

LFC Requester:	Kelly Klundt
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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 2/16/17
Original **Amendment** **Bill No:** SJR17
Correction **Substitute**

Sponsor: Senator Michael Padilla **Agency Code:** 924
Short EARLY CHILDHOOD **Person Writing** Matt Pahl
Title: EDUCATION DEPT., CA **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		

(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	\$1,000.0	\$300.0	\$300.0	1,600.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

This bill would amend the State constitution to add a new section that would create an “Early Childhood Education Department.” It would also amend the constitution to allow public schools and this new Department to enter into contracts for nonreligious, nonsectarian and nondenominational early childhood educational services.

Synopsis:

- This bill amends Article 12 of the constitution to create a new cabinet level secretary and an “Early Childhood Education Department” to provide voluntary early childhood education including prenatal education and referral services for pregnant women and for children from birth to age five.
- This bill stipulates that the Cabinet Secretary have more than ten years experience studying, supervising, AND administering early childhood education programs.
- This bill also amends Section 3 of the constitution to state that public schools and this new Department may enter into contracts for nonreligious, nonsectarian and nondenominational early childhood educational services.

FISCAL IMPLICATIONS

It would not be responsible in this fiscal environment to expand government, nor is there any evidence to support that doing so would improve outcomes for children. There would be significant costs associated with creating a new department.

Creating a new Department will create a significant cost for the state. Costs include setting up a longitudinal data system. A longitudinal data system is currently being built through Race to the Top – Early Learning Challenge funds, and is housed at the Public Education Department. There would be significant costs in moving this to a new Department. Other costs include: identifying and leasing space for the department, salaries for staff, including executive salaries, and other transition costs. The total cost is unknown, but is estimated at \$700 thousand for transfer expenses and \$300 thousand in ongoing salary expenses.

New Mexico PreK is a voluntary preschool program created by the Pre-Kindergarten Act of 2005. The PreK program is jointly administered by the Public Education Department and the Children, Youth, and Families Department. Children who have reached their 4th birthday by September 1st are eligible to attend a PreK program. The purpose of PreK is to ensure each child in New Mexico has the opportunity to attend a high quality early childhood education program before kindergarten. This current approach to early childhood education is working.

Currently, PED and CYFD successfully coordinate on a number of projects and programs. This eliminates the necessity for a new department. Some examples include:

- Implementing the Race to the Top – Early Learning Challenge (RTT-ELC) grant. The Departments successfully received a competitive \$37.5 million grant designed to build out early learning infrastructure
- Implementing FOCUS, the new tiered quality rating information system (TQRIS)
- Building the Early Childhood Integrated Data System
- Developed and maintained the New Mexico PreK website: www.newmexicoprek.org
- Distributing early childhood resources in a way the most meaningfully serves New Mexicans:
http://ped.state.nm.us/ped/LiteracyDocs/PreK/2017/FY16_PREK_PED_CYFD_Annual_Report_12-13-2016.pdf. (Pgs. 12-15 details where financial investments are being made and which areas of the state are served).
- Establishing the Kindergarten Observation Tool (KOT)—led by PED but utilized to assess the efficacy of both agencies efforts. It helps teachers better meet student’s needs and to help ensure all children enter 1st grade on track.
- Making a variety of services and supports available, so all children have access to—and can participate in—opportunities that are both respectful of and responsive to their family experiences, culture, beliefs, abilities, and circumstances and help to drive proper nutrition, school readiness, child development.

The creation of a new department raises the important concerns about the availability of wrap around services for PreK students as well as infants and toddlers.

The requirement for the new agency to, “Develop and maintain a statewide database” is already a requirement under the RTT-ELC grant and the Data System (ECIDS) is already being developed as a requirement within RTT-ELC and will be housed within the Public Education Department. Further, developing this longitudinal data system would cost millions of dollars; such funds are not provided for in SB106.

Race to the Top – Early Learning Challenge grant investments in a longitudinal data system linking information between CYFD, DOH and PED would be rendered useless. Over \$10 million of federal awards were granted to create this system. A reorganization of the departments would mean all work to date would be useless.

SIGNIFICANT ISSUES

IDEA part B would be fractured between 2 agencies outside of the proposed consolidated agency for 3-5 year olds.

Currently districts are able to braid funding between PreK, Special Education, and Title I to provide inclusive settings, purchase specialized equipment and materials, provide longer hours

and serve more children. This would create difficulties for districts because they would have to work with two agencies to accomplish this (PED and Early Childhood Education Department) instead of one (PED).

Districts are currently able to provide preschool for birth through age 5 with Title I funds, it is unclear how this would work with the creation of a new agency.