

January 22, 2014

Legislative Session Begins

The legislature opened with the Governor's state of the state address. She focused her speech on initiatives she's outlined recently for economic development and to improve public schools, including extra money to help students who are struggling to read in early grades. She renewed her push for a measure to require schools to hold back third-graders who can't read proficiently. Educational groups and many Democrats oppose the measure. Her budget proposal focuses on a more power over local school districts in the office of the Secretary of Education. Most of her proposals for new money for schools will be for programs controlled by the executive. She is proposing no across the board raises for school employees. Her pay proposals are for merit pay for a select few and a small amount of money to bring all beginning teachers up to a minimum 33,000 dollar starting salary.

NEA-New Mexico (and NEA-Las Cruces) member Sen. William Soules, a Las Cruces Democrat, gave the Democratic answer to the Governor's state of the state address. He called the governor's speech "gimmicky" and criticized Martinez for not addressing the state's poverty rate, which is among the highest in the country.

"We all know that one of the main problems we have in New Mexico is poverty. Poverty affects our schools. It affects our businesses. It affects our economy," said Soules.

[Follow this link for a comparison of the points in the two speeches!](#)

Several budget proposals are before the Legislature. New Mexico statute requires that the Public Education Department prepare a budget for Public School Support. When the State Board of Education was an independent agency, the most favorable budget recommendation came from the Board. Now that the Public Education Department is an agency under the Governor's office, its budget and the Executive are one and the same, as you can see from the comparison sheet. As of now, we have really two budget recommendations—the executive and the Legislative Finance Committee. The House Education Committee will prepare the first draft of legislation to create a public school budget, House Bill 3. This legislation will then go to the House Appropriations and Finance Committee to be incorporated into the general budget legislation, House Bill 2. What ends up in House Bill 2 will likely be very much like the Legislative Finance Committee recommendation, although we hope somewhat improved by the recommendations of the House Education Committee.

The two recommendations that we have now are very different. The Governor recommends early \$100 million or a 3.9 percent increase in public school funding. The Legislative Finance Committee has recommended a 5.6 percent or \$143 million increase, which includes more than \$60 million for pay raises for teachers and other educational workers. The governor's budget doesn't allocate money for across-the-board pay raises for educators. However, Martinez recommended nearly \$6.5 million to boost the starting salary for teachers to \$33,000 from \$30,000, and the governor proposed nearly \$12 million for merit-based pay for teachers and principals.

For all of state government, the LFC's recommendation is a 4.3 percent increase over FY14 and increases funding for early childhood initiatives by \$35 million, including \$12 million more for early literacy programs and the extended school-year program known as K-3 Plus, \$4 million for home visits for high-risk families with infants, and almost \$10 million for prekindergarten. The plan also includes almost \$50 million for a 1.5 percent cost-of-living increase for all state, public school, and higher education employees and another \$40 million for schools and state agencies to use at their discretion to address hard-to-fill positions, reward deserving employees, and fix other pay issues.

The committee's recommendation for public schools includes \$2.7 million to improve pay for educational assistants and \$4.5 million to increase the minimum salary for level one teachers from \$30,000 a year to \$32,500 a year. The committee's general fund recommendation of \$2.7 billion for public schools is a 5.6 percent increase over FY14. The appropriation would cover increases in pension fund and health insurance contributions and increases. It would add funding for at-risk students and small school districts, which often run out of money before the end of the budget year

Almost \$3.55 billion, or 58 percent, of the overall committee recommendation is targeted to education. The committee recommends \$2.7 billion in overall funding for public education, an increase of \$142.9 million. The recommendation relies on the public education formula to equitably distribute a majority of the increased funding to school districts and charter schools and continues existing initiatives that have the greatest impact on student outcomes and target at-risk students.

The Governor's budget request targets most money outside the funding formula, eliminating local control over school budgets and giving the Governor and Public Education Secretary-designate much greater centralized control over local school districts, including, except for minimal funding to increase starting pay for level 1 teachers, making all salary increases based on merit as determined by teacher ratings in the new evaluation system. The LFC plan puts \$80 million more above the line through the funding formula than the Governor's proposal. This includes the salary money for teachers and other employees.

In an unusual move, the House Education Committee is proposes House Bill 3 as a new proposal. Here are its highlights:

HB 3 places over fifty percent (50.2%) of this year's new money directly into the funding formula—our state equalization guarantee, that distributes dollars equitably to all 89 public school districts. This represents an increase of 6.3%. The funding formula provides for Local School Board authority to make decisions on what's right for our kids and schools.

Restoring trust and encouraging accountability: By putting significant dollars into the formula, we are restoring trust and encouraging accountability at the district level through two avenues (1) Local voters have the power to hold their local School Board directly accountable; and (2) the Public Education Department's school budget reporting process. This procedure requires an annual review and approval for all funds and their expenditure.

Increasing salaries for teachers and educational assistants: The teaching profession in our state is in crisis as continued low salaries result in many teachers leaving and fewer students enrolling to become teachers —teachers have not seen an effective raise in 10 years! House Bill 3 increases our teachers' salaries by an average 3% (\$56 million) and gives education assistants an additional average 3% (\$2.7 million) raise. If New Mexico hopes to retain and attract quality teachers we must provide sufficient funding and become more competitive—this budget helps move us toward that goal.

Mentoring and professional development: Our budget proposal includes \$1.5 million for mentoring beginning teachers and \$2.5 million for professional development. This encourages educators and all staff to collaborate—working together as a whole school. Research supports increased collaboration and professional development as proven means to cost-effectively improve student outcomes while also helping grow and retain quality teachers.

Protecting health care and educational retirement: House Bill 3 protects health care and retirement benefits by recommending \$13.5 million for insurance costs and \$11.5 million to offset employer costs for ERB retirement—both increases to help offset employee payments that negate salary increases. At a time when we're struggling to meet increased expectations and student performance, we cannot penalize educators by stripping small salary increases away with increased insurance and retirement costs.

Restoring statutory class loads: Student outcomes are foremost and we have placed significant dollars, (\$20 million) into returning to statutory class load maximums. Students in crowded classrooms often suffer from a lack of attention. We need additional teachers to balance critical class loads especially as we transition to the new common core state standards.

Reading proficiency: Reading is fundamental. House Bill 3 allocates necessary dollars (\$11.5 million) into the Reading Proficiency Fund to support schools that identify their needs for early literacy and language development. HB 3 also includes \$19.2 million for K-3 Plus and \$19.2 million for Pre-K—both proven programs that have demonstrated success. Along with after-school programs, these proven "interventions" are the best strategy for helping students attain reading proficiency.

[Follow this link for research regarding retention vs. interventions](#)

Education Community: This budget reflects the input of our education communities across the state provided during the interim to LESC throughout the year.

[Follow this link for a comparison of the budget proposals](#)