

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 and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

**SPONSOR** Rodriguez **ORIGINAL DATE** 01/29/14  
**LAST UPDATED** 01/30/14 **HB** \_\_\_\_\_

**SHORT TITLE** Early Childhood Program Teacher Retention **SB** 155

**ANALYST** Klundt

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$300.0	Recurring	General Fund

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)  
Department of Health (DOH)  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 155 appropriates \$300.0 thousand dollars from the general fund CYFD to fund a demonstration project that will improve the quality of early childhood education through teacher retention.

### FISCAL IMPLICATIONS

This bill appropriates \$300.0 thousand from the general fund to CYFD for expenditure in FY15. Any unexpended or unencumbered balance at the end of FY15 shall revert. The LFC recommendation includes an increase of \$700.0 thousand to support provider training and education advancement

### SIGNIFICANT ISSUES

Currently, CYFD supports provider education and training advancement through training and technical assistance programs (TTAP) and Teacher Education and Compensation Helps scholarships (TEACH). These programs assist early childhood teachers with additional early

childhood education while they are working. TEACH scholarships are available for tuition, textbooks, travel stipends, and compensation incentives. Incentive programs have been shown to support workforce stability through annual stipends, which supplement low salaries.

Brain research makes it clear that positive early experiences are critical for successful brain development. The educator must be qualified, educated and stable to provide the types of experiences that are needed to build trust and promote learning.

Additionally, the Department of Health's Family Infant Toddler (FIT) Program provides an array of early intervention services in accordance with the Individuals with Disabilities Education Act (IDEA) Part C. The FIT program provides a statewide comprehensive diagnosed system of early intervention services for children birth to age three with developmental delays, disabilities and serious medical conditions. The program provides intervention services when a child's developing brain is most capable of change. Intervention is more effective and less costly when provided earlier in life. The FIT program supports positive early childhood developmental services essential for later success in school and effectively prepares families and children for transition to preschool. Early intervention also reduces the need for special education in the school system. Over 13 thousand children, more than one in ten young children, benefit from FIT services in New Mexico. Early intervention services are provided by licensed therapists and certified developmental specialists based on an Individualized Family Service Plan (IFSP) that help the family promote the development of their infant or toddler (birth to age 3).

For years, the state has consistently invested in efforts to train, educate and provide technical assistance to the early childhood education workforce to improve and sustain high quality. One of the biggest challenges on sustaining a high quality workforce is the turnover rate. The state agencies that support early childhood programs are taking into consideration the importance of having a stable workforce. Through other efforts, such as creating community of leaders, coaching and training, the state will continue supporting the workforce.

However, the language in this bill is unclear as to how the funds will be distributed within the parameters of the procurement code and in compliance with the Anti-Donation Act. One of the higher predictors on staff turnover according to national research is inadequate compensation. However, the lack of resources and an effort to maintain affordable child care for parents create a challenge for individual child care programs and homes to reward or encourage teacher education through salaries. With high turnover the quality of the program goes down and in some cases, after the state has invested funding and staff time in providing training, technical assistance and support, programs must close due to lack of staff or poor quality. Finally, implementation of this pilot will require the development and implementation of fidelity standards and practices to ensure achievement of the expected outcomes.

## **RELATIONSHIP**

SB 155 relates to HM 13 and SM 5, which request the University of New Mexico, Health Sciences Center to reconvene the J. Paul Taylor Early Childhood Task Force to continue its work; SB 68, which proposes to appropriate \$975,000 to Department of Health to fund the creation and operation of early childhood services committees within county and tribal health councils; SB 66, which would amend the service definition for three types of Infant/Early Childhood Mental Health Services; and is a companion to HB 123.

**TECHNICAL ISSUES**

The bill does not define “early childhood education programs” nor “qualified teachers”. It is therefore not clear if the bill applies to all early care and education programs (Prekindergarten, child care, Head Start and Early Head Start, Preschool Special Education, Home Visiting and Early Intervention). It is also not clear whether the term “early childhood teachers” is used to apply to all personnel working with young children birth to age 5. The Department of Health reports that without these definitions it is unclear as to whether or not early intervention agencies working within the FIT Program would be eligible for participation in the demonstration project.

KK/jl