

LFC Requester:	Helms
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**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2023 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 02/21/23
Bill No: HB481

Sponsor: Lane
Short ALIGN SCHOOL READING
Title: MATERIALS

Agency Name
and Code
Number: PED - 924
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	\$35,000.0	Nonrecurring	PERF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	\$35,000.0	None	\$35,000.0	Nonrecurring	Reading Materials Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in the General Appropriation Act:

The general fund appropriation to the state equalization guarantee (SEG) distribution includes \$10 million for school districts and charter schools to provide evidence-based structured literacy interventions and develop literacy collaborative models that lead to improved reading and writing achievement of students in kindergarten through fifth grade. These funds may be used [to support structured literacy interventions and teacher training](#).

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 481 (HB481) amends [Section 22-15-8.2 NMSA 1978—Reading Materials Fund](#) to limit uses of the fund and appropriates \$35 million to distribute from this fund. School districts, as a provision of the bill, could only use the funds to purchase materials for core, intervention, and supplemental programs that are “aligned with explicit, systematic, diagnostic, cumulative instruction in phonological and phonemic awareness, phonics, syllable types, morphology, semantics and syntax.” The bill provides funds for school districts on the condition that instructional materials to be purchased are on the Colorado Department of Education advisory list and that a detailed framework for structured literacy training is part of their professional development plan.

The bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the Legislature enacting them, unless a later date is specified. If enacted, this bill would become effective June 16, 2023.

FISCAL IMPLICATIONS

HB481 appropriates \$35 million from the Public Education Reform Fund (PERF) to the Reading Materials Fund for expenditure in FY24 and subsequent fiscal years. Any unexpended or unencumbered balance remaining at the end of a fiscal year would not revert to the public education reform fund.

SIGNIFICANT ISSUES

The new material of the bill relates to the pedagogical approach known as Structured Literacy and to the professional development program known as Language Essentials for Teachers of Reading and Spelling (LETRS), both of which the [Public Education Department \(PED\) supports](#) extensively.

PERFORMANCE IMPLICATIONS

A 2021 study published by the Institute for Educational Statistics [summarized 20 years of literacy instruction research](#), examining 74,000 studies and identifying 132 interventions causing significant improvement in student performance in six language and literacy domains: language, phonological awareness, print knowledge, decoding, early writing, and general literacy.

Instruction that focused on a specific literacy domain, the study found, was likely to increase performance in that domain. Interventions that focused on phonological awareness, for example, improved phonological awareness performance, resulting in a significant weighted effect size of 0.32 on phonological awareness outcomes, equivalent to a 13 percentile point increase in performance. Providing phonological awareness instruction in intervention groups for students who need it, as part of the multi-layered system of supports (MLSS) structure documented in a school’s literacy plan, is likely to make the most significant impact for young students and others at the earliest stages of reading development.

By adding to the conditions for access to Reading Materials Funds that schools’ literacy plans include instruction in phonological awareness, HB481 incentivizes the use of interventions likely to improve the reading skills of all young students, but particularly English learners and students

with dyslexia and other disabilities. The bill aligns well with PED strategic plans to address what the Martinez/Yazzie court ruling determined to be funding shortfalls for research-based reading programs.

Provisions of the bill do not require districts receiving the funds to offer instruction in the phonological awareness domain to students who may not benefit, for example, in MLSS Level 2 interventions for advanced students, or for individualized instruction for gifted students. The bill does, however, require that components of instruction in the phonological awareness domain be present in core instruction for all students.

ADMINISTRATIVE IMPLICATIONS

[Section 22-13-32 NMSA 1978](#) requires school districts and charter schools submit a Literacy Plan. PED has condensed the Literacy Plan to align with New Mexico School Dashboard (NM Dash) for public reporting and the MLSS requirements. PED reviews Literacy Plans to see that they incorporate phonological awareness pedagogy into core reading instruction in Kindergarten through Grade 5 as well as in MLSS layers two and three interventions to ensure that all students are placed appropriately, progress is monitored regularly, and appropriate levels of intervention are provided. Since reporting about Structured Literacy is accommodated in existing templates, provisions of HB481 do not present additional administrative implications for the Literacy and Humanities Bureau of PED.

The Legislature has not made an appropriation to the Reading Materials Fund in at least 10 years. Making appropriations to the Reading Materials Fund may create some complications, restrictions, and administrative responsibility to schools' monitoring and reporting on those expenditures as part of the instructional material annual report that districts and charter schools submit to the Instructional Material Bureau of PED.

However, additional funds to specifically support instructional materials for explicit (structured literacy-based) reading instruction would benefit literacy achievement across the state and would allow for flexibility in the purchase of materials that support all the language arts standards (reading, listening, speaking, and writing) *and* the explicit teaching of reading through a structured literacy approach based in the science of reading. This would allow LEAs to best customize their reading instruction at the local level.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

HB481 provides additional funding beyond existing funds for instructional materials and reading programs through the SEG funding formula but limits their use to materials from the "advisory list of instructional programming created by the Colorado Department of Education." Other sources of funding are available for purchases from the New Mexico [adopted multiple list](#), which are vetted by committees of NM educators for alignment with the Common Core State Standards English language arts and Spanish language arts (adopted by NM) or the additional 15 percent of New-Mexico-specific standards for language arts and other criteria for high quality, including

cultural relevance. The language arts standards used in NM are inclusive of all the language arts: reading, writing, listening, speaking.

Conflict with Requirements for Core Materials. By requiring purchases of core English Language Arts (ELA) instructional materials from Colorado’s advisory list, the bill may generate confusion, incoherence, and problems due to the materials not being aligned with New Mexico academic standards or relevant culturally and linguistically to students in New Mexico. Colorado’s review of materials is designed to specifically ensure reading content is aligned to the science of reading, but it does not consider alignment with all the Common Core State Standards for language arts (speaking, listening, writing) or the New-Mexico-specific standards for language arts.

PED does not review supplementary and intervention materials but does provide a list of available supplemental materials and the Structured Literacy Instructional Material Review Rubric tool for LEAs to use as they review and select supplemental materials in alignment with the state’s focus on structured literacy.

The bill would be improved if it were amended to require the purchase of core instructional materials from the New Mexico adopted multiple list, and for supplementary and intervention reading materials on the Colorado list and/or those that meet criteria of the NM [Structured Literacy Instructional Material Review Rubric](#), which aligns with NM’s structured literacy initiative.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

The sponsor may wish to amend the bill to remove reference to “the advisory list created by the Colorado Department of Education” as a condition for materials purchased by the funds. Or it would be prudent to explicitly note in the bill that districts will still be purchasing core materials that are aligned to all language arts standards and that this funding supports purchase of supplemental materials specific to reading instruction in addition to materials which support all the language arts standards.