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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 2/26/01 HB 74/aHAFC
 SHORT TITLE: Improve Students' Reading Proficiencies SB _____
 ANALYST: Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

Relates to: HB 24, HB 33, HB 82, HJM-5, SB 34, SB 138, SB 307

SOURCES OF INFORMATION

LFC Files
 Legislative Education Study Committee (LESC)
LESC Report to the First Session of the 45th Legislature

SUMMARY

Synopsis of the HAFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 74 strikes the original bill's \$1.0 million appropriation to the public school reading proficiency fund. There is no longer an appropriation contained in this bill.

Synopsis of Original Bill

House Bill 74 appropriates \$1.0 million to the public school reading proficiency fund for FY02 and subsequent fiscal years, to continue the statewide reading initiative to improve student reading proficiencies.

PERFORMANCE IMPLICATIONS

House Bill 74 adds new language which requires schools receiving grant funds to prove that they are using quality, research based reading programs and for the SDE to develop criteria for schools to establish an individualized reading plan for students who fail to meet grade level reading proficiency standards.

FISCAL IMPLICATIONS

The HAFC amendment to House Bill 74 removes the \$1.0 million appropriation contained in the original bill, therefore this bill no longer has a fiscal impact to the general fund.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

The following bills relate to improving reading and literacy programs in New Mexico:

House Bill 24 - Statewide Early Childhood Programs

House Bill 33 - Even Start Family Literacy Program

Senate Bill - 138 - Requires reading proficiency by end of third grade to be promoted to fourth grade

Senate Bill - 34 Intensive summer education program

HJM-5 Monitor Statewide Reading Initiative

Related appropriations in **Senate Bill 307** and **House Bill 82** - Section 7 of these bills makes STUDENT IMPROVEMENT APPROPRIATIONS.--The following amount is appropriated from the general fund to the state department of public education for expenditure in fiscal year 2002:

A. four million sixty-three thousand three hundred dollars (\$4,063,300) to pay teachers to teach intensive summer education programs for students in need of assistance.

OTHER SUBSTANTIVE ISSUES

The 2000 Legislature passed a reading initiative and created the public school reading proficiency fund. The Legislature also appropriated \$1.0 million to the fund which was then allocated by the State Department of Education (SDE) to school districts in the form of New Mexico Reading Improvement Initiative grants. Fourteen school districts received funding under this program. The SDE awarded such grants on a competitive basis, with preference given to school districts with more than 50% of students living in poverty.

The LFC and the LESC recommended that \$1.0 million be appropriated to continue this program.

LG/njw