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## FISCAL IMPACT REPORT

**SPONSOR** Stapleton **ORIGINAL DATE** 02/13/15  
**LAST UPDATED** \_\_\_\_\_ **HB** 177

**SHORT TITLE** Common Core Implementation Standards **SB** \_\_\_\_\_

**ANALYST** Gudgel

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		See Fiscal Implications				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Bill 177 enacts five new sections and amends an existing section of the Public School Code as follows:

- Section 1 requires PED to provide professional development and resources for educators related to implementation of common core standards and new standards-based assessments in place during the 2014-2015 school year, including the use of education technology, to guarantee availability of education technology, to establish a baseline of student performance on standards-based tests during FY15, FY16, and FY17 and support to improve student test scores, and to develop and provide an alternative track for college and workplace readiness for 12<sup>th</sup> grade students unable to demonstrate proficiency on the state's standards-based assessment.

- Section 2, 4 and 5 – enacts four new sections of the Public School prohibiting the use of any standards-based assessment developed by the Partnership for Assessment of Readiness for College and Careers (PARCC) or Smarter Balanced for making grade promotion decisions; calculating school grades; making school personnel or licensure decisions; or as a graduation requirement until July 1, 2018.

## **FISCAL IMPLICATIONS**

Significant investments have been made over the past 4 years to address new content standards and the implementation of a new computer-administered standards-based assessment developed by PARCC.

Appropriations of \$1 million in 2012, \$1.5 million in 2013 and \$2.5 million in 2014 were made to PED to address implementation of content standards that were adopted in 2010. PED's analysis notes professional development on new content standards has been provided statewide over the last three years, including large and small scale conferences, specific content workshops, regional mentoring, and whole-school online courses utilized by many of the rural schools throughout the state. PED also notes the department has hosted four assessment workshops in various parts of the state, specifically focusing on technology readiness, instructional implications of the new standards-based assessment created by PARCC, assessment inventory and best practices, as well as creating a forum for open dialogue with educators about how the new standards-based assessment created by PARCC will take the place of the current standards-based assessment in areas of promotion policies, school grading, teacher evaluations, and graduation requirements.

In addition to funding appropriated for direct support of educators, the Legislature has appropriated \$10.2 million dollars over the last two years to address education technology. Of that amount, \$5.2 million was appropriated during the 2013 legislative session for the purchase of devices and \$5 million was appropriated during the 2014 legislative session to address bandwidth and access. In addition to these appropriations, the law was enacted in 2014 that established a five year, \$10 million broadband deficiency correction program funded through the Public School Capital Outlay Council that is currently being implemented.

The executive recommendation for FY16 funding includes \$2 million in nonrecurring general fund revenues to support continued implementation of new content standards.

## **SIGNIFICANT ISSUES**

As noted above, efforts are ongoing to ensure school districts, schools, educators, and students are prepared for new content standards and new standards-based assessments. PED's analysis notes the department currently provides multiple, voluntary training opportunities to district leadership, principals, instructional coaches and teachers. In many instances, the department is using a "train the trainer" model, where a limited number of educators are able to participate but then take what they learn back to their respective school districts and schools and share. PED notes this creates a cost-effective method to ensure systematic support is available to all educators. PED notes that requiring PED to provide sufficient professional development and resources for **each** teacher, school principal, and educational support provider to meet the requirements of the bill would shift the role of PED and school districts significantly and would take away the autonomy of school districts and schools.

PED also notes placing a moratorium on the use of new standards-based tests developed by PARCC would bring New Mexico out of compliance with the Elementary and Secondary Education Act flexibility waiver. PED's analysis appears to indicate that if enacted, this bill will result in the loss of hundreds of millions of federal dollars. However, if the state loses the flexibility waiver granted by the U.S. Department of Education, the state would not lose federal funding but would lose flexibility over certain funds. Additionally, the state would be required to comply with existing adequate yearly progress requirements, which was generally accepted as a flawed accountability system.

The bill does not provide for any substitute assessments to be used for the purposes of grade promotion decisions; calculating school grades; making school personnel or licensure decisions; or as a graduation requirement until July 1, 2018. The Legislature may want to consider establishing alternative assessments to be used for these purposes or establish the mechanism that should exist until July 1, 2018 for the purposes of grade promotion decisions; calculating school grades; making school personnel or licensure decisions; or as a graduation requirement.

For federal accountability purposes, the state is required to administer a standards-based assessment in certain grades and subjects. Administration of the new standards-based assessment developed by PARCC satisfies these requirements. The state will still need to continue administering these assessments for the purposes of compliance with the federal Elementary and Secondary Education Act, even though their use in some state programs is prohibited in this bill. If other standards-based assessments were required to comply with those state programs, implementation of the bill could result in increasing testing time.

### **ADMINISTRATIVE IMPLICATIONS**

PED will be required to ensure professional development and supports are provided to each educator statewide. Additionally, if enacted, PED will likely be required to update regulations related to annual educator evaluations to ensure the state's standards-based assessment results are not included in evaluation over the next three years. Educator evaluations conducted during the 2014-2015 school year will not include results from the new standards-based assessment developed by PARCC and administered in 2014-2015 because test data included in annual evaluations is on a year lag.

### **CONFLICT**

This bill conflicts with SB 205 and is related to SB138.

### **TECHNICAL ISSUES**

It is unclear if the use of the terms "partnership for assessment of readiness for college and careers", "smarter balanced" and "common core" should be included in statutes. The Legislature may want to consider including more general terms to refer to these entities and standards.