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FISCAL IMPACT REPORT

| SPONSOR Romero, GA | | ORIGINAL DATE LAST UPDATED | | НВ | 83/aHSEIC | |
|--------------------|------------|----------------------------|--|------|-----------|---------|
| SHORT TITI | L E | Change Graduation | | SB | | |
| | | | | ANAL | YST | Becerra |

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY21 | FY22 | FY23 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|---------------------------|---------------------------|---------------------------|----------------------|---------------------------|------------------|
| Total | Indeterminate but Minimal | Indeterminate but Minimal | Indeterminate but Minimal | | | |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

The University of New Mexico (UNM)

Santa Fe Community College (SFCC)

San Juan College (SJC)

New Mexico Independent Community Colleges (NMICC)

Council of University Presidents (CUP)

SUMMARY

Synopsis of HSEIC Amendments

The House State Government, Elections and Indian Affairs Committee amendments to House Bill 83 require that one of the four required English units be English 9 and one of the four required English units be English 10. The amendments reinstate four units of required mathematics credits, and require one of them to be Algebra 1. The amendments further require that financial literacy be offered as an option for one-half social science credit, removing financial literacy from the list of allowable electives. The amendments add fine arts to the list of allowable courses to count as one credit hour and reduce the required elective credits from 7 and one half to six and one half.

Synopsis of Original Bill

House Bill 83 (HB83) amends Section 22-13-1.1 NMSA 1978 (Graduation Requirements) and

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establishes new graduation requirements to become effective in the 2022-2023 school year for incoming ninth grade students. HB83 reduces the required number of successfully completed credit hours from 24 to 23 for a student to graduate and receive a New Mexico diploma of excellence.

Primarily, HB83 reduces the required mathematics units from four to three and allows those mathematics units to be satisfied by any of the 13 specified mathematics courses. This change would allow students to complete their required mathematics units without requiring Algebra II or a higher level of mathematics. HB83 removes the requirement for current students to earn a unit of Advanced Placement (AP), honors, dual-credit, or distance learning credit for graduation and removes the requirement of a state graduation examination.

Additionally, HB83 removes New Mexico history as a required social science course, allows required literature units to be substituted by specified courses, and allows a capstone course be substituted by any core subject for 11th and 12th grade students. HB83 specifies allowable electives and those that must be offered and increases the flexibility of career technical education (CTE) courses to satisfy certain core subject units.

HB83 defines a "capstone course" as being a multifaceted academic and intellectual experience that may take a wide variety of forms and that culminates in a final product or performance and includes a presentation on the final product or performance to a panel convened by the public school to evaluate the quality of the final product or performance.

There is no effective date of this bill. It is assumed the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

HB83 does not include an appropriation.

Since HB83 specifies the courses allowable to complete required academic units, public high schools and public school districts may potentially incur costs if these courses are not already offered.

SIGNIFICANT ISSUES

According to HED data on college remediation, in FY20, over one-third of New Mexico high school graduates who enrolled in college required remedial help in core academic subjects. By reducing the amount of required credit hours, specifically reducing the required number of mathematics units and deleting the requirement for one of those mathematics units to be Algebra II or higher, students are potentially at an increased risk to be ill-prepared for college-level content.

UNM reports that, currently, only 7.8 percent of students enter the university prepared for calculus, down from 11.3 percent in 2015. Additionally, only 2.3 percent of Hispanic women were prepared for calculus in fall 2019, exacerbating the university's report that underrepresented minority students are disproportionately affected by math underpreparedness. They also report that low math preparedness prior to entry is one of the most significant barriers for students at UNM and correlates with both course and degree program withdrawal. Low math

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grades in the first semester prevent students from meeting eligibility requirements for financial aid and the lottery scholarship, increasing the risk for underprepared students to drop out of college. The university also notes the concern the provisions of HB83 would cause an increase in time to college graduation, especially in STEM – science, technology, engineering and math – disciplines.

Although the provisions of HB83 may provide a greater number of students with a pathway to high school graduation, they raise questions about the impact on student preparedness. A lack of preparedness is among the primary allegation of the *Martinez-Yazzie* lawsuit that public schools have failed to provide a constitutionally required sufficient education. Relaxing graduation requirements may put students at risk of not receiving a complete and sufficient education, leaving the state at an increased risk of further lawsuits and allegations.

The increased flexibility of allowing CTE courses to satisfy the core academic subject areas of literature, mathematics, and science may potentially increase student awareness of a technical career track and increase student interest in postsecondary technical careers leading to an increase in workforce preparedness.

The removal of the dual-credit requirement is a cause of alarm across the state's community colleges, several of which responded to this bill stating their concerns of an enrollment drop if partnerships with their local educational agencies are affected by this specified provision of HB83. Santa Fe Community College reports enrolling an average of 800 students for dual-credit courses. The exposure to community college often leads these students to build on the experience and enroll in associate's degree or certificate programs after graduating from high school. Removing a student's exposure to college through dual-credit courses can lead to a drop in enrollment for community colleges and a decrease in postsecondary achievements.

ADMINISTRATIVE IMPLICATIONS

The adoption of HB83 would require all public high schools to review their curricula and evaluate the availability of courses offered.

MB/al/sb