NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Stewart M.	DATE TYPED:	3/12/03	HB	212/aHEC/aHAFC
SHORT TITLE: Public School Reforms		ms		SB	
	ANALYST:				Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

State Department of Education (SDE)

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amended House Bill 212/aHEC to strike the appropriations, and on page 10 and 11 the amendment strikes the "office of education accountability" and inserts "the department of finance and administration and the legislative finance committee".

Synopsis of Original Bill

According to SDE, the substantive amendments to HB 212/aHEC consist of permanent language changes incorporating references to diverse populations, temporary provisions dealing with budget requirements and appropriations to support the budget requirements.

HB212/aHEC relates to the system of public education and proposes to enact systemic public school reforms with the goal of success for all students in New Mexico.

The Legislative Education Study Committee indicates that key provisions of HB 212 are:

- Enacts the Assessment and Accountability Act, which complies with NCLB and focuses on adequate yearly progress of students, schools, and school districts;
- Provides for measures to address the federal requirements to achieve adequate

House Bill 212/aHEC/aHAFC -- Page 2

yearly progress by standards-based performance tests instead of norm-referenced tests:

- Implements a professional teacher licensure structure that includes three levels of licensure, sets minimum salary levels for teachers, and requires licensees to demonstrate continued competency;
- Sets minimum salary levels for principals based on school size by numbers of students in various increments;
- Changes various aspects of local governance to move responsibilities from the local school board to the local superintendent and school principals;
- Creates school councils to assist the school principal and act as advocates for the students in the community;
- Enacts the Family and Youth Resource Act to provide a mechanism for a quick response to social and economic problems that restrict a student's ability to achieve;
- Creates the Family and Youth Resource Fund;
- Adds the Schools in Need of Improvement Fund to assist schools not meeting adequate yearly progress;
- Requires the State Board of Education to adopt a formula for distribution of funds from the Incentives for School Improvement Fund into two programs:
- Creates the Office of Education Accountability in the Legislative Council Service to provide an independent evaluation of the Accountability Data System; and
- Recompiles and reorganizes statutes into a more accessible, coherent body of law.

FISCAL IMPLICATIONS

Please refer to page 4 of the attachment that details the funding per subsection of the amended bill

ADMINISTRATIVE IMPLICATIONS

Please refer to attached analysis by the SDE.

DUPLICATION AND RELATIONSHIP

House Bill 212/a duplicates SB-230 and relates to HB3

OTHER SUBSTANTIVE ISSUES

The State Department of Education provides a detailed analysis of House Bill 212/a as is attached. The analysis addresses the programmatic and fiscal impact if the legislation is enacted.

RS/njw:yr