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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/10/14  
**SPONSOR** SIAC **LAST UPDATED** 02/13/14 **HB** \_\_\_\_\_  
 Public Peace, Health, Safety and Welfare -  
**SHORT TITLE** School Transportation Boundary Agreements **SB** 330/SIACS  
**ANALYST** Chavez

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

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

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 169  
 Relates to HB 308, SB 258, SB 278, SB 320

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Indian Affairs Department (IAD)

### SUMMARY

#### Synopsis of Bill

The Senate Indian and Cultural Affairs Committee substitute for Senate Bill 330 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 substitute does not contain an appropriation. The Indian Affairs Department (IAD) notes that SB 330 could create an additional administrative burden on PED to fully implement the new material of the Public School Code.

PED states that additional funding generated by districts that transport additional students should be offset by reductions in the district allocation to the district from which these students are no longer transported.

## **SIGNIFICANT ISSUES**

The substitute:

- 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 substitute 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.

In analyzing related legislation, IAD has emphasized 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.

## **OTHER SUBSTANTIVE ISSUES**

IAD reports:

At the September 24, 2013 meeting of the interim Indian Affairs Committee (IAC), issues surrounding school bus routes on the Navajo Nation between Gallup-McKinley School District (GMSD) and Central Consolidated School District (CCSD) were discussed. No Memorandum of Understanding (MOU) has been reached regarding issues with school bus routes.

On November 27, 2013 the Naabik'iyáti' Committee of the 22<sup>nd</sup> Navajo Nation Council approved legislation supporting and recommending a cooperative agreement between the Navajo Nation, McKinley County, San Juan County, and the New Mexico Public Education Department in an effort to resolve bus transportation disputes that have affected dozens of Navajo students living in or near the community of Naschitti.

Over the last few months, the Central Consolidated School District, which includes Naschitti, Tohatchi, and the Gallup-McKinley County School District, have met with state and tribal officials to resolve the boundary issues and have yet to come to an agreement to allow Gallup-McKinley buses to cross boundary lines to transport students living in San Juan County. Students living in the vicinity of Naschitti are often forced to walk miles to meet Gallup-McKinley County District buses at the county boundary line to be transported to their school in Tohatchi, located approximately 18 miles from Naschitti. Road construction is currently underway on U.S. Highway 491, making safety concerns a major problem for students walking to and from the county boundary.

### **PERFORMANCE IMPLICATIONS**

IAD notes that implementation of this substitute 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.

### **DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 330 duplicates this committee substitute. HB 308, SB 258, SB 278 and HB 169 all address school transportation boundary agreements and resolution of transportation of boundary disputes.

KC/ds:svb