EXHIBIT 2 Additional
DATE 2/19/09
HB 2

Child Care: DP 20002 Page B-58 + the Governor's 12/15/08 Budget to Reduce the Market Rate

Original DP

Child Care Discretionary Present Law Request

	Federal Poverty Level	~~Market Rate at 75th percentile~~	Case Growth Funds	Total
FY 2010	$236,253	~~$280,925~~	$432,144	$949,322
FY 2011	479,482	~~855,745~~	896,003	2,231,230
Total	$715,735	~~$1,136,670~~	$1,328,147	$3,180,552

Changes to

	Federal Poverty Level	Case Growth Funds	Total
FY 2010	$236,253	$432,144	$668,397
FY 2011	479,482	896,003	1,375,485
Total	$715,735	$1,328,147	$2,043,882

DP 20020 eliminates the provider support and results in a $2 million cost to the general fund.

LFD staff suggestion: The caseload growth can be funded with stimulus dollars.

The Child Care Bureau supports this suggestion.

Child Care Discretionary Present Law Request

	Federal Poverty Level	Market Rate at 75th percentile	~~Case Growth Funds~~	Total
FY 2010	$236,253	$280,925	~~$432,144~~	$949,322
FY 2011	479,482	855,745	~~896,003~~	2,231,230
Total	$715,735	$1,136,670	~~$1,328,147~~	$3,180,552

Changes to

	Federal Poverty Level	Market Rate at 75th percentile	Total
FY 2010	$236,253	$280,925	$517,178
FY 2011	479,482	855,745	1,335,227
Total	$715,735	$1,136,670	$1,852,405

Frees up general fund of $191,477

This change gets the provider portion in the base and results in a $1.8 million cost to the general fund.
The caseload still gets funded via the stimulus package.

If the legislature uses this option, the LFD staff write-up would note that the present law request for the 2013 biennium would contain the annualization for the FY 2010 caseload funded by the stimulus dollars outside HB 2 and did not get in the base.

Note: If the parents are not working, the growth in child care may not be as high as projected.