

MINUTES
Legislative Education Study Committee
Santa Fe, New Mexico
State Capitol, Room 322
December 12-14, 2018

December 12, 2018

The following voting and advisory members were present: Voting: Chair Mimi Stewart, Vice Chair G. Andrés Romero, Senators Craig W. Brandt, Candace Gould, and William P. Soules, and Representatives Alonzo Baldonado, Dennis J. Roch, Christine Trujillo, Sheryl M. Williams Stapleton, and Monica Youngblood; Advisory: Senators Linda M. Lopez and Michael Padilla, and Representatives Kelly K. Fajardo, Joanne J. Ferarry, Stephanie Garcia Richard, Patricia Roybal Caballero, Tomás E. Salazar, Debra M. Sariñana, Elizabeth "Liz" Thomson, and Linda M. Trujillo. Also present were Senators Cisco McSorley and Jeff Steinborn.

The following advisory members were not present: Senators Carlos Cisneros, Daniel A. Ivey-Soto, Gay G. Kernan, Howie C. Morales, and John Pinto, and Representatives David M. Gallegos, Jimmie C. Hall, D. Wonda Johnson, Tim D. Lewis, Rick Little, Angelica Rubio, Patricio Ruiloba, Gregg Schmedes, and Jim R. Trujillo.

FY19 and FY20 General Fund Revenue Estimates. Clinton Turner, Chief Economist, Department of Finance and Administration (DFA) said the December revenue forecast reflects slightly lower revenue for FY20 and \$1.1 billion in "new money" is projected to be available for FY20. He noted this did not reflect the recent \$20 drop in the price per barrel of oil. Mr. Turner said New Mexico was highly dependent on the energy sector for public school funding, while most other states rely on property taxes. Dawn Iglesias, Economist, Legislative Finance Committee (LFC), said 45 percent of total state revenues are directly tied to the energy industry and a sudden oil price shock could decrease state revenues by as much as a moderate recession. She said if the price of oil were to fall to \$35 per barrel and stay there for a significant period of time, the state could lose \$1.3 billion in FY20 general fund revenue collections, but if prices were to increase to \$100 per barrel the state could bring in an additional \$1.3 billion. Because of this volatility, LFC is recommending large reserves. Lucinda Sydow, Senior Economist, Taxation and Revenue Department, said the forecast increased revenue for FY19, based on record mineral leasing bonus payments in September 2018. She stated the forecast does not anticipate the same level of bonus payments in the future, with decreases forecast for FY20 and modest growth forecast for FY21 through FY23. She noted TRD would continue to work with the Legislature to assess the impact of the federal Tax Cuts and Jobs Act on the state and on what, if any, legislative action is needed on the High Wage Tax Credit and the Chemical Reagents Deduction. She noted a risk to the revenue forecast from a new lawsuit by local governments in New Mexico over gross receipts tax distributions.

Senator Soules said Moody's was recommending 17 percent reserves for New Mexico to weather a severe recession and asked why the panel was recommending reserves of 20 to 25 percent. Mr. Turner said the Moody's estimate was based on revenue volatility in prior years, but did not examine the source of the volatility and that New Mexico's dependence on the energy sector has increased. Ms. Iglesias noted the Moody's estimate was based on a future recession in the country, which does not always cause a drop in oil prices. She said recession risk and risk of an oil price shock are two separate risks. The revenue estimates include information on oil price volatility so lawmakers can decide what level of risk to protect against, in the event of a downturn. Senator Soules noted the need to use state revenues to invest in people and diversify the economy. He said the state should not hold too much in cash reserves.

Senator Soules asked if any economists were predicting a collapse in oil prices. Senator Brandt noted he has heard an economist suggest the price of oil could fall and asked why the estimate

was based on between \$49.50 and \$52 per barrel of oil. Ms. Iglesias said the revenue forecast was based on current futures markets as well as information from major forecasting agencies. In response to Senator McSorley, Ms. Iglesias said a \$1 decline in the price of oil has a \$17 million impact on general fund revenues. Senator Brandt asked about the gap between the price of oil in New Mexico and the West Texas Intermediate price and Mr. Iglesias said historically it has been between \$3.50 and \$4 per barrel, but has been as high as \$17 in FY19, based on oil pipeline constraints. Mr. Turner stated new pipelines will be coming online in 2020, and economists expect the cost differential to return to historic levels. Senator Steinborn asked how recent estimates regarding the amount of oil in the Permian Basin could impact the state and Ms. Iglesias said forecasters estimate New Mexico's oil production could double in the next five years, which would be unprecedented. Mr. Turner noted this could be limited by falling demand caused by more efficient transportation.

Senator McSorley asked if New Mexico could raise additional revenue by changing its laws in response to a recent Supreme Court decision on the collection of sales taxes from out-of-state companies and Ms. Iglesias said she would follow up with the Senator after the meeting. Ms. Sydow noted many online companies collect the 5.215 percent state-level gross receipts tax but there were outstanding issues regarding collection of the local government portion. Senator McSorley asked how much the 2013 corporate income tax cuts have cost the state and Ms. Iglesias said the Legislature was still waiting on the information from TRD; Ms. Sydow stated she would work with her team to get estimates before the legislative session. Senator McSorley also asked for information on the 2003 tax cuts.

Education Stakeholders 2019 Legislative Session Budget and Policy Priorities. Joe Guillen, Executive Director of the New Mexico School Boards Association (NMSBA) introduced the Education Partners, including representatives from the American Federation of Teachers New Mexico (AFTNM), the New Mexico Coalition of Education Leaders (NMCEL), The New Mexico Parent Teacher Association (NMPTA), National Association of Education – New Mexico (NEA-NM), and the New Mexico School Superintendents' Association (NMSSA).

Charles Bowyer, Executive Director, NEA-NM, presented the partners' joint recommendations, noting each organization would present their individual priorities. He spoke of the need for stable funding for public education, as oil and gas, the source of much of the state's revenues, are volatile commodities. They recommended more stable funding sources, including triggering increases to personal and corporate income tax and capital gains tax rates when projected revenues fall below a certain point. Further, they recommended restoring the annual distribution of the land grant permanent fund to education beneficiaries from 5 percent to 5.8 percent, increasing formula funding appropriations, and defining and fixing a consistent unit value for the state equalization guarantee distribution (SEG). He noted retiree healthcare should be protected with sufficient funds for its continued solvency.

Betty Patterson, President, NEA-NM, noted the partners support new funding for prekindergarten for 3- and 4-year-olds to be delivered through public schools or other qualified, certified in-state providers. Teacher salaries should be raised over a three-year period to \$60 thousand for level one teachers, \$65 thousand for level two teachers, and \$70 thousand for level three-A teachers, and a 10 percent raise for all school employees, with annual cost-of-living adjustments. Salary minimums for principals should be increased to \$80 thousand, \$90 thousand, and \$100 thousand over three years.

Mr. Guillen asked LESC members to consider flexibility in allowing local decision-makers to craft policy, curricula, and programs. Ms. Renata Witte, Vice President, Legislation and Advocacy, NMPTA, spoke of increasing family and community involvement in public education, which has been shown to enhance student achievement.

Beginning the presentation of the Partners' individual respective priorities, Stephanie Ly, President, AFTNM, addressed public school accountability, noting the need to avoid all unfunded mandates for public schools and the necessity for a fair, transparent, and valid teacher evaluation system that is sophisticated enough to address the full development of teachers, from novice teachers to expert teachers.

Stan Rounds, Executive Director, NMCEL and NMSSA, noted the state must meet the requirements of Judge Singleton's Decision and Order in the *Martinez* and *Yazzie* consolidated lawsuits, including addressing the needs of at-risk students and the proper administration of the Hispanic and Indian education acts. He noted the need for prioritizing school security, including crisis planning and scenario training, and counseling for those exposed to school violence. Teacher salaries should be increased to \$45 thousand, \$55 thousand, and \$65 thousand for level one, two, and three teachers, respectively.

Pauline Jaramillo, President, NMSBA and Mr. Guillen addressed issues of local control over education, funding, school safety, and the Local Election Act. Mr. Guillen said NMSBA opposes limiting local control over demonstrations of competency for high school graduation, and requests funding for prekindergarten, a statewide technology plan, and a focus on school security, including allowing police to work in schools and the training of security guards. Mr. Guillen requested the Local Election Act be amended to permit in-person special elections, in addition to elections by mail, and financial assistance be provided to conduct February's special election, which cannot be funded via mill levies. Finally, NMSBA supported culturally sensitive ethnic studies as a way to fulfill social studies requirements.

Maria Jaramillo, President, NMCEL, Lillian Torres, President, NMSSA, and Mr. Rounds prioritized revenue stabilization and permitting local school districts greater control over selection of their own programs, which should not be funded through special appropriations to the Public Education Department. NMCEL and NMSSA supported more career-technical education and noted the algebra II graduation requirement should be repealed in favor of allowing applied mathematics to satisfy a math requirement.

Mr. Bowyer and Ms. Patterson addressed NEA-NM's individual priorities, beginning with class-size limits and the need for more varied performance assessments to address student needs rather than teacher job performance, as well as the provision of quality healthcare to students, possibly. Mr. Bowyer emphasized the need for public funding, including additional funding for higher education and early childhood education. Ms. Patterson noted priorities for public school employees, including quality teacher mentoring, support for collective bargaining, adequate living wages, and secure retirement plans. Finally, NEA-NM preferred to return state education governance and administration to an elected state board of education that would appoint a superintendent of education rather than the current system.

Ms. Ly noted the need for universal funding for prekindergarten through the public school funding formula and additional funding for children from birth to 3-year-olds through the creation of a department of early learning and education. She addressed recommendations for higher education, including a higher education personnel act, minimum salaries for staff, and student debt consolidation programs.

Ms. Witte noted NMPTA's outreach programs for Hispanic families, including Spanish language presentations on topics like preparing for parent-teacher conferences, assessments, and summer learning loss. She requested more attention to school safety and mental health and cultural and linguistically appropriate instruction.

Commissioner Patricia Gipson, Chair, PEC, and Commissioner David L. Robbins, District 2, PEC, presented PEC's priorities, including their request for their own budget and an accounting of the 2 percent of state-chartered charter schools' SEG distribution that PED withholds to provide

administrative oversight to the charter schools; PEC would like to be able to use the 2 percent withholding to hire their own dedicated staff. Ms. Gipson indicated PEC would use some of their potential budget to offer short-term, dedicated assistance to struggling schools.

Matthew Pahl, Executive Director, Public Charter Schools of New Mexico (PCSNM) (previously the New Mexico Coalition for Charter Schools), noted that all public schools should be funded equitably, including charter schools. He noted PCSNM opposes a moratorium on the establishment of new charter schools and request greater financial support for facilities for existing charter schools and a training for charter school administrators. He requested more access to transportation funding for charter school students and increased teacher salaries. Finally, PCSNM would like to help constructively work on the issue of virtual charter schools, which remain unaddressed by state law.

Representative Roch asked NEA-NM about protecting retiree healthcare and retirement. Mr. Bowyer stated retiree healthcare is not a prefunded retirement benefit, but an annually funded benefit that could be ended anytime. Representative Roch noted he and Representative Salazar have worked to increase contributions to retirement to prolong solvency without changing the age of retirement or required terms of service, but their legislation failed to pass.

Representative Linda Trujillo said she is considering an amendment to the Charter Schools Act to allow conversion schools to treat students located in the original school's attendance zone as an enrollment priority and asked Ms. Gipson and Mr. Pahl if they foresaw any unintended consequences. Ms. Gipson stated she did not – generally students attend charter schools closest to their homes because of transportation issues. Representative Trujillo noted many students who live near Turquoise Trail Charter School, a conversion school in Santa Fe, must commute longer distances when they cannot get into the school via its enrollment lottery. Mr. Pahl indicated Turquoise Trail is the only conversion school in the state, so any consequences from this legislation would be limited to that school.

Senator Padilla noted that, in addition to their joint recommendations about teacher pay increases, the partners individually advocated for different teacher salary increases, asking if there was a more unified effort related to educator pay raises. Mr. Boyer clarified that the greatest of the salary increases presented was to be considered aspirational for three years from now, the middle salary level aspirational for FY21, and the lowest to be enacted in FY20. He further stated NEA-NM wants to ensure no one get less than a 10 percent pay increase. Ms. Ly indicated AFTNM also wants to ensure that those employees currently making more than the minimum salary targets get an equitable pay increase if the minimum teacher salaries are raised,

Recruitment and Retention of Teachers. Ellen Bernstein, President, Albuquerque Teachers Federation, presented a continuum to attract, retain, and support teachers that consists of the following nine components: recruitment of high school students to the teaching field through career technical education program such as Educators Rising; pre-service preparation that provides teachers with content knowledge, pedagogical skills and clinical experience, as well as financial support such as loan forgiveness programs; teacher residencies, especially as a path for alternative licensure; mentoring that should include funding to ensure mentoring is supported financially; induction, including continued mentoring for teachers in their first five years of teaching; resources for schools maintained through adequate funding from sources such as New Mexico's permanent school fund; professional development that is ongoing, embedded, and for which teachers are paid; a fair teacher evaluation system that is transparent, transformative, and fair; and competitive salaries tied to a teacher-weighted formula based on teaching credentials.

Senator Padilla asked whether Ms. Bernstein's continuum would support all school personnel, not just teachers. Ms. Bernstein said she hoped it would.

Senator Steinborn asked what the new administration could do to attract teachers. Ms. Bernstein proposed a statewide public relations campaign.

Representative Linda Trujillo mentioned the lack of Native American teachers and asked how to incorporate language and culture in schools. Ms. Bernstein suggested focusing recruitment efforts so students have teachers who look like them.

Representative Roybal Caballero asked how to incorporate this systemic approach in education, noting that it will upset many educators. Bernstein said she presented this idea to the Deans and Directors of teacher preparation programs, and they were receptive to it.

Representative Salazar asked about candidate recruitment and selection for the University of New Mexico's teacher residency program. Ms. Bernstein said the residency was advertised and UNM received numerous applications. After interviews of candidates, UNM selected 25 individuals to participate.

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The following voting and advisory members were not present: Voting: Senator Candace Gould and Representative Christine Trujillo; Advisory: Senators Carlos Cisneros, Daniel A. Ivey-Soto, Gay G. Kernan, and John Pinto, and Representatives Kelly K. Fajardo, David M. Gallegos, Jimmie C. Hall, D. Wonda Johnson, Tim D. Lewis, Rick Little, Angelica Rubio, Patricio Ruiloba, Gregg Schmedes, and Jim R. Trujillo.

Innovative Practices for Engaged Learning. Dr. Jal Mehta, Associate Professor, Harvard Graduate School of Education, urged the committee to view education as a system of feedback loops. As an example, he explained that investing in teachers can build stronger student skills, which can develop more skilled workers with higher paying jobs, which could create a higher tax base, which could increase funding for schools, which could allow an even higher investment in teachers. He challenged the committee to consider an existing problem, identify each element of the loop, and consider how negative loops can be broken.

Dr. Mehta explained Bloom's taxonomy, a hierarchy describing the complexity of classroom tasks. While students generally begin learning a concept by remembering and developing an understanding of it, highly-effective teachers ask students to apply, analyze, and evaluate a concept and eventually use the concept to create original work. Dr. Mehta noted Bloom's taxonomy is not necessarily a ladder, but can also be understood as a web, where students can jump from reading an essay, to using it in a debate, to analyzing the essay, to writing an essay of their own based on their new knowledge. Higher-order thinking skills impact students' engagement in their education. Additionally, learning happens best when students have the following three fundamental needs met: competence, autonomy and relatedness. Dr. Mehta shared a video clip of a group of students applying mathematical and design skills in an architecture project, and the committee noted the students in the video seemed to demonstrate excitement and more ownership of their learning. He shared another clip of a group of minority students in an ethnic studies class that empowered the students to use critical thinking skills.

Classrooms inviting higher-order thinking skills are rare because it is hard to change the requirements of the system, including testing, curricula, parents' expectations, and colleges'

expectations. Dr. Mehta said creating change requires strong leadership and highlighted policy levers to ensure student learning is valued. Policymakers should support the teaching profession by improving preparation programs to facilitate interactivity and critical thinking, fostering stronger relationships, and allowing teachers to build a career, perhaps eventually becoming school leaders. Additionally, content standards should be rigorous but flexible enough to allow exploration and sufficient depth. High-performing countries use standards that focus on five key topics and skills per year, rather than a large breadth of content-specific knowledge. This also has implications for assessments, which would need to respond to the standards by becoming more performance-based. Dr. Mehta concluded by theorizing if the system is redesigned to focus on the acquisition of skills, if teachers are supported and encouraged to adapt, and if student experiences are connected to their learning, students will be more engaged in their learning, teachers will enjoy working in their schools, and more learning will occur.

Chair Stewart stated LESC's work studying *No Time to Lose* and the First Judicial District Court's Decision and Order in the *Martinez* and *Yazzie* lawsuits could present an opportunity to change teaching as a profession, and asked if Dr. Mehta would suggest a good starting place. Dr. Mehta urged the committee to look at the benefits of certain policies in certain contexts, rather than trying to tackle the entire system as a whole. Teacher residencies could produce more effective teachers and reduce teacher shortages. Principal academies could train principals to be more effective. Salary increases present an opportunity to think about career ladders anchored by master teachers with significantly increased compensation.

Senator Soules noted traditional schools have a tendency to sort students into those who learn and those who do not, and teachers who teach and those who do not. Dr. Mehta said that structure is rooted in the history of education, but a larger number of schools, school districts, and states are beginning to differentiate education and create more opportunities for students to follow their passions. Change can be slow in the United States because education is run by democracy, rather than a central ministry like in other countries.

Representative Roch commented on Dr. Mehta's suggested policy levers, noting that longer teacher residencies can exacerbate teacher shortages by keeping full-time teachers out of classrooms for longer. Dr. Mehta explained longer residencies could be introduced as selective programs, with a phase-in period to develop best practices and lessons learned. Representative Roch asked if the state should dictate standards or curriculum. Dr. Mehta explained standards should be at the state level, but they should be flexible enough to allow school districts to create innovative curricula that best support the standards and local needs.

Representative Roch challenged the idea that accountability should be last, noting every change that is made should have some accountability for how state funding is being used. Dr. Mehta agreed, but said accountability should not be the driving force behind change. During the No Child Left Behind era, policymakers thought accountability itself would incentivize change, but they underestimated the changes that could be made by expanding training, knowledge, and professional learning.

Representative Salazar asked Dr. Mehta to speak to governance strategies at the state level. Dr. Mehta stated that, historically, state policies were organized around the prevailing idea that teaching was not hard work. The difficulty in shifting governance structures will be moving from a system designed for low-skill teachers who need more governance and regulation to a professional model with many knowledgeable and skilled teachers.

Vice Chair Romero wondered if teachers should only collaborate within subjects, or if they should engage in collaboration across disciplines. Dr. Mehta explained school district or school-based strategies for collaboration could be as infinite as the imagination, but he invited the committee to think about professional development in the context of credit hours, as in a university setting,

where teachers would earn credits for participation in professional development for science, math, history, English, or social studies.

Statutory Framework for Virtual Charter Schools. Dr. Lisa S. Grover, Senior Director of State Advocacy, National Alliance for Public Charter Schools (NAPCS) and Matt Pahl, Executive Director, Public Charter Schools of New Mexico (PCSNM), presented a proposed statutory framework for full-time virtual charter schools. Mr. Pahl noted the distinction between brick and mortar charter schools and virtual charter schools is important because the blended learning model employed in some charter schools is working well.

Dr. Grove and Mr. Pahl made several recommendations for policy regarding virtual charter schools. They suggested the Public Education Commission (PEC) should be the only authorizer allowed to authorize full-time virtual charter schools that enroll students in more than one school district. Charter school authorizers of virtual charter schools should only receive 1 percent of the school's state equalization guarantee distribution, rather than the 2 percent currently authorized. Additionally, they recommend enrollment caps for virtual charter schools and the negotiation of charter school contracts with a framework specific to virtual charter schools so unique issues, such as the school's relationship with for-profit entities, can be addressed.

Charter school authorizers should closely monitor virtual charter schools to ensure all procedures are followed. Dr. Grover and Mr. Pahl recommended virtual charter school's funding should be tied to student outcomes; it is less costly to operate a full-time virtual charter schools compared with a brick and mortar charter school and student outcomes are generally lower.

Ricardo Carlos Caballero, Commissioner, PEC, stated he had concerns about how much money virtual charter schools are sending to for-profit companies, the lack of social services available to virtual charter school students, and student-teacher ratios. Patricia Gibson, Chair, PEC, stated the PEC did not renew the charter for New Mexico Connections Academy because of problems with testing, lack of truancy tracking, and lack of student-instructor interaction. She stated PEC believes local school districts should authorize virtual charter schools.

Senator Soules expressed several concerns about virtual charter schools, including their use of for-profit companies for management, the lack of authorizer expertise on overseeing virtual charter schools, and selection of governance boards. Dr. Grover said these concerns could be addressed in the charter contract.

Representative Roybal Caballero expressed concern about how internet service providers are selected for virtual charter schools. Mr. Pahl stated the internet service providers are dependent on where the child is. Representative Roybal Caballero said she thinks it is important to address this through the application process. She also asked who proctors tests at virtual charter schools. Mr. Pahl stated New Mexico Connections Academy has test administration sites around the state.

Chair Stewart stated her primary concern is the quality of education very young students get at virtual charter schools and the effect excess time on a computer has on the brain.

New Mexico Childcare Education Association's (NMCCEA) Vision for Early Childhood Development. Sondra Carpenter, President of NMCCEA and Quality and Support Director of Noah's Arc, said NMCCEA wants to ensure young children enter kindergarten with the skills they need to succeed and families with young children have access to supports for their children to learn, grow, and thrive. NMCCEA promotes access to high-quality childcare settings for young children, including infants and toddlers. Ms. Carpenter said it is time to have a discussion at the state level about how to best support families with young children. She provided an executive summary of NMCCEA's recent report, *Towards a Consensus Vision for Early Childhood Development in New Mexico*. Ms. Carpenter said New Mexico's early childhood education system can negatively impact community-based childcare, resulting in program closures, increased costs, and less

support for working parents who may need full-day day care to maintain employment. Ms. Carpenter said the fragmentation of early childhood services across the Children, Youth and Families Department (CYFD), the Public Education Department (PED), and the Department of Health is problematic. She proposed creating an agency to serve infants through 5-years-olds. Once early childhood funding is coordinated at the state level, it needs to be coordinated in communities. It is costly for childcare providers to serve infants and toddlers, and 4-year-olds make the business model economical. NMCCEA is not opposed to the state expanding prekindergarten for 4-year-olds, but proposes using the current mixed delivery system to provide programs to 4-year-olds in public schools and private prekindergarten centers, rather than requiring all 4-year-olds be served in public schools.

Terry Anderson, Past President, New Mexico Association for the Education of Young Children, said the two main recommendations in NMCCEA's report are to survey the early childhood workforce and to link professional development with increased compensation. She said NMCEEA wants children to have high-quality care, which means a highly knowledgeable, competent early childhood workforce is necessary.

Senator Soules asked about the five-star childcare rating system. Ms. Anderson said childcare centers can have between one and five stars; as a program standards increase, a program will have a higher star rating. Senator Soules asked how many childcare centers exist statewide at each star level, how many children are being served at each star level, and how many children are not being served in any program. Alejandra Rebolledo Rea, Acting Division Director for the Early Childhood Services Program at CYFD, said CYFD only tracks children receiving a childcare subsidy; 38 percent of subsidized children are in five-star programs and 20 percent are in four-star programs. She said there are 948 childcare centers that serve about one-third of eligible children. Senator Soules highlighted 42 percent of children are in one-star to three-star centers and noted the need to have the highest standards for New Mexico children, and investments in early childhood pay off long term.

Representative Youngblood noted the loss of Head Start programs in other states that implemented universal prekindergarten and cautioned the committee to learn from other states.

Representative Baldonado asked how many childcare centers closed in the last five years. Ms. Rebolledo Rea said there have been five closures this year. Ms. Carpenter said 129 centers closed since 2012.

Representative Linda Trujillo said centers at each of the star-rating levels should be evaluated to determine their impact on participating students to ensure effective investments of state funds.

Aligning Early Childhood Education and Care Programs. Senator Padilla said he is working on a bill with newly-elected Lieutenant Governor Morales to create one department to oversee early childhood services instead of splitting services between the Children, Youth and Families Department, Public Education Department and the Department of Health.

Katherine Freeman, Chief Executive Officer of New Mexico Early Childhood Development Partnership/United Way of Santa Fe County, spoke about engaging communities across New Mexico on the five levers that were part of their Business Plan for Early Childhood in New Mexico. Ms. Freeman said the number one recommendation across the state was to create a separate department for early childhood services. She said a structure that supports sustainability is needed, given the \$325 million invested in FY19 in early childhood services across several departments.

Diane Denish, Policy Advisor, New Mexico Early Childhood Development Partnership/United Way of Santa Fe County, spoke about the impact quality early childhood programming has on children, families, and future generations of New Mexicans. She said the establishment of a new

department sends the message that high-quality early childhood education and care will be a priority in New Mexico. Ms. Denish said New Mexico needs to ensure the state has a credentialed early education workforce and prekindergarten programs for every child. The proposed department would be focused on the first five years of a child's life, understanding the brain is wired in the first three years, and that continuity of care produces a child who is ready for kindergarten.

Senator Morales said this bill makes government more efficient and has received bipartisan support. He said CYFD Secretary Jacobson informed the Legislative Finance Committee (LFC) that CYFD sent \$22 million in unspent funds back to the federal government. He said LFC helped craft this bill and agrees this is a cost saving measure. CYFD should focus on prevention and protection for children. PED and HED focus on educating students and young adults. There isn't a department that focuses on the most critical stage of a child's life.

Representative Roybal Caballero asked to what degree parents would be involved in this vision. Ms. Freeman said parts of the bill call for input from parents and providers at the local level. Representative Roybal Caballero said the beneficiaries of this bill would be populations in need, which are communities of color and tribal communities. These communities have been disenfranchised, and cultural considerations are important. Senator Padilla said the bill calls for culturally and linguistically appropriate programming and provides equal education and care opportunities to non-English speaking families. He said the bill also calls for a Native American Assistant Secretary of Early Childhood, who would represent tribal communities in New Mexico.

Representative Roch asked if the secretary for the new early childhood department would have mandated qualifications similar to the PED secretary. Senator Padilla said the secretary would need experience in early childhood education or care programs. Representative Roch said the secretary should also have management skills, considering the potential size of the department's budget, and Senator Padilla agreed.

Senator Soules asked if public school formula funding can be used to fund 4-year-old prekindergarten programs through the formula. Senator Padilla said he is looking into it, but he believes it is allowable.

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Administrative Rulemaking. Andrea Ochoa, Fiscal Analyst, LESC, presented a Notice of Proposed Rulemaking to repeal and replace 6.60.8 NMAC, which establishes the requirements for background checks on all applicants for initial teaching license, instructional support provider license, alternative license, and substitute certification. Additionally, the proposed rule outlines procedures for background checks for volunteers, dual credit instructors, and currently licensed and employed individuals who have not previously had a background check. The proposed rule outlines requirements for in-state and out-of-state licensure applicants and stipulates clarified

background check disclosure procedures. Senator Padilla and Representative Youngblood stated a concern over only requiring a background check for school staff upon initial licensure or for new hires. They would like school staff to undergo regular background checks for determined spans of time, such as every three years. Representative Linda Trujillo stated school districts should have the right to conduct background checks regardless of how recently the applicant conducted their background check through PED.

Ms. Ochoa also presented the final adoption of Part 3 of 6.60 NMAC, Alternative Licensure. The adopted rule eliminates the internship license and changes previous routes to alternative licensure including eliminating the competency-based portfolio. The adopted rule establishes three pathways to obtain an alternative teaching license. The rule also includes the requirements for an alternative administrator license and for an alternative student success advisor license. Chair Stewart stated the procedures in place for alternatively licensed teachers are contradictory to best practices in new teacher training, induction, and mentoring.

Potential Committee-Endorsed Legislation. Mr. Kevin Force, LESC staff, reviewed a number of bills for the committee's possible endorsement for the 2019 legislative session. The committee endorsed the following 13 bills:

- A bill to increase the multiplier used to calculate the at-risk index from 0.13 to 0.25 for FY20. The bill was endorsed unanimously, 9:0.
- A bill to enact a maximum age for students funded through the public school funding formula, while grandfathering in those adult students currently in public schools. The bill includes a \$2 million appropriation for adult basic education. It was endorsed 8:1, with Representative Roch in opposition.
- A bill to create a factor in the public school funding formula for the K-5 Plus program, including requirements to receive funding for the program. The bill was endorsed 7:2, with Senator Brandt and Representative Baldonado in opposition. The committee approved an amendment to remove the word, "improvements" from the bill.
- A bill to base a school district's or charter school's state equalization guarantee on current year enrollment, rather than prior year enrollment, if the school district's or charter school's year-over-year first reporting date enrollment declines by more than 25 percent. The bill was endorsed unanimously, 10:0.
- A bill to allow teachers to count their years teaching under an alternative license toward minimum time requirements to receive a level two license. The bill was endorsed unanimously, 10:0.
- A bill to give school districts more flexibility over their instructional materials allocations and include digital learning platforms and original source materials in the definition of "instructional materials." The bill was endorsed unanimously, 10:0.
- A bill to add a five-year temporary program to fund prekindergarten facilities with a qualifying standards-based award under the Public School Capital Outlay Act and allow the Public School Capital Outlay Council to adopt standards for prekindergarten facilities. The bill was endorsed 8:1, with Senator Brandt in opposition.
- A bill to require nonprofit organizations that are organized specifically to purchase facilities for a charter school to enter into a legally binding agreement with the charter school to transfer the facility's title to the charter school immediately upon the nonprofit's final acquisition of the title. This bill was endorsed unanimously, 9:0.
- A bill that would make it a fourth-degree felony to make a school threat, defined as a specific, unequivocal threat to commit any violent offense against a person on school property, or to harm school property, in a way intended to provoke reaction an official or volunteer emergency agency, place a person in fear of great bodily harm, or interfere with the use of a school building. The bill was endorsed unanimously, 10:0.

- A bill to reduce the number of emergency drills required of schools from 13 to four per year, at least two of which must be shelter-in-place drills that include preparation for response to active shooters. The bill was endorsed 10:0.
- A bill to permit retired law enforcement officers to work as school security personnel without having their cost of living adjustment for retirement benefits suspended during the period of their employment with the public schools. The bill was endorsed 7:3, with Chair Stewart, Senator Soules, and Representative Christine Trujillo in opposition.
- A bill to repeal the A-B-C-D-F Schools Rating Act, and replace it with the School Support and Accountability Act, which would differentiate and support Title I schools based on academic achievement and growth in Math, English language arts, and science. PED would be required to identify schools for traditional support, targeted support, comprehensive support, or more rigorous interventions. The bill was endorsed, 5:4 with Representatives Roch, Baldonado, Youngblood and Senator Gould in opposition. Chair Stewart noted the bill should be amended to remove the word, “improvements” from the bill, with the committee’s approval.
- A bill to create a fund for the establishment and implementation of a career technical education programs in the public schools and career technical education-related training and professional development for public school teachers. The bill passed endorsed with no opposition, 7:0.
- A bill to amend Section 30-7-2.1 of the Criminal Code that permits only certain classes of people to carry weapons on school grounds, including school security personnel, currently an undefined term. The bill would define “school security personnel” as “a person employed by a school district, state agency or charter school to act as armed school security in a school, with no other job title or accompanying job duties, and includes retired or active duty law enforcement officers employed as school resource officers.” The bill was endorsed, 9:0.

The committee declined to endorse the following bills:

- A bill that would appropriate \$100 thousand from the general fund to the Public Education Department (PED) to conduct a professional development project to train public school teachers on brain education in FY20. The bill failed 3:7, with Representatives Romero, Christine Trujillo, and Stapleton in support.
- A bill that would appropriate \$2 million from the general fund to PED to fund afterschool and summer enrichment programs in FY20. The bill failed 3:7, with Representatives Romero, Christine Trujillo, and Stapleton in support.

The committee declined to vote on the endorsement of a bill to require schools to move to a year-round calendar, with the approval of the bill’s sponsor, Senator Brandt.

After discussion, the committee decided to continue to work on a bill to create a new teacher and principal evaluation system rather than consider it for endorsement in December.