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## FISCAL IMPACT REPORT

ORIGINAL DATE 03/04/09

SPONSOR Lundstrom LAST UPDATED \_\_\_\_\_ HJM 71

SHORT TITLE New School District Including Ramah SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
		Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$1.0			Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Joint Memorial 71 requests the PED to study the need for and feasibility of establishing a new school district encompassing the Ramah area.

Copies of this memorial would be transmitted to the Secretary of Public Education, the Gallup-McKinley County School Board, the Superintendent of The Gallup-McKinley County School District, the Grants-Cibola County School Board, the Superintendent of the Grants-Cibola County School District and the Ramah Navajo School Board, Incorporated.

### FISCAL IMPLICATIONS

According to the PED, The need to study the feasibility of the creation of a new school district may require additional funds for contractual services or FTEs for PED. No estimate of that potential cost is provided.

**SIGNIFICANT ISSUES**

Ramah lies in the outermost southeast corner of McKinley county, and the official attendance area of Ramah schools is a narrow strip of land approximately four miles in width situated between the Pueblo of Zuni on the west, Cibola county on the east and south and a combination of forest and private property to the north that is unpopulated.

The Cibola-McKinley county line established as the official boundary of the Gallup-McKinley county school district attendance area is less than two miles east of Ramah.

Seventy percent of the students who attend Ramah schools live outside of the Gallup-McKinley county school district attendance area, the majority coming from Cibola county and who travel a distance from two to twenty miles.

The Pine Hill school is located twenty miles southeast of Ramah and is located within the attendance area of the Grants-Cibola county school district, whose nearest school is situated approximately sixty miles to the northeast.

The Pine Hill school is a federally funded school rather than a state public school.

Many of the parents who reside within the Grants-Cibola county school district have chosen to send their children to schools in Ramah.

Students residing outside the Gallup-McKinley county school district boundaries desiring to enroll in Ramah schools must present a signed transfer request prior to their acceptance stating that additional staff or services are not required by their attendance or that their attendance is required due to class populations exceeding class size limits established by state law.

The current population of the Ramah schools is approximately four hundred students and, when including all of the Cibola county students, that number would increase beyond five hundred students.

Parents in the Ramah area experience a strong disconnect with the Gallup-McKinley county school district and feel their voices are never heard by the local school board.

A reasonable solution to this problem would be the formation of a new independent school district that would combine all Cibola county students west of the Ice Caves and in the Pine Hill area with the students who reside in the town of Ramah, which would increase community ownership and involvement within a local school district.

The PED notes that should a new district result from the study, The Gallup McKinley school district's State Equalization Guarantee (SEG) funding would be impacted significantly by approximately \$4,800.0.

The PED comments:

The geographical land base being proposed for the new school district currently overlaps with the Ramah Band of Navajo Indian Tribal reservation, located in both McKinley and Cibola counties.

The existing school boundaries for Gallup-McKinley County School District, Grants-Cibola County School District, and the Ramah Pine Hill School are directly impacted by this creation of a new school district. The Ramah Pine Hill Schools boundary is established through the Bureau of Indian Education system and overlaps both the McKinley and Cibola school districts, which would require clarification on legal status and jurisdictions.

The Ramah Navajo Chapter and the Ramah Navajo School, Inc. initiated a lawsuit in January of 1995 against the New Mexico State Board of Education and the Gallup-McKinley County School District for violating a Joint Powers Agreement of July 1994, which defined the terms and conditions permitting public school pupil transportation on the Ramah Navajo Reservation.

The disputed issues of the lawsuit were resolved by mediation on April 12, 1995, the outcome of the mediation being a settlement agreement which recognizes the rights of the Ramah Navajo Chapter to enter into such agreements and to participate as an equal entity in decisions regarding public school activities within the service area boundaries of the Pine Hill Schools as the community operated schools of the Ramah Navajo people.

In 1995 an agreement was reached among the Ramah Navajo School Board, Inc., Ramah Navajo Chapter, New Mexico State Department of Education, Grants-Cibola County School District and Gallup-McKinley County School District, which dealt with the terms and conditions under which Gallup-McKinley County school buses, which transport students to Gallup-McKinley County Schools, would operate in that part of the Ramah Navajo Community, which lies in Cibola County, New Mexico. The agreement was for a term of ten (10) years from 1995-2005.

The original 1995 Agreement was first extended for one year in 2005 and a second extension was agreed to in 2006 for two years. A third extension is currently in effect for 2008-2010 school year with a new ending date of June 30, 2010.

Any and all changes being proposed that would impact the existing services and responsibility for the education of the Ramah Band of Navajo Tribal children will require government-to-government consultation, input and agreements.

A major question that should be considered in the study is whether learning opportunities for students will be improved and whether additional costs, if any, associated with “splitting” the district can be justified. Also, while the state provides a high percent of a school district’s operating budget and in many cases almost all of the revenue needed for capital outlay projects, a district’s property tax base can assume a significant role in how a district can provide services to students.