

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 215a

50th Legislature, 1st Session, 2011

Tracking Number: .183503.4

Short Title: Create Dual Credit Textbook Fund

Sponsor(s): Senators Mary Jane M. García, Cynthia Nava, and Lynda M. Lovejoy

Analyst: Ally Hudson

Date: March 15, 2011

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

AS AMENDED

The Senate Finance Committee amendment adds as a new section to SB 215 current provisions in law in order to strike the provisions that require:

- **a secondary school to pay the cost of the required textbooks and other course supplies for the postsecondary course in which the student is enrolled; and**
- **a student to return the textbooks and unused course supplies to the school district, charter school, state-supported school, or Bureau of Indian Education (BIE) high school when the student completes the course or withdraws from the course.**

Original Bill Summary:

Senate Bill 215 adds a new section to the *Public School Code* to create a non-reverting dual credit textbook fund in the State Treasury, to be administered by the Public Education Department (PED). The money in the fund will provide for reimbursements to public postsecondary educational bookstores for the cost of providing textbooks and course supplies for students participating in the Dual Credit Program.

Among its other provisions, SB 215:

- specifies that the term *textbook* includes other educational media as provided by PED rule;
- allows shipping and handling charges to be included in the cost of dual credit textbooks and course supplies;
- requires PED, in collaboration with the Higher Education Department (HED), to promulgate rules to establish procedures, including:
 - the schedule and amount of the reimbursements;
 - the assignment of ownership interests in, and the tracking of, inventory and possession of the textbooks; and
 - an accounting of the reimbursement to the bookstores; and
- requires PED and HED to make a report each year to the Governor and the Legislature on the status of the fund.

Fiscal Impact:

SB 215 does not contain an appropriation.

Fiscal Issues:

For FY 12, the public school support recommendations of the Legislative Education Study Committee (LESC), the Legislative Finance Committee (LFC), and the Executive, include an appropriation of \$812,300 for dual credit instructional materials; and for FY 11, the Legislature appropriated \$1.0 million to PED for dual credit textbooks and course supplies. After being sanded by 0.544 percent in the 2010 special session, and reduced by an additional 3.244 percent by the Executive in fall 2010, this amount was reduced to \$962,300.

Substantive Issues:

As one of its provisions, the dual credit legislation requires a secondary school – that is, a school district, a charter school, state-supported school, or a BIE high school – to provide the textbooks and course supplies for the school’s students participating in the dual credit program. To address this need, the LESC endorsed legislation in 2010 to create a fund specifically for this purpose and to appropriate \$1.0 million to this fund. Although the bill did not pass, an appropriation was included in the *General Appropriation Act of 2010*, as noted above.

According to the bill analysis from HED:

- The intent of SB 215 is to significantly reduce the administrative workload associated with textbook coordination and billing statewide. Currently, as explained in the PED bill analysis, “districts purchase dual credit textbooks through postsecondary bookstores. The bookstores then invoice districts for these textbooks. Districts then request reimbursement from the PED, and the PED reimburses the district.” SB 215 would remove a level of bureaucracy from this process.
- SB 215 would also allow the departments to explore the possibility of lower textbook costs as a result of textbook rental, alternative media options, and potential rebate options. Moreover, changes in procedure and rule “would allow for the state to participate in the resale and return of textbooks, thus creating a potential for savings. If textbooks were rented, the state would see approximately 50% in savings per textbook rental.”

Among other points, the PED analysis explains:

- high school redesign legislation (Laws 2007, Chapter 307 and Chapter 308) requires New Mexico high school students to take either a dual credit, distance learning, honors or Advanced Placement course as a graduation requirement;
- secondary schools anticipate that the FY 11 funding will not be sufficient to cover all textbook and course supplies related to the dual credit courses for which students are enrolled;
- billing for the final academic semester of the year is not complete until after the state fiscal year ends; therefore, it is important that the Dual Credit Textbook Fund be non-reverting; and

- the 2010 *Ready for College Report* states that New Mexico students who take dual credit courses are less likely to need remediation in college.

Background:

Enacted in 2007, LESC-endorsed legislation provided, for the first time, a statewide dual credit program authorized in statute and supported by the state. Through this program, a student may take a class offered by a postsecondary educational institution and earn credit at the high school and college levels simultaneously. The legislation was amended in 2008, also as endorsed by the LESC, to expand the program to include state-supported schools, in addition to school districts and charter schools, and to allow dual credit courses to be taken during the summer term. Most recently, in 2010, the legislation was amended to include federal BIE high schools and tribal colleges in the program.

The issue addressed by SB 215 arose during the 2007 interim, as a large, broadly representative dual credit committee, formed by PED and HED, began drafting agency rules and performing other tasks to implement the 2007 legislation creating the Dual Credit Program. At that time, school officials expressed their concern about the high cost of textbooks used in dual credit courses. To address this concern, the LESC Chair asked the Director to convene a work group during the 2008 interim to determine the amount of money needed and a methodology for distributing the funds. In addition to LESC staff, the LESC Work Group on the Dual Credit Program comprised representatives of the LFC, the Executive, PED, HED, school districts, charter schools, state-supported schools, secondary education associations, postsecondary education associations, and college bookstores.

During the 2009 session the LESC endorsed legislation based on the recommendations of this work group; however, like the 2010 legislation noted above, it did not pass.

Related Bills:

SB 157 *Dual Credit Reimbursement for Completion*

HB 214 *Dual Credit Program Eligibility*