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FISCAL IMPACT REPORT

SPONSOR Figueroa
LAST UPDATED _____
ORIGINAL DATE 2/20/25
SHORT TITLE Community School Fund & Framework
BILL NUMBER Senate Bill 387
ANALYST Mabe

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact					

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

Relates to Senate Joint Resolution 8
 Relates to an appropriation in the General Appropriation Act

Sources of Information

LFC Files
 Legislative Education Study Committee (LESC) Files
 Economic Policy Institute (EPI)

Agency Analysis Received From
 Public Education Department (PED)
 Regional Education Cooperatives (REC)

SUMMARY

Synopsis of Senate Bill 387

Senate Bill 387 (SB387) increases flexibility in the amount of grant funding awarded by the Public Education Department (PED) for community school implementation and updates the language around integrated student supports in the community school framework to more broadly address noninstructional school barriers. The bill also renames the community schools fund as the Dr. Jeannie Oakes memorial community schools fund. The provisions of this bill take effect in the 2025-2026 school year.

FISCAL IMPLICATIONS

This bill does not include an appropriation. The LFC recommendation for the General Appropriation Act appropriates \$6 million for community schools, including \$400 thousand that can be used by PED to evaluate and accredit community schools. It also directs PED to prioritize awarding grants to school districts and charter schools that are investing in their own community schools with local matching funds.

Previously, implementation grants were available to schools in the amount of \$150 thousand annually for three years. The bill amends that to allow grants “up to” \$150 thousand. This means that schools can now be awarded less than that, which could allow more schools to be supported, while also possibly changing the scope of their work because of reduced funding.

SIGNIFICANT ISSUES

PED defines community schools as “a whole child, comprehensive strategy to transform schools into places where educators, local community members, families, and students work together to strengthen conditions for student learning and healthy development.” What this looks like varies from school to school, but in general community schools strive to be community activity hubs that address various needs of students and their families by providing before- and after-school programming, meals, physical and mental health supports, adult learning opportunities, and other services.

The Legislature passed the Community Schools Act in 2013, which allowed any public school that offers wraparound services to become a community school. But a Learning Policy Institute report from this year notes that community schools in New Mexico date back to at least the 1930s with community schools in tribal communities. Legislative funding started in FY20, detailed in the chart below. It grew steadily until the 2024 legislative session when other PED requests began taking up a larger priority. Questions around the effectiveness of community schools in New Mexico had already begun to surface in 2023, with the passage of House Memorial 44 requesting PED to convene a community school task force to evaluate funding, return on investment, and measures of success as well as to develop a long-term plan.

Fiscal Year	Amount
2020	\$2,000,000
2021	\$3,300,000
2022	\$5,000,000
2023	\$8,000,000
2024	\$10,000,000
2025	\$8,000,000
2026 LFC Recommendation ¹	\$6,000,000

1. The executive and LESC recommendations include \$8 million for community schools.

Learning Policy Institute (LPI) researchers have been studying New Mexico community schools since 2023. According to a 2021 report, co-authored by Jeannie Oakes, the return on investment for every dollar invested in community schools ranges from \$3 to \$15 for outcomes like higher graduation, higher employment, and lower incarceration rates.

The preliminary report from the House Memorial 44 task force embraces six key practices of the community school strategy:

1. Powerful student and family engagement;
2. Collaborative leadership, shared power and voice;
3. Expanded culturally enriched learning opportunities;
4. Rigorous community-connected classroom instruction;
5. Culture of belonging, safety and care;

6. Integrated systems of support.

Provisions of this bill remove components of the current community schools framework from statute, which include:

- Expanded and enriched learning time,
- Active family and community engagement, and
- Collaborative leadership and practices that build a culture of professional learning.

LESC’s analysis notes that a full report is due in 2025. Other evaluations stemming from the memorial are underway, including an evaluation project, called the graduated cohort study group (GCSG), which is looking at 22 community schools to develop an accreditation process.

Senate Bill 373 reflects changes in research by replacing two pages of detail about what integrated student supports will address with the responsive and inclusive language of “noninstructional school barriers.”

The bill also renames the community schools fund as the Dr. Jeannie Oakes memorial community schools fund. Jeannie Oakes (1943-2024) was a senior fellow in residence at the Learning Policy Institute and professor emeritus in educational equity at the University of California in Los Angeles. She moved to Santa Fe in 2014 and studied education policy here. She published several LPI reports on the success and challenges of community schools in New Mexico.

PERFORMANCE IMPLICATIONS

According to LPI, when community schools are well designed and fully implemented, they increase student success both academically and socially. Students achieve higher rates of graduation, lower absenteeism, and help close achievement gaps. While community schools are an evidence-based strategy in national studies, the fidelity of implementation to this strategy and its impacts in New Mexico schools remain unclear and require further study.

ADMINISTRATIVE IMPLICATIONS

PED notes it would need to develop guidelines for determining award amounts and update guidance to reflect the current community school framework.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 387 relates to Senate Joint Resolution 8, which amends the New Mexico Constitution to add children’s rights, including access to fully resourced community schools. It also relates to the General Appropriation Act, which appropriates \$6 million for community schools.

RM/sl/hj/hg/sgs