

LFC Requester:	Liu
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**AGENCY BILL ANALYSIS
2022 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 **Amendment**
Correction **Substitute**

Date February 11, 2022
Bill No: HB166/aHAFC

Sponsor: Rep. GA Romero
Web-Based At-Risk Student
Short Title: Resource Tool

Agency Name and Code Number: PED - 924
Person Writing John Sena
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	(HAFC amendment strikes the appropriation.)		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY22	FY23	FY24		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: House Bill 165 (HB165), Web-Based Native American Student Tool; House Bill 88 (HB88), Yazzie Lawsuit Appropriations; House Bill 90 (HB90), Appropriations for Yazzie Lawsuit; House Memorial 12 (HM12), Yazzie Lawsuit Plan & Reporting; and Senate Memorial 12 (SM12), Yazzie Lawsuit Plan & Reporting.

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis of HAFC Amendment: The House Appropriations and Finance Committee (HAFC) amendment (HB166/aHAFC) to the bill strikes the \$250 thousand appropriation from the original bill.

Synopsis: House Bill 166 (HB166) would create a new section of the Public School Code to require the Public Education Department (PED), in collaboration with the Legislative Finance Committee (LFC) and the Legislative Education Study Committee (LESC), to develop and maintain a web-based resource tool that provides resources for at-risk students. The web-based resource tool could include: (1) information on educational programs focused on the needs of at-risk students; (2) modules, interventions, and educational approaches conducive to the educational needs of at-risk students; and (3) information on points of contact for local and regional experts.

The bill would require the PED to convene an advisory group of stakeholders who represent educational organizations statewide who serve at-risk students to work in collaboration with the LFC and LESC to provide recommendations to develop the content for the web-based resource tool. The PED would be required to host the web-based tool on its website and employ a full-time staff member to oversee and maintain the web-based resource tool.

Finally, the bill would appropriate \$250 thousand to the PED for expenditure in FY23. (The HAFC amendment strikes the appropriation.)

FISCAL IMPLICATIONS

HB166 would appropriate \$250 thousand from the general fund to the PED for expenditure in FY23 to develop and maintain a web-based resource tool for at-risk students and to hire a full-time employee to oversee the web-based resource tool. (The HAFC amendment strikes the appropriation.) Any unexpended or unencumbered balance remaining at the end of FY23 shall revert to the general fund.

SIGNIFICANT ISSUES

Under the bill, “at-risk students” include low-income students, English language learners, students identified for special education services, and Native American students. According to data from the Student Teacher Accountability Reporting System (STARS), 74.7 percent of students in the state are currently identified within at least one of four student subgroups defined as “at-risk” in HB166/aHAFC.

Under provisions of the bill, the web-based resource tool for at-risk students can prove to be a valuable resource for school districts and charter schools as they seek ways to utilize their at-risk funding to improve educational outcomes for students.

At Risk Funding and Statutory Changes

In 2019, the at-risk index calculation was increased from 0.15 to 0.25 and the definition of “services” was added to that section, which meant “research-based or evidence-based social, emotional, or academic interventions, such as (1) case management, tutoring, reading interventions and after-school programs that are delivered by social workers, counselors, teachers or other professional staff; (2) culturally relevant professional and curriculum development, including those necessary to support language acquisition, bilingual and multicultural education; (3) additional compensation strategies for high-need schools; (4) whole school interventions, including school-based health centers and community schools; (5) educational programming intended to improve career and college readiness of at-risk students, including dual or concurrent enrollment, career and technical education, guidance counseling services and coordination with post-secondary institutions; and (6) services to engage and support parents and families in the education of students.

To generate funding from the at-risk index a school district or charter school must identify services (described above) to improve the outcomes of at-risk students within its department-approved educational plan. While school districts and charter schools have flexibility in choosing what services to offer, the PED is required to provide oversight to ensure funding is being directed to services for at-risk students.

In 2020, the legislature passed and the Governor signed House Bill 59, At-Risk Program Units & Index Calc. Change, which increased the at-risk factor from 0.25 to 0.30, and the 2020 General Appropriation Act appropriated \$50.2 million more to the State Equalization Guarantee (SEG) for this increase.

Additionally, Senate Bill 96, Online School Budget Reporting, from the 2020 legislative session was enacted and appropriated \$3 million to the PED to create an online school budget reporting system to detail at-risk funding uses. Lastly, House Bill 6, SEG Distributions, was enacted during the 2021 legislative session, which required a school district or charter school that received federal or local revenue to include in its educational plan a narrative explaining how they will use the revenue to improve outcomes for students, among other things.

As a result of recent changes to the at-risk index and the enactment of SB96 from the 2020 legislative session, the PED is in the process of finalizing the development of improved budget review and approval processes as well as additional review procedures for the oversight and budget approval process requirements.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

Under provisions of the bill, the PED would be required to develop, maintain, and host the web-based resource tool as well as hire a full-time employee to oversee and maintain the web-based resource tool. Additionally, the department would be required to collaborate with the LFC and LESC on the development of the web-based resource tool. Lastly, the department would be required to convene an advisory group of stakeholders to provide recommendations to develop the content for the web-based resource tool.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB166/aHAFC relates to HB165, Web-Based Native American Student Tool; HB88, Yazzie Lawsuit Appropriations; HB90, Appropriations for Yazzie Lawsuit; HM12, Yazzie Lawsuit Plan & Reporting; and SM12, Yazzie Lawsuit Plan & Reporting.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

Martinez-Yazzie Consolidated Lawsuit

In February 2019, the First Judicial District Court found New Mexico's public education system failed to provide a constitutionally sufficient education for at-risk students, particularly English language learners, Native American students, and special education students. The court's findings suggested overall public school funding levels, financing methods, and department oversight were deficient. As such, the court enjoined the state to provide sufficient resources necessary for providing the opportunity for a sufficient education for all at-risk students. Additionally, the court noted the state would need a system of accountability to measure whether the programs and services actually provided the opportunity for a sound basic education and to assure that school districts spent funds provided in a way that efficiently and effectively met the needs of at-risk students. However, the court stopped short of prescribing specific remedies and deferred decisions on how to achieve education sufficiency to the legislative and executive branch instead.

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A