

LESC bill analyses are available on the New Mexico Legislature website ([www.nmlegis.gov](http://www.nmlegis.gov)). Bill analyses are prepared by LESC staff for standing education committees of the New Mexico Legislature. LESC does not assume any responsibility for the accuracy of these reports if they are used for other purposes.

**LEGISLATIVE EDUCATION STUDY COMMITTEE**  
**BILL ANALYSIS**  
**54th Legislature, 1st Session, 2019**

<b>Bill Number</b>	<u>SB614</u>	<b>Sponsor</b>	<u>Lopez</u>
<b>Tracking Number</b>	<u>.213959.1</u>	<b>Committee Referrals</b>	<u>SEC/SJC/SFC</u>
<b>Short Title</b>	<u>Multicultural Educator Loan for Service Act</u>		
<b>Analyst</b>	<u>Ochoa</u>	<b>Original Date</b>	<u>2/26/19</u>
		<b>Last Updated</b>	<u></u>

---

---

## **BILL SUMMARY**

### Synopsis of Bill

Senate Bill 614 (SB614) would create the Multicultural Educator Loan for Service Act and the Multicultural Educator Loan for Service Fund. The Act would require the Higher Education Department (HED) to provide loans to students who declare intent to serve as a public school multicultural educator. Loans would be forgiven as the multicultural educator completes years of service. Individuals who would not meet the terms of their loan for service contract could be subject to financial penalties of up to three times the principal plus 18 percent interest.

## **FISCAL IMPACT**

The bill does not contain an appropriation. The bill does create a fund; however, there is no amount dedicated to the fund. There are costs associated with providing loans for service. According to data provided by HED, the average award amount to current loan for service recipients is \$2 thousand per semester, or \$4 thousand per year. The cost of implementation would depend on the number of student recipients.

The House Appropriations and Finance Committee Substitute for House Bill 2 (HB2/HAFCS) does not include an appropriation for the teacher loan for service program. HB2/HAFCS would appropriate \$25 million to teacher loan repayment and not loan for service. This may be because of the 67 percent average default rate of the teacher loan for service program from FY09 to FY18.

## **SUBSTANTIVE ISSUES**

SB614 would require HED to assess penalties to individuals who do not comply with the loan for service contract. The bill would require HED to assess a penalty of up to three times the principal due, plus 18 percent interest if a loan recipient completes a teacher preparation program and does not serve in a New Mexico public school. This language is consistent with current loan for service statutes. HED reports the department rarely assesses penalties that are seen as punitive. Typically, HED will assess a 7 percent interest rate acknowledging that the department's mission is to serve higher education students rather than profit from them.

**Procedures.** Individuals wishing to receive a loan for service award pursuant to the Multicultural Educator Loan for Service Act would need to be students enrolled or accepted in a New Mexico teacher preparation program who have declared their intent to serve in a public school as a multicultural educator. SB614 would define “multicultural educator” as one who is a licensed bilingual, multicultural, Indian, or Hispanic education teacher. Although the term is defined, it remains unclear exactly which individuals would qualify to receive loans for service pursuant to SB614. The Public Education Department (PED) currently offers a Native American language and culture certificate; bilingual education endorsement; modern, classical and Native languages endorsement; and an endorsement in teaching English to speakers of other languages (TESOL). It is possible that these are the licensure categories that may designate an individual as eligible for loans under SB614; however, the race or ethnicity of an individual may also be a qualifier. The sponsor may wish to provide specific language to further define the term “multicultural educator.”

**Loan Requirements.** Individuals who would receive loans pursuant to SB614 would sign a contract, prepared and approved by the attorney general, between the individual and HED. The department would have full authority to sue in its own name for any balance due from a loan recipient on a contract. Individuals would be required to complete full years of service in order to have loans repaid. For example, if an individual receives a two-year loan, they would be required to serve as a teacher in a designated position for two years for the loans to be forgiven. Loans would accrue interest once HED determines the individual terminated the teacher preparation program prior to completion, the loan recipient does not practice as a licensed educator in New Mexico, or the contract is canceled.

## **ADMINISTRATIVE IMPLICATIONS**

HED would be required to carry out the provisions of SB614. Analysis from HED notes the bill would require HED and PED to assist individuals in locating employment in New Mexico public schools. HED indicates they may not have adequate resources to complete this task. Additionally, PED does not have the authority to enforce hiring policies, school districts and charter schools are responsible for hiring within public schools.

## **OTHER SIGNIFICANT ISSUES**

**Recruitment and Retention.** Colleges of education face challenges in recruiting students to pursue a career in teaching. College students who can foresee making an annual salary of \$36 thousand are often dissuaded from pursuing a teaching degree. In an attempt to reduce costs for prospective teachers, The Legislature enacted the Teacher Loan for Service Act and the Teacher Loan Repayment Act. While these programs are intended to improve recruitment and retention of individuals in the teaching field, neither program’s structure incentivizes sustained teacher retention. Additionally, neither program has received significant financial support, in FY18, \$20 thousand was allocated to the teacher loan for service fund and \$60 thousand to the teacher loan repayment fund.

**Multicultural Programs.** According to PED, 49,452 students participated in a bilingual multicultural education program in FY18, this represents 15 percent of New Mexico’s student population. The table below shows the enrollment in bilingual multicultural education programs by ethnicity. While Hispanic and Latino students make up 62 percent of the total student population, they make up 77 percent of the enrollment in all bilingual multicultural education programs across the state. Native American students make up 10 percent of the total student

population and make up 15 percent of the students participating in a bilingual multicultural education program.

Student Participation in Bilingual and Multicultural Programs (BMEPs) by Ethnicity

FY	Total Number of Students	Hispanic Students in BMEP	Hispanic Students Not in BMEP	Native American Students in BMEP	Native American Students Not in BMEP	Other Students in BMEP	Other Students Not in BMEP
15	338,665	40,656	166,337	8,453	27,014	3,936	96,205
16	338,608	40,033	167,419	8,302	26,394	4,030	92,430
17	337,056	39,301	167,495	7,295	27,136	3,251	92,578
18	336,955	38,147	169,339	7,394	26,536	3,786	91,753

Source: PED

A large percentage of Hispanic and Native American students do not have access to bilingual multicultural education programs. In the bilingual multicultural education program annual report, PED notes the number of schools implementing bilingual multicultural education programs increased from 461 in FY17 to 484 in FY18 because of increased monitoring and improved technical assistance to schools that clarify program eligibility requirements needed to receive funding. Additionally, this increase denotes a heightened demand for bilingual multicultural education programs. Schools that are unable to offer bilingual multicultural education programs lack teachers certified to teach bilingual multicultural education or TESOL or are unable to inform parents of the benefits of bilingual multicultural education programs in order to initiate a program. During the 2017-2018 school year, 81 percent of bilingual multicultural education programs were Spanish/English language programs and 19 percent were Native American/English language programs.

SB614 may address the findings in the *Martinez* and *Yazzie* consolidated lawsuit. According to the judge’s findings, there is a statewide shortage of bilingual teachers. This shortage leads to fewer bilingual programs statewide than needed because programs have to have bilingual or TESOL endorsed teachers to be implemented appropriately. The bill may help school districts and charter schools provide a multicultural education to more students in New Mexico. Additionally, the judge notes rural areas disproportionately struggle to recruit bilingual teachers.

**RELATED BILLS**

- HB 120, Bilingual Teacher Preparation Act
- HB 275, College of Education Affordability
- SB 630, Special Education Loan for Service Act

**SOURCES OF INFORMATION**

- LESC Files
- Higher Education Department (HED)

**ALO/mhg**