

HOUSE BILL ANALYSIS

HB 1922

Title: *An act relating to tax credits for employer-provided child care benefits; adding a new section to chapter 82.04 RCW; and creating a new section.*

Brief Description: *Allowing tax credits for employer-provided child care.*

Sponsors: *Representatives Eickmeyer, Tokuda, D. Sommers, Dickerson, Rockefeller, Stensen, Wolfe, Lovick, Conway, Ogden, Lantz, McIntire, Santos, Kenney, Kessler, Edmonds and Morris.*

HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

Meeting Date: *February 22, 1999.*

Bill Analysis Prepared by: *Dave Knutson (786-7146).*

Background: High quality child care services are not readily available for working parents. Employers that attempt to support high quality child care for their employees do not currently receive a tax credit for this purpose.

Summary of Bill: Small businesses operating in distressed areas are eligible to receive a tax credit equal to one hundred percent of the state-approved, employer provided child care benefit to the employee. The total value of the credit for all small businesses cannot exceed two million dollars per biennium. The Department of Social and Health Services must provide prior approval of the proposed child care credit.

Appropriation: None.

Fiscal Note: None.

Effective Date: *Ninety days after adjournment of session in which bill is passed.*