

HOUSE BILL REPORT

HB 2367

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

Title: An act relating to establishing a child care collaborative task force.

Brief Description: Establishing a child care collaborative task force.

Sponsors: Representatives Reeves, Slatter, Tharinger, Robinson, Kagi, Dolan, Kilduff, Chapman, Doglio, Riccelli and Stonier.

Brief History:

Committee Activity:

Early Learning & Human Services: 1/9/18, 1/17/18 [DPS];
Appropriations: 2/1/18, 2/6/18 [DPS(ELHS)].

Brief Summary of Substitute Bill

- Establishes a child care collaborative task force administered by the Department of Commerce.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Kagi, Chair; Senn, Vice Chair; Dent, Ranking Minority Member; McCaslin, Assistant Ranking Minority Member; Frame, Goodman, Griffey, Kilduff, Klippert, Lovick, Muri and Ortiz-Self.

Minority Report: Without recommendation. Signed by 1 member: Representative Eslick.

Staff: Dawn Eychaner (786-7135).

Background:

The Department of Commerce (COM) administers a variety of programs designed to enhance community and economic development. For example, the COM administers the Early Learning Facilities Revolving Account and is authorized to make grants and loans to school

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.

districts and other eligible organizations for early learning facilities. In addition, the COM provides staff support to a number of boards and councils including the Affordable Housing Advisory Board, the Public Works Board, and the Achieving a Better Life Experience Board.

Infant at Work Programs

Some workplaces have implemented programs that allow employees to bring infants to the workplace under certain conditions. For example, the Department of Health (DOH) implemented an Infant at Work Program in 2015. Upon approval by the DOH, an employee who is a new mother, father, or legal guardian may bring his or her infant between the ages of six weeks and six months to the work place. The employee must take the infant home if the infant is sick, disruptive for a prolonged period of time, causes a distraction in the workplace, or prevents the parent from accomplishing work.

Summary of Substitute Bill:

The Department of Commerce (COM) must convene, facilitate, and staff a Child Care Collaborative Task Force (CCTF) to examine the effects of child care affordability and accessibility on the workforce and on businesses. The first meeting of the CCTF must occur by September 1, 2018. The CCTF expires on December 30, 2019.

The CCTF must develop policies and recommendations to incentivize employer-supported child care and improve child care access and affordability for employees. Employer-supported child care is defined as a licensed child care center operated at or near the workplace by an employer for the benefit of employees or financial assistance provided by an employer for an employee's licensed child care expenses.

The CCTF must report recommendations to the Governor and the Legislature by November 1, 2019. The report must include findings related to:

- options for the state to incentivize the provision of employer-supported and back-up child care by public and private employers;
- opportunities for streamlining permitting and licensing requirements for the development and construction of child care facilities;
- potential tax incentives for private businesses providing employer-supported child care;
- a model policy for the establishment of a "Bring Your Infant to Work" program for public and private sector employees; and
- policy recommendations that address racial, ethnic, and geographic disparity and disproportionality in service delivery and accessibility for families.

Membership.

The CCTF consists of the following 12 voting members appointed by the Governor:

- five representatives of private business;
- one representative from a union representing child care providers;
- one representative from the statewide child care resource and referral network;
- one representative of an organization representing the interests of licensed day care centers;

- one representative of a statewide nonprofit organization comprised of senior executives of major private sector employers;
- one representative of a nongovernmental private-public partnership supporting home visiting service delivery;
- one representative of a federally recognized tribe; and
- one representative from an association representing business interests.

In addition, the one representative of each of the following agencies must serve as a non-voting member of the CCTF and provide data and information upon request:

- COM;
- Department of Children, Youth, and Families;
- Employment Security Department;
- Department of Revenue;
- Department of Social and Health Services; and
- Office of the Governor.

Additional non-voting members of the CCTF include two members of the Senate, two members of the House of Representatives, and the following Governor-appointed members:

- three representatives from the child care industry. At least one of the child care industry representatives must be a provider from a rural community. The three representatives must include: One licensed child day care center provider; one licensed family day care provider; and one representative of family, friend, and neighbor child care providers;
- two representatives of economic development organizations; one located east of the crest of the Cascade mountains, and one located west of the crest of the Cascade mountains;
- four representatives of advocacy organizations representing parents, early learning, foster care youth, and expanded learning opportunity interests;
- one representative from an association representing statewide transit interests;
- one representative of an institution of higher education; and
- one representative of a nonprofit organization providing training and professional development for family day care providers and family, friend, and neighbor child care providers.

Members of the CCTF must be reimbursed for travel expenses.

Substitute Bill Compared to Original Bill:

A number of changes are made to CCTF membership. The following CCTF members are changed from voting to non-voting members: two economic development organizations; three child care providers; four representatives of advocacy organizations; the representative of a nonprofit organization providing training and professional development for family day care providers and family, friend, and neighbor child care providers; state agency representatives; and members of the Legislature.

The member of an advocacy organization representing child care interests is replaced with a member representing expanded learning opportunity interests and is designated as a non-voting member.

The subject matter expert familiar with the transportation accessibility needs of parents who commute using public transit is replaced with a representative of an association representing statewide transit interests and is designated as a non-voting member.

A representative of an institution of higher education is added as a non-voting member.

The following are added as voting members: a representative of a statewide nonprofit organization comprised of senior executives of major private sector employers; a representative of a federally recognized tribe; and a representative from an association representing business interests.

The representative of a private philanthropic organization is replaced with a representative of a nongovernmental private-public partnership supporting home visiting service delivery.

The representative of the Governor's Office of Indian Affairs is removed.

The CCTF chair must be elected by a majority vote of the voting CCTF members rather than appointed by the Governor.

Appropriation: None.

Fiscal Note: Available on original bill. New fiscal note requested on January 18, 2018.

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) When faced with a possible government shutdown last year, constituents were very concerned about losing state subsidized child care. Parents are not able to work without adequate care for their kids. Because there are not enough child care facilities, parents are forced to be on waiting lists for child care. This makes it difficult for businesses if their employees are not provided with child care support. This proposal is a public-private partnership approach that brings interested parties together to form recommendations. Providers of child care for school-age children are not represented in this bill and should be at the table. Lack of child care is a barrier to accessing higher education. Helping students earn some kind of post-secondary credential is essential if we are to meet state workforce needs. The committee should consider an amendment to add a higher education representative to the CCTF. Employers have a lot to gain from high quality child care being available to families who can afford it. Businesses and child care are dependent upon one another, and the issue should be discussed in that way.

(Opposed) None.

Persons Testifying: Representative Reeves, prime sponsor; David Beard, School's Out Washington; Paul Francis, Council of Presidents; and Ryan Pricco, ChildCare Aware of Washington.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Early Learning & Human Services be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Bergquist, Caldier, Cody, Fitzgibbon, Graves, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan, Tharinger and Wilcox.

Minority Report: Do not pass. Signed by 8 members: Representatives Stokesbary, Assistant Ranking Minority Member; Buys, Condotta, Manweller, Schmick, Taylor, Vick and Volz.

Staff: Meghan Morris (786-7119).

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

No new changes recommended.

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) Many families face the lifetime decision of whether one parent stays home to take care of their children. Sometimes, that is the most affordable option. Young families spend more on childcare than any other basic need aside from housing. Some childcare bills are more than mortgage and car payments combined. Affordable child care is not just about parents and their children. Employers benefit the most when parents have access to high-quality childcare. Employees miss less work and are more productive when they know their children are safe, but employers are not currently at the table. Currently, 40 percent of Washington's children are not receiving high-quality care and do not have access to a curriculum preparing them for kindergarten. Something needs to be done for middle-class families who are struggling. There needs to be new options involving parents and employers for a solution that puts people first. This proposed task force brings businesses and early learning experts to the table, bridging a gap that is holding back Washington families.

Childcare educators rank in the third percentile of all occupational wages. This has an impact on the economy, but there is not an accurate estimate for that impact. This bill allows the Department of Commerce to partner with stakeholders to do the analysis. A similar recent analysis in Louisiana concluded that workplace issues related to childcare resulted in a \$1.1 billion annual loss for their economy and an annual loss of almost \$84 million in tax revenue. This legislation will identify ways to incentivize employers to play a bigger role in childcare, which is an industry they are reliant upon, as it has a significant impact on their bottom line.

The intent behind bringing this task force together is for stability for employers to look at how they can keep their employees who have children coming to work regularly; stability for parents to be able to access safe, quality, affordable childcare; and stability in the marketplace so the cost of childcare can be accessible and affordable for parents. Bringing this group together and looking at the ways the state can incentivize employers to take part in the solution is a good idea.

(Opposed) None.

Persons Testifying: Representative Reeves, prime sponsor; Ryan Pricco, Child Care Aware of Washington; and Alex Hur, Service Employees International Union 925.

Persons Signed In To Testify But Not Testifying: None.