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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/13

SPONSOR Stewart LAST UPDATED _____ HB 290

SHORT TITLE K-3 Plus Program School Buses SB _____

ANALYST Gudgel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 290 (HB 290) amends the Public School Code to allow school districts to use their annual allocation of transportation funding to transport students to and from approved Kindergarten-Three-Plus programs.

FISCAL IMPLICATIONS

This bill expands the use of transportation funding to transport students to and from approved Kindergarten-Three-Plus (K-3 Plus) programs.

PED Analysis Indicates

Currently, districts and charter schools with PED-approved K-3 Plus Programs provide student transportation during the K-3 Plus Program using K-3 Plus funding provided by PED. For FY 2012-2013, \$11,000,000 was provided as the legislative appropriation for K-3 Plus. The funding amount provided to districts and charter schools for the 2011-12 summer program was \$1,176.44 per K-3 Plus Program student to cover costs for teachers, administrator, support staff, instructional materials, meals, attendance incentives, and transportation. In 2011-12, 7,163 students were served in K-3 Plus programs.

In FY 2011-2012, a total of \$101,321.33 was expended by seven districts on K-3 Plus student transportation costs. The remaining 13 districts and 1 charter did not provide transportation for the K-3 Plus students. The availability of public school fund transportation budget for K-3 Plus Program student transportation as provided in HB 290 could potentially cause more districts and charter schools to provide transportation for their K-3 Plus students. It is also possible that more districts and charter schools may apply for 2013-2014 in addition to the current 20 districts and 1 charter school offering the program.

SIGNIFICANT ISSUES

The PED notes that the public school fund transportation final budgets are calculated by PED using 40th day ridership count pursuant to 22-8-29, NMSA 1978. HB 290 allows districts and charters to use the public school transportation budgets for the purpose of K-3 Plus student transportation but the K-3 Plus students would not be reflected in the 40-day count and therefore districts would not receive additional funding for those students.

Allowing districts to use their transportation funding to transport K-3 Plus students, freeing up K-3 Plus funding could potentially result in higher student participation, expanding access to the program.

TECHNICAL ISSUES

The PED notes that the proposed changes within this bill are being reflected in section 22-16-4, NMSA 1978 that deals with exceptions to the walking distances for providing to-and-from transportation. The department believes the changes should be moved to Section 22-8-26 NMSA 1978 which specifies which students are eligible riders for transportation distributions. However, including K-3 Plus students in Section 22-8-26 would change the calculation of the transportation distribution by including these students as eligible riders.

RSG/svb