

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1451 S HB	<b>Title:</b> 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
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	Non-zero but indeterminate cost and/or savings. Please see discussion.					
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	.5	238,000	238,000	238,000	.5	152,000	152,000	152,000	.0	0	0	0
Superintendent of Public Instruction	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
<b>Total \$</b>	<b>2.5</b>	<b>1,227,000</b>	<b>1,227,000</b>	<b>1,237,000</b>	<b>2.5</b>	<b>920,000</b>	<b>920,000</b>	<b>930,000</b>	<b>2.0</b>	<b>768,000</b>	<b>768,000</b>	<b>778,000</b>

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other									
Local Gov. Total									

## 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	.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>

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Final 3/ 1/2023
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1451 S HB	<b>Title:</b> Child care workforce	<b>Agency:</b> 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
<b>Total \$</b>	5,000	5,000	10,000	10,000	10,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.0	2.0	2.0	2.0	2.0
<b>Account</b>					
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
<b>Total \$</b>	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.

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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
<b>Total \$</b>			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-					
<b>Total \$</b>	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
<b>Total FTEs</b>		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
<b>Total \$</b>	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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1451 S HB	<b>Title:</b> Child care workforce	<b>Agency:</b> 350-Superintendent of Public Instruction
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.5	0.5	0.5	0.0
<b>Account</b>					
General Fund-State 001-1	122,000	116,000	238,000	152,000	0
<b>Total \$</b>	122,000	116,000	238,000	152,000	0

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: Jami Marcott	Phone: (360) 725-6230	Date: 02/28/2023
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 02/28/2023
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 03/01/2023

## 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.*

Changes in SHB 1451 compared to HB 1451

Section 2

(2) This section now requires the model material to be developed by January 1, 2024.

(2)(b) is now subsection (3) and requires pilot participants to employ a program that aligns with the model materials created in subsection (2).

Previous subsection (3) is removed.

(4)(c) Fund distribution dates have delayed one year. Distribution must begin by September 1, 2024 and be completed by September 1, 2025.

A new subsection (6) outlines the requirements of school districts participating in the pilot program.

A new subsection (7) requires participating districts to submit information to OSPI by September 1, 2025 and September 1, 2026.

The previous subsection 7 is now subsection (8). This outlines OPSI's reporting requirements.

Summary of SHB 1451

Section 1 New

The legislature intends to grow and support the childcare workforce in Washington. This will be accomplished by allowing high school students who provide childcare to friends and family to turn that experience into a career.

Section 2 New

(1) Subject to appropriation, OSPI shall establish a pilot program for childcare workers. The purpose of the program is to promote opportunities to earn credit by participating in courses and hands-on work practices in early childhood development and childcare services.

(2) OSPI must select one or two public high schools, that offer established courses in early childhood development and services career pathway, to develop model materials that may be used by other districts looking to establish or expand similar programs. The model materials must be developed by January 1, 2024.

(3) OSPI shall establish a childcare worker pilot program in up to four districts during the 2024-25 and 2025-26 school years. Participating districts must agree to employ a program that aligns with the model materials developed in subsection 2. Preference must be give to districts that have or are pursuing career launch programs under RCW 28C.30

(4) OSPI shall:

a. Administer a grant program to provide grants to eligible districts that participate in the pilot program

b. Establish requirements for the application and award process

c. Begin distributing funds by September 1, 2024 with completion by September 1, 2025.

(5) To be eligible to participate in the pilot program and receive grant funding, districts must at minimum:

a. Describe how the funds will be used;

b. Demonstrate community support for the program, describing the need and efforts to coordinate instruction with community colleges, childcare providers, and organizations that support access to quality child care and early learning programs;

c. Agree to coordinate and collaborate with other districts participating in the pilot program

(6) Participating districts must:

a. Coordinate background checks for participating students

b. Provide a stipend or hourly wage to the students which may be paid through the grant funds or other sources

c. Support efforts of qualifying students to earn dual credit, work credit, or both

d. Facilitate additional training in early childhood education certification and a continuing professional pathway, including connecting students with community colleges offering coursework that meets early achievers requirements; and

e. Partner with an early learning organization and provide funding to that organization to:

- i. Identify sites that match students with programs that will work in partnership with districts
- ii. Support participating childcare providers and students throughout the duration of the program;
- iii. Provide incentives to childcare educators in recognition of the on-site instruction, mentorship, and administrative work related to the program. Pilot program grant funds may be used for this purpose;
- iv. Provide feedback about the areas of the curriculum that need to be strengthened; and
- v. Provide information as requested to enable school districts to comply with reporting requirements.

(7) Districts participating in the pilot program must submit information to OSPI by September 1, 2025 and September 1, 2026 detailing the use of grant funds

(8) By November 10, 2026, OSPI must report the findings from and recommendations regarding the pilot and its effectiveness in supporting the capacity for service delivery of participating childcare programs.

(9) This section expires July 1, 2027.

**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.*

No impact to cash receipts.

**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.*

**Section 2**

This section, subject to appropriation, requires OSPI to establish a childcare worker pilot program in up to four school districts during the 2024-25 and 2025-26 school years. Fund distribution must be completed by September 1, 2025. A report must be submitted by November 10, 2026, on the findings and recommendations of the pilot program and its effectiveness in supporting service delivery of childcare programs. OSPI must also develop model materials that may be employed by other school districts interested in establishing or expanding similar programs. This work will require a 0.5 FTE Program Supervisor. The cost is \$82,000 in FY24 and \$76,000 in FY25-FY27. This section expires July 1, 2027.

Section 2(3) requires OSPI to establish a childcare worker pilot program in up to four districts that choose to participate in the 2024-25 and 2025-26 school years. The cost of the grants are indeterminate. OSPI estimates each district would receive a \$15,000 grant to expand existing programs. Assuming four districts chose to participate, the estimated cost would be \$60,000 in FY24 and FY25.

OSPI would host a workgroup to provide technical assistance to the four districts that receive a grant. The purpose of this workgroup is to assist with project management, curriculum building, best practices, and alignment of the Cultural Competency, Diversity, and Equity Inclusion Standards as well as DCYF standards. The estimated cost for the workgroups is \$40,000 in FY24 and FY25.

Sections 3-5 do not have specific work direct toward OSPI, however, OSPI routinely collaborates with DCYF on topics such as this. The 0.5 FTE Program Supervisor identified above would also work with DCYF on the work in these sections.

**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	122,000	116,000	238,000	152,000	0
<b>Total \$</b>			122,000	116,000	238,000	152,000	0

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	0.5	0.5	0.5	0.5	
A-Salaries and Wages	45,000	45,000	90,000	90,000	
B-Employee Benefits	25,000	25,000	50,000	50,000	
C-Professional Service Contracts					
E-Goods and Other Services	16,000	16,000	32,000	6,000	
G-Travel	30,000	30,000	60,000	6,000	
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					
9-					
<b>Total \$</b>	122,000	116,000	238,000	152,000	0

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
Program Supervisor	91,000	0.5	0.5	0.5	0.5	
<b>Total FTEs</b>		0.5	0.5	0.5	0.5	0.0

**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**

*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

No capital budget impact.

**Part V: New Rule Making Required**

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

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1451 S HB	<b>Title:</b> Child care workforce	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

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

### 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.

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 02/07/2023
Agency Preparation: Jami Marcott	Phone: (360) 725-6230	Date: 02/28/2023
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OFM Review: Val Terre	Phone: (360) 280-3973	Date: 03/01/2023

## 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.*

Changes in SHB 1451 compared to HB 1451

Section 2

(2) This section now requires the model material to be developed by January 1, 2024.

(2)(b) is now subsection (3) and requires pilot participants to employ a program that aligns with the model materials created in subsection (2).

Previous subsection (3) is removed.

(4)(c) Fund distribution dates have delayed one year. Distribution must begin by September 1, 2024 and be completed by September 1, 2025.

A new subsection (6) outlines the requirements of school districts participating in the pilot program.

A new subsection (7) requires participating districts to submit information to OSPI by September 1, 2025 and September 1, 2026.

The previous subsection 7 is now subsection (8). This outlines OPSI's reporting requirements.

Summary of SHB 1451

Section 1 New

The legislature intends to grow and support the childcare workforce in Washington. This will be accomplished by allowing high school students who provide childcare to friends and family to turn that experience into a career.

Section 2 New

(1) Subject to appropriation, OSPI shall establish a pilot program for childcare workers. The purpose of the program is to promote opportunities to earn credit by participating in courses and hands-on work practices in early childhood development and childcare services.

(2) OSPI must select one or two public high schools, that offer established courses in early childhood development and services career pathway, to develop model materials that may be used by other districts looking to establish or expand similar programs. The model materials must be developed by January 1, 2024.

(3) OSPI shall establish a childcare worker pilot program in up to four districts during the 2024-25 and 2025-26 school years. Participating districts must agree to employ a program that aligns with the model materials developed in subsection 2. Preference must be give to districts that have or are pursuing career launch programs under RCW 28C.30

(4) OSPI shall:

- a. Administer a grant program to provide grants to eligible districts that participate in the pilot program
- b. Establish requirements for the application and award process
- c. Begin distributing funds by September 1, 2024 with completion by September 1, 2025.

(5) To be eligible to participate in the pilot program and receive grant funding, districts must at minimum:

- a. Describe how the funds will be used;
- b. Demonstrate community support for the program, describing the need and efforts to coordinate instruction with community colleges, childcare providers, and organizations that support access to quality child care and early learning

programs;

c. Agree to coordinate and collaborate with other districts participating in the pilot program

(6) Participating districts must:

- a. Coordinate background checks for participating students
- b. Provide a stipend or hourly wage to the students which may be paid through the grant funds or other sources
- c. Support efforts of qualifying students to earn dual credit, work credit, or both
- d. Facilitate additional training in early childhood education certification and a continuing professional pathway, including connecting students with community colleges offering coursework that meets early achievers requirements; and
- e. Partner with an early learning organization and provide funding to that organization to:
  - i. Identify sites that match students with programs that will work in partnership with districts
  - ii. Support participating childcare providers and students throughout the duration of the program;
  - iii. Provide incentives to childcare educators in recognition of the on-site instruction, mentorship, and administrative work related to the program. Pilot program grant funds may be used for this purpose;
  - iv. Provide feedback about the areas of the curriculum that need to be strengthened; and
  - v. Provide information as requested to enable school districts to comply with reporting requirements.

(7) Districts participating in the pilot program must submit information to OSPI by September 1, 2025 and September 1, 2026 detailing the use of grant funds

(8) By November 10, 2026, OSPI must report the findings from and recommendations regarding the pilot and its effectiveness in supporting the capacity for service delivery of participating childcare programs.

(9) This section expires July 1, 2027.

**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.*

Section 2(3)

Subject to appropriation, a childcare worker pilot program is created in up to four districts that choose to participate in the 2024-25 and 2025-26 school years. The school district cash receipts impact is indeterminate. Assuming four districts do choose to participate in the pilot program, and estimating each district would receive a \$15,000 grant to expand existing programs, the estimated cost could be \$60,000 in FY24 and FY25.

**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.*

Section 2(3)

Subject to appropriation, a childcare worker pilot program is created in up to four districts that choose to participate in the 2024-25 and 2025-26 school years. The school district expenditure impact is indeterminate. Assuming four districts do choose to participate in the pilot program, and estimating each district would receive a \$15,000 grant to expand existing programs, the estimated cost could be \$60,000 in FY24 and FY25.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

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

**III. B - Expenditures by Object Or Purpose**

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



**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

*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

No capital budget impact.

**Part V: New Rule Making Required**

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