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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/02/10  
**LAST UPDATED** 02/04/10    **HB** \_\_\_\_\_

**SPONSOR**    Nava & Espinoza

**SHORT TITLE**    Dual Credit Textbook Fund    **SB** 114/aSEC

**ANALYST** Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation	Recurring or Non-Rec	Fund Affected
None		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to the Appropriation in the General Appropriation Act for dual credit instructional materials.

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		See narrative				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

### SUMMARY

#### Synopsis of SEC Amendment

The Senate Education Committee amendment to Senate Bill 114 changes the authority for administration of the “dual credit textbook fund” from the Instructional Materials Bureau to the higher organizational level of the Public Education Department.

#### Synopsis of Original Bill

Senate Bill 114 would create the nonreverting “dual credit textbook fund” in the state treasury. The fund would be administered by the Instructional Material Bureau of the Public Education Department, subject to appropriation by the legislature.

The bill would require the PED to promulgate a rule that would include the provisions for the allocation of appropriations to school districts, charter schools and state-supported schools.

## **FISCAL IMPLICATIONS**

Senate Bill 114 makes no appropriations. The figures in the appropriations table above simply reflect the new accounting for the appropriation should Senate Bill 114 pass.

If enacted, Senate Bill 114 would improve the accountability of the PED, school districts, charter schools and state-supported schools for their expenditures and participation in the dual-credit program.

The PED claims that if Senate Bill 114 is passed, the Instructional Materials Bureau would incur additional operating costs of approximately \$70,000. This cost is approximately 50% for pro-rated “review costs” and 50% for one-half of an FTE in the Instructional Materials Bureau.

Section 21-1-1.2 NMSA 1978 “Dual credit for high school and post-secondary classes” already requires the PED and HED to promulgate a rule that specifies which post-secondary classes are eligible for dual credit.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

## **SIGNIFICANT ISSUES**

The PED cites reports from the HED showing that the dual credit program increases in popularity each semester. The HED reports that for the school year 2008-09, in the first semester of 2008-09, 6,615 students took a total of 1,287 courses, while in the second semester, 7,086 students took a total of 1,420 courses.

## **PERFORMANCE IMPLICATIONS**

The PED cites data showing that by earning college credit in high school, students are more likely to both graduate from high school and participate in postsecondary education opportunities after high school (<http://www.nova.edu/ssss/QR/QR4-1/burns.html>)

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Senate Bill 114 creates a conflict with House Bill 90 (titled “Native American Schools Dual Credit Program”). As reported in the FIR for House Bill 90, “The Indian Affairs Department notes that if the state dual credit statute was amended to include dual credit eligibility for students attending Bureau of Indian Education (BIE) high schools in New Mexico, Senate Bill 114 would still preclude BIE schools from being eligible to receive state funds to provide textbooks and supplies to their students participating in dual credit programs.”

## **TECHNICAL ISSUES**

The Fiscal Impact Report submitted by the PED expresses an objection to the requirement that the Instructional Material Bureau administer the fund.