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| 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:

| | |
|---|------------------------------|
| Original <input checked="" type="checkbox"/> Amendment <input type="checkbox"/> | Date <u>1/18/2019</u> |
| Correction <input type="checkbox"/> Substitute <input type="checkbox"/> | Bill No: <u>SB229</u> |

| | |
|--|---|
| Sponsor: <u>Senator Mimi Stewart</u> | Agency Code: <u>924</u> |
| Short Title: <u>SCHOOL SUPPORT & ACCOUNTABILITY ACT</u> | Person Writing: <u>Daniel Manzano</u> |
| | Phone: <u>670-3820</u> Email: <u>Daniel.Manzano@state.nm.us</u> |

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|---------------------------|---------------|
| FY19 | FY20 | | |
| | | | |
| | | | |

(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 | | | | | Nonrecurring | General Fund |

(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: SB 229 would repeal the A-B-C-D-F Schools Rating Act (Sections 22-2E-1 through 22-2E-4 NMSA 1978) and enact the School Support and Accountability Act in its place. The bill notes the indicators to be included in the proposed school support and accountability system along with the resulting designations. The bill also stipulates the requirements of a proposed dashboard designed to provide information to stakeholders and policymakers.

FISCAL IMPLICATIONS

This bill does not include an appropriation.

SIGNIFICANT ISSUES

The School Support and Accountability Act meets the requirements of Section 1111(c) of the Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA) by including the required indicators and designations in the proposed school support and accountability system. Although the proposed system would not result in an overall letter grade for each school, the new system would allow for a degree of familiarity for schools due to the significant overlap in indicators between the current school grading system and the proposed system.

One significant change in the proposed school support and accountability system is the projected degree of differentiation among New Mexico’s public schools. According to the language beginning on page 5, line 15, each school will earn one of four designations: more rigorous interventions (MRI), comprehensive support and improvement (CSI), targeted support and improvement (TSI), or traditional support. Based on data from the 2017-2018 school year, there were four MRI schools, 86 CSI schools, and 111 TSI schools. Under the proposed system, the remaining 642 schools (76 percent of schools) would have earned the designation of traditional support.

In this proposed system of differentiation, schools may earn a designation of excellence alongside a designation of MRI, CSI, or TSI. For example, a school in need of more rigorous interventions may concurrently earn a designation of excellence by achieving in the ninetieth percentile of a single indicator, including the educational climate indicator based upon “the percentage of school stakeholders who report that the school provides an appropriate climate for

learning.”

On page 10, line 7, Section 5 of SB 229 notes the bill’s applicability to the 2019-2020 school year and beyond. The New Mexico Public Education Department may not implement a system of school differentiation without approval from the U.S. Department of Education. The proposed substantive changes to New Mexico’s system of school differentiation would require an amendment to the state’s approved ESSA state plan. According to a November 13, 2018, letter from the U.S. Department of Education to chief state school officers, state education agencies must submit state plan amendments no later than March 1, 2019, “to implement changes to its accountability determinations for the 2019-2020 school year based on data from the 2018-2019 school year.” This timeline should be considered.

Beginning on page 8, line 9, designations of school quality and student success are described for schools meeting specific standards for American Indian or Hispanic students. Beginning on line 14 of the same page, designations of excellence are described for schools scoring in the ninetieth percentile for American Indian or Hispanic students. These proposed designations would be limited to schools with a significant American Indian or Hispanic student population. For example, out of 843 schools that earned grades in 2018, 518 had fewer than 10 American Indian students take a reading assessment, and 545 had fewer than 10 American Indian students take a mathematics assessment. Sixty-two schools had fewer than 10 Hispanic students take a reading assessment, and 73 schools had fewer than 10 Hispanic students take a mathematics assessment. New Mexico currently does not report any assessment results when fewer than 10 students take an assessment.

The more rigorous intervention exit criteria in the definition of traditional support could be strengthened by also specifying that a school must achieve a graduation rate of greater than sixty-six and two-thirds percent.

PERFORMANCE IMPLICATIONS

The Public Education Department would need to revamp their accountability framework to respond to this change.

ADMINISTRATIVE IMPLICATIONS

A fully staffed Accountability Bureau would be able to complete the calculations required to implement the proposed school support and accountability system in SB 229 without any additional staffing resources. Additional internal or contracted staffing may be required depending on the complexity of the desired dashboard described beginning on page 7, line 19.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

The definition of *comprehensive support* beginning on page 2, line 24 should be modified to conform with Section 1111(c)(4)(D)(i)(II) of the Elementary and Secondary Education Act as amended by the Every Student Succeeds Act: “...or has a four-year adjusted cohort graduation rate of less than or equal to sixty-six and two-thirds percent...”

The proposed definition of *chronic absenteeism* beginning on page 2, line 4 is “the percentage of students missing ten percent or more of the school year for any reason...” A suggested revision to this definition is “the percentage of students missing ten percent or more of the days the student was enrolled for any reason...” This revised definition would clarify that the denominator when calculating each student’s chronic absenteeism status is the days the student was enrolled in the school, not the number of total days in the school year. This is an important consideration for students who do not spend the entire school year enrolled at a single school.

OTHER SUBSTANTIVE ISSUES

Tribal nations should be included as stakeholders on page 5, line 11.

School districts and charter schools do not currently report work-based learning experiences or completion of service-based learning experiences to PED. These components of the definition of *college, career, and civic experiences* beginning on page 2, line 15 would need to be incorporated into designations for the years beyond the 2019-2020 school year.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The consequence of not enacting this bill would be the continued implementation of the A-B-C-D-F Schools Rating Act.

AMENDMENTS

None