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NOTICE OF PROPOSED RULE ADOPTION

STATE OF MISSISSIPPI
MS State Department of Health

MS State Department of Health
c/o Vickey Maddox
P.O. Box 1700
Jackson, MS 39215-1700

601-364-1100
Telephone Number

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Email Address

Specific Legal Authority Authorizing the promulgation of Rule: §43-20-8(1) (a)

Reference to Rules repealed, amended or suspended by the Proposed Rule: ***Regulations Governing Licensure of Child Care Facilities***

Explanation of the Purpose of the Proposed Rule and the reason(s) for proposing the rule:

The amendment increases the fees charged for a child care facility application, license, and license renewal. The proposed rule amends Section 101.04 License Fee of the ***Regulations Governing Licensure of Child Care Facilities***.

This rule is proposed as a X Final Rule, and/or a ☐ Temporary Rule (Check one or both boxers as applicable.)

Persons may present their views on the proposed rule by addressing written comments to the agency at the above address. Persons making comments should include their name and address, as well as other contact information, and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

Oral Proceeding (Check one box below):

X An oral proceeding is scheduled on this rule on Date: September 5, 2008 at Time: 10:30 a.m., at Location: 143B LeFleur's Square, Jackson, MS.

If you wish to be heard and present evidence at the oral proceeding, you must make a written request to the agency at the above address at least five (5) days prior to the proceeding to be placed on the agenda. The request should include your name, address, telephone number as well as other contact information; and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

☐ An oral proceeding is not scheduled on this rule. Where an oral proceeding is not scheduled, an oral proceeding will be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address and telephone number of the person(s) making the request; and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

Economic Impact Statement (Check one box below):

☐ The agency has determined that an economic impact statement is not required for this rule, or
X The concise summary of the economic impact statement required is attached.

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.

Date Rule Proposed: 8 October 2008

Proposed Effective Date of Rule: 01 February 2009

Vickey Maddox, Office Director
Printed Name/Title of Person Submitting Rule for Filing

Vickey Maddox
Signature

MISSISSIPPI STATE DEPARTMENT OF HEALTH

August 4, 2008

ECONOMIC IMPACT STATEMENT
Mississippi State Department of Health
Child Care Facilities Licensure Division

During its regular session of 2008, SB2451 was passed by the Mississippi Legislature and signed into law by Governor Haley Barbour authorizing the Mississippi State Department of Health (MSDH) to increase Child Care Facility License fees not to exceed four hundred dollars ($400.00). This economic impact statement is being filed to meet the requirements of MSCA § 25-42-13.105. The economic impact statement includes the following:

1. A description of the need for and the benefits, which will likely accrue as the result of the proposed action

   It is projected that in FY2010 the budget in the Child Care Facilities Licensure Division will experience a shortfall of approximately $168,000. The revenue generated from the increased licensure fees is projected to provide an additional $100,000 in revenue after the first full year of implementation. The additional revenue generated will ameliorate the expected shortfall in the budget.

2. An estimate of the cost to the agency, and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues

   The will not be an increase in paperwork associated with the fee increase. In addition, there is no expected cost to the agency or other state or local government associated with implementing the fee increases because these entities are exempted from paying licensing fees.

3. An estimate of the cost or economic benefit to all persons directly affected by the proposed action

   Based on a progressive license fee schedule based on the licensed capacity of each child care facility licensed operators can expect to have their annual license fee increased in the range of $25 to $200 per year. The fee increase will allow the MSDH to retain staff that inspect licensed facilities, investigate complaints, and provide training and technical assistance to providers.

4. An analysis of the impact of the proposed rule on small business

   The increase in fees will have a minimum impact on small operators. Example, for a small provider licensed for 12 children the increase in operational cost will be approximately $0.48 a week for a total of $25.00 a year. For a medium-large sized facility licensed for 100 children, the cost will be approximately $2.21 per week for a total of $115.00 a year.

5. A comparison of the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule

In FY2010 the MSDH could be faced with having to enact a RIF related to the staff employed in the child care licensure unit. The resulting reduction in staff would seriously impair the Division for meeting its fiduciary responsibilities of regulating child care facilities as mandated under § 43-21-1 et seq.

6. A determination of whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law

It has been determined that a direct appropriation by the Mississippi Legislature that would cover the expenses of operating the child care facility licensure program would eliminate the need for a fee increase. NOTE: Since Mississippi Legislature first required the licensing of child care facilities in 1972 the Legislature has never appropriated any funds to cover the cost of administering the licensure program.

7. A description of reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency and a statement of reasons for rejecting those alternatives in favor of the proposed rule

The MSDH in 2008 requested the Mississippi Legislature to fund fully the child care licensing program. However, the Legislature failed to do so. There are no other reasonable alternative methods to lessen the projected FY2010 budget shortfall.

8. A detailed statement of the data and methodology used in making estimates required by this subsection

The projected income from the proposed fee increase was generated by multiplying the number of currently licensed facilities in each of six (6) facility size categories by the proposed fee amount. Then the amount that is currently generated from fees was subtracted from the projected total. The resulting amount is what is projected to the net increase from the fee increase. The exact amounts used are as follows:

Licensed Capacity	Number of Facilities	Proposed Fee	Est. Projected Income
12 or fewer	49	$ 75.00	$ 3,675
13-30	339	150.00	50,850
31-50	401	200.00	80,200
51-100	559	300.00	167,700
100-150	222	350.00	77,000
151 or greater	180	400.00	72,000
Total	1,750		$451,425

Projected total	=	$451,425.00
Approx. fees currently collected	=	(351,425.00)
Net projected increase	=	**$100,000.00**