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FISCAL IMPACT REPORT

SPONSOR:	Miera	DATE TYPED:	01/31/00	HB	3/aHEC
SHORT TITLE:	Education Appropriation Act			SB	
				ANALYST:	Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	\$ 1,652,476.5			Recurring	G/F
	\$ 8,064.0			Recurring	OSF
	\$ 2,652.1			Recurring	IS/IA
	\$ 272,683.4			Recurring	FF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB2 and HB2, Section 4, Public School Support

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of House Education Committee Amendment

The HEC Committee amendment increases the general fund appropriation from the LFC recommendation by \$18,675.7 for the following: \$19,800.3 in compensation to provide a 6.24 percent salary increase for instructional staff and a 4.00 percent salary increase for other certified and non-certified staff; provides for an additional \$3,420.1 for a formula change to increase the enrollment growth factor; adds \$3,000.0 for professional development; does not fund units for new programs or start up charter schools; and does not recognize the reduction in membership/units recommended by the LFC.

In categorical support, the HEC reduces the Educational Technology Fund by \$500.0; increases Incentives for School Improvement by \$1,000.0; strikes the appropriation for at-risk factor and removes funding for early childhood education.

Within other education, the HEC amendment removes the appropriation for computers in the schools and the appropriation for performance-based budgeting support for districts.

Synopsis of Bill

House Bill 3 appropriates funds for the operation of public schools, State Department of Education (SDE), Adult Basic Education (ABE), Apprenticeship Assistance, and Regional Education Cooperatives.

Significant Issues

The Legislative Finance Committee recommendations are contained in House Bill 3.

FISCAL IMPLICATIONS

The general fund fiscal impact for public education are: public school support \$1,618,319.1; SDE \$8,381.7; Adult Basic Education \$4,700.0; Apprenticeship Assistance \$500.0; \$3,201.8 for Regional Education Cooperatives and \$1,900.0 for other education.

The other state funds portion of the budget is \$2,000.0 for the state equalization guarantee distribution (drivers' safety program), \$447.2 in cash balance and \$415.0 in other revenues generated from educator license fees for the State Department of Education and \$2,000.0 in cash balance from the Instructional Material Fund.

The internal service funds/interagency transfers are included in the SDE budget for the following: \$2,482.5 for funds received from Human Services Department (HSD) to provide before- and after-school programs to children who are participants of the New Mexico Works Act; \$67.5 from HSD for the Medicaid in the schools program and \$102.1 for fees earned by the print shop, reimbursements from Division of Vocational Rehabilitation for internal audit services and funds received from the Statewide Coordinating Council.

The federal funds section is for information purposes and includes estimates for FY2001 for the following programs: \$7,008.7 for SDE, \$7,721.6 for Regional Education Cooperatives and \$257,953.1 in flow thru funds for school districts.

OTHER SUBSTANTIVE ISSUES

Public school funds are primarily allocated to 89 school districts through four funding formulas: State Equalization Guarantee Distribution; Transportation; Instructional Materials; and Education Technology.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

This bill duplicates HB2 and SB2, Section 4, Public School Support and portions of other education.

TECHNICAL ISSUES

There appears to be a drafting error as the figures for the Central, High Plains, and Region IX education cooperatives contained in this bill appear to have shifted incorrectly by one column to the left. The figures appearing in the general fund column should appear in the other state funds column. Also, the figures in the internal service/interagency transfers column for apprenticeship assistance and computers in the schools should appear in the total column.

CTF/gm/njw