

LESC bill analyses are available on the New Mexico Legislature website ([www.nmlegis.gov](http://www.nmlegis.gov)). Bill analyses are prepared by LESC staff for standing education committees of the New Mexico Legislature. LESC does not assume any responsibility for the accuracy of these reports if they are used for other purposes.

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

<b>Bill Number</b>	<u>SB445</u>	<b>Sponsor</b>	<u>McSorley</u>
<b>Tracking Number</b>	<u>.207333.1</u>	<b>Committee Referrals</b>	<u>SEC/SFC</u>
<b>Short Title</b>	<u>Community Schools &amp; Pre-K Definitions</u>		
<b>Analyst</b>	<u>McCorquodale</u>	<b>Original Date</b>	<u>2/21/17</u>
		<b>Last Updated</b>	<u>3/1/17</u>

---

---

**BILL SUMMARY**

Synopsis of Bill

Senate Bill 445 (SB445) 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.

SB445 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 SB445 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.

SB445 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.

SB445 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, SB445 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**

SB445 does not contain an appropriation.

According to the Public School Facilities Authority (PSFA), if SB445 were enacted, prekindergarten spaces 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. The analysis further noted 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.

According to PED, SB445 makes a number of changes to the community schools program application and model; however, there is no accompanying state appropriation. Instead, SB445 requires PED to use at least 4 percent of the Title I grant to invest in community schools statewide. Under ESSA, Title I funds available to PED must be awarded as follows:

- Approximately 7 percent to be used to support schools identified as in need of comprehensive or targeted support under the state’s accountability system. Of this amount, 95 percent must be provided in grants to districts. The specific use of funding under this category is prescribed by ESSA and is to be described in the ESSA state plan to be submitted to the US Department of Education. The content of the state plan is based on public input which was gathered through a series of public forums;
- Approximately 1 percent for grant administration; and
- The remainder of the state’s Title I award is required to be made available as grants to school districts and state charter schools.

PED states the use of federal Title I funds to address the requirements in SB445 raises a question of supplanting. Federal regulations on supplement-not-supplant have not been finalized by the new administration.

## **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 includes \$53.5 million in FY18 for prekindergarten funding for CYFD and PED.

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 HB451, Community Schools and Pre-K Definitions.

**SOURCES OF INFORMATION**

- Legislative Education Study Committee Files

**CMC/rab**