

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2017 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply: Date 1-29-17
Original **Amendment** **Bill No:** SB32
Correction **Substitute**

Sponsor: Senator Gay G. Kernan **Agency Code:** 924
Short **Person Writing** Matt Pahl
Title: K-3 PLUS ELIGIBILITY **Phone:** 470-9909 **Email** Matt.pahl@state.nm.u

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
23,700.0		Recurring	K-3 Plus Funding

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY17	FY18	FY19		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 32 (SB-32) amends the public school code to clarify the eligibility of certain students to participate in the K–3 Plus Program, repealing the kindergarten plus pilot project section, and declaring an emergency.

FISCAL IMPLICATIONS

SB32 may have fiscal implications for the Department. As currently written, it seems to open the pool of potential school up greatly, and the result may be more demand than the appropriation can cover.

In section C-3 “that is not otherwise eligible receives students from or sends students to another elementary school that is eligible.” Schools that participate in K–3 Plus receive funding based on eligibility, 80% or higher free or reduced lunch or D or F school grade. Schools that qualify are given a flat rate for each student that meets the attendance requirement in the 25 day program. By adding this language it opens up eligibility to all schools in New Mexico not just the 80% or higher free or reduced lunch or D or F schools.

SIGNIFICANT ISSUES

A provision in SB32 maintains the eligibility requirements of section C-1. “A high- poverty elementary school in which eighty percent or more of the students are eligible for free or reduced lunch at the time the school applies for the program”.

Section 1, subsection D is aligned to the current practice of the K–3 Plus program. The K–3 Plus program was designed to be an extension of the regular school, section B lines 4-8. Prioritizing funding to school districts and charter schools that keep K–3 Plus students with the same teacher and cohort of students during the regular school year may help narrow the gap between disadvantaged students and other students.

In section 1, subsection C(2), the bill grants elementary schools with a D or F school grade at the time of the application or schools that improved their school grade with K–3 Plus and “wish to continue the program”. There is no time limit on how long schools can continue with the program. With no limit, other schools that qualify may not be able to receive K–3 Plus monies due to flat funding to support current K–3 plus programs. When looking at the eligibility for Summer 2017, there are over 290 schools that meet the eligibility. Over 40 schools were funded last year that improved their grades and were no longer eligible based on the criteria of eighty percent free or reduced and/ or a D or F school grade. The K–3 Plus program Summer 2016 was able to fund 47 districts and 237 schools.

Wording in section 1, subsection C(3), implies that a school not eligible could receive students from a K-3 Plus program and become eligible to apply for funding regardless of eligibility. This wording may change how funding is allocated and opens up eligibility for non-eligible schools.

The language of the bill would allow all schools to become eligible. Based on funding allocations every school cannot be served by the K-3 Plus program. The bill states “receives students from or sends students that are not otherwise eligible to another elementary school that is eligible and participating in the regular course of the school district attendance zoning.”

Section 1, Subsection C(3) of SB32 is contrary to section A lines 23 and 24, “increased time in kindergarten and the early grades narrows the achievement gap between disadvantaged students and other students.” Increased time refers to the 25 days of K–3 Plus which is intended as an extension of the school year. Schools that qualify for the K–3 Plus are eligible based on school grade and percent of free or reduced lunch, disadvantaged students. This section also contradicts with section D that states “The department shall prioritize funding to school districts and charter schools that keep students that participate in K–3 Plus with the same teacher and cohort of students during the regular school year.” If students are going to another school to attend K–3 plus, it is very unlikely they will stay with the same teacher for the remaining portion of the school year. In sections I and J, participating schools are held to measure student progress and reporting and evaluation requirements. Tracking students growth during the K–3 Plus program and through the school year would be very difficult across different school sites.