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## FISCAL IMPACT REPORT

SPONSOR: Salazar DATE TYPED: 2/24/03 HB 734

SHORT TITLE: Northern NM State School Mid College Program SB \_\_\_\_\_

ANALYST: L. Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$50.0			Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Identical to SB 635, Northern NM State School Mid College Program

Relates to Appropriation in the General Appropriation Act

### **SOURCES OF INFORMATION**

#### Responses Received From

State Department of Education (SDE)  
Commission on Higher Education (CHE)

### **SUMMARY**

#### Synopsis of Bill

House Bill 734 appropriates \$50.0 from the general fund to the Board of Regents at Northern New Mexico State School (NNMCC) to plan the development and implementation of a curriculum for a middle college program at NNMCC.

#### Significant Issues

NNMCC has proposed a pilot project at its El Rito campus, which would bring together 11<sup>th</sup> and 12<sup>th</sup> grade students to pursue their studies in a non-traditional setting. Students would be able to enroll in courses allowing them to simultaneously earn both high school and college credit. Based on documents presented to the Commission on Higher Education (CHE), the mid college

program could target students at risk of dropping out of the traditional high school. Need for the program relies on the projection that nearly 40% of New Mexico's 9<sup>th</sup> graders fail to graduate from high school, and the CHE analysis suggests the rate of may be higher in Rio Arriba County.

The mid college program at NNMCC's El Rito campus would be supported by NNMCC's staff and facilities.

The SDE reports the mid college concept exists in numerous locations in various states, such as California, Michigan, New York, Washington State, Tennessee, Pennsylvania and New Jersey.

### **FISCAL IMPLICATIONS**

The appropriation of \$50.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

Future funding for the program would come from the State Equalization Guarantee for public school course work and the higher education funding formula for courses that generate college credit. Some confusion and controversy could occur over which fund would pay for specific activities and whether some activities were being double-funded by the state.

In addition, either the SDE or the CHE may have to become involved in the planning and implementation of the program.

### **OTHER SUBSTANTIVE ISSUES**

The CHE reports that the creation of Northern New Mexico Community College's Middle College would support the P-16 partnership of the State Board of Education and the Commission on Higher Education. However, the CHE received no request supporting the proposal for the Commission's Finance Committee hearings on October 21, 2002, thus could not be considered for inclusion in the Research and Public Service Project (RPSP) funding request process for FY 2004. NNMCC's proposal, which aroused the interest of the CHE, NNMCC has not provided sufficient information within the established funding process to make a recommendation related to the proposal.

### **AMENDMENTS**

The CHE suggests adding the following language for all new recurring higher education programs (assuming that funding will continue beyond 2003-2004):

“A plan for a program evaluation, including specific program goals and criteria for assessing program effectiveness, shall be submitted to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2004. An assessment of the program will be completed prior to June 30, 2005, and submitted to the Legislative Finance Committee and the Commission on Higher Education.”

**POSSIBLE QUESTIONS**

1. Would the mid college program serve at-risk students or all interested students?
2. Under whose authority would the mid college program fall, State Board or CHE?
3. Would admission to the program be limited to students from Rio Arriba County?
4. Will this be a program that will require dormitory facilities or will students be transported to the El Rito Campus?

**LRB/njw**