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FISCAL IMPACT REPORT

SPONSOR Gentry/Ivey-Soto ORIGINAL DATE 1/16/18
 LAST UPDATED 2/09/18 HB 22/aHLELC

SHORT TITLE Parental Notifications from School via Text SB _____

ANALYST Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications			Recurring	Public School Budgets

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 332
 Relates to HB 57, HB 297
 Relates to Appropriation in HAFC Substitute for HB2 et al.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
 Regional Education Cooperatives Association (RECA)

SUMMARY

Synopsis of HLELC Amendment

The House Local Government, Elections, Land Grants and Cultural Affairs Committee amendment to House Bill 22 amending the Public School Code strikes the provision requiring schools to notify parents by text message two days in advance about upcoming tests that will affect their student’s grade point average (GPA) and inserts new material requiring high schools to send text message notifications to parents, that have not opted out of receiving notifications, about their student’s:

- tests that will affect their GPA at least two days in advance,
- GPA falling below 2.0 on a 4.0 scale or 75 percent on a 100 percent scale, and
- late homework.

Synopsis of Original Bill

House Bill 22 amends the Public School Code, requiring schools to notify parents by text message if their student is absent unless the parent has requested not to be notified. The bill also

adds a provision requiring schools to notify parents by text message two days in advance about upcoming tests that will affect their student's GPA unless the parent has opted out of receiving notifications.

FISCAL IMPLICATIONS

The bill does not contain an appropriation but requires all schools to notify parents by text message about student absences and all high schools to notify parents about student tests, low GPAs, and late homework assignments. The Education Endowment Foundation, an independent charity established to improve educational attainment in English schools, published a study in 2016 on texting parents about tests and homework and found the intervention cost approximately \$10 per pupil, or 0.1 percent of annual school spending, annually. Other studies on text messaging interventions note that costs range between \$7 to \$13 per student. New Mexico has about 329 thousand students, which includes about 98 thousand high school students.

In FY16, New Mexico public schools spent nearly \$2.6 billion in total on operations, including \$20.2 million on communication services. Median spending for school districts and charter schools on communication services was \$18.7 thousand, which includes services provided by persons or businesses to assist in transmitting and receiving messages or information. Two school districts and three charter schools did not report expenditures in this category. Fiscal impacts of this bill are dependent on how schools currently choose to notify parents about absences and how high schools choose to notify parents about tests, GPA, and homework. Costs are difficult to estimate given the diverse telecommunications offerings throughout New Mexico and unknown levels of equipment or software capabilities currently installed in public schools for parental notification systems. Further, offerings from telecommunications providers across the state are unregulated, so costs can vary even in the same geographic region.

Large school districts operate at a scale that makes private equipment and software feasible and some currently use text messaging systems to communicate with parents. In these cases, the fiscal impacts of this bill may be negligible. Schools located in less populated areas will generally have fewer options, although some programs are available online (such as Remind, Kaymbu, Class Messenger, Kinolved, Class Dojo, etc.) for teachers to implement provisions of the bill at the classroom level. Costs of using these platforms will vary by provider and features of each program.

SIGNIFICANT ISSUES

According to PED, this bill only specifies texting as a communication tool to notify parents. Provisions of this bill allow parents the ability to opt out of texting notification. The bill does not specify other communication channels in addition to texting when communicating to parents regarding tests and absences. Additionally, PED notes this bill's reach is limited to parents who currently have access to texting capabilities. According to RECA, many schools already have systems or equipment in place for communicating with parents via text; however, not all school districts may have the equipment to efficiently communicate this information with all parents.

A 2017 study by Columbia University found that weekly text message alerts to parents about missing assignments, grades, and class absences reduced student course failures by 38 percent, increased class attendance by 17 percent and improved district retention rates by 2 percentage points. The study found no effects on state test scores, which were newly introduced during the study, but found significant improvements on in-class exam scores. The automated messaging platform used in the study sent over 32 thousand messages to 624 parents in the first year and

cost about \$7 per student for implementation and training costs.

The 2016 Education Endowment Foundation study, which tested the impact of texting parents information about upcoming tests and missing homework, found texting interventions improved secondary math attainment by the equivalent of one extra month of learning and had a small positive effect on attendance in 36 British secondary schools (attendance at British schools is more than 95 percent). No statistically significant effects were found for English or science.

A 2014 study by Brown University and Harvard University found brief, individualized messages from teachers to parents of high school students in a credit recovery program increased the probability of students earning course credit by 6.5 percentage points. This improvement resulted primarily from preventing drop-outs, rather than from reducing failure or dismissal rates. The researchers estimated the cost of implementing this communication policy to be \$13 per student for each course, but noted costs could be reduced by integrating time to write messages into teachers' regular workday, employing parent outreach coordinators, or developing an automated messaging system.

PERFORMANCE IMPLICATIONS

In FY17, New Mexico habitual truancy rates for high school students decreased; however, elementary and middle school habitual truancy rates increased, and overall habitual truancy rates remain higher than performance target levels. Overall, 21.5 percent of students in high school are truant at least 10 days or more compared with 14.5 percent of students in middle school. The habitual truancy rate elementary school students is 13.8 percent. Provisions of this bill may impact habitual truancy rates.

ADMINISTRATIVE IMPLICATIONS

The administrative burden of this bill is dependent on current school procedures for notifying all parents via text message about absences, and notifying parents of high schools students about testing dates, low GPAs, and late homework assignments. School districts or charter schools lacking an automated messaging system aligned with their student information systems, will need to develop procedures or systems for notifying parents about each student absence. Every high school will need a system or procedure to notify parents about each test, low GPA, and late homework assignment for every high school student.

Given substantial habitual truancy rates and the number of tests and assignments that teachers and schools administer each year, coordinating a process to notify all parents about this information without an automated system could be time-consuming and costly. Provisions of the bill will require all 850 schools in the state to notify parents via text messages about student absences. About 216 high schools would need to also notify parents about upcoming tests, low GPAs, and late homework assignments.

RELATIONSHIP

This bill duplicates House Bill 332. This bill relates to House Bill 57, which limits the time during a school year and school day that schools may administer tests to students. The House Appropriations and Finance Committee substitute for House Bill 2 et al. includes a nonrecurring, FY19 special appropriation of \$300 thousand for purchasing equipment or software related to automatic messaging systems at schools notifying parents about students absences and tests.

TECHNICAL ISSUES

PED suggests it may be more purposeful to limit the text notifications to secondary school parents and limit the requirement to district- and state-mandated assessments. The HLELC amendment limits the texting requirement to high schools, but still requires high schools to notify parents about all tests. The amendment further requires notifications about low GPAs and late homeworks assignments.

OTHER SUBSTANTIVE ISSUES

The Family Educational Rights and Privacy Act (FERPA) is a federal law that protects the privacy of student education records. FERPA gives parents certain rights with respect to their child's education records until the child reaches the age of 18 or attends a school beyond the high school level. Students to whom the rights have transferred are "eligible students." Under FERPA, a school may still disclose information from an eligible student's education record to the parents of the student, without the student's consent, if the student is reported as a dependent of the parent for tax purposes.

The Pew Research Center reported in 2016 that 95 percent of U.S. adults owned a cellphone of some kind and 77 percent owned smartphones. In 2015, Pew surveys indicated 97 percent of smartphone owners used text messaging, making it the most widely-used basic feature or application. Text message use was relatively consistent by age group, with 100 percent of individuals 18 to 29 years of age using text messages compared with 92 percent of those aged 50 and older.

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