

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING INCREASING THE CAPACITY OF QUALITY EARLY CHILDHOOD EDUCATION THROUGH GRANT PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Story and Sonnenberg
Reps. Tipper and Van Beber

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Phone: 303-866-4963
Date Prepared: May 5, 2021

Appropriation Items of Note

Appropriation Already Added to Bill, Amendments in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/19/21.

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|------------|--|
| XXX | No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill |
| | Update: Fiscal impact has changed due to <i>new information or technical issues</i> |
| | Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared |
| | Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill |

The Senate Education Committee Report (04/22/21) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

| Amendment | Description |
|------------------|--|
| L.003 | Bill Sponsor amendment - changes fiscal impact |
| L.004 | Bill Sponsor amendment - does not change fiscal impact |
| L.005 | Bill Sponsor amendment - does not change fiscal impact |
| L.006 | Bill Sponsor amendment - does not change fiscal impact |
| L.007 | Bill Sponsor amendment - changes fiscal impact |

Current Appropriations Clause in Bill

The bill includes two sections that have an appropriations impact.

Section 4 of the bill amends Section 2 of H.B. 20B-1002 to allow unspent funds for outreach and technical assistance to be available through FY 2021-22.

Section 5 of the bill appropriates:

- \$8.8 million General Fund and 1.0 FTE in FY 2020-21 for the Employer -based Child Care Facility Grant Program and administration, including a provision allowing unspent funds to be available through FY 2021-22; and
- \$4.2 million federal Child Care Development Funds and 1.0 FTE in FY 2021-22 for early child care educator grant programs and administration, including \$3.0 million for the Child Care Teachers Salary Grant Program and \$1.1 million for the Early Care and Education Recruitment and Retention Grant and Scholarship Program.

Description of Amendments in This Packet

L.003 Bill Sponsor amendment **L.003** (attached) modifies Section 5 of the bill, increasing to \$21.0 million the federal Child Care Development Funds appropriation. This appropriation is allocated as follows:

- \$16.8 million for the Community Innovation and Resilience for Care and Learning Equity (CIRCLE) Grant Program;
- \$3.0 million for the Child Care Teacher Salary Grant Program; and
- \$1.2 million and 1.0 FTE for the Early Care and Education Recruitment and Retention Grant and Scholarship Program.

L.004 Bill Sponsor amendment **L.004** (attached) adjusts the criteria for the Emerging and Expanding Child Care Grant Program to prioritize making multiple smaller grant awards.

L.005 Bill Sponsor amendment **L.005** (attached) inserts and updates the legislative declaration for the Emergency Relief Grant Programs created in Part 8 of Article 6 in Title 26.

L.006 Bill Sponsor amendment **L.006** (attached) adjusts the applicant criteria for the Employer-based Child Care Facility Grant Program.

L.007 Bill Sponsor amendment **L.007** (attached) modifies Section 5 of the bill, increasing to \$92.7 million the federal Child Care Development Funds appropriation. This appropriation is allocated as follows:

- \$35.0 million and 1.0 FTE for the Child Care Sustainability Grant Program, any unspent funds as of July 1, 2022 are made available through FY 2022-23 for the same purposes;
- \$23.8 million for the Child Care Assistance Program;
- \$16.8 million and 1.0 FTE for the Community Innovation and Resilience for Care

and Learning Equity (CIRCLE) Grant Program, any unspent funds as of July 1, 2022 are made available through FY 2022-23 for the same purposes;

- \$7.2 million and 4.0 FTE for the Early Care and Education Recruitment and Retention Grant and Scholarship Program;
- \$4.0 million and 2.0 FTE for child care grants for quality and availability and federal targeted funds requirements;
- \$3.0 million and 1.0 FTE for the Child Care Teacher Salary Grant Program;
- \$2.15 million and 1.0 FTE for the Early Childhood Mental Health Consultation Program; and
- \$713,085 and 6.0 FTE for administration, monitoring, compliance, and reporting requirements.

L.003 or **L.007** may be adopted, but not both. Any combination of **L.004**, **L.005**, and **L.006** may be adopted with either **L.003** or **L.007**.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The JBC has included as part of its FY 2021-22 budget package \$8.8 million General Fund to be appropriated for implementation of this bill. Specifically, the JBC package includes a place holder of \$800.0 million General Fund for those bills that are part of the "State Stimulus Package", and this bill is part of that package.