

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1015H.01I
Bill No.: HB 637
Subject: Children and Minors; Licenses - Miscellaneous
Type: Original
Date: March 17, 2025

Bill Summary: This proposal requires the Office of Childhood to design, develop, and distribute placards that include a QR code containing a link to a childcare facility's inspection reports.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 210.253 - Placards with QR code for inspection reports

Officials from **Department of Elementary and Secondary Education (DESE)** assume section 210.253 requires each licensed childcare provider to receive a placard with a QR code that links to the facility inspections.

Licensing is currently not part of the Child Care Data System (CCDS). Therefore, the Office of Childhood (OOC) would use Canva to create QR codes for licensed childcare providers that link to their inspection reports currently available through DESE website. The office currently uses Canva for many other tasks and pays \$150.00 per year for licensing. There is no limit on the number of QR codes that can be created through Canva.

Moving forward to CCDS, when licensing becomes part of CCDS, they would ensure that being able to generate a QR code is part of the requirements when issuing a contract to build the licensing phase.

Placard is not defined in the language and so DESE OOC assumed the cost would be similar to other print projects. Printing a placard for each licensed facility could generate a cost of approximately eight to ten cents per page. There are currently 2,339 licensed facilities. At .08-.10 per page, the total cost would be \$187.00-\$234 annually assuming new placards would be printed after inspections and for lost/damaged placards.

Oversight assumes DESE is provided with core funding to handle a certain amount of activity each year. Oversight assumes DESE could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DESE could request funding through the appropriation process. Oversight assumes the proposal will have no fiscal impact on their organization.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education



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March 17, 2025



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March 17, 2025