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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 2/16/17  
**LAST UPDATED** 3/6/17      **HB** 301/aHHHC

**SPONSOR** Gallegos, DY/ Chasey

**SHORT TITLE** Support for Transferring Students      **SB** \_\_\_\_\_

**ANALYST** Fernandez

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		See Fiscal Implications				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

Department of Health (DOH)

New Mexico Activities Association (NMAA)

### SUMMARY

#### Synopsis of HHHC Amendment

The Health and Human Services Committee amendment to House Bill 301 inserts language clarifying the term “a student who has experienced disruption in the student’s education” as follows: 1) that homelessness as defined in the federal McKinney-Vento Homeless Assistance Act is determined by the school or school district; 2) that an abused or neglected child is determined by the Children, Youth and Families Department (CYFD) pursuant to the Abuse and Neglect Act; and 3) the parent may disclose the adjudication of delinquency.

PED indicates that the HHHC amendment allowing the school or school district to determine the “homeless” status of a student may conflict with the federal definition of “homeless” as defined in the McKinney-Vento Homeless Assistance Act of 1987 and in the Every Student Succeeds Act (ESSA) and must be used as both the definition and determination of homelessness. This conflict would jeopardize PED’s relationship with the U.S. Department of Education and the required guidelines of the McKinney-Vento Act and ESSA regulations. The result could be a loss of federal funding. According to PED, the department would no longer be able to provide oversight of the Homeless Education Program. In addition, determining homelessness at the school or school district level could potentially have an impact on district and state charter

schools, which participate in the United States Department of Agriculture’s (USDA) Community Eligibility Provision (CEP), as it could affect the Identified Student Percentage (ISP) qualifying rate for eligibility to participate in CEP and provide free meals to all students.

Synopsis of Bill

House Bill 301 enacts a new section of the Public School Code to require the sending school district and the receiving school district enrolling a high school student who has experienced disruption in the education process through no fault of the student, to communicate with each other to provide pertinent school records, provide the student with opportunities to participate in comparable school academic programs and extracurricular activities and to earn credits and graduate from high school.

**FISCAL IMPLICATIONS**

According to PED, the agency would need to ensure public schools and school districts are aware of the changes to the Public School Code and provide assistance as necessary. PED notes this could be done with existing resources.

**SIGNIFICANT ISSUES**

HB301 defines a “disruption in a student’s education” as a student who experiences one or more changes in school or school district enrollment during a single school year resulting from homelessness, adjudication or from placement in a mental health treatment facility or habilitation program for developmental disabilities or placement in treatment foster care.

When a student experiencing a disruption in their education transfers to a new public school or school district, the receiving school or school district must communicate with the sending school district within 2 days of the student’s enrollment. The sending school must provide any requested records within 2 days of having received the request.

A student experiencing a disruption and transferring to a new school shall have priority placement in classes that meet state graduation requirements and shall have timely placement in elective classes that are comparable to those in which the student was enrolled at the student’s previous school.

For student’s that have experienced disruption in their education at any time during their high school enrollment, public schools and school districts shall ensure the following:

- Acceptance of the student’s state graduation requirements for a diploma of excellence pursuant to the Public School Code;
- Equal access to participation in sports and other extracurricular activities, career and technical programs or other special programs;
- Timely assistance and advice from school guidance counselors to improve the student’s college or career readiness; and
- That the student receives all special education services to which the student is entitled.

**PERFORMANCE IMPLICATIONS**

PED notes that this bill supports the PED’s strategic plan through ensuring all children are ready for success and through removing potential barriers to graduation

### **TECHNICAL ISSUES**

Page 2, line 16 after the word “who”, should the word “or” be “are”?

PED notes the following:

On page 3, line 18, after “activities” “under the jurisdiction of the New Mexico Activities Association” – this may provide clarity regarding extra-curricular athletics and activities

The title of the bill refers to “A HIGH SCHOOL STUDENT WHO HAS EXPERIENCED DISRUPTION IN THE EDUCATION PROCESS THROUGH NO FAULT OF THE STUDENT”. It is unclear if delinquency can be defined as “no fault of the student”.

### **OTHER SUBSTANTIVE ISSUES**

Department of Health operates two residential treatment centers that fall under the definition of a mental health treatment facility indicated in HB301: Sequoyah Adolescent Treatment Center (SATC) and the Center for Adolescent Relationship Exploration (CARE) unit at the New Mexico Behavioral Health Institute. Both facilities are governed by the Public School Code. According to DOH, the requirement that a school or school district ensure the provision of “equal access to participation in sports and other extracurricular activities, career and technical programs or other special programs for which the student qualifies” would be a challenge for both programs. DOH notes the term “equal access” is not defined in the bill. Access equal to other students in the program would not pose the same challenges as access equal to that received by the student at the student’s prior school, given the size of the SATC and CARE unit programs and the clinical needs of adolescents treated there. Additionally, the Individuals with Disabilities Education Act (IDEA) already addresses the transmittal of records and the provision of special education services to students when they transfer to a new school.

Finally, DOH notes if HB301 is enacted, SATC and the CARE unit may be required to amend current practices regarding requesting and providing school records, as well as revising programming to include access to participation in sports, extracurricular activities, and career and technical programs.

According to PED, A Joint Education Task Force was created in December 2012, through a New Mexico Supreme Court order. “The task force provided the court with advice, recommendations, and strategies for addressing the educational needs of high risk children, especially youth in the state’s custody. The court order required the task force submit a report summarizing its activities, findings, and recommendations on the development of a sustainable collaborative model for ongoing systemic improvement of educational outcomes and the challenges and barriers to educational success.” PED indicates that the final report included recommendations that in part, align with some of the requirements in HB301.

PED provides the following information:

National research shows that students who experience disruption in their educational process are at high-risk of dropping out of school and are unlikely to attend or graduate from college. The frequent mobility of these students has been identified as a major barrier to their academic success. This population includes:

- Students experiencing homelessness as defined by the federal McKinney-Vento Homeless Assistance Act; and
- Students that are adjudicated and have experienced abuse or neglect as a child or is part of a family in need of court-ordered services voluntary placement; or as a delinquent.

Changing schools multiple times significantly impedes a student's academic and social growth. The research on highly mobile students, including homeless and foster care students, indicates that a student can lose academic progress with each school change. Students experiencing high mobility have also been found to have lower test scores and worse overall academic performance than peers who do not change schools frequently.

According to the New Mexico Consolidated State Performance Report (CSPR) for school year 2015-2016, New Mexico schools collectively reported 10,075 students statewide that are experiencing homelessness. The National Coalition for the Homeless reports that students' experiencing homelessness often change schools because shelters or other temporary accommodations are not located in their school district. According to the Institute for Children and Poverty, in recent years, 42 percent of homeless children transferred schools at least once, and 51 percent of these students transferred twice or more (<http://www.icphusa.org/>).

The New Mexico Children Youth and Families Department (CYFD) reports that there are currently 2,663 children and youth in the foster care system. According to *Research Highlights of Education and Foster Care*:

- Students in foster care at the age of 17 are less likely to graduate from high school than their peers;
- 56%-75% of foster youth change schools when first entering care; and
- 34% of 17-18 year olds in care have experienced 5+ school changes.

*Fostering Success in Education: National Factsheet on the Educational Outcomes of Children in Foster Care January 2014*