

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: CS/HB 140a

52nd Legislature, 1st Session, 2015

Tracking Number: .200264.1

Short Title: Private School Student Activities Unit

Sponsor(s): Representative James R.J. Strickler

Analyst: Ian Kleats

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HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR HOUSE BILL 140

AS AMENDED

The House Ways and Means Committee amendments specify that the private school, at which students eligible to be counted for activities program units shall be enrolled, must be a “nonmember,” presumably with respect to the New Mexico Activities Association.

Original Bill Summary:

Effective July 1, 2015, CS/HB 140 amends existing home school activities program units in the *Public School Finance Act* to include certain private school students in the calculation of those units.

Among its provisions, CS/HB 140:

- renames the existing “home school activities program unit” to the “home school and certain private school activities program unit” in all instances within the *Public School Finance Act*;
- includes the number of private school students enrolled in a private school with less than 350 students who participate in New Mexico Activities Association (NMAA) activities through a school district in the calculation of home school and certain private school activities program units;
- grants eligibility of those certain private school students to participate in school district activities at the public school in the attendance zone in which the student resides; and
- requires school districts to verify each private school student’s academic eligibility to participate in school district activities.

Fiscal Impact:

CS/HB 140 does not contain an appropriation.

Fiscal Issues:

According to data from the Instructional Material Bureau of the Public Education Department (PED) related to instructional material allocations for school year 2014-2015, 107 private schools with student membership of 20,775 qualified for instructional material allocations,

compared to 97 locally or state-chartered charter schools with student membership of 21,776. These data suggest that the number of private school activities program units might be comparable to existing charter school activities program units.

Assuming a total membership for the private school student activities program of approximately 75 and a cost differential factor of 0.1, the following program units would be generated:

$$(\# \text{ of Eligible Students}) \times (\text{Cost Differential Factor}) = \text{Program Units}$$

$$75 \text{ students} \times 0.1 = 7.5 \text{ program units}$$

Based on the FY 15 preliminary unit value of \$4,005.75, these units would generate:

$$(\text{FY 15 Preliminary Unit Value}) \times (\text{Program Units}) = \text{SEG Funding}$$

$$\$4,005.75/\text{unit} \times 7.5 \text{ program units} = \$30,043.13$$

CS/HB 140 does not contain an appropriation. The addition of new units to the public school funding formula, if not fully funded, may dilute the unit value, potentially impairing the ability of school districts and charter schools to meet their local obligations.

Substantive Issues:

The *Public School Finance Act* provides for both charter school and home school activities program units through the State Equalization Guarantee (SEG) distribution. According to the PED's FY 15 Preliminary Funded Run:

- 71.5 charter school students accounted for 7.15 activities units, generating approximately \$28,641.11 through the SEG; and
- 73.5 home school students accounted for 7.35 activities units, generating approximately \$29,442.26 through the SEG.

The provisions of CS/HB 140 allow for school districts to generate program units attributable to certain private school students participating in extracurricular activities in the same manner that home school student activities program units are currently attributable to home school students. Charter school student activities program units differ from home school student activities program units and private school student activities program units, as proposed in CS/HB 140, in the following ways:

- charter school students may participate in activities at a public school other than the one in the attendance zone in which the student resides, subject to NMAA transfer guidelines, whereas home and private school students may not transfer to another school;
- school districts are not required to verify academic eligibility of charter school students participating in activities, whereas they are required to do so for home school and private school students; and
- home school student activities include co-curricular activities in addition to the athletics and extracurricular activities allowed under the charter and private school student activities program units.

Committee Referrals:

HEC/HWMC/SEC/SFC

Related Bills:

CS/SB 102 *Private School Activities Program Unit*