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FISCAL IMPACT REPORT

ORIGINAL DATE 2/15/07

SPONSOR Madalena LAST UPDATED _____ HB 1023

SHORT TITLE Native American Tutoring Programs SB _____

ANALYST Guambaña

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

HB 1023 relates to SB 430.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)
Higher Education Department (HED)
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 1023 appropriates \$100,000 from the General Fund to HED for tutoring programs in reading for Native American adults.

FISCAL IMPLICATIONS

The appropriation of \$100,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 08 shall revert to the General Fund.

SIGNIFICANT ISSUES

HED states that ABE programs teach basic literacy skills, GED preparation, and English as a Second Language. They also help students transition to college, enter the workforce, and assist

their children to be successful in school. In FY06, 29 local ABE programs around the state served 21,637 students. Of these, 13% were Native American, 39% were 16-24 years old, and over 53% had literacy skills below the 8th grade.

HED comments that reading score performance of Native American students in New Mexico, as well as Alaska, Arizona and South Dakota, is lower than the national average. According to PED, 11% of New Mexico's public school enrollment is Native American. Statewide, these students scored lower in proficiency levels in reading, math, and science compared to all other ethnic groups in the standards based assessment. The high school drop out rate is estimated at 48% for Native Americans in New Mexico, and the college persistence rate is 2.5%.

HED additionally notes that more than 400,000 adults in New Mexico lack a high school diploma or do not speak English. There are over 500 students on waiting lists to enter local ABE programs. Several ABE programs are located in communities with high concentrations of Native Americans, and HED, IAD, and the New Mexico Coalition for Literacy assert that there are currently 14 tribal ABE programs in New Mexico.

PERFORMANCE IMPLICATIONS

HED notes that the ABE return on investment in FY06 was over \$5,000,000 in new and increased income and savings from public assistance reduction. PED maintains that this bill relates to their Department's performance measures regarding the percent of New Mexico high school graduates who take remedial courses in higher education at two- and four-year institutions.

RELATIONSHIP

House Bill 1023 relates to Senate Bill 430 which requests \$2,000,000 to expand ABE programs across the State, including English as a Second Language.

OTHER SUBSTANTIVE ISSUES

PED maintains that, at the Indian Education Summit in December of 2005, Governor Richardson stated that New Mexico must develop solutions in American Indian education. Toward that end, he committed to recommending a Lottery Success Scholarship/College Affordability Grant expansion to include students who attend tribal colleges, \$250,000 to propose solutions for teaching Native children, \$2,000,000 for Advanced Placement classes for Native American high school students, and \$2,500,000 in capital improvement projects.

AG/mt