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FISCAL IMPACT REPORT

SPONSOR: Taylor, J.P. DATE TYPED: 2/6/03 HB 121

SHORT TITLE: Alternative Schools Program Units. SB _____

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$8,100.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 10, HB 169, SB 17, SB 216 and SB 231

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 121 amends the Public School Finance Act, appropriates \$8,100.0 from the general fund to the SDE and allows alternative schools approved by the SDE to be eligible for size adjustment units.

The bill is submitted for the Legislative Education Study Committee.

Significant Issues

HB 121 would allow SDE-approved alternative schools with a MEM (membership) of less than 400 to generate Elementary-Junior High Size Units and Senior High Size Units. Alternative schools within a school would not be eligible for size adjustment units.

The SDE defined MEM as “the school membership including early childhood education full-time-equivalent membership, but excluding membership in class C and D programs and excluding full-time-equivalent membership in three-year and four-year-old developmentally disabled programs.”

FISCAL IMPLICATIONS

The appropriation of \$8,100.0 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. The SDE reports this amount is sufficient to cover the anticipated costs and is slightly higher the SDE- projected cost of \$7,854.5.

RELATIONSHIP

HB 121 relates to:

HB 10, Program Cost Calculation, T & E Index, which changes a factor in the funding formula currently used as a multiplier and to be used as an add-on factor.

HB 169 Enrollment Growth Program Units, SB 17, Enrollment Growth Program Units, SB 231, Enrollment Growth Program Units Calculation, which propose a change in how enrollment growth is recognized in the public schools funding formula.

OTHER SUBSTANTIVE ISSUES

An SDE study prepared for this bill shows that 25 alternative schools will benefit from the provisions of the bill.

POSSIBLE QUESTIONS

1. Why aren't alternative schools not now receiving size adjustment funds?
2. Will enacting bill encourage more school districts to create more alternative schools?
3. What is the dropout rate for alternative schools?
4. Will passing this bill help reduce the dropout rate?

LRB/njw

THE TABLE SHOWN BELOW WAS PREPARED BY DR. K.F. FORRER OF THE SDE.

PROGRAM COST GENERATED BY ALTERNATIVE SCHOOLS
 IF ALTERNATIVE SCHOOLS WERE ELIGIBLE FOR SIZE ADJUSTMENT
 BASED ON 2002-2003 40 DAY MEMBERSHIP AND THE 2002-2003 UNIT VALUE

DISTRICT	SCHOOL	SIZE MEMBERSHIP*	UNITS GENERATED	PROGRAM COST AT \$2,889.89
ALAMOGORDO	ACADEMY DEL SOL ALT.	159	153.276	\$442,951
ALBUQUERQUE	ALBUQUERQUE EVENING	193	159.804	\$461,816
ALBUQUERQUE	CAREER ENRICHMENT	26	45.240	\$130,739
ALBUQUERQUE	FREEDOM HIGH	225	157.500	\$455,158
ALBUQUERQUE	NEW FUTURES SCHOOL	280	134.400	\$388,401
ALBUQUERQUE	SCHOOL ON WHEELS	217	158.844	\$459,042
ALBUQUERQUE	SIERRA ALTERNATIVE	66	88.440	\$255,582
ALBUQUERQUE	STRONGHURST ALT SCH	46	70.840	\$204,720
ALBUQUERQUE	VISION QUEST ALT. MIDDLE	66	44.220	\$127,791
AZTEC	VISTA NUEVA ALT. HS	41	65.190	\$188,392
BELEN	BELEN ALTERNATIVE	28	48.160	\$139,177
BLOOMFIELD	CHARLIE Y. BROWN	41	65.190	\$188,392
CENTRAL CONS.	CAREER PREP HS	146	148.336	\$428,675
FARMINGTON	ROCINANTE HIGH SCHL	275	137.500	\$397,360
GALLUP	GALLUP CENTRAL HIGH	335	87.100	\$251,709
HATCH	ACE ALT. COMPLEX	46	70.840	\$204,720
HOBBS	ALTERNATIVE HIGH	100	120.000	\$346,787
LAS CRUCES	SAN ANDRES HIGH	227	157.084	\$453,955
LOS LUNAS	CENTURY HIGH SCHOOL	96	116.736	\$337,354
LOVINGTON	NEW HOPE ALTERNATIVE HIGH	57	81.510	\$235,555
PORTALES	BROAD HORIZONS ALT	100	120.000	\$346,787
RIO RANCHO	RIO RANCHO ALT. SCHOOL	294	124.656	\$360,242
ROSWELL	UNIVERSITY HIGH	231	156.156	\$451,274
SANTA FE	CAREER ACADEMY	174	157.296	\$454,568
TRUTH OR CONS.	GERONIMO TRAILS ALT.	29	49.590	\$143,310
TOTAL		3,498	2,717.908	\$7,854,455

*Membership for size adjustment does not include students receiving C- or D-level special education services.