F I S C A L I M P A C T R E P O R T

SPONSOR Sandoval **ORIGINAL DATE** 02/19/13 **LAST UPDATED** **HB** 510

SHORT TITLE High-Poverty School Achievement Gap **SB**

ANALYST Gudgel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	**FY14**		
	$5,300.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

SOURCES OF INFORMATION
LFC Files

Responses Received From
Department of Health (DOH)

Responses Not Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 510 makes the following three appropriations from the general fund for use in high-poverty low-income elementary schools:

- $1.8 million to the Public Education Department (PED) to purchase textbooks and other instructional materials in FY14 and FY15;
- $1.0 million to the PED for elementary school breakfast and other school meal programs in FY14;
- $2.5 million to the Department of Health (DOH) to provide medical and behavioral support in FY14.

FISCAL IMPLICATIONS

The appropriations totaling $5.3 million contained in this bill are a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund.

SIGNIFICANT ISSUES

Approximately 135 elementary schools statewide appear to qualify as "high-poverty, low-income elementary schools" based on 2011-2012 free and reduced-fee lunch (FRL) data the PED provided to the LFC in 2012.

For FY13, the PED received $1.9 million for the state-funded elementary school breakfast program. Funding priorities established by statute require the PED to distribute funds to schools with the highest percentage of FRL students, leveraging federal matching funds. The PED distributed the $1.9 million to 165 schools, distributing funds to schools with more than 82 percent of their students eligible for FRL. The appropriation paid for 6,655 meals. Combining this appropriation with the state-funded elementary breakfast program would extend state-funded breakfast to 55 schools, serving an additional 3,700 breakfasts to elementary students. It is likely that if funds are used to serve other meals to students at qualifying elementary schools a similar number of meals will be provided. Currently, HB 2 includes a $1.9 million appropriation for the state funded elementary school breakfast program for FY14

House Bill 2 includes $21 million for instructional materials statewide. The annual adoption of instructional materials follows a six-year cycle in all core curriculum areas. Math and the arts are scheduled for FY14. Funds for instructional materials are generated through provisions of the federal Mineral Leasing Act and are provided directly to public schools on a per-pupil basis. The PED funds materials for public, charter, state-supported, and accredited private schools, as well as adult basic education centers. School districts and charter schools are encouraged to consider alternative delivery methods that may be more economical, including electronic curricula delivery. The additional $1.8 million included in this bill will allow the PED to target high-poverty, low-income elementary schools that need additional funding for textbooks and other instructional materials.

According to the U.S. Department of Health and Human Services, school-based health centers are relied on by students and their families to meet the needs for a full-range of age-appropriate health care services, including primary medical care, mental/behavioral health care, dental/oral health care, health education and promotion, substance abuse counseling, case management, and nutrition education. Students can be treated for acute illnesses, such as flu, and chronic conditions, including asthma and diabetes. They can also be screened for dental, vision and hearing problems. With an emphasis on prevention, early intervention and risk reduction, school-based health centers counsel students on healthy habits and how to prevent injury, violence and other threats. School-based health centers often are operated as a partnership between the school and a community health organization, such as a community health center, hospital, or local health department. The specific services provided by school-based health centers vary based on community needs and resources as determined through collaborations between the community, the school district and the health care providers. The appropriation of $2.5 million to the DOH for medical and behavioral health support supports school-based health clinics in high-poverty, low-income elementary schools.

PERFORMANCE IMPLICATIONS

Targeted funding that support low-income, at-risk elementary students may increase the number of economically disadvantages elementary students scoring at or above proficiency on reading and math assessments. Additionally, this could help to close the achievement gap.

ADMINISTRATIVE IMPLICATIONS

The PED and the DOH will be required to administer the appropriations.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 19 appropriates $2.5 million from the general fund to the DOH, Office of School and Adolescent Health, for expenditure in Fiscal Year 2014, for quality behavioral health supports for students in public schools.

SB 47 appropriates $1.0 million from the general fund to the DOH for expenditure in fiscal year 2014 to fund school-based health centers.

OTHER SUBSTANTIVE ISSUES

The DOH analysis includes the following:
Lack of educational resources in poor schools may hamper learning. Despite financial incentives, good teachers usually prefer to teach in wealthier schools. The correct resource combination may also be important. Without good textbooks or classroom resources, more teachers cannot necessarily improve the quality of learning.
(http://www.iaoed.org/files/10_finalweb.pdf)

Children who are hungry experience significantly poorer health and education outcomes than do well nourished individuals. Hungry children have a heightened propensity for having isolating or anti-social behaviors and a greater need for special education. Hungry children tend to have lower math scores, are twice as likely to repeat a grade, and three times as likely to be suspended from school.
(http://www.hungerfreemn.org/hunger-in-mn/hunger-statistics/cost-benefit-study)

The School Based Health Centers (SBHCs) address many of the barriers to health care access for school-aged children. Because the SBHCs are located where children spend a significant amount of their time, scheduling and transportation barriers are minimized. The SBHCs also address financial barriers by helping enroll eligible students in Medicaid and offering free services for uninsured students. Students who use the SBHCs are more likely to have received recommended vaccines and screening for high risk behaviors, compared with those who do not. Students who use the SBHCs have also been shown to have high satisfaction with their health status and have healthier behaviors, such as more physical activity and greater consumption of healthier foods.

In addition to providing services for individual students, the SBHCs can provide prevention, early identification, and harm-reduction services for the entire community by following the coordinated school health program model, as described by the Division of Adolescent and School Health and School Health of the Centers for Disease Control and Prevention. A review revealed that students in schools with a SBHC have greater satisfaction with their learning environment, and that health promotion interventions used by the SBHC improved health attitudes and behaviors and academic performance.

RSG/blm:svb