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FISCAL IMPACT REPORT

SPONSOR Martinez, J. ORIGINAL DATE 2/1/2020
LAST UPDATED _____ HB 197
SHORT TITLE Childhood Ed Programs in Rural Areas SB _____
ANALYST Klundt

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$1,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Early Childhood Education and Care Department (ECECD)

SUMMARY

Synopsis of Bill

House Bill 197 (HB 197) appropriates \$1 million from the general fund Early Childhood Education and Care Department (ECECD) for a demonstration project for consulting and outreach development to establish and support quality, licensed early childhood education programs in rural communities throughout New Mexico.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2021 shall revert to the general fund.

SIGNIFICANT ISSUES

ECECD reports this bill may be a duplication of the work being done by the executive through the Federally funded Preschool Development Grant B-5 related to the Needs Assessment and the Strategic Plan.

In 2019, the State of New Mexico received a one year, \$5.4 million federal planning grant. The Preschool Development Grant Birth-5 (PDG B-5) is led by the NM PDG B-5 State Leadership Team including the Governor’s Office, the Children, Youth, and Families Department (CYFD), the Public Education Department (PED), and the Department of Health (DOH). To generate ideas for a Statewide Early Learning Strategic Plan, the PDG B-5 grant funded a comprehensive statewide Needs Assessment. As part of the Needs Assessment, community discussions, review of data and surveys were conducted. One of the main issues identified was the scarcity of infant and toddler care and the need for non-traditional hours and other options, especially for shift workers. When asked to identify the greatest area of need, 30 percent of stakeholders identify affordable infant or toddler care as the areas of greatest need the state should prioritize as they build the new department, particularly the access to infant/ toddler childcare programs that meet the needs of rural communities.

On 2018 the Center for American Progress reported in their “America’s Child Care Deserts” that families in rural areas face the greatest challenges in finding licensed child care, with 3 in 5 rural communities lacking adequate child care supply. High-income suburban neighborhoods are the least likely to experience child care shortages. Hispanic/Latino families disproportionately reside in child care deserts, with nearly 60 percent of their population living in areas with an undersupply of licensed child care. Child care deserts have, on average, maternal labor force participation rates that are 3 percentage points lower than those of communities where there is adequate child care supply.

In New Mexico there are barriers for families that include people with disabilities, such as;

- Costs, especially since families of children with special needs face more economic difficulties;
- Some programs require preschoolers to be toilet trained and use the bathroom independently;
- Staffing shortages and high adult-child ratios that make it difficult to provide individualized attention;
- Suspension or expulsion of children with challenging behaviors;
- Facilities that do not accommodate the physical needs of some children; and
- Lack of support from providers, often due to lack of training.

New Mexico is currently conducting a Strategic Plan to address some of the issues identified in the Needs Assessment. The issue of early childhood education programs in rural communities will be addressed as part of the strategic planks. The plan is due to be completed by June 2020 and will be the framework for the ECECD Plan.

KK/al