



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 21, 2022)

Drafting Number: LLS 22-0025 **Date:** March 23, 2022
Prime Sponsors: Rep. Sirota; Garnett **Bill Status:** House Second Reading
 Sen. Buckner; Fenberg **Fiscal Analyst:** Anna Gerstle | 303-866-4375
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Bill Topic: DEPT. EARLY CHILDHOOD & UNIVERSAL PRESCHOOL PROGRAM

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input checked="" type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> School District

The bill establishes the duties for the Department of Early Childhood, moves existing programs to the new department, and establishes the new universal preschool program. The bill shifts state expenditures to the new department, increases net state expenditures, and makes several state transfers.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$290,084 to multiple state agencies. It also requires numerous adjustments to appropriations for multiple state agencies that result in no net change to total appropriations. See the State Appropriations section for more detail.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, amended by the House Education and Appropriations Committees.

**Table 1
State Fiscal Impacts Under HB22-1295**

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$290,084	\$45,900
	Preschool Programs Cash Fund ¹	-	\$303,934,522
	School Finance ²	-	(\$136,846,468)
	Total Expenditures	\$290,084	\$167,133,954
	Total FTE	0.7 FTE	-
Transfers	General Fund ²	-	(\$136,846,468)
	Preschool Programs Cash Fund		\$136,846,468
	Cash Funds – Early Childhood	(\$32,607)	-
	Cash Funds – Child Welfare	\$32,607	-
	Net Transfer	\$0	\$0
Other Budget Impacts	General Fund Reserve ³	\$43,513	\$6,885

¹ Represents projected state funding available from the PPCF in FY 2023-24; exact costs for the preschool cannot be estimated.

² School finance costs may be paid from State Education Fund or General Fund

³ Impact to the General Fund reserve does not include the impact of changes to school finance, which may be paid from the General Fund and State Education Fund; any changes to school finance appropriations from the General Fund will impact the General Fund Reserve.

Summary of Legislation

The bill establishes duties for the Department of Early Childhood (DEC), moves programs to the new department, and creates the new universal preschool program.

DEC duties. Beginning July 1, 2022, the DEC is responsible for administering the current responsibilities of the Office of Early Childhood in the Department of Human Services (CDHS), the current duties in the Colorado Department of Education (CDE) related to early childhood workforce development, and, beginning in FY 2023-24, the Colorado Universal Preschool Program. The bill transfers existing rules, staff, property, documents, records, information systems, contracts, claims, and liabilities related to those programs to the DEC, establishes operating principals for the DEC, and authorizes the DEC to utilize administrative law judges, accept federal funds, and enter into agreements with other state agencies. The bill specifies minimum data to be collected and provides for data collection and management, and adds that employees of the DEC are mandatory reporters for child abuse or neglect.

Rulemaking. The bill authorizes the Executive Director to promulgate rules, and creates a 15-member rules advisory council to support rulemaking. The council may receive per diem and reimbursement of expenses, unless covered by the member's employer. If the Executive Director does not follow the council's recommendations, the director must provide a written explanation for the decision

Independent evaluation. By November 1, 2025, the DEC must contract for an independent evaluation of the department's performance, including reviewing transition from current agencies to the DEC and whether other programs should be moved to the DEC. The DEC, in collaboration with other state agencies, must annually report on the progress made and challenges encountered by the DEC, and the administration of services for students with disabilities in its SMART Act hearing.

Unified application. The bill requires the DEC to develop and implement a single, online application for families to use for applying for all publicly funded early childhood programs and services offered by the department.

Programs moving to DEC. The duties that are relocated from the CDHS to the DEC include the following:

- early childhood councils and family resource centers;
- the Child Abuse Prevention Board and Trust Fund, with two additional members on the board;
- early intervention services;
- the Child Care Services and Substance Use Disorder Treatment Pilot Program, which is also extended to 2028;
- the Early Childhood Mental Health Consultation Program;
- all the early childhood emergency relief grant programs;
- the School Readiness Quality Improvement Program;
- the Infant and Toddler Quality and Availability Grant Program;
- Colorado Shines quality rating and improvement system;
- child care licensing and credentialing systems; and
- Colorado Nurse Home Visitor Program.

The bill also codifies the Social Emotional Learning Program, which is currently operated by the CDHS as the Incredible Years program, and three current family strengthening home visiting programs (Safe Care, Colorado Community Response, Healthy Steps). It also creates a public preschool provider license that focuses only on health and safety aspects that are not regulated by another state or federal agency.

Colorado Child Care Assistance Program. The bill moves the Colorado Child Care Assistance Program (CCCAP) from the CDHS to the DEC, and makes several changes, including:

- modifying the method for calculating provider rates from a market rate study with a tiered system of reimbursements to a calculation that reflects the cost of providing child care;
- requiring that the DEC convene a working group of counties to discuss the calculations;
- allowing the DEC to adjust in rule the percent of federal poverty level that determines eligibility for child care assistance in order to align eligibility across early care and education programs;
- prohibiting a county from requiring that a person apply for child care assistance to participate in child support or enforcement services beginning July 1, 2023;
- allowing a county to give priority to a working family over one enrolled in postsecondary education or workforce training only if the county does not have sufficient funding and has DEC approval;
- requiring that the DEC adopt rules for children in both CCCAP and the new preschool program; and
- requiring that counties enter into an annual performance contract with the DEC to implement CCCAP.

Local coordinating organizations. The DEC must select public or nonprofit entities to serve as local coordinating organizations (LCOs) throughout the state. LCOs will coordinate application and enrollment for early childhood programs, manage the mixed delivery system of preschool, distribute funding, increase capacity over time, and support providers and early childhood workforce. LCOs must adopt a community plan for early childhood and family support programs and services, and the DEC must review the community plan and support and oversee LCOs as specified in the bill. Initial contracts with LCOs are for three years, and may be between three and five years after that. If there is an area for which no LCO is selected, the DEC will fill the role until one is selected.

Universal Preschool Program. The universal preschool program is created in the DEC beginning in FY 2023-24. The DEC and LCOs must establish a mixed delivery system to allow parents to select preschool providers within their community.

Eligibility. Under the bill, children are eligible for 10 hours per week of free preschool in the year before kindergarten. Eligible three year olds from low-income households, and children with disabilities who are three years old or younger may receive a number of free hours established by DEC in rule. A school district that currently offers a preschool program with a waiver to serve children under 3 years old may continue to do so and receive funding for the same number of children as in the FY 2022-23 school year and as long as the child is in a low-income family or meets at least one qualifying factor. Children in low-income families or who meet at least one qualifying factor are also eligible for additional preschool services in the year before kindergarten.

Funding distribution. The DEC must establish formulas to annually set per-child rates for preschool services. The rates must take into account the cost of providing preschool, and variations in costs in different regions of the state and variations in the cost of providing preschool services that result from the characteristics of children, among other considerations. The per-child rates must be at least the constitutional compliance rate, defined as 40 percent of the statewide base per pupil funding in FY 2023-24, increased by inflation annually.

The DEC, in collaboration with each LCO, must distribute the funding to program providers. The bill includes parameters for funding distributions for children 3 years old or younger who are currently served by school districts and charter schools through the Colorado Preschool Program (CPP).

Preschool Programs Cash Fund. In FY 2023-24, the bill transfers from the General Fund or State Education Fund to the Preschool Programs Cash Fund (PPCF) an amount equal to the state share of total program expenditures in FY 2022-23 that was attributable to total statewide preschool program enrollment, including CPP and preschool students with a disability. In subsequent years, the transfer amount increases by inflation.

Rulemaking. The DEC must promulgate rules for the program, including establishing the number of hours covered for eligible children age three years old or younger and for additional preschool services; minimum standards for preschool providers; the funding formula to determine a per-child funding rate; the definition of low-income; and the qualifying factors to identify children at risk of being unprepared for kindergarten.

Preschool special education. The DEC and the CDE must enter into an agreement to ensure children with disabilities are served equitably, including defining the roles of each department, local administrative units, and preschool providers, and ensuring that preschool services are delivered in compliance with federal law.

Program evaluation and reporting. The DEC must contract with an independent evaluator to measure the success of the universal preschool program in improving learning and school readiness, and must implement a process for evaluation and improvement of participating preschool providers. Beginning in 2025, the DEC must post online and report in their SMART Act hearing on the implementation and effectiveness of the preschool program and include data specified in the bill.

School finance. The bill makes conforming amendments, including removing preschool counts from the calculation of a district's funded pupil count in the school finance formula. School districts must still certify the number of special education preschool students to the CDE for the purposes of allocating categorical funds for special education.

Distributions to school districts and charter schools. The bill specifies that if a school district or charter school receives less preschool funding in FY 2023-24 (calculated as enrolled children multiplied by per-child rates), than they received in FY 2022-23 through CPP (calculated as 50 percent of preliminary per pupil funding multiplied by CPP enrollment), the district or charter school must receive the difference between the two amounts in FY 2023-24. A similar calculation is applied for community-based preschool providers that currently receive funding through a contract with a school district or charter school.

Online Kindergarten Readiness Pilot Program. The bill creates the Online Kindergarten Readiness Program in the DEC to serve children in the year before kindergarten. The DEC must complete a survey gauging interest in the program by December 1, 2022, and issue a request for information. Based on the responses and subject to available appropriations for FY 2023-24, the DEC may contract with a provider by May 1, 2023 to provide services, free of charge, in the 2023-24 school year. The DEC must report on the program in their SMART Act hearing.

Early childhood workforce. The bill requires that the DEC develop a plan for recruiting, training, and retaining a high quality early childhood workforce, in collaboration with the CDE and the other state departments and organizations with expertise in early childhood workforce.

Background

Department of Early Childhood. House Bill 21-1304 created the DEC and established a transition working group to develop a transition plan and recommendations for the new universal preschool program. HB 22-1197 provided funding for 6.0 FTE for department leadership, appropriated \$3.5 million for data systems for the universal preschool program, and moved up the start date for the program. The DEC took effect on March 1, 2022.

Proposition EE. Proposition EE, approved by voters in the November 2020 election, increased taxes on cigarettes, tobacco products, and nicotine products and established a minimum price for cigarettes. After distributions for tobacco education and health care programs, the tax revenue generated by the measure is deposited in the PPCF, beginning in FY 2023-24. Additionally, Proposition EE allocates 73 percent of the sales tax revenue generated from the new minimum cigarette price to the PPCF. The measure required that the new funding be used to offer at least 10 hours per week of free preschool to every child in the year before kindergarten, with the remaining revenue used to expand preschool opportunities for low-income families and children at risk of not being ready for kindergarten. Based on the Legislative Council Staff March 2022 Revenue Forecast, the PPCF is expected to receive \$0.47 million in FY 2022-23 and \$167.7 million in FY 2023-24 from Proposition EE revenue.

School finance preschool funding. The school finance formula currently funds 13,709 preschool FTE through the CPP, and 3,616 special education preschool FTE. In FY 2022-23, it is estimated that \$136.8 million will be attributable to preschool students, assuming the budget stabilization factor remains constant at FY 2021-22 levels.

Assumptions

Budget actions. The fiscal note assumes the actions adopted by the Joint Budget Committee (JBC) to date, including \$8.0 million for 20.6 FTE for central department staff, information technology support, and 10.0 FTE for the universal preschool program.

Criminal impact. Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The bill adds the new preschool program as a state benefit subject to the existing offense of fraudulently using public assistance programs, which is a petty offense, misdemeanor or felony, depending on the amount of benefits fraudulently received. It also adds the

DEC staff as mandatory reporters of child abuse and neglect, and failure to report is a misdemeanor offense. The fiscal note assumes that the bill will not have a tangible impact on criminal justice-related expenditures or revenue at the state or local levels, these potential impacts are not discussed further in this fiscal note.

State Revenue

The bill is not expected to change state revenue. The fiscal note assumes that early childhood-related fines and fees currently collected by the CDHS and deposited into the Child Care Licensing Cash Fund or Child Care Cash Fund will continue to be collected by the DEC and deposited in the same funds, which are relocated to the DEC. For child welfare-related fines and fees that are currently deposited in the those funds, the fiscal note assumes that the fines and fees will continue to be collected by the CDHS, and will instead be deposited in the newly created Child Welfare Licensing Cash Fund or Child Welfare Cash Fund. See the State Transfers section below for more information.

State Transfers

FY 2022-23. In FY 2022-23, the bill requires a transfer of \$32,607 from the Child Care Licensing Cash Fund to the Child Welfare Licensing Cash Fund. This represents the balance of the Child Care Licensing Cash fund attributable to child welfare licensing fees, as of July 1, 2022. There is currently no fund balance in the Child Care Cash Fund attributable to fines and civil penalties related to child welfare, and thus, the fiscal note assumes no transfer to the Child Welfare Cash Fund will occur.

FY 2023-24. In FY 2023-24, the bill transfers approximately \$136.8 million from either the General Fund or State Education Fund to the PPCF. The amount represents the estimated portion of the FY 2022-23 state share of school finance that is attributable to the CPP and preschool special education students. The actual amounts transferred will depend on FY 2022-23 enrollment and budget stabilization factor. For transfers made in subsequent years, the transfer amount increases by inflation.

State Expenditures

On net, the bill increases state expenditures by \$290,084 in FY 2022-23 and \$167.1 million in FY 2023-24. Costs include relocating existing programs to the new DEC (no net change), increasing costs in the CDE and the DEC, decreasing the state share of school finance in FY 2023-24, and increasing state expenditures for the new universal preschool program in FY 2023-24. A variety of funds are impacted, including the General Fund, various cash funds, and federal funds.

Relocating Programs

The bill relocates programs and resources from the CDHS, the CDE, and the Governor’s Office to the DEC in FY 2022-23 and staff from the CDE to the DEC in FY 2023-24. These changes are listed in Table 2 and have no net change on state expenditures. See the State Appropriations section for changes by line item. A detailed fund breakdown is available upon request.

Table 2
Expenditures Moving to the Department of Early Childhood
No net change in state expenditures

Current Department	Moving in FY 2022-23		Moving in FY 2023-24	
	Amount	FTE	Amount	FTE
Colorado Department of Human Services				
- child care licensing				
- early intervention services				
- early childhood educator credentialing/services				
- child care quality initiatives and grant programs	\$427,377,671	160.6 FTE	-	-
- child abuse prevention programs				
- family support services				
- CCCAP				
- direct and centrally appropriated costs				
Colorado Department of Education				
- early childhood workforce (FY 2022-23)	\$651,922	6.0 FTE	\$408,595	4.0 FTE
- preschool staff (FY 2023-24)				
Governor’s Office				
- legal services	\$177,426	-	-	-
GRAND TOTAL TO THE DEC*	\$427,555,097	160.6 FTE	\$408,595	4.0 FTE

**FY 2022-23 total does not include the amount moving from CDE, as those funds represent reappropriated funds from CDHS that will move to DEC and are included in the CDHS amount. See explanation below.*

Reappropriated funds. The bill requires two changes to reappropriated funds that do not change overall state expenditures. First, the CDE requires a decrease in reappropriated federal funds of \$651,922 and 6.0 FTE. These funds are currently reappropriated from the CDHS to the CDE for the early childhood workforce and will instead be reappropriated to the DEC. In addition, the CDHS requires an increase of \$1.4 million in reappropriated funds from the DEC for an interagency agreement to purchase certain central services. Once the DEC is fully established, these costs will be moved to it. See the State Appropriations section.

LCO capacity building. The JBC approved \$19.6 million in federal ARPA Child Care Development Grant Funds for local capacity building grants in FY 2022-23. This amount is moved from the CDHS to the DEC under the bill. In addition, the bill shifts \$2.3 million of this amount from local capacity building grants to LCO capacity building for implementation of the preschool program. This change results in no net change in state expenditures.

New Administrative Costs

The bill increases state expenditures by \$290,084 in FY 2022-23 and \$45,900 in FY 2023-24 for the CDE and the DEC. Costs are listed in Table 3 and discussed below.

**Table 3
 New Expenditures Under HB22-1295**

Cost Components	FY 2022-23	FY 2023-24
Department of Early Childhood		
Rule Advisory Group Costs	\$53,400	\$26,700
Online Kindergarten Readiness Pilot	\$42,000	-
Legal Services (0.7 FTE)	\$118,284	-
DEC Subtotal	\$213,684	\$26,700
Department of Education		
Computer Programming	\$76,400	\$19,200
Total	\$290,084	\$45,900
Total FTE	0.7 FTE	-

Department of Early Childhood. The DEC requires additional expenditures for the rulemaking advisory group and legal services, and will increase workload in licensing and the CCCAP.

- *Rules advisory group.* The DEC requires \$53,400 in FY 2022-23 and \$26,700 in FY 2023-24 for the rulemaking advisory group. Costs assume 24 meetings in FY 2022-23 and 12 meetings in FY 2023-24, and that 13 of the 15 members will require per diem and expenses. Per diem is assumed to be \$50 per member per meeting and travel between \$45 and \$210 per member per meeting, depending on where members are from.
- *Online Kindergarten Readiness Pilot Program.* The DEC requires \$42,000 in FY 2022-23 to complete the required survey gauging interest in an online kindergarten readiness pilot program (\$25,000) and to issue a request for information (\$17,000). In FY 2023-24, the DEC may contract with a program provider, subject to available appropriations. Potential provider costs are estimated at around \$125,000, but will vary based on the interest gauged in the survey, the scope of the program and the responses to the request for information.
- *Legal services.* The DEC requires 1,200 legal services hours to conduct rulemaking related to the preschool program, LCOs, program duties, and the CCCAP, among other areas. This amount equates to 0.7 FTE. Legal services are provided by the Department of Law at a rate of \$98.57 per hour.
- *Colorado Child Care Assistance Program.* The bill makes several modifications to CCCAP, which may impact costs for counties by changing eligibility, service preferences, and reimbursements to providers. At this time, it is assumed that counties can manage these changes within existing allocations from the state and that no change in appropriations is required.

- *Workload.* The DEC will also have a workload increase to create the public preschool provider license, and conduct education for staff on mandatory reporting requirements. Additionally, a minimal cost will be incurred to reimburse the two new members of the Child Abuse Prevention Board for meeting expenses. The fiscal note assumes that this work and cost can be accomplished without additional funding.
- *Future years.* The DEC will incur costs in future years for several purposes, listed below. These costs will be handled through the annual budget process. Potential costs include:
 - the independent evaluations of the DEC and preschool program in FY 2024-25, estimated at between \$150,000 and \$450,000 each;
 - additional credentialing staff, to the extent that the preschool program results in a significant increase in educator workforce credentials; and
 - costs for the existing Substance Abuse Pilot Program to continue through FY 2027-28.

Colorado Department of Education. The CDE requires \$76,400 in FY 2022-23 and \$19,200 FY 2023-24 to update data systems and implement data sharing agreements with the DEC and other impacted agencies. Costs include updating the school finance data submission system to remove preschool enrollment, estimated at 400 hours at a rate of \$125, and implementing data sharing agreement changes, estimated at 264 hours in FY 2022-23 and 192 hours in FY 2023-24 at a rate of \$100 per hour.

Other state agencies. Other agencies may have additional workload to adopt interagency agreements with the DEC and adjust processes and materials for programs that are moving to the DEC. Impacted agencies may include the departments of Health Care Policy and Financing, Public Health and Environment, Higher Education, Labor, and Revenue. No changes to appropriations are required; any changes are expected to be handled through the annual budget process.

School Finance and Preschool Expenditures

In FY 2023-24, the bill reduces state funding for school finance allocated to school districts, and increases preschool funding to be distributed to public and private preschool providers.

School finance. By removing preschool enrollment, including special education preschool and CPP, from the pupil enrollment counts, the bill is expected to reduce the state share of school finance by \$136.8 million in FY 2023-24. This estimate is based on projected FY 2022-23 enrollment and assumes the budget stabilization factor remains constant at FY 2021-22 levels. The estimate will be updated as more information on the FY 2022-23 state budget for school finance is available.

Preschool. Beginning in FY 2023-24, state expenditures will increase to fund the universal preschool program, which will provide 10 hours of free preschool to four year olds and additional hours to eligible children aged three and under, as well as additional preschool services for low-income children. The per-child provider rates and number of free hours covered for children aged three and younger must be established by the DEC via rule and must meet certain criteria. As a result, the specific cost to provide preschool cannot be estimated at this time.

Available funding. Universal preschool will be paid from the PPCF. Based on the March 2022 Legislative Council Staff Forecast, and the estimated transfer amounts discussed above, the fund is

expected to have \$304.6 million in revenue in FY 2023-24. This amount will be available for the cost of the preschool program, minus a portion that may be used for administrative costs. As part of the allocation process, the DEC must fulfill certain funding requirements, including parameters for funding for children age three and younger, as well as parameters for ensuring that school districts, charter schools, and contracted community-based preschools receive at least the same funding amount in FY 2023-24 as they did in FY 2022-23, based on specified calculations.

Administrative costs. The administrative costs for the new preschool program are assumed to come from two sources. First, the JBC has approved a decision item for FY 2022-23 that includes 10.0 FTE to administer the preschool program, including supporting and coordinating with LCOs. In addition, 4.0 FTE in current CDE preschool staff will be moved to the DEC in FY 2023-24 and are reflected in Table 2. Costs for IT systems are included in the Long Bill and HB 22-1197, and LCO administrative costs are discussed above.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, excluding school finance changes, which will decrease the amount of General Fund available for other purposes. The actual impact on the General Fund reserve may be larger than this estimate to the extent General Fund, rather than the State Education Fund, is used to cover school finance related expenses under the bill.

Local Government and School District

Local coordinating entities. Under the bill, the DEC will select local entities to coordinate access to early childhood programs, including preschool, distribute funding, work to expand capacity and support early childhood workforce. Local entities may include counties, cities, school districts, nonprofits, and other public entities. Local governments will have additional workload to apply to be an LCO, and selected LCOs will incur costs to develop and implement a community plan, establish processes for families to access services, and to support preschool providers, among other tasks. LCOs will also receive revenue from the state to increase capacity and to be allocated to preschool providers.

School districts – state funding. School districts may see some changes in funding. Beginning in FY 2023-24, the bill will decrease the state share of school finance by \$136.8 million by removing preschool enrollment from the school finance formula; districts will instead receive state funding for preschool students through the universal preschool program. The exact amount of preschool funding that school districts will receive cannot be estimated until per-child rates are established, and will depend on preschool enrollment in district preschools and the ages of the children.

However, the bill specifies that if a school district's allocation of preschool funding in FY 2023-24 is less than their CPP funding in FY 2022-23, the district must receive the difference between the two amounts. Thus, the ongoing net impact on a particular district is unknown, but districts will receive at least their FY 2022-23 CPP funding, calculated as CPP enrollment multiplied by 50 percent of their preliminary per pupil funding, in FY 2023-24.

Counties. The changes to CCCAP may change workload and program costs for counties, which are responsible for administering the CCCAP program. It is assumed that counties will manage program enrollment and costs within available appropriations for the program that are allocated for counties.

Effective Date

The bill takes effect July 1, 2022, except that Sections 1 (definitions), 2 (rulemaking), 117 (effective date), 118 (safety clause), and a portion of Section 3 (LCOs) take effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

In FY 2022-23, the bill requires the appropriation changes in Table 4, which include an increase in the DEC, and a decrease in the CDHS, CDE, and Governor's Office. The appropriation changes reflect the amounts that have been approved by the JBC for FY 2022-23, as of this writing. The fiscal note will be updated as more information becomes available and the Long Bill moves through the process.

DEC line item changes. The JBC has approved \$8.1 million in appropriations for the DEC for leadership staff, central functions, information technology, and early learning access and quality in FY 2022-23. The bill relocates these appropriations within newly created DEC line items, but does not change those costs or have any net impact on state appropriations.

**Table 4
Current Department Appropriation Reductions / DEC Appropriation Increases
FY 2022-23**

Current Line Item / Purpose	Reduction to Current Dept.		Increase to DEC	
	Amount	FTE	Amount	FTE
From Human Services				
From Exec. Director's Office:				
Reports of Child Abuse or Neglect	(\$1,143,273)	(9.0)	\$1,143,273	9.0
From OIT Services:				
Child Care Automated Tracking	(\$2,709,933)	-	\$2,709,933	-
From Office of Early Childhood:				
Early childhood councils	(\$2,000,359)	(1.0)	\$2,000,359	1.0
Child care licensing & administration	(\$15,858,636)	(94.6)	\$15,858,636	94.6
Fines against licensees	(\$10,000)	-	\$10,000	-
Child Care Assistance Prog. (CCCAP)	(\$157,916,576)	-	\$157,916,576	-
Intra State CCCAP Redistribution	(\$500,000)	-	\$500,000	-
CCCAP Market Rate Study	(\$20,000)	-	\$20,000	-
CCCAP Expand Eligibility & Infant/Toddler	(\$25,970,215)		\$25,970,215	
Grants for Quality & Availability	(\$56,983,158)	(11.0)	\$56,983,158	11.0
School readiness quality improvement	(\$2,244,293)	(1.0)	\$2,244,293	1.0
EC Educator Recruitment & Ret. Grant	(\$9,013,697)	(5.0)	\$9,013,697	5.0
Child Care Teacher Salary Grant	(\$3,000,000)	(1.0)	\$3,000,000	1.0
CC services/substance use disorder pilot	(\$500,000)		\$500,000	0.0
Child Care Quality Initiatives	(\$5,997,885)	(15.9)	\$5,997,885	15.9
Child Care Assistance Prog. Support	(\$1,200,000)		\$1,200,000	0.0
From Division of Community & Family Support:				
Promoting Safe and Stable Families	(\$4,637,909)	(2.0)	\$4,637,909	2.0
Early Childhood Mental Health Services	(\$6,014,990)	(1.7)	\$6,014,990	1.7
Early Intervention Services	(\$72,394,068)	(7.5)	\$72,394,068	7.5
Early Intervention Evaluations	(\$10,307,117)	(2.8)	\$10,307,117	2.8
Colorado Children's Trust Fund	(\$1,183,434)	(1.5)	\$1,183,434	1.5
Nurse Home Visitor Program	(\$26,448,551)	(3.0)	\$26,448,551	3.0
Family Support Services	(\$1,311,938)	(0.5)	\$1,311,938	0.5
Community Child Abuse Prev. Services	(\$8,459,211)	(2.0)	\$8,459,211	2.0
Home Visiting for School Readiness	(\$597,969)		\$597,969	0.0
Social Emotional Learning Programs	(\$886,447)	(1.1)	\$886,447	1.1
Other Costs:				
Indirect Cost Assessment	(\$4,001,135)	-	\$4,001,135	-
Centrally Appropriated Costs	(\$1,982,364)	-	\$1,982,364	-
Central Services	(\$4,084,513)	-	\$4,084,513	-
Total from CDHS to DEC	(\$427,377,671)	(160.6 FTE)	\$427,377,671	160.6 FTE
<i>General Fund</i>	(\$104,952,905)		\$104,952,905	
<i>Cash Funds</i>	(\$56,415,581)		\$56,415,581	
<i>Federal Funds</i>	(\$254,110,108)		\$254,110,108	
<i>Reappropriated Funds</i>	(\$11,899,077)		\$11,899,077	
From Governor's Office:				
Legal Services (General Fund)	(\$177,426)		\$177,426	

Additional appropriation changes. In FY 2022-23, the bill also requires the following appropriation changes:

Colorado Department of Human Services

- an increase of \$1,405,014 in reappropriated funds from the DEC for contracted services.

Department of Early Childhood

- an increase of \$213,684 from the General Fund for new costs, of which \$118,284 is reappropriated to the Department of Law with 0.7 FTE; and
- an increase in 6.0 FTE for early childhood workforce staff (this increase in FTE in the DEC corresponds to the decrease in FTE in the CDE described below).

Colorado Department of Education

- an increase of \$76,400 from the General Fund for computer programming; and
- a decrease of \$651,922 and 6.0 FTE in reappropriated federal Child Care Development Funds.

State and Local Government Contacts

Counties Education

Health Care Policy and Financing

Human Services

Labor

OSPB

Public Health and Environment

Governor's Office

Higher Education

Information Technology

Law

Personnel

Revenue