



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 20-1053**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated January 31, 2020)

**Drafting Number:** LLS 20-0357  
**Prime Sponsors:** Rep. Sirota; Wilson  
Sen. Story

**Date:** June 8, 2020  
**Bill Status:** House Second Reading  
**Fiscal Analyst:** Anna Gerstle | 303-866-4375  
anna.gerstle@state.co.us  
Aaron Carpenter | 303-866-4918  
aaron.carpenter@state.co.us

**Bill Topic:** **SUPPORT FOR EARLY CHILDHOOD EDUCATOR WORKFORCE**

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill makes changes to state law related to early childcare educator workforce, mental health consultants, and quality improvement programs. The bill increases state workload on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects strike-below amendment L.003 adopted by the House Appropriations Committee, which replaced the introduced bill, as previously amended by the House Education Committee. This bill was originally recommended by the Early Childhood and School Readiness Legislative Commission.

**Summary of Legislation**

The bill makes several changes to state laws related to the early childhood quality improvement program, educator workforce, and mental health consultants program.

**Early childhood mental health consultation program.** This bill requires the Department of Human Services (DHS) to develop and implement a statewide voluntary program of early childhood mental health consultation by July 1, 2022. The program is intended to increase the number of qualified mental health consultants supporting professionals who work with young children and to give guidance and support to families, caregivers, and providers in addressing the social-emotional developmental needs of children through age eight. In developing the program, the DHS must create:

- a model of consultation that includes qualifications, outcome, and job expectations for mental health consultants within the program, and guidance on ratios between consultants and the setting they support by July 1, 2021;
- a professional development plan to support mental health consultants within the program in meeting expectations by July 1, 2021; and
- ensure that each mental health consultant in the program meets the necessary qualifications.

**Quality improvement.** The bill allows the DHS to provide technical assistance and financial incentives to help early childhood care providers with a Colorado Shines rating advance to, or maintain at least, a level three rating. Early childhood councils may assist the DHS by providing local community outreach and engagement strategies.

Under current law, early childhood councils that apply for school-readiness quality improvement funding must submit a school readiness plan that includes targeting or recruiting early childhood programs rated as a level two or higher, or that are actively working towards a level two rating, but face demonstrated hardship. The bill requires that plans target or recruit programs that are rated at level one or higher. If an early childhood council received funding prior to FY 2020-21, the council must amend their plan.

**Educator workforce - licensing.** The bill requires DHS to promulgate rules related to licensing standards that allow early childhood programs to be licensed if aspiring lead teachers are pursuing an early childhood credential, creation of a licensing pathway that allows an early childhood educator to earn points towards a credential based on their prior work experience and demonstrated competency, and standards to facilitate the recruitment and retention of early childhood educator workforce.

The bill requires DHS and the Colorado Department of Education (CDE) to align the early childhood credential system, the CDE educator licensing system, and the childcare program licensing, as well as streamlining all licensing and credentialing paperwork that early childhood educators and programs must complete.

**Educator workforce - reporting.** By January 31, 2021, and every two years afterwards, DHS must complete a report concerning current supply for qualified early childhood educators.

**Educator workforce - career pathways.** DHS, CDE, and the Department of Higher Education (DHE) must develop resources to increase concurrent enrollment opportunities in local communities and to support career pathways that allow students to serve as early childhood educators.

## Background

**Quality improvement.** Under the current school-readiness quality improvement program, the Office of Early Childhood in the DHS allocates state and federal funds to early childhood councils for distribution to early childhood programs. The quality improvement program is intended to improve school readiness of children up to the age of five, with priority given to programs serving children with certain risk factors. For FY 2019-20, approximately \$2.7 million in state and federal funds was distributed to early childhood programs.

**Preschool Development Grant.** The Preschool Development Grant Birth through Five is a federal discretionary grant to strengthen state and local efforts to build, develop, and expand high-quality preschool programs. In January 2020, the DHS was rewarded \$33.5 million over three years.

## State Expenditures

This bill increases workload in the DHS to implement the programs described below. Implementation of the programs do not require a change in appropriations.

**Early childhood mental health consultation program.** Starting in FY 2020-21, the bill increases workload to develop and implement a statewide voluntary program of early childhood mental health consultation. The fiscal note estimates that the amount of work required to develop and implement the various plans requires 1.0 FTE project manager. The fiscal note further assumes that the DHS will use its reward from the Federal Preschool Development Grant to cover the cost. Therefore, no appropriation is required.

**Quality improvement.** Because the DHS currently provides technical assistance and financial incentives to early childhood providers, and early childhood councils currently support the DHS with local outreach, the bill codifies current practice into law. Expanding the eligibility for financial incentives and technical assistance does not require additional appropriations; however, it may result in additional competition for existing funds and increase the workload for the DHS to handle the additional applications. The level of funding for financial incentives and technical assistance is at the discretion of the General Assembly.

**Educator workforce.** Beginning in FY 2020-21, the bill increases the workload for DHS to produce the annual report, and collaborate with other state agencies on aligning credentialing and licensing systems. Current changes to the Professional Development Information System will allow the reporting requirements to be absorbed within existing resources, and work to align licensing and credential systems can be accomplished by current staffing focused on similar issues.

**Legal services.** Under the bill, the DHS will require additional hours of legal services, provided by the Department of Law. This increase is not expected to exceed 100 hours, as the rulemaking required by the bill will be incorporated into the two to three early childhood rulemakings that occur each year. This minimal increase in legal services costs will be accounted for through the annual budget process, with the Department of Law billing client agencies based on their historical utilization of legal services. Therefore, no change in appropriations is required in this bill.

**Concurrent enrollment.** The bill requires that DHE and DHS collaborate with CDE to increase concurrent enrollment opportunities and support early childhood career pathways. No additional appropriations are required.

**Institutions of higher education.** Changes to early educator credentialing and licensing may impact the certificate and degree coursework offered by institutions of higher education, as well as child care offered by institutions. In addition, any changes to concurrent enrollment programs will impact institutions providing concurrent enrollment opportunities. No change in appropriations is required.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Education  
Information Technology

Higher Education  
Labor

Human Services  
Law