Department of Planning and Budget
2017 Fiscal Impact Statement

1. **Bill Number:** HB1837-H1

House of Origin	☐	Introduced	☒	Substitute	☐	Engrossed
Second House	☐	In Committee	☐	Substitute	☐	Enrolled

2. **Patron:** Orrock

3. **Committee:** Health, Welfare, and Institutions

4. **Title:** Licensure exemptions; private preschool and nursery school programs.

5. **Summary:** Modifies the licensure exemption requirements for certified preschool programs operated by a private school that is accredited by an organization recognized by the Board of Education. The bill removes the list of accrediting associations from the licensure exemption language and provides a reference to the Code section that establishes the process for recognition of accrediting organizations by the Board of Education. The bill removes certain licensure exemption requirements that such preschool programs must meet and modifies others, including (i) increasing the amount of time children may attend such programs per day from four hours to five hours, provided that no more than four hours of instructional time is provided per day; (ii) lowering the minimum age of children permitted to attend the programs from age four to age three; and (iii) requires that the school report to the Commissioner all incidents involving serious injury or death to children attending the school. The bill also allows the Commissioner of Social Services to inspect such preschool programs to ensure compliance with applicable requirements, either annually or in response to a complaint.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** See Item 8.

8. **Fiscal Implications:** This bill modifies the licensure exemption requirements for certified preschool programs operated by a private school that is accredited by an organization recognized by the State Board of Education. This legislation also gives the Department of Social Services (DSS) the authority to conduct annual inspections and conduct inspections to investigate complaints to ensure compliance with standards. Currently, DSS will only inspect certified preschool programs based on a complaint alleging noncompliance. There are presently 11 exempt certified preschool programs. It is unknown how many of the estimated 200 certified preschool or nursery school programs could potentially qualify for exemption. This bill would not affect the total number of licensing inspectors required because these programs are currently subject to inspection.
   It is estimated that the fiscal impact due to the loss of revenue from those seeking an exemption would be minimal.

9. **Specific Agency or Political Subdivisions Affected:** Department of Social Services, Department of Education

10. **Technical Amendment Necessary:** No.

11. **Other Comments:**