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FISCAL IMPACT REPORT

ORIGINAL DATE 01/28/21
 SPONSOR Lara LAST UPDATED 02/10/21 HB 100/aHEC
 SHORT TITLE College & Career Readiness Systems SB _____
 ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	\$3,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB107
 Relates to HB87, HB131

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)
 New Mexico Independent Community Colleges (NMICC)
 New Mexico Public Education Department (PED)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 100 would require PED to adhere to the procurement code when awarding contracts for improving college and career readiness programs. Further, PED will be required to work with school districts and the New Mexico alliance for college and career readiness to develop the application process.

Synopsis of Original Bill

House Bill 100 appropriates \$3 million from the general fund to the Public Education Department for the purpose of improving college and career readiness programs for students.

FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

The FY22 LFC Appropriation Recommendation includes funding for several college and career readiness programs at the public colleges and universities throughout the state. Some examples include:

- \$1.1 million for NM Mathematics, Engineering, and Science Achievement
- \$843.0 for Engaging Latino Communities for Education (ENLACE)
- \$3.5 million at UNM for minority or veteran student service programs
- \$870 thousand at NMSU for minority or veteran student service programs
- \$1.6 million at regional universities for student service programs

Additionally, this year, HED was awarded a \$33 million federal U.S. Department of Education grant to work on college and career readiness with 11 school districts, all of whom have percentages of minority students. The program, called Gaining Early Awareness and Readiness for Undergraduate Programs, is designed to work with students from low income communities to gain familiarity with colleges in New Mexico and enrollment processes.

SIGNIFICANT ISSUES

The decision in the *Martinez* and *Yazzie* consolidated education lawsuit concluded New Mexico's public schools have failed to provide a constitutionally required sufficient education for at-risk students, particularly English language learners, Native American students, and special education students. The court's findings suggested overall public school funding levels, financing methods, and PED oversight were deficient. As such, the court enjoined the state to provide sufficient resources, including instructional materials, properly trained staff, and curricular offerings, necessary for providing the opportunity for a sufficient education for all at-risk students.

HB100 specifies that the contracted agency must provide a program that directly remedies the opportunity gaps based on the *Yazzie/Martinez v. State of New Mexico* lawsuit. This requirement limits the number of potentially viable programmatic solutions as the scope of the requirement is so great that it could be deemed too great a feat to be accomplished by a single program or organization.

MFV/al