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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/12
LAST UPDATED 02/06/12 **HB** _____

SPONSOR Nava

SHORT TITLE School District Financial Flexibility **SB** 205/aSEC

ANALYST Gudgel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of SEC Amendment

Senate Education Committee amendment to Senate Bill 205 eliminates the word “notwithstanding” from Sections B(1) and B(2).

Synopsis of Original Bill

Senate Bill 205 suspends administration of the standards-based assessment in social studies in eleventh grade, and a college placement assessment or workforce readiness assessment in eleventh grade during the 2012-2013 school year. The bill requires all public schools to use an appropriate assessment for grades nine and ten to comply with the federal Individuals with Disabilities Act.

FISCAL IMPLICATIONS

PED’s analysis indicates administration of these assessments cost school districts \$722.2 thousand annually – administration of the college assessment to 11,649 students costs \$454.3 thousand annually, administration of the workforce readiness assessment to 7,707 students costs \$238,900, and administration of the 11th grade social studies standards-based assessment (SBA) to 19,356 students cost \$29,034.

These assessments, along with several others, were suspended during the FY12 school year and state equalization guarantee distribution funding was decreased accordingly (approximately \$3.5 million total). Continuation of the suspension of these assessments will have no fiscal impact to school districts. However, if the assessments are not suspended, districts will be required to pay for administration of these assessments within FY13 appropriation levels.

In FY12, approximately \$3.9 million in recurring funding for student assessments is distributed through the state equalization guarantee distribution directly to school districts.

SIGNIFICANT ISSUES

During the 2011-2012 school year, the following assessments were suspended as a means of balancing the state budget and reducing overall general fund appropriations for state government, including public education: 1) a standards-based assessment in social studies for eleventh grade; 2) a short-cycle assessment in reading, language arts and math in ninth and tenth grades; 3) a college placement assessment or workforce readiness assessment in eleventh grade; 4) the high school graduation exam or alternative demonstration of competency for high school students.

This bill would continue suspension of the standards based assessment in social studies for eleventh graders and the college placement assessment or workforce readiness assessment in eleventh grade. These assessments are not required by federal law and are not necessary for the A-B-C-D-F Schools Rating Act.

PED analysis indicates SB205 requires public schools to administer an appropriate assessment in grades nine and ten to comply with the Individuals with Disabilities Education Act (IDEA). IDEA does not require any particular assessment in grades nine or ten.; however, pursuant to 34 CFR 300.307 of the implementing regulations of the IDEA, each state must adopt criteria for determining whether a child has a specific learning disability. New Mexico has addressed this requirement in state rule and has chosen to use the dual discrepancy model as the criteria for identifying children with specific learning disabilities. At the present time, New Mexico is only requiring the use of the dual discrepancy model in grades K through 3. In the upper grades, the school districts have the option of using either the dual discrepancy model or the severe discrepancy model. For districts using the dual discrepancy model in the upper grades, Subsection C of SB205 would preserve the requirement in Section 22-2C-4.1(A) NMSA 1978 for the administration of short cycle assessments in grades nine and ten which is part of the data used in identifying specific learning disabilities under the dual discrepancy model.

TECHNICAL ISSUES

PED analysis notes the following two issues:

SB205 fails to suspend the grade 11 social sciences assessment for grade 11 students with significant cognitive disabilities by omitting the plural “s” for standards based assessments on line 3, page 2 that is stated in Section 22-2C-4. Standards based assessments includes the New Mexico Standards-Based Assessment for general education students and the New Mexico Alternate Performance Assessment for students with significant cognitive disabilities. The department indicates that requirements for these student populations should be comparable.

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SB205 suspends the requirement for grade 11 social studies in Section 22-2C-4 without also suspending the high school graduation requirement for students to pass a standards based assessment in social studies - Section 22-13-1.1(L). Language should be inserted in SB205 to also suspend the requirement to pass the social studies assessment for graduation.

RSG/amm:svb