LEGISLATIVE FISCAL ESTIMATE

SENATE, No. 2486

STATE OF NEW JERSEY
219th LEGISLATURE219th LEGISLATURE

DATED: JULY 29, 2020

SUMMARY

Synopsis: Establishes Clayton Model Pilot Program in DOE to provide school-based social emotional learning to students in grades kindergarten through five at certain public schools.

Type of Impact: Five-year increase in local expenditures; potential increase in State expenditures.

Agencies Affected: Certain school districts and county special services school districts; Department of Education.

Office of Legislative Services Estimate

Fiscal Impact	**Years 1-5**
Local Cost Increase	Indeterminate
Potential State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would result in an indeterminate annual increase in expenditures for school districts and county special services school districts that participate in the Clayton Model Pilot Program.

- School districts that operate an elementary school participating in the pilot program are expected to incur annual increases in expenditures associated with the implementation of social emotional learning strategies under the Clayton Model during the five-year program. According to the Senator Walter Rand Institute for Public Affairs at Rutgers University-Camden, these annual costs could equal $80,000 - $100,000 per school, or $142 per student.

- The employment of social emotional learning coordinators is expected to increase the annual personnel costs of each county special services school district that participates in the pilot program. According to the Senator Walter Rand Institute, these annual cost increases could range from approximately $12.6 million to $27.5 million, collectively, depending on which counties participate in the program.

- Under the bill, a six-member steering committee would establish practices and policies to implement the pilot program. Absent information concerning the manner in which the pilot

program will be implemented, the OLS is unable to quantify the overall fiscal impact of the bill.

- The OLS also notes that the Department of Education could incur indeterminate expenditure increases to the extent that the implementation and evaluation of the pilot program require additional administrative expenses.

BILL DESCRIPTION

This bill establishes the five-year Clayton Model Pilot Program in the Department of Education to provide a social emotional learning program to elementary school students attending selected public schools. The pilot program would be based on the Clayton Model, which is a responsive, trauma-informed intervention program for student development that was created by the Clayton School District in Gloucester County.

Under the bill, the Commissioner of Education would select three counties to participate in the pilot program: (1) Morris or Sussex County to represent the northern area of the State; (2) Middlesex or Ocean County to represent the central area of the State; and (3) Gloucester County to represent the southern area of the State. After each county is selected, the commissioner, in collaboration with the Clayton School District and the Senator Walter Rand Institute for Public Affairs at Rutgers University-Camden, would select ten elementary schools within each county to participate in the pilot program.

The bill establishes a six-member steering committee to provide accountability and guidance concerning the policies and practices associated with the implementation of the pilot program. The bill also requires the commissioner to initiate the pilot program in phases and provide for full implementation of the pilot program no later than the third year of the program.

The Clayton School District would serve as the model site for the pilot program. The bill requires the Clayton School District to support the accurate communication of the model to administrators and teachers in participating schools, and design and conduct the training for county-level social emotional learning coordinators. Additionally, the bill requires the county special services school district in each participating county to manage the social emotional learning program in the county. These districts would be required to hire social emotional learning coordinators to train and organize the placement of social emotional learning specialists (e.g., social workers, behavioral health care providers, or other social emotional learning professionals) who would provide the social emotional learning supports in participating schools.

The bill also requires the Senator Walter Rand Institute to develop a comprehensive evaluation of the pilot program and report the results thereof to the commissioner and the steering committee no later than six months following the conclusion of the pilot program. After receiving these results, the commissioner would be required to report to the Governor and Legislature concerning the implementation and effectiveness of the pilot program and include a recommendation regarding the continuation or expansion of the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would result in an indeterminate annual increase in expenditures for school districts and county special services school districts that participate in the five-year Clayton Model Pilot Program. Under the bill, a six-member steering committee would be responsible for establishing practices and policies to implement the pilot program. Absent information concerning the manner in which the pilot program will be implemented, the OLS is unable to quantify the overall fiscal impact of the bill on participating school districts.

However, according to a recent analysis conducted by the Senator Walter Rand Institute, in collaboration with the Clayton School District, the full implementation of the pilot program is expected to result in an annual increase in expenditures of approximately $2.4 million to $3 million, collectively, for the 30 elementary schools that participate in the program. The analysis also estimates that the full implementation of the pilot program could cause the three participating county special services school districts to incur annual expenditure increases of approximately $12.6 million to $27.5 million, collectively, depending on which counties are selected for the program.

The OLS also notes that the Department of Education could incur indeterminate expenditure increases to the extent that the implementation and evaluation of the pilot program require additional administrative expenses.

Participating School Districts

The bill is expected to increase the annual expenditures of any school district that operates one of the thirty elementary schools that participates in the pilot program. These cost increases are expected to arise through the implementation of social emotional learning strategies, as prescribed by the Clayton Model and required under the pilot program. Specifically, the pilot program would require the use of two educational strategies: (1) a strategy that teaches about processing, integrating, and selectively applying social and emotional skills; and (2) a strategy that involves fostering students' social emotional development by creating safe and caring learning environments using tiered supports that incorporate peer and family activities, improved classroom management and teaching practices, and whole-school community-building activities.

Participating school districts are, therefore, expected to incur annual expenditure increases to the extent that the implementation of these educational strategies requires additional investments in school personnel, classroom equipment, and extracurricular activities. According to the Senator Walter Rand Institute, each of these schools could incur annual expenditure increases of $80,000 to $100,000, or approximately $142 per student. However, absent information concerning the manner in which the steering committee will implement the pilot program, the OLS is unable to substantiate these cost estimates.

Given that the implementation of the pilot program would be initiated in phases, as determined by the commissioner, certain school districts may not experience significant expenditure increases until the pilot program is fully implemented, which would occur no later than the third year of the pilot program. Consequently, certain school districts might only experience expenditure increases during the final three years of the program.

The Clayton School District – Model Site

Under the bill, the Clayton School District would be required to serve as the model site for the pilot program. Accordingly, the school district would be required to: (1) support the accurate communication of the Clayton Model to the administrators and teachers of each participating

school; and (2) design and conduct training for each county social emotional learning coordinator. As a result, the Clayton School District is expected to incur increased administrative and training expenses associated with the performance of these additional duties. Given the responsibility to train county social emotional learning coordinators, the school district may incur a significant portion of these expenditure increases during the early stages of the pilot program, before the program has been fully implemented in each participating school.

Participating County Special Services School Districts

The bill is expected to increase the annual expenditures of each county special services school district that participates in the pilot program. Under the bill, each county special services school district would be responsible for the social emotional learning programming provided in the county under the pilot program. Specifically, the bill requires these districts to hire county social emotional learning coordinators to train and organize the placement of social emotional learning specialists (e.g., social workers, behavioral health care providers, or other social emotional learning professionals) who would support participating schools.

Most notably, the employment of social emotional learning coordinators is expected to increase the annual expenditures of each participating county special services school district. Under current law, county special services school districts are generally funded through: (1) county appropriations; (2) tuition from sending school districts; and (3) nonresident fees from students residing outside of the county.

The OLS notes that the total increase in expenditures will vary depending on which three counties are selected to participate in the pilot program. For example, an analysis conducted by the Senator Walter Rand Institute estimates that the full implementation of the pilot program would result in annual expenditure increases for each eligible county special services school district, as follows: (1) Sussex County, $2.2 million - $2.7 million; (2) Morris County, $8.2 million - $10.6 million; (3) Middlesex County, $9 million - $11.3 million; (4) Ocean County, $5.9 million - $7.4 million; and (5) Gloucester County, $4.5 million - $5.6 million. Depending on which counties are selected for the program, this analysis indicates that the three participating county special services school districts could incur annual expenditure increases of approximately $12.6 million to $27.5 million, collectively, when the pilot program is fully implemented no later than the third year of the five-year program. However, absent information concerning the manner in which the steering committee will implement the pilot program, the OLS is unable to substantiate these cost estimates.

Department of Education

Under the bill, the Department of Education would primarily serve in a supervisory capacity in the implementation of the pilot program. However, in addition to selecting counties and schools for participation in the pilot program, the commissioner would also be required to issue a final report to the Governor and Legislature concerning the effectiveness of the pilot program. As such, the bill could also result in increased State expenditures to the extent that these responsibilities require additional administrative expenses.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).