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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 1st Session, 2023

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|------------------------|---------------------------------------|----------------------------|---------------------------|
| Bill Number | <u>HB126/aHFI#1</u> | Sponsor | <u>Romero, GA/Lane</u> |
| Tracking Number | <u>.223421.4</u> | Committee Referrals | <u>HCEDC/HEC; SEC/SFC</u> |
| Short Title | <u>School Graduation Requirements</u> | | |
| Analyst | <u>Hathaway</u> | Original Date | <u>1/27/23</u> |
| | | Last Updated | <u>2/24/23</u> |

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

BILL SUMMARY

Synopsis of House Floor Amendment

The House Floor amendment to HB126 (HB126/aHFI#1) makes four changes to the original bill:

- In mathematics, it requires algebra II to be offered as a mathematics course in high school, although it does not require students to take algebra II;
- In social sciences, it amends the name of the government and economics course to “government and economics and personal financial literacy” to reflect the correct name in updated academic content and performance standards;
- In electives, it amends world languages to read as “languages other than English” as part of technical clean-up to reflect how these courses are named in the Public Education Department (PED); and
- In electives, it requires that financial literacy, computer science, student service learning, career technical education, and a sequence of languages other than English (meaning at least two of these courses) are offered as electives and that media literacy and pre-apprenticeship programs may be offered as electives.

Synopsis of Original Bill

This bill amends current law (Section 22-13-1.1 NMSA 1978) to create new high school graduation requirements. It decreases the overall number of units required to graduate from 24 to 22, increases unit requirements in core academic subject areas, requires the development of a graduate profile and the setting of two units by school districts and charter schools, and allows career technical education and work-based learning courses to be included in unit requirements for high school graduation.

Further, the bill would eliminate the requirement that students take a dual credit, advanced placement (AP), or distance learning course, would eliminate the algebra II requirement, and would require school districts and charter schools to set two units of graduation requirements for

their specific school district or charter school. The Public Education Department (PED) is required to promulgate rules and school districts and charter schools are encouraged to make available courses to support goals of students. PED must promulgate corresponding rules by December 31, 2023.

This bill would go into effect for high school students beginning ninth grade in the 2024-2025 school year. Graduation requirements would not change for students currently in high school, meaning there would be two overlapping sets of graduation requirements as new requirements are phased in.

FISCAL IMPACT

This bill does not carry an appropriation.

There may be minimal fiscal impacts to schools to offer professional learning for school counselors and other educators to implement revised requirements and potentially to develop graduate profiles. There may also be administrative, and therefore fiscal, impacts to PED to develop administrative rule and provide training. The House Appropriations and Finance Committee Substitute for House Bill 2 (HB2/HAFCS) contains \$40 million for career technical education (CTE), some of which could be used to fund professional learning for school counselors and other educators to implement new requirements. This funding could also be used to support the development of graduate profiles by schools.

HB126/aHFI#1 does not make any changes to program units within the state equalization guarantee (SEG), the state's public education funding formula. The SEG is based primarily on the number of students in a school, referred to as "MEM" or "membership," which are multiplied by a number of factors to create "program units." These factors are designed to account for the cost of class size limits, programmatic requirements, and special student characteristics like "at-risk" or special education. Program units are multiplied further by an annual "unit value" to generate each school district and charter schools' SEG allocation.

Because HB126/aHFI#1 does not make any changes to the SEG, nor to schools' MEM, nor the program units those MEM generate, nor to the unit value itself, LESC staff expect the bill will have no significant impact on funding distributed to school districts and charter schools through the SEG. School districts and charter schools that see reduced program units due to lower enrollment, perhaps from high school students who may graduate early, would likely absorb any negative fiscal impact due to a corresponding increase in the unit value.

SUBSTANTIVE ISSUES

It has been over a decade since the state comprehensively updated its high school graduation requirements. While there have been several piecemeal changes to graduation requirements, the last time the state's requirements were comprehensively updated was in the 2007 legislative session, going into effect for students entering ninth grade in the 2009-2010 school year. Research shows that since 2007, economic changes, altered workforce and educational needs, globalization, and technological advancements have shifted the content students need to learn in high school, as well as the experiential learning students need in formative high school years. Revised high school graduation requirements could modernize New Mexico's high school graduation requirements and allow for a more engaging high school experience for students, ensure rigorous academic and skill development, and allow education to be more responsive to college and career options today.

New Mexico Graduation Rates. While a high school diploma on its own can improve job opportunities and earning potential, it is also a prerequisite for a wide range of postsecondary education options—credentials or certificates, two-year degrees, and four-year degrees alike. New Mexico has gradually improved its graduation rate since reaching a low of 63 percent in FY10, but still lags behind the national averages. For the four-year cohort of FY21, the graduation rate was 76.8 percent, compared with a national average of 85 percent.

Current High School Graduation Requirements. New Mexico currently requires students to complete 24 units—and to demonstrate competency in all core academic subjects including English, mathematics, science, and social studies—to earn a New Mexico diploma of excellence. This bill amends the state’s high school graduation requirements, requiring 22 units to graduate. It retains demonstrations of competency to graduate. A table comparing current requirements and proposed changes is included below:

| Academic Subject | Current Graduation Requirements (expressed in units) | Proposed Changes (expressed in units) |
|---|---|---|
| English | 4 Must include a major emphasis on grammar, nonfiction writing, and literature | 4 Must include a three-unit sequence of courses; English Language Development courses may apply; CTE and work-based learning may apply |
| Math | 4 One unit must be the equivalent to, or higher than, algebra II | 4 Must include a sequence of algebra I and geometry or an equivalent pathway; CTE and work-based learning may apply; Algebra II must be offered |
| Science | 3 2 units must include a lab component | 3 Must include 2 units of laboratory sciences; CTE and work-based learning may apply |
| Social Studies | 3.5 Must include U.S. history & geography, world history & geography, government & economics, and 0.5 unit of NM history | 4 Must include U.S. history & geography, including course content that contains New Mexico history; government & economics/personal financial literacy, including course content that contains civics; and world history & geography |
| Physical Education and Health | 1 | Physical Education 0.5 Health: 0.5 |
| Electives | 7.5 *Must meet PED content and performance standards | 4 Must meet content and performance standards and include a two unit pathway concentration of the student's choice in a language other than English, fine arts, health, military, a career technical education (CTE) program, community learning with a capstone, or two units of work-based learning |
| Career Cluster, Workplace Readiness, or a Language other than English | 1 | |
| Additional Requirements | At least 1 unit must be AP or honors, dual credit, or distance learning. Health is required, but can be offered in middle or high school. | <i>Additional state law requires that dual credit must continue to be offered to student; Section 22-13-1.4 NMSA 1978 requires each school district to offer a program of courses for dual-credit, in cooperation with an institution of higher education, and a program of distance learning courses</i> |
| Local Discretion | | 2 Local school districts and charter schools must set 2 additional units for graduation requirements. These must meet academic content and performance standards and can be elective units or core competencies |
| Total Units | 24 | 22 |

Changes in Core Academic Courses. A unit is typically defined as a course that is a full academic year (or two semesters) in duration. This bill would make several changes to core academic units (core academic units including English, mathematics, science, and social studies):

- **English:** This bill retains four units of English, but amends statute to require a sequence of three units, allows for English language development courses to count for core units, and allows career technical education and work-based learning courses to also count.
- **Mathematics:** This bill retains four units of mathematics, but removes the algebra II requirement currently in place, instead requiring a sequence of algebra I and geometry (or a sequence equivalent to these courses); allows career technical education and work-based learning courses to also count; Requires that algebra II must still be offered to students.
- **Science:** This bill retains three units of science, including two units that must be laboratory-based; allows career technical education and work-based learning courses to also count.
- **Social Studies:** This bill increases units from three and one-half units to four units and removes the one-half unit of New Mexico history; requires 1) U.S. history & geography, including course content that contains New Mexico history; 2) government & economics/personal financial literacy, including course content that contains civics; and 3) world history & geography.

Change in Units. The bill does reduce overall units from 24 to 22. As a LESC endorsed bill, HB126/aHFI#1 is the product of two interims worth of study, engagement with education partners, and testimony from students and educators. Research shows there is not an identifiable relationship between the number of units required and student outcomes—among the “top 15” state education systems, the average number of required units is 20.5. No state exceeds 24 units. Around New Mexico, Texas requires 22 units for its standard high school diploma and Colorado allows local school boards to set graduation requirements with the exception of two state mandated courses (civics and a course on the Holocaust).

Research shows the design of high school graduation requirements and access to courses is what impacts student outcomes. Despite setting requirements at 22 units overall, the bill maintains all core academic units (and in social science, increases units) to provide rigorous core academics but allow for modernization of New Mexico’s graduation requirements. Research shows that in addition to core academics, modern graduation requirements emphasize career technical education (CTE), opportunities for experiential learning, and increased flexibility and personalization. HB126/aHFI#1 gives students the opportunity to take increased CTE pathways, have room to align core academics to their own college and/or career goals, and engage in hands-on learning such as internships or apprenticeships. Twenty-two units may also allow school districts and charter schools to pursue more adaptable school days with longer class periods, allow for students to engage in work-based learning (such as internships), take additional dual credit courses at postsecondary institutions, or participate in CTE courses and programs. The bill does not affect instructional hour minimums, which would remain at 1,070 hours for secondary students.

Currently, school districts and charter schools may require their students to complete more units or specific courses that exceed state requirements. HB126/aHFI#1 protects the ability of school districts or charter schools to require more units of their students than state law specifies.

Addition of Graduate Profiles. This bill would add a requirement that school districts and charter schools develop graduate profiles. Graduate profiles are a national best practice to align the education system with workforce needs, family and community expectations, student goals, and the skills and attributes students need to succeed in the economy and world that awaits them in the

future. These profiles, while varying from community to community, are typically developed as a one to two-page document that outlines academic expectations, skills, and attributes needed among students by the time they graduate from high school. School districts such as [Zuni Public Schools](#) and [Raton Public Schools](#), among several others, have already developed these graduate profiles.

Local Discretion Units and Student Mobility. This bill proposes two units for high school graduation to be set by school districts and charter schools. HB126/aHFI#1 also allows school districts and charter schools to play a meaningful role in developing the graduation requirements for their community and to re-design the high school experience to meet student needs. It also contains language that any units earned by a student that are set by a school district or charter school must be accepted by a receiving school district if a student were to transfer between districts in New Mexico.

Career Technical Education and Work-Based Learning Access. This bill would allow for CTE and work-based learning (such as internships, apprenticeships, or other experiential learning) courses—both of which would still need to meet academic content and performance standards set by the Public Education Department—to count for increased numbers of units in core academic subjects, as well as elective units.

Electives. There are four units dedicated to electives in HB126/aHFI#1. While current law specifies 7.5 units, many elective units are currently used to access courses the proposed bill would allow students to take as core academic units—thereby increasing access to these courses both in core requirements and as electives. Currently, many students use their electives to access arts, music, and language courses but also CTE courses and many English, mathematics, social studies, and science courses. This bill is designed to expand access to these courses in core units so students do not have to use elective units to take courses that also meet core academic standards. Included in electives, students would be required to take a two-unit pathway concentration in a number of options such as health, a language other than English, CTE courses, military preparation, fine arts, community learning or a capstone course, or work-based learning.

Next Step Plans. This bill would continue to require “next step plans,” but would amend these plans to be required to be aligned with graduate profiles. New Mexico utilizes next step plans, which are statutorily required plans developed by all New Mexico students to identify a student’s postsecondary interests and align their high school education to these goals. There is some guidance provided to students as these are developed with input from parents and a guidance counselor or similar professional. While required by law and administrative rule (See 6.29.1.9 NMAC, Subsection J), it is unknown if these plans have contributed to increased success of New Mexico students and yet these are the only statutory mechanism for ensuring New Mexico’s students receive guidance and planning for goals after high school.

Options to Demonstrate Competency. This bill retains the requirement to demonstrate competency to receive a diploma. Current state statute, Section 22-13-1.1 NMSA 1978, Subsection O, specifies that a New Mexico Diploma of Excellence may not be received by a student if the student has not demonstrated competence in the subject areas of mathematics, reading and language arts, writing, social studies, and science “based on a standards-based assessment or assessments or a portfolio of standards-based indicators established by the department [Public Education Department] by rule.” This bill retains this requirement. It also retains PED’s authority to develop options to demonstrate competency. The department may develop administrative rule that allows competency to be demonstrated in additional ways including capstone projects, portfolio projects, work-based learning, or other forms as defined by the department.

Implementation and Phase-In. Current state statute specifies “once a student has entered ninth grade, the graduation requirements shall not be changed for that student from the requirements specified in the law at the time the student entered ninth grade.” (See Section 22-13-1.1 NMSA 1978, Subsection F). This bill retains this language to allow for a phase-in over time. Revised graduation requirements would begin to be applicable for students entering ninth grade in the 2024-2025 school year, and all subsequent school years, allowing the potential for a year of planning and development prior to implementation.

Student Flexibility Under This Proposal. This bill would allow students to have more choice to earn units in core courses with career technical education and work-based learning courses. For example, this could include courses such as computer science, statistics and probability, or construction math for math credits and technical writing or communication skills for required literature courses. This may allow students to design a high school curriculum that best meets their individual career and postsecondary goals, depending on course availability at their high school.

ADMINISTRATIVE IMPLICATIONS

This bill would require significant administrative work by PED to update administrative code, align course codes in the state’s manual for courses, and to develop training for school counselors and other professionals who would be charged with implementing changes in graduation requirements. It would also require school districts to allocate time and resources to develop graduate profiles.

PED has piloted the development of graduate profiles, most formally in its FY23 Innovation Zone awards (these awards were funded with the legislature’s \$10 million career technical education appropriation in FY23 to the department), which requires awarded school districts and charter schools to develop graduate profiles. Additionally, some school districts in New Mexico have developed graduate profiles in previous years as part of their own, or department-supported, initiatives.

OTHER SIGNIFICANT ISSUES

Additional Funding Information. While HB126/aHFI#1 does propose a reduction in overall units required to graduate from high school, it does not amend the SEG. The largest distribution of formula-based funds to public schools is based on the number of students enrolled in a particular grade level on a specified reporting date. Under the Public School Finance Act, which refers to the calculation of enrollment it uses for funding as “membership,” or “MEM,” public school students enrolled at least half time in first through 12th grade count as 1 MEM. This MEM count is then multiplied by grade-level weights, which vary by grade to reflect class size limits and program requirements, to establish basic units generated in the SEG.

The cost multiplier for secondary students in seventh through 12th grade is 1.25, which results not only from class limits but also from additional programming requirements. The weight of 1.25 includes support for standard program requirements as well as vocational programs.

HB126/aHFI#1 would not impact the MEM count on which the SEG is then used to calculate basic program units, nor would it amend the SEG by reducing the secondary factor of 1.25. Therefore, funding to public schools that is generated by the secondary factor would not be negatively impacted, no matter if units required for graduation increased or decreased.

RELATED BILLS

Relates to House Bill 43, which amends Section 22-13-1.1 NMSA 1978 to require affirmative consent information as part of health course requirements.

Relates to House Bill 111, which amends Section 22-13-1.1 NMSA 1978 to require that Holocaust and genocide studies be offered as an elective for high school students beginning in the 2024-2025 school year.

Conflicts with House Bill 279, Personal Finance Class for Graduation, which adds a requirement for a one-half unit of a personal finance course for graduation and reduces elective units to seven.

Relates to House Bill 335, School Computer Science Classes, which requires computer science to be offered as an embedded element of courses in elementary and middle schools and as a standalone course in high schools.

Conflicts with Senate Bill 341, Personal Finance as School Elective, which adds personal finance as an elective in fourth through eighth grades and requires a personal finance course to be taken in high school as either a mathematics course or an elective.

SOURCES OF INFORMATION

- LESC Files

JKH/tb/de/cf/msb/jkh/cf