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FISCAL IMPACT REPORT

ORIGINAL DATE 2/20/09

SPONSOR Maestas LAST UPDATED _____ HB 514

SHORT TITLE Bernalillo Stay In School Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 513 appropriates \$100.0 thousand from the general fund to the Department of Finance and Administration, Local Government Division, for a program that is a comprehensive dropout prevention program designed to provide at risk youth employability and life skills training, tutoring and homework assistance and after school work experience opportunities in Bernalillo County.

FISCAL IMPLICATIONS

The appropriation of \$100.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

The Ped states:

The goals of the Governor's Dropout and Truancy Prevention Initiative are to decrease truancy and dropout and increase student attendance. In order for students to achieve in schools they must first be present. In addition, the underlying issues for dropout and truancy are oftentimes associated with social, family and health barriers that prevent students from achieving. These barriers do contribute to the disparities seen in NM's diverse cultures that contribute to the achievement gap. Dropout and truancy prevention programs provide supports to students, schools and families to increase academic success and close the achievement gap for all students.

According to the 2006/2007 New Mexico Student Dropout Report, the Albuquerque Public Schools in Bernalillo County reported 3,253 dropouts out of the total student enrollment of 42,755, for a dropout rate of 7.6%. The NM student dropout rate is 4.4% (New Mexico Student Dropout Report).

According to the DOH:

Truancy is an early indicator for difficulties in school and that a young person may be likely to engage in risky behaviors. In 2007-08, the percentage of habitually truant students was 9.5% for middle school and 20.2% for high school. Reducing the percentage of children who are truant is a goal of the NM Children's Cabinet. Youth advocates, corrections entities, and community-based dropout and truancy prevention strategies brought down habitual truancy in high school from 27.7% in 2007 to 20.2% in 2008. Middle school habitual trancies dropped from 16.7% to 9.5%. Elementary school truancy slightly increased from 10.4% to 11.1%. (2009 NM Children's Cabinet Report Card and Budget Report)

The Albuquerque Public Schools dropout rate was 7.6%, the third highest in the state accounting for more than 3,000 student and about half of the students who dropout statewide. On average, New Mexico's dropout rates mirror those of the nation; however, there is significant disparity for racial and ethnic groups among students who drop out. According to Albuquerque Public Schools data, the dropout rate is higher for Black (22.0%), Hispanic (25.1%), and American Indian (36.1) as compared to Anglo (13.6%) and Asian (10.3%) students. In Albuquerque Public Schools, drop out rates are higher in areas with concentrations of poverty, among charter and alternative schools who serve students who may be more at-risk.

GH/mt