

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 164

49th Legislature, 2nd Session, 2010

Tracking Number: .180748.1

Short Title: Salaries for Educators Returning to Work

Sponsor(s): Senator Howie Morales

Analyst: James Ball

Date: February 12, 2010

Bill Summary:

SB 164 amends the *Public School Code* to limit the salaries of Educational Retirement Board (ERB) members who return to work (RTW) for local administrative units (LAU) without suspending their retirement benefits.

The bill also places two conditions on these provisions:

- if the LAU uses a salary schedule based on education and experience, no more than 25 years of experience may be used to calculate the retired member's salary; and
- if the salary schedule is based on ranges, the retired member shall be paid no more than 90 percent of the mid-range for the position.

Fiscal Impact:

SB 164 makes no appropriation.

Fiscal Issues:

The ERB analysis of SB 164 indicates that ERB does not have data to estimate the effect of the bill on the RTW program, nor does the agency have data on the actuarial impact it would have on the educational retirement fund.

Substantive Issues:

According to the Public Education Department (PED), the combination of RTW, alternative licensure, and interstate licensure reciprocity have helped New Mexico increase from having 65 percent of its teachers being highly qualified in 2003 under the *No Child Left Behind Act of 2001* to 99 percent highly qualified in 2009.

PED reports that currently New Mexico school districts and charter schools employ approximately 890 teachers and 500 support staff, such as counselors, educational assistants, nurses, coaches and others through the RTW program. Some of the teachers hold hard-to-fill positions such as those in math, science, bilingual education, and reading.

PED believes that SB 164 would limit the salaries that can be paid to these RTW employees, which could negatively impact districts' recruiting ability for highly qualified level two and level three teachers.

Technical Issues:

According to ERB's analysis of SB 164, LAUs would have to determine whether contracts or other employment-related documents might limit application of SB 164 in the case of existing RTW employees.

Related Bills:

SB 207 *Public Employees Returning to Work*