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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/08

SPONSOR Maestas LAST UPDATED _____ HB 459

SHORT TITLE Educational Training for GED's SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 311

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 459, Making an Appropriation to Provide Educational Training for Persons Attempting to Attain their General Education Development Certificate, appropriates \$100.0 thousand from the general fund to DFA for the purpose of educational training in Bernalillo County.

FISCAL IMPLICATIONS

The appropriation of \$100.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

SIGNIFICANT ISSUES

HED notes that 40% of ABE enrolled students were under 25 years of age in FY06-07. New Mexico is one of the lowest performing states in the percentage of young people earning a high school credential. About 18% of New Mexico adults do not have a high school diploma or its

equivalent. According to the 2000 census, 15.6% (55,858) of adults over age 25 are without a high school diploma in Bernalillo County.

Earning a high school diploma is one of the most effective ways to move into sustainable employment. The New Mexico Higher Education Department (NMHED) Adult Basic Education (ABE) Division oversees GED programs around New Mexico that help people transition to college, enter the workforce, and assist their children to be successful in school. ABE programs serve people 16 years and older whose skills are below a twelfth grade equivalent.

The NMHED ABE Division currently oversees five ABE programs offering GED services in Bernalillo County: Central New Mexico Community College, Catholic Charities, Ser de New Mexico, Southwestern Indian Polytechnic Institute, and the University of New Mexico-Los Alamos. These programs are accountable to NMHED which has instituted a new state-of-the-art database, state-level policies, and fiscal procedures. A statewide professional development plan has been approved by the U.S. Office of Vocational and Adult Education (OVAE) and is being implemented by the New Mexico Adult Education Association (NMAEA). NMAEA recently celebrated 40 years of service to the state.

ABE local programs have entered into partnerships with other agencies to enhance services offered. For example, the ENMU-Ruidoso ABE director is also the manager of that community one-stop center for workforce development. NMSU-Dona Ana Community College partners with public school Even Start programs to provide family literacy and educational opportunities to parents. By partnering with any local government division, the NMHED ABE Division can bring the existing accountability system and its best practices to the proposed program.

PERFORMANCE IMPLICATIONS

NMHED recommends that all GED programs not administered by public schools be monitored and receive oversight from the NMHED ABE Division. Being part of the existing statewide ABE system would assure quality control and accountability for GED services offered. Annual ABE performance measures are negotiated with and reported to OVAE at the U.S. Department of Education.

FISCAL IMPLICATIONS

NMHED recommends that any new funding for GED programs flow through the department. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

No specific administrative entity is mentioned in HB 459. NMHED successfully administers a state allocation and a federal grant to operate ABE and GED programs in New Mexico.

CONFLICT, DUPLICATION, COMPANIONSHIP OR RELATIONSHIP

HB 459 duplicates SB 311.

OTHER SUBSTANTIVE ISSUES

ABE programs currently serve only 5% of the eligible population that does not have a high school diploma or does not speak English well. Many ABE programs have up to 500 people waiting for services. Forty-five percent of programs have students waiting for 4-8 months. The NMHED ABE program continues to seek additional funding to address statewide needs.

ALTERNATIVES

An alternative to appropriating HB 459 funds to DFA would be to flow the funding through NMHED and to take advantage of the existing ABE accountability and professional development systems.

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