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FISCAL IMPACT REPORT

SPONSOR:	Taylor, JG	DATE TYPED:	02/20/01	HB	530
SHORT TITLE	Establish Dropout Pre	evention Programs	3	SB	
			ANALY	YST:	Gilbert

APPROPRIATION

	Appropriation Contained			Estimated Add	litional Impact	Recurring or Non-Rec	Fund Affected
F	FY01		FY02	FY01 FY02			
\$	750	.0				Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to: House Bills 19, 82, 398, and Senate Bills 4, 31, 307, 312, 483, 505.

SOURCES OF INFORMATION

LFC Files

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

House Bill 530 appropriates \$750.0 from the general fund to the State Department of Education (SDE) to establish high school dropout prevention programs in Bernalillo, Sandoval, and Valencia counties, and contains an emergency clause.

Significant Issues

The appropriation in this bill would allow the SDE to contract with a private nonprofit organization to establish dropout prevention programs for at-risk students.

FISCAL IMPLICATIONS

The appropriation of \$750.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY02 shall revert to the general fund. This bill contains an emergency clause.

ADMINISTRATIVE IMPACT

House Bill 530 -- Page 2

Implementation of this bill would require the SDE to develop a contract with an appropriate private nonprofit organization for the establishment of dropout prevention programs to target at risk students.

RELATIONSHIP

Senate Bill 312 and House Bill 398 require the SDE to establish a "dropout prevention pilot program" at ten public high schools with the highest dropout rates.

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

According to the SDE, the overall dropout rate for New Mexico declined from 8.7% in 1994-95 to 7.1% in 1997-98. However, in some school districts, and in some schools within districts, the dropout rate increased.

Information for the three counties targeted in this bill are outlined below:

District	1994-95 Dropout Rate	1997-98 Dropout Rate		
Bernalillo County				
Albuquerque Public Schools	12.2%	8.8%		
Valencia County				
Los Lunas	2.6%	8.8%		
Belen	3.9%	13.7%		
Sandoval County				
Bernalillo	8.1%	10.8%		
Rio Rancho	N/A	4.5%		
Cuba	19.8%	5.8%		
Jemez Valley	1.9%	14.4%		
Jemez Mountain	2.2%	.7%		

LG/ar