

HF61 - 0 - Ombudsperson for Child Care Providers Established

Chief Author: **Lisa Demuth**
 Committee: **Early Childhood Finance and Policy**
 Date Completed: **2/21/2021 1:08:25 PM**
 Lead Agency: **Human Services Dept**
 Other Agencies:
 Minn State Retirement
 System

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
Human Services Dept						
General Fund	-	82	86	86	86	86
State Total						
General Fund	-	82	86	86	86	86
Total	-	82	86	86	86	86
Biennial Total			168			172

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Human Services Dept					
General Fund	-	1	1	1	1
Total	-	1	1	1	1

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:** 2/21/2021 1:08:25 PM
Phone: 651-2846541 **Email:** carlos.guereca@lbo.leg.mn

State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Human Services Dept						
General Fund	-	82	86	86	86	86
Total	-	82	86	86	86	86
	Biennial Total		168			172
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Human Services Dept						
General Fund	-	82	86	86	86	86
Total	-	82	86	86	86	86
	Biennial Total		168			172
2 - Revenues, Transfers In*						
Human Services Dept						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

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General Fund	-	1	1	1	1
Total	-	1	1	1	1

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:** 2/21/2021 1:08:08 PM
Phone: 651-2846541 **Email:** carlos.guereca@lbo.leg.mn

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Biennial Total				168		172
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General Fund	-	82	86	86	86	86
Total		-	82	86	86	86
Biennial Total				168		172
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

HF 61, as introduced, creates an Ombudsperson for child care providers. The ombudsperson shall be appointed in the classified service to assist child care providers, including family child care providers and legal non-licensed child care providers, with licensing, compliance, and other issues pertaining to child care.

The ombudsperson’s duties include: (1) addressing issues related to licensing, correction orders, penalty assessments, complaint investigations, and other interactions with agency staff; (2) recommending improvements for child care and child care provider education; (3) the operation of a help line to provide guidance and answer provider questions; and (4) assisting providers applying for a child care license. The ombudsperson is responsible for reporting on the office’s activities to the Commissioner and Legislature, in the form of a report, by December 31 of each year.

Sec. 1, subd. 1, proposes coding for a new law in Minnesota Statutes, chapter 119B, creating and Ombudsperson for child care providers and directing the governor to appoint the ombudsperson in the classified service to assist child care providers, including family child care providers and legal non-licensed providers, with licensing, compliance, and other child care issues.

Sec. 1, subd. 2, specifies that the duties of the ombudsperson are to address areas of concern child care providers may have regarding their provision of services, licensing, licensing actions, correction orders, complaint investigations, or other interactions with agency staff; provide recommendations for improvements to child care services and provider education; answer questions and provide guidance to providers; and assist with provider applications.

Sec. 1, subd. 3, stipulates that the ombudsperson may appoint and compensate “out of available funds” a deputy, confidential secretary, and other full-time employees in the unclassified service.

Sec. 1, subd. 4, allows the ombudsperson to access DHS records and requires DHS licensing to provide the ombudsperson copies of all child care provider correction orders, licensing actions, and complaint investigation reports on a quarterly basis.

Sec. 1, subd. 8, requires DHS to provide office space, supplies, equipment, and clerical support to the ombudsperson to effectively perform the duties of this section.

Sec 1., subd. 9, requires DHS to post on its website and provide child care providers the address and telephone number for the office of the ombudsperson.

Assumptions

We assume that the Department of Human Services would hire one Human Services Program Coordinator, which is a high-level professional position (20L), to carry out the responsibilities outlined in this proposal. This position would report to DHS leadership that is independent of the Office of Inspector General and the Licensing Division, in order to avoid any conflict of interest.

The changes in this bill require one FTE (MAPE Level 20), beginning September 2021, providing the necessary resources to hire. For the purpose of this budget proposal, we used the midpoint of the salary range. After applying the FFP of 32%, this bill will cost \$82 thousand in FY2022, \$86 thousand in FY2023, and thereafter. In addition to salary costs, this fiscal note assumes fringe benefits at 30% of salary costs and overhead of \$15,150 upfront costs and \$1,275 per month per FTE ongoing.

Expenditure and/or Revenue Formula

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2022	FY2023	FY2024	FY2025
GF	11	Child Care Providers Ombudsperson	120	126	126	126
GF	REV1	FFP @ 32%	(38)	(40)	(40)	(40)
		Total Net Fiscal Impact	82	86	86	86
		Full Time Equivalents	1	1	1	1

Long-Term Fiscal Considerations

This legislation may result in eventual reduced support needed in the Licensing Division, as requests for assistance and support from child care providers are redirected to the new ombudsperson's office.

Local Fiscal Impact

There are no anticipated fiscal impacts on local government at this time.

References/Sources

Agency Contact: Elyse Bailey, 651-431-2932

Agency Fiscal Note Coordinator Signature: Elyse Bailey

Phone: 651-431-2932

Date: 2/20/2021 4:48:55 PM

Email: elyse.bailey@state.mn.us

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State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
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Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
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.

LBO Signature: Joe Harney **Date:** 2/9/2021 12:07:20 PM
Phone: 651-284-6438 **Email:** joe.harney@lbo.leg.mn

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Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

The language related to the Minnesota State Retirement System in the bill is unnecessary as the referenced employees would be covered by their classified service. The referenced employees would be members of the Minnesota State Retirement System. Costs associated with the new members would be negligible and supported through member fees.

Assumptions

Not applicable.

Expenditure and/or Revenue Formula

Not applicable.

Long-Term Fiscal Considerations

Not applicable.

Local Fiscal Impact

Not applicable.

References/Sources

Not applicable.

Agency Contact: Tim Rekow

Agency Fiscal Note Coordinator Signature: Tim Rekow

Phone: 651-284-7819

Date: 2/9/2021 9:37:44 AM

Email: tim.rekow@mrsrs.us