

Individual State Agency Fiscal Note

Bill Number: 2046 HB	Title: Child care alternative reqs.	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	1,000	30,000	31,000	4,000	4,000
Total \$	1,000	30,000	31,000	4,000	4,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	2.5	1.4	0.5	0.5
Account					
General Fund-State 001-1	41,000	518,000	559,000	178,000	178,000
General Fund-Federal 001-2	1,000	30,000	31,000	4,000	4,000
Total \$	42,000	548,000	590,000	182,000	182,000

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

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.

The bill proposes to establish alternative requirements for childcare providers in under resourced areas.

Section 1 directs the Department of Children, Youth, and Families (DCYF) to create and publish an annual list (July 1- June 30) of rural counties that are also childcare deserts. The bill provides definitions for childcare deserts and rural counties.

Section 2 requires DCYF to contract with a non-profit entity focused on childcare to create an instructional handbook for providers, to be completed by December 1, 2024, and include specific topics.

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 and T-19 reimbursement is estimated at \$1,000 in FY24 and \$30,000 in 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 1 requires DCYF to develop and publish an annual list of counties that meet both the rural and childcare desert definitions provided in the bill. These definitions differ from what DCYF currently uses. Section 2 requires DCYF to contract with a nonprofit to produce a handbook.

Total estimated costs are \$120,000 (\$118,000 GF-S) in FY 2024 and \$466,000 (\$437,000 GF-S) in FY 2025.

Staffing Costs

Total staffing costs:

FY24: \$42,000 (\$41,000 GF-S) and 0.25 FTE

FY25: \$548,000 (\$518,000 GF-S) and 2.5 FTE

FY26 and beyond: \$91,000 (\$89,000 GF-S) and 0.5 FTE

Early Learning

DCYF assumes a Management Analyst 5 (MA5) will be required to develop and publish the list of counties that meet the definitions outlined in the bill and oversee the non-profit hired to create the handbook required in Section 2. Estimated cost of \$42,000 (41,000 GF-S) and .25 FTE in FY 2024, and \$126,000 (\$124,000 GF-S) and 0.75 FTE in FY 2025.

A Washington Management Service Band 2 position is needed for workgroups with providers for initial changes and revisions that will need to be made to existing WACs, revising Early Childhood Education and Assistance Program (ECEAP) standards, and updating Early Achievers support materials for coaches and early childhood education providers. Cost for this WMS Band 2 work is \$142,000 (\$140,000 GF-S) and 0.75 FTE in FY 2025.

In future biennia, 0.5 FTE MA5 would be ongoing, continuing the work of updating the counties meeting the bills definition, maintaining the handbook, and managing any necessary rulemaking.

Information Technology Systems

FY 25: \$179,000 (\$154,000 GF-S) and 1 FTE

The proposed changes will impact the MERIT system and will require programming changes. Work is anticipated to require 1 FTE that will cover business analyst, quality assurance, application development and project management of the changes. Cost for this FTE is \$154,000.

Contract Costs

FY24: \$36,000

FY25: \$63,000

The bill requires a handbook to be published by December 1, 2024. DCYF assumes it would start the work on this project April 1, 2024. Assumed cost for contracting this work is a total of \$95,000, over the two fiscal years (\$36,000 in FY 2024, \$59,000 in FY 2025), and that 1,000 copies would be printed. DCYF also assumes the handbook will be translated into other languages, including Spanish, Somali, Russian, and Ukrainian, at a cost of \$1,000 per language.

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	41,000	518,000	559,000	178,000	178,000
001-2	General Fund	Federal	1,000	30,000	31,000	4,000	4,000
Total \$			42,000	548,000	590,000	182,000	182,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	2.5	1.4	0.5	0.5
A-Salaries and Wages	24,000	280,000	304,000	110,000	110,000
B-Employee Benefits	9,000	102,000	111,000	40,000	40,000
C-Professional Service Contracts		95,000	95,000		
E-Goods and Other Services		9,000	9,000	2,000	2,000
G-Travel	1,000	6,000	7,000	2,000	2,000
J-Capital Outlays	2,000	16,000	18,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	6,000	40,000	46,000	28,000	28,000
9-					
Total \$	42,000	548,000	590,000	182,000	182,000

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
IT App Developer Senior/Specialist			1.0	0.5		
Management Analyst 5		0.3	0.8	0.5		
WMS Band 2			0.8	0.4	0.5	0.5
Total FTEs		0.3	2.5	1.4	0.5	0.5

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Early Learning (030)	36,000	329,000	365,000	154,000	154,000
Program Support (090)	6,000	219,000	225,000	28,000	28,000
Total \$	42,000	548,000	590,000	182,000	182,000

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.