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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 2nd Session, 2018

Bill Number SJM21 **Sponsor** Sapien
Tracking Number .209719.1 **Committee Referrals** SRC/SEC
Short Title Study Redistricting of Large School Districts
Analyst Force **Original Date** 2/9/18
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BILL SUMMARY

Synopsis of Bill

Senate Joint Memorial 21 (SJM21) requests the Legislative Education Study Committee (LESC) and the Legislative Finance Committee (LFC) to jointly conduct a study of the costs and benefits of breaking up large public school districts. The Public Education Department (PED) and the Center for Education Policy Research are requested to assist LESC and LFC in their study.

FISCAL IMPACT

Legislative memorials do not carry appropriations.

SUBSTANTIVE ISSUES

BDM Technologies Study. According to the 40th day count of FY17, Albuquerque Public Schools (APS), the largest school district in the state, had an enrollment of approximately 91 thousand students, including locally chartered charter schools. In 1995, BDM Technologies, Research and Polling, Inc. (BDM) completed a study on the decentralization of APS, reporting a number of findings both in favor and opposed to decentralization. Among those reasons to support breaking up the district into smaller districts, BDM noted that: large school districts may be less able to allocate resources effectively; parents think they have less control over education in large districts; smaller districts seem more successful in integrating with communities; smaller districts may be more effective in holding officials accountable, changing policies, and soliciting community input; and student achievement may be better in smaller school districts.

The BDM study also noted a number of arguments against breaking up the district, such as: the greater political influence enjoyed by larger school districts; broader curricula are available at larger districts than smaller ones; a larger and more varied pool of teachers are available for large districts; larger districts are less expensive to administer than smaller ones, due to economies of scale; and more diverse programs are available for special needs students at large districts.

The study concluded that while decentralized districts generally achieve the goal of community support, and control their proponents desires, the findings argued against decentralization of APS because of its strong academic performance at the time, combined with the benefits of a large school district.

Current Statutory Requirements. According to Section 22-4-2 NMSA 1978, New School Districts; Creation, PED may order the creation of a new district (or the decentralization of an existing one) under three circumstances. First, it may be done upon receipt of a resolution requesting the new school district by the local school board of the existing district. Second, it may be done after review by the local school board and upon receipt of a petition bearing signatures of 60 percent of the registered voters within the geographic area of the proposed school district. Finally, a new district can be created upon the Secretary of Public Education’s recommendation, coupled with PED’s determination that the new school district would: have a minimum of 500 members; include a high school program is to be included in the new district unless granted an exception by PED; and be in the best interest of public education in both the existing and proposed school districts, and in the state as a whole.

Background and Other Issues of Concern. The last time a new school district was created in New Mexico was the formation of Rio Rancho Public Schools (RRPS) in 1994. Local businesses and parent-teacher associations, concerned with the growth of the local community and resulting crowding in their schools, commissioned a study that concluded Rio Rancho, which was divided between APS and Jemez Valley Public Schools (JVPS), could support its own school district. After the APS and JVPS school boards signed resolutions supporting the creation of the new school district, the New Mexico State Board of Education (predecessor to PED) voted to create an independent Rio Rancho school district. SJM21 refers to a vetoed bill from 2002 that would have broken APS into three smaller districts by imposition of legislative action, unlike the creation of RRPS, and presumably with less community involvement than was the case with RRPS in 1994.

Logistical and legal considerations are not the only issues of import to be considered when speaking of the division of existing school districts; other less quantifiable factors also arise. Inevitably, reorganization could result in some students and families being located within a new district without teachers, faculty, and administrators with whom they may have built valued relationships. Transportation times and costs may change. School-level student growth and achievement factors, as well as graduation rates, may be impacted by the reorganization of student cohorts. Any work done to reorganize school districts into smaller units would be well served by substantial community involvement.

Studies have been conducted comparing student outcomes at large school districts with those at smaller school districts, while controlling for variables other than district size. In the past, these studies note, school districts were consolidated with the thought that greater centralization of resources would yield more cost-efficiency for the school district; yet, at that time, few studies of optimal school district size considered achievement and other outcomes. This more recent work, which specifically examines academic outcomes in relation to district size, has found that students enrolled in smaller districts tend to perform better on standardized tests than their peers enrolled at large districts. One such study, completed in 1991, drew data from the New Jersey Department of Education on standardized tests administered to ninth grade students in 293 schools. (See, Fowler and Walberg, “School Size, Characteristics and Outcomes,” *Educational Evaluation and Policy Analysis*, University of Illinois, Summer 1991.) School size and the number of schools in the district were among the most impactful variables in the study. Ten academic outcomes, including high school proficiency exams and minimum basic skills tests in reading and

mathematics, as well as average district SAT scores in mathematics, were negatively impacted by the number of schools per district.

Another, more recent study, conducted in California, came to similar conclusions. (See, Driscoll, Halcoussis, and Svorny, “School District Size and Student Performance,” *Economics of Education Review*, 2003.) One in six schools in California are in districts of greater than 40 thousand students; the smallest district included in the study tested 101 students. Using data provided by the California Department of Education, Driscoll, et al, found that school district size hinders educational achievement; students in larger school districts score lower on standardized tests than their peers in relatively smaller school districts. Controlling for variables other than district size separately for elementary and middle schools shows negative results for both sorts of schools, though middle school students appear to experience the most negative impacts related to school district size.

School quality is known to have an impact on community property values, and several studies have examined the effect of school district *consolidation*. Generally, although they take some time to appear, studies have indicated long-range effects of consolidation upon home values are positive in census tracts with lower incomes, and negative in high-income census tracts (see. e.g., Ducomb, Yinger, and Zhang, *How Does School District Consolidation Affect Property Values? A Case Study in New York*, December 2013). While the converse cannot be assumed to be true in the case of division of an existing school district, such division probably will likewise have effects upon property values that are unknown at this time.

SOURCES OF INFORMATION

- LESC Files

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