

LESC bill analyses are available on the New Mexico Legislature website (www.nmlegis.gov). Bill analyses are prepared by LESC staff for standing education committees of the New Mexico Legislature. LESC does not assume any responsibility for the accuracy of these reports if they are used for other purposes.

LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 1st Session, 2017

Bill Number	<u>SB31</u>	Sponsor	<u>Senator Kernan</u>
Tracking Number	<u>.205009.2</u>	Committee Referrals	<u>SEC/SFC</u>
Short Title	<u>Remove Certain Graduation Requirements</u>		
Analyst	<u>Rogne</u>	Original Date	<u>1/26/2017</u>
		Last Updated	<u>1/31/2017</u>

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

BILL SUMMARY

Synopsis of Bill

Senate Bill 31 (SB31) eliminates the high school graduation requirement for students to take an advanced placement (AP), honors, dual credit, or distance learning course from the Public School Code. SB31 amends Subsection H of Section 22-13-1.1 NMSA 1978 such the 2016-2017 freshman cohort would be the last required to take one of these courses to graduate from high school. Students entering the ninth grade in the 2016-2017 school year would be required to meet this requirement through 2020, when the 2016-17 cohort is expected to graduate from high school.

FISCAL IMPACT

SB31 does not contain an appropriation.

The Public Education Department (PED) did not respond to requests regarding the fiscal impact of SB31. A PED analysis of a similar 2015 bill notes that removing the high school graduation requirement to take an AP, honors, dual credit, or distance learning course may reduce annual state expenditures for these programs. However, it is not clear if eliminating this requirement will have this effect. The current school grading system awards a maximum of 15 points to high schools based on college and career readiness indicators, including student participation in dual credit and AP courses. The incorporation of these courses in the school grading system highlights the importance of these courses to public schools, whether SB31 passes or not.

According to the Higher Education Department (HED), SB31 may help alleviate the financial burden of dual credit courses on postsecondary institutions as the general (I&G) funding formula does not reimburse postsecondary institutions for 100 percent of dual credit costs. The I&G funding formula for FY17 was 98 percent base funding (about \$603 million) and 2 percent performance funding; of the 2 percent (about \$12 million), 3.3 percent (about \$410 thousand) is awarded based on dual credit. This means that most funding for dual credit is constant despite

increases or decreases in enrollment or other performance indicators. Since 2009, the dual credit program in New Mexico has expanded rapidly, growing from 9,951 unique students enrolled in a dual credit course to 20,213 in FY16.

CNM estimates the overall fiscal impact to postsecondary institutions would be minimal as they do not currently receive tuition for dual credit or distance learning courses taken by high school students.

SUBSTANTIVE ISSUES

SB31 maintains the requirement that local school boards ensure each high school student has the opportunity to develop a next-step plan based on reports of college and workplace readiness and is reasonably informed about curricular and course options, including AP, honors, dual credit, and distance learning courses (page 2, lines 18 through 25). Although SB31 eliminates the requirement that students take at least one AP, honors, dual credit, or distance learning course to graduate from high school, the bill still requires inclusion of one or more of these courses (or a career-technical course or pre-apprenticeship program) in a student's next-step plan (page 11, line 15 through page 12, line 2).

Eliminating the high school graduation requirement to take an AP, honors, dual credit, or distance learning course will not eliminate these programs; they will continue to be available to students whether SB32 passes or not. Removing this requirement is intended to provide increased flexibility to public schools and public school students.

ADMINISTRATIVE IMPLICATIONS

According to New Mexico School for the Deaf (NMSD), their school would benefit from this bill because it has been difficult for the NMSD to institute this requirement. NMSD students experience significant barriers when attempting to enroll students in AP, dual credit, and honors courses outside of NMSD and it is not always practical for NMSD to offer these courses based on their student population. Also, there are almost no distance learning opportunities appropriate for NMSD students because of students' need to access information through American Sign Language. Students with disabilities in addition to their hearing loss are often not suited to advanced placement, dual credit, distance learning, or honors courses.

Central New Mexico Community College (CNM), expressed concerns that SB31 may negatively impact student enrollment, retention, and graduation rates. CNM indicated the dual credit program at their school has significantly impacted increasing retention and graduation rates at CNM while decreasing remediation and time to degree attainment. CNM noted these items are Accountability in Government Act (AGA) performance measures that community colleges are required to track, and SB31 will have a direct negative impact on CNM's AGA performance measures.

New Mexico Independent Community Colleges (NMICC) echoed the concerns of CNM.

OTHER SIGNIFICANT ISSUES

The requirement that students take at least one AP, honors, dual credit, or distance learning course to graduate from high school was enacted in Laws 2007, Chapter 307 (HB584, High School Redesign). The FIR prepared for HB584 indicates "HB584 increases rigor for students

by requiring... that students entering ninth grade in the 2009-2010 school year, in order to graduate, must earn at least one unit as advanced placement, dual credit, or one distance learning course.” This provision was included in HB584 in an attempt to increase the college-and-career readiness of high school graduates.

During FY09, the year before implementing this graduation requirement, PED reported 47.1 percent of New Mexico high school graduates required one or more remedial course upon enrollment in a postsecondary institution. In FY12, remediation rates peaked at 53.6 percent, but decreased in subsequent years. The most current data indicates this rate decreased to 43.3 percent in FY15.

A similar bill, SB229, also endorsed by the Legislative Education Study Committee, died in the 2015 regular session.

RELATED BILLS

SB62, School Rating Grading Point System, a bill which establishes a new school rating grading point system, with some points awarded based on college and career readiness indicators, including AP and dual credit courses.

SB40, School Grades Council, a bill establishing a state school grades council and providing a temporary schema to calculate school grades including college and career readiness, which measures student participation in AP and dual credit courses.

SOURCES OF INFORMATION

- LESC Files
- New Mexico School for the Deaf
- Higher Education Department
- Central New Mexico Community College
- New Mexico Independent Community Colleges

MCR/rab