

withdraw from the course. The new material established by the original bill requires PED to establish the assignment of ownership interests in and tracking of inventory and possession of the textbooks.

Synopsis of Original Bill

Senate Bill 215 creates a dual credit text book fund as a nonreverting fund in the state treasury. The Public Education Department will administer the fund to provide for annual reimbursements to public post-secondary educational bookstores for the cost of providing textbooks and course supplies to students participating in dual credit courses. The bill requires PED to establish by rule a formula to allocate funds to reimburse for dual credit text book purchase, the assignment of ownership interests in and tracking of inventory and possession of the textbooks, and an accounting of the reimbursements to the bookstores.

FISCAL IMPLICATIONS

Senate Bill 215 makes no appropriation.

If enacted, Senate Bill 215 will improve accountability of the PED, school districts, charter schools, state supported schools and Bureau of Indian Education schools for the expenditures and participation in the dual credit program.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

The dual credit statute and rule articulate a shared financial responsibility for the dual credit program. Postsecondary educations waive tuition, while high schools purchase required instructional materials, and students pay lab fees and provide transportation. Currently, textbooks are purchased on credit by either dual credit students or their high schools from postsecondary book stores and the text book store bills the high school. The high schools then bill PED for reimbursement. HED has been notified of instances where high schools are put on financial hold for unpaid invoices. SB215 would allow PED to directly reimburse postsecondary book stores.

Section 22-13-1.1 NMSA 1978 requires all students entering ninth grade beginning with the 2009-2010 school year to have at least one unit required for graduation to be earned as an advanced placement or honors course, a dual-credit course offered in cooperation with an institution of higher education or a distance learning course. HED takes the position that streamlining billing issues will increase student access to dual credit courses.

Participation in dual credit courses increases each semester. HED reports that for the 2009-2010 school year, 10,985 students took a total of 24,850 courses. Current textbook costs can be fairly high, sometimes costing more than tuition. HED indicates that the bill will allow the departments to explore the possibility of lower textbook costs via alternative practices such as textbook rentals, alternative media options, and potential rebate options. Textbooks are often only used once and public schools are currently prohibited from reselling these books.

PERFORMANCE IMPLICATIONS

Students who participate in dual credit courses are more likely to graduate from high school and participate in and graduate from college, and less likely to require remediation in college.

ADMINISTRATIVE IMPLICATIONS

PED will be required to establish a formula to provide for the allocation of the fund to apportion appropriations. By December 1 of each year the Public Education Department shall make a report to the Governor and the Legislature.

RG/bym:mew