

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** HB1216

House of Origin	<input type="checkbox"/>	Introduced	<input checked="" type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Engrossed
Second House	<input checked="" type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. **Patron:** McClure

3. **Committee:** Finance and Appropriations

4. **Title:** Employee Child Care Assistance Pilot Program; established.

5. **Summary:** Establishes the Employee Child Care Assistance Pilot Program to provide matching funds to employers in order to incentivize employers to contribute to the child care costs of their employees. The bill states that the Pilot Program shall be administered by the Virginia Early Childhood Foundation, which shall establish guidelines and procedures for the program. To participate in the program, an employer is required to agree to make child care contributions to the eligible mixed-delivery provider, defined in the bill, on behalf of the employee. The bill provides that, to the extent that funds are available, the Foundation shall issue a state match directly to an eligible mixed delivery provider or a third-party administrator at an amount set forth in the appropriation act. The bill provides that funds shall be provided on a first-come, first-served basis and that the Foundation is encouraged to prioritize the award of funds to small businesses. The bill also provides that the foundation may combine or incorporate the Pilot Program into any other program or initiative related to the Mixed Delivery Program. Finally, the bill requires the Foundation to report to the General Assembly by July 1, 2026, on the effectiveness and impact of the Pilot Program.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Preliminary, see item 8.

8. **Fiscal Implications:** The additional state cost for the Employee Child Care Assistance Pilot Program cannot be determined, as any cost is dependent on the amount of funding appropriated by the General Assembly for such grants.

9. **Specific Agency or Political Subdivisions Affected:** Department of Education

10. **Technical Amendment Necessary:** No

11. **Other Comments:** None