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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
54th Legislature, 1st Session, 2019

Bill Number	<u>SB630</u>	Sponsor	<u>Lopez</u>
Tracking Number	<u>.213919.1</u>	Committee Referrals	<u>SEC/SJC/SFC</u>
Short Title	<u>Special Education Loan for Service Act</u>		
Analyst	<u>Ochoa</u>	Original Date	<u>2/28/19</u>
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BILL SUMMARY

Synopsis of Bill

Senate Bill 630 (SB630) would create the Special Education Loan for Service Act and the Special Education Loan for Service Fund. The Act would require the Higher Education Department (HED) to provide loans to students who declare intent to serve as a public school special education teacher or special education instructional support provider. Loans would be forgiven as the individual completes years of service. Individuals who would not meet the terms of their loan for service contract could be subject to financial penalties of up to three times the principal plus 18 percent interest.

FISCAL IMPACT

The bill does not contain an appropriation. The bill does create a fund; however, there is no amount dedicated to the fund. There are costs associated with providing loans for service. According to data provided by HED, the average award amount to current loan for service recipients is \$2 thousand per semester, or \$4 thousand per year. The cost of implementation would depend on the number of student recipients.

The House Appropriations and Finance Committee Substitute for House Bill 2 (HB2/HAFCS) does not include an appropriation for the teacher loan for service program. HB2/HAFCS would appropriate \$25 million to teacher loan repayment and not loan for service. This may be because of the 67 percent average default rate of the teacher loan for service program from FY09 to FY18.

SUBSTANTIVE ISSUES

SB630 would require HED to assess penalties to individuals who do not comply with the loan for service contract. The bill would require HED to assess a penalty of up to three times the principal due, plus 18 percent interest if a loan recipient completes a teacher preparation program and does not serve in a New Mexico public school. This language is consistent with current loan for service statutes. HED reports the department rarely assesses penalties that are seen as punitive. Typically,

HED will assess a 7 percent interest rate acknowledging that the department's mission is to serve higher education students rather than profit from them.

Procedures. Individuals wishing to receive a loan for service award pursuant to the Special Education Loan for Service Act would need to be students enrolled or accepted in a New Mexico teacher preparation program who have declared their intent to serve in a public school as a special education teacher or special education instructional support provider. SB630 would define “special education instructional support provider” as one who is a dually licensed special education specialist, diagnostician, school counselor, social worker, psychologist, speech-language pathologist, physical therapist, occupational therapist, recreational therapist, or other professional with qualifications applicable to serving special education students and leading to dual licensure.

Loan Requirements. Individuals who would receive loans pursuant to SB630 would sign a contract, prepared and approved by the attorney general, between the individual and HED. The department would have full authority to sue in its own name for any balance due from a loan recipient on a contract. Individuals would be required to complete full years of service in order to have loans repaid. For example, if an individual receives a two-year loan, they would be required to serve as a teacher in a designated position for two years for the loans to be forgiven. Loans would accrue interest once HED determines the individual terminated the teacher preparation program prior to completion, the loan recipient does not practice as a licensed educator in New Mexico, or the contract is canceled.

ADMINISTRATIVE IMPLICATIONS

HED would be required to carry out the provisions of SB630. Analysis from HED notes the bill would require HED and PED to assist individuals in locating employment in New Mexico public schools. HED indicates they may not have adequate resources to complete this task. Additionally, PED does not have the authority to enforce hiring policies, school districts and charter schools are responsible for hiring within public schools.

OTHER SIGNIFICANT ISSUES

SB630 may address the findings in the *Martinez* and *Yazzie* consolidated lawsuit. According to the judge's findings, there is a statewide shortage of special education teachers and other support providers such as social workers. Additionally, the judge notes rural areas disproportionately struggle to recruit special education teachers. University of New Mexico analysis notes the bill may help address the judge's findings stating that special education instructional support providers play a key role in addressing students' physical, mental, and speech related needs.

Recruitment and Retention. Colleges of education face challenges in recruiting students to pursue a career in teaching. College students who can foresee making an annual salary of \$36 thousand are often dissuaded from pursuing a teaching degree. In an attempt to reduce costs for prospective teachers, The Legislature enacted the Teacher Loan for Service Act and the Teacher Loan Repayment Act. While these programs are intended to improve recruitment and retention of individuals in the teaching field, neither program's structure incentivizes sustained teacher retention. Additionally, neither program has received significant financial support, in FY18, \$20 thousand was allocated to the teacher loan for service fund and \$60 thousand to the teacher loan repayment fund.

Special Education Teachers. According to the *2018 New Mexico Educator Vacancy Report*, there were 267 special education teacher vacancies, comprising 36 percent of teacher vacancies. Additionally, there are high vacancy rates for ancillary service providers who primarily serve special education students. Taking this into consideration, individuals who serve special education students account for 375 vacancies or, 38 percent of the certified vacancies in New Mexico. Research on teacher retention indicates over 12 percent of special education teachers leave the profession, almost doubling the rate of general education teachers who leave the profession. SB630 may provide an incentive for students to pursue a career in serving special education students; however, issues of special education service provider retention will need to be addressed.

Educators Rising is a national membership organization, similar to a Career and Technical Student Organization, for high school students who are aspiring teachers. The program helps high school students explore teaching as a potential career field. The Alliance for the Advancement of Teaching and Learning at New Mexico State University established the Educators Rising office in 2015. Currently, over 600 students who are enrolled in 35 high school and college chapters across New Mexico participate in the program. The program provides students with coursework in preschool through secondary education history, development, organization, and practices. Students participate in a teaching internship and are exposed to a variety of public school classrooms. High schools that have the capacity and resources are able to offer the program as a dual credit class. Although Educators Rising is not targeted specifically for special education teachers, it is one strategy to recruit high quality individuals who are likely to teach in the community that invested in their training.

National Research. According to a report published by the Learning Policy Institute, during the 2016-2017 school year, 48 states reported having special education teacher shortages. The report notes special education shortages lead principals to staff special education classrooms with underprepared teachers such as student teachers or long-term substitutes. Programs exist across the country that are attempting to address special education shortages. Today's Students Tomorrow's Teachers (TSTT) is a program that recruits diverse students beginning in ninth grade and offers internships, classroom-based training, and college tuition scholarships toward teaching degrees. The program has shown impressive results as 90 percent of TSTT graduates remain in the classroom after teaching for five years — exceeding national averages.

RELATED BILLS

HB 120, Bilingual Teacher Preparation Act
HB 275, College of Education Affordability
SB 614, Multicultural Educator Loan for Service Act

SOURCES OF INFORMATION

- LESC Files
- Higher Education Department (HED)
- University of New Mexico (UNM)

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