

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	See Below		See Below	
CASH FUNDS				
FEDERAL FUNDS	\$673,953		\$173,218	
OTHER FUNDS				
TOTAL FUNDS	\$673,953		\$173,218	

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

This bill directs the Department of Health and Human Services to maximize federal funding to cover the cost of criminal background checks of child care providers and their staff members. If federal funds are not available the cost would continue to be paid by the child care providers or staff members.

Federal Child Care and Development Block Grant (CCDBG) funds can be used to cover the criminal background checks. The additional use of the CCDBG would be \$673,953 in FY 2021. The amount would decline in future years as the checks are required every five years. The FY 2022 estimate is \$173,218.

The Department has indicated the entire administrative cap currently used. The coordination with the State Patrol to assure payments are properly made may require an additional staff assistant. If needed, the cost would be \$48,441 GF in FY 2021 and \$54,729 GF in FY 2022.

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

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Date Prepared 1-10-2020

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	<u>FY 2020-2021</u>		<u>FY 2021-2022</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>	\$54,951		\$65,941	
<b>CASH FUNDS</b>				
<b>FEDERAL FUNDS</b>	\$643,953			
<b>OTHER FUNDS</b>				
<b>TOTAL FUNDS</b>	\$698,904		\$65,941	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

**Explanation of Estimate:**

LB837 proposes to amend the Child Care Licensing Act and Children’s Residential Facilities and Placing Licensure Act to assist childcare providers and childcare staff members with the costs of the fingerprinting and national criminal history record information check.

The staff time required to complete the documentation necessary for the background checks would require 1 FTE Staff Assistant II for Child Care Licensing estimated to start in October 2020. The costs associated will be paid with General Funds (GF).

LB837 requires the Department of Health and Human Services (DHHS) to maximize federal funding that will assist child care providers and child care staff members with the costs of fingerprinting and national criminal history record information checks.

Fingerprints are required once every 5 years or if there has been a break in child care employment for over 180 days. Each fingerprint and background check costs \$45.25 per check.

In total, there is an estimated 14,231 fingerprint checks (Family Child Care I and II, Pre-School Centers, Child Care Centers and School Age Centers Providers) that will be reimbursed at a total federal fund impact of \$643,953 in SFY 2021. These expenses will utilize 100% Child Care Discretionary Funds (CCDF) for reimbursement. There are an estimated 1,081 fingerprint checks (Residential Child Caring Institutions) that will be ineligible for CCDF reimbursement. The total cost is \$48,915. These cost will be incurred by the providers. The estimated fingerprint checks were developed by Public Health Licensing, which shows the number of licensed providers and the number of estimated staff or household members in each site type who would need fingerprints.

According to the Nebraska Early Childhood Workforce Commission, teacher turnover is approximately 25% in early care and education settings. DHHS assumes 25% of all 15,312 fingerprints will need to be done each year. The aid impact could be \$173,218 in SFY 2022 and beyond if federal funds are available; however, if federal funding is not available, it is assumed that providers will incur the costs.

**MAJOR OBJECTS OF EXPENDITURE**

**PERSONAL SERVICES:**

POSITION TITLE	NUMBER OF POSITIONS		2020-2021	2021-2022
	20-21	21-22	EXPENDITURES	EXPENDITURES
Staff Assistant II	1	1	\$30,878	\$37,053
Benefits.....			\$10,563	\$12,676
Operating.....			\$13,510	\$16,212
Travel.....			\$0	\$0
Capital Outlay.....			\$0	\$0
Aid.....			\$643,953	\$0
Capital Improvements.....			\$0	\$0
<b>TOTAL.....</b>			<b>\$698,904</b>	<b>\$65,941</b>