

## Department of Planning and Budget

### 2019 Fiscal Impact Statement

1. **Bill Number:** SB1095-S3

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** Howell

3. **Committee:** Appropriations

4. **Title:** Early childhood care and education; licensing.

5. **Summary:** The bill requires the Superintendent of Public Instruction and the Commissioner of Social Services to convene a stakeholder workgroup to consider the development of a statewide unified public-private system for early childhood education, with a planned implementation date of July 1, 2021. Additionally, an interim report to the Joint Subcommittee of the Virginia Preschool Initiative shall be submitted by January 1, 2020 and a final report shall be submitted by October 1, 2020. The Departments of Education and Social Services are required to conduct at least four public hearings to seek public input on the development of a plan for a unified early childhood and education system. Furthermore, the Superintendent of Public Instruction and the Commissioner of Social Services shall collaborate to develop a uniform quality rating and improvement system with required participation by publicly funded early childhood education programs and voluntary participation by privately funded providers. A plan for implementation of this system shall be provided to the Joint Subcommittee on the Virginia Preschool Initiative by the Superintendent no later than January 1, 2020; and, by October 1, 2020 and each October 1 thereafter, the Superintendent and Commissioner shall submit a report including specific information about the uniform quality rating and improvement system.

6. **Budget Amendment Necessary:** Yes. See Item 8.

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

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	-	-
2020	\$275,729	nongeneral
2021	\$120,566	nongeneral
2022	-	-
2023	-	-
2024	-	-
2025	-	-

8. **Fiscal Implications:** The Department of Education (DOE) anticipates that costs it may incur related to the stakeholder group convened to consider the development of a statewide unified

public-private system, public hearings held across the Commonwealth, and the development of a uniform quality rating and improvement system will be absorbed within existing staffing levels and existing federal appropriation.

The Department of Social Services (DSS) believes it will need one part-time child care staff person and a contract with outside consultants to facilitate the requirements of the bill. Consultants are needed to facilitate the work of the stakeholder group, which includes conducting the independent research on early childhood care and education systems in other states, evaluating the advantages and disadvantages of models to develop a unified early childhood care and education system in Virginia, and developing a plan for implementation of such models that ensures access for low-income families and at-risk children. They will also be responsible for facilitating the development of the uniform quality rating and improvement system, including a plan for implementation. The part-time staff person will assist the consultants with research and analysis to meet the requirements of the bill. The costs are \$275,729 in FY 2020 and \$120,566 in FY 2021. The Child Care Development Fund (CCDF) has sufficient balances to cover the costs of the bill; however, DSS will need appropriation.

Additionally, DSS believes that its Division of Licensing may see an increase in workload as a result of this legislation; however, the agency believes it can absorb the increase using current staff and appropriation.

The Office of the Attorney General is still analyzing whether it will incur any additional staffing costs as a result of this legislation.

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

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

**11. Other Comments:** None.