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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/30/12

SPONSOR Ulibarri LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Adult Literacy Programs SB 195

ANALYST Soderquist

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
\$347.2	\$347.2	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to House Bill 2 and Senate Bill 137

Relates to the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Cultural Affairs (DCA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 195 appropriates \$347.2 thousand from the general fund to the Cultural Affairs Department (DCA) for expenditure in fiscal year 2012 and subsequent years for the purpose of funding fund adult literacy programs statewide.

### FISCAL IMPLICATIONS

The appropriation of \$347.2 thousand from the General Fund would be made to DCA in the contractual services category and would support adult literacy in the current fiscal year and subsequent years. Language in the legislation states that any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

### SIGNIFICANT ISSUES

The FY12 budget for DCA includes \$325.0 thousand for adult literacy, and \$325.0 thousand is also included in the department budget request for FY13. In FY11, \$672.2 thousand was appropriated for these activities.

## **PERFORMANCE IMPLICATIONS**

In previous years, adult literacy services have been provided through contracts with the New Mexico Coalition for Literacy (NMCL). Based on NMCL historical data and the funding amounts mentioned above, the DCA response provided two different scenarios of potential New Mexicans served through adult literacy services:

- If funding for adult literacy remains level at \$325,000, it is projected that the number of individuals to receive services\* would be 2,250. An increase to \$347.2 would see that number increase proportionately.
- If funding for adult literacy is increased to \$672,200 (FY11 actuals), it is projected that the number of individuals to receive services\* would be 4,500.

\*Services are defined as the number of: (1) adult literacy students served by local, funded programs, (2) tutors certified by NMCL at pre-service and in-service training, (3) tutor and board trainers trained by NMCL, (4) board of directors and program managers trained at in-services provided by NMCL, and (5) outreach to potential tutors and students by NMCL. In addition, over 6,000 library holdings would be available to the adult literacy field through the NMCL's special lending library.

## **ADMINISTRATIVE IMPLICATIONS**

None. Adult literacy services are an established activity in the Library Services Program in the DCA.

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

There is a relationship with funding in SB 137. SB 137 proposes that \$672.2 thousand of general funds be appropriated to the DCA for adult literacy services in FY13. In that legislation, language states that any expended or unencumbered balance remaining at the end of FY13 shall revert to the general fund.

## **ALTERNATIVES**

SB 137.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If neither this legislation nor SB 137 passes, funding for the literacy program will remain at the FY12 requested levels.

RS/svb