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FISCAL NOTE

Drafting Number: LLS 19-0498 Date: January 21, 2019
Prime Sponsors: Sen. Priola; Story Bill Status: Senate HHS
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Bill Topic: INFANT AND FAMILY CHILD CARE ACTION PLAN

- Summary of Fiscal Impact:
State Revenue
State Expenditure
State Transfer
TABOR Refund
Local Government
Statutory Public Entity

This bill requires the Department of Human Services and the Early Childhood Leadership Commission to develop a strategic action plan related to infant and family child care. The bill will increase state expenditures in FY 2019-20 only.

Appropriation Summary: For FY 2019-20, this bill requires an appropriation of \$50,688 to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 19-063

Table with 3 columns: Category, FY 2019-20, FY 2020-21. Rows include Revenue, Expenditures (Federal Funds), Transfers, and TABOR Refund.

## **Summary of Legislation**

This bill requires the Department of Human Services (DHS) and the Early Childhood Leadership Commission to develop a strategic action plan to address the decline of family child care homes and availability of child care throughout the state. In developing the plan, the DHS must conduct outreach to stakeholders listed in the bill, identify recommendations that have support among the stakeholders, and outline the extent of that support. The report must be submitted to the General Assembly by December 1, 2019. The bill requires, among other things, that the plan outline the number of licensed family child care homes in the state; the obstacles they face, including why they may not provide infant care; information on state and local conditions for operating family child care homes; how state programs and public investment promote available and affordable care; a list of available resources to assist providers; and recommendations that do not require additional resources.

## **Background**

In 2018, Colorado was awarded a \$5.8 million federal Preschool Development Grant for children from Birth through Age Five. The grant program supports states in their efforts to analyze the current landscape of the early care and learning system as well as implementing changes that maximize the availability of high-quality early childhood care and education options for low-income and undeserved families.

## **State Expenditures**

In FY 2019-20, DHS will increase federal fund expenditures by \$50,688 in order to hire a contractor to study the issues required under the bill. This fiscal note assumes that many of the aspects of the strategic action plan highlighted in the bill are already being completed as part of the work for the Preschool Development Grant. However, the plan requires additional work beyond the scope of this existing grant. The fiscal note also assumes that due to the short timeline, the DHS must hire a contractor in order to complete the plan on time. The fiscal note estimates that 384 hours of contractor work is necessary to complete the plan at a rate of \$120 per hour, plus 10 percent in overhead costs.

## **Local Government**

To the extent that local government entities participate in the creation of the strategic action plan, workload will increase for those entities.

## **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

**State Appropriations**

For FY 2019-20, this bill requires a federal fund appropriation of \$50,688 to the Department of Human Services.

**State and Local Government Contacts**

Counties  
Municipalities  
Information Technology

Human Services  
Office of Economic Development and International Trade