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FISCAL IMPACT REPORT

SPONSOR Thomson ORIGINAL DATE 1/29/19
LAST UPDATED _____ HB 134
SHORT TITLE Pre-K in Community Schools Act SB _____
ANALYST Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				Federal Funds

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 79

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Bill

House Bill 134 amends the Pre-Kindergarten Act, allowing 3-year-olds to participate in school-based prekindergarten programs that are part of a community schools initiative. The bill amends the Community Schools Act, adding prekindergarten and early childhood services as components of a community schools initiative, creating application and administrative requirements for community schools initiative grants, and authorizing schools or PED to use federal Title I funding for community schools.

FISCAL IMPLICATIONS

The bill does not make an appropriation but allows schools or PED to use federal Title I funding for community schools initiatives. PED notes this fiscal impact is negligible since the use of Title I funds for community schools is currently allowable and is included in the school district's Title I application. In FY17, school districts and charter schools budgeted 90.2 percent of their federal Title I expenditures on instruction, instructional support services, and student support services. About 652 out of 848 New Mexico public school receive Title I funding. PED notes in FY19, 67 schools used Title I funds to support preschool salaries for teachers and educational assistants.

The federal Every Student Succeeds Act (ESSA) eliminated the school improvement grant program and replaced it with a required 7 percent state-level set-aside of Title I funds for school improvement. This set-aside, as designated in ESSA Section 1003, must be used to support school districts with schools identified as needing targeted or comprehensive support under the state's accountability system. Of the set-aside amount, 95 percent must go to local school districts, education service agencies, or consortia of districts, by formula or competition. New Mexico receives about \$116 million from Title I funding.

ESSA clarifies Title I programs can provide various services to support struggling students. For example, Title I schools that operate schoolwide programs – typically schools with high poverty rates – may use strategies including:

- supports like counseling, mentoring, and school-based mental health programs;
- career and technical education;
- preparation for postsecondary education (such as advanced coursework, dual credit options, etc.); and
- behavior supports.

Title I schools that operate targeted assistance programs may use resources for eligible students that help students meet challenging state standards, which may include activities or coursework to provide a well-rounded education. In addition, Title I may be used for:

- dual or concurrent enrollment services, and
- in limited cases, health, nutrition, and other social services that are not otherwise available through other funding sources.

The executive FY20 budget recommendation includes \$2 million for community schools initiatives.

SIGNIFICANT 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 would include:

- extended learning opportunities;
- school-based or school-linked health care; and
- family engagement and support services.

This bill allows 3-year-olds to participate in a PED prekindergarten program that is part of a community schools initiative. The bill also requires that a community schools initiative include state- or federally-funded early childhood programs and allows struggling schools to implement a community schools initiative as an ESSA comprehensive or targeted support activity.

The bill requires applicants for community schools grants to provide at least three of the following types of community school programming:

- full-day, high-quality pre-kindergarten;
- physical and mental health services for students and families;
- programs promoting academic excellence with state standards and benchmarks;
- life skills acquisition programs;
- parental support and community engagement programs;

- nonviolent behavior and conflict resolution programs;
- school attendance and dropout prevention programs;
- after-school programs;
- summer programs designed to prevent summer learning loss; and
- other programming designed to meet school and community needs.

The bill also requires applicants to include specific plans on:

- maintaining attendance records to target students in need of intervention;
- maintaining measurable data to show annual participation and effects of programming;
- documenting meaningful and sustained collaboration between the public school and community stakeholders;
- ensuring compliance with the nondiscrimination policy of ESSA;
- analyzing needs at the community school, including:
 - identification of challenges facing the school;
 - analyses of the student body, based on the number and percent of students:
 - with disabilities,
 - who are English language learners, and
 - receiving free or reduced-fee lunch, such that these analyses evaluate:
 - specific needs of each at-risk group;
 - enrollment and retention rates;
 - suspension and expulsion data, including justifications for disciplinary action;
 - analysis of school achievement data, including major demographic categories;
 - analysis of current parent engagement strategies;
 - evaluation of additional needs for wraparound services, including mechanisms for safe and healthy school environments;
 - analysis of community and school support for maintaining or changing school curricula;
 - analyses of needs in the community, conducted by school leadership that identifies the need for:
 - high-quality, full-quality child care and early education programs;
 - physical and mental health care services; and
 - job training and other adult education programming.

The bill requires grantees that provide community school programming at multiple covered school sites to select and compensate a program director to oversee and coordinate programming, and, if funding is available, select and compensate a resource coordinator at each school site.

ADMINISTRATIVE IMPLICATIONS

PED would need to update guidance on how to leverage Title I and other funds to provide a community schools model. The PED Title I application would be updated to include the types of community school programming allowable and the data analyses required to receive grant funding.

RELATIONSHIP

This bill relates to House Bill 79, which appropriates \$400 thousand to PED to implement the

Community Schools Act.

OTHER SUBSTANTIVE ISSUES

CYFD notes Section 32A-23-9 NMSA 1978 of the Pre-Kindergarten Act requires any money appropriated for pre-kindergarten programs to be divided equally between PED and CYFD. The bill does not indicate if CYFD prekindergarten programs can receive community schools initiative grants.

According to the U.S. Department of Education, a full-service community school provides comprehensive academic, social, and health services for students, students' family members, and community members that will result in improved educational outcomes for children. These services may include: high-quality early learning programs and service; remedial education, aligned with academic supports and other enrichment activities, providing students with a comprehensive academic program; family engagement, including parental involvement, parent leadership, family literacy, and parent education programs; mentoring and other youth development programs; community service and service learning opportunities; programs that provide assistance to students who have been chronically absent, truant, suspended, or expelled; job training and career counseling services; nutrition services and physical activities; primary health and dental care; activities that improve access to and use of social service programs and programs that promote family financial stability; mental health services; and adult education, including instruction of adults in English as a second language.

The Learning Policy Institute and National Education Policy Center found community schools met federal guidelines constituting an “evidence-based” strategy. PED notes evidence-based intervention, programs and practices are required under ESSA.

ALTERNATIVES

PED recommends using the following subgroup categories within the bill to align reporting with the state accountability system: gender; each major racial and ethnic group; status as an English learner; status as a migratory child; children with disabilities as defined in section 602(3) of the Individuals with Disabilities Education Act; economically disadvantaged students; status as a homeless child or youth; status as a child in foster care; and status as a student with a parent who is a member of the armed forces on active duty or serves on full-time National Guard duty.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

PED notes schools and school districts can continue to operate preschools and community schools by using general funds or Title I funds.

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