

Multiple Agency Fiscal Note Summary

Bill Number: 2101 HB	Title: Child care licensing fees
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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	(2,029,000)	(2,029,000)	(2,029,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)
Total \$	(2,029,000)	(2,029,000)	(2,029,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)	(4,058,000)

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 Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Children, Youth, and Families	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Carly Kujath, OFM	Phone: (360) 790-7909	Date Published: Final 1/30/2024
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Individual State Agency Fiscal Note

Bill Number: 2101 HB	Title: Child care licensing fees	Agency: 300-Department of Social and Health Services
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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: Luke Wickham	Phone: 360-786-7146	Date: 01/04/2024
Agency Preparation: Seth Nathan	Phone: 360-902-0001	Date: 01/29/2024
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 01/29/2024
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 01/29/2024

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.

This bill relates to eliminating child care licensing fees.

Section 1 amends RCW 43.216.300 to stipulate that the secretary of the Department of Children, Youth, and Families (DCYF) may not charge fees to licensees for obtaining a child care license.

The Department of Social and Health Services (DSHS) Economic Services Administration (ESA) anticipates no caseload or workload impacts associated with the implementation of this bill, and therefore no fiscal impact.

Payments for child care licensing fees are received through ESA Division of Child Support (DCS) Central Services for processing, then receipted to DCYF. As the associated work is estimated to comprise a very insignificant portion of Central Services workload, any reduction to workload is estimated to be immaterial.

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.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

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

Revised

Bill Number: 2101 HB	Title: Child care licensing fees	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-State 001-1		(2,029,000)	(2,029,000)	(4,058,000)	(4,058,000)
Total \$		(2,029,000)	(2,029,000)	(4,058,000)	(4,058,000)

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: Luke Wickham	Phone: 360-786-7146	Date: 01/04/2024
Agency Preparation: Renee Slaybaugh	Phone: 360-688-8714	Date: 01/29/2024
Agency Approval: Sarah Emmans	Phone: 360-628-1524	Date: 01/29/2024
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 01/30/2024

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.

Section 1 amends RCW 43.216.300 to remove fees charged to a licensee for obtaining a childcare license.

Section 2 removes the requirement for a licensee to submit the annual licensing fee to qualify for a non-expiring full license

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.

The Department of Children, Youth and Families anticipates a reduction to revenue in the State General Fund of \$2,029,000 GF-S beginning in FY25 and each fiscal year thereafter. The fee for the revenue is not appropriated to DCYF; therefore, does not reflect an equivalent expenditure authority reduction.

Background:

Fees currently collected by DSHS Financial Services Admin (FSA) for licensing fees include family home licensing fees of \$30, childcare and school-age program licensing fees of \$125 per year for the first 12 children, plus \$12 per year for each child after the first 12, up to the maximum capacity of children the facility is licensed to care for.

This assumption is based on number of licenses and capacity by license type as of December 31, 2023.

Family Childcare Homes: Total licensing fees of \$104,850

Number of licenses 3,495 x base fee per provider \$30 = \$104,850)

Childcare Centers: Total licensing fees of \$1,510,789

Number of licenses 1,733 x base fee per provider \$125 = \$216,625 for the first 12 children

Total Capacity of 128,643 - 20,796 = 107,847 (additional capacity after the first 12 children) x \$12 = \$1,294,164

Outdoor Nature-Based Programs: Total licensing fees of \$3,560

Number of licenses 16 x base fee per provider \$125 = \$2,000 for the first 12 children

Total Capacity of 322 - 192 (number of licenses x first 12 children) = 130 (additional capacity after the first 12 children) x \$12 = \$1,560

School-Age Programs: Total licensing fees of \$409,344

Number of licenses 600 x base fee per provider \$125 = \$75,000 for the first 12 children

Total Capacity of 35,062 - 7,200 (number of licenses x first 12 children) = 27,862 (additional capacity after the first 12 children) x \$12 = \$334,344

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.

None.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

Part V: New Rule Making Required

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

WAC 110-300-0400 Application materials (Centers and family homes)

WAC 110-300-0401 License fees (Centers and family homes)

WAC 110-301-0400 Application materials (School-age)

WAC 110-301-0401 License fees (School-age)