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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/21/11  
**LAST UPDATED** 03/12/11    **HB** 201/aHCPAC

**SPONSOR**    Strickler

**SHORT TITLE**    Adjusting Home School Program Units    **SB** \_\_\_\_\_

**ANALYST**    Gudgel

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriations in the General Appropriations Act. Amount of appropriation will not change, however the unit value may be decreased.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

### SUMMARY

#### Synopsis of HCPAC Amendment

House Consumer & Public Affairs Committee amendment to House Bill 201 defines “activities” as athletics, co-curricular and extracurricular activities sanctioned by the New Mexico Activities Association.

#### Synopsis of Original Bill

House Bill 201 amends the Public School Finance Act to allow a school district to generate program units through the public education funding formula for home school students who are participating in any activity governed by the New Mexico Activities Association (NMAA). The home school student activities program unit for a school district is calculated by multiplying the number of home school students who are participating in school district activities governed by the New Mexico Activities Association by the cost differential factor of 0.1. Currently, home school students are eligible to participate in up to three district athletic activities.

## **FISCAL IMPLICATIONS**

House Bill 201 will allow a school district to generate program units through the public education funding formula for home school students that are participating in both school district athletic activities and co-curricular and interscholastic activities. Program units are calculate by multiplying the number of home school students who are participating in school district activities governed by the New Mexico Activities Association by the cost differential factor of 0.1. Home school students will be limited to participating in up to three district activities, though the district only generates 0.1 units per home school student regardless of the number of activities the home school student is participating in.

It is difficult to estimate the number of home school students that will participate in district co-curricular and interscholastic activities. Currently, there are only 23 students participating in district athletic activities. School districts are generating a total of 2.3 home school student activities program units statewide. Multiplied by the current combined unit value of \$3,712.17, school districts statewide are receiving a total distribution of \$8,538 for home school activities program units. It is likely that the number of students participating will increase with the expanded programs that home school students will be able to participate in. The number of students participating would have to drastically increase before there would be a noticeable effect on the unit value.

## **SIGNIFICANT ISSUES**

House Bill 201 broadens school district programs that home school students are able to participate in, and for which a school district is able to generate home school activities program units. In addition to being able to participate in district athletics, home school students will also be able to participate in interscholastic activities governed by the NMAA. Students will still be limited to participating in up to three activities governed by the NMAA in the attendance zone in which the student resides. The school district will be required to verify each private school student's academic eligibility. School districts will receive 0.1 program units per home school student participating in up to three NMAA governed activities – the number of activities a home school student is participating in does not increase the number of program units a school district receives.

NMAA is a private/non-profit organization whose principle purpose is the regulation, direction, administration and supervision of interscholastic activities in the State of New Mexico. The NMAA is a membership-led organization comprised of New Mexico public and private middle/junior high and senior high schools. Member schools have an active voice in establishing all rules and regulations in regards to interscholastic activities and athletics.

NMAA governs the following interscholastic activities: Athletic Training Challenge, Bowling, Business Pros of America, Chess, Choir, Concert Band, DECA Marketing Education, Drama/One Act Play, English Expo, FCCLA (Family, Career and Community Leaders of America), FFA Agriculture Education, HOSA (Health Occupations Student Association), JROTC, Mock Trial, Rodeo, Scholastic Publications, Science Fair, Science Olympiad, Skills USA, Speech and Debate, Student Council and TSA (Technology Student Association).

NMAA governs the following athletic activities: Baseball; Basketball; Cross Country; Football; Golf; Soccer; Softball; Sprint; Swimming and Diving; Tennis; Track & Field; Volleyball; and Wrestling.

### **ADMINISTRATIVE IMPLICATIONS**

PED will be responsible for monitoring implementation of the legislation, including verifying the number of program units generated.

The New Mexico Activities Association (NMAA) would be responsible for developing guidelines for implementation of this legislation.

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

Relates to HB 202.

### **TECHNICAL ISSUES**

PED analysis provides the following:

It is not clear how co-curricular activities (i.e., activities that require both classroom attendance, as well as events outside of the school day) would be included in determining the program units. Would a home school student attend classes related to the activity, as well as the activities outside of the school day? And would a school district would be required to allow home school student to attend classes related to the activity in order to include the co-curricular activity as a qualifying activity for the purpose of computing the program units?

RSG/svb:mew