

Individual State Agency Fiscal Note

Revised

Bill Number: 2619 HB	Title: Early learning access	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

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.

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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 3 amends RCW 43.216.514 and 2019 c 408 s 7 to read that Department of Children, Youth and Families (DCYF) shall prioritize children for enrollment in the early childhood and assistance program who are eligible pursuant to RCW 43.216.505. Section 3 has no fiscal impact to DCYF as the language mirrors current practice and would not change anything for the program.

New Section 4 allows the DCYF to pay child day care centers and family day care providers a subsidy rate that is equal to or higher than the providers private pay rate.

New Section 6 requires DCYF to provide the legislature a list of recommended child care licensing innovations designed to improve access to care in rural areas of the state. The recommendations must include estimated costs and proposed statutory changes.

New Section 7 requires DCYF to establish a pilot project to create a dual license that allows individuals to combine foster care and child care licenses. The pilot project must commence by July 1, 2020, and conclude by June 30, 2022. Stakeholders in foster care and child care must be included. DCYF may adopt rules to implement the pilot project and may waive or adapt licensing requirements for dual license individuals. DCYF must provide a report to the legislature by July 2021, describing the pilot implementation. By November 2022, DCYF must recommend whether or not the dual license pilot should be made permanent.

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.

Section 3 has no fiscal impact to DCYF as the language mirrors current practice and would not change anything for the program.

Section 4 costs are indeterminate. If DYCF assumes the rates change from current 55th percentile at level 3 to 75th percentile at level 3, the cost would be as follows:

DIRECT CLIENT SERVICES:

Total costs for FY21 are \$32,080,000.

Total costs for FY22 and thereafter are \$31,652,000.

See attached document for subsidy calculations.

Section 6 has no fiscal impact to DCYF as the language mirrors current practice and would not change anything for the program.

Section 7 Total Costs in FY21 are \$150,571. Costs in FY22 are \$143,371.

FTE SALARY AND BENEFITS: For FY21 and FY22, 1 FTEs costing \$118,899 per fiscal year, comprised of 1.0 Management Analyst 5, in salaries and benefits.

The Management Analyst 5 position will design, implement, and manage the dual license pilot project.

STANDARD COSTS: FY21 \$31,672, FY22 \$24,472. These costs are for goods and services, travel, equipment (capital outlay) and intra-agency reimbursements. All costs are based on the standard rates identified below except a onetime expenditure of \$7,200 in FY21 for equipment for one new management analyst.

Standard goods and services include supplies and materials, communications, employee development and training, and computer lease, calculated at the rate of \$1,800 per FTE per fiscal year.

Standard travel assumes \$2,400 per FTE per fiscal year, based on historic trends.

Intra-agency reimbursements, calculated at the rate of 17.05 percent of combined salary and benefits, are for indirect expenditures including agency administration and central services.

The pilot program will require minimal IT changes, but a full implementation will require more extensive system changes and will have costs.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.
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III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.
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III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

None.

Part V: New Rule Making Required

SCENARIO #1

75th percentile at
Level 3 achieved in
FY22

	FY21	FY22	FY23	FY24	FY25
WCCC Subsidy Rate Changes	26,918	25,979	25,979	25,979	25,979
WCCC Tiered Reimbursement Changes	-	-	-	-	-
Rate Change on TR	2,596	3,107	3,107	3,107	3,107
Child Welfare Rate Changes	2,566	2,566	2,566	2,566	2,566
Total:	32,080	31,652	31,652	31,652	31,652

Cost in
Thousands