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

	Reps.	Torres-Velásquez, Roybal Caballero,	LAST UPDA	TED		
SPONSOR Gui		ola and Mirabal Moya/Sen. Lopez	ORIGINAL DATE		3/3/25	
			BILL			
SHORT TIT	CLE	Protection of Hispanic Education	NUMB	ER	House Bill 487	
			ANAL	YST	Liu	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HEAC Per Diem and Mileage		Up to \$9.2	Up to \$9.2	Up to \$18.4	Recurring	General Fund
Biannual Summit		\$76.0	\$76.0	\$152.0	Recurring	General Fund
Total		\$76.0 to \$85.2	\$76.0 to \$85.2	\$152.0 to \$170.4	Recurring	General Fund

Parentheses () indicate expenditure decreases.

Relates to House Bill 488 and Senate Bill 396 Relates to appropriation in the HAFC Substitute for House Bills 2&3

Sources of Information

LFC Files

Agency Analysis Received From Higher Education Department (HED)

Agency Analysis was Solicited but Not Received From Public Education Department (PED)

SUMMARY

Synopsis of House Bill 487

House Bill 487 (HB487) amends the Hispanic Education Act to allow members of the Hispanic Education Advisory Council (HEAC) to receive per diem and mileage, require a biannual Hispanic education summit, include the Higher Education Department (HED) and community-based organizations as stakeholders to improve Hispanic student outcomes, and add the protection and preservation of New Mexico's heritage Spanish language and culture as part of the purpose of the act.

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.

^{*}Amounts reflect most recent analysis of this legislation.

FISCAL IMPLICATIONS

The bill does not contain an appropriation but authorizes HEAC members to receive per diem and mileage, which current state law prohibits. The bill also requires the council to meet at least twice each year at the biannual Hispanic education summit. HEAC currently has 19 members out of 23 seats filled. Assuming each member may be entitled to about \$200 per in-person meeting, the costs of two meetings each year could be up to \$9,200. Actual costs will vary based on attendance and distance traveled for each member.

Provisions of this bill require a biannual Hispanic education summit, where the HEAC will meet twice each year. Estimated costs per conference, including administrative support from Regional Education Cooperatives (RECs), are about \$38 thousand based on prior related expenses. The HAFC Substitute for House Bills 2&3 (the General Appropriation Act) includes a \$500 thousand nonrecurring appropriation to PED from the public education reform fund for activities related to the Hispanic Education Act, which could be used for these purposes. The Legislature has appropriated between \$500 thousand and \$1 million each year in one-time appropriations for activities related to this act, which PED has budgeted separately from its operating budget. Because these requirements place recurring costs on the state each year and the FY25 appropriation is \$500 thousand, these costs are scored as additional general fund liabilities in future fiscal years.

Provisions of this bill change the purpose of the Hispanic Education Act to include the protection and preservation of New Mexico's heritage Spanish language and culture. According to the latest Hispanic Education Act annual report, PED used a \$1 million nonrecurring appropriation for Hispanic education in FY24 for the following:

- \$349.5 thousand for bureau operations,
- \$168.2 thousand for Hispanic arts and music grants at 11 schools,
- \$145.1 thousand for family engagement infrastructure and program design,
- \$79.8 thousand for Hispanic student scholarships for 45 students to attend camps,
- \$67.2 thousand for Hispanic student programming teacher stipends,
- \$59.3 thousand for Latinos in Action curriculum at eight schools,
- \$48.2 thousand for REC services,
- \$37.7 thousand for Hispanic education instructional materials and supplies, including the distribution of 150 copies of the book, *Equity in School Parent Partnerships*,
- \$21.1 thousand for Spanish translation services,
- \$14.3 thousand for dual-language parent institute scholarships to 64 parents, and
- \$9,532 for Hispanic education professional development.

Provisions of this bill would likely expand these activities and increase demand for funding related to these programs and services.

SIGNIFICANT ISSUES

The Hispanic Education Act, signed into law in 2010, was intended to improve the educational success and postsecondary attainment of Hispanic students in New Mexico. The act provides for the study, development, and implementation of educational systems to close achievement gaps and increase graduation rates for Hispanic students, encourage and foster parental involvement in education, and provide mechanisms for stakeholder groups to collaborate on solutions.

The U.S. Census Bureau estimates about 49 percent of New Mexico's total population self identifies as Hispanic or Latino. According to PED's FY25 enrollment data, 63 percent of New Mexico students identified as Hispanic, which amounts to 194.6 thousand students. As such, performance of Hispanic students generally drives overall statewide trends in proficiency rates, graduation rates, etc. The federal Office of Management and Budgets defines a Hispanic or Latino as a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. This means any person who self-identifies as Hispanic or Latino may also self-identify as one or more of the five minimum racial categories: American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, and White. By contrast, New Mexico statute requires the Hispanic category be considered equivalent to other racial categories. Under New Mexico classification standards, students who identify as Hispanic and White and no other race are recorded as Hispanic.

In the FY24 Hispanic education status report, PED reported the performance of Hispanic students using the federal standards for the classification of data on race and ethnicity. The blending of these classification standards creates complexity in identifying trends, although the one consistent trend was Hispanic students who also identified as Asian outperform their peers in other federal racial categories. A report identified consistent achievement gaps between Hispanic students who were English learners versus English speakers and students with disabilities and students without disabilities. Additionally Hispanic students reported lower language arts proficiency, lower math proficiency, lower science proficiency, higher chronic absenteeism, and lower completion rates at in-state institutions of higher education than non-Hispanic students.

PERFORMANCE IMPLICATIONS

Provisions of this bill may affect the provision of Spanish language and culture programs in the state. A 2022 LFC evaluation on bilingual multicultural education programs (BMEP) 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.

ADMINISTRATIVE IMPLICATIONS

Provisions of this bill would require PED to process per diem and mileage requests from members of HEAC and organize two Hispanic education summits each year.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

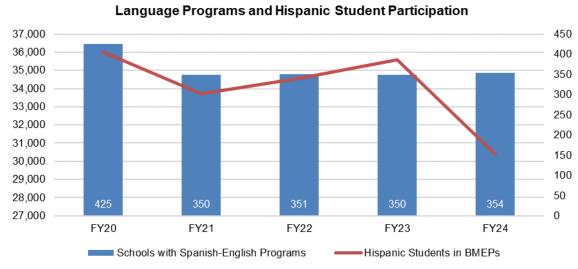
This bill relates to House Bills 488, which also amends the Hispanic Education Act to include Spanish language and culture preservation as part of the purpose of the act and authorize advisory council members to receive per diem and mileage, and relates to Senate Bill 396, which amends the Hispanic Education Act to require school districts develop a systemic framework for improving the educational outcomes of Hispanic students.

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The bill also relates to a \$500 thousand appropriation to PED for activities related to the Hispanic Education Act in the HAFC Substitute for House Bills 2&3.

OTHER SUBSTANTIVE ISSUES

Provisions of this bill add the protection and preservation of heritage Spanish language and culture to the purpose of the Hispanic Education Act. In FY24, 503 public schools provided a BMEP, with 354 BMEPs providing at least some Spanish language instruction. The number of Hispanic students participating in BMEPs and the number of schools with Spanish-English BMEPs has declined in recent years.



Source: PED

SL/hj/hg