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FISCAL IMPACT REPORT

ORIGINAL DATE 01/26/12

SPONSOR Nava LAST UPDATED _____ HB _____

SHORT TITLE High-Poverty Concentration School Support SB 126

ANALYST Gudgel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
	\$500.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 126 appropriates \$500 thousand from the general fund to the Public Education Department in FY13 to provide teaching support to schools with high concentrations of poverty. Unexpended or unencumbered balances remaining at the end of FY13 shall revert to the General Fund.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY13 shall revert to the general fund.

House Bill 2 includes a recurring \$500 thousand appropriation to the Public Education Department for a non-profit organization to provide teaching support in schools with a high-proportion of low-income students. Language contained in the bill target schools in which at least sixty percent of the enrolled students are eligible for free or reduced-fee lunch, with a priority for schools with eighty-five percent or more of the students enrolled eligible for free or reduced-fee lunch.

SIGNIFICANT ISSUES

Statewide, only 49.8 percent of students score proficient or above on the standards-based assessment in reading, while only 41.8 percent of students score proficient or above in math. Data from the FY11 assessment shows decreases statewide in proficiencies from FY10: a decrease of 3.4 percentage points in reading and 0.4 percentage points in math.

Estimates provided by the US Census Bureau for income year 2010, indicate that approximately 26% of children ages 5-17 in New Mexico school districts live in poverty. This ranks New Mexico only behind Puerto Rico, the District of Columbia, and Mississippi in percentage of students living in poverty.

In its Condition of Education 2010 Report, the National Center for Education Statistics (NCES) reports that New Mexico ranks in the top three states with the percentage of public elementary (46%) and secondary schools (34%) with more than 75 percent of school enrollment eligible for free or reduced-price lunch.

Results of the 2011 National Assessment of Educational Progress (NAEP) Grade 4 reading exam in New Mexico show students who were eligible for free/reduced-price school lunch, an indicator of low family income, had an average score that was 27 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 1998 (30 points).

Results of the 2011 NAEP Grade 4 math exam in New Mexico show students who were eligible for free/reduced-price school lunch had an average score that was 22 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 1996 (24 points).

PERFORMANCE IMPLICATIONS

Percent of third, fourth and eighth grade students who achieve proficiency or above on the standards-based assessment in reading. Percent of recent New Mexico high school graduates who take remedial courses in higher education at two- and four-year schools. Number of schools identified as needing improvement and number of schools making adequate yearly progress according to Elementary and Secondary Education Act designations. Percent of public schools and charter schools rated A and B. Percent of schools increasing/decreasing their letter rating by one letter grade. Percent of elementary school, middle school, and high school students habitually truant. Current year's cohort graduation rate using four-year cumulative method.

ADMINISTRATIVE IMPLICATIONS

The Public Education Department will be required to administer the funds.

DUPLICATION

Duplicates appropriation in the General Appropriation Act.

OTHER SUBSTANTIVE ISSUES

Since FY10, Teach for America has provided teaching support to schools with a high proportion of Native American students. Students with Teach for American teachers have demonstrated significant achievement gains, well above statewide averages.

RSG/svb