LFC Requester: Liu

PUBLIC EDUCATION DEPARTMENT BILL ANALYSIS 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

Check all that apply:

OriginalXAmendmentCorrectionSubstitute

Date Prepared: 02/19 /25 Bill No: HB464

		Agency Name and Code: PED - 924			
Sponsor:	Dow	PED Lead Analyst:		Steven Heil	
		Phone:	(505) 309-1855	Email:	Steven.heil@ped.nm.gov
Short	SCHOOL ENROLLMENT	PED Policy Director:		Denise Terrazas	
Title:	PROCESS	Phone:	(505) 470-5303	Email:	denise.terrazas@ped.nm.gov

SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY26	FY27	or Nonrecurring		
None	None	N/A	NFA	

<u>REVENUE</u> (dollars in thousands)

	Recurring or	Fund		
FY26	FY27	FY28	Nonrecurring	Affected
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: None.

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis</u>: House Bill 464 (HB464) would change school enrollment policies for public schools other than charter schools to increase the potential for students to transfer across attendance boundaries. It would require public schools other than charter schools to enroll students outside of their school boundaries up to their stated maximum class size on a first-come, first-served basis, enrolled from a waitlist as space becomes available.

HB464 would route the process for parent appeals not through a local school district, as the law provides for currently, but through the Secretary of Public Education, governed by rules to be promulgated by the Public Education Department (PED). The bill would require that the Secretary's appeal decision be a final decision on the matter and be made in writing within a reasonable time.

The bill would require the local school board to report annually to PED on the enrollment data for each district school, including transfer applications, acceptances, denials, reasons for denial, and the number of resident students who transferred out of the school's attendance area.

The bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the legislature enacting them unless a later date is specified. If enacted, this bill would become effective June 20, 2025.

FISCAL IMPLICATIONS

The bill does not contain an appropriation.

SIGNIFICANT ISSUES

HB464 would allow certain priorities to remain under the purview of school districts, including:

- enrollment of children of employees at the school;
- enrollment of siblings of students already attending the school; and
- consideration of a student's record of expulsion or behavior at a previous school in the previous 12 months.

Currently, Section 22-1-4 NMSA 1978 requires school districts to:

- define each public school's other than charter schools attendance boundaries;
- follow a system of priorities for admitting or denying transfer students; and
- establish the maximum class size if fewer than allowable by law.

The bill would add a new ground for denial of enrollment requests by parents, which is the school's lack of capacity, and explicitly states that a school "shall not deny enrollment to a school-age person on the basis of race, ethnicity, sex, religion, disability, socioeconomic status or residential address."

Shifting enrollment policy to PED and away from school districts, HB464 proposes to strike several of the enrollment priorities school districts may consider, including:

- considerations of after school care for students;
- childcare for siblings of students attending the desired school;

- extreme hardship;
- the location of the student's previous school; and
- student safety.

The bill would add a requirement for each public school other than charter school to post the number of vacancies for each grade level on the school's website and update it at least once every 12 weeks, allowing for transfers to the school throughout the year up to class size limits.

HB464 would have no provisions to address the implicit selectivity of transfers between school attendance areas not afforded free transportation by the school. Providing transportation for eligible students is required by <u>6.41.4.6 NMAC</u>, which states, "LEAs, therefore, shall ensure that all eligible students are served within the requirements of current federal and state laws and department regulations." It is typically assumed, although not addressed in statute or rule, that required bus routes for general education students transport them only to a school with attendance boundaries within which they reside. Transportation to transfer schools typically remains a burden families bear, if they have sufficient social or financial capital.

Many transfer students are driven to school by an adult family member with a flexible weekday schedule and with flexible use of a car—a parent or grandparent employed part time or less, for example, or an older sibling who is a student of driving age. Without provision for transportation for families lacking the necessary resources to transport a transfer student daily, HB464 may exacerbate unequal educational opportunity. The bill's potential to allow students greater opportunities to transfer to schools with open capacity, accessing better educational environments, has practical limitations to benefit only those students who are sufficiently resourced.

PERFORMANCE IMPLICATIONS

HB464 would require schools to enroll transfer students throughout the school year, which may encourage multiple enrollment changes each year in steps toward schools perceived as offering greater opportunity. Transferring from school to school in an effort to enroll in ever more highly regarded schools may disrupt learning continuity, affecting student academic progress.

With local control at the school district and charter school level, transfer of students throughout the school year would potentially impact the learning of students experiencing discontinuity of curriculum. Students may not be taught all required standards and may not experience coherent curriculum across transfers to different schools.

ADMINISTRATIVE IMPLICATIONS

Public schools other than charter schools would be required to post the number of vacancies for each grade level on the school's website and update it at least once every 12 weeks, with administrative burden accompanying the requirement.

The bill would require the local school board to report annually to PED on the enrollment data for each district school, including transfer applications, acceptances, denials, reasons for denial, and the number of resident students who transferred out of the school's attendance area. The administrative burden would vary by district size, with the greatest burden for the largest school districts.

PED would be required to collect and publish the data from school transfer reports. Currently there are no administrative personnel in the department assigned to this task. At least one-fifth-FTE additional administrative personnel would be necessary to meet this requirement.

Further administrative implications include the bill's directive to PED to promulgate rules for the Secretary's administrative review of appeals of enrollment denials brought by aggrieved students and parents. The rulemaking itself would incur expenses and staff resources, as will Secretarial review of enrollment denials. Because the Secretary previously has not had review authority of these decisions, it is difficult to estimate how much staff time and effort would be required to properly execute this newly proposed authority.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

The amendment proposed for Section 1.G of the bill (current law Subsection F of Section 22-1-4 NMSA 1978) has little actual effect. As noted, the bill proposes to strike from potential enrollment preferences that traditional public schools may include in their rules, afterschool childcare for students and their siblings, extreme hardship, location of a student's previous school, and student safety. However, given the permissive nature of the inclusive language ("preferences *may* include...") striking those elements from the list only serves to make them less obvious; those preferences may still be included, they are just no longer explicitly listed. If the sponsor's intent is to definitively exclude those potential enrollment preferences from consideration, the bill should explicitly disallow them with language such as "shall not include...", for example.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.