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FISCAL IMPACT REPORT

SPONSOR Lundstrom **ORIGINAL DATE** 02/01/14
LAST UPDATED _____ **HB** 169

SHORT TITLE School Transportation Boundary Agreements **SB** _____

ANALYST Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal	Minimal	Minimal	Recurring	Public Education Department Operating Budget

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)

SUMMARY

Synopsis of Bill

House Bill 169 adds new sections to Chapter 22, Article 16 NMSA 1978 to provide for transportation boundary agreements, to set procedures and criteria for agreements, to address the transportation of students residing on Native American reservations, and to create a resolution process.

FISCAL IMPLICATIONS

This bill does not contain an appropriation. The Indian Affairs Department (IAD) notes that HB 169 could create an additional administrative burden on PED to fully implement the new material of the Public School Code.

SIGNIFICANT ISSUES

The bill:

- 1) Authorizes school districts to enter into transportation boundary agreements with adjoining school districts within a geographic area where conditions would otherwise

make it impractical to transport students to school within the school district where they live. No agreement would be valid unless approved by both local school boards. No agreement may duplicate transportation services, or, if required, justification for the duplication must be provided within the agreement. Finally, agreements may not provide for students who attend school out of the district as a matter of choice.

- 2) Provides procedures and criteria for temporary transportation boundary agreements. These include legal and topographical descriptions of the agreed-upon temporary transportation boundary line and timelines for transportation boundary agreements. The bill also requires the state transportation director and the secretary to approve any agreement. Transportation boundary agreements would be reviewed and, if necessary, revised annually. Students who receive transportation services within a boundary agreement area would be counted for transportation funding in the district in which they attend school.
- 3) Makes ineligible students who attend an out-of-district school as a matter of choice. Such students would not be eligible to be counted for transportation distribution of the public school fund and would not generate funding through the transportation formula. School districts that choose to provide transportation to ineligible students must do so at no additional cost to the school's transportation fund.
- 4) Provides that school district administrators must communicate with tribal leaders relative to transportation services on Native American reservations and consult with tribal representatives about any concerns or issues raised before entering into any transportation boundary agreements.
- 5) Provides for a resolution process for boundary disputes.

IAD emphasizes the importance of PED's Transportation Bureau and the PED Indian Education Division utilization of the agency's State-Tribal Collaboration Act (STCA) policy, which reflects PED's commitment to work with tribal leaders on a true government-to-government basis. The purpose of the STCA is to build upon previously agreed-upon processes when there are changes or developments regarding policies, programs or services that impact tribal sovereignty and self-government.

PERFORMANCE IMPLICATIONS

IAD notes that implementation of this bill supports the purposes of the Indian Education Act (22-23A-2 NMSA 1978) to provide for the study, development and implementation of educational systems that positively affect the educational success of American Indian students; to ensure that PED partners with tribes to increase tribal involvement and control over schools and the education of students located in tribal communities; and to encourage cooperation among the education leadership of Arizona, Utah, New Mexico and the Navajo Nation to address the unique issues of educating students in Navajo communities that arise due to the location of the Navajo Nation in those states.