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FISCAL IMPACT REPORT

ORIGINAL DATE 03/08/11

SPONSOR Nava LAST UPDATED _____ HB _____

SHORT TITLE Early Childhood Education Study SJM 37

ANALYST Haug

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$20.9		\$20.9	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 37 requests that the Legislative Education Study Committee and the Public Education Department conduct a study to:

- A. Determine the current status of the early identification of young children for early childhood education programs and the continuum of special education services in the state.
- B. Identify research-based strategies that are having a positive impact on enrolled students.
- C. Examine guidelines and current practices regarding placement in least restrictive environments in the pre-kindergarten setting.
- D. Examine how data that relate to the number of students referred to special education in public school from early childhood speech and language programs are collected, analyzed and reported.
- E. make recommendations on the best approach to ensuring that students do not stay in the system longer than necessary and findings and recommendations by November 30, 2011.

FISCAL IMPLICATIONS

Senate Joint Memorial 37 would require allocation of staff and resources on the part of the organizations charged with conducting the study. The demands placed on these organizations should be modest in impact.

According to the PED, to complete a study of this scale, within the short period of time, the PED would need to hire a contractor to research and examine the components of the study. The Individuals with Disabilities Education Act (IDEA) administrative budget is at the maximum allowed under federal law, so the contracted position would need to be paid for out of the general fund or the IDEA State Directed Activities portion of the budget would need to be adjusted. The estimated cost for the PED to implement the memorial is \$20,912 dollars. This estimate is used in the table above.

SIGNIFICANT ISSUES

The PED states:

Subsection (4) of Section (C) 22-8-21 NMSA 1978 sets forth specific funding mechanisms for preschool students with disabilities. Unlike the funding of students aged 6 – 21 who receive special education and related services, which are funded by the level of service the students receive, preschool students, regardless of the amount of services they receive, are funded at the same rate. However, the preschool students cannot be counted for additional ancillary service units.

2009-2010 School Year					
Disabilities	3 Years of Age (3Y)	4 Years of Age (4Y)	5 Years of Age (5Y)	Total (3Y-5Y)	% of All Disabilities(AD) Total
Speech or Language Impairments (SLI)	753	1059	1288	3100	47%
Developmental Delay (DD)	757	1167	981	2905	44%
Total of the Other 11 Disabilities (Other 11)	147	166	267	580	9%
TOTAL (all disabilities)	1657	2392	2536	6585	100%

2008-2009 School Year					
Disabilities	3Y	4Y	5Y	Total3Y-5Y	% of AD Total
SLI	650	1039	1345	3034	47%
DD	732	1158	1046	2936	45%
Total of Other 11	115	170	232	517	8%
TOTAL (all disabilities)	1497	2367	2623	6487	100%

2007-2008 School Year					
Disabilities	3Y	4Y	5Y	Total (3Y-5Y)	% of AD Total
SLI	543	969	1241	2753	43%
DD	745	1144	1204	3093	48%
Total of Other 11	107	171	213	491	9%
TOTAL (all disabilities)	1395	2284	2658	6337	100%

The table shows the following:

- Students with SLI and DD account for over 90% of the total 3Y-5Y population of students with disabilities.
- The number of 3Y-5Y students with the disability of SLI has increased over the last three years.
- For SLI, as the student age increases, the number of students has increased.
- The number of 3Y-5Y students with the disability of DD has decreased over the last three years.
- For DD, in the past two school years, the number of students with DD increased from 3Y to 4Y then decreased from 4Y to 5Y.

Page 2, lines 15 – 18 discusses the examination of guidelines and current practices regarding placement in the least restrictive environment (LRE). The U.S. Department of Education Office of Special Education Programs (OSEP) requires the state to report on the state’s aggregate preschool LRE data annually along with each school district as part of the public reporting. The data is broken down into students receiving their services in a regular early childhood program and those students receiving services in a separate setting. A regular early childhood setting is defined as a program that includes a majority (at least 50 percent) of nondisabled children (i.e., children not on IEP’s).

For the past several years, the PED has been a part of a grant from the Hilton/Early Headstart Training Program, SpecialQuest. Multimedia materials and guidance on LRE are posted on the Special Education Bureau’s website and can be accessed at <http://76.249.171.46/specialquest/trainingmaterials/>. The state also works with the National Early Childhood Technical Assistance Center. The center develops guidance and technical assistance regarding the best practices of educating preschool students with disabilities and placements in the LRE. Their website can be accessed at <http://www.nectac.org/>.

Page 2, lines 22 – 24 addresses the exiting of students from special education. There are specific federal regulations that address the reevaluation for special education services and the change of eligibility. 34 CFR § 300.305 (a)(2)(B) requires the reevaluation of a child’s educational needs and to determine if the child continues to have a disability, and whether the child continues to need special education and related services. Before a student is exited from special education, the school district must evaluate the child before determining the child is no longer a child with a disability.

GH/bym