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## FISCAL IMPACT REPORT

SPONSOR Heaton DATE TYPED 1/30/04 HB 120

SHORT TITLE “Student” In Teacher Loan For Service Act SB \_\_\_\_\_

ANALYST Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	NFI				

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to SB 147  
Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
New Mexico Public Education Department (PED)  
Commission on Higher Education (CHE)

SUBMITTED FOR THE LESC

### SUMMARY

#### Synopsis of Bill

House Bill 120 amends the Teacher Loan for Service Act to include high school and community college students who sign an agreement declaring their intent to serve as a public school teacher in a designated teacher shortage area in New Mexico through a career pathway program.

#### Significant Issues

A significant issue revolves around the availability of funding to allow grants to all who have applied pursuant to the requirements of the Act. The PED and CHE report that current funding enables the CHE to fund only 70% of applicants who had either enrolled in, or been accept to, a teacher preparation program.

## **FISCAL IMPLICATIONS**

The bill does not carry on appropriation and, therefore, has no immediate impact on the general fund. CHE and the PED report current funding is insufficient for the identified need. The program's success may well depend on the program being fully funded.

## **ADMINISTRATIVE IMPLICATIONS**

In its analysis, the CHE points out the bill does not address three significant issues:

- How students will provide the service component if they are not accepted into the teacher preparation program,
- Or if they decide not to declare education as their major, and
- How graduates will fulfill the service component of their repayment if a position in their teaching field is unavailable in New Mexico.

## **AMENDMENTS**

The following language is suggested for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond FY05):

“The institution receiving the appropriation in this bill shall submit a program evaluation to the Legislative Finance Committee, the Public Education Department and the Commission on Higher Education by August 2007 detailing the benefits to the State of New Mexico from having implemented this program over a three period.”

## **POSSIBLE QUESTIONS**

1. Does the CHE have a process to monitor the enrollment and declared majors of students participating in this program?
2. How many students are currently participating in the program?
3. Have any students completed degree work pursuant to the provisions of the program?

**LB/lg:dm**