

STATE OF NEW MEXICO
LEGISLATIVE EDUCATION STUDY COMMITTEE

REPRESENTATIVES

Mimi Stewart, Vice Chair
Nora Espinoza
Jimmie C. Hall
Rick Miera
Dennis J. Roch
Sheryl M. Williams Stapleton

State Capitol North, 325 Don Gaspar, Suite 200
Santa Fe, New Mexico 87501
Phone: (505) 986-4591 Fax: (505) 986-4338
<http://www.nmlegis.gov/lcs/lesc/lescdefault.aspx>



SENATORS

John M. Sapien, Chair
Craig W. Brandt
Gay G. Kernan
Howie C. Morales

ADVISORY

Alonzo Baldonado
Nathan "Nate" Cote
George Dodge, Jr.
David M. Gallegos
Stephanie Garcia Richard
Timothy D. Lewis
Tomás E. Salazar
James E. Smith
Christine Trujillo
Bob Wooley

ADVISORY

Jacob R. Candelaria
Lee S. Cotter
Daniel A. Ivey-Soto
Linda M. Lopez
John Pinto
William P. Soules
Pat Woods

Frances Ramírez-Maestas, Director

MINUTES
LESC MEETING
AUGUST 25-27, 2014

Senator John M. Sapien, Chair, Legislative Education Study Committee (LESC), and Senator John Arthur Smith, Vice Chair, Legislative Finance Committee (LFC), called the joint meeting of the committees to order at 8:20 a.m., on Monday, August 25, 2014, in the Student Union Ballroom at New Mexico Highlands University in Las Vegas, 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 Mimi Stewart, Vice Chair, Nora Espinoza, Jimmie C. Hall, and Rick Miera.

The following voting members of the LESC were not present:

Representatives Dennis J. Roch and Sheryl M. Williams Stapleton.

The following advisory members of the LESC were present:

Senators Lee S. Cotter, Daniel A. Ivey-Soto, William P. Soules, and Pat Woods; and Representatives Alonzo Baldonado, David M. Gallegos, Stephanie Garcia Richard, Tomás E. Salazar, James E. Smith, and Christine Trujillo.

The following advisory members of the LESC were not present:

Senators Jacob R. Candelaria, Linda M. Lopez, and John Pinto; and Representatives Nathan "Nate" Cote, George Dodge, Jr., Timothy D. Lewis, and Bob Wooley.

Senator Phil A. Griego was also in attendance.

WELCOMING REMARKS AND STRATEGIC INITIATIVES

Senator Smith recognized Dr. James Fries, President, New Mexico Highlands University (NMHU), to brief the committee on strategic initiatives at NMHU.

Referring to a committee handout, Dr. Fries reported that NMHU enrolled 3,720 students in the fall of 2013, representing 42 states, 19 tribes, and 36 countries. Among these students, he noted, 50 percent were first generation students, 66 percent were eligible for Pell grants, and 40 percent were at the master's level in their education. He emphasized that student research, field experiences, and internships have resulted in a number of notable initiatives, including:

- logos and promotional videos for two of the United Nations Education, Science and Culture Organization's world heritage sites, including Chaco Culture and Mesa Verde;
- development of augmented reality applications of historic sites at the Colorado National Monument and the Acadia National Park in Bar Harbor, Maine;
- design of two exhibitions at the National Hispanic Cultural Center;
- translation of theories on the origins of life from scientists at the Santa Fe Institute into a permanent interactive multidisciplinary exhibit at the New Mexico Museum of Natural History and Science;
- a contract with the State Library to lead the statewide digital literacy initiative *Parachute Factory*;
- development of an award-winning 3-D robotic vision system;
- study of ultrafast lasers in Paris, France; tectonic plates on the island of Mull, Scotland; and 200 pound anaconda snakes in Venezuela;
- research at the Rio Mora National Wildlife Refuge north of Watrous, New Mexico;
- acceptance of graduates into internationally renowned graduate schools, such as the University of Edinburgh and the University of Notre Dame;
- a national runner-up placing in small college rugby; and
- the female track athlete of the year (National Collegiate Athletic Association Division II), plus two national championships and five all-American awards.

With a goal of "student success," Dr. Fries indicated that NMHU has focused on and initiated a number of planned strategies, among them:

- lowering the minimum graduation requirement from 128 to 120 credits;
- reducing the upper division credit requirements from 51 to 45 credits;
- reviewing the schedule of classes to better serve students;
- reviewing all policies and procedures to eliminate unnecessary barriers;
- revising the approach to developmental needs through co-requisite courses;
- restructuring student advisement;
- establishing a Center for Teaching Excellence to support the professional development of faculty;
- working to increase Native American enrollment from the current 7.0 percent to 10 or more percent; and
- increasing the graduation rate for fall 2014 freshmen by at least 50 percent.

With regard to legislative requests, he highlighted programmatic support for:

- an oil and gas management program in collaboration with San Juan College;
- the nursing program;
- athletics: state funding is \$149,000 lower than funding prior to the recession;
- collaboration with the New Mexico Hispanic Medical Association focused on bringing rural students into medical professions; and
- infrastructure needs, including the renovation of Rodgers Hall.

FY 14 AND FY 15 GENERAL FUND REVENUE PROJECTIONS

Senator Smith recognized Dr. Tom Clifford, Cabinet Secretary, Department of Finance and Administration (DFA); Ms. Demesia Padilla, Cabinet Secretary, New Mexico Taxation and Revenue Department (TRD); and Mr. Peter van Moorsel, Chief Economist, Legislative Finance Committee (LFC), for a presentation of FY 14 and FY 15 General Fund revenue projections.

Also in attendance was Ms. Leila Burrows Kleats, Chief Economist, DFA.

Referring to his committee handout, Mr. van Moorsel stated:

- The consensus revenue estimating group, comprising professional economists from the LFC, DFA, TRD, and Department of Transportation, met and reached consensus on the revenue estimates provided in his brief.
- Preliminary FY 14 recurring revenue is estimated to have been \$6.0 billion, \$146 million more than the December 2013 revenue estimate.
- In the August 2014 estimate, General Fund revenue forecasts made in December 2013 for FY 14 through FY 18 were adjusted for 2014 legislation and revised upwards, including:
 - a \$56.0 million upward revision to FY 15 recurring General Fund revenue to \$6.24 billion (up from \$6.18 billion in the December 2013 forecast); and
 - a \$73.0 million upward revision to FY 16 recurring General Fund revenue to \$6.44 billion (up from \$6.36 billion in the December 2013 forecast).
- Regarding General Fund reserve balances:
 - preliminary FY 14 end-of-year reserve balances are \$670 million, or 11.4 percent of recurring appropriations; and
 - projected FY 15 end-of-year reserve balances are estimated at \$697 million, or 11.3 percent of recurring appropriations.
- Finally, “new money” for FY 16, defined as FY 16 projected recurring revenue less FY 15 recurring appropriations, is projected to be \$285 million, or 4.6 percent of FY 15 appropriations.

In addition to the consensus revenue forecast projections, referring to the TRD written testimony, Secretary Padilla highlighted the following risks to the revenue forecast:

- A state district court's ruling on the case, *Eunice v. State of New Mexico Taxation and Revenue Department*, pertaining to the ability of the state to recoup overpayments of gross receipts tax (GRT) to municipalities in the case of taxpayer amended returns, creates an unquantifiable risk to the GRT forecast if the state were required to pay back so-called "negative distributions" it has assessed against Eunice and other municipalities in the state.
- The 2001 Gaming Compacts expire at the end of FY 15, under which the gaming activity of five tribes is covered; an additional nine tribes are covered by a 2007 compact not set to expire. The forecast, assuming current law in the expiration of those compacts, reflects a \$20.0 million revenue loss from tribal revenue sharing in FY 16.
- Claims for the High Wage Jobs Tax Credit (HWJTC) have significantly declined as a result of 2013 legislation; however, the HWJTC continues to be a risk to the revenue forecast pending the outcome of \$64.0 million in HWJTC claims denied by TRD currently under protest.

Referring to the DFA PowerPoint, Secretary Clifford highlighted the following points in a capital budget summary for FY 15:

- Senior Severance Tax Bond capacity is \$347.7 million, of which:
 - \$25.0 million is authorized but not issued;
 - \$34.8 million is earmarked for water projects;
 - \$17.4 million each for (1) tribal infrastructure, and (2) colonias projects; and
 - \$253 million is available for new capital projects.
- \$229.6 million in Supplemental Severance Tax Bonds for public school capital.
- *Audit Act* compliance has improved dramatically over the last year, decreasing the number of "at-risk" entities from 51 to 22.

Citing the financial summary included in the DFA PowerPoint, Secretary Clifford also noted that, although the FY 16 "new money" is projected to be \$285 million, the administration's 4.0 percent spending growth target would be \$246 million, less than the total of all "new money." Based on that spending growth target, Secretary Clifford laid out the following administration budget priorities:

- continuing education reforms;
- promoting economic development, including tourism advertising, the *Local Economic Development Act*, the Job Training Incentive Program, and the Main Street Program;
- improving public safety through the Department of Public Safety, the Children, Youth and Families Department, and the Department of Corrections;
- continuing health workforce initiatives;
- targeted compensation reforms; and
- continuing tax reform to promote economic development.

Committee Discussion

A committee member asked Secretary Padilla to explain the *Eunice* case and what the implications could be to recurring revenue. Secretary Padilla responded that, historically, the TRD has adjusted distributions of GRT to counties and municipalities downward to correct errors in previous distributions caused either by the TRD itself or by the amendment of tax returns by taxpayers, which could potentially result in a municipality owing money to, rather than receiving money from, the state. She explained that the ruling of the state district court interpreted the word “erroneous” in the context of the statute to mean only those errors caused by TRD, and that there were also implications with the timeline under which the TRD must act on an erroneous distribution as it relates to the length of time a taxpayer has to file amended returns. As a result, pending the outcome of further legal appeals, the state might be liable to pay municipalities back for certain withheld revenue. The Secretary noted that the department was working on potential legislation to address this problem, but the amount of potential exposure to revenues was unknown.

Referring to a forecast risk mentioned in the DFA PowerPoint related to companies challenging tobacco settlement payments, a committee member asked whether there could potentially be recurring revenue exposure from these challenges to the state’s tobacco Master Settlement Agreement (MSA) and whether legislation might be necessary. Secretary Clifford deferred to Ms. Kleats, who, citing conversations with staff from the state Attorney General’s Office, suggested that current litigation surrounding the MSA stemmed from lapses in compliance for Non-participating Manufacturers (NPMs) in previous years, which could result in a one-time penalty for the state. Further, Ms. Kleats suggested that, as long as the state continues to enforce compliance for NPMs, the state should not face any recurring impact to its tobacco settlement revenue.

NATIONAL TRENDS IN EARLY LITERACY INTERVENTION

Senator Smith recognized Dr. Nonie Lesaux, Professor of Education, Harvard Graduate School of Education, and Ms. Emily Workman, Policy Analyst, Education Commission of the States, to inform the LESC and the Legislative Finance Committee on national trends in early literacy interventions.

Dr. Lesaux explained that her profession focuses on children from minority, multi-lingual, and socio-economically disadvantaged backgrounds and that her policy-level work is focused on state-level plans to improve learning opportunities from birth through age 8. She reported that children from these subgroups are most likely unable to read at grade-level by third grade and, consequently, are most likely to drop out of school.

Referring to the PowerPoint presentation, Dr. Lesaux outlined three questions to be addressed by both schools and communities:

1. How did we come to a comprehensive plan for improving children’s learning outcomes?
2. What do we know about language and literacy development among diverse populations?
3. What are the key strategies for increasing the quality of children’s language and learning environments?

Directing the committees to Slide 3 of the presentation, Dr. Lesaux stated that a comparison of New Mexico demographics to the rest of the country indicates that:

- 33 percent, or one-third, of children ages birth through five in New Mexico live in poverty, compared to 26 percent of US children among the same age group; and
- 22 percent, or one-quarter, of children and youth in New Mexico are children of immigrants, compared to 24 percent in the US.

A majority of these children, she emphasized, are generally not fluent in English, which creates an obstacle for proficiency in literacy. Directing the committees to Slide 4, she explained that only 22 percent of fourth graders in New Mexico, of which 17 percent are Latino, are proficient in reading.

Referring to the committee handout, Dr. Lesaux explained that reading requires two main set skills – decoding and word base meaning. She added, however, that they are often overlooked as one skill. Children, she stated, need to learn how to decode words but at the same time need to understand the base meaning of words. As students progress through each grade level, she emphasized, text levels become more challenging and, even though the student may be able to decode, they may not have the sufficient meaning-based skills for text comprehension. She reported that a lack of meaning-based skills interrupts the meaning of the passage the child is reading.

Dr. Lesaux noted that Slide 8 reveals a gap between word reading and word knowledge. She stated that many students in New Mexico who grow up in poverty and come from a diverse linguistic and cultural background will have a gap between decoding skills and word knowledge. While these students may be on grade-level in decoding skills, she stated, they may be below grade-level in word knowledge, which is fundamental for comprehension. She then outlined a five-part plan to increase the quality of children’s language and reading environments, including:

- program design and implementation;
- ongoing assessment of children and settings;
- redefined adult capacity building models;
- language rich, rigorous, and engaging curricula; and
- partnerships with families, focused on language and learning.

Dr. Lesaux said that program design and implementation are conducted to ensure that programs are delivered with sufficient intensity, duration, and scope before scaling up. She explained that conducting early, ongoing assessments of children’s language and reading, as well as the quality of setting, and services, will support proficiency in early literacy. She also noted that it is equally important to increase adults’ capacity to assess and support children’s language and literacy development by creating partnerships with them. To conclude, she emphasized the need to support good teaching with high-quality and comprehensive curricula that promotes language development.

Referring the committee to a PowerPoint handout, Ms. Workman outlined a P-3 system that supports third grade reading proficiency and includes:

- a high-quality pre-K;
- an alignment of the pre-K and K-3 systems;
- highly trained teachers and leaders;
- developmentally appropriate curricula;
- full-day kindergarten;
- a Kindergarten Entry Assessment;
- other ongoing assessments; and
- family engagement.

Focusing on current policies/initiatives in New Mexico, Ms. Workman reported that:

- 39 percent of four-year-olds are enrolled in state-funded pre-K/Head Start programs;
- the state requires kindergarten attendance;
- districts are required to offer a half-day kindergarten program;
- minimum requirements include five and a half hours for full-time and two and a half hours for half-day kindergarten programs; and
- the teacher to student ratio is 1:15.

With regard to assessments, Ms. Workman reported that policies nationwide indicate that:

- 33 states and the District of Columbia assess reading proficiency in at least one grade, between pre-K and grade 3;
- 19 of those states assess in grades K-3;
- three states begin assessing in pre-K;
- nine states do not assess until grade 3, which is considered too late for remediation;
- 30 states and the District of Columbia offer some type of intervention; and
- 16 states and the District of Columbia require third grade retention.

With regard to New Mexico, Ms. Workman reported that:

- all K-3 students are assessed;
- continuous assessments for student monitoring progress are in place;
- an individualized reading plan is created for those who are not reading on grade level and do not meet reading proficiency standards;
- extra time in the student's day or year is in place for the implementation of reading programs; and
- professional development is provided to teachers.

According to her research, Ms. Workman stated, components for a strong reading policy need to include:

- early identification/assessment of pre-K/kindergarten;
- early intervention outside of normal school and not redistributing class time which may include tutoring and/or interventions that are an interplant and not a supplant;
- highly qualified reading teachers with pre-service teaching programs to offer certification;

- parental involvement;
- ongoing assessment; and
- program evaluation.

Referring to the PowerPoint presentation, Ms. Workman outlined examples from two states that have early identification and ongoing progress monitoring for both students and the programs themselves:

- Arizona requires a review of reading programs if more than 20 percent of students at the school or district level do not meet standards; and
- Iowa requires a minimum of monthly progress monitoring which allows students to move in and out of intervention related to the growth or need seen through the results.

Early interventions, Ms. Workman emphasized, need to be focused on scientifically based research and directly targeted to students with identified reading deficiencies. As an example, she noted that Ohio requires that intervention services include research-based reading strategies that have been shown to be successful in improving reading among low-performing readers and instruction targeted at the student's identified reading deficiencies.

In closing, Ms. Workman said that another component for a strong reading policy is to have pre-service and in-service training for current teachers and assignment of highly effective teachers to those students with the highest need. As examples, she reported that:

- Ohio requires that third graders with reading deficiencies be assigned to teachers who hold a reading endorsement, have completed a master's degree with a focus in reading, were rated highly effective for reading instruction, or have earned a passing score on a rigorous test of principles of scientifically research-based reading instruction; and
- Kentucky's Department of Education assists districts in the identification of professional development activities, including teaching strategies to help:
 - identify and teach the skills that students need to comprehend the concepts and content of each subject area; and
 - use activities and materials that will help the students comprehend and constructively apply information.

Committee Discussion

In response to a question as to how a home language affects the reading proficiency of the student, Dr. Lesaux stated that language development is influenced in the home, community, and school. She emphasized that all three environments have an effect on both everyday language and academic language.

A committee member commented that K-8 promotion is a decision made by the parent and teacher, however, children are moving forward whether they meet proficiency or not. The committee member then asked what the research indicates for a student who enters grade 9 below grade-level proficiency and whether retention should be considered. Dr. Lesaux replied that about 80 percent of ninth graders who have been retained eventually drop out of school. She emphasized that there is nothing more psychologically damaging in the school setting than not

being able to move ahead with your peers. Further, she noted, repetition of a grade level alone is not enough. Focus should be placed on the interventions and changing how the child is being taught rather than just teaching it again, she said. As for retaining in grade 9, Dr. Lesaux emphasized the need for remediation courses and noted that high schoolers usually repeat courses rather than repeat the entire grade.

In response to a committee member's comment relating to the Legislature's discussions on mandatory retention and early interventions, Dr. Lesaux explained that the state needs to focus on improving schools' overall quality of classroom instruction, not just interventions, including professional development that is focused on improving the quality of daily instruction and academic language development. She also emphasized the need to track data for students as a group and not just the individual.

In response to question relating to ongoing assessments, interventions, and program evaluations and their effect on teacher evaluations, Ms. Workman stated that the evaluation could include not only teacher observation but also teacher-generated assessments that are developmentally appropriate.

RACE TO THE TOP EARLY LEARNING CHALLENGE GRANT IMPLEMENTATION UPDATE

Senator Smith recognized Ms. Leighann Lenti, Deputy Secretary for Policy and Program, Public Education Department (PED); Mr. Steve Hendrix, Director of Early Childhood Services, Children, Youth and Families Department (CYFD); Mr. Dan Haggard, Deputy Director of Programs, Early Childhood Services, CYFD; and Ms. Alejandra Rebolledo-Rea, Bureau Chief, Office of Child Development, CYFD, for an update relating to the implementation of the Race to the Top – Early Learning Challenge (RTT-ELC) grant.

Also in attendance were Mr. Ferdi Serim, Education Technology Coordinator, PED, and Mr. Matthew Pahl, Policy Director, PED.

Ms. Lenti explained that, in 2012, New Mexico was awarded a \$37.5 million, four-year grant during the second phase of the federal RTT-ELC program. The purpose of the grant, she stated, was to help states focus on early learning and development systems for children ages birth through five and build unified approaches to supporting children and families. She noted that PED is the lead agency for the grant and that CYFD and the Department of Health (DOH) are participating agencies.

Referring the committees to a handout, Ms. Lenti stated that the key projects included in the grant:

- develop and implement FOCUS, New Mexico's newly revised Tiered Quality Rating and Improvement System (TQRIS);
- establish early childhood investment zones by identifying and prioritizing communities where children are at greatest risk;
- support early childhood educators with scholarships and additional training opportunities;

- use the kindergarten rubrics in the New Mexico Early Learning Guidelines as criteria for a Kindergarten Readiness Assessment to be used in all New Mexico public schools; and
- build a unified early learning data system.

With regard to the Kindergarten Readiness Assessment (KRA), Ms. Lenti explained that, in 2013, PED issued a Request for Proposals to validate the current New Mexico PreK Observational Assessment for use as the KRA. She added that the KRA, which includes a pilot implementation in September 2014 and statewide implementation in the fall of 2015, will evaluate the essential domains of a child's school readiness, including:

- language and literacy development;
- cognition and general knowledge;
- approaches toward learning;
- physical well-being and development; and
- social and emotional development.

To conclude, Ms. Lenti stated that the goals of the early learning data system are to:

- provide current information for educators to support education success;
- provide families with the information to make informed program choices for their young children;
- track children's developmental and educational progress;
- measure the quality and improvement of New Mexico's early childhood learning system;
- assess the status of young children as they enter kindergarten; and
- track children from their earliest enrollment in early childhood programs through entrance into elementary, middle and high school, as well as higher education and the workforce.

Mr. Hendrix reported that the elements of FOCUS include:

- observational child assessment;
- curriculum planning and support;
- family engagement strategies;
- health and safety practices;
- comprehensive program assessment and continuous improvement; and
- early childhood educator workforce qualifications support.

The FOCUS project, Mr. Hendrix stated, comprises 66 percent, or \$24.6 million, of the RTT-ELC grant budget. In the first year of the grant, he stated, CYFD developed and published the elements and program guidelines; however, as FOCUS remains a pilot until 2017, the elements and guidelines are continually being evaluated and revised.

Mr. Haggard explained that the state's existing quality rating system, AIM HIGH, was implemented in 2000 but is being transitional to FOCUS, New Mexico's third-generation TQRIS. He emphasized that the purpose of improving quality in child-care is to improve health and well-being of children and promote school success. To achieve this, he noted, the state's early childhood development system is transitioning from workforce support to a care-oriented

system focused on early development and education. Currently, he added, child-care providers may volunteer to participate in the FOCUS pilot, with 150 providers currently participating in the pilot program statewide. Providers who apply to participate in FOCUS, he stated, enter as a 2-STAR provider but are reimbursed at the 3-STAR quality rating. Additionally, CYFD has proposed increasing reimbursement rates for pilot participants to reimburse providers for higher operating costs associated with meeting FOCUS quality criteria he concluded.

Ms. Rebolledo-Rea explained how FOCUS will work within CYFD and across other agencies. She reported that:

- there are three cohorts of the FOCUS TQRIS pilot programs that are currently operational (about 150 programs ranging from center-based, pre-K, family child-care, Head Start, and tribal programs);
- criteria have been revised to emphasize full participation of each child, development of 2+ Criteria (for programs starting the Quality pathway), and clarification about the Continuous Quality Improvement process;
- Child Trends has begun the validation and verification process for the TQRIS and is gathering the information for the validation of New Mexico's Assessment System and Curriculum planning; and
- continuous methods for input on the criteria and process have been put in place for pilot participants through meetings, consultation, and online forms.

She noted CYFD is working with PED to enhance standards so that there is a single set of standards and that the standards are developmentally appropriate, including the development of:

- FOCUS criteria and a TQRIS that include monitoring tools with protocols and incentives for use in PED pre-K; *Individuals with Disabilities Education Act* (IDEA) (Part B, Section 619), and Title I; and
- a timeline beginning in March 2014 with full implementation and evaluation of programs by December 2016.

With regard to the role of DOH Family Infant and Toddlers (FIT) program and FOCUS, Ms. Rebolledo-Rea reported that the department:

- is developing FOCUS criteria and a TQRIS which includes monitoring tools with protocols for IDEA Part C early intervention programs;
- is working with stakeholders to review general criteria and determine the process for integration into the FIT system; and
- has hired a staff member to fully integrate FIT into FOCUS.

Ms. Rebolledo-Rea further explained that, in 2013, CYFD conducted a needs-assessment that included socio-economical risks to identify investment zones statewide. The assessment included births to females between the ages of 15 through 19, and the percent of pre-term births, residents under the federal poverty rate, juvenile arrest rates, and infant mortality rates. By ranking the assessment data, the agency identified the counties with the highest risks and designated them as early childhood investment zones, which include 35 school districts. Currently, she stated, CYFD has invited five communities to participate in the creation of a plan for an early learning system for these investment zones.

With regard to data, Mr. Serim emphasized that confidential data will be protected and only aggregate reports will be available as the grant moves forward. He said that the data collection will address six essential questions:

1. Are children ages birth to five on track to succeed when they enter school and beyond?
2. Which children have access to high-quality early care and education programs?
3. Is the quality of programs improving?
4. What are the characteristics of effective programs?
5. How prepared is the early care and education workforce to provide effective education and care for all children?
6. What policies and investments lead to skilled and stable early care and education?

Committee Discussion

A committee member expressed concern about the cost for early childhood education centers to set up a reporting system. Mr. Hendrix responded that centers that are participating in the FOCUS program will have to incur some costs in setting up the infrastructure, but the cost should be minimal.

A committee member directed a question to Mr. Hendrix about a meeting that was to have taken place with some providers prior to the presentation. In response, Mr. Hendrix stated that the agency needs time to meet with all providers at a time that is convenient for both the providers and agency staff. He added that CYFD would like to use video conferencing software or conference calls as a means to receive more provider input.

EFFECTIVE USE OF SHORT-CYCLE ASSESSMENT DATA TO INFORM INSTRUCTIONAL PRACTICES

Senator Smith recognized Mr. Dave Stevenson, Vice President of Government Relations, Amplify Insight, and Ms. Staci Mascareñas, Principal, Pojoaque Valley Intermediate School, Pojoaque Valley Schools, to discuss the use of short-cycle assessment data to inform instructional practices.

Referring the committees to a handout, Mr. Stevenson emphasized that third grade reading proficiency is a well-understood gateway to academic success. In this regard, he noted, children not reading grade-level by the end of grade 3 are four times more likely to drop out of high school. As early as kindergarten, he noted, deliberate interventions can provide an opportunity to close the gap earlier rather than later and lead to increased pass rates and reductions in referrals for specific learning disabilities.

Short-cycle assessments, he explained, can best be described as:

- part of a process, with opportunities for feedback – more specifically, educators can use short-cycle data to: (1) pinpoint student needs; (2) develop targeted instructional action plans; (3) implement plans and assess effectiveness; and (4) reinforce learning through strategic conversations with parents, students, colleagues, and the community;
- rapid, which leaves time for teaching;

- repeatable, which allows students to show progress;
- classroom friendly, to integrate in teaching;
- instructionally relevant, to guide intervention; and
- psychometrically valid, to assure utility – for example, the Dynamic Indicators of Basic Early Literacy Skills (DIBELS) Next assessment is:
 1. predictive of key end-of-year and third grade outcomes;
 2. accurate in its predictions; and
 3. reliable between administrators and across time periods.

As a result, Mr. Stevenson emphasized, short-cycle assessment data can and should be utilized to improve learning outcomes for children. He noted that K-3 literacy assessment data can assist teachers to not only identify students' strengths and weaknesses in reading, but also allows teachers to make informed adjustments to their instructional plan, aiming to meet a student's area of need.

Mr. Stevenson acknowledged that, beyond administering short-cycle assessments in schools, it is also necessary to review data collaboratively (i.e., share data with school administrators, parents, and other stakeholders). This practice allows short-cycle assessments to be part of a broader process of classroom planning and provides all stakeholders with an opportunity to strategize what they can do differently in order to improve learning outcomes.

Currently, Mr. Stevenson reported, DIBELS Next, which is currently administered as part of the New Mexico Reads to Lead! and K-3 Plus programs, is the short-cycle assessment serving nearly all of the K-3 students in the state. An important initiative, he stressed, is that, according to the Public Education Department (PED), teachers have been provided with professional coaching and training to help them not only to administer the assessment but to also understand the assessment data. Understanding the data, he reported, allows teachers to not only have data conversations with all stakeholders but also to inform instruction.

To conclude, Mr. Stevenson cited PED reports for K-3 teachers statewide, which indicate that:

- 30 percent review class data following each assessment window with instructional teams;
- 30 percent regularly initiate data discussions with mentors, administrators, and parents;
- 27 percent share strategies with their peers to address instructional needs;
- 40 percent implement differentiated instruction based on benchmarks; and
- 33 percent participate in school-wide discussions and decisions based on data, including choices about curriculum and support.

Referring to a PowerPoint presentation, Ms. Mascareñas briefed the committees on the importance of creating a performance-driven school system to improve learning. Such a system, she said, requires teachers, students, and parents to focus on a culture of data use that supports instruction and learning, not as a means to point out individual or system failure. The implementation of a system to organize and provide timely access to relevant data is an important process for meaningful communication and collaboration among all stakeholders – a process that builds school capacity for making data-informed decisions to improve performance.

As an example, she outlined the steps that the Pojoaque Valley Schools requires for the *Discovery* short-cycle assessment:

- Step 1: collect and chart data.
- Step 2: analyze strengths and obstacles by:
 - listing the strengths of student who were proficient and higher by examining their work; and
 - listing obstacles or reasons why non-proficient students did not achieve proficiency. Key questions include: What were their errors? Is there a trend? Are there common errors? What is preventing these students from becoming proficient? Are there misconceptions about concepts or skills?
- Step 3: establish goals: set, review, revise.
- Step 4: select instructional strategies.

Focusing on Step 2 of the process, Ms. Mascareñas pointed out that the analysis of strengths and obstacles can be charted as whole school data for an entire district or as individual class data. These data can then inform a teacher on specific instructional and classroom strategies, such as: which math strand is needed, how students should be grouped based on their proficiency levels in each strand, and what specific questions students are getting incorrect.

To conclude, Ms. Mascareñas indicated that professional development and classroom visits have been valuable strategies to build a culture of trust among district staff. These two strategies have included training teachers on the use of short-cycle assessments and teachers visiting and observing each other's classrooms.

Committee Discussion

A committee member acknowledged Ms. Mascareñas for her work in utilizing short-cycle assessment data as part of the school's organizational culture and emphasized the importance of teachers being able to make informed decisions using data to support daily activities at the school.

With regard to teacher evaluations and short-cycle assessments, a member of the committee asked whether the results of the assessments impact teacher evaluations and, if so, to what extent. In response, Mr. Stevenson stated that as short-cycle assessments are reliable and valid tools that could be used for accountability purposes as well as to inform instruction; however, those are decisions made by each district. Ms. Mascareñas added that the Pojoaque Valley Schools does not use short-cycle assessments as part of the teacher evaluation, but the tests are used to track how students are progressing in reading, English language arts, and math, in addition to helping teachers improve instruction.

DIRECTOR'S REPORT

a. Approval of July 2014 LESC Minutes

On a motion by Representative Stewart, seconded by Representative Miera, the committee approved the minutes for the July 2014 interim meeting.

b. Informational Items

Ms. Frances Ramírez-Maestas, LESC staff, noted that, for the committee's review, the following items were included in the meeting materials provided to members:

- 2014 LESC Interim Workplan.
- Staff briefs relating to administrative rulemaking, including:
 - proposed Public Education Department rules relating to competitive food sales in schools and school district wellness policies; and
 - the final adopted rule regarding the Legislative Lottery Scholarship, further discussed below.
- A copy of the FY 15 LESC budget.
- A copy of the New Mexico Coalition of Education Leaders (NMCEL) 2014 Awards Luncheon program recognizing:
 - Senator Gay Kernan as the recipient of the Earl Nunn Memorial Recognition award;
 - Mr. Mike Phipps and Mr. Dick Pool, retired New Mexico superintendents from Artesia and Silver City, respectively, as NMCEL Hall of Fame inductees; and
 - Representative Rick Miera as the recipient of the Bud Mulcock Distinguished Service Award.

With regard to rule changes for the Legislative Lottery Scholarship, Mr. Travis Dulany, LESC staff, reported that the final adopted rule for the scholarship, when compared to the proposed version of the rule, contains two substantive changes:

1. the definition of "full-time" adds language to include students who are enrolled through a consortium agreement between a home and host institution, specifying that "full-time" for consortium students depends on whether the students' home institution is a four-year institution (requiring 15 credit hours per semester) or a two-year institution (requiring 12 credit hours per semester); and
2. the student eligibility section of the adopted rule specifies that students must meet the definition of "full-time" and "qualified student," whereas the proposed rule only specified the need to meet the definition of "full-time."

Mr. Dulany also informed the committee that some language remained in the final rule even though the Higher Education Department (HED) had previously expressed intent to amend it. Specifically, Mr. Dulany said, the rule states that students must have a "Diploma of Excellence" in order to receive the scholarship; however, written comments to HED requested that students who have completed high school without meeting the requirements for the Diploma of

Excellence also be eligible to receive the scholarship. After consulting with the sponsor of the *Legislative Lottery Tuition Scholarship Act*, HED indicated the intent to adhere to that request, Mr. Dulany stated, but the requested change does not appear in the final adopted rule. Correspondence received by LESC staff indicates that this omission was not made intentionally, and HED has filed an emergency rulemaking to correct it, Mr. Dulany said.

Finally, Mr. Dulany informed the committee of a technical error in the rule, which was found by LESC staff; the error results in an inconsistency for the maximum number of semesters that students with disabilities at community colleges can receive the scholarship – the “Objective” section of the rule specifies seven semesters while the “Student Eligibility” section specifies six semesters. Mr. Dulany stated that he has alerted HED of this technical error, and HED indicated that it will pursue an additional emergency rulemaking in order to correct it.

There being no further business, the Chair with the consensus of the committee, recessed the LESC meeting at 4:39 p.m.

**MINUTES
LESC MEETING
AUGUST 26, 2014**

Senator John M. Sapien, Chair, Legislative Education Study Committee (LESC), and Senator John Arthur Smith, Vice Chair, Legislative Finance Committee (LFC), called the joint meeting of the committees to order at 8:33 a.m., on Tuesday, August 26, 2014, in the Student Union Ballroom at New Mexico Highlands University in Las Vegas, New Mexico.

The following voting members of the LESL were present:

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

The following voting member of the LESL was not present:

Representative Sheryl M. Williams Stapleton.

The following advisory members of the LESL were present:

Senators Lee S. Cotter, Daniel A. Ivey-Soto, Linda M. Lopez, and William P. Soules; and Representatives Alonzo Baldonado, David M. Gallegos, Tomás E. Salazar, James E. Smith, Christine Trujillo, and Bob Wooley.

The following advisory members of the LESL were not present:

Senators Jacob R. Candelaria, John Pinto, and Pat Woods; and Representatives Nathan "Nate" Cote, George Dodge, Jr., Stephanie Garcia Richard, and Timothy D. Lewis.

**RECRUITING AND RETAINING HIGH QUALITY TEACHERS AND
ADMINISTRATORS – ALIGNING TEACHER AND ADMINISTRATOR PAY,
LICENSURE ADVANCEMENT, AND THE TRAINING AND EXPERIENCE INDEX
TO IMPROVE STUDENT OUTCOMES**

***Educator Salary Comparison, Regional Competitiveness, and PED Vision for Ensuring
Recruitment and Retention of Effective Teachers and Administrators***

The Chair recognized Ms. Michelle Exstrom, Education Program Principal, National Conference of State Legislatures; Mr. Matt Montañó, Director, Educator Quality Division, Public Education Department (PED); and Mr. Matthew Pahl, Policy Director, PED, to discuss educator salary compensation, regional competitiveness, and recruitment and retention of effective teachers and administrators.

Referring to her PowerPoint presentation, Ms. Exstrom, suggested that both teacher salary and teacher licensure decisions should be considered within the broader context of effective teaching policies, which include:

- teacher preparation;
- teacher licensure;
- teacher salary;
- teacher supports; and
- teacher evaluations.

Ms. Exstrom explained that it is important to think of the entire picture as lawmakers consider policy on any one of these areas because each one affects the other. For example, salary affects recruitment and retention, including candidates that are attracted into programs of teacher preparation.

Citing the National Education Association's (NEA) *Rankings & Estimates* for school year 2013-2014, Ms. Exstrom said that southwest and southeast states have the lowest salaries in the country. Compared to a national average teacher salary of \$56,689 and average beginning teacher salary of \$36,141 for school year 2012-2013, Ms. Exstrom provided the average salary and beginning teacher salary for the following states:

- | | | |
|--------------|----------|--------------------|
| • Arizona | \$51,109 | beginning \$31,874 |
| • Colorado | \$50,651 | beginning \$32,126 |
| • Utah | \$50,659 | beginning \$33,081 |
| • Texas | \$49,270 | beginning \$38,091 |
| • New Mexico | \$45,727 | beginning \$31,960 |
| • Oklahoma | \$44,277 | beginning \$31,606 |

With the caveat that teacher salary is determined by the district, not the state, Ms. Exstrom emphasized that states must determine whether the overall goal is to recruit and retain teachers or to improve student achievement, which are two related but different outcomes.

With regard to research surrounding salary trends, Ms. Exstrom indicated that:

- states are gradually looking to increase salaries;
- research does not support dramatic higher salaries or bonuses;
- research does not support salary increases based on inputs, such as National Board Certification, holding a master's degree, etc.; and
- research suggests mixed results for performance- or market-based pay.

Turning to the discussion of how various states currently approach teacher licensure, Ms. Exstrom cited the following licensure structures:

- traditional licensure with traditional renewal:
 - single system: 10 states;
 - two-tiered system: 21 states; and
 - three or more tiers: 17 states; and
- performance- or outcomes-based licensure:
 - uses performance-based assessments and evaluation data;
 - are being implemented in New York, Tennessee, and Georgia using systems that link evaluations to licensure renewal; and
 - have been adopted in Rhode Island, Delaware, and Louisiana.

Ms. Exstrom suggested that, in considering teacher licensure policies, states should account for both inputs and outputs to determine whether a teacher should receive initial or continuing licensure, where:

- inputs include professional development, additional education, or National Board Certification; and
- outputs include demonstration of mastery of teaching techniques and the ability to show student growth and improved outcomes.

Ms. Exstrom explained that tiered licensure, such as the system used in New Mexico, is a popular model because it can create a performance or differential pay structure without having to use either a more traditional or experimental model that could be more controversial. Aspects of a tiered licensure system include:

- creating a defined career path or ladder for educators;
- incentivizing teachers to achieve certain inputs that the state might find useful and desirable in a seasoned teacher; and
- being very clear and transparent to both policymakers and stakeholders.

Finally, Ms. Exstrom suggested that, with new evaluation systems in place, some states are beginning to require both inputs and outputs in the licensure process. For example, Rhode Island redesigned its licensure system based on the new measures of educator effectiveness since 2012.

Representing PED on behalf of the Secretary-designate, and referring to their PowerPoint, Mr. Montañó and Mr. Pahl described PED's vision of:

- attracting talent into teaching;
- providing targeted training and support for educators;
- placing the state's best educators in high-need areas;
- retaining our effective teachers;
- reaching more students with the best teachers; and
- rewarding excellent teachers and school leaders.

Mr. Montaña identified several areas where PED believes it has delivered on this vision, including:

- NMTEACH, the teacher and school leader evaluation system implemented by the department, which has identified the best teachers and those that need more support;
- an increase to salaries for starting teachers while raising the bar for those teachers through licensure assessments;
- creating new teacher preparation programs that remove financial barriers and bring participants into the classroom faster;
- starting an incentive pay pilot program, for which there have been 26 applications; and
- implementing recruitment and retention stipends for the Science, Technology, Engineering and Math content areas.

Mr. Montaña explained that PED felt there had been several missed legislative opportunities for implementing its vision, including:

- an adjunct teacher bill, which would have allowed up to part-time teaching by unlicensed professionals;
- a principal eligibility bill, which would have reduced requirements for administrative licensure and connected pay with performance in the classroom; and
- a competitive salary system for top performers.

Citing publications by The Education Trust-West and The New Teacher Project, Mr. Montaña suggested that there was a link between highly effective teachers, as rated through a value-added framework, and student performance on standardized metrics.

Referring to the PowerPoint, Mr. Pahl identified the following issues that PED considers to be relevant to the discussion of teacher compensation:

- barriers to entry that shrink the state's teaching pool, including:
 - starting salaries for teachers are neither attractive nor competitive;
 - potential salary growth is limited and slow; and
 - transitioning to teaching from another career can be cumbersome;
- the current compensation structure does not provide an incentive to place the best teachers in high need areas; and
- salary increases, on average, do not differentiate between low-rated and highly rated teachers.

In closing, Mr. Pahl reiterated PED's vision, what the department feels have been missed opportunities to implement that vision, and potential opportunities to expand that vision.

Committee Discussion

A committee member expressed concern over the use of value-added models (VAMs). Citing educators in the member's constituency who are nationally recognized but rated minimally effective by the state's system, the member questioned whether the system is effective.

In response to a question relating to the length of time other states have been using VAMs, Mr. Montañó responded that Washington, DC has used them for about five years; Tennessee began using them for high-stakes tests three years ago; and Pittsburg, Pennsylvania since 2009. Mr. Montañó added that the New Mexico VAMs incorporate uniqueness of the state but are similar to other states.

Aligning the Training and Experience Index with the Three-Tiered Licensure System, the Index of Staff Qualifications, and Alternative Compensation Systems

Representative Mimi Stewart

Referencing the LESC staff report, Representative Mimi Stewart presented on the history of the Training and Experience (T&E) Index within the New Mexico Public School Funding Formula and previous proposals for aligning the T&E Index with the three-tiered licensure system.

Representative Stewart explained that, in 1974, when the Legislature enacted the public school funding formula, the T&E Index was included as a mechanism to encourage districts to hire and retain teachers at a time when many districts had high staff turnover due, at least in part, to increasing salary costs. Referring to Table 1 of a staff report, Representative Stewart stated that the T&E Index is calculated using a statutory matrix, which contains cost differential factors based on academic credentials and years of experience.

Referring to Attachment 1 of the staff report, Representative Stewart explained that the T&E Index is used as a multiplier in the public school funding formula. All of the units generated by students in the various grade levels, by students receiving special education services, by students in bilingual and fine arts programs, and by special education ancillary staff are added together and then multiplied by the T&E Index to produce adjusted program units.

The Legislature has funded two independent studies, Representative Stewart continued, which considered potential revisions to the T&E Index, including:

- in 2003, the LESC contracted with Augenblick, Palaich and Associates, Inc. (APA) to study the relationship between the T&E Index in the public school funding formula and the implementation of the three-tiered licensure system for teachers; and
- in 2008, the legislative Funding Formula Study Task Force received a report it had commissioned from the American Institutes for Research (AIR) titled “An Independent Comprehensive Study of the New Mexico Public School Funding Formula,” which, among other findings and recommendations suggested the replacement of the T&E Index with an Index of Staff Qualifications (ISQ).

Representative Stewart emphasized that AIR recommended increasing the amount of funding in the formula to sufficient levels prior to any other recommended changes.

In conclusion, Representative Stewart expressed a need to align the T&E Index with the three-tiered licensure system.

Hobbs Municipal Schools

Referring to a PowerPoint report, Mr. TJ Parks, Superintendent, Hobbs Municipal Schools, explained that, based on data of 492 teachers from his district, he does not have enough evidence to conclude that there is a linear relationship between years of teaching experience and the components of 2013-2014 teacher evaluation.

Turning to the relationship between the T&E Index and the three-tiered licensure system, Mr. Parks explained that salary schedules for school districts across the state are difficult to manage due to the continuation of the two systems, which are not aligned. Moreover, citing the potential funding his district could generate under other districts' T&E Indices, Mr. Parks suggested that the T&E Index does not afford his district the opportunity to offer regionally competitive salaries for recruiting new teachers to his district.

Referring to the PowerPoint, Mr. Parks compared the average beginning salaries for teachers in his district to Texas school districts in close proximity to Hobbs:

- Hobbs Municipal Schools: \$33,359, noting that the district has also lost 11 teachers in the past two years over housing issues;
- Midland, Texas: \$47,000;
- Odessa, Texas: \$44,000; and
- Seminole, Texas: \$39,000.

For a final point of comparison, Mr. Parks stated that a teacher earning \$91,000 in New York would earn only \$55,478 with the same experience.

Santa Fe Public Schools

Referring to a PowerPoint presentation, Dr. Joel Boyd, Superintendent, Santa Fe Public Schools (SFPS), and Dr. Richard Bowman, Chief Accountability and Strategy Officer, SFPS, detailed the SFPS teacher and school leader performance and compensation system. Dr. Boyd began by describing SFPS within the context of its recent accomplishments and goals, including:

- increasing the average performance of students district-wide and in chronically underperforming schools in both reading and math content areas;
- extending learning opportunities through the increased provision of both pre-K and K-3 Plus;
- improving college readiness through a reduction of SFPS's dropout rate, increased enrollment in Advanced Placement courses, and better performance on college entrance exams;
- promoting community engagement by increasing participation in the district's Quality of Education survey and establishing a process for building community input into school administrators' evaluations; and
- focusing on teacher pay by increasing average teacher salaries by 6.0 percent since 2012.

Seeking to answer what an incentive pay structure looks like in SFPS, Dr. Bowman suggested that five key decisions help align incentive pay with the district's strategic goals. Referring to the PowerPoint, those decisions included:

1. alignment to measurable outcomes, such as measures of the evaluation framework;
2. immediacy and frequency of an incentive by evaluating multiple times per year and allowing for mid-year payments rather than waiting until the end of the year;
3. monetary significance by ensuring that the incentive is large enough to affect decision-making and performance;
4. the need for incentive, addressing the district's strategic goals; and
5. budgeting equitably, such as is used in the case of SFPS, where a system like the State Equalization Guarantee is used to assign a uniform dollar value per desired outcome, which maintains transparency, fairness, and is amenable to budget constraints.

Among SFPS's existing incentives, Dr. Bowman referenced Page 11 of the PowerPoint, which included stipends for things such as early contract commitment, early notification of separation, special education certification, bus driver recruitment, and others; he credited those stipends with resulting in the fewest vacancies at the start of a school year in recent history.

Dr. Bowman also referenced two incentive pay pilots that will begin this year, one for teachers and one for principals. He explained that both will be based on student growth as measured through the New Mexico Standards-based Assessment and each would be aligned with its respective evaluation system.

Albuquerque Institute for Mathematics and Science

Presenting from a PowerPoint, Ms. Kathy Sandoval-Snider, Director of the Albuquerque Institute for Mathematics and Science (AIMS), described the teacher evaluation framework at AIMS and how evaluations are tied to pay. Citing Slide 4 of her handout, Ms. Sandoval-Snider explained that the AIMS teacher evaluation model comprises:

- 50 percent from growth in student standards-based assessment scores;
- 25 percent from four different observations, of which:
 - two are conducted by school administrators; and
 - two are conducted by third-party evaluators;
- 15 percent from a Teacher Research component completed by each teacher, which includes:
 - formulation of a research question;
 - data analysis and interpretation;
 - collaboration with other teachers;
 - reflection and communication; and
 - a presentation at the school's "Teacher Research Day"; and
- 10 percent from student surveys.

Referring to a graph in the PowerPoint, Ms. Sandoval-Snider stated that the teacher evaluation results were tied to budgeted salary increases for school year 2013-2014. Those pay raises ranged from 0 to 4.0 percent, with the lowest-rated teachers receiving no salary increase and the highest-rated teachers receiving 4.0 percent.

National Education Association-New Mexico

Mr. Charles Bowyer, Executive Director, National Education Association of New Mexico (NEA-NM), provided the committee with three handouts:

1. an NEA policy brief on alternative compensation methodologies;
2. principles for a professional growth salary schedule; and
3. nationwide rankings and estimates of average annual salaries for instructional staff and classroom teachers.

Referring to the NEA policy brief, Mr. Bowyer stated that, as it related to alternative compensation methods, his organization supported:

- strong base pay systems that result in high starting salaries for teachers, suggesting a minimum of at least \$40,000 per year; and
- only after establishing a strong base salary system, additional pay or stipends for:
 - teaching in hard-to-staff schools; and
 - acquiring and using certain skills, competencies, and knowledge that are relevant to the school's or district's programs.

Also referring to the NEA policy brief, Mr. Bowyer stated that his organization did not support the following alternative compensation methods:

- tying pay to student achievement or test scores;
- linking teacher pay to evaluations, although the NEA does support regular evaluation of teachers; and
- paying more for hard-to-staff subjects, such as math and science.

Committee Discussion

A committee member asked for clarification from Representative Stewart on a table included in the LESC staff report, noting that the last column of that table illustrated some large fluctuation in the T&E Index. Representative Stewart answered that the T&E Index is designed to float depending on the type of teachers a district employs. For instance, when experienced teachers retire, a district's T&E Index decreases, she said.

REVIEW OF CLASS SIZE AND TEACHINGLOAD WAIVERS AND IMPLEMENTATION OF HB 280, RETURN TO STATUTORY SCHOOL CLASS LOADS

Vice Chair Smith recognized Mr. Paul J. Aguilar, Deputy Secretary for Finance and Operations, Public Education Department (PED), and Mr. Don Moya, Chief Financial Officer, Albuquerque Public Schools (APS), for a discussion relating to class size teaching load waivers.

Referring to a committee handout, Mr. Aguilar outlined the class and teaching load restrictions in current law by grade level as follows:

- 20 students per kindergarten teacher, provided that a class load of 15 to 20 students entitles the teacher to the assistance of an educational assistant;
- 22 students per teacher, when averaged among grades 1, 2, and 3, provided that any teacher in grade 1 with a class load of 21 or more shall be entitled to the full-time assistance of an educational assistant;
- an average of 24 students per teacher in grades 4 through 6;
- a daily teaching load of 160 students per teacher in grades 7 through 12; and
- for teachers of required English courses, a maximum of:
 - 27 students per class and a daily teaching load of 135 student per teacher in grades 7 and 8; and
 - 30 students per class and a daily teaching load of 150 students per teacher in grades 9 through 12.

In 2014, Mr. Aguilar explained, legislation was enacted that added a new section of the *School Personnel Act* to require the phase-in of statutory class and teaching loads over a three-year period. During school year 2014-2015, he added, school districts to develop and submit a plan to PED for complying with these statutory requirements. The legislation also acknowledged that the new section would not affect the ability of a school district to apply for, and be granted, a waiver by PED pursuant to certain provisions in the *School Personnel Act*, Mr. Aguilar continued. In reviewing class size waiver requests received by PED from 2009 to 2014, he noted a substantial increase in these requests in school year 2009-2010 (to 108 from 32 in school year 2008-2009), but have since decreased to a total of 15 requests in school year 2013-2014.

He noted that overloads are looked at as an average across an entire school and in grades 1 through 3. He indicated that, for grades 4 through 6, APS is overloaded by about two students in each grade which is a similar situation in the Las Cruces and Rio Rancho school districts.

Committee Discussion

A member commented that the discussion focused on pupil counts but did not address classroom space. Mr. Moya responded that the need for class space occurs in pockets at APS, primarily in the northwest mesa and the south valley areas. Currently, he added, APS meets the need for classroom space through the use of portable buildings.

In response to a committee member's question as to whether PED tracks waivers approved but not used, Mr. Aguilar said, that on the first reporting date, PED staff review budgets and flag overloads. The member then asked if PED tracks overloads at charter schools. Mr. Aguilar said PED does not track charter schools for compliance and that teaching and class load restrictions do not apply to charter schools; however the Charter Schools Division monitors overloads as part of the annual site visits to these schools.

PED IMPLEMENTATION OF SELECT FY 15 RELATED RECURRING INITIATIVES

Vice Chairman Smith recognized Ms. Leighann Lenti, Deputy Secretary for Policy, Public Education Department (PED), to discuss the distribution of recurring FY 15 appropriations to PED for certain initiatives.

Referring to a committee handout, Ms. Lenti noted that the distribution of FY 15 appropriations to districts by PED is occurring two to three months earlier than in FY 14. She also reported that, across all programs, PED is using accountability metrics for recurring initiatives, including:

- standards-based assessment results;
- school grades;
- New Mexico Teacher Evaluation Advisory Council (NMTEACH);
- graduation rates (when applicable);
- participation and success rates; and
- program evaluations.

Ms. Lenti then reviewed the distribution of FY 15 appropriations for the following initiatives:

- New Mexico Reads to Lead!: \$14.4 million:
 - \$1.9 million to provide a K-3 screening assessment for use in all elementary schools to identify struggling readers as early as kindergarten;
 - \$2.4 million to provide regional reading coaches and professional development for teachers, coaches, and administrators on effective reading instruction and data-driven decision-making;
 - \$9.02 million to districts and charter schools for reading coaches and intervention supports; and
 - \$1.08 million to provide books to first grade students and additional awards for districts to support the purchase of K-3 reading instructional materials;
- Teacher and School Leader Programs and Supports for Training, Preparation, Recruitment, and Retention (New Mexico Incentive Pay Pilot – allows districts and charters to implement incentive pay pilot programs): \$7.25 million:
 - \$5.0 million for teachers; and
 - \$2.25 million for school leaders;
- NMTEACH: \$4.9million:
 - \$1.9 million for training and support of principals and district leadership;
 - \$1.0 million for the development of end-of-course (EoC) assessments and online administration of EoC exams to allow for timely scoring; and
 - \$2.0 million for maintenance of the online portal for collection of NMTEACH observation data;

- NMLead: \$2.9 million to institutions of higher education (IHEs), school districts, and charter schools to establish new innovative school leader preparation programs;
- NMPrep: \$1.6 million to IHEs, school districts, and charter schools to establish new, innovative teacher preparation programs;
- College Preparation, Career Readiness, and Dropout Prevention (NM Graduates Now): \$2.9 million:
 - \$500,000 for workforce ready programs;
 - \$500,000 for early college high schools;
 - \$600,000 for an early warning system;
 - \$200,000 to career-technical student organizations;
 - \$400,000 for Advanced Placement;
 - \$300,000 for the PSAT; and
 - \$392,000 for counselor support;
- Interventions and Support for Students, Struggling Schools, and Parents: \$10.5 million:
 - \$6.0 million to provide training for C, D, and F schools in data-driven and differentiated instruction and on-site and desktop monitoring;
 - \$1.8 million for the University of Virginia School Leadership Turnaround Program;
 - \$300,000 for calibration and NMTEACH rubric training for D and F schools; and
 - \$500,000 in district support for dropout prevention; and
- Parent Portal: \$1.2 million for web-based services that provide parents and students access to real-time information, including attendance, grades, detailed assignment descriptions, school bulletins, and messages from teachers.

There being no further business, the Chair with the consensus of the committee, recessed the LESC meeting at 3:20 p.m.

**MINUTES
LESC MEETING
AUGUST 27, 2014**

Senator John M. Sapien, Chair, Legislative Education Study Committee (LESC), and Senator John Arthur Smith, Vice Chair, Legislative Finance Committee (LFC), called the joint meeting of the committees to order at 8:30 a.m., on Wednesday, August 27, 2014 in the Cafeteria of Luna Community College in Las Vegas, 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 Mimi Stewart, Vice Chair, Nora Espinoza, Jimmie C. Hall, Rick Miera, and Dennis J. Roch.

The following voting member of the LESC was not present:

Representative Sheryl M. Williams Stapleton.

The following advisory members of the LESC were present:

Senators Lee S. Cotter, Daniel A. Ivey-Soto, Linda M. Lopez, and William P. Soules; and Representatives David M. Gallegos, Stephanie Garcia Richard, Tomás E. Salazar, James E. Smith, Christine Trujillo, and Bob Wooley.

The following advisory members of the LESC were not present:

Senators Jacob R. Candelaria, John Pinto, and Pat Woods; and Representatives Alonzo Baldonado, Nathan “Nate” Cote, George Dodge, Jr., and Timothy D. Lewis.

Senator Phil A. Griego was also in attendance.

WELCOMING REMARKS

The Chair recognized Senator Pete A. Campos, President, Luna Community College (LCC), who welcomed the committees and informed the students in the audience that all members of the Legislature are committed to their future and do it on a voluntary basis. He then noted that a number of presenters will discuss their vision of LCC through their respective roles at the college. Senator Campos introduced several individuals who made statements, including:

- Mr. Abelino Montoya, Jr., Chair, LCC Board of Trustees, who said that the board is serious about using funding in accordance with legislative intent. In 1989, he said, LCC was one of the first colleges to implement a dual enrollment program for northern New Mexico. During the recent recession, Mr. Montoya noted, LCC received national accreditation for a number of programs while under the direction of President Campos.

Currently, he indicated, LCC is working with Quality New Mexico to improve its processes.

- Mr. Raymond Benavidez, a student at LCC, noted that he jumped from job to job over the years until he found an affordable program at LCC to earn his associate degree. Mr. Benavidez said that the school has knowledgeable instructors and staff who care about his education, which in turn made him, take ownership of his future.
- Mr. Eric Morales, a student at LCC who was trying to finish high school, received his GED through the college after attending nine high schools in New Mexico. He joined Phi Theta Kappa (PTK) and took a plane trip for the first time to St. Louis, Missouri for the organization's annual conference. Mr. Morales said that his experiences at LCC have made him more confident and optimistic about the future.
- Ms. Lorenza Marseilles, a student who is also the Vice President of PTK, started at LCC in 2013. She had decided to leave France and return to Las Vegas to care for her ill mother, then went to LCC and took classes in creative writing to become a researcher and writer. Referring to a program at LCC where students make a commitment to complete college, Ms. Marseilles noted that 65 percent of college dropouts say they will return to college but only 38 percent do.
- Ms. Lisa Romero, a sophomore at LCC majoring in Criminal Justice and Accounting, joined PTK and attended a conference in Albuquerque last year. She said she wants to be a role model for her sister.

REVIEW OF DATA QUALITY AND METHODS FOR SCHOOL GRADES AND TEACHER EVALUATIONS

The Chair recognized Mr. Kim Johnson, member of the Coalition for Excellence in Science and Math Education (CESE), for a presentation on data quality and methods for school grades and teacher evaluations.

Mr. Johnson began by explaining that CESE is a nonprofit, non-partisan 501(c)(3) charitable corporation, whose members include national laboratory personnel and retirees, industrial scientists, educators, parents, college professors, and others. CESE has analyzed New Mexico public education data and policy issues for over 15 years, he noted, with a primary focus to help improve New Mexico schools using data unique to the state.

Citing graphically represented data from his slides, Mr. Johnson drew the following conclusions of the state's *A-B-C-D-F Schools Rating Act*:

- the act helps New Mexico schools by:
 - providing immediate relief to requirements of the *No Child Left Behind Act of 2001* that all students be proficient in reading and math content areas by 2014; and
 - setting new goals for improvement through student growth targets;

- the school grading data:
 - “kind of” reflect actual school/student performance, but with some significant anomalies; but
 - the methods appear to be too complex to show a path to improvement; and
- without a path to improvement, New Mexico will not get better at turning out well-educated K-12 students and meet its student growth targets.

Referring to his slides, Mr. Johnson suggested a new approach to school ratings proposed by CESE that could help to increase total student performance and reduce the achievement gap. He described the CESE method as:

- using canonical correlation, rather than the value-added modeling (VAM) currently used, to isolate school effects from demographic effects;
- mapping, which schools significantly exceeded or significantly underperformed relative to their predicted performance; and
- utilizing observation teams to visit those schools identified for best practices or areas for improvement.

Turning to the state’s teacher evaluation system, Mr. Johnson highlighted the following aspects of the evaluation model along with potential issues:

- up to 50 percent of a teacher’s evaluation is based on his or her students’ performance growth, but, citing graphical data, Mr. Johnson noted:
 - student growth can be volatile with no distinct trend;
 - an average teacher’s ranking is determined primarily by the previous two teachers’ performance; and
 - standardized test score data indicate certain trends through grade levels that are likely not attributable to teacher performance, for instance a consistent upward trend between sixth, seventh, and eighth grade;
- a VAM is used to calculate the 50 percent based on student growth, but:
 - while correcting for certain demographics, the VAM assumes that teachers are the only other cause for variations in student performance; and
 - a statement by the American Statistical Association suggests that, aside from teachers accounting for only between 1.0 percent to 14 percent of the variability in test scores, using VAM scores to rank teachers can have unintended consequences that reduce quality;
- many teachers are evaluated on end-of-course test performance when those tests are not professionally created for use as a standardized test; and
- some teachers are evaluated on the basis of student test performance in different subjects taught by other teachers.

Mr. Johnson concluded that the best way to evaluate any professional is through good, rigorous observation, not through reliance on a measure such as VAMs of student performance growth.

TEACHER AND PRINCIPAL EVALUATION PANEL: AREA SCHOOL DISTRICTS

The Chair recognized Mr. Adán Estrada, Superintendent, Cimarron Municipal Schools; Ms. Stacy Diller, Superintendent, Des Moines Municipal Schools; Dr. Ruben Cordova, Superintendent, Las Vegas City Schools; Mr. Neil Terhune, Superintendent, Raton Public Schools; Mr. Richard A. Perea, Superintendent, Santa Rosa Consolidated Schools; and Mr. Gene Parson, Superintendent, West Las Vegas Public Schools, to update the committee on their experiences with the teacher and principal evaluation system.

Cimarron Municipal Schools

Mr. Estrada began by informing the committee that he was content with his teachers' ratings; however, based upon further investigation, he discovered there were inaccuracies in the data. For example, he stated that he has an elementary physical education teacher who is a Group B teacher, and her evaluation included third grade math data. Mr. Estrada filed an inquiry with the Public Education Department (PED) based on the misinformation or wrong data. PED's response indicated the data were based on information that the school district had reported into the Student Teacher Accountability Reporting System also known as (STARS) from previous years. Mr. Estrada stated that as a new superintendent, he did not have the opportunity to check and verify the data submitted from previous years. Mr. Estrada requested that PED give superintendents the opportunity to check, verify, and correct data submitted – as this is the information on which his teachers are being evaluated.

Mr. Estrada emphasized that he does support improving New Mexico schools and measuring students' performance in order to achieve effective teachers and better schools.

Des Moines Municipal Schools

Ms. Diller stated that last year Des Moines Municipal Schools completed three observations. As the single administrator and superintendent in the school district, Ms. Diller completed all of the observations. She indicated it was very time consuming. Ms. Diller also mentioned the observations were beneficial to the teachers by allowing the teachers to see the areas where they needed improvement and possible techniques that would assist them with positive instructional outcomes. This coming school year, the school district will reduce the observations for each teacher to two observations, she said. Ms. Diller also stated that the school district hired a principal who will be able to assist her with the teacher observations.

Ms. Diller stated that she completed her observations in a way that would be beneficial to the teachers she was observing as well as to herself as an administrator. Ms. Diller emphasized that she viewed the observations as a growth project, and this allowed her to work one-on-one with her teachers to improve outcomes. Ms. Diller stressed the need for the data that were submitted for the teacher evaluations to be accurate. "These are people's livelihoods," she stated.

Ms. Diller noted that, in the coming school year, PED will verify data and teachers will have to sign off on the data to confirm it is accurate. Ms. Diller concluded by stating that she believes the teacher evaluation system is beneficial as it can hone in on where teachers' shortfalls are.

Las Vegas City Schools

In reference to issues with the teacher evaluation system, Dr. Cordova stated that principals received data for teachers who were no longer employed in the district, and some teachers received no data.

Dr. Cordova informed the committee of lessons learned by the school district:

- that although the process takes a long time, his district endorses the system, and the system has the capacity to offer valuable information;
- his district has limited personnel and, as such, this has the potential to limit the system from meeting its initial goals; and
- administrators must be careful when sharing the results with teachers as there are potential negative consequences based on missing data.

Raton Public Schools

Mr. Terhune informed the committee that, from a strategic standpoint, New Mexico Teacher Evaluation Advisory Council (NMTEACH) and the teacher evaluation system will have a positive effect. However, Mr. Terhune noted that there were problems with the roll out of the system, especially based on the fact that administrators were not trained on the system before it was rolled out. In conclusion, Mr. Terhune stated the teacher evaluation system is a good system.

Santa Rosa Consolidated Schools

Mr. Perea informed the committee this is his first year as a superintendent in his school district. However, for last school year, Mr. Perea said he was involved with the teacher evaluation system as an evaluator conducting observations. Mr. Perea stated that his teachers were under the normal distribution of the bell curve when it came to the rating system. Mr. Perea stated that teachers in his district informed him of their frustrations from having so many initiatives happening at once, and this was leading to difficulty. In reference to issues with the teacher evaluation system, he stated that he was having trouble understanding the value-added model. In conclusion, Mr. Perea noted that the teacher evaluation system is a good tool, and he will continue to be positive and proactive when it comes to students in his district.

West Las Vegas Public Schools

Mr. Parson informed the committee that he does support the system; however, there are some minor changes that need to occur in the system. For example, teacher attendance should not count against a teacher's rating if it was for professional development training or if he or she was sick.

In reference to issues with the teacher evaluation system, Mr. Parson indicated that the system does not account for certain elements that are vital for a teacher to be effective:

- parental involvement;
- how the teacher interacts with the students;
- how valuable the teacher is within the school setting; and
- knowledge outside of the rubric.

Mr. Parson noted that the system has positive aspects as well. It:

- promotes self-evaluation and reflection for staff;
- provides opportunity to preview the observation ratings; and
- opens communication between the teacher and the observer.

In conclusion, Mr. Parson stated that the teacher evaluation system does promote accountability.

Committee Discussion

In reference to a committee member's inquiry on teacher attendance and if that has the potential to negatively affect a teacher's rating, Ms. Diller stated that, under the Des Moines Custom Plan, teacher attendance accounts for 10 percent of the teacher's rating. Ms. Diller also noted that when teachers are not present in the classroom their students lose valuable instructional time. Mr. Estrada stated that a teacher in his district was absent for an extended period of time, however, this particular teacher had not filed the documentation for the *Family Medical Leave Act* (FMLA). In response to this statement, a member informed Mr. Estrada, under the Frequently Asked Questions of the NMTEACH portion of the PED website, it states that people do not have to file documentation to use FMLA, and that is a local decision.

In reply to a committee member's question on how evaluators are chosen to conduct the evaluations, Mr. Parson indicated that principals and administrators conducted the evaluations. He also stated that this past summer PED provided training for alternate evaluators.

In reference to a committee member's inquiry on how Ms. Diller worked with her teachers on the observations, Ms. Diller stated that she:

- discussed specific lesson plans with each teacher before the evaluation;
- indicated how important planning the lesson was to each teacher;
- compared the specific lesson plan to the rubric;
- sent the teacher back to adjust the lesson plan so it better follows the rubric;
- videotaped the lesson with the teacher on a focused 20 minute session; and
- discussed with the teacher what could have been done better.

Ms. Diller indicated that after this particular process there was usually an "aha" moment. The committee member stated that by doing the observation this way it can prove to be a benefit and used in the way that it was originally designed in other states.

The Chair thanked the panel for sharing the lessons they learned and possible ways to change the system to make it better.

SUPERINTENDENTS AND COMMUNITY INPUT

The Chair recognized Professor Luis Ortiz, School of Business, Media and Technology, New Mexico Highlands University, who thanked the Legislature for the Breakfast After the Bell program and HB 280, *Return to Statutory School Class Loads*. Regarding teacher evaluation, Mr. Ortiz asserted that the state needs to get the right people in teaching positions and work to make teaching a better job. He also advocated for giving more control to the teachers. Noting that poverty is a serious issue in Las Vegas, Mr. Ortiz expressed concerns regarding low teacher pay and observed that a number of local teachers moved to Santa Fe in search of higher salaries. He concluded by emphasizing the importance of collaboration without penalizing small communities.

The Chair recognized Ms. Bernadine Santistevan, who informed the committee that she attended public schools in Springer and went on to college at Harvard and Stanford universities. She addressed the committee to seek guidance regarding a program she developed called the “Wolf Dog Workshop,” which is designed to bring academic and character-building skills to children in New Mexico. Ms. Santistevan referred to a handout which noted that her program is being used by schools in the United States and internationally as well. She also expressed her intention to expand the program with the goal of supporting teachers.

ADJOURNMENT

There being no further business, the Chair adjourned the LESC meeting at 12:35 p.m.



Chair

11-7-2014

Date