

**HF1665 - 0 - "Ombudsperson Child Care Providers Created"**

Chief Author: **Lisa Demuth**  
 Committee: **Early Childhood Finance & Policy Subcommittee**  
 Date Completed: **03/06/2019**  
 Agency: **Human Services Dept**

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) Dollars in Thousands	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
<b>General Fund</b>	-	78	82	82	82
<b>Total</b>	-	78	82	82	82
<b>Biennial Total</b>			160		164

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	1	1	1	1
<b>Total</b>	-	1	1	1	1

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Travis Bunch      Date: 3/6/2019 9:24:55 AM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
<b>Dollars in Thousands</b>		<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
General Fund	-	78	82	82	82	82
<b>Total</b>		<b>-</b>	<b>78</b>	<b>82</b>	<b>82</b>	<b>82</b>
<b>Biennial Total</b>				<b>160</b>		<b>164</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	78	82	82	82	82
<b>Total</b>		<b>-</b>	<b>78</b>	<b>82</b>	<b>82</b>	<b>82</b>
<b>Biennial Total</b>				<b>160</b>		<b>164</b>
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>				<b>-</b>		<b>-</b>

**Bill Description**

This bill 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.

**Expenditure and/or Revenue Formula**

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2020	FY2021	FY2022	FY2023
GF	11	Child Care Providers Ombudsperson	114	120	120	120
GF	REV1	FFP @ 32% FFP	(36)	(38)	(38)	(38)
		<b>Total Net Fiscal Impact</b>	<b>78</b>	<b>82</b>	<b>82</b>	<b>82</b>
		<b>Full Time Equivalents</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

**Long-Term Fiscal Considerations**

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

**Local Fiscal Impact**

**References/Sources**

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