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FISCAL IMPACT REPORT

SPONSOR Aragon DATE TYPED 2/8/04 HB _____

SHORT TITLE Dropout Prevention & Leadership Programs SB 265

ANALYST Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
\$1,381.9				Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to HB 199 & SB 185
 Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
 New Mexico Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 265 appropriates \$1,381,875 to the PED from the general fund for expenditure in FY04 and FY05 to support a dropout prevention, leadership development and family education program that also provides professional teacher training, development of academic and culturally based language arts and social science curricula for at-risk Hispanic teenagers and family orientation goal planning initiatives.

The bill declares an emergency.

Significant Issues

As cited by the PED, the need for dropout prevention programs is substantiated by the following data:

- The national dropout rate for students in grades 9-12 is 4.8%
- New Mexico's dropout rate for grades 9-12 is 5.3%

- New Mexico's dropout rate for Hispanics is 6.7% (highest of all ethnic groups)

Data from the National Center for Education Statistics indicate that families with an income in the lowest 20% of family incomes were six times more likely than peers in the highest 20% of family incomes to drop out of school. And, information reported in the Annie E. Casey Foundation **Kids Count Data Book 2003**, New Mexico ranks 35th among the 50 states on the following indicators: percent of teens who are high-school dropouts and percent of teens not attending school and not working. Education has always played a role in determining Americans' economic and occupational success. The Department of Health cites an Annie E. Casey Foundation Kids Count Indicator Brief, *Reducing the High School Drop-out Rate*, July 2003 that outlines broad strategies for decreasing high school dropout rates. These include: strengthening the skills and understanding of adults who affect teens' motivation and ability to stay in school; strengthening students' understanding of the connection between education and job opportunities; promoting awareness of the links between staying in school and the resources available to family and community; providing on-going staff development to teachers who work with at-risk youths; supporting school-to-work programs.

FISCAL IMPLICATIONS

The appropriation of \$1,381,875 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

OTHER SUBSTANTIVE ISSUES

The PED reports it has a joint powers agreement with the Department of Health to fund and administer a pilot dropout prevention program called PASS, Positive Assistance for Student Success.

LB/yr:lg