

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2019 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply: Date 1/16/19
Original Amendment _____ Bill No: HB42
Correction Substitute _____

Sponsor: Rep. Miguel P. Garcia Agency Code: 924
Short TEACHER INCENTIVE PAY Person Writing Daniel Manzano
Title: IN FREE LUNCH SCHOOLS Phone: 505-670-3820 Email Daniel.Manzano@state.nm.us

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	2,000.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB42 establishes the Teacher Incentive Pay Act which provides for the implementation and administration of an incentive pay program for teachers who agree to teach in elementary schools in which at least 90 percent of students qualify for free or reduced fee lunch and which earned a rating of D or F in the most recent year.

HB 42 contains a \$2,000.0 appropriation

FISCAL IMPLICATIONS

HB 42 appropriates two-million dollars (\$2,000,000.00) from the general fund to the Teacher Incentive Fund for use in fiscal year 2020 through fiscal year 2029 to implement the provisions of the Act.

HB 42 creates the Teacher Incentive Fund.

Any funds remaining in the Teacher Incentive Fund at the end of FY29 shall revert to the general fund.

The appropriation contained in HB 42 may not be sufficient to meet the anticipated need of schools in a chronic D or F status. Additional appropriations will likely be needed in future years.

SIGNIFICANT ISSUES

HB 42 lists separate requirements for eligibility in two different sections; when read together it appears that HB 42 requires that for a teacher to be eligible to take advantage of the Teacher Incentive Pay program, a teacher must hold a level 3-A teaching license, and hold either a Master's Degree plus eight additional credit hours or hold a national board for professional teaching standards certification (NCBT). This provision may serve to reduce the pool of candidates incentivized to serve in high-needs schools. Incentivizing level 2 teachers with commensurate experience and high effectiveness ratings would provide a larger pool for recruitment into these positions.

Limiting stipends to only elementary schools may cause challenges in staffing for middle and high schools that have the same population, school grade and need for the best teachers.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

HB 42 calls upon the department to establish, promulgate rules, and administer the ten year teacher incentive pay program but does not outline funds to cover the cost of additional work required.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB39 Native New Mexican Teacher Incentive Pay bill

TECHNICAL ISSUES

HB 42, on Page 2, lines 18 through 20; defines a teacher recipient to mean “a person who holds a level 3-A teaching license and who has entered into an incentive contract with a school district or charter school.”

The bill on Page 4, lines 1 through 8; provides that “The program is open to a teacher who (1) holds a master's degree plus at least eight additional credit hours or national board for professional teaching standards certification; (2) is rated as a highly effective or exemplary teacher; and (3) signs an incentive contract with a school district or charter school to teach in qualified schools.

While there is some overlap between these sections of the bill, they are not the same. The requirement on page 2 only requires a level 3-A license while the requirements on page 4 are much more detailed. These two areas of the bill should be amended to mirror each other. It will save on confusion and questions as rules are developed and promulgated.

HB 42 requires appropriation for subsequent years to FY20.

OTHER SUBSTANTIVE ISSUES

HB 42 would require a teacher recipient who does not complete their term of service to repay the funds received but does not provide guidance on how and when repayment should occur.

Could potentially conflict with other legislation introduced that would dissolve the current School Grading system.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS