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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 2nd Session, 2018

Bill Number	<u>SJR3</u>	Sponsor	<u>Padilla</u>
Tracking Number	<u>.208765.3</u>	Committee Referrals	<u>SRC/SFC</u>
Short Title	<u>Early Childhood Education Dept., CA</u>		
Analyst	<u>McCorquodale</u>	Original Date	<u>1/30/18</u>
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BILL SUMMARY

Synopsis of Bill

Senate Joint Resolution 3 (SJR3) proposes to amend Article 12 of the New Mexico constitution by adding a new section to create an Early Childhood Education Department (ECED), and to allow the newly created ECED to provide or contract for voluntary, nonreligious, nonsectarian, and nondenominational early childhood services for children up to age 5, including prenatal education, and referral services for pregnant women.

The joint resolution would further propose to amend Article 12, Section 3 of the New Mexico constitution. The proposed amendment would provide that funds appropriated, levied, or collected for educational purposes, may be used by ECED to contract for the provision of nonsectarian, nondenominational early childhood education services, except for proceeds arising from the sale or disposal of any lands granted by Congress.

The constitutional amendment in SJR3 requires approval by voters in a 2018 statewide election, in either a general election or a special statewide election.

FISCAL IMPACT

Joint resolutions do not carry appropriations.

The fiscal impact could be significant for the Public Education Department (PED), the Children, Youth and Families Department (CYFD), and the Department of Health (DOH). CYFD indicated there may significant impact to the state's current early childhood services program operating budget due to the establishment of ECED, as well as any necessary separation, combination, and establishment of data systems under the program. CYFD stated that although material, personnel, and fiscal assets would be transferred to the new agency, these transfers would not be sufficient to support the subsequent administration and other cost carried by the transferred CYFD programs. Additionally, the work necessary to separate and merge divisions and programs cannot be absorbed by existing resources.

Section 1-16-13 NMSA 1978 requires the Secretary of State (SOS) to print the full text of each proposed constitutional amendment once a week for four weeks preceding the election in newspapers in every county in the state. SOS staff estimate each constitutional amendment may cost up to \$19 thousand in printing and advertising costs based on 2016 actual expenditures.

SUBSTANTIVE ISSUES

SJR3 does not specify which current early childhood services would be moved to the new ECED. Currently, early learning services are administered through CYFD, DOH, and PED. These programs have been working together for four years as part of Race to the TOP – Early Learning Challenge charged to develop: the Early Childhood Integrated Data System; an aligned tiered quality rating and improvement system (TQRIS); aligned professional development system; early childhood investment zones; and early learning New Mexico communications (website, newsletter, etc.).

Since FY12, the Legislature has appropriated more than \$762 million in general fund revenue for early childhood programs in addition to \$1.1 billion in federal funding to support programs that include subsidized child care for families with incomes at or below 200 percent of the federal poverty level, or \$24,600 for a family of four; Early Head Start and Head Start, a federally funded program that supports school readiness for low-income families; Family, Infants, and Toddlers (FIT), a federally funded program that provides early intervention services to families with infants and toddlers with developmental delays, an established medical condition, or are at risk of developmental delays; paraprofessional home visits for new families to improve parenting skills and child health and well-being from birth to age 4; and Women, Infants, and Children (WIC), a federally funded program providing supplemental food, healthcare referrals, and nutrition education for pregnant, breastfeeding, and postpartum women, and children up to 5 years of age who may be at nutritional risk.

ADMINISTRATIVE IMPLICATIONS

The new ECED would create a significant administrative burden. Transitions of contracts and agreements for all departments must be resolved to ensure audit compliance and all contractors are paid for any billings during FY18. Additionally, federal grants will also have to be transferred to the new department.

TECHNICAL ISSUES

SJR3 provides voluntary early childhood education for children from birth to age 5 or “other appropriate age,” depending on the service provided. It is unclear if transferring the division of early childhood services from CYFD to ECED could lead to a disruption in services or a duplication of services because there is not a definition of “other appropriate age.” CYFD’s early childhood services department provides services to children up to age 13 and sometimes 18.

OTHER SIGNIFICANT ISSUES

Although federal and state laws specify the need for coordination among early childhood programs, including the New Mexico Early Childhood Care and Education Act, the Legislative Finance Committee (LFC) Program Evaluation Unit has found a lack of coordination among early childhood service providers. In a 2013 program evaluation of early childhood programs, the LFC

found evidence that lack of coordination led to duplication of services and loss of \$1 million in federal funding for early childhood programming.

New Mexico needs to better coordinate early childhood programs to prevent duplication and fragmentation of services, and to build capacity by braiding federal and state dollars to strategically expand services for children birth through kindergarten. An effective model of governance for early childhood programs should create coherence among policies and services. Build Initiative indicated programs delivered to young children have different designs and purposes and must account for a combination of federal and state funds and requirements. A well-built structure of early childhood programs is a crucial step in promoting high-quality early childhood programs and services.

There are a broad range of structures used for early childhood governance. Build Initiative outlines three governance models of early childhood programs: a coordinated governance model, consolidated governance model, and the creation of a new agency model.

The coordinated governance model “places authority and accountability for early childhood programs and services across multiple public agencies.” New Mexico falls into this category and often seeks to improve coordination and collaboration among agencies that provide early childhood services. Many states with this model rely on a children’s cabinet or special task force established by their governors to encourage coordinated early childhood governance such as New Mexico’s Early Learning Advisory Committee, or ELAC. Other states like Connecticut, Nebraska, and Wisconsin have similar early childhood program structures.

The consolidated governance model “occurs where the state places authority and accountability for the early childhood system in one executive branch agency.” Three states have a consolidated governance model, California, Maryland, and Michigan. These states have consolidated child care funds and state prekindergarten into a single state education agency. In Maryland, the state education agency eventually created the Division of Early Childhood within the education agency.

The creation of a new agency model “creates a new executive branch agency or entity within an agency that the authority and accountability for the early childhood system.” Three states have created separate state agencies tasked with the authority over the state’s early childhood services programs, Massachusetts, Washington, and Georgia. This is what SJR3 proposes to do.

The National Conference of State Legislatures’ international study of successful school systems, *No Time to Lose*, found strong early learning educational systems with extra support for struggling students. The study indicated countries with successful school systems are aligning early learning standards and preschool curriculum to primary school curriculum and sharing early care and learning data about children across systems. These countries are also building a system of infrastructure for early childhood education and care that includes centralized governance and national quality standards.

ALTERNATIVES

CYFD recommends prior to establishing a new department, consider convening a group to study the issues surrounding governance of New Mexico’s early childhood services, including the possibility of maintaining the current infrastructure but co-locating all early childhood services to an existing department.

RELATED BILLS

SB74, Create Early Childhood Services Dept., proposes to create a cabinet-level Early Childhood Services Department according to provisions of the Executive Reorganization Act.

SOURCES OF INFORMATION

- LESC Files
- Children, Youth and Families Department
- Legislative Finance Committee
- Public Education Department

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