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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 2-4-06  
**LAST UPDATED** 2/11/06     **HB** 649/aHEC

**SPONSOR** Trujillo

**SHORT TITLE** DISADVANTAGED CHILDREN'S ZONE     **SB** \_\_\_\_\_

**ANALYST** Hadwiger

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$3,000.0	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)  
 Children, Youth and Families Department (CYFD)  
 Public Education Department (PED)

### SUMMARY

#### Synopsis of HEC Amendment

The HEC amendment to Senate Bill 649 deletes reference to “six kindergarten programs.”

#### Synopsis of Original Bill

Senate Bill 649 appropriates \$3 million from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) in FY07 for development of the Agua Fria children's zone, a cooperative economic development program and its administrative offices, with a goal of strengthening disadvantaged children and six pre-kindergarten programs in a disadvantaged Santa Fe neighborhood.

### FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

## SIGNIFICANT ISSUES

DFA indicates HB649 would fund design, construction and furnishing a building on Bureau of Land Management land for which the Santa Fe County has a 99-year lease. This building is part of the county master plan for the Agua Fria area. The building will become part of a community development program for this area of town. The intention for this building is to be a community center as well as a campus for the six pre-kindergarten classrooms. The building would also include community classrooms available for conferences for early childhood development, parenting classes, and adult literacy programs. The building will include administrative office space for staff for the economic development in this community. A medical clinic, ball park, play grounds and a fire station are already located near this proposed building site.

DFA added that currently, the Agua Fria children's zone operates two pre-kindergarten classes at the Agua Fria elementary school. The school's population is growing rapidly and soon the pre-kindergarten classes will no longer have classroom space available at this location. This building will give the program a permanent home. The census bureau data of 2000 states that there are 639 children under the age of 5 in the Agua Fria area. The United Way of Santa Fe holds a lottery for the children who are able to attend the two classrooms currently in operation. The number of children turned away suggests the need to expand to as many as six pre-kindergarten classes.

PED commented that Agua Fria Children's Zone (AFCZ) is a revised and expanded program based on the work of United Way of Santa Fe County's Success by Six Advisory Council - work that received an Early Learning Opportunities Act grant in 2003. AFCZ is modeled after the Harlem Children's Zone Project, a multi-year comprehensive community building initiative that works to enhance the quality of life for children and families in some of New York City's most devastated neighborhoods. AFCZ is a comprehensive project to address root causes of disenfranchisement in one of Santa Fe's most vulnerable neighborhoods and to reverse the downward spiral of generational poverty often found in such neighborhoods. Making the family its focus, AFCZ creates a continuum of resources and services following children and their families from birth to early childhood - a network of opportunities routinely available to more advantaged citizens.

PED added that AFCZ's primary goal for the early-childhood phase of the Agua Fria Children's Zone is that all Agua Fria children enter kindergarten fully prepared with the social/emotional, cognitive and motor-development skills they need to flourish. The Agua Fria Children's Zone works to create opportunities and enhance the quality of life for children and families in one of Santa Fe County's most vulnerable neighborhoods by providing needed services and support. The initiative began in 2004 with Agua Fria Preschool, a private-public pre-kindergarten program that offers the high-quality early-childhood education shown to have a positive impact on low-income children and their families. Investing in early childhood development and education results in better school performance, less criminal behavior, reduced dependence on welfare and higher-paying jobs as adults. At the same time, engaging a community around its children improves the chances of sustainable success.

**PERFORMANCE IMPLICATIONS**

CYFD noted that the bill references “a goal of strengthening disadvantaged children and six pre-kindergarten programs in a disadvantaged Santa Fe neighborhood.” If the intent of the appropriation is to fund or supplement direct pre-k services, then pre-k program performance indicators would be positively impacted. If the intent of the appropriation is to fund or supplement development of pre-k programs, then the number, capacity, and accessibility of programs and the number of children served would be positively impacted.

**ADMINISTRATIVE IMPLICATIONS**

DFA indicates the bill proposes that LGD/DFA administer the funds for a capital outlay project in the Agua Fria area of Santa Fe county, which is within the parameters of the department to do.

CYFD indicated DFA is not currently directly involved in the administration of the New Mexico pre-k program. CYFD will absorb any additional administrative impact associated with passage of this bill.

DH/nt