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FISCAL IMPACT REPORT

SPONSOR:	Marquardt	DATE TYPED:	HB	258
SHORT TITLE:	Student Choice Voucher Act		SB	
			ANALYST:	Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY2000	FY2001	FY2000	FY2001		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to Relates to HB138, SB82, and SB418

SOURCES OF INFORMATION

State Department of Public Education (SDE)

SUMMARY

Synopsis of Bill

This bill enacts a new section of the Public School Code cited as the "Elementary and Secondary School Voucher Act". The purpose of the act is to establish a voucher program that provides New Mexico's students the opportunity to attend their choice of public schools in order to best suit their individual needs and interests.

Significant Issues

Eligible Counties: 2000-2001 Bernalillo; Dona Ana; San Juan; and Santa Fe.

2001-2002 All counties except Los Alamos

2002-2003 All students.

Eligible Students: all public school students

2000-2001 - Any public school student residing in a class A or class B county with a population greater than 95,000 and a net taxable value for property greater than two billion dollars.

2001-2002 - Any public school student residing in a class B county.

2002-2003 - Any public school student residing in any county.

To be eligible for participation in the program, the bill requires the student's parent or legal guardian to apply to the superintendent of the local school district in which the student resides. The superintendent must notify the parents within 30 days, the value of the voucher and issue the voucher if the application is approved.

The bill proposes to issue the voucher note to the student in care of the student's parent or legal guardian.

FISCAL IMPLICATIONS

This bill does not contain an appropriation.

The value of the voucher note will be equal to the amount of money generated by the student through the public school funding formula including any size or training and experience adjustment. The value of the voucher shall also include a proportionate allocation per student for at-risk funding, transportation funding and related expenses.

According to SDE, the average amount of each voucher would be approximately \$4,974.83 which includes \$4,575.60 in program cost and \$399.23 in other categorical funding. The voucher would be redeemed by the receiving district in equal quarterly installments payable in September, November, February and May. SDE indicates that it will be difficult for districts to set operating budgets.

SDE also indicates that the capital outlay impact on school districts could be significant for the district receiving the students.

ADMINISTRATIVE IMPLICATIONS

The State Department of Public Education will establish and bear the cost of administering the voucher program and in cooperation with school districts, the department must initiate a public awareness campaign about the program.

SDE shall calculate the value of the voucher. The school district that issued the voucher shall pay four equal installments beginning in September and ending in May.

The State Board of Education shall establish guidelines for implementation and operation of the program.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

This bill relates to SB82, SB418 and HB138.

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