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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/09
SPONSOR Hall **LAST UPDATED** _____ **HB** 188
SHORT TITLE Educator Licensure Fund Purposes **SB** _____
ANALYST Aguilar

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	None Apparent		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 188 expands the purposes for which the educator licensure fund may be used.

FISCAL IMPLICATIONS

According to a report by the Legislative Finance Committee (LFC), Legislative Education Study Committee (LESC) and Office of Education Accountability (OEA) dated November 14, 2007, entitled "New Mexico's Three-Tiered Teacher Licensure System: Current Results & Future Challenges," between FY 05 and July 2007, PED collected approximately \$700 thousand in teacher licensing fees and spent \$657 thousand on behalf of the state but outside of the appropriations process. That report also commented unfavorably on the department having established by rule an application fee structure for teacher applicants to request review of their professional development dossiers, approval of which is needed to advance through the licensure tiers.

The application fee generated over \$150 thousand in both FY 05 and FY 06 and over \$250 thousand in FY 07.

SIGNIFICANT ISSUES

The bill provides for additional uses of the fund to enforce educator ethics requirements and to process application for licensure and licensure renewal, and professional dossiers in addition to funding educator background checks. The effect of this bill will be to address concerns raised regarding the expenditure of funds outside of the appropriations process.

PED notes that the thrust of LFC/LESC/OEA comments about the collection and processing of fees in the referenced 2007 report is that the PED delegated the collection of almost \$700 thousand in teacher licensing fees to a contractor outside of the appropriations process and without statutory authority.

The referenced LFC/LESC/OEA report recommended amending Section 22-8-44 to clarify the uses and receipt of the funds and to indicate that money in the fund is subject to annual legislative appropriations.

PA/svb