



APS 2026

Faces <sup>of</sup> the Future

# HB22-1295: Department of Early Childhood and the new Universal Pre-K Program

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# HB22-1295: Department of Early Childhood in a Nutshell

HB1295 creates the new Department of Early Childhood to oversee the new Universal Pre-K Program. A short summary of the mechanics:

- CPP funding would move out of CDE/Total Program into the new DEC office, along with new tobacco revenues established by Prop EE
- DEC would be a new one stop shop for all things ECE – and not just inheriting functions of the current CPP program, but also functions currently managed by Department of Human Services including licensing approvals
- DEC would have a cabinet-level executive director who reports directly to the Governor
- The ED would appoint a 14 member advisory counsel to provide advice as it works to set rates and promulgate rules established by HB1295
- Instead of establishing a large bureaucratic office, the DEC would establish Local Coordinating Organizations (one LCO for all communities) who would work with local school districts and a portfolio of other private or non-profit ECE providers.
- LCOs would oversee both funding as well as licensing and other management duties (currently no appropriation for this)
- A large amount of the operational functions for DEC – including rate setting for future per pupil funding, classroom ratios, and other guidance – will be promulgated through the rules process after the ED is hired

# HB22-1295: Department of Early Childhood in a Nutshell

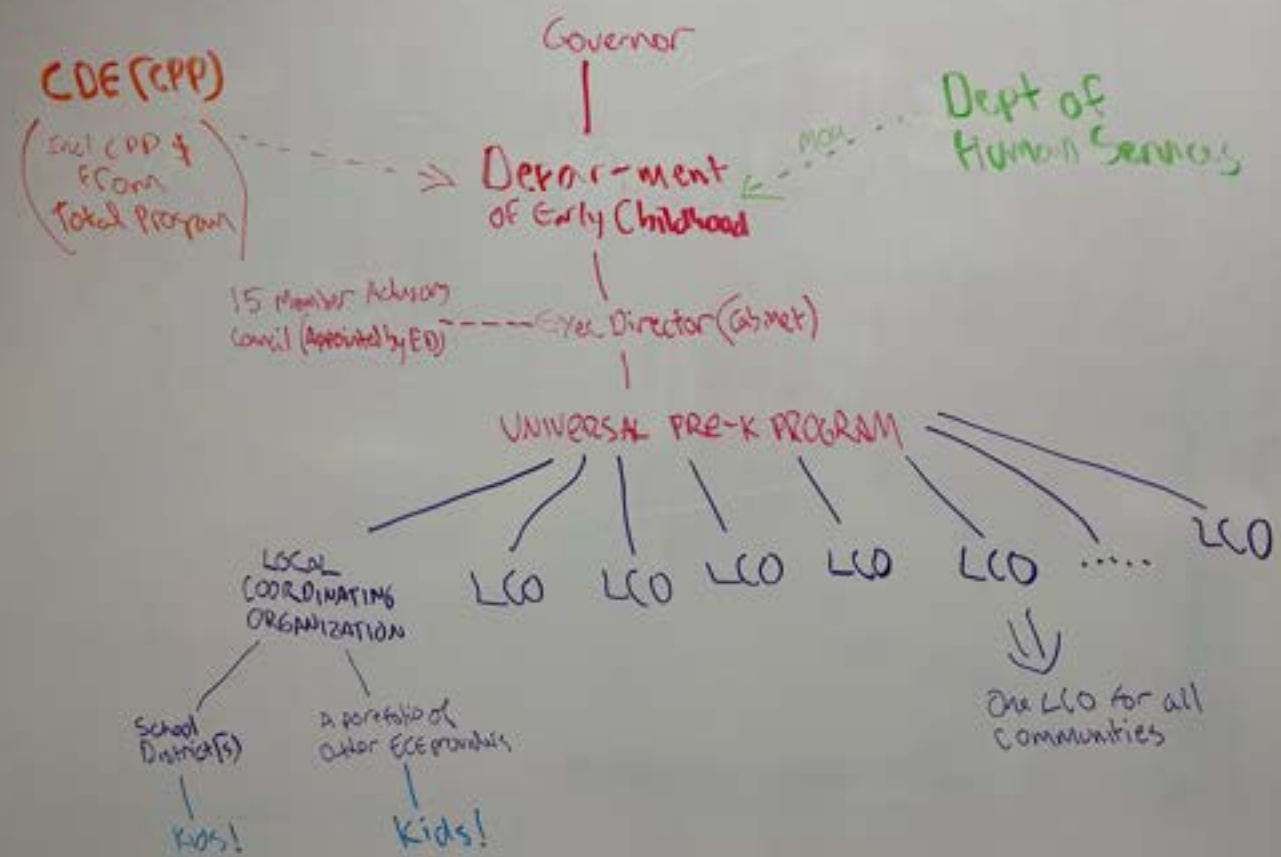
## FUNDING:

- CPP From Total Program
- Prop EE Tobacco Taxes
- Other sources as identified

## UNIVERSAL PRE-K

### MEANS:

Every child qualifies for at minimum 10 hours/week univ pre-k



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## Biggest concerns about original bill language:

- An assumption that when CPP was transferred to the new DEC, we could continue to pay the same proportionate local share →
- Additionally, a reduction of total program due to CPP leaving total program would have a negative effect on the 25%/30% MLO caps →
- Funding uncertainty: Given there are no projected rates, there was a concern about our funding position starting in July 2023 →
- LCO management: What if a multi-county school district answered to multiple LCO's? →

## Amendments that addressed these concerns:

- Language related to local share for school districts under DEC was completely struck out of the bill
- New MLO cap calculation includes 1) total program funding, and 2) UPK funding including both CPP lifted from total program AND tobacco revenues
- In 2023-24, the funding floor will be based on a school district's CPP funding
- Amended language to reflect that no school district will be forced to report to multiple LCOs (unless it wants to)

## HB22-1295: Next Steps

Now that HB22-1295 is passed, our work transitions to rules promulgation activities:

- Rates, regulations and overall processes will be largely decided through rules promulgation
- The new DEC Executive Director will have a ton of authority to set rates and rules
- While the ED is required to receive advice from an advisory board, those members are appointed by the ED
- A ton of inputs have not been established that will determine our actual future funding position

# Thank You!

