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FISCAL IMPACT REPORT



SPONSOR: Taylor, JP DATE TYPED: 02/06/02 HB HJM 57

SHORT TITLE: Early Childhood Education Employee Benefits 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 SJM 60

SOURCES OF INFORMATION

Responses Received

Children Youth and Families Department (CYFD)

Department of Health (DOH)

State Department of Education (SDE)

State Personnel Office (SPO)

General Services Department (GSD)

SUMMARY

Synopsis of Bill

House Joint Memorial 57 requests that the Children, Youth and Families Department to convene a study group for providing early care, education and family support personnel in New Mexico with health insurance and retirement benefits. The task force would review successful models in other states. The representation in the study group would include personnel from the Department of Health, State Department of Education, childhood educators, professionals, associations and organizations representing then needs of young children and the proessionals who care for them. This group would prepare a report of progress and recommendations and be provided to the legislative Education Study Committee and the legislative Health and Human Services Committee at their respective October 2002 meetings.

Significant Issues

DOH acknowledges that the lack of health insurance and retirement benefits contributes to high turnover of early childhood education and family support professionals. Access to health insurance and retirement benefits would assist in retention of these professionals.

The task force formed by the department and the legislative education study committee recommended this Joint Memorial. This task force was created in response to HJM31 and SJM13 in the last legislative session regarding the compensation of early care, education and family support personnel.

SDE reports that models in various states are a combination of governmental, private, non-profit, for-profit and higher education. There is much to be learned from the compensation and fringe benefit elements of these models.

To the extent that early childhood education and family support professionals are state employees, they are eligible for the state government sponsored group insurance program, and are not only eligible but also required to participate in the Public Employees Retirement program.

FISCAL IMPLICATIONS

The bill does not contain an appropriation. (See administrative impact below)

ADMINISTRATIVE IMPLICATIONS

HJM 57 would require CYFD, DOH and SDE personnel to participate in the study. This would need to be accomplished with existing resources.

DUPLICATION

SJM 60

TECHNICAL ISSUES

The sponsor may wish to include the Department of Labor (DOL) and the Office of the Attorney General in the study group. The latter may be helpful if recommendations should affect present statutes and the flow of funds from state agencies to providers as well as community input in the delivery and monitoring of service. The DOL may be able to supply the effect to the state and local economies of the recommendations of the study group.

OTHER SUBSTANTIVE ISSUES

The New Mexico Early Childhood Education and Compensation Task Force Fact Sheet (October 19,2001) states “children thrive in environments where there is a high quality, stable, well compensated early care and education workforce.” A large part of compensation is retirement and health benefits.

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Early intervention plays an important role in the lives of infants and toddlers with or at risk for developmental delay during their crucial first three years of life. These services can make a lifetime of difference. Continuity of caregivers is critical to ensuring quality early educational experiences. A 15-year study of a Head Start-style preschool program in Chicago demonstrated that early childhood education yielded significant benefits later in life, reducing crime and dropout rates.

DOH states that a major objective of family support programs is to help families move out of poverty, thereby ameliorating some of the risk factors that necessitated early childhood education in the first place. It is extremely important for New Mexico to retain qualified staff to continue these programs.

BD/ar