

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 1/24/07  
 LAST UPDATED 3/13/07      HB \_\_\_\_\_

SPONSOR Lopez, M.

SHORT TITLE Statewide Teen Pregnancy Prevention Program      SB 124/aSPAC

ANALYST Lucero

### APPROPRIATION (dollars in thousands)

| Appropriation |           | Recurring<br>or Non-Rec | Fund<br>Affected |
|---------------|-----------|-------------------------|------------------|
| FY07          | FY08      |                         |                  |
|               | \$2,600.0 | Recurring               | General Fund     |
|               |           |                         |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)

Public Education Department (PED)

### SUMMARY

#### Synopsis of SPAC Amendment

Senate Public Affairs Committee amendment to Senate Bill 124 switches the agency which is to receive the appropriation from Children, Youth and Families Department (CYFD) to Department of Health.

#### Synopsis of Original Bill

Senate Bill 124 appropriates two million six hundred thousand dollars (\$2,600,000) from the general fund for Children, Youth and Families Department develop and implement a statewide teen pregnancy prevention program for expenditure in fiscal year 2008.

### FISCAL IMPLICATIONS

The appropriation of two million six hundred thousand dollars (\$2,600,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

Currently, the DOH/FPP spends over \$2.4 million on teen pregnancy prevention services annually. This includes: \$1,884,809 for clinical services for teens and \$340,500 for educational services. This breakdown of funding is \$857,523 in state funds and \$1,585,286 in federal funds.

The Executive budget recommendation includes \$2.4 million in combined state and federal funds to support contractual services, direct medical services and drugs related to pregnancy prevention activities. This does not include federal funding to support abstinence only initiatives, and is in addition to staff costs associated with delivering these services. Almost 65% of this amount, or approximately \$1.4 million, is federal funding and the state's share is roughly \$750,000 (35%). The Legislative budget recommendation includes \$500,000 to support increased costs for pregnancy prevention drugs related to unanticipated increases in the federally sponsored 340(B) pricing program.

This appropriation is not part of Children, Youth and Families Department's request and is not included in the Executive recommendation for Children, Youth and Families Department.

## **SIGNIFICANT ISSUES**

The SPAC amendment changes the agency receiving the appropriation from CYFD to DOH. Currently, DOH is the program manager of teen pregnancy prevention.

The US teen birth rate for teens ages 15-17 decreased by 26% from 1998 to 2004 in comparison to the New Mexico (NM) teen birth rate which decreased by 16% from 1998 to 2004. In 2004, NM's teen birth rate (36.6) was over 1 1/2 times higher than the United States' teen birth rate (22.1) [DOH Family Planning Program (DOH/FPP) Teen Pregnancy Fact Sheet 2007]. In 2000, there were 3,627 new teen mothers ages 15-19 in NM. In 2004, there were 152 fewer new teen mothers. DOH/FPP contributed to this decline. By reducing first teen births by 152, NM saved \$25,840,000

In 2000, DOH/FPP in collaboration with the NM Teen Pregnancy Coalition (NMTPC) issued the Challenge 2005. The challenge was issued to counties to reduce their teen birth numbers by 20% by 2005. The final results were that 14 counties reduced teen births by 20% and 7 counties reduced teen births by at least 10%. (Births to 15-19 year olds from 1998-2003) The DOH and the NMTPC announced the Challenge 2010 in 2006. It is a statewide challenge to reduce the NM teen birth rate for 15-19 year olds by 15% from 2006-2010. In 2006, 8 counties reduced teen birth rates for both 15-17 and 15-19 year olds by at least 3%. 6 counties reduced teen birth rates reached or exceeded the goal for 15-19 year olds by at least 3%. Despite the reduction, NM was 50th in 2004 in the national ranking of teen birth rate to female's ages 15 to 17 [National Vital Statistics Report 2006].

In NM, 33,460 teens are in need of publicly supported reproductive health services (Alan Guttmacher Institute 2002). 44% of these teens in need received clinical services through the DOH/FPP [FPP Annual Report 2005]. Clinical services include providing a contraceptive method and/or a clinical exam visit. The clinical exam visit includes: a medical history/physical, laboratory tests (including pap smear), testing and counseling for sexually transmitted diseases, family planning counseling, pregnancy testing (if needed) and a supply of a contraceptive method of choice. The DOH/FPP provides these services statewide at 50 Public Health Offices and 48 Primary Care Clinics. Adolescent health services, including teen pregnancy prevention, are provided through 60 School-Based Health Centers in middle and high schools in NM. The DOH funds various evidence-based teen pregnancy prevention education programs

including: comprehensive sex education and service learning with the Adolescent Pregnancy Prevention Program (APP), male involvement with the South Valley Male Involvement Project (SVMIP) and adult/teen communication with Plain Talk.

The APP program has five community-based projects to provide comprehensive sexuality education in Albuquerque, Las Cruces, Taos, Las Vegas, and Raton.

Programming includes classroom learning, service learning, peer education, after-school programs and summer camps, and parent education.

The SVMIP in Albuquerque's South Valley provides education at schools and behavioral health treatment and detention centers. Classes include reproductive health, life skills, goal setting and decision making. To reach young men in the community, the SVMIP uses basketball tournaments, teen dances, sessions at barbershops and a play.

PlainTalk, a neighborhood-based family mobilization strategy is collaboration between the Annie E. Casey Foundation and the DOH Office of School and Adolescent Health, Family Planning Program and South Valley Health Office. Plain Talk uses community mapping, Walkers & Talkers, and home health parties to help adults, parents and community leaders develop the skills and tools they need to communicate effectively with young people about reducing risky sexual behavior.

Coordination of all teen pregnancy prevention efforts in NM is critical to reducing the teen birth rate. To serve all female teens in NM, the cost would be an estimated additional \$10 million.

While birth rates for White teens in NM decreased by 28.2% from 2000 to 2004, there was little change in birth rates for Hispanic and American Indian teens [NM DOH/FPP Teen Pregnancy Fact Sheet 2007]. The birth rate among Hispanic females has declined less than the rate for all races both in NM and in the United States. Hispanic females compose 46% of the female population aged 15-17 but nearly 71% of the births to female are ages 15-17 in NM are to Hispanic females. In 2004, Hispanic teen birth rate to 15-17 was 55.8, which is almost 4 times higher than the rate in White teens (14.0) [NM DOH/FPP Teen Pregnancy Fact Sheet 2007]. In 2004, American Indian teen birth rate to 15-17 was 35.2, which is 2 1/2 times higher than the rate in White teens (14.0) [NM DOH/FPP Teen Pregnancy Fact Sheet 2007].

The Public Education Department (PED) has adopted Health Education Standards with Benchmarks and Performance Standards that require age-appropriate sexuality education in public schools. According to the 2005 Youth Risk and Resiliency Report, in New Mexico, 32.8% of the students were currently sexually active (had sex within three months of the survey). If passed, SB 124 may positively impact the academic achievement of youth who are or at risk of become teen parents.

## **PERFORMANCE IMPLICATIONS**

SB 124 relates to the DOH Strategic Plan, Program Area 2, Task 2: Reduce Teen Pregnancy. Performance measure: National ranking of NM teen birth rate per 1000. ACTIVITIES: Utilize and expand evidence-based interventions (Teen Outreach Program, Plain Talk, male involvement programs and "What Works Curriculum") to reduce unintended births and second births in teenagers.

Relates to performance measures in the Governor’s Contract for a Healthy New Mexico to Improve Health Outcomes and Family Support for New Mexicans by Reducing Teen Pregnancy (2.2)

If passed, SB 124 may positively impact the academic achievement of youth who are or at risk of become teen parents. SB124 could possibly lead to increased attendance rates, improved reading and math cores; affect the increasing statistics regarding New Mexico teen parents and increase graduation rates of students in New Mexico, thereby potentially closing the achievement gap.

### **ADMINISTRATIVE IMPLICATIONS**

If passed, the bill will have a human resource impact on CYFD to develop and implement a statewide prevention program.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to the Executive recommendation of \$1,000.0 for GRADS – Teen Pregnancy Prevention.

Relates to \$2.4 million in combined state and federal funds in DOH base budget and a \$750,000 expansion in DOH budget for teen pregnancy prevention.

### **TECHNICAL ISSUES**

Currently, the majority of teen pregnancy prevention programming resides at Department of Health. Appropriating to CYFD my duplicate administrative costs and dilutes the effectiveness of the appropriation.

### **OTHER SUBSTANTIVE ISSUES**

According to the New Mexico Teen Pregnancy Coalition:

#### **Teen Pregnancy and One Classroom of 30 Students in New Mexico:**

- Nearly half of the girls in a classroom are likely to become pregnant as a teenager.
- By 12<sup>th</sup>-grade as many as 18 of the male students in a classroom may have become sexually active, increasing their chances of becoming teenage fathers.
- Students are more likely than those in **48** other states to experience teen birth.
- Students who become mothers or fathers in a classroom are less likely to earn a high school diploma.
- The females in a classroom who carry their child to term have a significant chance of experiencing complications.
- Their babies are more likely to:
  1. Have health problems at birth
  2. Be physically abused, abandoned or neglected
  3. Do poorly in school
  4. Serve time in jail
  5. Become teenage parents.
- A teenage father in a classroom may be required to pay child support for up to 18 years, even if he is under age 18. If he is proven to be the father and does not support his child, he could be arrested, have his possessions confiscated and have his wages docked.
- Teen mothers have to identify the father and attend school or get a job in order to receive welfare support.

- All students in a classroom will share in the cost of teenage childbearing to the tune of at least \$800 annually per family.
- The cost of teen childbearing to New Mexico taxpayers is over half a billion dollars per year.

Nationally:

- The U.S. has the highest rate of teen pregnancy, birth and abortion in the industrialized world.
- Nearly four out of 10 girls will become pregnant at least once before age 20.
- New Mexico has the 3rd highest teen birth rate in the nation.
- Teen pregnancy results in serious education and health problems for the mother and father.
- Teen mothers and fathers are less likely to earn a high school diploma.
- Nationwide, teen childbearing costs taxpayers over \$38 billion per year

Youth Risk Residency Survey (YRRS) 2005:

- In 2005, 46% reported that they had sexual intercourse (similar to the 48% in 2003).
- In New Mexico, 32.8% of the students were currently sexually active (had sex within three months of the survey).
- The prevalence of Hispanics (39.5%) was higher than the prevalence among white non-Hispanics (23.3%).
- As grade level increased, so did the prevalence of current sexual activity.

Source:

NMTPC (505) 254-8737 [www.nmtpc.org](http://www.nmtpc.org)

YRRS [www.health.state.nm.us](http://www.health.state.nm.us)

DL/nt