

Consolidated Fiscal Note

2021-2022 Legislative Session

HF910 - 1A - Early Childhood Program Participation; Foster Care

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Early Childhood Finance and Policy**
 Date Completed: **4/8/2021 11:33:48 AM**
 Lead Agency: **Human Services Dept**
 Other Agencies:
 Education Department

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Education Department						
General Fund	-	69	69	69	69	69
Human Services Dept						
General Fund	-	136	61	-	-	-
State Total						
General Fund	-	205	130	69	69	69
Total	-	205	130	69	69	69
Biennial Total			335			138

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Education Department					
General Fund	-	.5	.5	.5	.5
Human Services Dept					
General Fund	-	-	-	-	-
Total	-	.5	.5	.5	.5

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 4/8/2021 11:33:48 AM
Phone: 651-2846541 **Email:** carlos.guereca@lbo.leg.mn

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Education Department					
General Fund	-	69	69	69	69
Human Services Dept					
General Fund	-	136	61	-	-
Total	-	205	130	69	69
Biennial Total			335		138
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Education Department					
General Fund	-	69	69	69	69
Human Services Dept					
General Fund	-	136	61	-	-
Total	-	205	130	69	69
Biennial Total			335		138
2 - Revenues, Transfers In*					
Education Department					
General Fund	-	-	-	-	-
Human Services Dept					
General Fund	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

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 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024
General Fund	-	136	61	-	-
Total	-	136	61	-	-
Biennial Total			197		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

The estimate in this fiscal note assumes a report cannot be completed by the effective date as outlined in the bill.

LBO Signature: Carlos Guereca **Date:** 4/7/2021 5:36:14 PM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	136	61	-	-	-
Total		-	136	61	-	-
Biennial Total			197			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	136	61	-	-	-
Total		-	136	61	-	-
Biennial Total			197			-
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill directs the commissioner of human services to report on the participation of foster children under the age of six in early care and education programs and appropriates money for the required reports.

Assumptions

The department will have to enter into a contract to achieve the objectives of this bill. The report must also: (1) include recommendations on specified topics; (2) include an implementation plan for increasing foster children’s participation in early care and education programs; and (3) identify barriers to be addressed to ensure that early care and education programs are responsive to the needs of children’s foster families and families of origin.

The department used cost data from the child protection workforce study contract, which costs \$399,042. The sections of this contract most applicable to the report required in this bill are the engagement activities, which cost \$221,048 and required 1,176 hours, and the report drafting and finalizing, which cost \$69,393 and required 366 hours to complete. Based on these component casts, the department estimates \$290,000 for the completion of this report.

The department receive 32% in federal financial participation on administrative costs.

The department will not be able to provide the report by the date indicated in the bill. The department has reached out to the author through technical assistance to recommend that the report be due January 15, 2023. This date is assumed in this fiscal note.

Expenditure and/or Revenue Formula

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2022	FY2023	FY2024	FY2025
GF	12	Report on Foster Care engage in Early Childhood	200	90	0	0
GF	Rev1	FFP on Administrative costs @ 32%	(64)	(29)	0	0

		Total Net Fiscal Impact	136	61	0	0
		Full Time Equivalents				

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Elyse Bailey, 651-431-2932

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 Committee: **Early Childhood Finance and Policy**
 Date Completed: **4/8/2021 11:33:48 AM**
 Agency: **Education Department**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Dollars in Thousands					
General Fund	-	69	69	69	69
Total	-	69	69	69	69
Biennial Total			138		138

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	.5	.5	.5	.5
Total	-	.5	.5	.5	.5

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 4/8/2021 10:18:29 AM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	69	69	69	69	69
Total		-	69	69	69	69
Biennial Total				138		138
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	69	69	69	69	69
Total		-	69	69	69	69
Biennial Total				138		138
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

A bill to report on the participation in state and federal early education programs of children in foster care.

Assumptions

- It is assumed that the early childhood data warehouse development is completed and tested before fall of 2021.
- Minnesota Automated Reporting Student System (MARSS) does not currently collect information on children in foster care. MARRS will be migrating to EdFi. If foster care placement needs to be added, it may require additional MNIT programming.
- It is assumed that Early Learning Scholarship (ELS) data can be merged with other program data as part of the data warehouse development in order to extract the information in an efficient manner for the same time periods as other programs.
- It is assumed that a data sharing agreement or legislative requirement is in place for Head Start programs to share demographic details of enrolled students with the State.
- It is assumed that the Department of Education (MDE) would create a data collection process to incorporate Head Start child participation data into existing early learning data collection systems for efficiency in collecting and aligning timelines.
- The Early Childhood Longitudinal Data System (ECLDS) is a part of our work as a collaborative effort with OHE. Expenses incurred would be to OHE
- It is assumed that the Dept. of Human Services (DHS), MDE, and the Dept. of Health (MDH) will have data sharing agreements that allow for the easy identification and consolidation of children’s data between departments. This work is in process as part of the Preschool Development Grant (PDG). Consistent student identification numbers are needed across program types and services. Without it, matching names is labor intensive and inefficient.
- MDE does not currently collect children’s county of resident data only resident and serving districts, which may not be the same county a child resides in.
- Due to the timing for finalizing of MARSS data, the most complete data prior to January 2022 would be for the 19-20 school year. In order to keep data consistent, all student data should reflect the same years as the most complete MARSS data, which is the two years prior school year.
- It is assumed that MDE has MNIT resources available to help coordinate and program necessary systems

requirements. Currently early childhood data warehouse completion has been slowed by lack of capacity in IT staffing. If a contractor were needed to complete this work, it could double the costs.

- It is assumed that a minimum of 0.5 FTE (Management Analyst 4) would be required at MDE for analysis of existing data reporting systems, and coordination, compilation, and verification of accuracy of child and student data sent to DHS. This 0.5 FTE would also plan for efficient reporting of additional elements requested in report recommendations.
- Additional IT resources may be necessary once the first report identifies all the data programming needs.

Expenditure and/or Revenue Formula

	FY22	FY23	FY24	FY25
Management Analyst 4 (0.5 FTE)	69,000	69,000	69,000	69,000

Long-Term Fiscal Considerations

The 0.5 FTE would be ongoing.

Local Fiscal Impact

References/Sources

Agency Contact: Debbie Hewitt 651-582-8476

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