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FISCAL IMPACT REPORT

SPONSOR: Miera DATE TYPED: 02/24/01 HB 33/aHAFC
 SHORT TITLE: Even Start Family Literacy Programs SB _____
 ANALYST: Moran

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
No Fiscal Impact					

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 State Department of Education (SDE)

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment removes the original \$ 5 million appropriation. The amendment requires SDE to distribute money to schools based on actual costs and performance based budgeting implementation.

Synopsis of Original Bill

House Bill 33 appropriates \$5 million from the general fund to the State Department of Education (SDE) to establish Even Start Family Literacy Programs that will provide preschool reading readiness and parenting education. To apply for these funds, a public school must address specific program elements and have a high proportion of limited English proficient students, students living in poverty and Native American students. Funds to approved programs will be distributed on a per unit basis.

Significant Issues

The purpose of this bill is to support the educational and developmental needs of preschool children. According to SDE, in New Mexico it is anticipated that 25% to 30% of children ages three and four are living in poverty. SDE contends the condition of poverty is linked to literacy. Based on a study by the National Research Council, children of parents with low literacy skills do not have the same educational opportunities as the child of highly literate parents. These children are less likely to have learning experiences outside the home or to be enrolled in pre-kindergarten programs.

The SDE will develop and administer a program approval process for state-funded Even Start Family Literacy programs based on statutory criteria. The bill establishes clear expectations and criteria; the development of guidelines can be done in a timely and expedient manner. If a program does not meet the necessary benchmarks to ensure student success, the public school is notified of the possibility of cessation of program funding for the next school year.

FISCAL IMPLICATIONS

The appropriation of \$5000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY02 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

There are no monies identified in this bill for administrative costs. The SDE staff would carry out programmatic and fiscal responsibilities, including the establishment of a program approval process including criteria, a dissemination system to districts so that the applications can be part of the budget approval process, and technical assistance in developing applications/proposals. SDE would also develop standards and benchmarks to ensure progress and provide accountability, aggregate program evaluation information, and continuously coordinate and monitor the Even Start Family Literacy Programs.

RJM/ar/njw