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FISCAL IMPACT REPORT



SPONSOR: Knauer DATE TYPED: 02/07/02 HB HM 25

SHORT TITLE: Child Care Assistance SB _____

ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
		\$0.1	See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SM 16

SOURCES OF INFORMATION

Responses Received

Children Youth and Families Department (CYFD)

SUMMARY

Synopsis of Bill

The memorial requests the New Mexico congressional delegation to seek additional funding for child care assistance for New Mexico through increased funding of the federal child care and development block grant (CCDF).

Significant Issues

New Mexico was allocated the following state and federal funds for child care assistance:
(in thousands)

	<u>FY 98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02 (projected)</u>
General funds	\$7,607.20	\$7,963.60	\$7,959.70	\$7,757.90	\$7,706.50
CCDF	\$23,813.41	\$24,363.96	\$25,059.71	\$33,844.64	\$34,990.88
TANF	\$7,607.00	\$14,893.48	\$19,041.43	\$27,580.00	\$28,751.30

The above data demonstrates how the state has used federal dollars to finance childcare.

The New Mexico childcare assistance program has served an increased number of children and families each year for the past five years.

During FY01, the program was growing at the rate of 5 percent a month. CYFD estimates it can provide approximately 24,885 slots with the current budget. The number of slots has grown from 10,201 slots in 1997 mainly through increases in federal funds (See chart below)

FISCAL IMPLICATIONS

A significant increase in childcare assistance funding would result in an increase in the number of children served. This would have implications on the childcare assistance caseloads.

At the November 2001 interim Legislative Welfare Reform Oversight Committee meeting, CYFD announced that \$5 million in new federal funding had become available and all those on the contact list were sent letters offering participation in the program.

ADMINISTRATIVE IMPLICATIONS

The average caseload per childcare worker has grown from 255 per worker in 1998 to 435 cases per worker in 2001.

DUPLICATION

Duplicates Senate Memorial 16.

SUBSTANTIVE ISSUES

The following chart depicts the growth in the childcare program since 1997.

