



target wage scale for early educators.

3. To estimate the administrative cost of implementing and maintaining the childcare and early educator registry, the Budget Office consulted DHS, who indicated the Department would incur programming costs to develop the database and personnel costs to maintain the database.

The exact programming costs are dependent on the required functionality of the childcare and early educator registry database, relative to the other systems DHS has in development. DHS was unable to calculate an exact cost estimate but indicated it could cost up to \$1.0 million. This analysis assumes programming costs of \$1.0 million will be incurred in FY 2023.

To maintain the registry DHS indicated it would require one additional Database Administrator and will require a 1.0 FTE position increase in the Department's staffing authorization. The annual cost for the salary and benefits of one Database Administrator in FY 2024 is estimated at \$231,415 (Salary: \$145,953, Benefits: \$85,462). The assumed date of hire is October 1, 2022, and the prorated fiscal impact in FY 2023 is \$175,561.

4. It is assumed the intention of the bill is to appropriate the full \$5.0 million for the monthly wage supplement pilot program in FY 2023, and as such the reported FY 2023 fiscal impact is \$5.0 million.

The bill does not authorize future appropriations for the monthly wage supplement. However, it is assumed the legislative intent is provide permanent funding to close the gap between the actual wages of childcare educators and the target wage scale established by the Children's Cabinet. Therefore, it is assumed an additional \$5.0 million will be appropriated in FY 2024.

If the intent is to maintain a permanent state funded monthly wage supplement subsidies, DHS noted that the Department would require financing for additional personnel to administer the subsidies. The exact needs are dependent on the structure of a future subsidy program, and the potential fiscal impact is not contemplated in this note.

*Summary of Fiscal
Impact:*

As discussed above, this bill presents the following fiscal impact:
FY 2022: N/A

FY 2023:
Database Programming Costs: \$1,000,000
Personnel Costs: \$175,561
Monthly Wage Supplement Subsidies: \$5,000,000
Total: \$6,175,561

FY 2024:
Database Programming Costs: \$0
Personnel Costs: \$231,415
Monthly Wage Supplement Subsidies: \$5,000,000
Total: \$5,231,415

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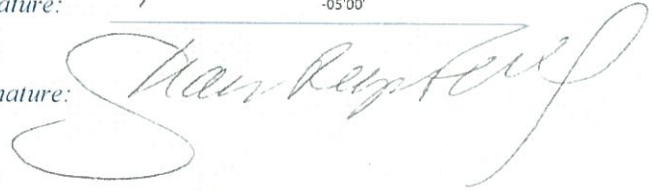
**State Fiscal Note for Bill
Number: 2022-H-7283**

Budget Office Signature:



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