

Multiple Agency Fiscal Note Summary

Bill Number: 2455 E S HB	Title: High school/child care
---------------------------------	--------------------------------------

Estimated Cash Receipts

NONE

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	Fiscal note not available					
Local Gov. Other						
Local Gov. Total						

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	.3	665,428	665,428	.6	3,057,256	3,057,256	.6	3,067,288	3,067,288
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
Total \$	0.3	665,428	665,428	0.6	3,057,256	3,057,256	0.6	3,067,288	3,067,288

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

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
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
School District Fiscal Note - SPI	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Rayanna Williams, OFM	Phone: (360) 902-0553	Date Published: Preliminary 2/23/2020
---	---------------------------------	---

Individual State Agency Fiscal Note

Bill Number: 2455 E S HB	Title: High school/child care	Agency: 307-Department of Children, Youth, and Families
---------------------------------	--------------------------------------	--

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.6	0.3	0.6	0.6
Account					
General Fund-State 001-1	0	665,428	665,428	3,057,256	3,067,288
Total \$	0	665,428	665,428	3,057,256	3,067,288

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: Ailey Kato	Phone: 786-7434	Date: 02/14/2020
Agency Preparation: Peter Siefer	Phone: 360-725-4433	Date: 02/19/2020
Agency Approval: Carleton Georgina	Phone: 3609028107	Date: 02/19/2020
OFM Review: Rayanna Williams	Phone: (360) 902-0553	Date: 02/23/2020

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 SHB 2455 to ESHB 2455:

ESHB 2455 New Section 4 adds an effective date of September 1, 2020, which was not included in 2455 SHB. The department had assumed a start date of July 1, 2020, for 2455 SHB. The addition of the September 1, 2020, start date shifts the costs for DCYF back two months.

Description of 2455 ESHB

Section 4 states that Section 1 of this bill takes effect on September 1, 2020

Beginning September 1, 2020, the Department of Children, Youth, and Families (DCYF) must authorize full-day WCCC during the school year for a parent who is attending high school, or a parent who is age 21 or younger and working toward completing a high school equivalency certificate, when the parent has a household income of no more than 85 percent of the state median income (SMI). The parent must participate in at least 110 hours of an approved activity per month in order to receive the full-day child care benefit. When determining eligibility, the DCYF may not consider the availability of the other biological parent when authorizing care and may not require the parent to pay a copayment.

The department assumes that Section 1, expanded eligibility, will increase FTE costs, client services costs, and one-time inter-agency reimbursement costs for IT enhancements at the Department of Social and Health Services (DSHS).

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 assumes this change takes effect September 1, 2020, and will have the following costs:

SECTION 1 TOTAL COSTS: \$665,428 in FY21, \$1,523,612 in FY22, and \$1,533,644 in FY23 and each fiscal year thereafter.

FTE, SALARY AND BENEFITS: 0.64 FTE costing \$54,814 each fiscal year, comprised of 0.48 Public Benefits Specialist 3 (PBS3), 0.08 Public Benefits Specialist 4 (PBS4) and 0.05 Public Benefits Specialist 5 (PBS5).

This bill increases the caseload 97 cases. Based on that calculation:

--DCYF currently requires 1.00 PBS 3 per 200 cases. $97/200 = 0.48$ PBS 3 FTE

--DCYF currently requires 1.00 PBS 4 per 6 PBS 3 staff. $0.48/6 = 0.08$ PBS 4.

--DCYF currently requires 1.00 PBS 5 staff per 12 PBS 3 and PBS 4 staff. $(.48 + .08)/12 = 0.05$ PBS 5.

STANDARD COSTS: \$15,106 in FY21, \$10,498 in FY22 and each fiscal year thereafter. These costs are for standard goods and services, equipment (capital outlay) and intra-agency reimbursements. FY21 costs include a one-time expenditure of \$4,608 for equipment. Standard costs are based on the following rates:

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

--Equipment (capital outlay) costs assume a one-time expenditure of \$7,200 per new FTE for office furniture and equipment.

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

CLIENT SERVICES COSTS: \$575,508 in FY21, \$1,458,300 in FY22, and \$1,468,332 in FY23 and each fiscal year thereafter.

Monthly cost per case is $\$1,239 = \$1,129$ (per cap) + \$110 (average copay)

Student parents 21 and under that had been denied and would now be eligible:

--DCYF denied 69 cases during the 2018/2019 school year due to either being over income, or having the other parent not be in an approved activity. 25 of these cases were later approved leaving 44 additional cases within 12 months that could now be eligible.

Waived copay:

--132 average active cases per month in FY18

--\$15 per case, per month assumed copay for teen parents

FY21-25: \$23,760 (132 active cases x \$15 per case, per month x 12 months) in costs for existing cases.

Previously denied, now eligible:

In FY21, beginning September 1, 2020, an average of 3.66 cases are gained each month, with a rolling enrollment adding an additional \$4,543 for each monthly cohort each month.

\$4,543 for September

\$9,086 for October

\$13,629 for November

\$18,172 for December

\$22,715 for January

\$27,258 for February

\$31,801 for March

\$36,344 for April

\$40,887 for May

\$45,430 for June

\$249,865 total for FY21

In FY22, beginning July 1, 2021, the rolling enrollment continues, reaching full implementation in August and

remaining at that level for the rest of the year and each fiscal year thereafter:

\$49,973 for July

\$54,516 each month for August through June of calendar year 2022.

\$649,649 total for FY22 (1month x \$49,973 per month + 11months x \$54,516 per month = \$649,649)

FY21 cost: \$249,865 for households 21 and under that have applied and would be eligible under these changes.

FY22 cost: \$649,649 (11months x \$54,516 per month + 1month x \$49,973 = \$649,649).

FY23 and each fiscal year thereafter: \$654,192 (12months x \$54,516 per month = \$654,192)

Newly anticipated applicant 21 and under based on the rule changes:

--DCYF assumes that 11% of teen parents currently access services. DCYF assumes an additional 5% will apply and gain eligibility. Washington had 3,300 annual births to teen parents in 2018. Approximately 37.5% of these children are considered low income based on the proxy number of 3&4 year olds.

--DCYF maintained an average of 132 teen parent cases per month in SFY 18.

--1,239 households are considered low income (3,300 x 37.5% = 1,239).

--1,107 household remained unserved (1,239 – 132 = 1,107).

--DCYF will gain 53 new households (1,107 unserved – 44 that applied and were denied but now approved and accounted for = 1,063 x additional 5% apply and gain eligibility = 53 new households served).

--In FY21, an average of 4.43 cases costing \$5,489 are gained each month beginning in September, with a rolling enrollment adding an additional \$5,489 will be added for each monthly cohort each month.

\$5,489 for September

\$10,978 for October

\$16,466 for November

\$21,955 for December

\$27,444 for January

\$32,933 for February

\$38,421 for March

\$43,910 for April

\$49,399 for May

\$54,888 for June

\$301,883 total for FY21

In FY22, beginning July 1, 2021, the rolling enrollment continues, reaching full implementation in August and remaining at that level for the rest of the year and each fiscal year thereafter:

\$60,376 for July

\$65,865 each month for August through June of calendar year 2022.

\$784,891 total for FY22 (1month x \$60,376 per month + 11months x \$65,865 per month = \$784,891)

FY21 cost: \$301,883 for new households with parents 21 and under gaining eligibility.

FY22 cost: \$784,891 (1month x \$60,376 per month + 11months x \$65,865 per month = \$784,891).

FY23 and each fiscal year thereafter: \$790,380 (12 months x \$65,865 per month = \$790,380)

INTER-AGENCY REIMBURSEMENTS: One-time costs in FY21 of \$20,000 for IT enhancements.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	0	665,428	665,428	3,057,256	3,067,288
Total \$			0	665,428	665,428	3,057,256	3,067,288

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		0.6	0.3	0.6	0.6
A-Salaries and Wages		39,074	39,074	78,148	78,148
B-Employee Benefits		15,740	15,740	31,480	31,480
C-Professional Service Contracts					
E-Goods and Other Services		1,152	1,152	2,304	2,304
G-Travel					
J-Capital Outlays		4,608	4,608		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		575,508	575,508	2,926,632	2,936,664
P-Debt Service					
S-Interagency Reimbursements		20,000	20,000		
T-Intra-Agency Reimbursements		9,346	9,346	18,692	18,692
9-					
Total \$	0	665,428	665,428	3,057,256	3,067,288

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

Job Classification	Salary	FY 2020	FY 2021	2019-21	2021-23	2023-25
Public Benefit Spec 3	57,948		0.5	0.2	0.5	0.5
Public Benefit Spec 4	60,924		0.1	0.0	0.1	0.1
Public Benefit Spec 5	65,592		0.1	0.0	0.1	0.1
Total FTEs			0.6	0.3	0.6	0.6

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

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.

Rule making is required, including income increases, copay, and approved activity changes, impacting multiple codes and will be completed as part of standard rule making. The department assumes no additional cost.

Individual State Agency Fiscal Note

Bill Number: 2455 E S HB	Title: High school/child care	Agency: 350-Superintendent of Public Instruction
---------------------------------	--------------------------------------	---

Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Ailey Kato	Phone: 786-7434	Date: 02/14/2020
Agency Preparation: Amy Kollar	Phone: 360 725-6420	Date: 02/14/2020
Agency Approval: Mike Woods	Phone: 360 725-6283	Date: 02/14/2020
OFM Review: Cynthia Hollimon	Phone: (360) 902-0562	Date: 02/17/2020

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.

Changes from prior version (SHB 2455):
Adds an effective date to section one.

Summary:

School district board of directors are required to allow eligible students to transport their infants on school buses or make other arrangements by July 1, 2021.

Detail:

Sec. 2. New

(1) Language is added requiring school district to either allow students to transport their infants on school buses or make other arrangements by July 1, 2021.

(2) Eligible student is defined in RCW 28A.160.010

Sec. 3. Amended

Language is added giving each school board of director's responsibility for transportation decisions, except as provided in section two of the act.

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 impacts are anticipated.

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.

The bill does not require any change in practices or funding allocations. No impact to OSPI.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

No capital budget impact is anticipated.

Part V: New Rule Making Required