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FISCAL IMPACT REPORT

SPONSOR: Martinez DATE TYPED: 2/06/03 HB 104

SHORT TITLE: Dropout Prevention Pilot Program SB

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$246.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

House Bill 104 appropriates \$246.0 to the State Department of Education from the general fund for a pilot dropout prevention program at the ten New Mexico public high schools with the highest dropout rate by installing a telephone in every classroom so teachers may contact the parents or guardians of students not in attendance.

Significant Issues

This bill requires that every high school teacher participating in the pilot project have a telephone installed in the classroom that can be used to contact parents when a student fail to attend class or perform the schoolwork required. The bill also requires that parents provide both a home and work number so they may be contacted. Experience and research show that parental involvement in a student's academic endeavors is a significant factor in whether a student succeeds and, sometimes, whether a student remains in school.

New Mexico public high schools continue to work on reducing the dropout rates at all grade levels. The problem continues, however, even though the SDE reports the dropout rate has fallen

from statewide average of 10.4 percent in the 1988-89 school year to 5.3 percent in school year 2000-01. The data compiled by SDE reveals that students from culturally and/or linguistically different groups continue to have the highest dropout rate.

DROPOUT RATES BY GROUP,		
SY 2000-01		
GROUP	NUMBER	PERCENT
ANGLO	1,289	3.6
HISPANIC	2,993	6.7
NATIVE AMERICAN	657	5.9
BLACK	111	5.2
ASIAN	27	2.4
OTHER	18	3.0
STATEWIDE	5,095	5.3

FISCAL IMPLICATIONS

The appropriation of \$246.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The SDE reports this bill will increase oversight and accountability responsibilities. In addition, the western part of the state has multiple telephone companies and will require multiple contracts for providing services.

OTHER SUBSTANTIVE ISSUES

The bill provides funds for installation of the telephones, but no funds are appropriated for the additional service charges that accrue from the projected use of the telephones.

AMENDMENTS

For purposes of clarification, the SDE suggests the sponsor consider amending the bill on page 1, line 25, Section C to read:

The Department of Education shall contract with an external agency to install telephones in every classroom in each of the ten public high schools described in Subsection A of the section.”

POSSIBLE QUESTIONS

1. Has any estimated the cost of on-going services for this project?
2. Will school district be able to afford the additional costs?

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3. Won't the presence a telephone in the classroom become a distraction?
4. When are teacher supposed to call parents?
5. This sounds like a great idea, but have we considered all costs associated with the project?

LB/sb