not be able to meet the strict requirements for publication in any academic peer-reviewed journal. She discussed the structure of the elementary and secondary education programs at ENMU and explained that before students are admitted, they must have a GPA of 2.8 or higher and they must complete:

- 30 general education credits;
- an initial observation course; and
- the New Mexico Assessment of Basic Skills.

Dr. Kallus reported that teacher education students at ENMU are able to take courses throughout the college with professors who specialize in specific content areas because of the College of Education and Technology's partnership with the other colleges at ENMU. She concluded her presentation by emphasizing that ENMU's focus on teaching scientifically based reading to their

teacher candidates is a result of the recommendations from HJM 16, *Study Reading Curricula in Teacher Education*.

Dr. Florez reported that the UNM Provost would be providing a report to the committee at its August interim meeting that will describe restructuring of the UNM College of Education based on internal conversations between the College of Education, the College of Arts and Sciences, and the School of Engineering.

Committee Discussion

A committee member expressed concerns about NCTQ's *Teacher Prep Review* findings, stating that their methodology of analyzing documents do not align with their broad statements of the colleges of education in New Mexico.

In response to a committee member's question about critique's of NCTQ's methodology, all three deans stated that highly respectable researchers have questioned the *Teacher Prep Review*. Dr. Morehead explained that the average GPA of NMSU teacher education undergraduate students admitted is 3.1, while the basic requirement is a 2.5 GPA. Dr. Florez responded that there was no partnership between the colleges of education, NCTQ, and other researchers which may have contributed to the questions about NCTQ's results. Dr. Kallus explained that the data collected did not include interviews or site visits, which limited the scope of their analysis and weakened the methodology.

The Chair asked if there was a correlation between NCTQ's findings and the actual results of the state system. Ms. Adams responded by saying there were only four schools that made NCTQ's "Dean's List." She explained that these four schools were in three states, South Carolina, Tennessee, and Ohio, and that she would have to examine the 105 "Honor Roll" schools to see which states performed highly on the National Assessment of Educational Progress (NAEP). "Honor Roll" schools in the *Teacher Prep Review*, she noted, received three or more stars by NCTQ.

PROGRAM EVALUATION REPORT FINDINGS: TEACHERS AND ADMINISTRATOR PREPARATION; PROMOTING EFFECTIVE TEACHING; AND DEVELOPING EARLY LITERACY IN NEW MEXICO

The Chair recognized Charles Sallee, Deputy Director, and Dr. Michael Weinberg, Program Evaluation Manager, Legislative Finance Committee (LFC) for a report on recent higher education-related program evaluations.

Directing the committee to the LFC program evaluation report titled, *Teacher and Administrator Preparation in New Mexico*, Dr. Weinberg reported that key findings included the need for:

- increased entrance, exit, and state licensure standards;
- better oversight of preparation programs by the Public Education Department (PED);
- program quality for administrators; and
- improvements to the Educator Accountability Reporting System (EARS).

With regard to better oversight of teacher preparation programs by PED, Dr. Weinberg stated that approval or renewal of educator preparation programs is currently not based on outcomes data. And, with regard to improving program quality, Dr. Weinberg indicated that teachers are the least prepared to meet the needs of students with disabilities; to teach English language learners (ELL); and to effectively use student data.

With regard to administrator preparation, Dr. Weinberg stated that the program evaluation findings were similar to those of teacher preparation programs in that these programs have low standards for entrance and exit. He added that opportunities for improving the field experience should be explored.

With regard to improving EARS, Dr. Weinberg stated that there is a data overlap between reporting requirements for EARS and Title II federal grant reporting.

With regard to recommendations to the Legislature, LFC staff recommended:

- coupling increases in beginning teacher licensure standards with Level 1 starting teacher salaries beginning in FY 16;
- revising statute to substitute the Federal Title II report for EARS and include student outcome and teacher retention data by college;
- phasing-in increases to the NMTA licensing cut scores beginning in FY 16;
- the Colleges of Education (COE), LFC, and the LESC developing a methodology for calculating average value-added scores by institution; calculate this value-added score annually; and identify performance benchmarks for each COE;
- considering student outcome data, educator retention data, and school grades in the program approval and renewal process;
- raising admission standards, including the minimum NMTA basic skills assessment scores;
- improving and expanding research-based teacher and administrator clinical experiences; and
- incorporating teacher preparation program outcome data and employment retention rates in the higher education performance-based funding formula.

Next, Mr. Sallee summarized the LFC program evaluation report, *Promoting Effective Teaching in New Mexico*, and emphasized that quality teaching is the most important school factor affecting student success. He stated that while past LFC studies report that the three-tiered licensure system may have decreased teacher shortages, student performance has not improved with the increased teacher pay.

After providing an overview of the three-tiered licensure system, Mr. Sallee said the state has not established expectations for student achievement across Level 1, Level 2, or Level 3 teachers as part of its evaluation systems. He noted that while the higher licensure levels appear to produce better outcomes for students, fewer low income and ELL students are factors that should be considered as having an impact on those outcomes.

Mr. Sallee reported that local school district evaluation systems do not differentiate between high- and low-performing teachers or focus on student achievement. He added that the

professional development dossier (PDD) submitted for advancing licensure levels does not effectively screen teachers, resulting in ineffective teachers receiving pay increases.

Mr. Sallee also discussed value-added models (VAMs) stating that, if used effectively, VAMs can identify high- and low-end performance. He stated that the volatility in VAMs warrants caution; however, VAMs can do a good job of identifying highly effective and ineffective teachers for rewards and interventions.

Mr. Sallee then reviewed the following recommendations:

- strengthening the current system, including licensure advancement process to ensure teachers demonstrate performance commensurate with higher pay;
- establishing expectations for the use of student performance data that is transparent, fair, and useful for improving professional practices and improved results for students; and
- aligning state funding for the teacher training and experience index with the three-tiered licensure system.

To conclude, Mr. Sallee distributed a staff document outlining how PED is performing at developing early literacy in New Mexico.

Committee Discussion

Committee discussion included questions relating to:

- the methodology used to determine the results presented in the program evaluation reports, primarily the methodology used to correlate the New Mexico Teacher Assessment (NMTA) scores to student outcomes;
- the elements of the study that were randomly assigned;
- the significance levels for differences between teachers' value-added scores;
- NMTA performance by each COE; and
- the use of VAM for high stakes decision-making;

GENERAL EDUCATIONAL DEVELOPMENT (GED)

The Chair recognized Mr. Travis Dulany, LESC staff; Ms. Leighann Lenti, Deputy Secretary for Policy, Public Education Department (PED); Ms. Frances Banowsky, Director, Adult Basic Education (ABE), Higher Education Department (HED); Mr. Tom McGaghie, Director, Adult Basic Education, New Mexico State University-Grants; Mr. C.T. Turner, Director of Public Affairs, GED Testing Service, LLC; Dr. John Laramy, Executive Director, Student and Teacher Assessments, Educational Testing Service (ETS); Dr. Rose M. Payán, Director, Student and Teacher Assessments, ETS; and Mr. Mitch Rosin, Test Assessing Secondary Completion, CTB/McGraw-Hill Education, for a presentation on the GED and alternative high school equivalency tests.

Mr. Dulany began by providing some background. Referring to a staff report in the committee notebooks, Mr. Dulany explained that a news release from March 2011 announced the formation

of a new company between the American Council on Education and Pearson PLC in order to create a new series of the GED assessment. The news release, he continued, further announced changes to the way in which the GED is administered. Quoting the news release, Mr. Dulany informed the committee that the changes are reported to include three primary components:

1. “A new, more rigorous GED test aligned with Common Core State Standards designed to ensure college- and career-readiness;
2. A national test preparation program featuring an expanding array of innovative and personalized learning resources; and
3. A transition network that connects GED test-takers to career and postsecondary educational opportunities.”

During the 2012 interim, Mr. Dulany continued, the LESC heard from ABE stakeholders who discussed various concerns with the new series of the GED, which is set to take effect in January 2014, including:

- the increased cost of the 2014 GED, from \$35 to \$120;
- the shift to online registration, which may allow test-takers to bypass ABE centers;
- limited computer resources at GED testing centers to administer the computer-based test; and
- the additional need for training participants in keyboarding and basic computer skills.

Also, during this 2012 testimony to the LESC, Mr. Dulany reported, a committee member asked whether the GED is noted specifically in statute, to which LESC staff confirmed that the GED is in fact named in three separate sections of statute. Consequently, he stated, for the 2013 legislative session, the committee endorsed SB 183, *Replace GED Terms with Equivalency Diploma*, which changed references to the GED in statute to a more generic term. SB 183 passed both chambers of the Legislature, but was pocket vetoed by the Governor.

Since the 2013 legislative session, Mr. Dulany stated, there have been some updates to alternative adult testing. Mr. Dulany reported that, although the GED has been the primary high school equivalency test since 1942, in 2013 at least two organizations have announced the development of high school equivalency tests intended to be used as an alternative to the GED.

Educational Testing Service, Mr. Dulany explained, has announced that it will release the High School Equivalency Test, or HiSet, in January 2014. The test is reported to be offered in a computer-based and pencil-and-paper format and will cost \$50 per test-taker, which includes the ability to retake the test twice within 12 months, according to Mr. Dulany. Additionally, he said, the HiSet from ETS will include the following subject areas, similar to those on the GED:

- language arts reading;
- language arts writing;
- mathematics;
- science; and
- social studies.

ETS also reports that these subject areas will be aligned with the Common Core State Standards, according to Mr. Dulany.

Furthermore, Mr. Dulany continued, McGraw-Hill has also announced that it will release the Test Assessing Secondary Completion (TASC) in January 2014. The TASC is reported to be aligned with the Common Core State Standards, and include:

- multiple-choice items, at least in the first two to three years after which the company reports that it will offer “enhanced items”;
- an extended writing prompt for writing assessments;
- gridded-response items in mathematics; and
- stimulus-based science and social studies multiple choice questions.

Additionally, he stated, McGraw-Hill reports that the test will utilize artificial intelligence scoring in 2016. The test will cost \$52 per test-taker and, like the HiSet, will be offered on the computer or in pencil-and-paper, similar to ETS.

Mr. Dulany concluded by stating that some more detailed information on the GED, HiSET, and TASC is provided in the staff report.

Next, the Chair recognized Ms. Lenti, who discussed SB 183. According to Ms. Lenti, PED expressed concerns that the language in SB 183 conflicted with federal regulations, specifically Section 34 of the *Code of Federal Regulations*. On that point, the Chair asked Mr. Dulany if LESC staff had discussed this issue with PED during the legislative session, to which Mr. Dulany replied that LESC staff had in fact discussed the matter with PED staff, however, LESC staff, as well as other legislative staff, disagreed with the conflicts noted by PED. Mr. Dulany further stated that LESC staff is willing to work with PED staff in the future in order to find language that is acceptable to both parties.

The Chair then recognized Ms. Banowsky, who discussed the need to change statutory language in order to allow for options when considering which test to use for high school equivalency. After providing an overview of the ABE system in New Mexico, Ms. Banowsky stated that she intends to issue a request for information (RFI) in order to solicit information about what options exist for high school equivalency tests beyond the GED. Ms. Banowsky indicated that she would like to include various stakeholders in drafting the RFI, including the LESC.

Next, the Chair recognized Mr. McGaghie, who expressed concerns with computer-based testing, especially those tests that require use of keyboarding skills. Of additional concern, according to Mr. McGaghie, is the requirement for students to pay \$18 per transcript for the GED, in addition to a \$5.00 mailing fee. The cost of the new series of the GED extends beyond the \$120 charged to the student, according to Mr. McGaghie, due to additional technology requirements for the testing center, which can be in the thousands of dollars, he added. Finally, Mr. McGaghie stated that other concerns revolve around the initial sign-up for the test, including the requirement for use of a credit card to sign up for the test and the ability of students to bypass ABE programs in order to take the test without any preparation.

The Chair then recognized Mr. Turner, who discussed the background of the GED as well as the discussions that led to the creation of the 2014 series of the test. Mr. Turner noted that many jobs require familiarity with computers, hence the need for test-takers to be able to use

computers in order to pass the 2014 series of the GED test. The new computer-based version of the test will not require a live internet connection, Mr. Turner stated, however an internet connection will eventually need to be established on the computer before the test results can be tabulated. This allows testing centers to deliver portable computers to various locations and test in areas where an internet connection is not readily available, he said.

The cost for the GED, Mr. Turner continued, is \$120 for the battery of five tests, which is different from the administrative system of the test. Currently, he stated, testing centers lease the test from GED Testing Service. Those testing centers may subsidize the cost as they wish, so the current cost varies throughout the state. The current price range to take the 2002 series of the GED is between \$35 and \$100. Testing centers will have the ability to subsidize the cost of the 2014 series of the GED as well, he added.

Next, Dr. Payán discussed the HiSET, which is being developed by ETS. After providing an overview of her organization's background and products, Dr. Payán stated that the HiSET is based on the expressed needs of states, and will reflect the shared mission to advance equity and access by creating assessments based on rigorous research. The test, according to Dr. Payán, will be available in both English and Spanish and will be offered on computers and paper-and-pencil formats. The test, Dr. Payán continued, is:

- aligned with the Common Core State Standards;
- based on items calibrated from a national sample, on a national scale; and
- developed on a testing site-based approach.

She added that the HiSET has been adopted in four states – Montana, New Hampshire, Tennessee, and Missouri – and three states are considering the HiSET in their respective procurement processes.

The Chair then recognized Mr. Rosin from CTB/McGraw-Hill, who explained that CTB is a division of McGraw-Hill that currently does formative and summative testing. In getting into the high school equivalency assessment business, Mr. Rosin reported, the company recently contracted with the State of New York to provide the TASC as an alternative to the GED in that state. The TASC, which will cost \$52 per test-taker, which includes two retakes per student.

Finally, after providing some sample questions for the TASC, Mr. Rosin informed the committee that the TASC will include:

- sections on reading, Language Arts/writing, mathematics, social studies, and science;
- newly created content aligned with the Common Core State Standards, Next Generation Science Standards, and Social Studies national frameworks;
- high school equivalency scores in addition to career and college readiness; and
- a secure online platform.

Committee Discussion

A committee member asked how the GED could be compared to a high school diploma, to which Mr. Turner replied that the GED serves as a test and it is up to the administrative jurisdiction to determine the type of credential to students who pass the test.

The Chair asked representatives of the companies whether their companies would be using student data for purposes beyond the direct testing service they provide. The three representatives replied that their organizations would not use student data for marketing or advertising purposes, with the exception of a few states who may allow use of student data for community college marketing.

In response to a committee member's question regarding SB 183 and the use of the term "GED" in statute, Dr. Payán stated that California and Washington have recently changed statute in order to remove the specific reference to the GED in statute. Mr. Rosin added that Mississippi, Alabama, Florida, Maine, Illinois, and New York have considered or are considering statute changes. Mr. Turner noted that GED Testing Service has not specifically asked that the term "GED" be used in statute.

On a committee member's question relating to pricing of the tests, Mr. Turner reported that GED Testing Service is offering flat pricing through 2016. Mr. Rosin informed the committee that pricing in the arrangement McGraw-Hill has with New York includes a \$2.00 increase per year.

In response to the Chair's question, Mr. Dulany stated that the authority to select a vendor to administer a high school equivalency exam lies with PED, which is the department that administers the credential; however, according to Mr. Dulany, the testing centers throughout the state would also need to be on board because the testing centers are responsible for administering the test.

In response to a question from the Chair, Ms. Lenti stated that the current agreement with GED does not expire until the end of 2014, and the department will not act until the contract expires. Ms. Lenti added that the department would like to get as many options as possible and release a request for proposals, and furthermore the department intends to partner with the Higher Education Department (HED) and testing centers in order to consider all options.

The Chair asked about the current arrangement with the company Diploma Sender, to which Mr. Dulany replied that PED previously had a full-time position to provide GED diplomas and transcripts; however, that position was eliminated due to a reduction-in-force. Last year, Mr. Dulany stated, PED began an arrangement with Diploma Sender, which provides a free diploma and transcript to the test-taker, but charges \$18 per transcript to send documents to institutions, such as community colleges, that require officially issued documents. An additional fee of \$5.00 may be added for postage, he stated.

Finally, Mr. Dulany informed the committee that the Legislative Council Service (LCS) responded to a letter the LESC had sent previously requesting insight on the specific use of "GED" in statute. LCS has assigned staff attorneys to research the issue and provide feedback to the committee, he said.

There being no further business for the day, the LESC recessed at 5:07 p.m.

**LESC MEETING
JULY 12, 2013**

Senator John M. Sapien, Chair, called the meeting of the Legislative Education Study Committee (LESC) to order at 9:14 a.m., on Friday, July 12, 2013, at Ruidoso High School in Ruidoso, New Mexico.

The following voting members of the LESC were present:

Senators John M. Sapien, Chair, Craig W. Brandt, Gay G. Kernan, and Howie C. Morales; and Representatives Nora Espinoza, Dennis J. Roch, and Mimi Stewart.

The following voting members of the LESC were not present:

Representatives Rick Miera, Vice Chair, Jimmie C. Hall, and Sheryl M. Williams Stapleton.

The following advisory members of the LESC were present:

Senators Lee S. Cotter, John Pinto, and Pat Woods; and Representatives Nathan “Nate” Cote, Timothy D. Lewis, James E. Smith, and Bob Wooley.

The following advisory members of the LESC were not present:

Senators Jacob R. Candelaria, Daniel A. Ivey-Soto, Linda M. Lopez, and William P. Soules; and Representatives Alonzo Baldonado, George Dodge, Jr., David M. Gallegos, Stephanie Garcia Richard, Tomás E. Salazar, and Christine Trujillo.

DIRECTOR’S REPORT

At the request of the Chair, this item was moved to Friday, July 12 (from Thursday, July 11).

a. Approval of June 2013 LESC Minutes

On a motion by Representative Stewart, seconded by Representative Roch, the committee approved the June 2013 minutes.

b. Informational Items

Ms. Frances Ramírez-Maestas, LESC staff, noted that for the committee’s review, material for the following items were included in the committee notebooks:

- *Administrative Rulemaking*

- *Waiver of Certain Provisions of the No Child Left Behind Act of 2001: Background and Update*
- *LESC Financial Report for May 2013*
- *Board of Finance Action: Special Education Maintenance of Effort; and*
- *LFC Local Special Education Evaluation Update*

SCHOOL TRANSPORTATION: BACKGROUND

The Chair recognized David Craig, LESC staff, for a report outlining the background of the school transportation program and a 2012 LESC interim subcommittee.

Referring to the staff brief in the committee notebooks, Mr. Craig reported that:

- the Legislature appropriates transportation funds to PED which then distributes funds to the school district through a statutory, categorical funding formula designed to provide for eligible to-and-from school transportation costs;
- local school districts are responsible for the daily management of school transportation programs based on distance parameters in law; and
- according to PED staff, about 30 percent of school districts statewide administer their own school transportation services with the remaining 70 percent of school transportation services provided by school bus contractors.

In the 2012 interim, Mr. Craig noted, the LESC convened the LESC Subcommittee on School Transportation to examine issues related to school transportation that may have arisen since the last time the topic was studied in the 1990s. Among issues discussed by the subcommittee were:

- the 12-year replacement provisions in current law;
- maintenance costs, including costs associated with different kinds of roads and road surfaces;
- the funding of school bus replacements with revenue sources other than the General Fund;
- the \$20.1 million needed to address school bus replacements that are behind the 12-year replacement cycle in current law;
- issues relating to the rental fees, including consideration for amending current law to provide for a longer payment period;
- and the possibility of a separate appropriation category or fund for fuel.

Mr. Craig added that subcommittee members also discussed the use of prior-year numbers to provide more stability in school transportation funding and the potential benefits of a Global Positioning System (GPS) technology. He reported that the work of the subcommittee resulted in several LESC-endorsed legislation for consideration of the 2013 Legislature; however, none of these measures passed.

For consideration of the 2013 Legislature, Mr. Craig noted, the LESC endorsed six (listed below) of the seven subcommittee recommendations listed below. Not endorsed was the subcommittee recommendation relating to the creation and an appropriation for a task force to study school transportation issues.

- HB 419, *School Bus Transportation Distribution Based on Prior-year Reporting*: amended law to base prior-year reporting on the average of the 80th and 120th reporting date. The change from the subcommittee recommendation by the LESC was done to mirror reporting dates for operational funding via the Student Teacher Accountability Reporting System (STARS). Amendments fixed technical drafting oversights related to charter schools receiving distributions and delayed an implementation date until FY 15. This legislation did not pass.
- HB 447, *Supplemental Fuel Funding Based on Mileage*: appropriated \$1.0 million to the Transportation Emergency Fund for expenditure in FY 13 and subsequent years for the purposes of the transportation emergency fund. HB 447 was subsequently amended to remove the appropriation from the General Fund and allow for funding for increases in fuel costs from existing fund balance for FY 13 and FY 14. This legislation did not pass.
- HB 603, *Bus Rental Fee Extension*: allowed flexibility in contractor financing and aligned with the 12-year school bus replacement cycle by allowing school districts to pay rental fees up to 12 years. This legislation did not pass.
- HB 603, *Gross Receipts Exemption for Fuel Purchase*: amended the *Gross Receipts and Compensating Tax Act* to allow for an exemption from gross receipts tax for school bus contractors for purchases of gasoline and special and alternative fuels. This legislation did not pass.
- House Capital Request 42, *School-owned Bus Replacements Capital Appropriation*: requested appropriating through severance tax bonds \$20.145 million to PED for the purchase of school-owned buses. This recommendation mirrored the capital outlay request of PED. Senate Finance Committee Substitute for SB 60 and HB 337 appropriated \$13.0 million from the Public School Capital Outlay Fund for school bus replacement.
- SB 576, *Global Positioning System (GPS)*: requested a special appropriation of \$565,000 to PED for expenditure in FY 14 for purchase and/or operation of GPS equipment based on an estimate for operating costs for GPS hardware; to provide a method for PED to verify mileage, idle time, and fuel use to accurately reimburse costs; and to inform future studies of the school transportation funding formula, including site characteristics. This legislation did not pass.

Mr. Craig reported that recently school district personnel have expressed transportation funding concerns to LESC staff in at least two instances: (1) for small districts with less than 1,000 in student membership; and for school districts that are also close to the 1,000 student membership thresholds.

Mr. Craig explained that cost differentials are applied to small districts with under 1,000 to help supplement for diseconomies of scale, including separate differentials to supplement the number of operating buses; however, these differentials do not appear to offset the decreases in student membership. As an example he summarized transportation funding for Dexter Consolidated Schools. He emphasized that although Dexter Consolidated Schools had decreasing enrollment from FY 11 to FY 12, the district's allocation actually increased due to cost differential

adjustments for student membership above 1,000. When Dexter Consolidated Schools fell below 1,000 membership, however, the district's funding decreased despite increased legislative support in FY 13 for public school transportation. One contributing factor for the decrease, he reported, was the district's enrollment declining below 1,000 membership that brought its cost differential multiplier from \$1.15 per student to \$0.23 per student. In retrospect, Mr. Craig noted, a decline in enrollment for Tucumcari Public Schools between FY 12 and FY 13 of 26.5 students will result in a decrease of up to \$126,900 or 29 percent from the previous year.

As a policy option, Mr. Craig suggested that the LESC may wish to consider a continuation of an LESC subcommittee in the 2013 interim to further examine school transportation funding issues and to consider subcommittee recommendations for amending provisions in current law in advance of the 2014 legislative session.

Committee Discussion

The Chair recognized Jeanne Harris the business manager from Dexter Consolidated Schools who explained that the decrease in transportation funding resulted in having the district provide school transportation rather than contracting for these services.

The Chair recognized John Wolfe from Los Alamos Public Schools who observed that the work of the subcommittee informed good legislation that would have addressed sufficiency of funding.

The Chair recognized Teresa Saiz, representing Rio Rancho Public schools, who said she would like to see the subcommittee continue so as to continue the examination of school transportation funding statewide, including the funding for bus replacements.

The Chair recognized Lesley Lujan, business manager, Southwest Learning Centers, who emphasized the need to examine how the formula is applied to state-chartered charter schools.

Following committee discussion on the need for a 2013 LESC subcommittee to continue the examination of school transportation issues and provide findings and recommendations to the full committee prior to the 2014 Legislature, the Chair appointed Representative Stewart as subcommittee chair and Representative Cote, Representative Wooley, Senator Brandt, and Senator Morales as subcommittee members.

ADJOURNMENT

There being no further business, the Chair adjourned the LESC meeting at 11:46 a.m.

_____ Chair

_____ Date