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## FISCAL IMPACT REPORT

**SPONSOR** Martinez, J. **ORIGINAL DATE** 3/3/15  
**LAST UPDATED** 3/14/15 **HM** 92/aHAFC

**SHORT TITLE** Federal Child Care Program Task Force **SB** \_\_\_\_\_

**ANALYST** Klundt

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)

### SUMMARY

#### Synopsis of HAFC Amendment

The HAFC amendment to HM92 strikes the list of taskforce representatives and inserts “key stakeholders”. This amendment will allow more flexibility for key stakeholders to participate in a study of recommendations within the newly reauthorized federal Child Care Development Fund (CCDF). The amendment requires copies of the report be transmitted to the staff Director of the LFC and the Secretary of CYFD.

#### Synopsis of Original Bill

This Memorial requests that the Legislative Finance Committee establish a task force consisting of representatives from CYFD, Olè, the Quality Early Learning Association, Early Educators United, Partnership for Community Action, and New Mexico Voices for Children, to study the cost to fully implement the guidelines and recommendations within the newly reauthorized federal Child Care Development Fund (CCDF).

### FISCAL IMPLICATIONS

Any additional resources necessary to execute this study can be absorbed by existing resources at the Legislative Finance Committee (LFC) and the Children, Youth and Families Department (CYFD).

**SIGNIFICANT ISSUES**

The childcare assistance program is the largest early childhood program administered by the state, serving about 18 thousand children monthly at an annual cost of over \$97 million. The program is currently not established in statute. The program subsidizes the cost of child care for families with incomes at or below 200 percent of the federal poverty level (FPL), about \$47.8 thousand annually for a family of four. As of November 2013, all participating families at 150 percent of the FPL receive automatic assistance.

CYFD reports that New Mexico is in full compliance with all current regulations contained within the CCDF. Nationally, states' implementation of recommended practices varies greatly from state to state. New Mexico is recognized nationally for its progress over the past fifteen years for its implementation of many recommended practices for CCDF.

The mission of the Legislative Finance Committee (LFC) is to provide the Legislature with objective fiscal and public policy analyses, recommendations, and oversight of state agencies to improve performance and to ensure accountability through the effective allocation of resources for the benefit of all New Mexicans. The LFC consistently evaluates public policies impacting early childhood programs, including child care assistance. Several previous LFC evaluations published by staff are relevant to this memorial. The LFC Evaluation Unit maintains a work plan of evaluations approved by the LFC. This study is not currently on the work plan and would require a reprioritization of pending evaluations.

While this memorial does specify several groups to include in this study there are several additional stakeholders which should be invited to participate. The LFC Evaluation Unit would seek to involve additional stakeholders.

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