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FISCAL IMPACT REPORT



SPONSOR: Taylor, JP DATE TYPED: 02/04/02 HB 103

SHORT TITLE: Student Teacher Scholarship Program SB _____

ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$700.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act _____

Relates to HB109

SOURCES OF INFORMATION

Commission on Higher Education (CHE)
State Department of Public Education (SDE)

SUMMARY

Synopsis of Bill

House Bill appropriates \$700.0 from the general fund to the Student Teacher Scholarship Fund for administration by the CHE for the purpose of establishing a student teacher scholarship program that encourages individuals to enter the teaching profession and to retain teachers in New Mexico.

Significant Issues

The funds would be used to pay full tuition for scholarship recipients during the semesters in which they are student teaching provided that they teach in a public or state-board-of education approved private school setting for a period of one year after completion of student teaching.

According to CHE, this proposal is similar to the "Teacher Loan for Service" program already in place in that it requires recipients to agree to teach in New Mexico for one year. The Teacher Loan

for Service program provides for the forgiveness of student loans for students that agree to stay and teach in New Mexico for a specified period of time. The Teacher Loan for Service program also contains a provision for penalties in case a student fails to provide the required service.

FISCAL IMPLICATIONS

The appropriation of \$700.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert.

ADMINISTRATIVE IMPLICATIONS

The CHE is required to promulgate rules and regulations and to develop internal procedures. CHE currently oversees 8 loan for service programs. The bill does allow CHE to use three percent of the fund for administration of the program.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Relates to HB109. which creates a Future Teachers Program to recruit high school students into teacher preparation programs.

TECHNICAL ISSUES

It is not necessary to create a special fund for this purpose. The CHE has established one fund for all student financial aid programs in which funds flow in and out to various institutions.

OTHER SUBSTANTIVE ISSUES

New Mexico is currently facing a projected shortage of teachers. This proposal is one way to increase the pool of prospective teachers into the profession. CHE indicates that often students in teacher education programs must work full- or part-time while they are attending school to support themselves, families and pay for their education.

CTF/njw