

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 86

52nd Legislature, 1st Session, 2015

Tracking Number: .198548.1

Short Title: Child Care Teacher Retention

Sponsor(s): Senator Nancy Rodriguez

Analyst: Heidi L. Macdonald

Date: February 10, 2015

Bill Summary:

SB 86 makes an appropriation to fund an ongoing demonstration project to increase the quality of early childhood education for children from birth to five years of age by providing incentives to increase retention of child-care teachers who have completed early childhood education requirements as specified in department rules.

The bill further requires that the Children, Youth and Families Department (CYFD) for operation of the demonstration project through a nonprofit entity to implement and manage the project in compliance with the *Procurement Code*.

Fiscal Impact:

\$400,000 is appropriated from the General Fund to the CYFD for FY 16. Unexpended or unencumbered funds revert to the General Fund.

According to the CYFD bill analysis, this appropriation is not contained within the Executive recommendation or the CYFD request.

For FY 16, the Legislative Finance Committee (LFC) has recommended a \$300,000 appropriation to support provider training and educational advancement to CYFD. Currently, CYFD supports provider education and training advancement through training and technical assistance programs and Teacher Education and Compensation Helps (TEACH) scholarships. 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, according to LFC, have been shown to support workforce stability through annual stipends, which supplement low salaries.

Technical Issues:

CYFD questions whether the bill's reference to the "early childhood education requirements as specified in department rule" indicates CYFD regulations for qualifications for directors and teachers, which are in rule, or program standards or program criteria, which intentionally are not in agency rule.

According to an analysis from the Department of Health (DOH) of an identical bill introduced in 2014, it is unclear whether the term "early childhood teachers" applies to all personnel working

with young children to age five. Without this clarification it is uncertain whether early intervention agencies working within the Family Infant Toddler Program would be eligible for participation in the ongoing project.

Substantive Issues:

According to the bill analysis from CYFD, the department has \$297,000 for incentives to increase retention of teachers in early childhood education programs. According to the mid-year report to CYFD from INCENTIVE\$ (see “Background,” below):

- INCENTIVE\$ received 265 applications from early educators in 20 counties;
- the FY 15 appropriation was sufficient to award salary supplements to 111 of the 265 applicants;
- after enrolling all 111 child-care educators, approximately 184 educators remain on the waiting list for INCENTIVE\$; and
- additional applications have been received in January 2015, which have not been reviewed and entered into the database.

The CYFD bill analysis further states that the New Mexico Association for the Education of Young Children (NMAEYC) currently holds the license for the state of New Mexico to implement The Child Care Wage\$ Project (see “Background,” below), a national initiative that was created in response to research showing that the quality of care received by children decreased due to teacher turnover and teacher education.

According to the NMAEYC, the typical rate for staff turnover in New Mexico’s early childhood programs is approximately 33 percent. The association’s report indicates that, after the first full year of a small INCENTIVE\$ Pilot using foundation funds, 46 percent of participants completed additional college coursework and there was no turnover of teachers.

Background:

In 2011, legislation was enacted to create the *Early Childhood Care and Education Act* (ECCEA) to be administered by CYFD for the purposes of:

- establishing a comprehensive early childhood care and education system through an aligned continuum of state and private programs, including:
 - home visitation;
 - early intervention;
 - child-care;
 - Early Head Start and Head Start;
 - early childhood special education;
 - family support; and
 - pre-kindergarten;
- maintaining or establishing the infrastructure necessary to support quality in the system’s programs; and
- creating the Early Learning Advisory Council (ELAC), which is attached to CYFD.

During the 2013 interim, the Legislative Education Study Committee (LESC) heard an update on the implementation of the act. Testimony began with an LESC staff review of the history and provisions of the act, including:

- a review of seven core principles, arising out of collaborative efforts of the New Mexico Business Roundtable (NMBR) and the New Mexico Early Childhood Development Partnership;
- the establishment of the ELAC and its designation as the state's official council for the Head Start program, as required by federal law;
- the membership of the council, comprising three *ex officio* members; three members appointed from, and by, the NMBR Board of Directors; and nine other members, from various other stakeholder groups, appointed for staggered terms by the Governor;
- the creation of the Early Childhood Care and Education Fund, a non-reverting fund administered by the CYFD; and
- requirements that ELAC make recommendations to the Legislature and CYFD on the best manner of leveraging available program funds, as well as general recommendations regarding the coordination and alignment of an early childhood care and education system in New Mexico, with particular attention to several prescribed components.

Related Initiatives

New Mexico is one of five states currently participating in the Child Care WAGES\$ Project, which provides education-based salary supplements to low-paid teachers, directors, and family child-care providers with children ages birth to five. The Child Care WAGES\$ Project is designed to provide preschool children more stable relationships with better educated teachers by rewarding teacher education and continuity of care.

Since 2004, the NMAEYC has administered the TEACH, which is licensed by the Child Care Services Association in North Carolina, the TEACH parent office. According to the NMAEYC website, the TEACH Project:

- is designed to provide scholarships to individuals that are studying early childhood as they work with children in a child-care center or school;
- provides award monies to over 500 scholars throughout the state; and
- has supported TEACH scholars in obtaining 168 early childhood education degrees, including:
 - 92 associate degrees;
 - 38 Bachelor's degrees;
 - 27 Master's degrees; and
 - 11 in alternative licensure.

According to NMAEYC, the INCENTIVE\$ Early Childhood is a public-private partnership designed to help create a stable, highly qualified early childhood education workforce in New Mexico through the provision of pay supplements. As of October 2014, INCENTIVE\$ is available across the state of New Mexico. The supplements, according to the NMAEYC, encourage early childhood educators to take more college classes to gain expertise about young children and to commit to continuing to work with children ages birth to five.

An applicant must meet the following requirements to be eligible for the INCENTIVES\$ program:

- a child-care or education professional must currently earn less than \$16 an hour;
- a candidate must work at least 10 hours per week with children under five;
- a candidate must have taken at least five credit hours of early childhood education college classes or 70 credit hours of well-rounded college coursework;
- a candidate must work for either:
 - a licensed child-care and education center;
 - a registered or licensed family child-care home; or
 - an Early Head Start program (applies only to Santa Fe County);
- in a center, a candidate must work in a room with at least one of the children younger than age five or be a director-employee;
- the candidate's center must serve at least one child on state child-care subsidy;
- in a family child-care home, at least one non-relative child must be younger than five; and
- if working in a family child-care home, the home must be listed on New Mexico Kids Child Care Resource and Referral.

In 2010, INCENTIVES\$ Early Childhood, an affiliate of the Child Care WAGES\$ Project, was started by the NMAEYC as a pilot program in Santa Fe County. The INCENTIVES\$ Early Childhood pilot program:

- provides pay supplements every six months to early childhood teachers or assistant teachers based on the level of education of the teachers;
- is designed to encourage teachers and assistants to commit to their programs and to the early childhood field and to continue to take college classes in Early Childhood Education (to increase the size of their pay supplements); and
- restricts eligibility to teachers of infants, toddlers, or two-year-olds in Santa Fe County.

Race to the Top Early-Learning Challenge Grant

In 2012, the US Department of Education announced that New Mexico was one of five states to receive a Race to the Top-Early Learning Challenge (RTT-ELC) grant. New Mexico received \$25.0 million, to be paid out over four years and to be split between CYFD, the Public Education Department, and the DOH for implementing five areas of education reform:

1. successful state systems;
2. high-quality, accountable programs;
3. promoting early learning and development outcomes for children;
4. a great early childhood education workforce; and
5. measuring outcomes and progress.

During the 2014 interim, the LESC, in a joint meeting with the LFC, heard testimony from several state agency officials about the implementation of this grant in New Mexico. Among the points raised in this testimony:

- the purpose of the grant is to help states focus on early learning and development systems for children ages birth through five and build unified approaches to supporting children and families.
- key projects in the grant include:
 - developing and implementing FOCUS, New Mexico’s newly revised Tiered Quality Rating and Improvement System (TQRIS);
 - establishing early childhood investment zones by identifying and prioritizing communities where children are at greatest risk; and
 - supporting early childhood educators with scholarships and additional training opportunities;
- FOCUS comprises 66 percent, or \$24.6 million, of the RTT-ELC grant budget; and
- in 2013, CYFD conducted a needs assessment that included socio-economic risks to identify investment zones statewide. By ranking the assessment data, the agency identified the counties with the highest risks and designated them as early childhood investment zones, which include 35 school districts.

Early Childhood Education Preparation Programs in New Mexico

According to the *2013 National Directory of Early Childhood Educator Preparation Institutions*, a directory listing state-recognized colleges, universities, and other postsecondary teacher preparation institutions, the following institutions in New Mexico offer two-year Early Childhood Education degrees:

- Albuquerque Technical Vocational Institute;
- Southwestern Indian Polytechnic Institute;
- New Mexico State University-Carlsbad;
- Clovis Community College;
- Crownpoint Institute of Technology;
- Northern New Mexico University;
- San Juan College;
- New Mexico State University;
- Luna Community College;
- University of New Mexico-Gallup Campus, Valencia County Branch, and Taos Education Center;
- Eastern New Mexico University, Main Campus and Roswell Campus;
- Santa Fe Community College;
- Western New Mexico University; and
- Mesalands Community College.

In addition, the following institutions in New Mexico offer four-year Early Childhood Education degrees:

- The University of New Mexico;
- New Mexico State University;
- New Mexico Highlands University; and
- Eastern New Mexico University.

Committee Referrals:

SEC/SFC

Related Bills:

HB 56 *Child Care Teacher Retention* (Identical)