

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/06

SPONSOR Varela LAST UPDATED \_\_\_\_\_ HB 328

SHORT TITLE English as a Second Language Programming SB \_\_\_\_\_

ANALYST Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$1,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB 54  
Related to SB 52

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Human Services Department (HSD)  
Public Education Department (PED)  
Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

House Bill 328 appropriates \$1,000,000 from the general fund to the Higher Education Department for expenditure in fiscal year 2007 to provide more English as a Second Language (ESL) programming.

### FISCAL IMPLICATIONS

The appropriation of \$1,000,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

According to the Human Services Department, these general fund dollars may be credited toward the TANF Maintenance of effort (MOE) requirement for funds spent to serve TANF eligible (100% of poverty) families. English as a Second Language (ESL) programs are considered TANF non-assistance by definition; it would be advantageous to credit this as TANF MOE.

**SIGNIFICANT ISSUES**

The Executive budget recommendation included \$400,000 from the general fund for Adult Basic Education (ABE) to replace federal Temporary Assistance to Needy Families (TANF) funding that was discontinued in fiscal year 2006. The LFC budget recommendation did not include any line-item funding for this purpose.

If the legislature wishes to adopt this bill and obtain any available matching federal funds, the Human Services Department recommends that the bill be amended to add language about TANF MOE certification. The department also recommends amending the bill to clarify that this is supplemental funding for ABE specific to ESL programming

**PERFORMANCE IMPLICATIONS**

The Higher Education Department states that the \$1 million appropriation will enable adult basic education programs to reach more students and provide more ESL instructional services. They claim that without this funding, HED will not be able to reach the following FY07 performance goals for students:

- 32% will earn educational level gains
- 75% will retain or improve employment
- 10% will earn a high school equivalency diploma (GED)

**DUPLICATION AND RELATIONSHIP**

This is a duplicate of Senate Bill 54.

Senate Bill 54 is related to Senate Bill 52, which appropriates \$500,000 to the Higher Education Department to for Adult Basic Education (ABE).

**OTHER SUBSTANTIVE ISSUES**

The Public Education Department notes that support for the English as a Second Language programs for adult learners may have a positive impact in closing the achievement gap between them and English Language Learners in the New Mexico public schools.

The Human Services Department notes that individuals who do not speak English have a significant barrier to meet employment goals in HSD work programs, including the TANF New Mexico Works Program.

CH/mt