

### Fiscal Estimate - 2005 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 05-3228/2		<b>Introduction Number</b> SB-344	
<b>Subject</b> Day care van child safety alarms			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input checked="" type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village	
<input checked="" type="checkbox"/> Counties		<input type="checkbox"/> Cities	
<input type="checkbox"/> School Districts		<input type="checkbox"/> Others	
		<input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>	
DWD/ Janet Van Vleck (608) 266-6722	JoAnna Richard (608) 267-3200	1/19/2006	

## Fiscal Estimate Narratives

DWD 1/19/2006

LRB Number	05-3228/2	Introduction Number	SB-344	Estimate Type	Updated
<b>Subject</b>					
Day care van child safety alarms					

### Assumptions Used in Arriving at Fiscal Estimate

LRB 05-3805/1 SB 344 Child Safety Alarms (Companion Fiscal Estimate to AB-876) Logic edits are made to SB 344 resulting in modified estimates.)

#### Assumptions:

- \*DWD is to begin developing certified child care provider emergency rules and proposed rules the day after publication of this legislation. The emergency rules and the proposed certified provider rules must cover 1) conditions under which a certified child care provider must have a child safety alarm if its driver and 6 passenger vehicle is used to transport children to and from the child care location and 2) penalties for correcting violations of these rules.
- \*The emergency rules need to be in effect in sufficient time to allow certified providers to meet them on the effective date of the remainder of this bill which is the first day of the 12th month after publication.
- \*A minimum of six months prior to the effective date of the emergency rules is needed to implement this requirement through the counties who certify these providers.
- \* The bill provides a grace period of two months (effective first day of third month) to have the child safety alarms installed after the effective day of this bill (excluding the rules section).
- \*Drafting the child care certified providers rules is part of the normal workload of the department.
- \*Although not a certification requirement, counties would determine the need for a child safety alarm at the time of initial certification or subsequent recertification.
- \*Certified and DHFS licensed provides will be notified by inserts with their subsidy checks at minimal additional costs.
- \*There are approximately 4700 certified child care providers who are recertified every 24 months and approximately 1149 new certified providers annually.
- \*It is assumed that all certified providers who would have vehicles that can transport a driver and 6 passengers are those certified for 5 or more children and will require an inspection of the vehicle and that those certified for four or fewer do not have such a vehicle but the counties will still verify that they don't.
- \*Those 749 providers currently certified to care for five or more children are 16% and those with 3951 with four or fewer children are 84% of all providers.
- \*All 1149 new providers will be reviewed for child safety alarms at the time they apply for certification and it is assumed that 16% or 184 will be certified for 5 or more children. It would take average of 5 additional minutes at \$2.50 for each of the 184 new providers to inspect the vehicle and ensure the safety alarm is working for a cost of approximately \$460 the first year.
- \*Assuming an equal number of child care providers are recertified each month, the counties would have completed a review of the need for a child safety alarm at the time of recertification (6 months plus 2 months grace) for one third or 1551 of the current providers of which 247 providers would have certification to care for 5 or more children and 1304 providers 4 or fewer.
- \*For the 247 currently certified providers with 5 or more children recertified prior to the ending of the grace period, it would take average of 5 additional minutes at \$2.50 per provider to inspect the vehicle and ensure the safety alarm is working for a cost of approximately \$618 the first year.
- \*Of the 3149 providers still needing review for the child safety alarm at the end of the grace period, 2647 would have four or few children and 502 would be certified for 5 or more children.
- \*The additional county cost of "determining" if a current provider must provide a child safety alarm is one minute. The counties will be "determining" the need for an alarm for the remaining 2647 with 4 or few children current providers at about \$.50 per provider for a total cost of \$1324.
- \*It is assumed that counties will contact the 502 current providers with 5 or more children by phone or mail to 1) determine if the certified provider provides any transportation to/from child care and the vehicle size to determine if a child safety alarm is required. To avoid a loss of certified providers those required to have a child safety alarm would be asked to certify in writing that they have one. Later, at the time of recertification, the county would inspect those vehicles to assure they have child safety alarms. If not installed, the counties would need to impose penalties per the DWD emergency or final rules through due process. For these 502

certified providers with 5 or more children the phone or mail process would take an average of three minutes @ \$1.50 per provider at a maximum cost of \$753 for the first year.

\* For subsequent years the maximum cost for the half of the providers recertified every year with 5 or more children or 375 providers is a five minutes inspection @ \$2.50 per provider for a maximum cost of \$936.

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
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<b>LRB Number</b> 05-3228/2		<b>Introduction Number</b> SB-344	
<b>Subject</b>			
Day care van child safety alarms			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
During the start up and grace period \$1078 to inspect new (\$460) and recertified curent providers (\$618) with 5 or more children for child safety alarms in their vehicles, \$753 to verify that curent providers with 4 or fewer children don't have a vehicle needing a child safety alarm, and \$460 to inspect the new providers with 5 or more chidren not certified during the grace period. The total one-time cost is \$3154.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$936
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DWD/ Janet Van Vleck (608) 266-6722		JoAnna Richard (608) 267-3200	1/19/2006