

SENATE BILL REPORT

SB 5107

As Reported by Senate Committee On:
Early Learning & K-12 Education, February 2, 2017
Ways & Means, February 24, 2017

Title: An act relating to creating a local pathway for local governments, school districts, and nonprofit organizations to provide more high quality early learning opportunities by reducing barriers and increasing efficiency.

Brief Description: Creating a local pathway for local governments, school districts, and nonprofit organizations to provide more high quality early learning opportunities by reducing barriers and increasing efficiency. [**Revised for 2nd Substitute:** Facilitating local funding and involvement in expanding early childhood education and assistance program eligibility.]

Sponsors: Senators Billig, Fain, Rolfes, Wellman, Walsh, Zeiger, Lias, Cleveland, Hunt, Conway, Saldaña, Kuderer and Mullet.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/19/17, 2/02/17 [DPS-WM].
Ways & Means: 2/14/17, 2/24/17 [DP2S].

Brief Summary of Second Substitute Bill

- Allows local governments, school districts, institutions of higher education, and nonprofit organizations to contribute funds to the Early Start Account to expand access and eligibility in the Early Childhood Education and Assistance Program (ECEAP).
- Provides that children enrolled in ECEAP with funds contributed from community sources are not considered to be eligible for, or part of, the state-funded entitlement.
- Directs the Department of Early Learning (DEL) to reduce barriers and increase efficiency for using local or private funds, or both, to the greatest extent possible.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

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.

Majority Report: That Substitute Senate Bill No. 5107 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Zeiger, Chair; Rolfes, Ranking Minority Member; Billig, Mullet and Rivers.

Staff: Ailey Kato (786-7434)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5107 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget ; Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking Minority Member, Capital Budget; Bailey, Becker, Billig, Conway, Darneille, Fain, Hasegawa, Keiser, Miloscia, Pedersen, Rivers, Schoesler, Warnick and Zeiger.

Staff: Maria Hovde (786-7474)

Background: Local Governments and the Early Start Account. Current law encourages local governments to collaborate with DEL when establishing early learning programs for residents. Local governments may contribute funds to DEL through the Early Start Account, which was created in 2015. These funds may be used for initial investments to build capacity and quality in local early care and education programming and reductions in copayments charged to parents or caregivers.

Early Childhood Education and Assistance Program (ECEAP). This state-funded voluntary preschool program serves eligible three- and four-year old children. Children are eligible if they are from a low-income household, eligible for special education due to disability, or impacted by certain risk factors identified by DEL. Children from families with an annual income at or below 110 percent of the federal poverty level—\$26,730 for a family of four—are eligible for enrollment in ECEAP.

Current law requires that state funding continue to be phased in each year until full statewide implementation is achieved in the 2020-21 school year, at which time any eligible child shall be entitled to be enrolled in the program. Additional eligible children may be admitted to the extent that grants and contributions from community sources provide sufficient funds for a program equivalent to that supported by state funds.

Working Connections Child Care (WCCC). This federally- and state-funded program offers subsidies to childcare providers serving families with an income at or below 200 percent of the federal poverty level—\$48,600 for a family of four. This program pays part of the cost of childcare when a parent is employed, self-employed, or meets the requirements for Temporary Assistance for Needy Families (TANF) or WorkFirst programs.

Home Visiting. Home visiting programs provide support and education to expectant parents and new families. Home visiting programs are voluntary and offer an array of in-person services to families based on the particular objectives of the program and needs of the family.

Summary of Bill (Second Substitute): Early Start Account. In addition to local governments, school districts, institutions of higher education, and nonprofit organizations may contribute funds to the Early Start Account. These local entities may contribute funds for additional purposes: expanding access and eligibility in ECEAP. DEL must separately track funds received from local entities. Expenditures from these funds may be used only for specified purposes as identified, in writing, by the local entities. The Early Start Account is put in the custody of the State Treasurer.

To the greatest extent possible, DEL must reduce barriers and increase efficiency for using local or private funds, or both, to provide more high quality early learning opportunities.

ECEAP. Additional children may be admitted to the extent that grants and contributions from community sources provide sufficient funds for a program equivalent to that supported by state funds. These children do not have to be eligible for ECEAP. Children enrolled in ECEAP with funds contributed from community sources are not considered to be eligible for, or part of, the state-funded entitlement. Grants and contributions from community sources shall not supplant the funding required for the full statewide implementation of ECEAP.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Second Substitute):

- The purposes for local governments, school districts, institutions of higher education, and nonprofit organizations to contribute funds to early care and education programs are changed from expanding access, increasing slots, increasing quality, and extending hours to expanding access and eligibility in ECEAP.
- Clarifies that children enrolled in ECEAP with the contribution of local funds are not considered part of the state-funded entitlement program.
- Removes the requirement that DEL create a local pathway that includes a needs assessment, funding tool, training, and technical assistance to help entities use local or private funds.
- Adds language specifying that, to the greatest extent possible, DEL must reduce barriers and increase efficiency for using local or private funds to provide more high quality early learning opportunities.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (First Substitute):

- Adds institutions of higher education to the list of entities that may use the local pathway to high quality early learning and may contribute funds to the Early Start Account.
- Removes WCCC and home visiting programs from the local pathway and requires DEL to make a plan to incorporate these programs in the future.
- Allows a maximum of five entities to use the local pathway for existing ECEAP contractors in good standing in the 2017-18 school year but does not limit the number of entities in future years.
- Directs DEL to submit a preliminary report in December 2017 and final report in December 2018 describing the effectiveness of the local pathway and what is needed to expand the local pathway.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill (Early Learning & K-12 Education): *The committee recommended a different version of the bill than what was heard.* PRO: This bill promotes efficiency and helps knock down barriers to increase access to high quality early learning. This bill would have DEL create easy-to-read and follow steps to buy into existing high quality early learning programs. It would allow local entities the ability to provide ECEAP to children who are above the income requirement. This bill could open up doors of opportunity for children throughout the state. Buying into existing programs avoids administrative overhead for creating new programs. This bill could use the existing Home Visiting Services Account in addition to the Early Start Account. The tools in the local pathway could be amended to be less costly, and existing advisory groups could take on some of the work. DEL may need a year to figure out how to include WCCC in the local pathway. Home visiting and ECEAP can significantly impact children and get them ready for school. Local business leaders throughout the state are ready to invest in early learning, and this bill could reduce barriers to help them make this investment. Local dollars need to stay local.

Persons Testifying (Early Learning & K-12 Education): PRO: Senator Andy Billig, Prime Sponsor; Frank Ordway, Dept. of Early Learning; Kristin Wiggins, State Director, ReadyNation.

Persons Signed In To Testify But Not Testifying (Early Learning & K-12 Education): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): *The committee recommended a different version of the bill than what was heard.* PRO: This bill provides a great opportunity to capture community interest in expanding early learning programs.

Persons Testifying (Ways & Means): PRO: Erica Hallock, Fight Crime: Invest in Kids/ReadyNation.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.