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FISCAL IMPACT REPORT

SPONSOR Allison/Johnson
LAST UPDATED 2/22/23
ORIGINAL DATE 2/1/23
SHORT TITLE International Baccalaureate Program Tests
BILL NUMBER 52/aHEC
ANALYST Helms

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$100.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Relates to HB198
 Duplicates an appropriation in the General Appropriation Act

Sources of Information

LFC Files

Responses Received From
 Public Education Department (PED)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 52 adds the language “and secondary schools funded by the bureau of Indian education of the United States department of the interior” after the term “schools” occurs on lines 12 and 21.

Synopsis of Original Bill

House Bill 52 (HB52) makes an appropriation for FY24 to the Department of Public Education (PED) for \$100 thousand to distribute to public schools in order to offer International Baccalaureate (IB) tests at no cost to students.

FISCAL IMPLICATIONS

This bill contains an appropriation to PED for \$100 thousand in FY24. Unexpended or

unencumbered balances would revert to the general fund. The HAFC Substitute for House Bill 2 expands an appropriation to PED for AP tests to include IB tests and increases the appropriation by \$250 thousand, making the appropriation in this bill unnecessary and duplicative.

International Baccalaureate (IB), a non-profit organization, currently charges a candidate subject fee of \$119 for assessments in most subjects, \$91 for assessment of Extended Essay components, \$46 for Theory of Knowledge components, and \$10 for Creativity Activity and Service components. Students enroll in courses for two years and unlike Advanced Placement (AP) tests, are only eligible to take tests their senior year.

PED analysis estimates roughly \$53 thousand would be needed to cover program costs based on course enrollments and projected tests fees from SY21-22 at the five high schools in New Mexico that offer an IB program. It is possible that the rate of exam-taking would increase with enactment of HB52 but would not exceed the appropriation of \$100 thousand.

If House Bill 52 is amended to include language allowing appropriations to federally funded Bureau of Indian Education (BIE) schools, this would not increase the cost of the appropriation or PED's analysis of \$53 thousand, as the nine BIE secondary schools that would be included with this language do not currently have IB programs. However, PED's appropriation for AP exams is not inclusive of federally funded BIE schools; there is not precedent for BIE schools to be eligible for state PED appropriations for exam cost waivers. BIE schools are also not eligible for Indian education fund appropriations or any other PED special appropriations. Beginning to fund any federally funded BIE schools and programs from PED appropriations or grants would change precedent for the fiscal relationship between PED and BIE schools.

SIGNIFICANT ISSUES

The HAFC Substitute for House Bill 2 increases FY24 funding for AP fee waivers and training from \$1 million in FY23 to \$1.25 million and includes IB test fees within the appropriation to PED. Like AP, the IB program is a means for students to receive college credit for high school courses via achieving a certain score in a final exam offered by an external party, and HB52 offers parity for students and schools investing in IB exams. At Cottonwood Classical, one of four public high schools offering IB courses, more than 90 percent of students take at least one IB course. At Mandela International Magnet School, 81 percent of the 2022 graduating class took all the exams needed for the IB diploma, and the remaining 19 percent took at least one exam.

PED analysis notes HB52 would expand state support for students to access advanced placement instruction and earn college credit in high school through IB exams. Increasing equitable access to complex curricula through diverse advanced placement opportunities aligns with PED's Strategic Plan.

PED analysis notes:

“Rule 5.55.8 NMAC establishes the statewide post-secondary education policy of the Higher Education Department (HED) regarding advanced placement exams which is not interpreted currently as including IB exams. The PED also has a New Mexico Fee Reduction Program for reducing the cost of taking advanced placement exams with a net \$93 fee reduction (97 percent reduced) for economically disadvantaged students. The August 31, 2021 New Mexico Fee Reduction Program Memorandum stated, “The PED will again cover a large portion of the exam

fee for students who are eligible for free or reduced price lunch, resulting in a total cost to students of \$3 per exam.” This memo also states that the PED “believes that all students should have equal access to the full benefit of Advanced Placement® (AP) coursework.” According to the PED College and Career Readiness Bureau (CCRB), the state began paying for AP exam fees in May, 2017, before which the U.S. Department of Education had an Advanced Placement Test Fee (APTF) program within which the CCRB applied for funds.

Unlike current policy for advanced placement test fee coverage, HB52 does not include language that would require fee reduction funds be distributed only to economically disadvantaged students. SY22 enrollment demographics show that, of the 844 students in IB courses in New Mexico, only 58 students (7 percent) were economically disadvantaged. HB52 would distribute funds to all students who would take IB exams without regard to financial need and may serve to increase the number of economically disadvantaged students who have access to and choose IB pathways. Rather than limiting the availability of funding for any testing to those who are economically disadvantaged, this bill pilots an alternate approach to help public school students excel by removing conditional eligibility.”

ADMINISTRATIVE IMPLICATIONS

PED administers the New Mexico Fee Reduction Program. HB52 would require PED create and maintain administrative procedures for distributing funds to schools to cover IB exam fees.

DUPLICATION, RELATIONSHIP

The HAFC Substitute for House Bill 2 expands an appropriation to PED for AP tests to include IB tests and increases the appropriation by \$250 thousand, making the appropriation in this bill unnecessary and duplicative.

This bill relates to House Bill 198, which expands the use of career technical education funds for BIE-controlled schools.

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