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FISCAL IMPACT REPORT

ORIGINAL DATE 2/20/2007

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE Virtual High School Design and Curricula SB 971

ANALYST Schuss

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$6,000.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 971 appropriates \$6,000,000 from the general fund to the Public Education Department for the purpose of contracting with a non-profit organization for the design, development and implementation of a project based, story centered and learn-by-doing curricula. The curricula will be supported by real-time mentoring from career-field experts for delivery through a virtual high school for students in New Mexico.

FISCAL IMPLICATIONS

The appropriation of \$6,000,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

The LFC remains concerned with funding initiatives outside the funding formula as it tends to disqualify school funding and diverts funding away from core educational needs.

SIGNIFICANT ISSUES

The Request for Proposals (RFP) issued by PED will include provisions that require the curricula to:

- enhance career, critical thinking and communication skills necessary for college and career readiness;
- use simulated professional experiences that create realistic workplace situations, stimulating student interest in science and technology and encouraging studies in those fields;
- be available for local or remote participation for students mentored by teachers and professionals on a website controlled by the State of New Mexico;
- provide for professional development in mentoring methods and techniques for New Mexico teachers and career mentors.

Respondents to the RFP will assist the Legislative Education Study Committee (LESC) with developing a virtual high school for delivering the curricula to students.

According to PED, the alignment of New Mexico Standards, Benchmarks and Performance Standards to the curricula of the virtual school would be an essential requirement of this work. Some of the initial courses should meet graduation requirements other than elective courses.

The project focus will be to:

- Enhance career, critical thinking and communication skills and college readiness;
- Use simulated professional experiences to create a workplace situation;
- Assure local and remote participation by students teaming with teacher support; and
- Provide professional development and mentoring.

ADMINISTRATIVE IMPLICATIONS

According to HED, PED would be responsible for monitoring the development and functionality of the curricula as it is developed.

Once developed, it is unclear how these curricula will be made available to students, teachers and schools; via what technology; who the audience will be; and where they will be housed. The support mechanisms for students by teachers and mentors and how they will be paid is also undefined.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HED notes that SB209/HB201, SB78/HB62 and HB86 are related. SB209/HB201 create a statewide Cyber Academy, a collaborative program among PED, NMHED, telecommunications networks and representatives of other state agencies engaged in providing distance education.

The Senate Education Committee passed a substitution for SB78 which funds a statewide infrastructure for distance learning in New Mexico and funds for initial program costs for the statewide Cyber Academy, among other technology expenditures.

TECHNICAL ISSUES

PED lists the following technical issues:

It is not clear how the appropriation would support all of the components of the legislation or how to fully implement it within FY08 with any discernable data. There is no funding identified for equipment and infrastructure and no clear identification of how the phasing in allows for delivery of a full core curriculum nor the awarding of the high school diploma.

It is unclear how the core courses would be delivered or how the staffing of this program would be met. The budget for staffing is not identified. Also, it is uncertain what career-field mentors and their certifications are. Also not discussed are positions and salary structure, including administrative costs. A source of data collection, program integrity, student performance levels and service quality are not included.

OTHER SUBSTANTIVE ISSUES

PED notes that contracts with nonprofit organizations need to be established pursuant to the state's procurement code.

BS/csd