

Multiple Agency Fiscal Note Summary

Bill Number: 1758 S HB	Title: Business of child care
-------------------------------	--------------------------------------

Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Workforce Training and Education Coordinating Board	.4	58,700	58,700	.1	14,000	14,000	.0	0	0
Department of Early Learning	1.0	348,184	348,184	1.0	278,184	278,184	1.0	278,184	278,184
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
Total	1.4	\$406,884	\$406,884	1.1	\$292,184	\$292,184	1.0	\$278,184	\$278,184

Estimated Capital Budget Impact

NONE

Prepared by: Rayanna Williams, OFM	Phone: (360) 902-0553	Date Published: Final 2/22/2017
---	---------------------------------	---

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 47809

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 1758 S HB	Title: Business of child care	Agency: 354-Workforce Training and Education Coordinating Board
-------------------------------	--------------------------------------	--

Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.3	0.5	0.4	0.1	0.0
Account					
General Fund-State 001-1	14,000	44,700	58,700	14,000	0
Total \$	14,000	44,700	58,700	14,000	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☐

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☒

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Dawn Eychaner	Phone: 360-786-7135	Date: 02/16/2017
Agency Preparation: Wendy Tang	Phone: 3607094628	Date: 02/21/2017
Agency Approval: Glenna Red Elk	Phone: 360-709-4620	Date: 02/21/2017
OFM Review: Breann Boggs	Phone: (360) 902-0563	Date: 02/22/2017

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 5(2) requires the Board to specifically assess the need for early learning providers to receive support and training in the managing of a child care business during the next process of updating the state's strategic plan for workforce development. The Board estimates that this work would require approximately 0.5 FTE of a Policy Associate over FY18-19 to identify and recruit appropriate stakeholders, coordinate meetings (two in the central Puget Sound area and one in eastern Washington) and production of deliverables, and establish public forums for input as appropriate. Logistical support for meetings and documents, including recording and archiving meeting minutes and resources, would require a total 0.25 FTE of an Administrative Assistant 3 over FY18-19.

Section 5(2) additionally requires the Board to ensure that all local workforce development council plans emphasize business training for early learning providers. The Board anticipates that 0.1 FTE of a Policy Director in FY20 will be required to develop and implement guidance to local workforce development councils on how to ensure alignment to the state plan's goals during the next scheduled local plan review process by emphasizing the need for providing business management training to early child care providers.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

State Strategic Workforce Plan

The next strategic plan update cycle is anticipated to begin in early 2018 and conclude in late 2018. The Board has customarily established a committee of stakeholders for each priority in the state strategic plan, convened and coordinated by Board staff to design appropriate goals and strategies. Based on the Board's previous experience with coordinating the state strategic plan, a new committee devoted to assessing the needs of early learning providers would require approximately 0.2 FTE of a Policy Associate for the final six months of FY18 at a cost of \$10,000 and 0.3 Policy Associate in FY19 at a cost of \$29,000 to identify and recruit appropriate stakeholders, coordinate meetings and production of deliverables, and establish public forums for input as appropriate. Logistical support for meetings and documents, including recording and archiving meeting minutes and resources, would require a 0.1 FTE Administrative Assistant 3 at a cost of \$5,000 in FY18 and a 0.15 FTE Administrative Assistant 3 at a cost of \$15,000 in FY19.

The Board estimates \$700 in FY19 travel costs to carry out the stakeholder work to assess the needs of early learning providers. Two meeting facilities in western Washington will be contracted at a government rate, estimated at \$200 per meeting. Travel expenses for staff from Olympia to a western Washington location are estimated at \$100 per meeting. The Board anticipates securing a free meeting location in eastern Washington to host one meeting on the eastern side of the Cascades. Staff travel expenses for the eastern Washington meeting are estimated at \$500, including per diem rate for one night of lodging for two staff members.

Local Workforce Development Plans

The next local workforce development council plan review and revision will occur shortly after the state concludes their update of the state plan, which is anticipated in summer 2019. The Board anticipates that 0.1 FTE of a Policy Director in FY20 at a cost of \$14,000 will be required to initially develop and implement guidance to local workforce development councils on how to ensure alignment to the state plan's goals during the local plan review process by emphasizing the need for providing business management training to early child care providers.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.3	0.5	0.4	0.1	
A-Salaries and Wages	6,000	19,000	25,000	7,000	
B-Employee Benefits	3,000	9,000	12,000	3,000	
C-Professional Service Contracts					
E-Goods and Other Services	4,000	12,000	16,000	3,000	
G-Travel		700	700		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	1,000	4,000	5,000	1,000	
9-					
Total:	\$14,000	\$44,700	\$58,700	\$14,000	\$0

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2018	FY 2019	2017-19	2019-21	2021-23
Admin Assistant 3	42,492	0.1	0.2	0.1		
Policy Associate	42,492	0.2	0.3	0.3		
Policy Director	73,000				0.1	
Total FTE's	157,984	0.3	0.5	0.4	0.1	0.0

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

Individual State Agency Fiscal Note

Bill Number: 1758 S HB	Title: Business of child care	Agency: 357-Department of Early Learning
-------------------------------	--------------------------------------	---

Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	209,092	139,092	348,184	278,184	278,184
Total \$	209,092	139,092	348,184	278,184	278,184

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☒

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☐

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Dawn Eychaner	Phone: 360-786-7135	Date: 02/16/2017
Agency Preparation: John Rich	Phone: 360 725-4513	Date: 02/22/2017
Agency Approval: Christopher Stanley	Phone: (360) 725-4388	Date: 02/22/2017
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/22/2017

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Comparison of 1758 SHB to 1758 HB:

Substitute House Bill 1758 removed previous section 3, which required the Department of Early Learning (DEL) to contract with a nonprofit entity that provides quality improvement services to Early Achievers participants to develop implement, and modify a community-based training module that supports rated Early Achievers providers interested in serving children in the Early Childhood Education and Assistance (ECEAP) program. This change eliminates the need for 1.0 of the 2.0 DEL FTE in the fiscal note for 1758 HB.

Description of 1758 SHB.

Section 2 (1-7) requires the Department of Early Learning (DEL) to contract with a nonprofit entity that provides quality improvement services to participants in the early achievers program to develop, in consultation with the community and technical college system, a community-based training module for licensed child care providers. The training must:

- Include direct participant coaching provided by the nonprofit entity;
- Offer training to providers as a pilot program in at least four communities;
- Offer reimbursement for training taken from state-approved trainers;
- Provide professionals who work in DEL-licensed or certified child care facilities and have confirmed or verified their employment record access reimbursement within available funds through their managed education registry information tool professional record.;
- Be conducted to ensure there is no duplication of services;
- Be made available statewide for all licensed child care providers no later than July 1, 2019, the training module;
- Be functionally translated into languages other than English, particularly for licensed child care providers who speak Spanish and Somali.

DEL, the state board for community and technical colleges and the nonprofit entity with whom the department is contracting must work together in conducting the review of the pilot program. The review must provide recommendations for how the business of child care training should be delivered in the future.

Sec. 3(1-2) requires DEL to collaborate with the State Board of Community and Technical Colleges (SBCTC) and community and technical colleges to align all or parts of the training with course outcomes in one or more early childhood education classes that may be offered at community colleges, and work with colleges to incorporate learning outcomes by fall quarter of the 2020 academic year.

Section 4 (2-5) requires DEL to convene and provide staff support for a child care workforce and business development workgroup comprised of no more than 27 members. The workgroup must consist of specified early learning and business partners, and must develop recommendations to address poverty wages, compensation, high turnover and workforce development. An interim report is due by December 1, 2017 and a final report is

due by June 30, 2018.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

FTE, Salary and Benefits: 1.0 FTE (approximately 2,000 hours) Program Specialist 5 (PS5) costing \$97,928 in each of fiscal years 2018-2023. Based on existing program models within DEL, the workload of this FTE would closely resemble the current Professional Development Workforce Coordinator. This PS5 would:

- Coordinate internal and external professional development, ensuring alignment with DEL's professional development system and higher education;
- Support any Managed Education and Registry Information Tool (MERIT) enhancements to properly record training completion;
- Manage contracts and projects related to advancing workforce development;
- Collaborate with SBCTC to ensure coordination of community and technical colleges and alignment of competencies between community based training outcomes and Early Childhood Education coursework;
- Manage the coordination, project management and deliverables of the Child Care Workforce and Business Development Workgroup;
- Coordinate with the WTEB and local workforce development councils.

Goods and Services: \$1,250 in each of fiscal years 2018-2019 for direct goods and services for the PS5, including supplies and materials, communications, training and computer leases.

Travel: \$7,500 in each of fiscal years 2018-23 to attend workgroup meetings, trainings and/or other community meetings related to the requirements of the bill.

Equipment: A one-time expenditure of \$6,000 in fiscal year 2018 for necessary office furniture and equipment for the 1.0 PS5.

Intra-agency reimbursements: \$32,414 each fiscal year for indirect costs for agency administration and central services, calculated at 33.1 percent of direct salaries and benefits ($\$97,928 \times 33.1\% = \$32,414$). This is for administration and management of the department including governance, executive management, fiscal operations, human resources, communications and outreach, government relations and agency information technology services. It is also for agency central services including space and utilities, data processing fees, communications, attorney general and audit services and other mandatory charges for other services.

Sec 4 COMMUNITY COLLEGE COORDINATION. Costs are included under the section 2 and 3 FTE above.

Sec 5 WORKGROUP.

Personal Service Contracts: a \$52,000 one-time expenditure in FY 2018 comprised of \$40,000 for subject matter

expert consultation and final report writing and \$12,000 for workgroup meeting facilitation (assuming 12 meetings at \$1,000 per meeting).

Travel: A one-time expenditure of \$12,000 in FY 2018 to reimburse non-state employee workgroup members.

It is assumed that free public space will be available for all meetings.

Section 6 WTEB COORDINATION. Costs for this coordination are part of the PS5 duties listed above.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	73,140	73,140	146,280	146,280	146,280
B-Employee Benefits	24,788	24,788	49,576	49,576	49,576
C-Professional Service Contracts	52,000		52,000		
E-Goods and Other Services	1,250	1,250	2,500	2,500	2,500
G-Travel	19,500	7,500	27,000	15,000	15,000
J-Capital Outlays	6,000		6,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	32,414	32,414	64,828	64,828	64,828
9-					
Total:	\$209,092	\$139,092	\$348,184	\$278,184	\$278,184

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2018	FY 2019	2017-19	2019-21	2021-23
Program Specialist 5	73,140	1.0	1.0	1.0	1.0	1.0
Total FTE's	73,140	1.0	1.0	1.0	1.0	1.0

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

Individual State Agency Fiscal Note

Bill Number: 1758 S HB	Title: Business of child care	Agency: 699-Community and Technical College System
-------------------------------	--------------------------------------	---

Part I: Estimates

☒

No Fiscal Impact

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☐

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☐

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Dawn Eychaner	Phone: 360-786-7135	Date: 02/16/2017
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/22/2017
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 02/22/2017
OFM Review: Breann Boggs	Phone: (360) 902-0563	Date: 02/22/2017

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The substitute bill differs from the original in the following ways:

- Clarifies that the Washington State Board for Community and Technical Colleges is to incorporate course outcomes related to managing and sustaining a child care business into its’ “early childhood education curriculum” by Fall quarter 2020 and specifies that the course is to be an elective and not a required course.
- Adds a representative, from an early learning training program at a community or technical college, to the Child Care Workforce and Business Development Work Group convened by the Department of Early Learning.

The change listed above would not result in a change in fiscal impact.

This bill seeks to provide training to child care providers in managing and sustaining a child care business.

Section 2

Section 2(1) would direct the Department of Early Learning (DEL) to consult with the community and technical college system, when developing a community-based training module for licensed child care providers. The training module must train providers specifically in managing and sustaining a child care business.

Section 2(2) requires the training module to be offered to child care providers as a pilot program in at least four communities.

Section 2(4) would direct DEL and the Washington State Board for Community and Technical Colleges (SBCTC) to conduct reviews of certain elements of the pilot program.

Section 3

Section 3(1) would require DEL, in collaboration with the SBCTC, to align all or parts of the training module with course outcomes identified in one or more early childhood education classes that may be offered by the community and technical colleges.

Section 3(2) would require the SBCTC to work with community and technical college early childhood education programs to incorporate course outcomes related to managing and sustaining a child care business into its’ early childhood education curriculum by the Fall quarter of 2020 and specifies that the course is to be an elective and not a required course.

Section 4 would create the Child Care Workforce and Business Development Work Group (Workgroup). Membership of the work group is required to include a representative from the SBCTC and an existing early learning training program at a community or technical college. DEL is directed to convene the Workgroup for the purpose of improving the stability of the early learning workforce and sustaining and expanding access to high quality care throughout the state. The Workgroup must submit a progress report to the legislature by June, 30, 2018 and a final report by December 1, 2018.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No cash receipts impact.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

No fiscal impact.

Sections 2 and 4 would direct the SBCTC to participate in various tasks and workgroups concerned with implementing provisions of the bill. The type of participation specified in the bill is consistent with work the SBCTC is already doing or can be accomplished with minimal resources.

Section 3

Section 3(2) would require the SBCTC to work with community and technical college early childhood education programs to incorporate course outcomes related to managing and sustaining a child care business into its' early childhood education curriculum by the Fall quarter of 2020. Since the SBCTC routinely works with the colleges in the community and technical college system to implement revisions to early childhood education programs, there would be no additional cost for this section of the bill.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

No capital budget impact.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

No rule-making required.