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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/23/11  
 SPONSOR Chavez, Eleanor LAST UPDATED 03/09/11 HB 603/aHHGAC  
 SHORT TITLE Child Care Registry SB \_\_\_\_\_  
 ANALYST Peery-Galon

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

|              | FY11 | FY12    | FY13    | 3 Year<br>Total Cost | Recurring<br>or Non-Rec | Fund<br>Affected |
|--------------|------|---------|---------|----------------------|-------------------------|------------------|
| <b>Total</b> |      | \$150.0 | \$150.0 | \$300.0              | Recurring               | General<br>Fund  |

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)  
 Public Education Department (PED)

#### No Response Received From

Higher Education Department (HED)

### SUMMARY

#### Synopsis of HHGAC Amendment

The House Health and Government Affairs Committee amendment for House Bill 603 clarifies the database is to include whether the early childhood educator has fulfilled the required “forty-five” hour class.

#### Synopsis of Original Bill

House Bill 603 requires the Children, Youth and Families Department (CYFD) to develop and maintain a statewide database to be available on the department’s website that tracks early childhood educators who are employed by childcare centers that participate in state or federal childcare assistance programs or participate in state or federal childcare assistance programs as licensed family childcare providers. The database is to include the following information:

- The early childhood educator’s name,
- The employing childcare center’s name,
- Whether the early childhood educator has completed required classes and training,
- The number of professional development or relevant training hours accrued by the early childhood educator in the current calendar year,

- The early childhood educator’s status, and
- The number of years the early childhood educator has provided child care.

## **FISCAL IMPLICATIONS**

CYFD reported the department currently contracts with the University of New Mexico for the New Mexico Kids Network which manages and maintains a database that includes licensed childcare centers, licensed family home childcare providers and registered family home childcare providers. The proposed legislation requires additional data and data fields to be added to the existing database. The one-time cost of modifying the existing database, plus staff time necessary to provide the information, and any additional recurring maintenance and update fees, cannot be absorbed by existing resources. The registry would require additional funds and resources that currently do not exist at the department.

CYFD stated there is estimated to be approximately 15,000 individuals working as child-care providers in centers and family homes. The annual “turnover” rate of these individuals ranges from 20 percent to 40 percent each year. Therefore, systems would need to be established to document and enter the names of all those who are currently working as well as document and enter the names of the 3,000 to 6,000 individuals who leave childcare and the additional 3,000 to 6,000 who take their place. CYFD noted this is compounded by the hundreds of centers and family homes that open and close every year. At the very least, this would require not only the cost of modifying the existing database, but the establishment of an on-going system for gathering current information. Even if this effort was to be phased in, it would require at least one FTE to manage this process. CYFD projects the annual cost to maintain the database to be \$150 thousand.

## **SIGNIFICANT ISSUES**

CYFD reported the department would be enhancing an already existing database that allows an individual search for any licensed childcare center, licensed family childcare and registered home provider. It is a requirement of NM Child Care Licensing Regulations that Early Childhood Educators participate in the 45-hour entry level class or equivalent and also complete 24 training hours per calendar year. This and other information that might be of interest is not currently available to the public for review.

PED noted that the Children, Youth and Families Department currently has a voluntary database on the New Mexico Kids website ([www.newmexicokids.org](http://www.newmexicokids.org)) featuring a search function for parents to find licensed centers and registered childcare homes. This database lists information about centers, but does not list information about individual educators.

PED noted current licensing requirements include the class and training hours; however, the information about individual early childhood educators is not available to the public.

## **ADMINISTRATIVE IMPLICATIONS**

CYFD currently funds and oversees the contract for child care resource and referral which operates the portion of the database known as “Mario’s search.” “Mario’s search” allows an individual to search for licensed childcare centers, family childcare homes and registered providers. CYFD noted there would have to be an individual designated to enter all personnel

information for each and every early childhood educator working in a licensed childcare program or family childcare home.

PED noted the current servers utilized by the New Mexico Kids database may not have the capacity to house the additional data and required search functions. Since New Mexico Kids also houses the pre-kindergarten database, for both PED and CYFD, it would be important to ascertain if the additional workload will negatively affect the performance of that database.

**TECHNICAL ISSUES**

CYFD noted that page 2, line 6, should read “forty-five hour course” instead of “forty-hour class.”

**OTHER SUBSTANTIVE ISSUES**

CYFD noted that the proposed legislation only applies to childcare centers and licensed family childcare providers. The proposed legislation does not appear to extend to home-based providers, whether licensed or registered.

RPG/bym:svb:mew