

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>SB279</u>	Sponsor	<u>Stewart</u>
Tracking Number	<u>.206050.1</u>	Committee Referrals	<u>SEC/SFC</u>
Short Title	<u>SEG Size Adjustment Unit Eligibility</u>		
Analyst	<u>Simon</u>	Original Date	<u>2/13/17</u>
		Last Updated	<u></u>

BILL SUMMARY

Synopsis of Bill

Senate Bill 279 (SB279) clarifies that, in addition to alternative and vocational programs, any school that is a supplemental accountability model (SAM) school that qualifies for a modified accountability calculation pursuant to department rule is ineligible to generate size adjustment program units.

FISCAL IMPACT

SB279 would prevent SAM schools from generating size adjustment program units. In FY17, 15 SAM charter schools generated \$6.9 million in formula funding from size adjustment program units and one SAM charter school did not generate size adjustment program units because it enrolls more than 400 students (see attachment). The 19 traditional public schools that currently operate under a supplemental accountability model are not included in current calculations for size adjustment program units because statute bars separate schools offering alternative education programs from generating size adjustment program units.

SUBSTANTIVE ISSUES

In FY16, 35 SAM schools were operating in the state of New Mexico. There is currently no statutory definition of “supplemental accountability model school” but SAM schools are defined in 6.19.8.7(W) NMAC as schools established to serve students who are at-risk of educational failure. At least 10 percent of enrolled students must be age 19 or older or at least 20 percent of enrolled students must qualify for non-gifted special education services. Schools that meet those requirements but do not wish to be considered SAM schools may opt-out and the Public Education Department (PED) allows schools that do not meet those requirements to petition the department to qualify as a SAM school. SB279 definition of SAM school broadly mirrors the definition in rule.

SAM was developed by PED to give alternative schools flexibility to supplement their accountability measures with additional data to better reflect the progress of their students. For

example, SAM schools are allowed to calculate graduation rates recognizing that the higher risk students attending these schools may take longer to graduate. SB279 recognizes that SAM schools are a form of alternative education but that the rules for allocating size adjustment program units to SAM schools have not been uniformly applied. Current law bars schools “established to provide special programs, including but not limited to vocational and alternative education” from generating size adjustment program units, but PED has allowed charter schools operating under SAM to generate size adjustment funding.

TECHNICAL ISSUES

SB279 appears to apply to all schools that are eligible to be SAM schools, regardless of whether the school has decided to opt-out of SAM. SB279 could replace the words “qualifies for” with language that makes clear that only schools receiving a school grade based on SAM are ineligible for size adjustment program units.

OTHER SIGNIFICANT ISSUES

Size adjustment program units were originally intended to compensate small, rural school districts that do not benefit from economies of scale. Size adjustment program units are generated by elementary and junior high schools with less than 200 students and by high schools with less than 400 units. Although originally intended for rural school districts, some schools in urban areas are small enough to generate size adjustment program units.

A 2011 LFC/LESC joint program evaluation of the public school funding formula noted charter schools appear to be barred by statute from generating size adjustment program units due to the language excluding special programs.

RELATED BILLS

Relates to SB30, Establish & Study Teacher Cost Index, which provides charter schools access to size adjustment program units, but limits the amount charter schools can generate to 50 percent after 5 years of operation. SB30 would not repeal the provision barring separate schools with alternative education programs from generating size adjustment program units.

HB273, Charter School Changes, would provide charter schools access to size adjustment program units, but limits the amount any school located within a school district with more than 2,800 students to 80 percent. HB273 would repeal the provision barring separate schools with alternative education programs from generating size adjustment program units.

SOURCES OF INFORMATION

- LESC Files

JWS/rab

Supplemental Accountability Model (SAM) Schools

	School District	School Site	FY17 Enrollment	FY17 Size Adjustment Funding	
1	Alamogordo	Academy Del Sol Alternative	115		1
2	Albuquerque	Albuquerque Charter Academy	288	\$542,360	2
3	Albuquerque	Freedom High	159		3
4	Albuquerque	Gordon Bernell Charter	395	\$143,649	4
5	Albuquerque	La Academia De Esperanza Charter	328	\$546,001	5
6	Albuquerque	Los Puentes Charter	189	\$629,036	6
7	Albuquerque	New Futures	146		7
8	Albuquerque	Nuestros Valores High Charter	138	\$525,753	8
9	Albuquerque	Robert F. Kennedy Charter	312	\$575,550	9
10	Albuquerque	School on Wheels	99		10
11	Aztec	Vista Nueva High	51		11
12	Belen	Belen Infinity High	86		12
13	Bloomfield	Charlie Y. Brown Alternative	87		13
14	Central	Career Preparatory Alternative	153	*	14
15	Deming	Deming Cesar Chaves Charter	133	\$497,577	15
16	Farmington	Rocinante High	202		16
17	Gallup-McKinley	Gallup Central Alternative	237	*	17
18	Las Cruces	San Andres High (Rio Grande Preparatory Institute)	329	*	18
19	Los Lunas	Century Alternative High	157		19
20	Lovington	New Hope Alternative High	93	*	20
21	Rio Rancho	Independence High	186		21
22	Roswell	University High	126		22
23	Santa Fe	Academy at Larragoite	74	*	23
24	Silver Consolidated	Opportunity High	79	*	24
25	Taos	Chrysalis Alternative	13		25
26	Taos	Vista Grande High Charter	88	\$449,344	26
27	West Las Vegas	West Las Vegas Family Partnership	19		27
28	State Charter	Academy of Trades and Tech	118	\$551,911	28
29	State Charter	ACE Leadership High School	347	\$146,446	29
30	State Charter	Albuquerque Sign Language	97	\$268,665	30
31	State Charter	Cesar Chavez Community Charter	204	\$632,140	31
32	State Charter	New America School (Albuquerque)	328	\$299,742	32
33	State Charter	New America School (Las Cruces)	314	\$502,006	33
34	State Charter	School of Dreams Academy	532		34
35	State Charter	The GREAT Academy	172	\$617,241	35
36		Statewide Total	6,394	\$6,927,422	36

*Unconfirmed amounts.

Source: LESC Files