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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/01/08

SPONSOR Nava LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Statewide Rural Revitalization Programs SB 486

ANALYST Escudero

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$500.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: Executive public school support recommendation includes \$500.0 for Rural Education/Community Revitalization

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department  
Energy, Minerals & Natural  
Resources Department (EMNRD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 486 appropriates \$500.0 non-recurring to the Public Education Department (PED) in fiscal year 2009 for the implementation of rural revitalization programs statewide.

### FISCAL IMPLICATIONS

The appropriation of \$500.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

This appropriation can be implemented with existing PED staff; therefore, the fiscal implications to the PED are minimal

Senate Bill 486 will not have fiscal implications for the Energy Minerals and Natural Resources Department (EMNRD), New Mexico State Parks Division (SPD).

## SIGNIFICANT ISSUES

According to PED, there exists a compelling need to continue holistic community revitalization efforts within the rural communities of New Mexico. SB-486 would provide funding to the Rural Education Bureau, New Mexico Public Education Department, to further its commitment to rural revitalization as stated in **6.34.2.8 NMAC: FLEXIBILITY FOR RURAL SCHOOLS**. Paragraph **6.34.2.9** of that document charges the Rural Education Bureau with providing the following forms of assistance: 1) school/community revitalization programs, 2) filling teacher vacancies, 3) interpretation of test results, 4) advice on continuous improvement programs, and 5) integrating distance education programs.

For the past two years, the Rural Education Bureau, through the New Mexico Rural Revitalization Initiative (NMRRI), has worked with 13 rural school districts and their communities in efforts to expand and sustain entrepreneurial economic activity (Pitzl, 2007) and to ensure the viability of the schools through programs in place-based education (Sobel, 2005), community education (West-Burnham, 2007), and the enhancement of distributive leadership within the schools (Reeves, 2006).

The Rural School and Community Trust, the leading national organization addressing the crucial relationship between good schools and thriving rural communities, reported in its biennial report, *Why Rural Matters 2005* (Johnson & Strange, 2005), that New Mexico ranks second only to Mississippi in its "Rural Education Priority Gauge," a combined measure of 22 statistical indicators. This ranking indicates an urgent need to address rural education needs in the state. In the Trust's current report, *Why Rural Matters 2007* (Johnson & Strange, 2007), further justification for intervention is revealed: New Mexico ranks first in the U.S. in the percentage of rural families living in poverty (22.7 % compared to 13.1% in the U.S.). Stated another way, one of every four rural families in New Mexico is living in poverty.

The proposed funding in SB-486 would allow for the continuation of the NMRRI and its expansion to 10-12 additional rural school districts and their communities and the sustainability of programs underway in the current 13 district/community cohort.

The work of the NMRRI has received national attention in the last year. Members of the Rural Education Bureau attended the annual meeting of the National Community Education Association (NCEA) in Minneapolis in December 2007 and presented a two-hour pre-conference session on the NMRRI. As a result of this presentation and other communications with the NCEA, a full strand devoted to rural revitalization based on the New Mexico model will be part at the NCEA's 2008 annual meeting, complete with presentations by invited international experts on rural revitalization. In addition, the NCEA has agreed to fund and staff a rural revitalization office in its Washington, D.C. headquarters. The NCEA views the rural revitalization initiative as an effort to "change the face of rural America" and plans are underway through the newly formed National Rural Revitalization Initiative to elevate the theme to the national level. These initiatives will be spearheaded by the National Rural Revitalization Taskforce, which includes Dr. James E. Holloway, the PED's Assistant Secretary for Rural Education, as a charter member.

According to EMNRD, this appropriation will be made to PED and will not have a direct impact on EMNRD. SPD, however, has been working closely with PED, particularly the rural revitalization program, and has linked these programs through the SPD "Outdoor Classroom Program" that is connecting school children to learning in nature.

- Both through rural revitalization funds and statewide outdoor classroom funds, PED has worked with schools to partner with several state parks in community revitalization projects. For example, in FY08, the rural education division of PED has utilized outdoor classroom funds to reach rural schools and districts through a total of 13 grants at a cost of \$43,000, working closely with SPD in the process.
- Due to this important partnership, the current request of \$500,000 could have an indirect, positive impact to SPD's Outdoor Classroom Program as more rural districts and schools continue their partnerships with SPD and choose revitalization projects near or within a state park.

### **PERFORMANCE IMPLICATIONS**

According to PED, here are no current PED performance implications related to this proposal. However, expansion of rural revitalization programs within the state will have a direct and positive impact on the work of the NMRRI.

PME/bb