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FISCAL IMPACT REPORT

SPONSOR: King DATE TYPED: 03/09/01 HB 713
 SHORT TITLE: Teacher Quality Investment Fund SB _____
 ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 1,250.0			Recurring	G/F

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act Duplicates SB632

SOURCES OF INFORMATION

Commission on Higher Education (CHE) - No response
 State Department of Public Education (SDE)

SUMMARY

Synopsis of Bill

House Bill 713 appropriates \$1,250.0 from the general fund to the Teacher Quality Investment Fund for expenditure in fiscal year 2002 and subsequent fiscal years by CHE to develop and administer a program to make grants to institutions of higher education to implement enhancements in teacher education programs.

Significant Issues

According to SDE, the fund would be used for innovative teacher education program enhancements designed to increase the pool of high-quality teachers. Recipient institutions would be required to provide matching resources to support the programs.

SDE indicates that the Teacher Quality Investment Fund directly supports the goals of the Teacher Quality Enhancement Grant, a federal grant awarded jointly to the State Board of Education and the Commission on Higher Education, by providing a tool for improving the supply and quality of teachers in our state. This program would provide the resources needed for public higher education

institutions to begin making significant changes in the recruitment, preparation, induction, and professional development of qualified teachers, as part of a statewide systemic plan.

According to SDE, New Mexico is facing a serious shortage of qualified teachers. Recent research indicates that New Mexico faces an immediate teacher shortage of approximately 1,500 teachers per year. Teacher preparation programs must quickly redesign existing programs or create new approaches in order to respond to the urgent needs of increased teacher supply and enhanced teacher quality.

FISCAL IMPLICATIONS

The appropriation of \$1,250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert.

Continuing Appropriations

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

ADMINISTRATIVE IMPLICATIONS

This bill requires the CHE to develop and administer the program and the Teacher Quality Investment Fund. The bill allow the CHE to use up to three percent of the money in the fund for administration of the program.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Duplicates SB632

CTF/njw