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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 1st Session, 2017

Bill Number	<u>HB451/aHEC</u>	Sponsor	<u>Thomson</u>
Tracking Number	<u>206840.2</u>	Committee Referrals	<u>HEC</u>
Short Title	<u>Community Schools & Pre-K Definitions</u>		
Analyst	<u>McCorquodale</u>	Original Date	<u>2/22/17</u>
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BILL SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to HB451 (HB451/aHEC) removes sections 1 through 3 in their entirety. HB451/aHEC enacts a new section of the Community in Schools Act and defines “elementary schools” to include pre-kindergarten and early childhood services. The amendment adds the provision that the public pre-kindergarten is funded through the Pre-Kindergarten Act and other state- and federally funded early childhood education programs, including programs funded by Title I funds. The amendment also allows school districts and public schools to use Title I funds for a community schools initiative, and the department may use Title I funds to invest in community schools.

Synopsis of Original Bill

House Bill 451 (HB451) amends several definitions in the community schools initiative: “school-age person” is expanded to include those who are at least three years of age prior to 12:01 AM on September 1 of the school year if a public school offers voluntary prekindergarten; “elementary school” includes a public school that provides voluntary prekindergarten; and “prekindergarten” includes children who have attained their third birthday prior to September 1 if they are attending prekindergarten in a public school.

HB451 allows for struggling schools to use a community school initiative to implement comprehensive or targeted support and improvement activities pursuant to the federal Every Student Succeeds Act (ESSA). New language in HB451 requires a community school initiative to include the provision of early childhood programs funded by the Children, Youth and Families Department (CYFD) and voluntary prekindergarten funded through the Prekindergarten Act and the Title I set-aside. The bill also requires the Public Education Department (PED) to use at least 4 percent of the Title I set-aside to invest in community schools statewide.

HB451 requires an applicant for grants for community schools initiatives to provide at least three types of community school programming at each school site during the grant period including family health services, life skills acquisition, parent engagement, conflict resolution, and

improvement of attendance. The bill would also require the collection of various types of information including data on attendance and program participation, collaboration with stakeholders, assessment of needs, student demographics, suspension and expulsion, and the need for wraparound services.

HB451 requires a grantee to provide community school programming at multiple covered school sites and requires that a program director is selected and compensated to oversee and coordinate programming across the sites. Dependent on funding, HB451 allows a resource coordinator to be selected and compensated for each school site. Additionally, the bill requires grantees to report on specific data involved with programming for each site.

FISCAL IMPACT OF AMENDMENT

HB451/aHEC does not contain an appropriation.

The amendment allows for early childhood services to be funded through the Pre-Kindergarten Act and other state- and federally funded early childhood programs, including Title I funds, that are essential components of a community schools initiative.

HB451/aHEC does not address the concerns of the Public Facilities Authority (PSFA) that if a public elementary school were to include a pre-prekindergarten, the space used may need to be included within Public School Capital Outlay Council (PSCOC) adequacy standards. Therefore, if the need to build new prekindergarten spaces, or existing spaces needed to be renovated or replaced, those schools would rise in the New Mexico Condition Index ranking used by the PSCOC to award projects. Their analysis further noted that if any of those spaces were to become eligible and granted a PSCOC award, the PSCOC would participate in those projects up to the state match percentage as determined by the state or local match calculation for that school district.

SUBSTANTIVE ISSUES

The purpose of the Community Schools Act is to partner with federal, state, and local entities and private community-based organizations to provide educational service programs that improve the coordination and delivery of services provided to children and families in New Mexico schools. Services include the following; extended learning opportunities, school-based or school-linked health care, and family engagement and support services.

PSFA indicates the definition of student in the PSCOC adequacy standards means “qualified student or MEM” as defined in Section 22-8-2 NMSA 1978. By expanding the definition of a school age person to include children who are three years old attending prekindergarten at an elementary school, those prekindergarten facilities would be included in the adopted adequacy standards. PSFA would need to promulgate rules to establish those standards, pursuant to the State Rules Act.

In FY17, PED and CYFD received a total of \$53.5 million for prekindergarten programs for half- and full-day programs for 4-year-old children and half-day early prekindergarten programs for 3-year-olds.

For FY17, CYFD and PED budgeted to serve 8,496 4-year-old children in state-funded prekindergarten, including 5,248 children in PED-funded programs and 3,248 children in CYFD-

funded programs. CYFD funded an additional 997 slots for 3-year-old children to participate in early prekindergarten programs.

The House Appropriations and Finance Committee substitute for House Bill 2 and 3 for FY18 for prekindergarten funding for CYFD and PED remains flat at \$52.5 million.

A recent LFC gap analysis found enough publically funded slots for 4-year-old students exist to provide nearly all low-income 4-year-olds with some form of early childhood education, though many children currently served are not low-income. An estimated 27 thousand 4-year-olds live in New Mexico and 73 percent are low-income as measured by free or reduced-fee lunch status. Roughly 17,500 slots for 4-year-old early care and education programs are funded annually, including state funded prekindergarten, four and five star childcare, Head Start, and special education preschool. However, only 80 percent of prekindergarten students are low-income.

As noted in Volume I of the LFC Report for FY18, New Mexico is close to providing sufficient funding to ensure low-income 4-year-olds receive some type of early education when child care assistance, prekindergarten, and Head Start are considered. Possibly as a result of increased access for 4-year-olds to childcare and prekindergarten, enrollment in federally funded Head Start has experienced a significant decline, and New Mexico is losing federal revenues due to a decline in enrollment. The state needs to better coordinate across programs to prevent over-saturation for one age group, while other age groups are under-served. New Mexico could consider shifting more prekindergarten funding to 3-year-olds or encourage Head Start programs to shift more services to Early Head Start.

According to Volume I of the LFC Report for FY18, New Mexico has demonstrated leadership in increased investment in early care and education. Since FY12, the Legislature invested \$100 million in early childhood programs administered by CYFD, the Department of Health (DOH), and PED. CYFD provides child care assistance, home visiting, prekindergarten for 3- and 4-year-olds, early childhood professional development, and high-quality early childhood development centers. In FY17, the Legislature appropriated \$146.8 million to CYFD for these programs. PED provides prekindergarten for 4-year-olds, K-3 Plus, and early literacy (Reads to Lead). In FY17, the Legislature appropriated \$63.2 million to PED for these programs. DOH provides the Infant and Toddler Program for children birth to 3-year-old. In FY17, the Legislature appropriated \$43.7 million to DOH for these programs. Overall, early childhood services received \$259.9 million in FY17, including \$6.2 million from the federal Race to the Top.

LFC estimates an additional appropriation of \$14.2 million is needed to fully serve all low-income 4-year-olds in half-day prekindergarten programs or \$20.6 million to fully serve all low-income 4-year-olds in full-day prekindergarten programs. Given the large amount of revenue this bill will generate, the Legislature may wish to expand the early childhood services that the funding may be used for. For example, the Pre-Kindergarten Act does not include eligibility for early prekindergarten for 3-year-olds, nor does it allow for other early childhood care and education programs for younger children beginning at birth.

RELATED BILLS

Identical to SB445, Community Schools and Pre-K Definitions.

SOURCES OF INFORMATION

- Legislative Education Study Committee Files

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