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FISCAL IMPACT REPORT

SPONSOR Lopez DATE TYPED 2/7/05 HB _____

SHORT TITLE Teen Pregnancy and Family Programs SB 409

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$2,600.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 228
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth and Families Department (CYFD)
Department of Health (DOH)
Human Services Department (HSD)
Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 409 appropriates \$2.6 million from the general fund for the purpose of funding teen pregnancy and family strengthening programs, including fatherhood in the following amounts:

1. PED--\$1 million for school programs in pregnancy prevention, parenting, family strengthening and career development for teen mother and fathers.
2. NMSU--\$1 million for cooperative extension service for teen pregnancy prevention and family strengthening programs. And,
3. HSD--\$600 thousand for community-based young fatherhood and teen pregnancy prevention programs.

Significant Issues

HSD states these programs have existed for at least three years, and the administrators of the

programs have been very careful to coordinate activities and cover areas where gaps in service and delivery exist. The latest statistics for TANF single parent cases show that there are 15,785 families on assistance that have single heads of households. According to the U.S. Census Bureau, in 2003, the number of single parent female households in New Mexico is 36,828.

CYFD funds 31 school-based programs to coordinate teen parent support services (including licensed child care centers, employment readiness, life skills, parenting, and male responsibility training), residential programs for young mothers, access and visitation services, and the Young Fathers Project for the purpose of improving parenting skills, increasing education levels, and expanding employment capabilities. CYFD's FY05 operating budget has \$1.09 million for these services including \$630 thousand from the general fund and \$455 thousand from federal funds.

DOH states while the teen birth rate has declined, New Mexico is 49th among the states for females age 15-17. The birth rate among Hispanics females has declined less than the rate for other races and accounts for 75 percent of the teen births in New Mexico. Reducing teen pregnancy is a priority health issue both in the New Mexico Comprehensive Strategic Health Plan and the DOH Strategic Plan. The department estimates \$300 million is spent on services resulting from teen pregnancy at an average of \$6,176 per client.

PED assesses the Graduation, Reality, And Dual Role Skills (GRADS) program offers a recovery and retention services that target teenage parents who are at risk of or have dropped out of school. It has an abstinence-based pregnancy prevention component for middle and high school youth which enables them to develop goal-setting, responsible decision-making and effective strategies for dealing with negative peer pressure. The NMSU program is to fund teen pregnancy prevention and family strengthening for low-income populations.

PERFORMANCE IMPLICATIONS

DOH has two measures in the General Appropriation Act on teenage birth rates and adolescents receiving agency-funded family planning services and HSD has one measure on percent of children born out-of-wedlock. Neither PED nor NMSU have measures related to teen pregnancy and family strengthening; however, PED assesses student performance may improve as a result of these programs.

FISCAL IMPLICATIONS

The appropriation of \$2.6 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

The LFC FY06 appropriation recommendation is balanced between revenues and expenditures and any increase in recurring funding must be offset by reductions in other areas of the recommendation. The Legislature must consider all priorities and funding requirements to find revenue to support this legislation.

The LFC FY06 appropriation recommendation has \$1.3 million from TANF to PED for GRADS. The Executive recommendation has a \$1 million from the general fund for the program.

HSD assess that if general fund is used to for GRADS any amount spent on families receiving TANF cash assistance or for TANF eligible families at 100 percent of the federal poverty level could be certified towards the TANF maintenance of effort requirement.

ADMINISTRATIVE IMPLICATIONS

Teen pregnancy and parenting programs are found in several agencies: CYFD, DOH, NMSU, PED and possibly others. These agencies must ensure the programs are coordinated to make maximum use of resources.

ALTERNATIVES

LFC recommends to ensure a coordinated program, all appropriations related to teen pregnancy, pregnancy prevention, family strengthening and career development could be made to one lead department that would oversee the program by establishing joint powers agreements and transfer of funding to the other agencies. A coordinating committee could oversee agency efforts and programs assessed so funding could be redirected to the most successful programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

PED assesses failure to continue GRADS would result in an increase in teen pregnancies leading to increasing school dropouts.

POSSIBLE QUESTIONS

1. How to agencies coordinate and collaborate on the programs identified in this bill?
2. Which state agency should be the lead agency for these issues?
3. Should there be an over-arching performance measure on teen pregnancies?
4. How should success for these programs be assessed?

GAC/yr