

HOUSE BILL REPORT

HB 2448

As Reported by House Committee On:
Early Learning & Human Services
Ways & Means

Title: An act relating to improving access to high-quality early learning programs.

Brief Description: Creating the high-quality early learning act.

Sponsors: Representatives Goodman, Walsh, Maxwell, Dammeier, Kagi, Hope, Haigh, Santos, Roberts, Sullivan, Orwall, Dahlquist, Pollet, Jinkins, Lytton, Haler, Dickerson, Moscoso, Appleton, Seaquist, Springer, Kelley, Billig, Ormsby and Kenney.

Brief History:

Committee Activity:

Early Learning & Human Services: 1/20/12, 1/23/12, 1/27/12, 1/31/12 [DPS];
Ways & Means: 2/4/12, 2/7/12 [DP2S(w/o sub ELHS)].

Brief Summary of Second Substitute Bill

- Phases in a new comprehensive early learning program for all 3- and 4- year-old children called the Washington Preschool Program.
- Directs the Quality Education Council, with assistance from the Department of Early Learning, to develop and recommend a funding formula to the Legislature.
- Specifies implementation beyond the 2017-18 school year must be authorized in statute.
- Directs the Washington State Institute for Public Policy to conduct an outcomes evaluation of the Washington Preschool Program, due December 1, 2017, and annually thereafter.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hope, Assistant Ranking Minority Member; Dickerson, Goodman and Orwall.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Minority Report: Do not pass. Signed by 2 members: Representatives Johnson and Overstreet.

Staff: Megan Palchak (786-7120).

Background:

Organizational Roles.

The Department of Early Learning (DEL) was established in 2006 as an executive level agency to implement early learning policy and to coordinate, consolidate, and integrate child care and early learning programs in order to administer programs and funds efficiently. In 2007 the Legislature established the Early Learning Advisory Council (ELAC) to provide advice to the DEL on statewide early learning needs and to develop a statewide early learning plan. The Quality Education Council (QEC) was created in 2009 to recommend and inform the ongoing legislative implementation of a program of basic education and necessary financing.

Early Childhood Education and Assistance Program.

The Legislature established the Early Childhood Education and Assistance Program (ECEAP) in 1985. The ECEAP is a comprehensive preschool program that provides free services and support to 3- and 4-year-old children and families whose income is under 110 percent of the federal poverty level. The ECEAP includes early learning preschool, family support, and child health coordination and nutrition.

Voluntary Preschool Program.

In 2010 the Legislature passed Second Substitute House Bill 2731 which established an early learning program for low-income and at-risk children ages 3 and 4. It required the use of the ECEAP as a starting point in 2011-12 and 2012, in terms of the number of funded slots and program standards. This legislation called for the phased implementation of an expanded program as follows:

- additional funding beginning in 2013-14, beginning in school districts providing state-funded full-day kindergarten;
- incremental increases in funding each year with full statewide implementation achieved in 2018-19;
- at full statewide implementation, any eligible child would be entitled to enroll; and
- the DEL must adopt rules for program standards as appropriate and necessary during the phased implementation of the program.

An eligible child is defined as:

- one whose family's income is at or below 110 percent of the federal poverty level;
- one whose family is eligible for public assistance;
- a child eligible for preschool special education;
- an "at-risk" child as defined by the DEL. Under the DEL rules, these are children who are in foster care, homeless, living in a home with domestic violence or substance abuse, or have a developmental delay that does not qualify for special education.

Early Learning Technical Work Group.

In 2010 the Legislature passed Senate Bill 6759, which created a technical work group to develop a comprehensive plan for a voluntary program of early learning. The work group was convened by the Office of the Superintendent of Public Instruction (OSPI) and the DEL, but was monitored and overseen by the QEC. The work group was to report its progress to the ELAC and the QEC by July 1, 2011, and the final report and plan was due to the Legislature on November 1, 2011. The work group was required to review early learning programs in Washington and elsewhere and develop a plan to include specific items, such as eligibility criteria, program standards, performance measures, governance responsibilities for the DEL and the OSPI, funding necessary to implement a voluntary program, an implementation timeline, and the role of the ECEAP. The ELAC was required to appoint two members, as well as stakeholders with expertise in early learning to sit on the technical work group. The QEC was required to submit a report to the Legislature by January 1, 2012, with recommendations for a comprehensive plan for a voluntary program of early learning. Before submitting the report, the QEC was required to seek input from the ELAC.

In November 2011, the technical work group submitted its final report with recommendations for a comprehensive preschool program. The ELAC then convened to review the work group's recommendations. On December 19, 2011, the QEC discussed the recommendations and heard public comments including input provided by the ELAC. The QEC approved the recommendations with an amendment to the program component regarding degree requirements for the providers. (The ELAC and the QEC reported favoring phasing in the bachelors degree requirement for lead teachers.)

Summary of Substitute Bill:

This act replaces the current voluntary preschool program with a new program called the Washington Preschool Program, which must be phased in. Upon full implementation the program must be available to all 3- and 4-year-old children.

The Legislature expresses its intent to concurrently phase in high-quality preschool readiness programs (targeted birth to age 3 programs and high-quality child care programs), and establishes a subcommittee under the ELAC to develop and report a preschool readiness implementation plan. The subcommittee must report its initial recommendations to the Legislature by December 2012, and its final recommendations in December 2013. The subcommittee must report to the relevant legislative committees annually.

Program components of the Washington Preschool Program include:

- all 3- and 4-year-old children are eligible, but until implementation is complete, the DEL must implement guidelines for prioritizing eligible children;
- families with incomes above 250 percent of the federal poverty level are required to pay a co-pay (amount set by the DEL);
- providers are allowed, but not required, to expend funds on transporting children;
- a minimum of 450 classroom hours must be provided;
- lead teachers must eventually hold a bachelor's degree or equivalent competencies;
- class size is limited to 20 children per class;
- the teacher to child ratio must be 1:10;

- child health coordination services are provided; and
- program performance standards or rules for the new program must be adopted by the DEL.

The DEL must:

- oversee selection panels, with diverse representation (as specified) for approving and contracting with providers. Note: public and private early learning providers may apply so long as the program is free from religious instruction, activities or symbolism, control, or influence. Existing organizations that receive funding through the ECEAP are eligible and encouraged to apply for contracts under the new program;
- award contracts beginning in elementary school enrollment areas providing all-day kindergarten and where there is lower than average access to Head Start or the ECEAP;
- monitor classroom quality;
- require the administration of an assessment aligned with the kindergarten inventory;
- provide information regarding program and child outcome data to the Education and Data Research Center;
- submit an annual report to the Governor, the OSPI, and the Legislature that provides program information. The first report is due December 2015 and annually thereafter; and
- adopt rules.

Funding is no longer allocated to the preschool program based on the number of eligible children. Instead, the DEL must develop a formula to recommend to the Legislature that allocates funds to program providers. This act states that it is the intent of the Legislature that additional enrollment slots will be funded for the new program and that existing ECEAP enrollment slots will be transferred to the new program over time. The Legislature is required to appropriate funding to the DEL for the ECEAP for the 2011-12, 2012-13, and 2013-14 school years at an amount sufficient to fund an equivalent number of slots as funded in the 2009-11 enacted budget. Additional funding must be phased-in beginning with the 2014-15 school year. Funding for this program must not supplant or divert funding from subsidized child care programs.

This act is referred to as the High Quality Early Learning Act of 2012.

Substitute Bill Compared to Original Bill:

The substitute bill clarifies that teachers may demonstrate equivalent competencies with regard to degree requirements. The subcommittee under the ELAC must recommend a schedule to phase in degree and equivalent competency requirements for lead and assistant teachers. The subcommittee must report its initial recommendations to the ELAC and the Legislature by December 2012 and final recommendations in 2013. The subcommittee must consult and collaborate with other specified entities to determine the capacity and availability of various educational and professional development components. It also must establish criteria and processes to demonstrate a variety of required qualifications/competencies.

The DEL's administrative duties are changed with regard to approving and contracting with providers; the DEL must oversee contract selection panels that will include specified

representatives. The substitute bill states that funding for the Washington Preschool Program must not supplant or divert funding for subsidized child care programs. Encouragement for existing organizations that receive funding through the ECEAP to apply for a contract under the Washington Preschool Program is removed. Rather, the DEL must encourage and support the inclusion of family home child care and child care centers in the delivery of high-quality preschool programs. The substitute bill clarifies that the DEL must provide technical assistance to providers who wish to offer preschool.

The following program components are modified to:

- change class size from a maximum of 18 children to a maximum of 20 children per class; and
- change the teacher to child ratio from 1:9 to 1:10.

Intent language is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The provisions in this bill are the result of intensive research and work by the technical work group and others. The Perry Preschool Study overwhelmingly demonstrates that children who engage in quality preschool programs are more likely to be successful later in life than children who do not have access. Children who attend preschool have better K-12 experiences and engage in crime less than their non-preschool-attending peers. There is strong evidence that investing in early learning reduces downstream costs in terms of education redundancies, crime, etc. The preschool readiness piece in this bill recognizes the positive impact that we can have on early brain development and positive outcomes later in life. Investing in early learning yields returns for individuals, the economy, and society. Studies regarding preschool in other jurisdictions have found that preschool has yielded a return on investment within a year. Savings can be realized nearly immediately, and definitely in the long-term. Performance metrics support accountability. Investing in this program should not detract from subsidized child care programs such as Working Connections Child Care.

The investment required is sensitive to economic realities; the program is phased in. Investing in early learning will help children prepare for K-12, and thus will help the state fulfill its duties under the McLeary lawsuit.

Very low-income and high-income families have access to child care or preschool, but the majority of middle-income families struggle to obtain it; under this program all children and families will have access to preschool. This new program uses the ECEAP as a base. It

increases standards and access to quality early learning. It uses a mixed delivery system and is voluntary. The preschool program proposed in this legislation may be the highest quality program in the nation. It is not a welfare program; it is a wise public investment that will promote economic development.

This program provides a wide variety of providers, within constitutional limits, with an opportunity to contract with the state.

The bill could be strengthened by addressing cultural competence, curriculum, and expanding access. There appears to be confusion between the ECEAP and Working Connections Child Care, and that will need to be sorted out in order to move forward.

(In support with concerns) If the program moves forward as designed by the work group, then it should be supported. Schools that have preschools attached to them are fearful about state involvement. The diversity of programs is important; if faith-based schools are left out, this bill will be a tough sell. More slots should be available.

(With concerns) Child care providers are under extreme duress due to the economic downturn; many have moved to providing care 24 hours a day, seven days a week. The bachelor's degree requirement is an insurmountable hurdle. Also, if preschool-age children are pulled out of small child care centers or homes, it is unclear how these small businesses will survive. This program should not deplete funds for the subsidy system. Family home child care must have a clear path into this system. It is imperative to compensate child care providers to retain them.

(Opposed) Children and cultures differ; this proposed preschool program seeks to homogenize society. Children are not widgets and should not be subjected to performance metrics. They do not fit into a business-like cost-benefit analysis. Some providers are concerned about a curriculum that is overly prescriptive and does not account for individual or community differences, or the variety of forms that education can take.

Also, culturally competent family and center-based providers would be disadvantaged by this bill. These small businesses are already struggling to stay afloat. Taking 3- and 4-year-olds out of their care may force some of these businesses to collapse. This bill does not address the persistent provider compensation problems.

There is a great deal of fear among family home day care providers about the negative impacts to their businesses and community. There is distrust about the state's intentions; many small providers have had negative experiences with the DEL and the way that it administers its programs. Many small providers are involved with the Working Connections Child Care program and have experienced problems with children leaving care, and with paper work issues. Both families and providers are treated poorly through that program; there is fear that another large state-based program will have similar negative effects. Also, while this bill is not about DEL licensing and regulation, it does provide the DEL with a great deal of power. The DEL abuses its authority or applies it ineffectively. Small providers in some communities refrain from voicing their concerns because they are afraid of retaliation by the DEL.

This new program calls for higher standards (such as staffing ratios, and the bachelor's degree requirement), which costs more for providers, when the ECEAP standards are already yielding results. Higher standards are unnecessary and harmful to business. Degrees do not mean that a provider is equipped to support a child's social and emotional needs well.

The Perry study, which is often cited, was not peer-reviewed or replicated. It also indicated neutral and/or negative results. This bill promises to spend money that the state does not have. This new program restricts providers' rights to religious expression. The religious and faith-based community should not be left out.

Persons Testifying: (In support) Representative Goodman, prime sponsor; Laura Wells, Fight Crime: Invest in Kids; Sheriff John Snaza, Thurston County Sheriff's Office; Frank Ordway and Timmie Foster, League of Education Voters; Joel Ryan, Washington State Association of Head Start and the Early Childhood Education and Assistance Program; Jen Estroff, Children's Alliance; Steve Leahy and Mike Edwards, America's Edge; Melanie Smith, United Ways of Washington; Nancy Liedtke, Aberdeen School District Early Childhood Education and Assistance Program; Sonja Lennox; John Bancroft, Puget Sound Educational Service District; Amy Blonden, Department of Early Learning; David McCormick; Erika Lopez; Bob Butts, Office of the Superintendent of Public Instruction; Ramona Hattendorf, Washington State Parent Teacher Association; John Naegele, Children's Home Society of Washington; and Leslie Dozono, Early Learning Action Alliance.

(In support with concerns) Suzie Hanson, Washington Federation of Independent Schools.

(With concerns) Karen Hart, Service Employees International Union 925.

(Opposed) Sharon Hanek; Perry and Linda Langston, Kids Country Day Care; Tom Emery and Kim Pressel, National Child Care Association; Emily Benn; Alliyah Jiminez; Cathy Raye Hyland; Deborah Moheit; Nancy Johnson; Michelle Lowell; Tim Benn; Bob Apple; Ellen Field, Woodinville Children's Center; Yolanda Call, Day Care Association; and Gib Kocherhans.

Persons Signed In To Testify But Not Testifying: Kathryn McCleary; Wendy Birnbrum; and Joyce Fiess, Citizens United for Responsible Education.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Early Learning & Human Services. Signed by 17 members: Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Dammeier, Assistant Ranking Minority Member; Carlyle, Cody, Dickerson, Haigh, Hudgins, Hunt, Kagi, Kenney, Ormsby, Pettigrew, Seaquist, Springer and Sullivan.

Minority Report: Do not pass. Signed by 10 members: Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Chandler, Haler, Hinkle, Parker, Ross, Schmick and Wilcox.

Staff: Wendy Polzin (786-7137).

Summary of Recommendation of Committee On Ways & Means Compared to Recommendation of Committee On Early Learning & Human Services:

The Ways and Means Committee recommended:

- clarifying intent to concurrently phase in targeted birth-to-age 3 programs with the intent to concurrently phase in strategies to strengthen birth-to-age 3 early learning as a component of the implementation of a new Washington Preschool Program;
- changing the Early Learning Advisory Council preschool readiness subcommittee duties related to developing and reporting a preschool readiness proposal;
- changing the maximum class size to 18 children;
- changing the teacher to child ratio to one-to-nine;
- directing the Department of Early Learning (DEL) to recommend to the Legislature copayment rates for families above 250 percent of the Federal Poverty Level, and that the Legislature will establish copayment rates in the omnibus appropriations act;
- directing the Quality Education Council, with assistance from the DEL, to develop a funding formula to be recommended to the Legislature;
- phasing in incremental funding through the 2017-18 school year, but any further implementation of the program must be authorized by the Legislature for the 2018-19 school year and beyond;
- directing the Washington State Institute for Public Policy (WSIPP) to conduct an outcomes evaluation of the Washington Preschool Program due December 1, 2017, and to provide an update annually thereafter; and
- directing the DEL to post a link on its website to the WSIPP report.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The state has high quality child care programs now, but needs to increase investment and access to these programs. The Legislature can work on improving this legislation over time. Kids in Washington deserve this legislation. The Supreme Court makes it clear that an opportunity must be provided for students to meet state standards. The best place to make an investment is in the early grades, or pre-kindergarten. The preschool program will reduce the number of referrals into special education and the learning assistance program, and likely reduce time spent in transitional/bilingual classes. The most conservative studies have a three-to-one ratio of savings. This will help children fit in better in kindergarten so all children are starting from the same point and have the same skills. This bill is the next step for Washington's children to ensure access to high quality early learning. The state's police chiefs and sheriffs support this legislation. High quality early learning reduces costs later in a child's life. This builds on the Early Childhood Education and Assistance Program (ECEAP), and brain research being done at the University of

Washington. This is the best strategy to close the achievement gap. Districts that have implemented high quality preschool have shown savings over time. Spending millions in remediation is not working. This legislation costs nothing in the current biennium. In Washington, a special education student costs twice as much as a regular student. The legislation is phased in over time and will provide short and long term benefits. The ECEAP is a strong program that provides a caring environment and a strong foundation for kindergarten. All children have the right to quality education. Parents should be able to choose a high quality preschool, but the costs are too high for many parents. This investment has the power to change lives. This legislation is an investment in the state's future. The Governor's office reports that about 4,000 students in grades 1 and 2 had to repeat a grade. Nationally, and in Washington, these programs are supported by the Parent Teacher Association. It is important to engage families early in the early years to establish student success. Access to pre-kindergarten is a priority. The fiscal note shows costs, but does not show savings over time to numerous other areas of the budget. Studies of kids with high quality pre-kindergarten indicate that they are more likely to be college graduates and have better lives overall. The benefits gained in pre-kindergarten will carry over to the K-12 system. The Department of Early Learning (DEL) is building a preschool-through-college longitudinal data system that will allow the DEL and others to track children over time. The DEL has concerns about the ratio of students to teachers that was adopted by the policy committee. This amendment makes the program less robust than current ECEAP standards.

(Opposed) None.

Persons Testifying: Representative Goodman, prime sponsor; Amy Blondin, Department of Early Learning; Robert Butts, Office of Superintendent of Public Instruction; Loni Todd, Service Employees International Union 925; Laura Wells, Fight Crime: Invest in Kids; Frank Ordway, League of Education Voters; Joel Ryan, Washington State Association of Headstart and Early Childhood Education and Assistance Program; Leslie Horn; Nicole Erickson; Steve Leahy, America's Edge; and Ramona Hattendorf, Washington State Parent Teacher Association.

Persons Signed In To Testify But Not Testifying: None.