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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 1st Session, 2017

Bill Number	<u>SB289</u>	Sponsor	<u>Padilla</u>
Tracking Number	<u>.205898.2</u>	Committee Referrals	<u>SEC/SJC/SFC</u>
Short Title	<u>Early Childhood Education Dept. Act</u>		
Analyst	<u>McCorquodale</u>	Original Date	<u>2/10/17</u>
		Last Updated	<u></u>

BILL SUMMARY

Synopsis of Bill

Senate Bill 289 (SB289) enacts the Early Childhood Education Department Act and proposes to create a cabinet-level Early Childhood Education Department (ECED) according to provisions of the Executive Reorganization Act by transferring powers, duties, contractual obligations, and assets from several other executive agencies and bureaus, and combining them under the authority of the new department. ECED would include the Children, Youth and Families Department's (CYFD) early childhood services and the Public Education Department's (PED) prekindergarten program. SB289 defines the administrative structure and duties of the new department and makes changes to a number of existing statutes and ensures appropriate references to and alignment with the ECSD. SB289 also adjusts membership for the Early Learning Advisory Council (ELAC).

FISCAL IMPACT

SB289 does not have an appropriation.

The fiscal impact could be significant for both PED and CYFD. CYFD indicated there may be significant impact to the state's current early childhood services program operating budget due to the establishment of ECED, as well as any necessary separation, combination, and establishment of data systems under the program. CYFD stated that although material, personnel, and fiscal assets will be transferred to the new agency, these transfers will not be sufficient to support the subsequent administration and other costs carried by the transferred CYFD programs. Additionally, the work necessary to separate and merge divisions and programs cannot be absorbed by existing resources.

SUBSTANTIVE ISSUES

The analysis from CYFD noted concerns related to the transfer of the department's early childhood services. Stressing New Mexico's early childhood community has integrated a continuum of services to guarantee all of the state's children access to quality early learning

opportunities, it is vital that any significant changes in legislation, such as SB289, that has an impact upon New Mexico's early learning infrastructure be consistent with commitments already made by the state's agencies.

CYFD's early childhood services include early childhood mental health services. These early intervention services include infant mental health and are only offered through CYFD and the Department of Health (DOH). DOH programs include the family, infant, and toddler program (FIT), the interagency coordinating council and family first home visiting. SB289 addresses these areas in its home visiting program.

The Human Services Department (HSD) indicated Section 33 of SB289 amends Section 32A-23B-3 NMSA 1978, which is the home visiting program, currently operated by CYFD. It is unclear if the intent of the bill is to shift administration of this program from CYFD to ECED since the definition of "department" is not changed in Section 32A-23B-2 NMSA 1978 from CYFD to ECED.

Additionally, DOH operates the families first case management program for children up to three years of age, which includes a home visiting program. Because SB289 does not address the DOH's division to serve children, ECED would duplicate services offered in its home visiting program.

SB289 defines "children" as persons from birth to age five, or older if a specific program requires it. CYFD stated the early childhood services division provides services to children up to the age of 13. Transferring the division to ECED could lead to a disruption in services or a duplication of services.

SB289 adds new language to Section 24, Prekindergarten Eligibility, to address the development of four-year-old children participating in a prekindergarten program. ECED is required to implement program standards and performance measures to ensure the provision of high-quality and effective services so children are ready for kindergarten. The language also requires ECED and PED to coordinate efforts to ensure alignment of program standards for prekindergarten and kindergarten. This includes requiring both departments to certify the prekindergarten program and standards prior to implementation. Both departments are required to enter into an agreement to share data necessary to report on the performance of the program, including the percentage of prekindergarten participants entering kindergarten that meet total child development expectations, need special services, are proficient in reading and math, and are retained in any grade through third grade. SB289 also requires ECED to coordinate the prekindergarten program with federal head start agencies to avoid duplication of effort and to maximize the use of all available resources.

While SB289 addresses the needs for 4-year-olds participating in prekindergarten, it does not address prekindergarten services for 3-year-olds which CYFD currently provides under early childhood services division. It is unclear if CYFD will continue to provide prekindergarten services for 3-year-olds since SB289 requires CYFD to transfer its early childhood services over to ECED.

SB289 would increase membership for the Early Learning Advisory Council from 15 to 16. The bill adds the early childhood education or the secretary's designee, replacing the secretary of

CYFD, and maintains the director of the head start state collaboration office of CYFD and the secretary of PED or designee as ex officio.

SB289 adjusts the composition of the other ELAC members, who are appointed by the governor, of no more than five of whom are from the same political party in the following ways: two members of an education-focused business organization (down from three); four public members (up from two), including two public members with knowledge and experience in early childhood care and education.

SB289 adds new language requiring ELAC to make recommendations to ECED and the Legislature on: statewide coordination of early childhood care and education; and delineating gaps in child care programs and the early childhood care and education system including child care home visitation, prekindergarten, head start, and early head start.

ELAC sunsets on July 1, 2017 and SB289 does not address this.

ADMINISTRATIVE IMPLICATIONS

The new ECED would create a significant administrative burden. Transitions of contracts and agreements for both departments must be resolved to ensure audit compliance and all contractors are paid for any billings during FY17. Additionally, federal grants will also have to be transferred to the new department.

TECHNICAL ISSUES

While SB289 implies an appropriation in the title, it does not make an appropriation in the body of the bill.

SB289 establishes an effective timeline of July 1, 2017 to transfer all functions and funding from two separate departments which may take more than six months to accomplish. The sponsor may want to consider pushing back the date to allow more time for these departments to make required transfers.

OTHER SIGNIFICANT ISSUES

New Mexico needs to better coordinate early childhood programs to prevent duplication and fragmentation of services, and to build capacity by braiding federal and state dollars to strategically expand services for children birth through kindergarten. An effective model of governance for early childhood programs should create coherence among policies and services. Build Initiative, a national organization that helps state leaders develop a comprehensive system of early childhood programs, indicated programs that are delivered to young children have different designs and purposes, including Head Start, state child care programs that represent a combination of federal and state funds and requirements, as well as state-funded prekindergarten. A well-built structure of early childhood programs is a crucial step in reducing fragmentation, uneven quality, and inequity in early childhood programs and services.

Early childhood governance exists across a broad range of structures and the Build Initiative outlines three governance models of early childhood programs: a coordinated governance model; consolidated governance model; and creation of a new agency model.

The governance coordinated model “places authority and accountability for early childhood programs and services across multiple public agencies.” New Mexico falls into this category and often seeks to improve coordination and collaboration among agencies that provide early childhood services. Many states with this model relied on a children’s cabinet or special task force established by their governors to encourage coordinated early childhood governance. New Mexico has ELAC, which makes recommendations to CYFD and the Legislature without overstepping its boundaries as an advisory body. Other states like Connecticut, Nebraska, and Wisconsin have similar early childhood program structures.

The consolidated governance model “occurs where the state places authority and accountability for the early childhood system in one executive branch agency.” Three states have a consolidated governance model, California, Maryland, and Michigan. These states have consolidated child care funds and state prekindergarten into the state education agency. In Maryland, the state education agency eventually created the Division of Early Childhood within the agency.

The creation of a new agency model “creates a new executive branch agency or entity within an agency that has the authority and accountability for the early childhood system.” Three states have created separate state agencies tasked with the authority over the state’s early childhood services and programs, Massachusetts, Washington, and Georgia.

ALTERNATIVES

CYFD suggests prior to establishing a new department, consider convening a group to study the issues surrounding the governance of New Mexico’s early childhood services, including the possibility of maintaining the current infrastructure but co-locating all early childhood services to an existing department.

RELATED BILLS

SB106, Early Childhood Education Department, proposes to create a cabinet-level Early Childhood Services Department according to provisions of the Executive Reorganization Act.

SB206, State Early Learning Advisory Council Changes, proposes to change the composition and terms of ELAC.

SJM5, Reconvene J. Paul Taylor Childhood Task Force, to implement and sustain the task force’s recommended early childhood behavioral health action and child abuse plans.

SJR17, Early Childhood Education Dept., CA, amends Article XII of the Constitution of New Mexico by adding a new section to create the Early Childhood Education Department.

SM23, Early Childhood Service Collaboration, requests CYFD to convene a task force to study communication and coordination efforts among early childhood service providers

SOURCES OF INFORMATION

- Children, Youth and Families Department
- Human Services Department
- Legislative Education Study Committee Files

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