


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 10-0412
Prime Sponsor(s): Rep. Carroll T.
 Sen. Steadman

Date: February 3, 2010
Bill Status: House Education
Fiscal Analyst: Bill Zepernick (303-866-4777)

TITLE: CONCERNING THE LICENSURE OF NEIGHBORHOOD YOUTH ORGANIZATIONS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
Cash Funds		
Child Care Licensing Cash Fund	\$10,000	\$10,000
Colorado Bureau of Investigation Identification Unit Cash Fund	<\$5,000	<\$5,000
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill requires neighborhood youth organizations (NYOs) to obtain either a general child care center license or a separate NYO license, which will be established by the Department of Human Services (DHS), Division of Child Care. Specifically, the bill requires that licensed NYOs:

- provide parents with contact information for the unit in the DHS that handles child care complaints and post notice in their facility;
- establish processes for handling parent complaints and for reporting child abuse and neglect;
- have a parent or guardian sign a statement allowing the youth to come and go from the NYO without parental or organization supervision and to attend off-site field trips;
- maintain records on all youths admitted to the NYO; and
- complete a background check for each employee, volunteer, or applicant for a position in the NYO who works with youth more than five days per year.

State Revenue

The bill increases state revenue in two areas - fees paid to the DHS for child care licensing and fees paid to the Department of Public Safety (DPS) for conducting background checks. This fee revenue is described below, and Table 1 provides an overview of the bill's estimated fee impact.

Child care licensing fees. New revenue to the Child Care Licensing Cash Fund is estimated at \$10,000 in FY 2010-11 and FY 2011-12. The fiscal note estimates that between 25 and 70 NYOs will be licensed under the bill. Although the fee schedule for NYOs has not been established, the license fees for other types of child care centers range from \$77 to \$528 per year, and vary based on the number of children enrolled. This analysis assumes that the average fee for NYOs will be \$200 per year and that 50 NYOs will be licensed. Based on these assumptions, new fees are estimated to be \$10,000 per year.

Fee Impact on Individuals, Families or Business. Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. The table below identifies the fee impact of this bill.

Table 1. Fee Impact on Individuals, Families or Business in FY 2010-11					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
NYO License Fee	\$0	\$200*	\$200*	50	\$10,000

* The NYO licensing fee has not been established and would likely vary based on the number of children that attend the organization. The \$200 fee represents the estimated average fee impact.

Background check fees. This bill could result in increased revenue to the DPS in the Colorado Bureau of Investigation (CBI) Identification Unit Cash Fund for conducting various types of background checks. However, this revenue is expected to be minimal (less than \$5,000). The largest NYO in the state reports that it currently conducts background checks for employees and volunteers using a private background check firm. This type of check is allowed under the bill, and this analysis assumes that the majority of workers and volunteers will continue to receive this type of background check. A small number of workers and volunteers at other NYOs could request background checks through the CBI, but this is not expected to significantly affect revenue to the DPS.

State Expenditures

The bill is not expected to significantly increase the workload at the Department of Human Services or the Department of Public Safety. About 50 NYOs are expected to be licensed under the bill. Given that more than 9,000 child care facilities are licensed by the DHS, this increase in licensing workload is minimal and can be absorbed within existing resources and staffing levels. The DPS may be required to process a small number of additional fingerprint- and name-based background checks, but this work can also be absorbed within existing resources.

Departments Contacted

Human Services

Law

Public Safety

Judicial