

Multiple Agency Fiscal Note Summary

Bill Number: 1451 S HB	Title: Child care workforce
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Children, Youth, and Families	0	0	10,000	0	0	10,000	0	0	10,000
Total \$	0	0	10,000	0	0	10,000	0	0	10,000

Agency Name	2023-25		2025-27		2027-29	
	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	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Children, Youth, and Families	2.0	989,000	989,000	999,000	2.0	768,000	768,000	778,000	2.0	768,000	768,000	778,000
Department of Children, Youth, and Families	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Superintendent of Public Instruction	Fiscal note not available											
Total \$	2.0	989,000	989,000	999,000	2.0	768,000	768,000	778,000	2.0	768,000	768,000	778,000

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Total									
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	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	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	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 Breakout

NONE

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Preliminary 2/24/2023
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Individual State Agency Fiscal Note

Bill Number: 1451 S HB	Title: Child care workforce	Agency: 307-Department of Children, Youth, and Families
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	5,000	5,000	10,000	10,000	10,000
Total \$	5,000	5,000	10,000	10,000	10,000

Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
Account					
General Fund-State 001-1	605,000	384,000	989,000	768,000	768,000
General Fund-Federal 001-2	5,000	5,000	10,000	10,000	10,000
Total \$	610,000	389,000	999,000	778,000	778,000

In addition to the estimates above, there are additional indeterminate costs 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.

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 02/07/2023
Agency Preparation: Renee Slaybaugh	Phone: 360-688-8714	Date: 02/15/2023
Agency Approval: Sarah Emmans	Phone: 360-628-1524	Date: 02/15/2023
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 02/23/2023

Part II: Narrative Explanation

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

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

Comparison of HB 1451 to SHB 1451:

Section 3(1) changes from requiring the Department of Children, Youth and Families (DCYF) to develop and publish a model program manual to requiring DCYF to contract with an early learning organization to develop a model program manual.

Section 3(3) changes from an expiration date of July 1, 2025, to requiring the program manual to be completed by July 1, 2024.

Section 3(4) is added to require DCYF to provide training and technical assistance to community-based programs wishing to implement the program.

Section 4(1) adds the requirement for DCYF, in its recommendations regarding ways to continue to expand the substitute pool and provide additional career coaching for childcare and early learning providers, to include options for grants, scholarships, or other financial assistance for providers pursuing certificates or higher education degrees in early childhood education.

Section 5(1) changes the requirement of DCYF to administer a grant program to requiring DCYF to contract with an organization to provide relationship-based professional development to support childcare providers by September 1, 2023.

Section 5(3) adds the requirement of DCYF to report on information related to the contract by December 1, 2024.

1451 SHB

Section 3 requires DCYF to contract with an early learning organization to develop a model program manual containing certain curriculum elements for a program to assist middle and high school- aged youth who care for younger relatives, by July 1, 2024. This section also requires DCYF to provide training and technical assistance to community-based programs wishing to implement the program.

Section 4 requires DCYF to develop recommendations on how to expand the substitute pool for childcare and early learning providers and provide additional career coaching to substitute providers. DCYF must also include options for offering grants, scholarships, or other financial assistance to help substitute providers obtain certificates or higher education degrees. DCYF is required to report recommendations, milestones, and future goals to the appropriate committees of the legislature by December 1, 2023.

Section 5(1) requires DCYF, subject to appropriation, to contract with an organization to provide relationship-based professional development to support family, friend, and neighbor, childcare center, and licensed family care providers, by September 1, 2023.

Section 5(2) defines eligible contractors as those who are able to provide professional development services for providers; provide mentorship to assist with licensing; administer or host shared services and consulting; and administer a state-sponsored substitute pool.

Section 5(3) requires DCYF to report information regarding the outcome of the contract, number of new childcare

businesses and slots created, substitute hours provided, and number of full-time employment in the childcare industry, using information required to be provided by the contracted organization to fulfill the requirement of this section, by December 1, 2024.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Title IV-E, the federal reimbursement is 13% for most back-office staff. The agency estimates eligible reimbursements of \$10,000.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The Department of Children, Youth, and Families (DCYF) estimates \$999,000 (\$989,000 GF-S, \$10,000 IV-E) and 2.0 Full Time Equivalent Staff (FTE) in the 23-25 Biennium. The fiscal impact to DCYF for Section 5 is indeterminate as this Section is subject to appropriation.

Section 3(1)

This section requires DCYF to contract with an organization to develop a model program manual for a program to assist youth who care for younger relatives.

PROFESSIONAL SERVICE CONTRACTS: One-time costs in FY24 of \$23,110 for:

- 1) Coordination and facilitation of design groups for initial development and refinement of program manual, per diem rate for participants, child/adult care for participants, and designer wage to pay participants for their time; and
- 2) Production of manual including organization of data and themes, production of report, translation, and graphic design to ensure accessibility.

DCYF assumes the convening of 1 design group to develop and refine the program manual. The design group will have 7 participants. The design group will meet a total of 6 times (3 times during the initial development phase and 3 times during the refinement phase), and two sprints (1 sprint = 12 hours and can be split into different chunks of work time).

These costs assume production costs of \$5,000, plus coordination and facilitation costs of:

Wages for design of material are estimated to cost \$8,400 for seven people ($\$600/\text{person} \times 7 \text{ participants} \times 2 \text{ sprints} = \$8,400$)

Family care cost of \$2,160 for three people ($\$360/\text{person} \times 3 \text{ participants} \times 2 \text{ sprints} = \$2,160$)

Per Diem cost of \$350 for seven people ($\$25/\text{person} \times 7 \text{ participants} \times 2 \text{ sprints} = \350) Organization costs of \$2,400 ($\$1,200/\text{sprint} \times 2 \text{ sprints} = \$2,400$)

Facilitation costs of \$4,800 ($\$2,400/\text{sprint} \times 2 \text{ sprints} = \$4,800$)

Section 3(4)

This section requires DCYF to provide training for community-based organizations.

PROFESSIONAL SERVICE CONTRACTS: \$395,650 for the 23-25 biennium including one-time costs in FY24 of \$279,750, and ongoing costs in FY25 of \$115,900 for:

FY24 One-time costs of \$279,750:

Assumes the following costs for 12 organizations (two per region) and include administrative fees.

Training development - Training and initial project plan (\$1,500); curriculum design in English only (\$2500 x 4 hours of training = \$10,000); course programming (4 hours of training x \$10,000 = \$40,000); and administrative fees of \$5,150 (10% of expenditures).

Training delivery - Trainer preparation (Train the Trainer = \$5,000); initial training delivery (4 hours of training on Trauma-informed Care and Equity, Diversity & Inclusion x \$500 = \$2,000 per training x 12 trainings = \$24,000); second round of training delivery (4 hours of training content of the manual, how to implement the practices outlined in the manual when working with youth (4 hours of training x \$250/hour = \$1,000 x 12 trainings = \$12,000); community of practice (2 hours of facilitation at \$125/hour of facilitation x 1 time per month = \$250 x 12 months = \$3,000); and administrative fees of \$6,600 (15% of expenditures).

Technical assistance - Delivery technical assistance (\$125 per hour technical assistance delivery x 100 hours per month x 12 months = \$150,000); and administrative fees of \$22,500 (15% of expenditures).

FY25 ongoing costs of \$115,900 for:

Assumes the following costs for 12 organizations (two per region), half of the original training needed in the first year, and administrative fees.

Training development - Training and curriculum revisions necessary after year one of \$5,000 and administrative fees of \$500 (10% of expenditures).

Training delivery - Initial training delivery (4 hours of training on Trauma-informed Care and Equity, Diversity & Inclusion x \$500 = \$2,000 per training x 6 trainings = \$12,000); second round of training delivery (4 hours of training content of the manual, how to implement the practices outlined in the manual when working with youth (4 hours of training x \$250/hour = \$1,000 x 6 trainings = \$6,000); community of practice (2 hours of facilitation at \$125/hour of facilitation x 1 time per month = \$250 x 12 months = \$3,000); and administrative fees of \$3,150 (15% of expenditures).

Technical assistance - Delivery technical assistance (\$125 per hour technical assistance delivery x 50 hours per month x 12 months = \$75,000); and administrative fees of \$11,250 (15% of expenditures).

Section 4(1),(2)

This section requires DCYF to develop recommendations for how to expand the substitute pool for childcare providers and produce a report of recommendations and milestones.

PROFESSIONAL SERVICE CONTRACTS: One-time costs in FY24 of \$20,110 for:

- 1) Coordination and facilitation of design groups, facilitation of sessions, per diem rate for participants, child/adult care for participants, and designer wage to pay participants for their time; and Liaison/Approver Final Recommendation
- 2) Organization of data, themes, and production of the recommendations report required by the Bill.

DCYF assumes the convening of 1 design group to develop and refine the program manual. The design group will have 7 participants. The design group will meet a total of 6 times (3 times during the initial development phase and 3 times during the refinement phase), and two sprints (12 hours each).

These costs assume recommendation costs of \$2,000, plus coordination and facilitation costs of:

Wages for design of material are estimated to cost \$8,400 for seven people ($\$600/\text{person} \times 7 \text{ participants} \times 2 \text{ sprints} = \$8,400$)

Family care cost of \$2,160 for three people ($\$360/\text{person} \times 3 \text{ participants} \times 2 \text{ sprints} = \$2,160$)

Per Diem cost of \$350 for seven people ($\$25/\text{person} \times 7 \text{ participants} \times 2 \text{ sprints} = \350)

Organization costs of \$2,400 ($\$1,200/\text{sprint} \times 2 \text{ sprints} = \$2,400$)

Facilitation costs of \$4,800 ($\$2,400/\text{sprint} \times 2 \text{ sprints} = \$4,800$)

All assumptions are based on contracts for similar work.

Section 5

Section 5 requires DCYF to contract with an organization to provide relationship—based professional development to childcare providers, by September 1, 2023. Because this section is subject to appropriation, the fiscal impact to the Department of Children, Youth and Families (DCYF) is indeterminate.

For illustrative purposes, contracts for similar work are estimated to cost roughly \$4,600,000 for two years (\$2,300,000 per fiscal year).

Training, Business Support & New Program Mentorship (\$1,250,000 each fiscal year, ongoing) and Shared Services/Business Practices (\$600,000 each fiscal year, ongoing) to:

Support opening 80 new childcare businesses, support 80 existing childcare providers with mentorship development, and sustain business supports and resources for 1,300 providers.

1) Training - Includes delivering training to existing childcare providers and those that are working towards licensure to support their knowledge of business practices, health and safety training, and other required and continuing education training. This also includes funding to support the development and refinement of training, and release time for resources to support early learning programs with release time from their program to participate in professional development opportunities;

2) Technology and business support - Includes resources to fund tools, subscriptions, memberships, and software for early learning programs to access support with business-related topics like marketing, human resources, taxes, and bookkeeping; and

3) New Program Mentorship - Includes resources to support programs that help individuals become licensed childcare providers. This includes wages for those gaining on-the-job experience, program startup, financial awards to support quality environments.

Technical Assistance, Outreach and Engagement (\$450,000 each fiscal year, ongoing) to:

Support daily technical assistance outreach to providers (up to 250 phone calls per day in various languages).

1) Technical Assistance - Includes resources to staff technical assistance providers to assist program participants with navigating programs and software; and

2) Outreach and marketing - Includes resources to recruit participants into programs that support the establishment of new

early learning programs and other programs that help sustain existing businesses, resources to support translation and interpretation, advertising, conduct outreach, and develop materials.

All contract costs include 15% administrative fees as currently allowed in existing contracts.

STAFFING:

Total staffing costs of \$558,000, and 2.0 FTEs for the 23-25 Biennium

Section 3(4)

Staffing cost of \$143,500 in FY24 and \$136,500 in FY25:

1.0 FTE Management Analyst 4 (MA4), ongoing to manage the technical assistance program, including implementation of technical assistance, coordination between contractors, communication, and program materials.

Sections (3),(4),(5)

Staffing cost of \$143,500 in FY24 and \$136,500 in FY25:

1.0 FTE Management Analyst 4 (MA4), ongoing to manage service contracts, support stakeholder collaboration for sections 3, 4 and 5 required by this Bill, and the implementation of the manual outlined in section 3.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	605,000	384,000	989,000	768,000	768,000
001-2	General Fund	Federal	5,000	5,000	10,000	10,000	10,000
Total \$			610,000	389,000	999,000	778,000	778,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
A-Salaries and Wages	166,000	166,000	332,000	332,000	332,000
B-Employee Benefits	57,000	57,000	114,000	114,000	114,000
C-Professional Service Contracts	323,000	116,000	439,000	232,000	232,000
E-Goods and Other Services	4,000	4,000	8,000	8,000	8,000
G-Travel	5,000	5,000	10,000	10,000	10,000
J-Capital Outlays	14,000		14,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	41,000	41,000	82,000	82,000	82,000
9-					
Total \$	610,000	389,000	999,000	778,000	778,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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 2024	FY 2025	2023-25	2025-27	2027-29
Management Analyst 4	82,901	2.0	2.0	2.0	2.0	2.0
Total FTEs		2.0	2.0	2.0	2.0	2.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	569,000	348,000	917,000	696,000	696,000
Program Support (090)	41,000	41,000	82,000	82,000	82,000
Total \$	610,000	389,000	999,000	778,000	778,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.