## HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR HOUSE BILL 212

## 44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2000

## AN ACT

RELATING TO EDUCATION; PROVIDING FOR MERIT AWARDS FOR TEACHERS OUT OF THE INCENTIVES FOR SCHOOL IMPROVEMENT ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-13A-2 NMSA 1978 (being Laws 1989, Chapter 137, Section 2, as amended) is amended to read:

"22-13A-2. PURPOSE.--The purpose of the Incentives for School Improvement Act is to provide financial incentives to individual schools <u>and teachers</u> that exceed expected academic performance."

Section 2. Section 22-13A-3 NMSA 1978 (being Laws 1989, Chapter 137, Section 3) is amended to read:

"22-13A-3. DEFINITIONS.--As used in the Incentives for School Improvement Act:

A. "department" means the state department of public education;

1	[ <del>B. "fund" means the incentives for school</del>
2	improvement fund;
3	C. "program" means the incentives for school
4	improvement program; and
5	$\left[ rac{ extsf{D.}}{ extsf{D.}}  ight]  extsf{B.}$ "state board" means the state board of
6	education."
7	Section 3. Section 22-13A-4 NMSA 1978 (being Laws 1989,
8	Chapter 137, Section 4, as amended) is amended to read:
9	"22-13A-4. [ <del>PROGRAM</del> ] <u>PROGRAMS</u> CREATEDADMINISTRATION
10	[PROGRAM] APPROVALThe "incentives for school improvement
11	program" [is] and the "incentives for teacher improvement
12	<u>program" are</u> created. The [ <del>program</del> ] <u>programs</u> shall be
13	administered by the department. The department shall develop
14	a standardized method to measure the progress of students
15	[enrolled] and teachers in public schools in school districts
16	throughout the state. The standardized method developed
17	shall be reviewed and approved by the state board."
18	Section 4. Section 22-13A-5 NMSA 1978 (being Laws 1989,
19	Chapter 137, Section 5, as amended) is amended to read:
20	"22-13A-5. [ <del>PROGRAM IMPLEMENTATION</del> ] <u>INCENTIVE FOR</u>
21	SCHOOL IMPROVEMENT PROGRAMIMPLEMENTATIONMEASUREMENT
22	CRITERIA
23	A. The department shall develop a formula by which
24	to measure school achievement in the areas of academic
25	performance with consideration of socioeconomic variables <u>for</u>
	purposes of the incentive for school improvement program.
	The product of this formula shall take the form of a

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rates;

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composite rating assigned to each school in every school district.

- B. Academic performance shall be measured by:
  - (1) nationally standardized test scores;
  - (2) graduation competency scores; and
- (3) other factors deemed relevant by the department.
- C. The socioeconomic variables shall be measured by:
  - (1) the percentage of student mobility
- (2) the percentage of limited Englishproficient students, using criteria established by the federal office of civil rights;
- (3) the percentage of students eligible for free and reduced-fee lunches; and
- (4) other factors deemed relevant by the department.
- D. Annually, the department shall assign a new composite rating to each school. The department shall compare the new rating to the previous annual rating. Schools increasing their composite rating shall be ranked in order. The schools evidencing the greatest increase in rating shall receive monetary disbursements from the fund."
- Section 5. A new section of the Incentives for School Improvement Act is enacted to read:

"[NEW MATERIAL] INCENTIVES FOR TEACHER IMPROVEMENT

PROGRAM--IMPLEMENTATION--DEPARTMENT DUTIES--MEASUREMENT
 CRITERIA.--

A. Pursuant to the incentives for teacher improvement program:

- (1) an elementary public school or charter school may submit an application to the department for teachers to receive a one-time merit award if permitted by the school and by the compensation plan adopted by the local school board and if seventy-five percent of the teachers agree to apply; and
- (2) a public middle, junior high or high school or charter school may submit an application to the department for teachers to receive a one-time merit award if permitted by the school and the compensation plan adopted by the local school board and if seventy-five percent of the teachers from the school or from a content area division or from a grade level team agree to apply.
- B. The department shall design the incentives for teacher improvement program in accordance with the provisions of this section and may promulgate rules to implement the program.
- C. The department shall determine and measure teacher progress by one or more of the following for purposes of the incentives for teacher improvement program:
- (1) student achievement, as measured by a value-added assessment system methodology, with consideration of the socioeconomic variables of students in accordance with

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the	provisions	of	Subsection	C	of	Section	22-13A-5	NMSA	1978;
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- (2) national board for professional teaching standard certification;
- (3) professional development that enables the teacher to acquire knowledge and skills that support the goals of the school district;
- (4) demonstration of outstanding classroom practice based upon specific criteria;
- (5) self-directed professional development that enables the teacher to acquire knowledge and skills that improve student achievement; and
- (6) other factors deemed relevant by the department.
- D. The department shall give priority for receipt of merit awards to teachers in low performing schools. The remainder of schools shall be chosen by lottery.
- E. The department shall provide for a professional development framework to assist participating schools in the implementation and operation of the incentives for teacher improvement program.
- F. The incentives for teacher improvement program shall be phased in over a three-year period as follows:
- (1) effective with the 2000-2001 school year, twenty schools are eligible to apply to the department for the incentives for teacher improvement program;
- (2) effective with the 2001-2002 school year, fifty schools are eligible to apply to the department

for	the	incentives	for	teacher	improvement	<pre>program;</pre>	and
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- (3) effective with the 2002-2003 school year, all schools are eligible to apply to the department for the incentives for teacher improvement program.
- G. For purposes of this section, "value-added assessment system" means a statistical model by which student achievement gains are measured."

Section 6. A new section of the Incentives for School Improvement Act is enacted to read:

"[NEW MATERIAL] INCENTIVES FOR TEACHER IMPROVEMENT
PROGRAM--LOCAL SCHOOL BOARDS.-- As part of a compensation
plan for teachers, a local school board shall allow schools
to apply for a one-time merit award pursuant to the
Incentives for School Improvement Act. If a teacher receives
a one-time merit award, the local school board shall provide
for the merit award to be distributed from the incentives for
teacher improvement fund as part of a compensation plan for
the teacher."

Section 7. Section 22-13A-6 NMSA 1978 (being Laws 1989, Chapter 137, Section 6, as amended) is amended to read:

## "22-13A-6. [FUND CREATED] INCENTIVE FOR SCHOOL IMPROVEMENT FUND--CREATED.--

A. There is created in the state treasury the "incentives for school improvement fund". The fund shall consist of any state money appropriated to the fund, [any] federal money allocated to the state for the purposes of the Incentives for School Improvement Act, undistributed annual

balances and earnings of the fund and [any] gifts or bequests made to the fund. The state treasurer shall invest the fund as other state funds are invested. The balance remaining in the fund at the end of the fiscal year shall not revert to the general fund.

- B. The fund is appropriated to the department for the purpose of implementing and administering the <u>incentives</u> for school improvement program in the Incentives for School Improvement Act. No more than three percent of the fund may be retained by the department for administrative purposes.
- administrative purposes shall be distributed directly to schools evidencing the greatest improvement as determined by the department. Disbursements shall be made only to that number of schools constituting not more than ten percent of the student membership in the state.

  Distributions shall be made proportionately to schools that qualify. Money received by a school from the fund shall not be used for salaries, salary increases or bonuses; however, the money may be used to reimburse teachers for time spent in professional development. Money shall be used as determined by the school principal and teachers in cooperation with other school employees and the community."

Section 8. A new section of the Incentives for School Improvement Act is enacted to read:

"[NEW MATERIAL] INCENTIVES FOR TEACHER IMPROVEMENT FUND--CREATED.--

A. There is created in the state treasury the
"incentives for teacher improvement fund". The fund shall
consist of any state money appropriated to the fund,
undistributed annual balances and earnings of the fund and
gifts or bequests made to the fund. The state treasurer
shall invest the fund as other state funds are invested.
The balance remaining in the fund at the end of the fiscal
year shall not revert to the general fund.
R The incentives for teacher improvement fund

- B. The incentives for teacher improvement fund is appropriated to the department for the purpose of implementing and administering the incentives for teacher improvement program in the Incentives for School Improvement Act. No more than five percent of the fund may be retained by the department for administrative purposes.
- C. Money in the incentives for teacher improvement fund other than that used for administrative purposes shall be distributed directly to the schools for one-time merit awards for teachers evidencing the greatest improvement in teacher progress."

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