HOUSE BILL 135

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

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AN ACT

RELATING TO PUBLIC SCHOOL FINANCE; CREATING AN OPPORTUNITY AND

EQUITY INDEX TO MORE ACCURATELY REFLECT THE AT-RISK POPULATION

OF A PUBLIC SCHOOL; DETERMINING AT-RISK PROGRAM UNITS AT THE

PUBLIC SCHOOL LEVEL AND REQUIRING THAT GENERATED FUNDING BE

DISTRIBUTED TO EACH PUBLIC SCHOOL THAT GENERATED THE FUNDING;

MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-8-23.3 NMSA 1978 (being Laws 1997,

Chapter 40, Section 7, as amended) is amended to read:

"22-8-23.3. AT-RISK PROGRAM UNITS--<u>OPPORTUNITY AND EQUITY</u>

<u>INDEX</u>.--

[A. A school district is eligible for additional

program units if it establishes within its department-approved

educational plan identified services to assist students to

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reach their full academic potential. A school district

receiving additional at-risk program units shall include a

report of specified services implemented to improve the

academic success of at-risk students. The report shall

identify the ways in which the school district and individual

public schools use funding generated through the at-risk index

and the intended outcomes. For purposes of this section, "at-

risk student" means a student who meets the criteria to be

included in the calculation of the three-year average total

rate in Subsection B of this section. The number of additional

units to which a school district is entitled under this section

is computed in the following manner:

At-Risk Index x MEM = Units

where MEM is equal to the total district membership, including

early childhood education, full-time-equivalent membership and

special education membership and where the at-risk index is

calculated in the following manner:

Three-Year Average Total Rate x 0.30 = At-Risk

Index.]

A. Each public school shall be eligible for

additional at-risk program units to be administered through the

school districts in which they are located, unless they are

state-chartered charter schools, in which case the additional

units shall be allocated to and administered solely by the

charter school.

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B. Each public school receiving additional at-risk program units shall include a report of specified services implemented to improve the academic success of at-risk students. The report shall identify the ways in which each public school used funding generated through the at-risk index and the intended outcomes.

C. A school district that passes the money through to each public school shall oversee fund administration to public schools under its jurisdiction and reporting for which the school district may withhold an administrative reserve in an amount not to exceed two percent of money received for purposes of administration and an amount not to exceed three percent of money received to establish a reserve for addressing emergency actions required for significantly underperforming public schools that received at-risk funding.

D. For purposes of this section, "at-risk student" means a student who meets the criteria to be included in the calculation as specified in Subsection G of this section.

E. The number of additional units to be allocated to each public school under this section is:

At-Risk Units = (Three-Year Averaged

Opportunity and Equity Index) x MEM

where MEM is equal to the total public school membership, including early childhood education, full-time-equivalent membership and special education membership. The three-year

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averaged opportunity and equity index is determined as shown in
Subsection H of this section.

F. The sum of the index x MEM for all public
schools shall equal the total at-risk funding available for
distribution in any given year.

[B.] G. To calculate the [three-year average total
rate] input demographic elements for each public school that
are required to calculate the opportunity and equity index, the
department shall compute [a] three-year [average of the school
district's] averages for specified demographic elements to
include:

(1) the measure the department uses for each
public school's percentage of membership [used to determine its
Title 1 allocation, a three-year average of] considered to be
economically disadvantaged;

(2) the percentage of membership classified as
English language learners using criteria established by the
office for civil rights of the United States department of
education [and a three-year average of];

(3) the percentage of student mobility [The
department shall then add the three-year average rates. The
number obtained from this calculation is the three-year average
total rate];

(4) the percentage of students classified as
students with disabilities in accordance with Part B of the

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underscored material = new
[bracketed material] = delete

federal Individuals with Disabilities Education Act and

reported through the state equalization guarantee distribution;

and

      (5) the combined percentages of those

demographic subgroups classified as minorities to include

Native American, Hispanic, African Americans and Pacific

Islanders, and any other similar subgroup whose end-of-year

state summative test performance indicates significantly lower

proficiency than Caucasian and Asian students.

    H. To calculate the opportunity and equity index

using a canonical correlation routine, the department shall:

      (1) use the demographic elements (input

variables) described in Subsection G of this section as the

input variables to the canonical correlation with these inputs

being the three-year average of the fraction of each public

school's student population qualifying in the respective

demographic population groups;

      (2) pair each public school's demographic

elements with the overall public schools' proficiency

percentages for end-of-year state testing in English language

arts, mathematics and science averaged over the same three

years for each school (output variables);

      (3) perform the canonical correlation

operation using the input and output variables as provided in

Paragraphs (1) and (2) of this subsection to obtain the

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optimized correlation for all public schools between the public

schools' demographic elements and students' end-of-year

performance; and

(4)   calculate the opportunity and equity index

using the sum of the weighted demographic element inputs as

calculated by the canonical correlation routine for all public

schools. The correlation results in a canonical input vector

of weighted demographics (U) and a canonical output vector of

weighted performance values (V). The input vector (U) will

have values for each public school, and these become the

opportunity and equity index values after they are subtracted

from 1.0 and then linearly scaled to 1.0 for the maximum value

(the highest at-risk school) to the minimum (for the lowest

at-risk school). Each public school will now have a scaled

opportunity and equity index value proportional to the degree

of its demographically correlated at-risk level.

[C.] I. The department shall recalculate the [at

risk] opportunity and equity index for each public school

[district] every year. If there are no uninterrupted

longitudinal end-of-year summative test scores, then for the

first year of the opportunity and equity index calculation, the

last available three-year input and output variables averages

shall be used. If there has been a gap of more than two years,

then the newest one-year input and output variables shall be

used with subsequent two-year and then three-year averaging of

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input and output variables.

[D.] J. For purposes of this section, "services"
means research-based or evidence-based social, emotional or
academic interventions, such as:

(1) case management, tutoring, reading
interventions and after-school programs that are delivered by
social workers, counselors, teachers or other professional
staff;

(2) culturally relevant professional and
curriculum development, including those necessary to support
language acquisition, bilingual and multicultural education;

(3) additional compensation strategies for
high-need schools;

(4) whole school interventions, including
school-based health centers and community schools;

(5) educational programming intended to
improve career and college readiness of at-risk students,
including dual or concurrent enrollment, career and technical
education, guidance counseling services and coordination with
post-secondary institutions; and

(6) services to engage and support parents and
families in the education of students.

K. No public school's funding shall change because
of increased performance. Only a change in the opportunity and
equity index, MEM or statutorily determined money allocation

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can cause funding changes.

L. Additional funding shall be allocated to the department for the creation of the canonical correlation program, any restructuring of input data required for the canonical correlation and incidental expenditures required to implement the opportunity and equity index."

SECTION 2. APPROPRIATION.--One hundred thousand dollars ($100,000) is appropriated from the general fund to the public education department for expenditure in fiscal year 2022 to develop and implement the opportunity and equity index in the 2022-2023 school year. Any unexpended or unencumbered balance remaining at the end of fiscal year 2022 shall revert to the general fund.

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