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FISCAL IMPACT REPORT

Thomson/Trujillo, CH/
 Garratt/Sariñana/Roybal/ **ORIGINAL DATE** 2/21/19 589/aHEC/aHAFC/
SPONSOR Caballero **LAST UPDATED** 3/14/19 **HB** aHF1#1
SHORT TITLE Community School, Early Childhood & Pre-K **SB** _____
ANALYST Eckberg

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 111, HB 182, HB 159, HB 250, HB79, HB134, HB145, and SB 632.

SOURCES OF INFORMATION

LFC Files
LESC

Responses Received From

Indian Affairs Department (IAD)
Public Education Department (PED)

SUMMARY

Synopsis of HF1#1 Amendment

The House Floor #1 Amendment to House Bill 589 adds language indicating community school initiatives “may be offered in partnership with community-based organizations”. The amendment also replaces “child care” with “early childhood” where appropriate and changes “administrative” to “indirect” in regard to the costs associated with community schools, now saying, “a school district shall bear any indirect costs associated with the establishment and implementation of a community school within the school district.”

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee Amendment to House Bill 589 strikes Section 8 in its entirety, removing the \$5.1 million appropriation.

The amendment adds language making grant renewals after the initial three-year grant period, “for one year in an amount determined by the department”.

The amendment also strengthens language requiring “documentation required by the department” as opposed to “assurances” in regard to eligible applicants showing their intent to apply for an implementation grant within six months of receiving a planning grant.

Additionally, the amendment adds “B. The community school framework may include:” on page 5, between lines 10 and 11, and renumbers and reletters paragraphs and subsections as appropriate.

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 589 changes the effective date of the act from 2020 to 2019.

Synopsis of Original Bill

House Bill 589 appropriates \$5.1 million from the general fund to the newly created community schools fund for expenditure in FY20 and subsequent fiscal years for the purpose of carrying out the provisions of the Community School Act and distributing grant awards to support the development and implementation of community schools initiatives. The bill amends the Community School Act, expanding the purpose of community schools to address the cultural and linguistic needs of students from early childhood programs and prekindergarten through high school completion.

The bill calls for federal, state, and tribal governments to partner with community-based organizations to improve the coordination, delivery, effectiveness, and efficiency of services, align and leverage community resources, and integrate funding streams. Community school initiatives would be required to work with a lead partner agency, conduct an annual community needs and assets assessment, and implement a program framework.

FISCAL IMPLICATIONS

The appropriation of \$5.1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund. **The HAFC Amendment removes this appropriation.**

This bill creates a new fund and provides for continuing appropriations. LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

The House Appropriations and Finance Committee (HAFC) appropriations in HAFC Substitute for House Bills 2 and 3 includes funding for several public schools initiatives, including \$113 million to increase the at-risk index, \$62.5 million for extending learning time, \$119.9 million for K-5 Plus, \$2.7 million for extended learning time transportation, \$3.7 million for K-5 Plus transportation, \$1.45 million for parent and family engagement, \$1.5 million for school-based health centers, and nonrecurring \$40 million for *Yazzie & Martinez v. New Mexico* compliance initiatives (year 2).

PED notes House Bill 589 will have a moderate impact on the department in fiscal year FY20. PED will need to create separate funding codes (appropriations from the general funds and gifts,

grants, and donations) for the community schools fund to ensure the funds are only used for these purposes and not used to correct for previous reductions in program services. PED will need to promulgate rules and procedures, including an application, to distribute funds through a competitive process along with eligibility criteria. In FY21 and beyond, the fiscal implications for PED will be minimal. An additional FTE dedicated to providing technical assistance and support to community schools and the community schools coordinators would be valuable to provide the most benefit to New Mexico's students and families.

SIGNIFICANT ISSUES

The bill defines community school as “a public school that partners with families and the community, including tribal partners, nonprofit community-based organizations and local businesses, to provide well-rounded educational opportunities and supports for student success through the implementation of a community school framework.”

A community school framework would be required to employ research- and evidence-based strategies “that include culturally and linguistically responsive instruction, programs, and services and restorative practices that focus on building and maintaining relationships,” including integrated student supports, expanded and enriched learning time and opportunities, active family and community engagement, and collaborative leadership and practices. The framework may also include broad use of public school facilities as hubs for neighborhood events and activities, federally funded early childhood services and prekindergarten, and others. If early childhood services and supports are indicated as a need for families, a community school site-based leadership team that includes the principal, coordinator, teachers, other school employees, families, and community partners, would be required to prioritize partnerships and integration with childcare providers located on and off the school campus.

PED would be responsible for promulgating rules and procedures to distribute funds through a competitive grant program developed and designed in partnership with the coalition for community schools.

Under New Mexico's Community Schools Act, a community school initiative may be created in any public school in the state. A community school initiative should include a core set of strategies, such as extended learning programs, including before- and after-school, summer programs, school-based health care, and a connection to a public or private partner agency or community-based organization to help coordinate programs and services. The Legislative Education Study Committee (LESC) notes the Community Schools Act allows a school district, a group of public schools, or a public school to apply to PED for grants to implement a community school initiative. However, since the bill's enactment, the Legislature has not appropriated funds to specifically support the Community Schools Act and PED has not used its federal Title I set-aside funds for low-performing schools or multiple special appropriations to award grants pursuant to the act.

The 2018 LFC report *Results First: Education Interventions* found community schools can increase academic achievement and improve student attendance compared with traditional public schools and can also reduce disparities in achievement. The community school model combines integrated student supports with extended learning time and robust family and community engagement. Local education agencies that want to implement a community school model can leverage funding for extended learning time programs, as well as at-risk funding for integrated student supports. The report found community schools show strong evidence of positive impact

to student achievement.

Additionally, the Learning Policy Institute and National Education Policy Center found community schools meet federal guidelines constituting an “evidence-based” strategy.

LESC reports New Mexico has 39 community schools across three school districts working with three lead partner agencies responsible for overseeing and supporting the implementation of community schools. There are 28 community schools in Albuquerque Public Schools partnered with the Albuquerque/Bernalillo County Community School Partnership, one community school in Las Cruces Public Schools partnered with the Las Cruces Partnership for Community Schools, and 10 community schools in Santa Fe Public Schools partnered with Communities in Schools of New Mexico. While community school performance is mixed in New Mexico, community school performance data reflect national research findings – the stronger a school aligns to the four key pillars identified by LPI, the stronger the school performs. Although some community schools that have implemented all four key pillars have demonstrated improved student achievement and growth, some schools that have been operating as community schools for many years have struggled to improve school performance and student outcomes, which appears to be linked to a school principal’s and community school coordinator’s tenure at a school. Community school stakeholders indicate principals and community school coordinators play a significant role in establishing and maintaining relationships with partners that can provide assistance or services that address students’ needs, hence strengthening the efficacy of the key pillars.

IAD notes the following:

House Bill 589’s community school framework is a set of strategies to be implemented in community schools that includes culturally and linguistically responsive instruction, programs and services, and restorative practices that focus on building and maintaining relationships. House Bill 589 based its community school framework on research- and evidence-based strategies and best practices to implement cultural and linguistic programs. Since the intent of the community school framework is to include culturally and linguistically responsive instruction, programs and services, House Bill 589 should include provisions for native language speakers that are recognized by their tribal communities, school districts, or tribal leadership, to better serve the needs of Native students.

PED notes the following:

House Bill 589 expands the definition and purpose of The Community Schools Act by allowing early childhood and voluntary pre-kindergarten programs. Community school programs are required to address the holistic needs of students, including their cultural and linguistic needs. House Bill 589 requires the hiring of a community school coordinator who will implement the community schools framework through the establishment of partnerships that will provide services to students including health, dental, vision and other services. Family services include courses, service learning and activities. Schools become full service and are the hub of the community.

According to the U.S. Department of Education, community schools or Full-Service Community Schools (FSCS) provide 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 services; 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. A FSCS provides access to such services in school to students, families, and the community, such as access during the school year (including before- and after-school hours and weekends), as well as during the summer. For more information see [Full Service Schools](#).

Section 4621 of the ESSA, Title IV, Part F, Subpart 2 Community Support for School Success provides awards to states for purposes very similar to the activities allowed in House Bill 589. The purpose of the grant is to significantly improve the academic and developmental outcomes of children living in distressed communities ensuring school readiness and high school graduation through a continuum of community based services. The focus is on services for students and families in high-poverty including high-poverty rural schools. Under ESSA, priority for awards is given to those applicants with evidenced based activities.

ADMINISTRATIVE IMPLICATIONS

PED notes they would need to update the annual Title I, Part A, application to include a module for school districts on how schoolwide Title I programs and Title I funds will be leveraged and used to enhance community schools and provide additional supports and services to students and families through the Title I, Part A, family engagement requirements. In addition, the Title I, Part C, Migrant Education Program (MEP), and McKinney-Vento Homeless Education funds will need to be leveraged in the schools receiving those funds to expand and enhance preschool programs through the community schools framework. Both of the aforementioned programs are required to provide preschool services for those students who qualify.

PED notes the department would assess the community schools program at least once a year and make adjustments and decisions accordingly based on input from the coalition and data and information received at the state and school level.

TECHNICAL ISSUES

The bill indicates the effective date would be July 1, 2020, but the appropriation carried in the bill is for expenditure in FY20. It appears the effective date should be July 1, 2019.

NE/al/gb/sb