

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5341 S SB	<b>Title:</b> Higher ed. child care
-------------------------------	-------------------------------------

## Estimated Cash Receipts

NONE

## Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Children, Youth, and Families	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Anna Minor, OFM	<b>Phone:</b> (360) 902-0541	<b>Date Published:</b> Preliminary 2/22/2019
-------------------------------------	---------------------------------	---

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

\*\* See local government fiscal note

ENPID: 56404

FNS029 Multi Agency rollup

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5341 S SB	<b>Title:</b> Higher ed. child care	<b>Agency:</b> 307-Department of Children, Youth, and Families
-------------------------------	-------------------------------------	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

*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: Maria Hovde	Phone: 360-786-7474	Date: 02/13/2019
Agency Preparation: John Rich	Phone: (360) 725-4513	Date: 02/19/2019
Agency Approval: Jennifer Smith	Phone: 3609028023	Date: 02/19/2019
OFM Review: Anna Minor	Phone: (360) 902-0541	Date: 02/20/2019

## 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.*

This bill expands eligibility for Working Connections Child Care (WCCC) to all student parents enrolled in a community, technical, or tribal college pursuing an associate degree who are otherwise eligible for WCCC, and all full time student parents enrolled in a community, technical, or tribal college without imposing work requirements. The substitute is identical to the original except for a technical correction in the preamble.

Section 2 stipulates an implementation date of January, 2020.

Section 2 (10) (a) (i) states that the department may not require an applicant, or consumer, who is a full time student of a community, technical, or tribal college to meet work requirements as a condition of receiving WCCC.

Section 2 (10) (a) (ii) states that the department shall offer WCCC benefits to otherwise qualified students of community, technical, or tribal colleges who are pursuing all associate degree programs.

### 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.*

DCYF estimates ongoing costs of 11.30 FTEs to 16.81 FTE's, \$19,440,081 to \$28,910,301 total funds General Fund State for fiscal year 2020, and 22.59 to 33.61 FTEs and expenditures of \$38,499,138 to \$57,280,864 in fiscal year 2021 and thereafter depending on an uptake rate of 25% up to 40% for the newly eligible families with student parents.

#### DIRECT SERVICES

Assuming 40% uptake for eligible student parent families:

DCYF estimates ongoing costs of 16.81 FTEs and \$28,910,301 total funds General Fund State for fiscal year 2020, and \$57,280,864 in fiscal year 2021 and thereafter.

Assuming student parents will have a higher uptake rate than income eligible families based on the average of all households in states that don't require student parents to work. These figures are also consistent with internal analysis of uptake rates by FPL.

<https://www.urban.org/sites/default/files/publication/33651/413255-Child-Care-Assistance-for-Parents-in-Education-and-Training-Executive-Summary.PDF>

47,041 parents attend technical and community colleges and 1,488 students receive TANF and 2,486 students receive BFET leaving approximately 43,067 student parents remaining of the student parent population. Accounting for 6% of student parent in transfer degrees, and 19% of professional/technical students being likely to have older children, 15,235 parents in transfer degrees and 24,090 parent non-transfer degree programs are estimated to have dependent children in need of child care.

90% of single parent households and 48% of two parent households are income eligible. Combined, 65.8% of all student parent households are income eligible based on parent need studies and census data.

3,190 income eligible full-time single parent students in transfer degrees become eligible (15,235 transfer degree students x 38% single parent households x 90% income eligible x 61% full-time students = 3,190).

2,759 income eligible full-time students in two parent households become eligible (15,235 transfer degree students x 62% two parent households x 48% income eligible x 61% full-time students = 2,759).

1,032 income eligible single part-time student parents in transfer degrees that are working 20 or more hours per week become eligible (15,265 transfer degree students x 38% single parent households x 90% income eligible x 39% part time students x 50.6% working 20+ hours = 1,032).

893 income eligible part-time student parents in two parent households participating in transfer degrees that are working 20 or more hours per week become eligible (15,235 transfer degree students x 62% two parent households x 48% income eligible x 48.1% part time students x 50.6% working 20+ hours = 893).

2,606 income eligible full-time single student parents in non-transfer degrees that are not working 20 or more hours per week become eligible (24,090 non-transfer degree students x 32% single parents x 90% income eligible x 51.9% full-time students x 73.8% full-time students in non-transfer degrees that are not working 20 or more hours per week = 2,606).

2,962 income eligible full-time student parents in two parent households in non-transfer degrees that are not working 20 or more hours per week become eligible (24,090 non-transfer degree students x 68% two parent households x 48% income eligible x 51.9% full-time students x 73.8% full-time students in non-transfer degrees that are not working 20 or more hours per week = 2,962).

<https://www.sbctc.edu/colleges-staff/research/data-public/enrollment-data-dashboard.aspx>

## DIRECT SERVICES

DCYF assumes the annual direct service cost to be \$53,931,000 for an additional 5,000 families in SFY 2021 and ongoing, \$26,965,500 in SFY 2020

DCYF Assumes 5,000 families with 6 months of benefits in SFY 2020.

DCYF assumes an anticipated uptake of 40% of eligible families. Total anticipated caseload:

3,190 x 40% = 1,276 full time single parent transfer students

2,759 x 40% = 1,104 two parent families with a full time transfer student

1,032 x 40% = 413 part time single parent transfer students

893 x 40% = 357 two parent families with a part time transfer student

2,606 x 40% = 1,042 non-transfer full time single parent students  
2,962 x 40% = 1,185 two parent families with a full time non-transfer student  
= 5,376.89 total new WCCC eligible households

The current caseload forecast is approximately 28,000 and the addition of 5,377 cases would exceed the caseload cap of 33,000 cases.

The average monthly family per cap of \$898.85.

The annual direct service cost is anticipated to be \$53,931,000 (5,000 families x \$898.85 x 12), \$26,965,500 for six months of benefits in SFY 2020.

#### FTE, SALARY, AND BENEFITS

DCYF assumes that one Financial Services Specialist (FSS3) is needed to determine eligibility and maintain 188 cases, one Financial Services Specialist 4 (FSS4) for every 6 FSS3, and one Financial Services Specialist 5 (FSS5) supervisor for every 12 FSS3s and FSS4s. 5,000 additional families requires an additional 26.6 FSS3, 4.43 FSS4, and 2.59 FSS5 FTEs. Salaries and benefits of \$2,535,708, \$1,267,854 in SFY 2020.

#### IT COSTS – INTER AGENCY

One time charge back of \$27,848 for DCYF and DSHS to perform necessary programming changes to Barcode eligibility system.

#### OTHER OBJECTS

\$60,505 for standard Goods and Services, (33.6 FTE x \$1800/FTE), \$30,253 in SFY 2020.

\$80,674 for Travel (33.6 FTE x \$2400/FTE), \$40,337 in SFY 2020.

\$242,021 standard equipment capital outlay in SFY 2020.

#### INTRA-AGENCY REIMBURSEMENTS

\$672,977 each fiscal year after part year implementation cost of \$336,488. This is calculated at the rate of 26.54 percent of combined salaries and benefits, and is for indirect expenditures including agency administration and central services.

Assuming 25% uptake for eligible student parent families:

Assuming student parents will have at least the minimum uptake rate as the average of all households in states that don't require student parents to work. These figures are also consistent with internal analysis of uptake rates by FPL.

DCYF estimates ongoing costs of 11.30 FTEs and \$19,519,437 total funds General Fund State for fiscal year 2020; 22.59 FTE and \$38,499,138 in fiscal year 2021 and thereafter.

Assuming student parents will have a higher uptake rate than income eligible families based on the average of all

households in states that don't require student parents to work. These figures are also consistent with internal analysis of uptake rates by FPL.

<https://www.urban.org/sites/default/files/publication/33651/413255-Child-Care-Assistance-for-Parents-in-Education-and-Training-Executive-Summary.PDF>

47,041 parents attend technical and community colleges and 1,488 students receive TANF and 2,486 students receive BFET leaving approximately 43,067 student parents remaining of the student parent population. Accounting for 6% of student parent in transfer degrees, and 19% of professional/technical students being likely to have older children, 15,235 parents in transfer degrees and 24,090 parent non-transfer degree programs are estimated to have dependent children in need of child care.

90% of single parent households and 48% of two parent households are income eligible. Combined, 65.8% of all student parent households are income eligible based on parent need studies and census data.

3,190 income eligible full-time single parent students in transfer degrees become eligible (15,235 transfer degree students x 38% single parent households x 90% income eligible x 61% full-time students = 3,190).

2,759 income eligible full-time students in two parent households become eligible (15,235 transfer degree students x 62% two parent households x 48% income eligible x 61% full-time students = 2,759).

1,032 income eligible single part-time student parents in transfer degrees that are working 20 or more hours per week become eligible (15,265 transfer degree students x 38% single parent households x 90% income eligible x 39% part time students x 50.6% working 20+ hours = 1,032).

893 income eligible part-time student parents in two parent households participating in transfer degrees that are working 20 or more hours per week become eligible (15,235 transfer degree students x 62% two parent households x 48% income eligible x 48.1% part time students x 50.6% working 20+ hours = 893).

2,606 income eligible full-time single student parents in non-transfer degrees that are not working 20 or more hours per week become eligible (24,090 non-transfer degree students x 32% single parents x 90% income eligible x 51.9% full-time students x 73.8% full-time students in non-transfer degrees that are not working 20 or more hours per week = 2,606).

2,962 income eligible full-time student parents in two parent households in non-transfer degrees that are not working 20 or more hours per week become eligible (24,090 non-transfer degree students x 68% two parent households x 48% income eligible x 51.9% full-time students x 73.8% full-time students in non-transfer degrees that are not working 20 or more hours per week = 2,962).

<https://www.sbctc.edu/colleges-staff/research/data-public/enrollment-data-dashboard.aspx>

DCYF estimates ongoing costs of 11.30 FTEs and \$19,440,081 total funds General Fund State for fiscal year 2020; 22.59 FTE and \$38,499,138 in fiscal year 2021 and thereafter.

## DIRECT SERVICES

DCYF assumes the annual direct service cost to be \$36,247,654 for an additional 3,361 families, \$18,123,827 in

SFY 2020

DCYF assumes an anticipated uptake of 25% of eligible families. Total anticipated caseload:

3,190 x 25% = 797 full time single parent transfer students

2,759 x 25% = 690 two parent families with a full time transfer student

1,032 x 25% = 257 part time single parent transfer students

893 x 25% = 223 two parent families with a part time transfer student

2,606 x 25% = 652 non-transfer full time single parent students

2,962 x 25% = 741 two parent families with a full time non-transfer student

3,360.56 total new WCCC eligible households

The current caseload forecast is approximately 28,000 and the addition of 3,361 cases would not exceed the caseload cap of 33,000 cases.

The average monthly family per cap of \$898.85.

The annual direct service cost is anticipated to be \$36,247,654 (3,361 families x \$898.85 x 12), \$18,123,827 in SFY 2020.

#### FTE, SALARY, AND BENEFITS

DCYF assumes that one Financial Services Specialist (FSS3) is needed to determine eligibility and maintain 188 cases, one Financial Services Specialist 4 (FSS4) for every 6 FSS3, and one Financial Services Specialist 5 (FSS5) supervisor for every 12 FSS3s and FSS4s. 4,953 additional families requires an additional 17.88 FSS3, 2.98 FSS4, and 1.74 FSS5 FTEs. Salaries and benefits of \$1,704,280; \$852,139 in SFY 2020.

#### IT COSTS – INTER AGENCY

One time charge back of \$27,848 for DCYF and DSHS to perform necessary programming changes to Barcode eligibility system.

#### OTHER OBJECTS

\$40,666 for standard Goods and Services, (22.59 FTE x \$1800/FTE), 20,333 in SFY 2020.

\$54,222 for Travel 22.59 FTE x \$2400/FTE), 27,111 in SFY 2020.

\$162,665 standard equipment capital outlay in SFY 2020.

#### INTRA-AGENCY REIMBURSEMENTS

\$452,316 each fiscal year after part year implementation cost of \$226,158. This is calculated at the rate of 26.54 percent of combined salaries and benefits, and is for indirect expenditures including agency administration and central services.

### Part III: Expenditure Detail

### Part IV: Capital Budget Impact

NONE

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.*

Rulemaking resources are already assumed in the agency budget, and this would be part of regular routing rulemaking.

Section 2 (10) (a) (i) states that the department may not require and applicant, or consumer, who is a full time student of a community, technical, or tribal college to meet work requirements as a condition of receiving WCCC.

Section 2 (10) (a) (ii) states that the department shall offer WCCC benefits to otherwise qualified students of community, technical, or tribal colleges who are pursuing all associate degree programs.



# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5341 S SB	<b>Title:</b> Higher ed. child care	<b>Agency:</b> 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: Maria Hovde	Phone: 360-786-7474	Date: 02/13/2019
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 02/20/2019
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 02/20/2019
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 02/21/2019

## 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 makes a technical language change when compared to the original. This will not change the fiscal impact when compared to the original bill.

-----

This bill seeks to improve access and completion rates at community and technical colleges for students with children by reducing existing restrictions to subsidized child care.

#### Section 2

The Department of Children, Youth and Families would be prohibited from requiring an applicant or consumer who is a full-time student of a community, technical or tribal college from meeting work requirements as a condition of receiving working connections child care benefits.

The Department of Children, Youth and Families is required to offer child care benefits to qualified students pursuing all associate degree programs.

#### Section 3

Community and technical colleges would not be required to expand any of their existing child care facilities.

### 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 expenditure impact. This bill does not require community and technical colleges expand any of their existing child care facilities or to provide child care services to additional students.

The bill expands eligibility for child care benefits to qualified students pursuing an associate degree, which could result in additional students seeking child care services at the colleges. However, students are not required to utilize college childcare facilities. With this expansion, it should be noted that the child care benefits authorized in this bill do not fully cover the costs of providing child care services.

## Part III: Expenditure Detail

## Part IV: Capital Budget Impact

NONE

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.