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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 2nd Session, 2024

Bill Number	<u>SB193</u>	Sponsor	<u>Stewart</u>
Tracking Number	<u>.227391.2</u>	Committee Referrals	<u>SCC/SEC/SFC</u>
Short Title	<u>Reading Materials Fund</u>		
Analyst	<u>Hathaway</u>	Original Date	<u>1/26/2024</u>
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BILL SUMMARY

Synopsis of Bill

Senate Bill 193 (SB193) makes a transfer of \$12.5 million to an existing reading materials fund.

FISCAL IMPACT

The bill transfers \$12.5 million from the general fund to the reading materials fund. The reading materials fund is already established as a nonreverting fund in state law and consists of appropriations, gifts, grants, and donations. Money in the fund shall not revert to any other fund at the end of a fiscal year.

SUBSTANTIVE ISSUES

Reading Materials Fund. Section 22-15-8.2 NMSA 1978 establishes the reading materials fund in state law. The fund is administered by the Public Education Department (PED) and consists of appropriations, gifts, grants, and donations. Money in the fund shall not revert to any other fund at the end of a fiscal year. During the 2023 legislative session, Laws 2023, Chapter 165 (House Bill 481) was passed, which amended the reading materials fund in existing law to clarify uses of the fund aligned with New Mexico's transition to structured literacy programming.

After changes made by Laws 2023, Chapter 165, money in the fund is appropriated to PED to assist public schools that want to change their elementary literacy materials from the current adoption. For distributions from the fund, a school district must use a scientific research-based core comprehensive, intervention, or supplementary reading program aligned with explicit, systematic, diagnostic, cumulative instruction in phonological and phonemic awareness, phonics, syllable types, morphology, semantics, and syntax. School districts must also select no more than two comprehensive published core reading programs and the school district must already have an established literacy professional development plan that includes a detailed framework for structured literacy training and ongoing support in the effective use of the selected instructional materials. The fund will also only allow money dispersed from the fund to be used for:

- 1) Core materials that are on the New Mexico kindergarten through eighth grade English language arts, Spanish language arts, English language development and world languages instructional materials adopted list and have received structured literacy recognition from the department; or
- 2) Intervention or supplemental materials that are on the advisory list of instructional programming created by the Colorado department of education or meet the criteria of the New Mexico structured literacy instructional review rubric.

School districts and charter schools also have access to instructional materials funding, including for literacy materials, through the state equalization guarantee (SEG). However, the distinction between instructional materials funding in the SEG and the reading materials fund is that funding from the reading materials fund requires alignment with PED’s high quality instructional materials list and further aligns instructional materials with the state’s structured literacy approach.

Structured Literacy and the Science of Reading. In 2019, New Mexico passed a state law (Laws 2019, Chapter 256), requiring several changes in how the state provides literacy instruction. This included universal dyslexia screening for first-grade students, early interventions for students displaying characteristics of dyslexia, and expansion of professional learning by requiring school districts to develop and implement a literacy professional development plan to implement structured literacy training for all elementary school teachers.

As noted in PED’s [Statewide Literacy Framework](#), New Mexico is on a strategic path to ensure all literacy instruction is evidence-based and aligned with a structured literacy approach. Structured literacy is an umbrella term coined by the International Dyslexia Association in 2016 to describe a science-based, explicit, systematic, and cumulative approach to reading and writing instruction.

At the beginning of the 2020-2021 school year, PED launched a statewide literacy initiative: Structured Literacy New Mexico aligned with legislative changes and national research on what works for literacy instruction. Since the transition to this initiative for literacy instruction, the Legislature has allocated \$60.4 million in funding to support structured literacy in FY21 to FY24. The 2023 General Appropriation Act allocated a total of \$21.5 million for early literacy and reading support (with \$8 million of this flowing directly to school districts and charter schools through the state equalization guarantee, also known as the SEG, the state’s public school funding formula).

ADMINISTRATIVE IMPLICATIONS

When the reading materials fund was updated during the 2023 legislative session, PED noted at the time that the Legislature had not made an appropriation to the reading materials fund in at least 10 years. PED noted in 2023 that appropriations to the reading materials fund may create some complications, restrictions, and administrative responsibility to schools’ monitoring and reporting on those expenditures as part of the instructional material annual report that districts and charter schools submit to the Instructional Material Bureau of PED.

However, PED also noted additional funds to specifically support instructional materials for explicit (structured literacy-based) reading instruction would benefit literacy achievement across the state and would allow for flexibility in the purchase of materials that support all the language arts standards (reading, listening, speaking, and writing) and the explicit teaching of reading through a structured literacy approach based in the science of reading. This allows school districts and charter schools to best customize their reading instruction at the local level.

SOURCES OF INFORMATION

- LESC Files

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