

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 599** HLS 15RS 1303  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 13, 2015	2:14 PM	<b>Author:</b> THIERRY
<b>Dept./Agy.:</b> Education		<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Early Childhood		

EDUCATION OR NO IMPACT GF EX See Note Page 1 of 2  
 Extends the implementation timeline for the early childhood care and education network

Current law requires that the Board of Elementary and Secondary Education (BESE) create a comprehensive and integrated network to manage and oversee all early childhood care and and educational service programs. Further, to establish a timeline for the creation and implementation of the early childhood care and education network to be fully implemented by the 2015-2016 school year. Proposed legislation extends the implementation timeline to the beginning of the 2016-2017 school year.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>				<b>\$0</b>

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated impact as a result of this legislation for FY 16 and FY 17. However, there may be an indeterminable impact to expenditures beginning FY18. Act 3 of 2012 required BESE to create an early childhood care and education network to manage and oversee all publicly funded programs that serve children from birth to age 5, and to align and raise standards across all programs including early learning centers, the Cecil J. Picard LA4 Early Childhood Program, the Child Care Development Fund Block Grant (CCDF) (Child Care Assistance Program), Early Head Start and Head Start. Act 898 of 2014 continued the implementation through the transfer of the CCDF Lead Agency Status from DCSF to the Department of Education (DOE) effective 7/1/2015.

Pursuant to Cooperative Endeavor Agreements between DCFS and DOE providing for the transition, the DOE has begun to promulgate rules for the administration and oversight of child care and early learning centers, including licensing regulations, minimum educational standards, and training and certification requirements for staff. Impacts for the transition from the current Quality Star rating system to a letter grade rating system are indeterminable as the DOE has not yet promulgated rules for the replacement of the Quality Star Rating Program which will terminate on June 30, 2017.

For FY 15, the LA4 Program is funded at \$76.9 M (\$37.3 M SGF and \$39.6 M TANF) and the NCSED (non public schools) is funded at \$7.3 M SGF for total LA4 Program funding of \$84.3 M. The FY 16 Executive Budget includes a MOF swap replacing SGF with \$27.9 M in TANF funds from DCFS. Total funding remains at a standstill level.

The Child Care Assistance Program (CCAP) helps low-income families pay for child care while working or attending school or training. Monthly payments are based on the number of hours the parents work or attend school or training, as well as the amount charged by the childcare provider, family size and household income. For FY 15, funds are budgeted in DCFS. The FY 16 Executive Budget includes adjustments moving \$77.2 M in federal budget authority from DCFS to DOE to reflect DOE status as Lead Agency and direct recipient of CCDF funds effective 10/1/2015 (FFY 16). There is no increase in CCDF funding. Continued on page 2

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

- |   |                            |              |  |
|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

*Evan Brasseaux*  
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**Staff Director**

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**CONTINUED EXPLANATION from page one:**

Expenditure Explanation

HCR 61 of 2014 urged and requested BESE to consult with the Early Childhood Advisory Council to develop a statewide model for the equitable funding and distribution of public funds for early childhood care and education for children aged birth to 5 and to submit recommendations to the Legislature 60 days prior to the 2015 Legislative Session. The funding model working group recommendations focused on three components with a combined funding request of \$80 M for full implementation. The request included 1) Upgrading Quality by increasing per child funding for the current LA4/NSECD enrollment; 2) Creating Equity by increasing the CCAP per child funding; and 3) Increasing Access by increasing the number of at-risk 4 year olds being served. The FY16 Executive Budget does not contain funding for these recommendations.

The Preschool Development Grant Program is jointly administered by the U.S. Departments of Education (USDOE) and Health & Human Services (USDHHS), to develop and expand preschool programs. LA was one of 18 states awarded an Expansion Grant which will total \$32 M over 4 years (\$2.4 M in year 1, \$7.1M in year 2, \$10 M in year 3 and \$12.3 M in year 4). According to the DOE, \$23.7 M in funding will go to 6 high need communities (Caddo, City of Monroe, Iberville, Lincoln, Orleans, and Rapides) to add 1,800 new high quality seats (340 in year 1, 660 in year 2, 440 in year 3 and 360 in year 4). Additionally, the department will use \$7.4 M to improve teaching and services for 5,954 seats over 4 years (442 in year 1, 1,300 in year 2, 1,872 in year 3 and 2,340 in year 4).

Senate

Dual Referral Rules

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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