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FISCAL IMPACT REPORT

SPONSOR Romero, GA **ORIGINAL DATE** 2/7/2020
LAST UPDATED _____ **HB** 224
SHORT TITLE Statewide Literacy Programs **SB** _____
ANALYST Gaussoin

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$4,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bills 74, 215, and 249.
 Relates to appropriations in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Early Childhood Education and Care Department (ECECD)
 Public Education Department (PED)

No Response Received

Regional Education Cooperatives (REC)

Other Responses

American Association of School Librarians-New Mexico

SUMMARY

Synopsis of Bill

House Bill 224 appropriates \$4 million from the general fund to the Public Education Department for regional education cooperatives to provide a statewide literacy program.

There is no effective date of this bill. It is assumed the effective date is 90 days following adjournment of the Legislature.

HB224 requires the program use a “wide variety of strategies” to improve literacy for about 35 thousand low-income school-age children and about 600 thousand children and adults overall:

- Culturally and linguistically responsive reading materials relevant to children and adults;
- After-school tutoring and other direct work with low-income prekindergarten through 12th grade students using fictional and nonfictional read-aloud texts to practice oral language and reading fluency;
- Early childhood cultural literacy services for children and their families;
- Education for parents, extended family members, and the community on the importance of early reading that includes strategies, books, and approaches for English learners;
- Professional development and mentoring for tutors, teachers, parents, and community members;
- Book distributions through community and school literacy events;
- Little free libraries (self-serve kiosks containing books) in every community in which the program is conducted;
- Community reading events; and
- Sets of classroom books with instructional materials tied to common core curricula to supplement classroom materials.

HB224 requires the cooperatives to select one cooperative to coordinate services and account for funds and to provide a quantitative assessment and report on the program to PED, the governor, and the Legislature by January 15, 2021.

FISCAL IMPLICATIONS

The appropriation of \$4 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY21 shall revert to the general fund.

PED reports it received \$1 million in FY20 to distribute to RECs statewide.

RECs, the agencies most likely to have additional costs, did not provide analysis for this report. ECECD says HB224 has no fiscal implications for the department. PED did not indicate any concerns with the financial impact.

ECECD reports Early Childhood Services, being transferred from the Children, Youth and Families Department to ECECD, has worked with the cooperatives in past years to carry out various professional development and support programs throughout the state. The cooperatives have provided administrative oversight, accountability and fiscal management for ECS for numerous projects, ensuring access to services in rural communities with limited resources, with minimal to no overhead costs.

SIGNIFICANT ISSUES

ECECD raises concerns with focusing solely on low-income children, suggesting it could result in unintended consequences for the children being singled out. In addition, it notes literacy programs need to be sustained over more than the one-year anticipated in HB224 to be successful: “Programs need sustainability, exposure and expansion in order to build trust with the community and ensure a relationship based approach to culture, language and literacy, particularly for dual-language learners and tribal communities.”

In addition, the services required by HB224 might not align well with the best practices identified as being most effective by research and education experts. While evidence indicates reading and literacy coaches and schoolwide book distributions (e.g., One School, One Book) are effective, little free libraries might be more charming than productive in promoting literacy in a community.

PERFORMANCE IMPLICATIONS

According to LESC, the percent of third graders achieving reading proficiency in New Mexico’s standards-based assessment remains below 30 percent. In addition, on New Mexico’s standards-based assessment in FY19, economically disadvantaged third graders performed 24 percentage points below noneconomically disadvantaged third graders in achieving reading proficiency.

A 2019 LFC *Results First* report found promising evidence that reading and literacy coaches improve students’ reading skills. A 2010 longitudinal study examined the effects of a literacy collaborative model that relied primarily on one-on-one teaching coaching for grades K-2. The study found moderate positive growth in reading proficiency in years one and two, and strong positive growth in year three. The benefits persisted through subsequent summers. Another meta-analysis on literacy coaching found that coaching positively affects both teaching practice and student achievement, also finding that literacy coaching was most effective when paired with other forms of professional development, such as group training. The use of reading and literacy coaches should be focused on prekindergarten through the third grade, the period when most students learn how to read. The National Reading Technical Assistance Center recommends that reading coaches be credentialed.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The House Appropriations and Finance Committee substitute for House Bills 2 and 3, the General Appropriation Act of 2020, includes \$2 million for early literacy special programs targeted at kindergarten through second grade, \$875 thousand in nonrecurring funding for early literacy, and \$10 million in the public school funding formula for early reading interventions. In addition, the bill contains \$746.1 thousand for adult literacy.

HB224 relates to Senate Bill 74, which would establish an early reading professional development fund; House Bill 281, which would establish program requirements for education English learners; Senate Bill 215, which would appropriate \$494 thousand to provide Internet access to Senator John Pinto library in Shiprock, and Senate Bill 249, which would appropriate \$100 thousand to kindergarten-through-12th-grade literacy programs.

TECHNICAL ISSUES

It is unclear why the legislation includes specific numbers for children and adults to be served given the changeability of those numbers.

ECECD notes HB224 requires the cooperatives to “work directly and indirectly with low-income prekindergarten children” but is not clear if these will be prekindergarten children in public schools only or if the target population includes children from private prekindergarten or Head Start.

OTHER SUBSTANTIVE ISSUES

From PED:

Regional education cooperatives provide various education-related services, including technical assistance, staff development, cooperative purchasing, fiscal management, and the administration of federal programs, among other things. PED is authorized to approve the existence and operation of regional education cooperatives, which are considered individual state agencies administratively attached to PED and exempt from the provisions of the State Personnel Act. Each regional education cooperative is governed by a regional education coordinating council composed of the superintendents or chief administrative officers of each local school district or state-supported institution participating in the cooperative. Currently, there are 10 regional education cooperatives authorized statewide.

ALTERNATIVES

The New Mexico chapter of the American Association of School Librarians indicates most of the services described in HB224 are already provided through school libraries and the certified librarians are “uniquely prepared to address several key points of the bill.” Certified school librarians are already trained and experienced in curating and providing culturally and linguistically responsive books; working directly and indirectly with children, their families and the community; and providing early literacy services and professional development.

As an alternative to HB224, the Legislature could expand funding for school libraries to allow for additional community outreach.

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