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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/11

SPONSOR Stapleton & Keller LAST UPDATED 02/09/11 HB 43/aHCPAC

SHORT TITLE Develop Diploma Stamps System SB _____

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	NFI	NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of House Consumer and Public Affairs Committee Amendment

The House Consumer and Public Affairs Committee amendment to House Bill 43 would make participation in a program to award “diploma stamps” an option (rather than mandatory) for school districts. The stamps would only be applied to diplomas of students who have excelled in career technical courses that are specified in rule.

Synopsis of Bill

House Bill 43 proposes to change Section 22-13-1.1 NMSA 1978 (“Graduation Requirements”) to include, by the 2012-2013 school year, a departmentally established system allowing districts that choose to participate to attach diploma stamps to the graduation diplomas of students who have excelled in the completion of specified career technical education (CTE) courses.

FISCAL IMPLICATIONS

House Bill 43 makes no appropriation.

In order to implement the proposed “diploma stamps,” the PED claims it would need to hire additional FTE at an annual cost for salary and benefits of \$68,952. This amount is not included in the estimated additional operating impact table above because the PED already has staff in place that prepared the five-year state plan for approval by the Office of Vocational and Adult Education under the Perkins Act. The PED notes that the current plan is approved through grant year 2013. House Bill 43 is not proposing a fundamental revision and the PED’s proposed language under “technical issues” below may meet any perceived need for clarification of the purpose of the bill.

SIGNIFICANT ISSUES

The PED maintains that while the bill provides options for students and parents, it is possible that, as written, it may establish an unintended requirement that the state develop and approve CTE coursework outside the existing process that is currently approved and implemented within the state via NMAC 6.33.2.8(1). NMAC 6.33.2.8(1) provides that New Mexico CTE programs for secondary (and postsecondary) levels must be in accordance with Section 22-14-1 through 30, NMSA 1978, and the Carl Perkins Act.

TECHNICAL ISSUES

The PED suggests that House Bill 43 be amended in two places so that alignment with NMAC 6.33.2.8(1) is accomplished:

Page 1, Lines 11-14

~~RELATING TO PUBLIC EDUCATION; REQUIRING THE PUBLIC EDUCATION DEPARTMENT TO~~ ALLOWING DISTRICTS TO DEVELOP AND ADOPT A VOLUNTARY SYSTEM FOR AWARDING "DIPLOMA STAMPS" THAT RECOGNIZE A STUDENT'S OUTSTANDING WORK IN SPECIFIED CAREER TECHNICAL EDUCATION COURSES;

Page 5, Lines 12-17

~~By the beginning of the 2012-2013 school year, the department shall establish a system to allow those school districts that choose to participate to award "diploma stamps" to be applied to the graduation diplomas of students who have excelled in the completion of specified career technical education courses that align to NMAC 6.33.2.8(1) may do so.~~

JCH/bym