

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR Reps. Gurrola, Torres-Velásquez, Johnson, and Moya/Sen. Figueroa **LAST UPDATED** _____
ORIGINAL DATE 2/25/25
BILL
SHORT TITLE Additional School Program Units **NUMBER** House Bill 200
ANALYST Liu/Haldane

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Bilingual Teachers in BMEP		\$4,142.8	\$4,047.5	\$8,190.3	Recurring	General Fund
TESOL Employees		\$11,774.4	\$11,572.4	\$23,346.8	Recurring	General Fund
Bilingual and TESOL Personnel		\$9,326.4	\$8,767.6	\$18,094.0	Recurring	General Fund
Total		\$25,243.5	\$24,387.5	\$49,631.1	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 63, 156, 223, 467, and 488 and Senate Bill 396

Relates to appropriation in the General Appropriation Act

Sources of Information

LFC Files

Legislative Education Study Committee (LESC) Files

Agency Analysis Received From

Indian Affairs Department (IAD)

Regional Education Cooperatives (REC)

Agency Analysis was Solicited but Not Received From

Public Education Department (PED)

SUMMARY

Synopsis of House Bill 200

House Bill 200 creates two new factors in the public schools funding formula to generate additional funding for licensed school employees with a bilingual endorsement who are employed in a bilingual multicultural education program (BMEP) or teachers with a teaching English to speakers of other languages (TESOL) endorsement. This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if

enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The bill does not contain an appropriation but would generate 1 program unit for each employee with a bilingual endorsement in a BMEP and 0.5 program units for each teacher with a TESOL endorsement, regardless of whether they are teaching in a BMEP. At the current unit value, this would generate \$6,553.75 for each bilingual endorsement and \$3,276.88 for each TESOL endorsement. The H AFC Substitute for House Bills 2&3 does not include funding for this purpose. If enacted without an appropriation, the funding formula would reallocate appropriations to schools with more bilingual and TESOL endorsed personnel and dilute the unit value.

To obtain a bilingual endorsement, new teachers must complete at least 24 semester hours in the teaching of bilingual education and pass the *Prueba de Español* Spanish language proficiency exam. For TESOL endorsement, new teachers must pass the Praxis TESOL (5362) exam and 24 semester hours of TESOL coursework.

A 2019 LFC policy brief on bilingual, multicultural, and indigenous education found 6,087 teachers had a bilingual or TESOL endorsement or both and overall numbers of endorsed teachers, student participation in BMEPs, and the number of BMEPs had decreased over time. This analysis assumes the steady decline in endorsements results in 632 teachers with only bilingual endorsements, 3,593 teachers with only TESOL endorsements, and 948 teachers with both endorsements are in New Mexico by 2026. This estimate does not include 520 Native American language and culture (NALC) teachers, who are also qualified to provide instruction for BMEPs. Actual costs may vary depending on the number of bilingual teachers in BMEPs and new endorsements that are obtained after enactment.

A 2022 LFC evaluation on BMEPs found the state had 4,055 licensed bilingual teachers but only 806 bilingual teachers (20 percent) taught in a bilingual multicultural education program. The report noted the state lacked appropriate instructional materials and curriculum for these programs, which was cited by educators as a barrier for instruction. Additionally, bilingual teachers noted the additional work of developing materials and implementing these programs was challenging due to a lack of time and resources.

SIGNIFICANT ISSUES

On February 14, 2019, the 1st Judicial District Court issued a final judgment and order on the consolidated *Martinez v. New Mexico* and *Yazzie v. New Mexico* education sufficiency lawsuits, determining that New Mexico's public education system failed to provide a constitutionally sufficient education for at-risk students, particularly low-income, English learner, Native American, and special education students. The court found overall public school funding levels, financing methods, and PED oversight were deficient and ordered the state to provide sufficient resources, including instructional materials, properly trained staff, and curricular offerings, necessary to provide the opportunity for a sufficient education to all at-risk students.

Additionally, the court noted the state would need a system of accountability to measure whether the programs and services provided the opportunity for a sound basic education and to assure

that local school districts spent funds provided in a way that efficiently and effectively met the needs of at-risk students. However, the court stopped short of prescribing specific remedies and deferred decisions on how to achieve education sufficiency to the legislative and executive branch instead.

While the court's findings did not outline remedies, the court agreed with testimony that programs assisting students in acquiring English proficiency were required by state law, federal law, and the New Mexico Constitution, and the state had failed to meet these requirements. The court noted effective programs for English learners required qualified teachers, meaning bilingual-certified or TESOL-endorsed teachers. The court also agreed with testimony that well-organized and well-resourced bilingual programs were superior and dual language programs were the gold standard of education for English learners.

The court found most school district leadership lacked understanding about language and culture, PED did not provide guidance nor oversight for BMEPs, and schools had insufficient materials and qualified teachers to operate BMEPs. Additionally, stipend amounts for bilingual and TESOL endorsements varied widely across districts, ranging from \$500 to \$3,000.

This bill modifies the state's public school finance policies by establishing program units for licensed school employees with bilingual and TESOL endorsements. This bill may incentivize and support educators in obtaining bilingual and TESOL endorsements and may increase the number of bilingual teachers employed in BMEPs. By providing a stipend for teachers with these endorsements, the state may increase the qualifications of educators serving the student population, especially English learners, and promote bilingualism and biliteracy among students and educators.

Only 3 percent of BMEP funds generated from the state equalization guarantee (SEG) distribution are designated for specific BMEP expenses, while most are allocated to administrator and teacher salaries. This fungibility of BMEP funding undermines the effectiveness of the programs and fails to target resources to students and programs directly. Provisions of this bill would target SEG funding directly to school employees that have bilingual or TESOL endorsements rather than as a part of overall formula funding.

To generate funding for bilingual teachers, schools must ensure these teachers are in a BMEP; however, the bill does not make 520 NALC teachers eligible for this funding or stipend if they are the teacher of record for a BMEP. Furthermore, the bill provides funding and stipends for TESOL employees, regardless of whether they are in the classroom or not.

PERFORMANCE IMPLICATIONS

Five BMEP models are funded by the state: heritage, enrichment, transitional, maintenance, and dual language immersion. The five models differ in length of instruction, targeted students, and purpose. School districts have discretion to choose a model they see fit for their student population and typically offer more than one model to try to meet the needs of various student groups. Some programs offer more flexibility than others regarding implementation and instructional time. Some emphasize language comprehension and proficiency, whereas others focus on cultural instruction. The intensity of the program or programs a school district or charter school provides to students determines the amount of funding they receive. Schools receive maximum funding if they implement a three-hour bilingual program. On the low end, a school

district must provide a minimum of one hour of home or heritage language arts instruction to students enrolled in the BMEP. Programs must also provide a second hour of English language development for English learners enrolled in the program.

Teachers providing English language development instruction must be endorsed in either bilingual education or TESOL. Dual language programs are required to provide a third hour of content area instruction in the home or heritage language, and research suggests these programs are the most effective for producing bilingual and biliterate students. Other programs may offer this third hour, but it is only a requirement for dual language programs. Most New Mexico students participate in a heritage language program, which is focused on supporting and revitalizing a student's home or native language.

Researchers have consistently reported the higher quality of the dual language education model, which results in stronger academic outcomes for English learners as compared to English-only instruction. Conversely, English learners who participate in a mix of different programs demonstrate the lowest outcomes. Thus, a consistent, sustained dual language education program is crucial, ideally one with a prekindergarten–12th grade pathway. Provisions of this bill may increase the number of teachers seeking TESOL endorsement or the number of bilingual teachers teaching in BMEPs; however, improvements in student linguistic and cultural outcomes will be highly dependent on program structure and coordination of instructional practices across multiple grade levels and schools.

The performance implications for BMEPs are complex. In 2019, nearly half of Spanish BMEP students were not proficient in Spanish, and participation has declined since 2013. Moreover, English learners in BMEPs do not achieve English proficiency at higher rates than their peers outside the program. However, there are some positive findings. Native American BMEP students have demonstrated progress in proficiency in their native languages, with a larger percentage of students reaching at least limited proficiency.

ADMINISTRATIVE IMPLICATIONS

Provisions of this bill would require PED to develop new processes to verify and allocate program units for the number of bilingual teachers in BMEPs and the total number of TESOL-endorsed employees in schools. Schools would need to ensure funding generated by these program units are used to provide stipends for these school personnel, like stipends for National Board certification generated in the funding formula.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to House Bill 63, which proposes changes to the at-risk index and secondary membership formula factors; relates to House Bill 156, which increases the minimum teacher salary levels by \$5,000 each; relates to House Bill 223, which incrementally increases the BMEP formula factor from 0.5 to 1; relates to House Bills 467 and 488, which clarify the use of home or heritage languages in BMEPs; and relates to Senate Bill 396, which requires schools to develop systemic frameworks that include bilingual and bicultural programs.

This bill also relates to the state equalization guarantee appropriation and a \$500 thousand appropriation to PED for BMEP initiatives in the HAFC Substitute for House Bills 2&3.

OTHER SUBSTANTIVE ISSUES

The history of bilingual education in New Mexico is wrought with conflict and precedes statehood. In 1906, the United States considered a plan of joint statehood, unifying the New Mexico territory with the Arizona territory as one state. Despite repeated failed attempts for the territory to obtain statehood dating back to 1850, Arizona protested the united proposal for statehood, with the Arizona Territorial Teachers Association at the forefront arguing the union would disrupt the Arizona system of English-only instruction in schools. At the time, Arizona also required speaking English as a requirement to serve in local government office. In contrast, New Mexico schools, courts, and legislation were bilingual, with some affairs requiring the use of interpreters. The vote of joint statehood in 1906 passed in New Mexico but overwhelmingly lost in Arizona.

In 1910, the federal government responded with an enabling act requiring both the Arizona and New Mexico territories to establish a system of public schools that would conduct instruction in English and authorized conventions to ratify constitutions for separate statehood. The act also included a requirement specifying proficiency in English without the aid of an interpreter as a qualification for state officers and members of the Legislature that was later removed in 1911. Despite these restrictions, New Mexico achieved statehood in 1912 and included provisions within the state constitution to specifically:

1. Prohibit restrictions on the right to vote, hold office, or sit on juries based on the ability to speak, read, or write English or Spanish;
2. Mandate training so all teachers may gain proficiency in both English and Spanish to meet the educational needs of students who speak either language;
3. Protect the educational rights of children with Spanish descent to access and attend public schools or other public educational institutions; and
4. Prohibit school segregation.

In 1968, the federal Elementary and Secondary Act of 1965 was amended to include Title VII, the Bilingual Education Act. The program establishes federal policy for bilingual education and allocates funds for innovative programs. In 1969, New Mexico enacted the first bilingual education law in the nation, ensuring the language and culture of children in the state is maintained and enriched within the curriculum. In 1973, New Mexico enacted the Bilingual Multicultural Education Act, becoming the first state to establish a framework for bilingual and multicultural instruction and create a state funding stream for programs.

In 1974, a group of Mexican American families filed a class-action lawsuit against Portales Municipal Schools, in *Serna v. Portales*, for discriminatory practices that denied equal educational opportunities to Spanish-surnamed students. The courts ruled in favor of the plaintiffs, noting the school district deprived students who spoke English as a second language of a meaningful bilingual and multicultural education, violating their statutory and constitutional rights under the 14th Amendment and Title VI of the Civil Rights Act of 1965. This lawsuit established the legal basis for bilingual education in New Mexico.

In 1975, New Mexico's state department of education developed the first TESOL endorsement in the nation. In 1978, the state also developed the first bilingual multicultural education endorsement in the nation.

SL/hj/hg