

MINUTES
Legislative Education Study Committee
Dulce High School
Dulce, New Mexico
August 21-23, 2019

August 21, 2019

The following voting and advisory members were present: Voting: Chair Christine Trujillo, Vice Chair Mimi Stewart, Senators Craig W. Brandt and Candace Gould, and Representative Linda M. Trujillo; Advisory: Senators Michael Padilla and Shannon D. Pinto, and Representatives Raymundo Lara, Willie D. Madrid, Gabriel Ramos, and Tomás E. Salazar.

The following voting and advisory members were not present: Voting: Senator William P. Soules and Representatives Alonzo Baldonado, Rebecca Dow, G. Andrés Romero, and Sheryl Williams Stapleton; Advisory: Senators Carlos Cisneros, Daniel A. Ivey-Soto, Gay G. Kernan, Linda M. Lopez, and Representatives Kelly K. Fajardo, Joanne J. Ferrary, Natalie Figueroa, David M. Gallegos, Joy Garratt, Susan K. Herrera, D. Wonda Johnson, Tim D. Lewis, Patricia Roybal Caballero, Debra M. Sariñana, Elizabeth "Liz" Thomson."

Strategic Initiatives of Dulce, Chama, Jemez Mountain, and Cuba School Districts. James Cammon, Interim Superintendent, Dulce Independent School District, explained Dulce faces many unique challenges due to its proximity to the Jicarilla Apache Nation. The school district's enrollment has trended downward since the 2008-2009 school year to an all-time low in the 2018-2019 school year. Dulce Elementary School and Dulce Middle School have shown poor academic outcomes in recent years, often because students exhibit behavioral issues, have less qualified long-term substitute teachers, lack continuous instruction from the same teachers for an entire school year, and may not fully understand the purpose of assessments. Mr. Cammon explained Dulce's collaboration with content provider Houghton Mifflin Harcourt in an effort to improve students' academic outcomes. Further, the schools are working to place students with special education or behavioral needs in transitional classrooms with fewer students where they can get individualized help. Dulce is also working with the local community, the Jicarilla Apache Nation, and local law enforcement to improve student engagement and address underlying community issues that tend to impact the schools. Mr. Cammon mentioned a block party hosted by the Dulce Elementary School parent advisory committee at which students and parents were able to meet with teachers and visit booths with information about resources in the community. Representatives from colleges were also present to talk about programs and opportunities to enrich students' educational experiences.

Anthony Casados, Superintendent, Chama Valley Independent School District, also discussed challenges Chama faces. Chama has difficulty recruiting and retaining highly-qualified teachers, and often finds itself having to try to recruit individuals from the community through the alternative licensure program. One of the most common questions Chama gets is whether teacher housing is available; the school district only has three units available. Federal Title II funds for staff development have been decreasing, which makes it difficult to ensure students receive high-quality instruction. While the Northwest Regional Education Cooperative (REC) is supportive of the school district, Mr. Casados suggested the Legislature should ensure the REC receives enough funds to help all the school districts it supports. Mr. Casados noted further costs unique to the school district, including costly supplies at local stores, expensive snow removal, and buildings heated with propane rather than less-costly natural gas.

Dan Padilla, Interim Superintendent, Jemez Mountain Public School District, noted Jemez is also rural, and approximately 97 percent of students use school district transportation with the longest bus route being a 62-mile round trip. In the last three to four years, the school district lost many

teachers and resolved to using online platforms like Edgenuity as the primary means of delivering instruction in classrooms. Students who were taking core courses online without direct instruction saw lower test scores. In recent years, elementary school students received direct instruction and middle school students began a blended-learning model in which only part of the curriculum was online. However, high school students have mostly received computer-based learning. Last year, school district leadership developed a new schedule to reflect the school district's strengths and renew focus on areas in need of improvement. The schedule is structured to meet graduation requirements and offer various courses based on teacher endorsements and partnership with postsecondary institutions. Mr. Padilla noted the school district has concerns about funding and timely PED responses; funding is needed to upgrade the school district's technology and the school district faces delays in licensure verification and background checks.

Dr. Karen Sanchez-Griego, Superintendent, Cuba Independent School District, thanked the Legislature and PED for their efforts to improve the state's education. Dr. Sanchez-Griego said Cuba has seen a decrease in student enrollment since the 2009-2010 school year. To make education more relevant to students, Cuba has put language and culture at the forefront of their efforts, using the increase in at-risk funding to bring in an Indian education director and staff that can help make instruction culturally relevant for students. Dr. Sanchez-Griego reviewed student academic performance and graduation rates, noting a need for improvement. A root cause analysis of the school district's performance identified a number of issues, including a lack of alignment between individual schools in the school district, high turnover in leadership at all levels, and a lack of infrastructure for interventions and data-driven instruction. In the 2019-2020 school year, teachers will take part in professional development through professional learning communities, and the school district has taken advantage of legislative funding for extended learning opportunities.

Senator Pinto asked about the disciplinary issues the school districts face and how those are addressed. The superintendents said self-esteem, drugs, vaping, tardiness, and access to social media are common issues. Parents, counselors, and behavioral health professionals are brought in to address these concerns.

Senator Gould asked how the school districts were funding their teacherages. Mr. Casados said Chama Valley created a teacherage fund by collecting rent, but they are looking for alternative funding sources from the state to help develop and maintain teacherages. Mr. Cammon, Mr. Padilla, and Dr. Sanchez-Griego said their school districts are charging rent and using operational funds to maintain their teaching units.

Senator Stewart asked about the salary increases each school district was able to provide for teachers and other staff. Dr. Sanchez-Griego said Cuba was able to give all staff and teachers a 6 percent raise and was able to raise salaries for some maintenance staff by as much as 11 percent. Cuba also increased minimum salaries for teachers above the statutory levels by \$2,000 at each licensure level, and included additional stipends for bilingual, special education, and hard-to-staff STEM teachers. Dr. Sanchez-Griego also noted an initiative the school district took to emphasize the importance of all members of the school system, from bus drivers to principals, that offered financial incentives if schools were able to improve their academic performance. Mr. Padilla said Jemez Mountain gave a 6 percent raise for all staff, but noted the school district is looking at other ways to thank staff that are performing less desirable jobs. Mr. Casados said Chama Valley was able to meet the minimum statutory salary requirements and give all staff a 6 percent raise, which made a difference for recruiting teachers. However, he believes there is a stigma attached to teaching that is a bigger deterrent for potential teachers.

Implementation of the Indian Education Act and Development of Native American Curriculum Initiatives. Kara Bobroff, Interim Secretary of Education, PED, presented the department's plan to support school districts and charter schools in the implementation of the

Indian Education Act. The department's philosophy focuses on academic excellence and relevance, community culture and transformation, reflection and continuous improvement, leadership in culturally and linguistically responsive relevant education, and effective and efficient operations. In implementation, the philosophy translates to maintaining high-standards and keeping students' identity at the core of instruction, grounding instruction in the tribe's or pueblo's culture, engaging the community, improving student outcomes, and ensuring New Mexico is a national leader in providing education for Native American students.

PED's multicultural education framework will help the Indian Education Division (IED) support school districts and charter schools to implement and understand the importance of the Indian Education Act. IED holds government-to-government meetings to understand the tribal perspective on education in New Mexico. In their engagement with governments and stakeholders, the division found individuals working in schools with Native American students will benefit from focused professional learning.

PED issued a request for proposal for Indian education funds. PED requires applicants to note how they will measure the effectiveness of their programs in their grant application. Aside from grants to school districts, charter schools, tribes, and pueblos, the balance of the fund will be spent on professional development and instructional materials. For accountability and reporting, Ms. Bobroff noted the tribal education status report is published annually. PED is taking feedback as to what should be included in the report. IED, in consultation with the Indian Education Advisory Council, is gathering feedback from stakeholders to draft a proposed rule to implement the provisions in Laws 2019, Chapter 16 (House Bill 250). PED hopes to propose the rule by October.

Dr. Glenabah Martinez, Associate Dean for Educator Preparation and Development, University of New Mexico (UNM), presented the Indigenous Wisdom Curriculum developed by the Indian Pueblo Cultural Center (IPCC) which was developed to strengthen the identity of Native American students in New Mexico. This curriculum is a counter-narrative to what is found in traditional textbooks. The goal of the curriculum is to provide teachers working in kindergarten through 12th grade classrooms with the resources to educate students about the core values that have operated as vehicles for resistance, emancipation, and transformation for Pueblo people. Dr. Natalie Martinez, Lecturer, Department of Language, Literacy, and Socio-Cultural Studies, UNM, noted representatives from across the state collaboratively developed the curriculum. All lessons are Common Core State Standards-aligned and many connect to actual Native American student experiences. Dr. Christine Sims, Associate Professor, Educational Linguistics and American Indian Education, UNM, stated resources from the IPCC curriculum are meant to supplement and be embedded throughout the main curriculum school districts and charter schools implement.

Dr. Sims noted teachers in the field were key in piloting the curriculum. The piloting process allowed the curriculum committee to make revisions so the final published product is high quality. Because many teachers are unlikely to be Native American, it is important for them to understand how to implement the IPCC lessons to teach their students in a culturally responsive manner.

Chair Trujillo asked how IPCC is ensuring colleges of education are training students in the Indigenous Wisdom Curriculum. Dr. Glenabah Martinez noted IPCC has been engaged in a number of dialogues with stakeholders to include the IPCC-created resources in their teacher education courses.

Representative Linda Trujillo asked if PED can provide templates to help school districts and charter schools to implement the Indian Education Act instead of individual school districts and charter schools duplicating efforts to develop their own implementation plans. Ms. Bobroff noted there are templates that have been utilized and the department will post them on the PED website.

Senator Padilla stated he wants to ensure PED engages the Assistant Secretary of Native American Early Childhood Education and Care. Ms. Bobroff stated PED is already engaging with the governor's office as they work to establish the Early Childhood Education and Care Department.

Dulce Elementary School Turnaround Efforts. Katarina Sandoval, Deputy Secretary of Academic Engagement and Student Success, PED, explained she oversees the work of the department's Priority Schools Bureau. PED is required under the federal Every Student Succeeds Act (ESSA) to publish a plan detailing how the state will use federal Title I funds to identify and support the lowest performing schools in the state. The lowest performing 5 percent of schools are known as comprehensive support and improvement (CSI) schools, while schools with one or more underperforming subgroups of students are known as targeted support and improvement (TSI) schools. The previous administration of PED identified three schools in Albuquerque and Dulce Elementary School for a third tier of support called "more rigorous interventions" (MRI). Under the current administration, PED has noted an intent to support schools for three years before requiring the school to undergo MRI. PED removed the MRI status from all four schools, placing Dulce Elementary School among 90 other CSI schools statewide. CSI schools are required to author a New Mexico Data, Accountability, Sustainability, and High-Achievement (NM DASH) plan describing how the school will use their Title I set-aside funding to participate in evidence based school improvement programs. Dulce Elementary School's award will be reduced from \$775 thousand in FY19 to \$63 thousand in FY20. Ms. Sandoval noted the school did not use all of the \$775 thousand award in FY19, and approximately \$300 thousand in unused funds will revert to PED to be distributed to all CSI schools in FY20.

Mr. Cammon was the principal at Dulce Elementary School during the first year of implementation of the school's MRI plan. He noted his first goal was to create a culture of learning at the school. He began the school's turnaround work by building bridges between staff, students, and the community. Mr. Cammon said the community will participate to a greater degree in improving the school if the school was an environment that genuinely respected and honored Native American culture and was relevant and meaningful to students. Teachers participated in self-reflective professional development to understand how altering teaching practices may improve the school's performance. The school district also fostered professional development within professional learning communities to improve data-driven instruction, align instruction to the Common Core State Standards, and deliver a new curriculum purchased with the Title I school improvement funding.

Senator Pinto asked where improvement is most likely to be seen, especially if the school's standardized test data only shows minimal improvement. Ms. Sandoval noted this highlights the importance of the three-year CSI timeframe. School turnaround initiatives take time before stakeholders will see results. New Mexico's Every Student Succeeds ESSA state plan gives schools three years under CSI designation to improve before it becomes subject to more rigorous interventions.

Representative Linda Trujillo asked how funding is provided to CSI schools. Ms. Sandoval explained the minimum award for schools is \$25 thousand per year, but funding is also subject to a formula which allocates 80 percent of funds based on a school's poverty level and 20 percent on a school's enrollment. Representative Trujillo asked what the average per student amount of awards are at each school. Ms. Sandoval offered to follow up with that information, but noted all CSI awards for FY20 can be found on PED's website. Representative Trujillo stated she believes the state should provide more assistance to CSI schools before they become MRI schools, and wants to know if the state needs to provide more than just Title I funding for early interventions and supports.

Representative Lara asked how Mr. Cammon has engaged the community in Dulce Elementary School's turnaround initiatives. Mr. Cammon stated early in the process he met with a group of

concerned parents which led to the formation of a parent advisory committee at the school. Additionally, the community has been engaged in many student engagement activities at the school, including a Jicarilla Apache language curriculum and a hands-on science lab facilitated by the Los Alamos National Laboratory Foundation. Mr. Cammon stated the importance of celebrating successes, noting a block party the school district held to engage the community, celebrate the end of the 2018-2019 school year, and kick off the 2019-2020 school year.

Senator Pinto and Representative Madrid asked how the school will use funding to purchase culturally and linguistically relevant instructional materials for Native American students. Ina Montoya, Principal, Dulce Elementary School, stated when she first began as a teacher, there were very few materials for the Jicarilla Apache language, many of which were hand-written by previous Jicarilla Apache teachers. Ms. Montoya began compiling the materials and creating and delivering lessons. The school is working to expand these activities to include other native languages. Representative Madrid stated if the state does not work with Native Americans to better facilitate the instruction of Native American culture and language, he fears they may be lost to time.

In response to Senator Stewart, Mr. Cammon noted instruction was given in English, but the school offers a supplementary Jicarilla language and culture program. Ms. Montoya noted the program would ideally have a single school district employee overseeing the work of six Jicarilla Apache instructors funded through a tribal grant. However, last year, Ms. Montoya was the only instructor for all students in the program. She has made efforts to expand the program school wide, but has had difficulty aligning other teachers' instruction with the language.

Senator Padilla asked whether Dulce has plans to fully integrate the Jicarilla Apache language. Mr. Cammon stated they have searched for a qualified teacher for a Jicarilla Apache language program, but have had little luck. Ms. Montoya noted the tribe seems to support the program, but the challenge is a matter of finding qualified individuals to teach. Senator Padilla asked whether the state can do more to support these types of programs. Ms. Montoya stated she does not believe Dulce needs more funds; she believes programs like the Jicarilla Apache language and culture program will work best when facilitated by individuals in the community who are willing to stick with it no matter what happens. After the school becomes relevant to students, parents, and individuals in the community, she believes leadership within the community will take more responsibility and do their part to improve student outcomes.

August 22, 2019

The following voting and advisory members were present: Voting: Chair Christine Trujillo, Vice Chair Mimi Stewart, Senator Craig W. Brandt, and Representatives Sheryl Williams Stapleton, Linda M. Trujillo; Advisory: Senators Michael Padilla, Shannon D. Pinto, and Representatives Susan K. Herrera, Raymundo Lara, Willie D. Madrid, Gabriel Ramos, Tomás E. Salazar, Elizabeth "Liz" Thomson. Also present was Representative Christine Chandler.

The following voting and advisory members were not present: Voting: Senators Candace Gould, William P. Soules, and Representatives Alonzo Baldonado, Rebecca Dow, G. Andrés Romero; Advisory: Senators Carlos Cisneros, Daniel A. Ivey-Soto, Gay G. Kernan, Linda M. Lopez, and Representatives Kelly K. Fajardo, Joanne J. Ferrary, Natalie Figueroa, David M. Gallegos, Joy Garratt, D. Wonda Johnson, Tim D. Lewis, Patricia Roybal Caballero, Debra M. Sariñana.

Overview of Zuni Capital Outlay Lawsuit: History and Where We Are Today. Paula Tackett, Former Director, Legislative Council Service, explained that prior to the Zuni lawsuit, local school districts had primary responsibility for funding the construction and improvements of public school facilities, which resulted in unequal funding between school districts. Mrs. Tackett explained when the court found that system unconstitutional in 1999, New Mexico began

implementing reforms, including granting authority to the Public School Capital Outlay Council (PSCOC) to establish criteria and standards for public school capital outlay projects, and establishing a Public School Capital Outlay Task Force. In 2000, the Public School Capital Outlay Task Force recommended a multi-pronged approach which included correcting “past inequities” per court order, increasing the Public School Capital Improvements Act program guarantee, establishing a permanent funding source for public school facilities, and a state and local match formula. Mrs. Tackett outlined further steps to improve the public school capital outlay process, including adoption of a new, statewide capital outlay system based on adequacy standards and a ranking system to prioritize funding to schools with the greatest need. The court appointed a special master in 2001 to review the state’s progress in developing a uniform system for funding public school capital improvements. The special master issued a report noting that the state “is in good faith and with substantial resources attempting to comply with the requirements” of the court, but noting that while the state has shown good faith, it should be required to account to the court in detail about the status of all of its efforts and programs to bring the state into compliance with constitutional requirements. The state continued to implement reforms, including standards-based awards in 2004, and the beginning of the Public School Capital Outlay Oversight Task Force (PSCOOTF) oversight in 2005. In 2013, the court administratively dismissed the case for lack of prosecution, but plaintiffs filed to reopen the case. In 2016, a trial continuing the case began, but plaintiffs did not conclude their case; the trial resumed in May 2019. Mrs. Tackett explained the court set September 16 as the date for parties to provide the court written closing arguments and proposed findings of fact and conclusions of law.

Senator Stewart said she is proud of the state’s \$2.5 billion investment in public school facilities over the last 15 years, and noted Mrs. Tackett did not mention ongoing changes to the public school capital outlay system, such as changes to the state and local match formula that will not be fully phased-in until FY24. Senator Stewart mentioned that over the last five years, PSCOOTF has examined disparities between school districts that can build outside of the adequacy standards and those that cannot, and higher costs of construction in rural areas, which resulted in legislation she sponsored that ultimately changed the state and local match formula.

Senator Stewart said she would support increasing the program guarantee for the Public School Capital Improvements Act to ensure more maintenance funding is available. Ms. Tackett said maintenance is a critical issue, and at one point PSCOOTF considered limiting Public School Capital Improvements Act funding for maintenance only.

Senator Pinto asked about Zuni Public Schools and Rachel Gudgel, Director, Legislative Education Study Committee, said all of Zuni’s schools have been rebuilt; however, Zuni still has concerns as they are one of the plaintiffs in the re-litigation of the lawsuit. Ms. Gudgel said Zuni’s primary concerns is their almost non-existent bonding capacity and the “ceiling” of state funding imposed by the adequacy standards.

Representative Linda Trujillo commented that both the Public School Capital Improvements Act and the Public School Buildings Act do not allow funding to be spent on school district employee salaries. This forced a school district she worked for to hire contract maintenance workers instead of maintenance staff.

New Mexico’s System of Funding Public School Capital Outlay. Jonathan Chamblin, Director, Public School Facilities Authority, compared public school capital funding before and after the implementation of the statewide adequacy standards. Mr. Chamblin explained the adequacy standards are used to uniformly measure all public school buildings in New Mexico, and schools with the greatest needs are prioritized to receive state funding based on their weighted New Mexico Condition Index (wNMCI) score. Mr. Chamblin said a common misconception is that Public School Capital Outlay Council (PSCOC) participation is limited to the minimum space types and minimum total net square feet defined by the adequacy standards; however, PSCOC funding

extends to the unique educational space needs of each individual school, as well as necessary building support spaces. State funding participation has evolved over time; Mr. Chamblin explained that in the early years of the standards-based program, PSCOC prioritized classroom space, but now consideration is given to a broader range of space types and site features, especially when justified by educational program needs. Mr. Chamblin said “outside of adequacy” refers to spaces and items not eligible for funding because they are not related to the educational standards or cannot be justified based on educational program needs. The Public School Facilities Authority (PSFA), staff to PSCOC, drafted proposed changes to the adequacy standards and is in the process of gathering public comment to the proposed changes. Mr. Chamblin highlighted improved facility conditions statewide since implementation of the adequacy standards, with the statewide average wNMCI improving from 40.5 percent in FY06 to 23.8 percent in FY19.

Antonio Ortiz, Director, Student Services and Transportation Division, Public Education Department (PED), said the Public School Capital Outlay Act, the Public School Capital Improvements Act, direct legislative appropriations, local general obligation bonds, the Public School Buildings Act, and the Educational Technology Equipment Act are the major funding sources for public school capital outlay. Mr. Ortiz said PED is responsible for overseeing elections pursuant to the Public School Capital Improvements Act, calculating and distributing the state program guarantee, and ensuring a certain percentage of funding goes to charter schools. PED is also responsible for administering all direct legislative appropriations. Mr. Ortiz said PED is responsible for setting the rates for general obligation bonds once they have been passed by local voters, as well as monitoring the bonding indebtedness of each school district to ensure they do not exceed the 6 percent bonding indebtedness limit in the constitution. PED also calculates the required state share for a PSCOC project as determined by the phase one formula created in statute. Mr. Ortiz explained the phase one formula components include land valuations, membership and the amount of residential mills a school district has imposed. However, Mr. Ortiz explained the state and local match is currently transitioning from the phase one formula to the phase two formula.

Stan Rounds, Executive Director, New Mexico Coalition of Educational Leaders, said the current public school capital outlay system is the result of a 30-year journey to improve public school facilities. Mr. Rounds said from a 30-thousand-foot view, school districts have vastly different facility needs, but all school districts want to build the facilities they need and maintain them, equip schools with technology, and provide teacherages if the school district needs them. Mr. Rounds explained school districts have to balance competing funding needs. Mr. Rounds said maintenance is an issue for many school districts because of funding constraints. Mr. Rounds explained public school capital outlay grants made by PSCOC are funded through supplemental severance tax bonds (SSTBs), including the program guarantee in the Public School Capital Improvements Act. Mr. Rounds provided a few suggestions for amending the current public school capital outlay system. Mr. Rounds said lawmakers might want to consider amending the state and local match formula so the state share is closer to an average of 60 percent of funding, and the local share is closer to an average of 40 percent of funding, as originally intended. Mr. Rounds suggested amending the program guarantee in the Public School Capital Improvements Act. Mr. Rounds also suggested the addition of a third mill levy, as well as amending the at-risk factor in the public school funding formula.

Marit Rogne, Senior Fiscal Analyst, LESC, said 16 percent of the \$2.5 billion that the state has invested in public school facilities since the Zuni lawsuit have gone to plaintiff school districts that have 6 percent of schools statewide. However, despite these investments, concerns still exist. Ms. Rogne said Zuni plaintiffs allege the system is inequitable because they are unable to raise enough local revenue to build outside the statewide adequacy standards. In the 2019 legislative session, Zuni plaintiffs suggested if the state did not take credit for their operational Impact Aid payments through the operational funding formula they would not need any additional capital outlay funding. However, Ms. Rogne explained Impact Aid is intended for operational expenditures and

elimination of the credit would disqualify operational funding. This led the Legislature to instead appropriate \$34 million to PSFA to allocate to school districts that receive federal Impact Aid funds for tribal lands so the Legislature could study the issue during the interim. There are many opportunities to improve the current public school capital outlay system, such as amending the program guarantee in the Public School Capital Improvements Act to focus allocation of program guarantee funds to school districts that generate lower per-student or per-gross square foot allocations to provide increased equity. Ms. Rogne suggested lawmakers consider eliminating systems-based awards and security awards and reprioritize those funding to an increased maximum program guarantee. Ms. Rogne said some Zuni plaintiffs have suggested a fully-centralized state process for funding, overseeing, and prioritizing all facility construction and renovation. Ms. Rogne said that while lawmakers are already discussing fixes for school districts that receive federal Impact Aid funds for tribal land, other issues exist, such as declining enrollment, ensuring sufficient local revenues for maintenance costs, and increased costs of construction and maintenance for school districts located in rural areas.

Representative Herrera asked how much money is available this year for public school capital outlay. Mr. Chamblin said about \$188 million; roughly \$150 million is available every year. Representative Herrera asked how much it costs to build a new elementary school. Mr. Chamblin said it costs about \$320 per square foot, noting a 63 thousand square foot school building would cost around \$20 million. Representative Herrera commented \$150 million per year does not appear to go very far and suggested additional revenues may want to be identified. Mr. Chamblin reminded Representative Herrera the \$150 million is the state share; with local matching funds, the amount of funds allocated annually to funded projects is generally twice the state share.

Senator Pinto asked if schools are assessed for safety. Mr. Chamblin said the adequacy standards include minimums for site security, and PSFA evaluates schools according to this base line. Senator Pinto asked how teacherages are assessed. Mr. Chamblin said teacher housing has not been part of school assessments historically. However, Mr. Chamblin toured several teacherages this year, and PSFA is in the process of incorporating teacherages into the process.

Zuni Litigant School District Concerns with the Current Capital Outlay Funding System. Mike Hyatt, Superintendent, Gallup-McKinley County Schools (GMCS) said he does not want to devalue the work of the Public School Capital Outlay Council (PSCOC), Public School Facilities Authority (PSFA), or the state, but said there is still a long way to go to ensure equity in public school facilities. After the Zuni lawsuit, New Mexico tried to satisfy the court ruling to ensure adequacy, but adequacy does not equal equity. Mr. Hyatt said school districts with property wealth have advantages over school districts with lower property wealth, such as generating significant revenue from mill levies, building schools without a PSCOC state match, and using significant capital outlay dollars to pay for operational expenses. Mr. Hyatt asserted local revenue sources can give property wealthy school districts an advantage in operational funding, which results in a disqualifying system. Mr. Hyatt outlined perceived issues with public school facilities, such as subpar construction oversight by PSFA, the limited scope of the adequacy standards, high levels of bureaucracy in the PSFA process, and hundreds of millions of dollars awarded to school districts that can build above the adequacy standards. Mr. Hyatt said GMCS and Zuni Public Schools (ZPS) face additional problems, such as lack of PSCOC funding for teacherages, high costs for maintaining and operating rural schools, and a lack of taxable land.

Mr. Hyatt provided an overview of some statements he has heard from legislators he believes to be inaccurate, such as the perception that removing Impact Aid credits will disqualify the funding formula, oil rich school districts will take their money back if Impact Aid credits are returned, adequacy standards solved the capital outlay problem, and Impact Aid is not a replacement of lost property tax. Mr. Hyatt said he believes solutions include moving back to property taxes funding the operational funding formula and capital outlay needs, combining the property wealth of the state and redistributing based on capital outlay need, or eliminating credits

completely from the funding formula. Mr. Hyatt highlighted the last solution, and said eliminating the Impact Aid credit in the funding formula would allow GMCS and ZPS to recover from maintenance and facility deficits. Mr. Hyatt said the Legislative Finance Committee (LFC) director said there is \$50 million available to increase the at-risk index; Mr. Hyatt suggested these funds could be used to backfill the elimination of the Impact Aid credit instead.

Chair Christine Trujillo asked Jonathan Chamblin, Director of PSFA, if he had a response. Mr. Chamblin said there are some new award opportunities for plaintiff school districts, including the \$24 million appropriated in the 2019 legislative session for funding outside of the statewide adequacy standards. Mr. Chamblin said PSCOC is also investigating the possibility of a new retroactive PSCOC award process so schools that received a past standards-based award could be updated to the current adequacy standards. Mr. Chamblin said PSFA is also currently investigating the possibility of a local match reduction for GMCS for their FY20 standards- and systems-based awards.

Representative Linda Trujillo commented she thinks restricting local funding for capital projects may be a solution. Representative Linda Trujillo also said she wants more specific information about local funding revenues, including revenues from ad valorem taxes and forest reserve funds.

Senator Stewart said eliminating the Impact Aid credit in the funding formula will take a lot more than \$50 million, because that would only backfill for one year, a recurring funding source would be needed. Senator Stewart said there was more than \$26 million of Impact Aid funding in FY19 the state did not take credit for, such as for Indian education or special education, that has not been part of the conversation.

Chair Christine Trujillo said she believes public education has been underfunded for many years. Chair Trujillo asked Mr. Hyatt if he would like to respond. Mr. Hyatt said every school district is different, and it is true that school districts often do not discuss their own particular advantages. Mr. Hyatt said he is more than willing to talk about the Impact Aid funding GMCS receives, and how GMCS uses this funding. Mr. Hyatt referenced the map Senator Stewart discussed, noting GMCS is number six in the state in terms of number of students, but GMCS is number three in terms of number of schools. Mr. Hyatt said their perspective is GMCS simply does not have enough funding for public school facilities and is looking for solutions.

Closure of the San Juan Generating Station and Its Impact on Property Tax Revenue. Terry Benn, Superintendent, Central Consolidated School District (CCSD), opened the conversation on the closure of the San Juan Generating Station (SJGS) and its projected impact on the school district with an overview of CCSD. The school district is located in the northwest corner of the state, services approximately 6,000 students across 17 schools, and has been experiencing recent declines in student enrollment.

Kyle Archibeque, Director of Finance, CCSD, summarized the history of the SJGS and power companies in the Four Corners region. He noted the SJGS was originally intended to operate through 2053, though in 2017, two of the station's four units were closed, with the final two units being slated for closure in 2022. Mr. Archibeque cited a third-party analysis which found the closure of SJGS could result in the loss of over 15 thousand jobs and \$53 million in state and local tax revenues. Mr. Archibeque concluded that SJGS, the Public Service Company of New Mexico (PNM), and the Four Corners Power Plant make up 80 percent of the CCSD tax base, and emphasized that because all three are slated for closure, the school district will be significantly impacted.

Superintendent Benn highlighted the negative impact the closure will have on students' socioemotional status. Candace Thompson, Director of Operations, CCSD, described behavioral health challenges faced by CCSD students, including a recent increase in suicidal ideation. Ms.

Thompson also stated the district does not have the bonding capacity to rebuild schools such as Newcomb Elementary, which is currently ranked among the poorest-condition facilities in the state.

Erik Harrigan, Managing Director, RBC Capital Markets, presented data on CCSD's bonding capacity and the impact of the SJGS closure on tax rates. He explained that since 2016, PNM has declined in value from \$234 million to \$143 million, and the San Juan Coal Company has declined in value from \$116 million to \$0. RBC Capital Markets ran models exploring how the loss of values related to PNM and the SJGS, a total of \$172 million, would impact the CCSD tax base and tax rate. The models found the loss would result in the school district having only \$4.2 million in bonding capacity to be issued over a four-year period. The models also found the revenues from their SB9 2-mill levy would decline along with a decline of state matching funds. Mr. Harrigan explained the possibility of additional declines in the tax base of between 10 and 20 percent that would likely result in the tax rate increasing from 6.82 mills to 7.67 mills.

Kyle Archibeque summarized two economic impact studies. The first, conducted by the Four Corners Economic Development, estimated the SJGS closure would result in \$57 million a year in lost wages, \$20 million in lost benefits, and directly impact 16 thousand to 21 thousand individuals. CCSD, Farmington, Aztec, and Bloomfield all stand to lose students. The study also found that 10 percent of property taxes will be lost. The second economic impact study predicted a \$50 million decrease in annual taxes and a \$20 million loss to New Mexico state taxes. Mr. Archibeque concluded by stating CCSD supports New Mexico's commitment to green energy, but given the recent investment of \$150 million into the SJGS, it would be prudent to explore options other than full closure.

Representative Salazar asked how the Public Regulation Commission (PRC) and their position on the Energy Transition Act fit into the conversation of the SJGS closure. Germaine Chappelle, CCSD's attorney, explained the carbon capture project may be beneficial because it addresses the impact to the school district and also meets the environmental standards spelled out in the Act.

Native American Educator Recruitment Efforts. Alexis Domme, Director, Teacher Education, San Juan College (SJC), presented Project ALPINE, SJC's effort to recruit and train high quality teachers to serve predominately Native American communities in the Four Corners region. Ms. Domme noted in addition to culturally responsive teacher preparation coursework, Project ALPINE provides assessment support, mentorship, and in some cases, a travel stipend for alternative teaching licensure candidates. During the project's first year, SJC partnered with Central Consolidated School District and Farmington Municipal Schools to train and mentor alternative teaching licensure candidates. Now, with additional Public Education Department (PED)-funding, the program will have the capacity to partner with Aztec Municipal School District and Bloomfield School District. Ms. Domme noted the teacher preparation affordability and grow your own teachers scholarship programs have led to an increase in enrollment for SJC's alternative teaching licensure program.

Michael Thompson, Retired Coordinator, Alternative Licensure Program, SJC, presented Project ALPINE's assessment support component, which addresses skill gaps to prepare teacher candidates to pass the New Mexico teaching licensure tests. To provide context around the low pass rate for teacher licensure tests, Mr. Thompson noted nationally 40 percent of college students enroll in developmental courses at four year universities. Further, there is no common assessment to determine whether high school students graduate with basic skills. It is likely high school graduates without basic skills are those who enroll in developmental classes in colleges and universities and yet go on to earn a bachelor's degree while still lacking basic reading, writing, and math skills. Mr. Thompson stated teaching approaches must fundamentally change to address this issue.

SJC developed reading, writing, and math workshops to help teacher candidates prepare for the basic skills test required for individuals to obtain a New Mexico teaching license. The reading and writing workshops designed by Mr. Thompson focus on vocabulary, syntax, punctuation, word usage, and subject and predicate agreement. The SJC workshops are successful because they address skills rather than test-taking strategies.

Mr. Thompson also stated SJC is a member of the Navajo Nation Teacher Education Consortium along with other universities and colleges in New Mexico, Arizona, Utah, and Colorado. The mission of the consortium is to provide a model for university-tribal partnership and to improve early childhood through higher education outcomes for Navajo students.

Dr. Shawn Secatero, Assistant Professor and Coordinator, Promoting Our Learning, Leadership, and Empowering Our Nations, University of New Mexico (UNM), presented the university's pipeline for Native American students, which begins in elementary school. To continue the pipeline, UNM is forming a Native American chapter of Educators Rising. At the undergraduate level, the American Indian Professional Educators' Collaborative provides Native American students with a culturally relevant path to educator licensure. UNM also recruits Native American school principals through the Native American Leadership in Education doctoral program which currently enrolls 23 students who represent a diverse group of tribes.

Representative Madrid asked how many teachers SJC prepared during FY19. Mr. Thompson stated they prepared 40 teachers in FY19 and that the program averages 40 completers per year. Representative Madrid asked how the grow your own teachers and teacher preparation affordability scholarship programs have impacted teacher preparation program enrollment at SJC. Ms. Domme responded that 80 teachers are benefiting from the scholarship programs. Representative Madrid asked how many Native American teachers UNM is preparing. Dr. Secatero stated currently there are approximately 42 Native American preservice teachers enrolled in UNM's teacher education program.

August 23, 2019

The following voting and advisory members were present: Voting: Chair Christine Trujillo, Vice Chair Mimi Stewart, Senator Craig W. Brandt, and Representatives Sheryl Williams Stapleton, Linda M. Trujillo; Advisory: Senators Michael Padilla, Shannon D. Pinto, and Representatives Kelly K. Fajardo, Raymundo Lara, Willie D. Madrid, Tomás E. Salazar, Elizabeth "Liz" Thomson.

The following voting and advisory members were not present: Voting: Senators Candace Gould, William P. Soules, and Representatives Alonzo Baldonado, Rebecca Dow, G. Andrés Romero; Advisory: Senators Carlos Cisneros, Daniel A. Ivey-Soto, Gay G. Kernan, Linda M. Lopez, and Representatives Joanne J. Ferrary, Natalie Figueroa, David M. Gallegos, Joy Garratt, Susan K. Herrera, D. Wonda Johnson, Tim D. Lewis, Gabriel Ramos, Patricia Roybal Caballero, Debra M. Sariñana.

Jicarilla Apache Education Department and Navajo Nation Department of Diné Education Initiatives. Claudia Vigil Muniz, Director of Education, Jicarilla Apache Nation presented educational challenges the Jicarilla Apache Nation Education Department faces. Ms. Muniz noted the tribe was not invited to speak when Dulce Elementary required more rigorous intervention; the tribe could have provided feedback and assistance to improve student outcomes. Another challenge the tribe faces is that children do not speak Jicarilla.

As a member of the Indian Education Advisory Council (IEAC), Ms. Muniz stated the implementation of the Indian Education Act should be closely monitored. Specifically, school districts and charter schools should be held accountable to meeting the needs of Native American students and the Public Education Department (PED) should implement structures that increase

participation in government-to-government meetings to ensure all stakeholders have representation in making decisions about Native American students.

Darrell Paiz, President, Jicarilla Apache Nation, stated it is critical for governments to continue to communicate, especially for the purpose of improving educational outcomes for students. President Paiz noted the Jicarilla Apache Nation is willing to work with the Legislature to solve issues that face tribal children.

Dr. Tommy Lewis, Superintendent of Schools, Department of Diné Education (DODE), Navajo Nation, stated the Diné Accountability Plan has been approved by the U.S. Department of Education and DODE is now working to define academic indicators to ensure students and schools are meeting academic standards to improve academic outcomes for students.

Senator Padilla asked the panel to explain how teacher housing is funded. Ms. Muniz stated Dulce Independent School District is responsible for funding teacher housing in Dulce. Ms. Muniz also noted there are not enough places for teachers to live and many commute to Dulce from Chama and Pagosa Springs, Colorado.

Representative Salazar asked if the panel had any comment on the implementation of House Bill 250. Ms. Muniz stated tribes are being pursued to participate in the development of the guidelines for implementation of HB250.

Implementation of HB250 and Potential Next Steps for Indian Education. Derrick Lente, District 65 Representative, provided an overview of Laws 2019, Chapter 16 (House Bill 250) and discussed implications for Native American students. He provided the committee with a summary of the research supporting HB 250, namely the documented educational challenges facing Native American students in New Mexico. Representative Lente reviewed key components of HB 250, including the implementation of a needs-assessment, career development and counseling services, and a requirement for tribal consultation. Representative Lente closed by asking for support for both HB 516, which seeks funding for Native American-focused services within higher education institutions; and for HB 670, which responds to the issue of the lack of high-speed internet in many Native American communities, bills introduced in 2019.

Regis Pecos, Lead Majority Policy Analyst, New Mexico House of Representatives, described a number of policies and reports related to educating Native American students, including the Johnson O'Malley Act of 1934 and the Meriam Report of 1928. He stated the consolidated *Martinez* and *Yazzie* lawsuit has provided an opportunity for Native American communities to redefine their educational needs. Regarding the Indian Education Act, Mr. Pecos outlined the importance of recruiting Native American teachers and having adequate funding for native language programs. He explained how systematically disconnecting Native American youth from their language has negative cultural, legal, and political implications. Mr. Pecos stated Indian education funds are distributed inefficiently. He requested culturally relevant curriculum, community-based services, and improved early childhood education for Native American communities. Mr. Pecos emphasized the importance of providing educational resources such as libraries and computers to rural Native American communities.

Representative Lente informed the committee he would like to present to LESC again before the 2020 legislative session.