

SENATE BILL REPORT

SB 6253

As Reported by Senate Committee On:
Early Learning & K-12 Education, January 27, 2020

Title: An act relating to creating a comprehensive statewide early care and education system by improving accessibility and affordability of early care and education programs for families.

Brief Description: Creating a comprehensive statewide early care and education system by improving accessibility and affordability of early care and education programs for families.

Sponsors: Senators Wilson, C., Billig, Wellman, Kuderer, Randall, Salomon, Conway, Das, Nguyen, Darneille and Hunt.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/20/20, 1/27/20 [DPS-WM, w/oRec, DNP].

Brief Summary of First Substitute Bill

- Makes changes to the Early Childhood Education and Assistance Program (ECEAP) including phasing in expanded eligibility and changing when this program becomes a state-funded entitlement.
- Makes changes to the Working Connections Child Care (WCCC) program including expanding eligibility in accordance with a phased-in copayment schedule and subject to appropriations.
- Includes provisions related to family resource and referral; early learning coordination and shared service hubs; family, friend, and neighbor caregivers; dual language; early interventions; expanded learning opportunities quality initiative; and a number of appropriation clauses.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 6253 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wellman, Chair; Wilson, C., Vice Chair; Hunt, McCoy, Pedersen and Salomon.

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: That it be referred without recommendation.

Signed by Senators Holy and Mullet.

Minority Report: Do not pass.

Signed by Senators Hawkins, Ranking Member; Padden and Wagoner.

Staff: Ailey Kato (786-7434)

Background: Early Childhood Education and Assistance Program. This voluntary preschool program administered by Department of Children, Youth, and Families (DCYF) serves eligible three to five-year-old children who are not age-eligible for kindergarten. The program must offer a comprehensive program of early childhood education and family support, including parental involvement and health information, screening, and referral services, based on family need.

Entitlement. Current law provides for ECEAP to become an entitlement in the 2022-23 school year for eligible children. "Eligible child" means a child:

- whose family income is at or below 110 percent of the federal poverty level (FPL)—\$28,820 for a family of four;
- a child eligible for special education preschool due to disability; and
- may include children who are eligible under rules adopted by DCYF if the number of such children equals not more than 10 percent of the total enrollment.

Birth to Three Early Childhood Education and Assistance Program. In 2019, DCYF was directed to develop a plan for phased implementation of a Birth to Three ECEAP pilot project for eligible children under 36 months old. The pilot project must be delivered through child care providers.

Working Connections Child Care. This federally and state-funded program provides child care subsidies to families with an income at or below 200 percent of FPL—\$52,400 for a family of four. The state pays part of the cost of child care when a parent is employed, self-employed, or in approved activities except in certain circumstances. The family is responsible for making a copayment to the child care provider based on the family's countable income. To be eligible for Working Connections Child Care (WCCC), a child must be less than 13 years of age, except in limited circumstances.

Students and Work Requirements. Beginning August 1, 2020, DCYF may not require an applicant or consumer to meet work requirements as a condition of receiving WCCC benefits when the applicant or consumer is:

- a single parent;
- a full-time student of a community, technical, or tribal college; and
- pursuing vocational education that leads to a degree or certificate in a specific occupation, not to result in a bachelor's or advanced degree.

Child Care Subsidy Rates. The 2019-21 operating budget included appropriations to increase child care subsidy rates to 55th percentile of market at Level 3 in Early Achievers, the state's quality rating and improvement system. Subsidy rates are based on a market rate survey that is conducted every three years.

By January 1, 2025, DCYF must use a child care cost model developed by the Child Care Collaborative Task Force to determine child care subsidy rates. This requirement expires January 30, 2025.

State Median Income. The Department of Social and Health Services annually publishes a chart that includes state median income (SMI) adjusted for family size. For a family of four, SMI is \$8,149 monthly or \$97,788 annually.

Career and Wage Ladder. Subject to appropriations, DCYF must establish a career and wage ladder in licensed child care centers meeting certain criteria, including dedicating at least 10 percent of slots to children whose care is subsidized. The ladder received state appropriations from fiscal year 2007 to fiscal year 2011.

Dual Language. Current law requires DCYF to work with community partners to support outreach and education for parents and families around the benefits of native language development and retention, as well as the benefits of dual language learning. Within existing resources, DCYF must create training and professional development resources for dual language learning.

Expanded Learning Opportunity Quality Initiative. Child care providers receiving state subsidies and serving school-age children are exempt from participating in Early Achievers. In 2017, DCYF and the Office of the Superintendent of Public Instruction (OSPI) were required to submit a report describing a pilot project to provide training and resources to improve the quality in after school and summer programs.

Summary of Bill (First Substitute): Early Childhood Education and Assistance Program. ECEAP providers must conduct a family assessment to determine which, if any, comprehensive services are needed for the child and family. Behavioral and mental health are included within health services and are part of the comprehensive services offered in ECEAP.

Entitlement. The entitlement for all eligible children in ECEAP will begin in the 2027-28 school year. The definition of eligible child is expanded to include a child who:

- has a family with financial need;
- is homeless, which is defined as without a fixed, regular, and adequate nighttime residence as set forth in the federal McKinney-Vento Homeless Assistance Act; and
- is Indian as defined in rule after consultation and agreement with tribes beginning in the 2028-29 school year.

"Family with financial need" means families who demonstrate financial need based on SMI adjusted for family size. It means families at or below 40 percent of SMI in the 2020-21, 2021-22, and 2022-23 school years, and it is increased by five percent each year until it reaches 70 percent of SMI in the 2027-28 school year.

By December 1, 2020, DCYF must submit recommendations on the feasibility of using area median income to determine eligibility for ECEAP and WCCC. DCYF must consider other eligibility measures that account for urban and rural communities.

Co-Payment. Beginning in the 2028-29 school year and subject to appropriations, families with incomes above 70 percent of SMI may enroll in ECEAP, as space is available, if families pay a tuition copayment according to a specific schedule. Copayments range from seven to ten percent of a family's gross income. Children enrolled in ECEAP with a copayment are not considered eligible children for the purposes of the state-funded entitlement.

Families with a child enrolled in ECEAP and receiving WCCC benefits for that child shall pay only one copayment for that child. For each family above 100 percent of SMI who has a copayment higher than the slot rate payment or subsidy payment, the ECEAP or WCCC provider shall only receive the copayment.

Special Education. Subject to appropriations, DCYF must partner with OSPI to develop guidance on placing children who are eligible for special education in ECEAP classrooms as a least restrictive environment in a student's individual education program. DCYF must support professional development in inclusionary and anti-bias practices for ECEAP and child care providers with a focus on understanding behavior as communication and collaborative problem solving, and promoting membership, belonging, social-emotional development, and learning.

Working Connections Child Care. Subject to appropriations, DCYF must establish and implement policies in WCCC to allow eligibility for applicants and consumers who pay a copayment in accordance with a specific schedule. Copayments start at \$15 for an applicant or consumer at or below 25 percent of SMI. Copayments are phased in for higher incomes from 2022 to 2026, at which time an applicant or consumer with an income above 100 percent of SMI would have a copayment that is 10 percent of gross income.

Students and Work Requirements. The conditions for exempting certain students from work requirements to receive WCCC benefits are changed. The exemption applies to any parent, not only single parents, and students can pursue any postsecondary degree or certificate from a community, technical, or tribal college.

Child Care Subsidy Rates. Subject to appropriations, DCYF must increase subsidy rates for licensed child care providers as follows:

- beginning July 1, 2021, subsidy base rates must achieve the 75th percentile of market; and
- beginning July 1, 2022, subsidy rates must be based on the child care cost model developed by the Child Care Collaborative Task Force.

Subject to appropriations, DCFY must adjust subsidy rates according to an inflationary increase beginning July 1, 2023. The inflationary increase must be calculated by applying the rate of the yearly increase in the inflationary adjustment index to the market rates.

DCFY must implement tiered reimbursement for Early Achievers program participants receiving WCCC subsidies and rate at a Level 3+.

Career and Wage Ladder. The career and wage ladder must include family home providers in addition to centers.

Family Resource and Referral Linkage System. DCYF must work with cross-sector partners to build a statewide family resource and referral linkage system by 2025 that connects families with children prenatal through age five to appropriate services and community resources. The system must maintain an up-to-date database of services, programs, and community resources available to families.

Child Care Provider Shared Service Hubs. Subject to appropriations, DCFY must provide or contract to provide one or more shared service hubs that allow the ongoing pooling and shared use of services by licensed or certified child care centers and family home providers. Shared services may include comprehensive services, business services, and pedagogical resources. By July 1, 2022, DCYF must report on the effectiveness of the shared services hub model.

Educational Service District (ESD) Coordinators. Each ESD must designate a prekindergarten through third grade systems coordinator. The coordinators have a number of duties including providing statewide, regional, and local leadership to strengthen and align the transition between the early learning system and the K-12 educational system.

Family, Friend, and Neighbor Caregivers. Subject to appropriations, DCYF must support family, friend, and neighbor caregivers and families involved in the child welfare system, and kinship caregivers by:

- expanding play and learn groups and providing curriculum in additional languages; and
- developing models to offer child care health consultations and mental health services.

Dual Language. Subject to appropriations, DCYF must partner with OSPI to align dual language program implementation and workforce development planning. DCYF must support professional development for dual language programming for ECEAP classrooms and culturally and linguistically appropriate practices for ECEAP providers, child care providers, and family, friend, and neighbor caregivers. The statewide child care resource and referral network and other entities must collect and distribute information on dual language classrooms and providers.

Early Interventions. Subject to appropriations, DCYF must administer trauma and complex needs programs, such as the Early Childhood Intervention Prevention Services Program, and other early intervention services for children ages birth to five and who meet certain requirements.

Expanded Learning Opportunity Quality Initiative. By December 1, 2021, DCYF must work with other entities to develop a plan to scale the existing expanded learning opportunity quality initiative to support licensed or certified child care providers serving school-age children. The plan must identify a mechanism to support quality improvement, align with Early Achievers, and create a pathway for subsidy rate enhancements, incentives, and scholarships.

Appropriations. Appropriations are provided as follows:

- \$16.6 million for increasing ECEAP slot rates by 12 percent;
- \$50 million for increasing subsidy base rates for licensed child care providers to achieve the 70th percentile of market;
- \$3 million for implementing and expanding Birth to Three ECEAP;
- \$10 million for implementing the career and wage ladder;
- \$8 million for additional home visiting slots; and
- \$5 million for implementing dual language learning.

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

- Directs DCYF to submit recommendations by December 1, 2020, on the feasibility of using area median income to determine eligibility for ECEAP and WCCC and consider other eligibility measures that account for urban and rural communities.
- Adds that for families above 100 percent of state median income who have a copayment higher than the slot rate/subsidy payment, ECEAP and WCCC providers must only receive the copayment.
- Adds an appropriations clause of \$50 million for the purposes of increasing subsidy base rates for licensed child care providers to achieve the 70th percentile of market in the 2021 fiscal year.
- Requires subsidy rates to achieve the 75th percentile of market by July 1, 2021, instead of 2023.
- Requires subsidy rates to be based on a child care cost model by July 1, 2022, instead of 2024.
- Amends the career and wage ladder to include family home providers.
- Adds that DCYF must support professional development with a focus on understanding behavior as communication and collaborative problem solving, and promoting membership, belonging, and social emotional development, and learning instead of focusing on reducing suspensions and expulsions.
- Requires DCYF to support professional development on culturally and linguistically appropriate practices for ECEAP providers; child care providers; and family, friend, and neighbor caregivers.
- Adds that the family resource and referral linkage system must coordinate and leverage the work of the statewide child care resource and referral network.
- Specifies that shared comprehensive services for the child care provider shared service hubs may include interpretation and translation services.
- Adds that ESD Pre-K through 3rd Grade Systems Coordinators must, in partnership with OSPI, provide support and technical assistance to school districts in the development of high-quality early learning environments and braided funding program models.
- Adds that DCYF must provide curriculum in additional languages for play-and-learn groups.
- Removes a provision directing DCYF to integrate family, friend, and neighbor caregivers into home visiting programs.
- Revises intent language to state that studies “affirm” rather than “suggest” that dual language programs are especially beneficial for dual language learners.

- Directs DCYF in conjunction with other entities to collect and distribute information on dual language classrooms and providers.

Appropriation: The bill contains appropriations totaling \$92.6 million from various accounts. The bill contains sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 14, 2020.

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: *The committee recommended a different version of the bill than what was heard.* PRO: Kids who fall behind early in life stay behind. Investments in early learning can close the opportunity gap and has a high return on investment. Access to affordable and high quality early learning and care has academic and positive lifetime benefits. Early learning not only changes children; it can change families and communities. Children in kindergarten are experiencing more adverse childhood experiences and are lacking social emotional skills. Many children come to kindergarten and are not ready and have difficulty keeping up with the fast pace. Dual language preschool improves academic outcomes and improves cognitive skills. The state is in a child care crisis. Many parents are forced to stay home because they cannot find or afford child care. Middle class families cannot afford high quality child care, and they do not qualify for subsidies. Changes in the copayment structure for WCCC will help address the benefits cliff. Child care providers cannot stay in business given the current subsidy rates. Without wage incentives, early learning teachers are leaving the field for better paying jobs. This is an issue of gender and racial equity because the workforce is mostly female and many people of color. Families with young children fare best when they are provided with a continuum of support from prenatal to age five. A family resource and referral linkage system will help families navigate complex systems and help them make informed decisions about programs and services. Many children in rural areas do not have access to services they need. This bill will help create a single point of entry.

Persons Testifying: PRO: Senator Claire Wilson, Prime Sponsor; Emily Murphy, Early Learning Action Alliance; Susan Barbeau, First 5 Fundamental; McKendree Rogers, citizen; Melissa Reidl, North Thurston Public School District; Rochel White, citizen; Stephanie Smith, Learning to Grow Child Care Centers; Annie Garrett, North Seattle Colleges; Daree Blake, citizen; Alicia Brender, ECEAP—Bellevue School District; Rixa Evershed, Nature Nuture Preschool; John Burbank, Economic Opportunity Institute; Carrie Glover, Help Me Grow; Pauli Owen, citizen, SEIU 925; Bailey Naber, citizen.

Persons Signed In To Testify But Not Testifying: PRO: Cori Domshot, MomsRising; Suzette Espinoza-Cruz; Hodon Bulale, OneAmerica; Norma Maldonado, OneAmerica; Patty Hayes, King County; April Shine, Graduate Tacoma-Parent; Fe Mischo, citizen; Carmen Corbin, Child Care Provider / FCC; Julieta Quantrelle, Child Care Resources Bilingual Provider; Maria Guerra, Child Care Resources; David Beard, School's Out Washington; Jessica Vavrus, Association of Educational Service Districts; Dana Anderson, Association of

Educational Service Districts—Capital Region ESD 113; Carol Morris, citizen, SEIU 925; Gabby Villagomez, SEIU 925; Yara Rodriguez, SEIU 925; Brenda Palmer, SCAN; Christianna Clinton, citizen; Katie Hudkins, Washington Child Care Association.

OTHER: Donna Christensen, Childcare Center Association, YMCA's of Washington & Catholic Charities.