

# HOUSE BILL REPORT

## HB 2619

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**As Passed House:**  
February 13, 2020

**Title:** An act relating to increasing early learning access through licensing, eligibility, and rate improvements.

**Brief Description:** Increasing early learning access through licensing, eligibility, and rate improvements.

**Sponsors:** Representatives Shewmake, Chapman, Ramel, Springer, Van Werven, Senn, Doglio, Goodman and Tharinger.

**Brief History:**

**Committee Activity:**

Human Services & Early Learning: 1/28/20, 1/31/20 [DP];  
Appropriations: 2/10/20 [DP].

**Floor Activity:**

Passed House: 2/13/20, 95-2.

**Brief Summary of Bill**

- Allows state subsidy rates to be higher than private pay rates in order to support quality.
- Requires the Department of Children, Youth, and Families to recommend child care licensing innovations to improve access to care in rural areas.
- Establishes a pilot project to create a dual license for individuals providing child care and foster care.

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### HOUSE COMMITTEE ON HUMAN SERVICES & EARLY LEARNING

**Majority Report:** Do pass. Signed by 12 members: Representatives Senn, Chair; Callan, Vice Chair; Frame, Vice Chair; Dent, Ranking Minority Member; Eslick, Assistant Ranking Minority Member; McCaslin, Assistant Ranking Minority Member; Corry, Goodman, Kilduff, Klippert, Lovick and Ortiz-Self.

**Staff:** Dawn Eychaner (786-7135).

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*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.*

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 31 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Chopp, Cody, Corry, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Kilduff, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

**Minority Report:** Do not pass. Signed by 1 member: Representative Kraft.

**Staff:** Jordan Clarke (786-7123).

### **Background:**

#### *The Early Childhood Education and Assistance Program.*

The Early Childhood Education and Assistance Program (ECEAP) is the state preschool program for eligible 3- and 4-year-olds. The ECEAP rules prioritize serving previously enrolled children who are returning for a new school year against new children when enrollment space is limited. The Department of Children, Youth, and Families (DCYF) does not reverify a child's income eligibility or other risk factors once a child is enrolled in the ECEAP.

#### *Child Care Subsidy.*

The federal Child Care and Development Fund (CCDF) is the primary funding source for subsidized child care. The CCDF requires states to conduct a statistically valid and reliable child care market rate survey every three years and encourages states to set child care rates at the seventy-fifth percentile of the private market rate in order ensure equal access for families with subsidized child care.

States may pay subsidy rates that are higher than a provider's private-pay rate in order to support quality or if the higher rate is designed to pay providers for additional costs associated with offering types of care that are not produced in sufficient amounts by the market. States are required to set base subsidy payment rates at levels sufficient to support implementation of health, safety, and quality requirements even if those rates are higher than private pay rates.

State rules prohibit paying a provider a subsidy rate that is equal to or higher than the provider's private pay rate, with limited exceptions.

#### *Rural Child Care Access.*

The Department of Commerce is developing a regional assessment of the child care industry to examine issues related to child care access and affordability for families. The assessment must identify regional areas with the highest need related to child care accessibility and affordability. The assessment must include a facilities needs assessment with a zip code analysis to identify geographic areas with concentrated barriers to access. The assessment must be complete by July 1, 2020.

#### *Child Care Licensure.*

An individual or entity that provides child care and early learning services for a group of children ages birth through 12 years must be licensed by the DCYF. A full child care license remains valid as long as the licensee meets requirements for a nonexpiring license. These requirements include:

- paying an annual licensing fee;
- continued compliance with all licensing rules; and
- submitting required background checks every three years or when a new person is hired, moves into a licensed family home, or when a household member turns age 13.

If a licensee does not meet these requirements, the license expires. Child care licenses are not transferrable.

#### *Foster Parent Licensure.*

Individuals can apply for a foster parent license directly to the DCYF or through a child-placing agency. A license is valid for three years.

To receive a foster parent license, an individual must:

- be age 21 or older;
- pass, along with certain household members, a background check;
- provide proof of certain immunizations;
- be assessed as able to provide a safe home and quality care; and
- complete preservice training requirements.

All licensed family foster homes are required to complete ongoing training during each three-year licensing period.

#### **Summary of Bill:**

The Rural Child Care Access Act is established for the stated purpose of implementing policies to relieve providers and families by streamlining child care access, balancing subsidy requirements, and supporting the needs of rural communities.

#### *Early Childhood Education and Assistance Program.*

A child who is eligible for the ECEAP at the time of enrollment in the program maintains ECEAP eligibility until starting kindergarten.

#### *Child Care Subsidy.*

The DCYF may pay child care providers a subsidy rate that is equal to or higher than the provider's private pay rate in order to support high quality care and the implementation of health, safety, and quality requirements.

#### *Rural Child Care Access.*

The DCYF must provide the Legislature with a list of recommended child care licensing innovations designed to improve access to care in rural areas of the state. The recommendations are due by November 1, 2020, and must include estimated costs and any statutory changes necessary for implementation.

#### *Child Care Licensing.*

A child care license may be transferred to a new licensee in the event of a transfer of ownership of a child care operation.

*Dual Child Care and Foster Care License.*

The DCYF must establish a pilot project to create a dual license for individuals to receive a combined foster care and child care license. The pilot program must begin July 1, 2020, and conclude by June 30, 2022. The DCYF may waive or adapt licensing requirements as necessary to allow for dual licensing.

The DCYF must provide a brief status report to the Governor and the Legislature on the implementation of the pilot project by July 1, 2021. By November 1, 2022, the DCYF must recommend to the Governor and the Legislature whether to make the dual license pilot project permanent.

**Appropriation:** None.

**Fiscal Note:** Requested on January 21, 2020.

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

**Staff Summary of Public Testimony (Human Services & Early Learning):**

(In support) In rural areas of the state there is not as much choice for child care. This will streamline various processes such as creating a dual license for foster care and child care. There is a problem in child care when providers are being forced to raise rates for private pay families since they are not allowed to receive a subsidy rate higher than private pay. School-age children are a third of the children receiving child care subsidy. Child care needs in rural areas include after school care and summer care. Middle income families have been carrying the burden of low subsidy rates, and the shift to allowing subsidy rates to be higher than private pay rates will be helpful to providers and families.

(Opposed) None.

**Staff Summary of Public Testimony (Appropriations):**

(In support) The Early Learning Access Alliance supports this bill because it will increase access to child care.

(Opposed) None.

**Persons Testifying (Human Services & Early Learning):** Representative Shewmake, prime sponsor; David Beard, School's Out Washington; Rene Murry, Youth Development Executives of King County; and Julie Schroath, Washington Childcare Centers Association.

**Persons Testifying (Appropriations):** Suzie Hanson, Washington Federation of Independent Schools.

**Persons Signed In To Testify But Not Testifying** (Human Services & Early Learning):  
None.

**Persons Signed In To Testify But Not Testifying** (Appropriations): None.