NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR: <u>T</u>	Caylor, J.P.	DATE TYPED:	2/20/03	HB	HJM 63
SHORT TITLE: Study Adult Basic Education Fund formula				SB	
	ANALYS				L. Baca

#### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: <u>HB 468, Expand Adult Literacy Services</u> <u>SB 138, Family Literacy Program</u> <u>SB 352, Expand Adult and Family Literacy</u>

### SOURCES OF INFORMATION

Responses Received From

State Department of Education (SDE)

### SUMMARY

#### Synopsis of Bill

House Joint Memorial requests that the State Board of Education (SBE) create a task force to study the Adult Basic Education Fund (ABE) Formula and determine its adequacy and, if necessary, establish a new formula; and to report the results to the Legislative Education Study Committee (LESC) by November 2003.

#### Significant Issues

HJM 63 requests that the task force be comprised of:

- adult basic education providers;
- student organizations, including general equivalency diploma candidates, English language learners and literacy learners';
- the Commission on Higher Education (CHE);

## House Joint Memorial 63 -- Page 2

- the Departments of Finance, Labor, Economic Development and Human Services;
- literacy experts;
- regional workforce investment boards;
- the New Mexico Association of Community colleges;
- New Mexico works providers;
- the New Mexico Office of Indian Affairs; and
- the State Department of Public Education.

# FISCAL IMPLICATIONS

SDE staff will provide support services to the task force and, presumably, will incur the costs associated with carrying out the request, e.g., supplies, mileage and per diem for non-public employee members, and dissemination of information costs.

# ADMINISTRATIVE IMPLICATIONS

The SDE indicates its staff will have added responsibilities to support and facilitate a large task force over a short period of time.

## **OTHER SUBSTANTIVE ISSUES**

SDE reports that, currently, there is some inequity in the distribution of ABE funds. Non-profit organization and non-academic Native Nation organizations that offer ABE services are excluded from the formula. Funds may be distributed only to secondary and postsecondary schools that offer ABE programs, and, as new programs are added, the competition for the limited resources is intensified.

RS/njw