

SUBSTITUTE HOUSE BILL 2661

State of Washington

66th Legislature

2020 Regular Session

By House Human Services & Early Learning (originally sponsored by Representatives Senn, Chopp, Sullivan, Callan, Pettigrew, Mead, Davis, Appleton, Thai, Shewmake, Bergquist, Valdez, Walen, Goodman, Macri, Riccelli, Hudgins, Leavitt, Lekanoff, Pollet, Slatter, Kilduff, Dolan, Tarleton, Chapman, Stonier, Lovick, Robinson, Orwall, Gregerson, Ortiz-Self, Entenman, Fitzgibbon, Morgan, J. Johnson, Pellicciotti, Wylie, Peterson, Kirby, Duerr, DeBolt, Sells, Fey, Ryu, Doglio, Ramel, Ramos, Tharinger, and Frame)

READ FIRST TIME 02/04/20.

1 AN ACT Relating to expanding accessible, affordable child care
2 and early childhood development programs; amending RCW 43.216.075,
3 43.31.577, 43.216.505, 43.216.512, 43.216.514, 43.216.749,
4 43.216.578, 43.216.710, 28B.50.248, 43.31.583, 43.31.575, 43.216.089,
5 43.216.525, and 43.216.655; reenacting and amending RCW 43.216.135,
6 43.216.010, and 43.84.092; adding a new section to chapter 43.31 RCW;
7 adding a new section to chapter 43.71 RCW; adding a new section to
8 chapter 43.330 RCW; adding new sections to chapter 43.216 RCW;
9 creating new sections; providing effective dates; and providing an
10 expiration date.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 **PART I**
13 **LEGISLATIVE INTENT**

14 NEW SECTION. **Sec. 101.** This act may be known and cited as the
15 fair start for kids act.

16 NEW SECTION. **Sec. 102.** (1) The legislature finds that high
17 quality child care and early learning is critical to a child's
18 success in school and life. Access to quality child care and early
19 learning programs is essential to family stability and economic

1 vitality. The legislature recognizes that every child and every
2 family deserves access to a fair and equitable start.

3 (2) The legislature finds that while Washington has built the
4 foundation for high quality early childhood programs through the
5 early start act and the early achievers quality rating and
6 improvement system, child care remains too expensive and too scarce
7 for many families in Washington, especially those furthest from
8 opportunity. The legislature recognizes that there are additional
9 barriers to accessing this foundational support in rural communities
10 and other places with child care deserts, as well as for immigrant
11 families and communities whose first language is not English.

12 (3) The legislature finds that without access to comprehensive,
13 quality prenatal to five services, children often enter kindergarten
14 without the social-emotional, physical, cognitive, and language
15 skills they need to be successful and fall behind their peers, facing
16 compounding developmental challenges throughout their K-12 education.
17 The cascading impacts of inaccessible child care and early learning
18 programs create systemic barriers for children and their families
19 that result in higher special education needs, greater likelihood of
20 needing to repeat grades, increased child welfare and juvenile
21 justice involvement, reduced high school graduation rates, limited
22 postsecondary education attainment, and greater barriers to
23 employment in adulthood. The legislature recognizes that high quality
24 child care and early learning programs have been shown to reduce the
25 opportunity gap for low-income children and children of color while
26 consistently improving outcomes for all children both inside and
27 outside of the classroom.

28 (4) The legislature finds that an affordable, accessible system
29 of high quality child care is necessary to the health of Washington's
30 economy because employers benefit when parents have safe, stable, and
31 appropriate care for their children. Too many working parents are
32 forced to reduce their hours, decline promotional opportunities, or
33 leave the workforce due to a lack of access to child care. The
34 legislature recognizes that the department of commerce recently
35 reported that child care related issues cost Washington businesses
36 more than two billion dollars in 2017. The legislature finds that
37 access to affordable child care increases labor force participation
38 and supports regional economic growth.

39 (5) The legislature finds the vast majority of child care
40 providers are small businesses and nonprofits. In addition to

1 adhering to federal, state, and local regulations to ensure healthy
2 and safe environments for children, the legislature recognizes that
3 child care providers must take steps to guarantee their employees are
4 adequately compensated and businesses are sustainable.

5 (6) The legislature finds that the health and stability of the
6 early learning workforce is pivotal to any expansion of child care in
7 Washington. The legislature recognizes the current workforce is
8 expected to provide developmentally appropriate and high quality care
9 during the most active period of brain development in a child,
10 despite often lacking stable pay and health or retirement benefits.

11 (7) The legislature finds that our state is best served by a
12 culturally and linguistically diverse workforce that supports the
13 unique and individualized values, strengths, cultures, and potential
14 of each child and family. The legislature recognizes there are
15 barriers to access to systems of support for both families and early
16 learning providers whose first language is not English.

17 (8) The legislature further finds that dual language learners
18 represent a significant and growing share of children birth to five
19 in Washington. The legislature recognizes that studies suggest
20 specific dual language programs are especially beneficial for
21 developing the building blocks for early literacy, numeracy skills,
22 and English language development for dual language learners.

23 (9) The legislature finds that children are expelled from child
24 care and preschool thirteen times as often as children in the K-12
25 system and that children of color are disproportionately expelled at
26 even higher rates. The legislature recognizes this is due to a
27 systemic failure to adequately equip all providers with the resources
28 they need to meet the needs of children who have experienced trauma
29 or have developmental delays or other complex needs. In addition,
30 early learning providers can experience secondary trauma caused by
31 the emotional stress of caring for children with complex needs.

32 (10) The legislature further finds that capital funding for the
33 planning, building, expansion, and renovation of child care
34 facilities through the early learning facilities fund grant and loan
35 program is necessary to any expansion of affordable child care. The
36 legislature recognizes that rural and distressed communities face
37 particular challenges in accessing physical child care capacity
38 resulting in child care deserts.

39 (11) The legislature finds that in order to strengthen early
40 childhood development and improve kindergarten readiness outcomes,

1 the need for access to early childhood programs goes beyond child
2 care. Services for families, infants, and young children age three
3 and under are in short supply. Too many family members caring for
4 children feel isolated, lack access to parent education and childhood
5 development training, and do not receive critical interventions for
6 infants and toddlers who are experiencing trauma, developmental
7 delays, or a general lack of stability.

8 (12) The legislature recognizes parents as a child's first
9 teachers who deserve access to a comprehensive suite of services
10 designed to best support them as they care for an infant or young
11 child. The legislature recognizes parent choice as a core value in
12 developing this array of services, as every family experiences
13 different circumstances and challenges as they nurture children.

14 (13) Therefore, the legislature resolves to expand access to a
15 comprehensive continuum of high quality early childhood development
16 programs, including prenatal to three services, child care,
17 preschool, and parent and family supports. The legislature recognizes
18 this continuum as critical to offering every child in Washington
19 access to a fair start.

20 (14) The legislature intends to expand eligibility for existing
21 child care and preschool programs and mitigate the child care subsidy
22 cliff by reducing child care copayments for low-income families with
23 young children.

24 (15) The legislature further intends to stabilize and support the
25 diverse early learning workforce by funding adequate compensation and
26 benefits while providing appropriate training, mental health
27 consultation, shared business services, and a variety of other
28 supports that recognize the critical role that early learning
29 providers serve for all Washington children. The legislature further
30 intends to promote learning environments that meet children's needs
31 and provide financial support for the early achievers program,
32 including smaller provider-coach ratios and education scholarships
33 for providers. Specialized workforce training and therapeutic child
34 care will increase the quality and availability of services for
35 children experiencing trauma, developmental delays, and complex
36 needs. In addition, the creation of early childhood equity grants
37 will help support dual language and culturally relevant programs that
38 serve diverse communities, particularly those who have experienced
39 profound historical trauma.

1 (16) The legislature further intends to significantly expand
2 child care availability by investing in building, expanding, and
3 renovating early learning and child care facilities.

4 (17) The legislature further intends to expand a tiered array of
5 prenatal to three services that are available to all families in
6 Washington, honoring the value of parental choice and the role
7 family, friends, and neighbors often play in a young child's life.

8 (18) Recognizing the direct role that businesses can play in
9 expanding access to child care, the legislature intends to offer
10 technical assistance to employers seeking to offer child care or
11 family-friendly policies that promote early childhood development and
12 family economic security.

13 (19) The legislature intends to align early learning services and
14 programs into a high quality continuum of care and education to
15 provide every child in Washington a fair start.

16 PART II

17 ACCOUNTS AND OVERSIGHT

18 NEW SECTION. **Sec. 201.** (1) The fair start for kids account is
19 created in the state treasury. Moneys in the account may be spent
20 only after appropriation. Expenditures from the account may be used
21 only for the purposes described in this section.

22 (2) The legislature shall consider recommendations for funding
23 allocations as made by the early learning advisory and accountability
24 council pursuant to RCW 43.216.075 when appropriating moneys from the
25 account. The legislature shall appropriate moneys from the account as
26 follows:

27 (a) Fifty-five percent to support child care access and
28 affordability, pursuant to sections 301 and 303 through 307 of this
29 act;

30 (b) Thirty-five percent to increase and sustain child care supply
31 and the early learning workforce, pursuant to sections 207 and 308
32 through 316 of this act; and

33 (c) Ten percent to support children from prenatal to age three
34 and their parents and caregivers, pursuant to sections 317 through
35 320 of this act.

36 (3) Each year, in January, April, July, and October, the
37 treasurer shall transfer five percent of revenue deposited into the

1 fair start for kids account during the previous quarter to the early
2 learning facilities revolving account established in RCW 43.31.569.

3 (4) Every odd-numbered year on June 30th, the treasurer shall
4 transfer ten million dollars from the fair start for kids account to
5 the early learning health care expansion account established in
6 section 205 of this act. It is the intent of the legislature to
7 continue this funding until a health care funding plan for all child
8 care providers is adopted by the legislature.

9 **Sec. 202.** RCW 43.216.075 and 2017 c 171 s 1 are each amended to
10 read as follows:

11 (1) The early learning advisory and accountability council is
12 established to advise the department, the governor, and the
13 legislature on statewide early learning issues that contribute to the
14 ongoing efforts of building a comprehensive system of quality early
15 learning programs and services for Washington's young children and
16 families.

17 (2) The council shall work in conjunction with the department to
18 assist in policy development and implementation that assist the
19 department in promoting alignment of private and public sector
20 actions, objectives, and resources, thereby ensuring school
21 readiness, social-emotional skill development, advancement of racial
22 equity, and strengthened families.

23 (3) The council shall:

24 (a) Provide guidance and recommendations to the governor and the
25 legislature on phasing in early learning spending priorities as
26 system capacity is developed; and

27 (b) Ensure accountability that the early learning investments
28 funded with the fair start for kids account are producing the
29 intended results.

30 (4) The council shall include diverse, statewide representation
31 from public, nonprofit, and for-profit entities. Its membership shall
32 include critical partners in service delivery and reflect regional,
33 racial, and cultural diversity to adequately represent the needs of
34 all children and families in the state.

35 ~~((4))~~ (5) Councilmembers shall serve two-year terms~~((. However,~~
36 ~~to stagger the terms of the council, the initial appointments for~~
37 ~~twelve of the members shall be for one year. Once the initial one-~~
38 ~~year to two-year terms expire, all subsequent terms shall be for two~~
39 ~~years)),~~ with the terms expiring on June 30th of the applicable year.

1 The terms shall be staggered in such a way that, where possible, the
2 terms of members representing a specific group do not expire
3 simultaneously.

4 ~~((5))~~ (6) The council shall consist of members essential to
5 coordinating services statewide prenatal through age five, as
6 follows:

7 (a) In addition to being staffed and supported by the department,
8 the governor shall appoint one representative from each of the
9 following: The department of health, the student achievement council,
10 the department of commerce, the office of financial management, and
11 the state board for community and technical colleges;

12 (b) One representative from the office of the superintendent of
13 public instruction, to be appointed by the superintendent of public
14 instruction;

15 (c) The governor shall appoint leaders in early childhood
16 education to represent critical service delivery and support sectors,
17 with at least one individual representing each of the following:

18 (i) The head start state collaboration office director or the
19 director's designee;

20 (ii) A representative of a head start, early head start, or
21 migrant/seasonal head start program;

22 (iii) A representative of ~~((a local education agency))~~ and
23 educational service district;

24 (iv) A representative of the ~~((state agency responsible for~~
25 ~~programs under section 619 or))~~ department's early support for
26 infants and toddlers program as established under part C of the
27 federal individuals with disabilities education act;

28 (v) A representative of the early childhood education and
29 assistance program;

30 (vi) A representative of licensed family day care providers;

31 (vii) A representative of child day care centers; and

32 (viii) A representative from the home visiting advisory committee
33 established in RCW ~~((43.215.130))~~ 43.216.130;

34 (d) Two members of the house of representatives, one from each
35 caucus, to be appointed by the speaker of the house of
36 representatives and two members of the senate, one from each caucus,
37 to be appointed by the ~~((majority leader in the senate and the~~
38 ~~minority leader in))~~ president of the senate;

39 (e) Two parents, one of whom serves on the department's parent
40 advisory group, to be appointed by the governor;

- 1 (f) One representative of (~~the private-public partnership~~
2 ~~created in RCW 43.215.070, to be appointed by the partnership board~~)
3 a private philanthropic organization;
- 4 (g) One representative from the developmental disabilities
5 community;
- 6 (h) Two representatives from early learning regional coalitions.
7 One early learning regional coalition member must represent a rural
8 or distressed community;
- 9 (i) One infant mental health specialist;
- 10 (j) One representative of a statewide association representing
11 business interests;
- 12 (k) One representative of a business offering employer-supported
13 child care;
- 14 (l) One representative of the statewide child care resource and
15 referral organization;
- 16 (m) Representatives of underserved communities who have a special
17 expertise or interest in high quality early learning, one to be
18 appointed by each of the following commissions:
- 19 (i) The Washington state commission on Asian Pacific American
20 affairs;
- 21 (ii) The Washington state commission on African American affairs;
22 and
- 23 (iii) The Washington state commission on Hispanic affairs;
- 24 (~~(j)~~) (n) Two representatives designated by sovereign tribal
25 governments, one of whom must be a representative of a tribal early
26 childhood education assistance program or head start program;
- 27 (~~(k)~~) (o) One representative from the Washington federation of
28 independent schools;
- 29 (~~(l)~~) (p) One representative from the Washington library
30 association; (~~and~~
- 31 ~~(m)~~) (q) One representative from a statewide advocacy coalition
32 of organizations that focuses on early learning;
- 33 (r) One representative from the office of equity created by
34 chapter . . . (House Bill No. 1783 or Senate Bill No. 5776), Laws of
35 2020;
- 36 (s) One representative from the women's commission established
37 under chapter 43.119 RCW;
- 38 (t) One representative of a statewide organization representing
39 the interests of family day care providers;

1 (u) One representative of a professional development organization
2 for child care providers; and

3 (v) One pediatrician or expert on children's health.

4 ~~((6))~~ (7) The council shall be cochaired by two members, to be
5 elected by the council for two-year terms and not more than one
6 cochair may represent a state agency.

7 ~~((7) The council shall appoint two members and stakeholders with~~
8 ~~expertise in early learning to sit on the technical working group~~
9 ~~created in section 2, chapter 234, Laws of 2010.)~~

10 (8) Each member of the ~~((board))~~ council shall be compensated in
11 accordance with RCW 43.03.240 and reimbursed for travel expenses
12 incurred in carrying out the duties of the ~~((board))~~ council in
13 accordance with RCW 43.03.050 and 43.03.060.

14 (9) (a) The council shall convene an early achievers review
15 subcommittee to provide feedback and guidance on strategies to
16 improve the quality of instruction and environment for early learning
17 and provide input and recommendations on the implementation and
18 refinement of the early achievers program. The review conducted by
19 the subcommittee shall be a part of the annual progress report
20 required in RCW ~~((43.215.102))~~ 43.216.089. At a minimum the review
21 shall address the following:

22 (i) Adequacy of data collection procedures;

23 (ii) Coaching and technical assistance standards;

24 (iii) Progress in reducing barriers to participation for low-
25 income providers and providers from diverse cultural backgrounds,
26 including a review of the early achievers program's rating tools,
27 quality standard areas, and components, and how they are applied;

28 (iv) Strategies in response to data on the effectiveness of early
29 achievers program standards in relation to providers and children
30 from diverse cultural backgrounds, including recommendations for
31 adjusting standards and ratings to ensure equitable representation of
32 programs that provide culturally or linguistically unique programs;

33 (v) Status of the life circumstance exemption protocols; and

34 (vi) Analysis of early achievers program data trends.

35 (b) The subcommittee must include consideration of cultural
36 linguistic responsiveness when analyzing the areas for review
37 required by (a) of this subsection.

38 (c) The subcommittee shall include representatives from child
39 care centers, family child care, the early childhood education and
40 assistance program, contractors for early achievers program technical

1 assistance and coaching, tribal governments, the organization
2 responsible for conducting early achievers program ratings, and
3 parents of children participating in early learning programs,
4 including working connections child care and early childhood
5 education and assistance programs. The subcommittee shall include
6 representatives from diverse cultural and linguistic backgrounds.

7 (10)(a) The council shall establish additional subcommittees to
8 include:

9 (i) Child care access and affordability;

10 (ii) Child care supply and the early learning workforce;

11 (iii) Prenatal to age three supports; and

12 (iv) Measurable outcomes and accountability.

13 (b) Based on the advice of the subcommittees described in this
14 subsection, the council shall provide biennial budget
15 recommendations, in collaboration with the department, to the
16 governor and the legislature on how early learning priorities should
17 be funded and supported within the allowed activities of the fair
18 start for kids account as established in section 201 of this act.

19 (11) At least once every five years, the council must survey
20 providers and families to solicit feedback on the early learning
21 programs and policies developed under this act. The survey must be
22 made available in the three most commonly spoken languages in the
23 state. Survey results must be incorporated into the council
24 recommendations provided pursuant to subsection (9) of this section.

25 (12) The department shall provide staff support to the council.

26 NEW SECTION. Sec. 203. (1) Beginning July 1, 2022, and subject
27 to the availability of amounts appropriated for this specific
28 purpose, rates established under sections 309, 310, 312, and 319 of
29 this act must be adjusted annually according to an inflationary
30 increase. The inflationary increase must be calculated by applying
31 the rate of the yearly increase in the inflationary adjustment index
32 to the rates established in sections 309, 310, 312, and 319 of this
33 act. Any funded inflationary increase must be included in the rate
34 used to determine inflationary increases in subsequent years. For the
35 purposes of this section, "inflationary adjustment index" means the
36 implicit price deflator for that fiscal year, using the official
37 current base rate, compiled by the bureau of economic analysis,
38 United States department of commerce.

1 (2) Inflationary adjustments made pursuant to this section must
2 continue until child care subsidy rates are sufficient to compensate
3 providers for the full costs of providing high quality child care, as
4 estimated in the child care cost estimate model developed under RCW
5 43.330.527.

6 NEW SECTION. **Sec. 204.** The legislature recognizes the
7 importance of health care coverage to the stability and well-being of
8 the early learning workforce. Therefore, it is the intent of the
9 legislature to expand access to health care for family day care;
10 child day care center; family, friend, and neighbor; and early
11 childhood education and assistance program providers across the state
12 in consultation with ongoing research efforts, including
13 recommendations from the child care collaborative task force as
14 established in RCW 43.330.527.

15 NEW SECTION. **Sec. 205.** The early learning health care expansion
16 account is created in the state treasury. Revenues to the account
17 shall consist of appropriations, including transfers from the fair
18 start for kids account established in section 201 of this act. Moneys
19 from the account may be spent only after appropriation. Expenditures
20 from the account may be used only for the purposes of increasing the
21 number of family day care providers as defined in RCW 43.216.010 who
22 receive health care benefits.

23 NEW SECTION. **Sec. 206.** (1) In order to expand the supply of
24 critically needed after hours care to meet the needs of parents and
25 caregivers and a round-the-clock economy, the department of children,
26 youth, and families must develop a rate model for nonstandard child
27 care hours and submit the model to the governor and the legislature
28 by October 1, 2021.

29 (2) This section expires June 30, 2023.

30 NEW SECTION. **Sec. 207.** A new section is added to chapter 43.31
31 RCW to read as follows:

32 (1) Subject to the availability of amounts appropriated for this
33 specific purpose, the department shall award start-up grants from the
34 early learning facilities grant and loan program to eligible
35 organizations as described in RCW 43.31.575 who provide the early
36 childhood education and assistance program or working connections

1 child care. To be eligible, the organization must commit to being an
2 active participant in good standing with the early achievers program.
3 Start-up grants are limited to one grant per location per eligible
4 organization. After receiving a start-up grant for a particular
5 location an organization is not eligible for any additional start-up
6 grants for that location under this section.

7 (2) Start-up grant funds must be used for one-time start-up costs
8 associated with the start-up of a new child care or early childhood
9 education and assistance program site. Eligible uses of grant funds
10 include the purchase of equipment, supplies, fixtures and
11 furnishings, dual language programming, and the cost of other goods
12 and services associated with operations that are necessary to meet
13 foundational quality standards for early learning programs as
14 established by the department of children, youth, and families.

15 (3) The department shall adopt rules to implement this section.
16 When developing rules for start-up grants, the department must
17 consider using the child care cost estimate model developed pursuant
18 to RCW 43.330.527 to inform the start-up grant parameters.

19 **Sec. 208.** RCW 43.31.577 and 2017 3rd sp.s. c 12 s 8 are each
20 amended to read as follows:

21 (1) Activities eligible for funding through the early learning
22 facilities grant and loan program for eligible organizations include:

23 (a) Facility predesign grants or loans of no more than ten
24 thousand dollars to allow eligible organizations to secure
25 professional services or consult with organizations certified by the
26 community development financial institutions fund to plan for and
27 assess the feasibility of early learning facilities projects or
28 receive other technical assistance to design and develop projects for
29 construction funding;

30 (b) Grants or loans of no more than one hundred thousand dollars
31 for minor renovations or repairs of existing early learning
32 facilities; ~~((and))~~

33 (c) Major construction and renovation grants or loans and grants
34 or loans for facility purchases of no more than ~~((eight hundred
35 thousand))~~ one million dollars to create or expand early learning
36 facilities;

37 (d) Start-up grants under section 207 of this act; and

1 (e) Grants of up to one million dollars to local governments for
2 public infrastructure improvements necessary to support major
3 construction, renovation, or purchases of early learning facilities.

4 (i) For the purposes of this subsection, "public infrastructure
5 improvements" include costs associated with design, construction,
6 permitting, and connections for water, sewer, stormwater, sidewalk,
7 and other infrastructure systems as determined by the department.

8 (ii) Local governments eligible for grants under this subsection
9 (1)(e) are cities, towns, counties, special purpose districts, school
10 districts, and any other municipal corporation in the state.

11 (2) Activities eligible for funding through the early learning
12 facilities grant and loan program for school districts include major
13 construction, purchase, and renovation grants or loans of no more
14 than ((eight hundred thousand)) one million dollars to create or
15 expand early learning facilities that received priority and ranking
16 as described in RCW 43.31.581.

17 (3) ((Beginning July 1, 2018, amounts)) Amounts in this section
18 must be increased annually by the United States implicit price
19 deflator for state and local government construction provided by the
20 office of financial management.

21 NEW SECTION. Sec. 209. A new section is added to chapter 43.71
22 RCW to read as follows:

23 (1) The exchange, in collaboration with the department of
24 children, youth, and families, shall conduct an outreach campaign to
25 child day care center providers, family day care providers, and early
26 childhood education and assistance program contractors and providers
27 to raise awareness of and enroll providers in coverage offered
28 through the Washington health plan finder.

29 (2) By June 30, 2024, the exchange and the department of
30 children, youth, and families must jointly report to the legislature
31 on the results of the outreach campaign, including findings related
32 to access barriers for this population. The report must include
33 recommendations designed to inform the implementation of the cost of
34 the child care cost estimate model developed under RCW 43.330.527.

35 **PART III**

36 **EARLY LEARNING POLICIES**

37 **1. SUPPORTING CHILD CARE ACCESS AND AFFORDABILITY**

38 **Working Connections Child Care**

1 NEW SECTION. **Sec. 301.** (1) The department shall establish and
2 implement policies in the working connections child care program to
3 promote stability and quality of care for children from low-income
4 households. These policies shall focus on supporting: (a) School
5 readiness for young learners; (b) lifelong social-emotional skills;
6 and (c) the stability of asset-limited, income-constrained families.
7 Policies for the expenditure of funds constituting the working
8 connections child care program must be consistent with the outcome
9 measures established by the department and the standards established
10 in this section intended to promote stability, quality, and
11 continuity of early learning.

12 (2) As recommended by P.L. 113-186, authorizations for the
13 working connections child care subsidy are effective for twelve
14 months. The department may not raise a household copayment during the
15 twelve-month authorization period.

16 (3)(a) The department shall establish and implement policies in
17 the working connections child care program to allow eligibility for
18 families with children who:

19 (i) In the last six months have:

20 (A) Received child protective services as defined and used by
21 chapters 26.44 and 74.13 RCW;

22 (B) Received child welfare services as defined and used by
23 chapter 74.13 RCW; or

24 (C) Received services through a family assessment response as
25 defined and used by chapter 26.44 RCW;

26 (ii) Have been referred for child care as part of the family's
27 case management as defined by RCW 74.13.020; and

28 (iii) Are residing with a biological parent or guardian.

29 (b) Families who are eligible for working connections child care
30 pursuant to this subsection do not have to keep receiving services
31 identified in this subsection to maintain twelve-month authorization.

32 (4)(a) Beginning August 1, 2020, the department may not require
33 an applicant or consumer to meet work requirements as a condition of
34 receiving working connections child care benefits when the applicant
35 or consumer is:

36 (i) A full-time student of a community, technical, or tribal
37 college; and

38 (ii) Pursuing vocational education that leads to a degree or
39 certificate in a specific occupation, not to result in a bachelor's
40 or advanced degree.

1 (b) An applicant or consumer is a full-time student for the
2 purposes of this subsection if he or she meets the college's
3 definition of a full-time student. The student must maintain passing
4 grades and be in good standing pursuant to college attendance
5 requirements.

6 (c) Nothing in this subsection is intended to change how
7 applicants or consumers are prioritized when applicants or consumers
8 are placed on a wait list for working connections child care
9 benefits.

10 (5) For the purposes of sections 301 through 303 of this act,
11 "homeless" means without a fixed, regular, and adequate nighttime
12 residence as described in the federal McKinney-Vento homeless
13 assistance act (42 U.S.C., Chapter 119, Subchapter VI, Part B) as it
14 existed on January 1, 2020.

15 **Sec. 302.** RCW 43.216.135 and 2019 c 406 s 70 and 2019 c 369 s 4
16 are each reenacted and amended to read as follows:

17 (1) ~~((The department shall establish and implement policies in
18 the working connections child care program to promote stability and
19 quality of care for children from low-income households. These
20 policies shall focus on supporting school readiness for young
21 learners. Policies for the expenditure of funds constituting the
22 working connections child care program must be consistent with the
23 outcome measures established by the department and the standards
24 established in this section intended to promote stability, quality,
25 and continuity of early care and education programming.~~

26 ~~(2) As recommended by Public Law 113-186, authorizations for the
27 working connections child care subsidy shall be effective for twelve
28 months beginning July 1, 2016, unless an earlier date is provided in
29 the omnibus appropriations act.~~

30 ~~(3))~~ Existing child care providers serving nonschool-age
31 children and receiving state subsidy payments must complete the
32 following requirements to be eligible for a state subsidy under this
33 section:

34 (a) Enroll in the early achievers program by August 1, 2016;

35 (b) Complete level 2 activities in the early achievers program by
36 August 1, 2017; and

37 (c) Rate or request to be rated at a level 3 or higher in the
38 early achievers program by December 31, 2019. If a child care
39 provider does not rate at or request to be rated at a level 3 by

1 December 31, 2019, the provider is no longer eligible to receive
2 state subsidy. If the provider rates below a level 3 when the rating
3 is released, the provider must complete remedial activities with the
4 department, and must rate at or request to be rated at a level 3 or
5 higher no later than December 30, 2020.

6 ~~((4))~~ (2) A new child care provider serving nonschool-age
7 children and receiving state subsidy payments must complete the
8 following activities to be eligible to receive a state subsidy under
9 this section:

10 (a) Enroll in the early achievers program within thirty days of
11 receiving the initial state subsidy payment;

12 (b) Complete level 2 activities in the early achievers program
13 within twelve months of enrollment; and

14 (c) Rate or request to be rated at a level 3 or higher in the
15 early achievers program within thirty months of enrollment. If a
16 child care provider does not rate or request to be rated at a level 3
17 within thirty months from enrollment into the early achievers
18 program, the provider is no longer eligible to receive state subsidy.
19 If the provider rates below a level 3 when the rating is released,
20 the provider must complete remedial activities with the department,
21 and rate or request to be rated at a level 3 or higher within twelve
22 months of beginning remedial activities.

23 ~~((5))~~ (3) If a child care provider does not rate or request to
24 be rated at a level 3 or higher following the remedial period, the
25 provider is no longer eligible to receive state subsidy under this
26 section. If a child care provider does not rate at a level 3 or
27 higher when the rating is released following the remedial period, the
28 provider is no longer eligible to receive state subsidy under this
29 section.

30 ~~((6))~~ (4) If a child care provider serving nonschool-age
31 children and receiving state subsidy payments has successfully
32 completed all level 2 activities and is waiting to be rated by the
33 deadline provided in this section, the provider may continue to
34 receive a state subsidy pending the successful completion of the
35 level 3 rating activity.

36 ~~((7))~~ (5) The department shall implement tiered reimbursement
37 for early achievers program participants in the working connections
38 child care program rating at level 3, 4, or 5.

1 ~~((8))~~ (6) The department shall account for a child care
2 copayment collected by the provider from the family for each
3 contracted slot and establish the copayment fee by rule.

4 ~~((9) (a) The department shall establish and implement policies in
5 the working connections child care program to allow eligibility for
6 families with children who:~~

7 ~~(i) In the last six months have:~~

8 ~~(A) Received child protective services as defined and used by
9 chapters 26.44 and 74.13 RCW;~~

10 ~~(B) Received child welfare services as defined and used by
11 chapter 74.13 RCW; or~~

12 ~~(C) Received services through a family assessment response as
13 defined and used by chapter 26.44 RCW;~~

14 ~~(ii) Have been referred for child care as part of the family's
15 case management as defined by RCW 74.13.020; and~~

16 ~~(iii) Are residing with a biological parent or guardian.~~

17 ~~(b) Children who are eligible for working connections child care
18 pursuant to this subsection do not have to keep receiving services
19 identified in this subsection to maintain twelve-month authorization.
20 The department of social and health services' involvement with the
21 family referred for working connections child care ends when the
22 family's child protective services, child welfare services, or family
23 assessment response case is closed.~~

24 ~~(10) (a) Beginning August 1, 2020, the department may not require
25 an applicant or consumer to meet work requirements as a condition of
26 receiving working connections child care benefits when the applicant
27 or consumer is:~~

28 ~~(i) A single parent;~~

29 ~~(ii) A full-time student of a community, technical, or tribal
30 college; and~~

31 ~~(iii) Pursuing vocational education that leads to a degree or
32 certificate in a specific occupation, not to result in a bachelor's
33 or advanced degree.~~

34 ~~(b) An applicant or consumer is a full-time student for the
35 purposes of this subsection if he or she meets the college's
36 definition of a full-time student. The student must maintain passing
37 grades and be in good standing pursuant to college attendance
38 requirements.~~

39 ~~(c) Nothing in this subsection is intended to change how
40 applicants or consumers are prioritized when applicants or consumers~~

1 ~~are placed on a wait list for working connections child care~~
2 ~~benefits.)~~)

3 NEW SECTION. **Sec. 303.** (1)(a) It is the intent of the
4 legislature to increase working families' access to affordable, high
5 quality child care and to support the expansion of the workforce to
6 support businesses and the economy statewide.

7 (b) Beginning July 1, 2022, and subject to the availability of
8 amounts appropriated for this specific purpose, a household is
9 eligible for working connections child care if any child in the
10 household eligible for care is nonschool age, the household's annual
11 household income is at or below eighty-five percent of the state
12 median income adjusted for family size, and the household meets all
13 other program eligibility requirements.

14 (2) The department must calculate a monthly copayment for a
15 household with a nonschool age child eligible under this section
16 according to the following schedule:

17 (a) If the household's annual income is at or below thirty-six
18 percent of the state median income, then the household shall have no
19 copayment.

20 (b) If the household's annual income is above thirty-six percent
21 of the state median income and at or below fifty percent of the state
22 median income, then the household copayment shall be fifteen dollars
23 per month.

24 (c) If the household's annual income is above fifty percent of
25 the state median income and at or below sixty-five percent of the
26 state median income, then the household copayment shall be one
27 hundred fifty dollars per month.

28 (3) The department shall develop a copayment model based on
29 available revenue for households with annual incomes above sixty-five
30 percent of the state median income and at or below eighty-five
31 percent of the state median income. The model must calculate a
32 copayment for each household that is no greater than fifteen percent
33 of countable household income for households within this income
34 range. The department must consider expanding the model to include a
35 regional income measure, such as area median income, that reflects
36 the true costs of living in different regions of the state. The
37 department must submit the model and a corresponding implementation
38 plan to the governor and the legislature by October 1, 2021.

39 (4) The department must adopt rules to implement this section.

1 (5) With the exception of subsection (2) of this section, nothing
2 in this section requires changes to program eligibility and
3 copayments adopted by the department in rule for school age children
4 in the working connections child care program.

5 **Early Childhood Education and Assistance Program**

6 NEW SECTION. **Sec. 304.** The legislature finds that eligibility
7 guidelines for the national school lunch program require free meals
8 for children with household incomes at or below one hundred thirty
9 percent of the federal poverty level and that this income level is
10 approximately equivalent to thirty-six percent of the state median
11 income for a household of three. Therefore, the legislature intends
12 to raise the maximum household income for children entitled to enroll
13 in the early childhood education and assistance program to thirty-six
14 percent of the state median income beginning July 1, 2026. It is the
15 intent of the legislature to standardize income eligibility levels
16 for assistance programs in order to help families and social workers
17 better understand the benefits for which families qualify and to
18 simplify and align state systems wherever feasible.

19 **Sec. 305.** RCW 43.216.505 and 2019 c 408 s 2 are each amended to
20 read as follows:

21 Unless the context clearly requires otherwise, the definitions in
22 this section apply throughout RCW 43.216.500 through 43.216.559,
23 43.216.900, and 43.216.901.

24 (1) "Advisory committee" means the advisory committee under RCW
25 43.216.520.

26 (2) "Approved programs" means those state-supported education and
27 special assistance programs which are recognized by the department as
28 meeting the minimum program rules adopted by the department to
29 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and
30 43.216.901 and are designated as eligible for funding by the
31 department under RCW 43.216.530 and 43.216.540.

32 (3) "Comprehensive" means an assistance program that focuses on
33 the needs of the child and includes education, health, and family
34 support services.

35 (4) "Eligible child" means a three to five-year old child who is
36 not age-eligible for kindergarten, is not a participant in a federal
37 or state program providing comprehensive services, and who:

1 (a) Has a (~~family~~) household income at or below (~~one hundred~~
2 ~~ten~~) thirty-six percent of the (~~federal poverty level, as published~~
3 ~~annually by the federal department of health and human services~~)
4 state median income adjusted for household size;

5 (b) Is experiencing homelessness;

6 (c) Has participated in early head start, the early support for
7 infants and toddlers, or the birth to three early childhood education
8 and assistance pilot project;

9 (d) Is eligible for special education due to disability under RCW
10 28A.155.020; or

11 (~~e~~) (e) Meets criteria under rules adopted by the department
12 if the number of such children equals not more than ten percent of
13 the total enrollment in the early childhood program. Preference for
14 enrollment in this group shall be given to children from families
15 with the lowest income, children in foster care, or to eligible
16 children from families with multiple needs.

17 (5) "Family support services" means providing opportunities for
18 parents to:

19 (a) Actively participate in their child's early childhood
20 program;

21 (b) Increase their knowledge of child development and parenting
22 skills;

23 (c) Further their education and training;

24 (d) Increase their ability to use needed services in the
25 community;

26 (e) Increase their self-reliance.

27 (6) "Experiencing homelessness" means a child without a fixed,
28 regular, and adequate nighttime residence as described in the federal
29 McKinney-Vento homeless assistance act (42 U.S.C., Chapter 119,
30 Subchapter VI, Part B) as it existed on January 1, 2020.

31 **Sec. 306.** RCW 43.216.512 and 2019 c 409 s 2 are each amended to
32 read as follows:

33 (1) The department shall adopt rules that allow the enrollment of
34 children in the early childhood education and assistance program, as
35 space is available if the number of such children equals not more
36 than twenty-five percent of total statewide enrollment, whose family
37 income is (~~÷~~

38 ~~above one hundred ten percent but less than or equal to one~~
39 ~~hundred thirty percent of the federal poverty level; or~~

1 ~~(b) Above one hundred thirty percent but less than or equal to~~
2 ~~two hundred percent of the federal poverty level if))~~ above thirty-
3 six percent but less than or equal to fifty-five percent of the state
4 median income adjusted for household size and the child meets at
5 least one of the risk factor criterion described in subsection (2) of
6 this section.

7 (2) Children enrolled in the early childhood education and
8 assistance program pursuant to (~~subsection (1)(b) of~~) this section
9 must be prioritized for available funded slots according to a
10 prioritization system adopted in rule by the department that
11 considers risk factors that have a disproportionate effect on
12 kindergarten readiness and school performance, including:

13 (a) Family income as a percent of the (~~federal poverty level~~)
14 state median income;

15 (b) Homelessness;

16 (c) Child welfare system involvement;

17 (d) Developmental delay or disability that does not meet the
18 eligibility criteria for special education described in RCW
19 28A.155.020;

20 (e) Domestic violence;

21 (f) English as a second language;

22 (g) Expulsion from an early learning setting;

23 (h) A parent who is incarcerated;

24 (i) A parent with a substance use disorder or mental health
25 treatment need; and

26 (j) Other risk factors determined by the department to be linked
27 by research to school performance.

28 (3) The department shall adopt rules that allow a child to enroll
29 in the early childhood education and assistance program, as space is
30 available, when the child is not eligible under RCW 43.216.505 and
31 the child turns three years old at any time during the school year
32 when the child:

33 (a) Has a family income at or below (~~two hundred~~) fifty-five
34 percent of the (~~federal poverty level~~) state median income or meets
35 at least one risk factor criterion adopted by the department in rule;
36 and

37 (b) Has received services from or participated in:

38 (i) The early support for infants and toddlers program;

1 (ii) The early head start or a successor federal program
2 providing comprehensive services for children from birth through two
3 years of age; or

4 (iii) The birth to three early childhood education and assistance
5 program, if such a program is established.

6 (4) Children enrolled in the early childhood education and
7 assistance program under this section are not considered eligible
8 children as defined in RCW 43.216.505 and are not considered to be
9 part of the state-funded entitlement required in RCW 43.216.556.

10 **Sec. 307.** RCW 43.216.514 and 2019 c 408 s 7 are each amended to
11 read as follows:

12 (1) (a) The department shall prioritize children for enrollment in
13 the early childhood education and assistance program who are eligible
14 pursuant to RCW 43.216.505.

15 (b) A child who is eligible at the time of enrollment in the
16 early childhood education and assistance program maintains his or her
17 program eligibility until he or she begins kindergarten.

18 (2) As space is available, children may be included in the early
19 childhood education and assistance program pursuant to RCW
20 43.216.512. ~~((Priority within this group must be given first to~~
21 ~~children with incomes up to one hundred thirty percent of the federal~~
22 ~~poverty level.))~~

23 **2. INCREASING AND SUSTAINING CHILD CARE SUPPLY AND THE EARLY LEARNING**
24 **WORKFORCE**
25 **Subsidy Rates**

26 **Sec. 308.** RCW 43.216.749 and 2019 c 368 s 7 are each amended to
27 read as follows:

28 Subject to the availability of amounts appropriated for this
29 specific purpose:

30 (1) ~~((By))~~ Child care subsidy base rates for licensed family
31 homes and child care centers shall achieve at least the seventy-fifth
32 percentile of the private market rate at a level 2 standard of
33 quality until December 31, 2024; and

34 (2) Beginning January 1, 2025, the department ~~((of children,~~
35 ~~youth, and families))~~ must use the child care cost estimate model
36 developed under RCW 43.330.527 to ~~((determine child care subsidy~~
37 ~~rates.~~

1 ~~(2) This section expires January 30, 2025))~~ set child care
2 subsidy base rates at levels that are sufficient to compensate
3 providers for the full costs of providing high quality child care.

4 **Early Childhood Education and Assistance Program Rates**

5 NEW SECTION. **Sec. 309.** Subject to the availability of amounts
6 appropriated for this specific purpose, rates for the early childhood
7 education and assistance program shall be established as follows:

8 (1) For the 2022-23 school year, rates shall be set at a level at
9 least ten percent higher than the rates established in chapter 415,
10 Laws of 2019.

11 (2) Beginning July 1, 2023, and subject to the availability of
12 amounts appropriated for this specific purpose, rates shall be
13 adjusted annually according to an inflationary increase as described
14 in section 203 of this act. It is the intent of the legislature that
15 rate increases shall be informed by the department's 2020 early
16 childhood education and assistance program rate study.

17 **Trauma Informed Designation for Complex Needs**

18 NEW SECTION. **Sec. 310.** (1) Beginning July 1, 2022, and subject
19 to the availability of amounts appropriated for this specific
20 purpose, the department shall provide a complex needs subsidy rate
21 enhancement for providers and contractors who are designated as a
22 trauma-informed care provider in the early achievers program. It is
23 the intent of the legislature to allow uses of rate enhancements to
24 include the purchase of screening tools and assessment materials,
25 trauma-informed professional development and training for providers
26 and contractors, supportive services for children with complex needs
27 that are offered as fee-for-service within local communities, and
28 wage increases for individual staff who have an infant and early
29 childhood mental health specialty credential.

30 (2) The complex needs rate enhancements under subsection (1) of
31 this section shall be calculated by the department and must be
32 awarded on a per-classroom basis. To qualify, a classroom may be an
33 integrated environment serving children with complex needs alongside
34 their peers or the classroom may exclusively serve children with
35 complex needs. The department must provide a financial model for

1 calculating the complex needs rate enhancements to the governor and
2 the legislature by October 1, 2021.

3 (3) To the extent practicable, parties should consider in
4 collective bargaining agreements, beginning in the 2021-2023
5 biennium, implementation of a rate structure similar to the
6 provisions in this section.

7 (4) Beginning July 1, 2023, and subject to the availability of
8 amounts appropriated for this specific purpose, complex needs rate
9 enhancements distributed pursuant to this section shall be adjusted
10 annually as described in section 203 of this act.

11 **Early Childhood Equity Grants**

12 NEW SECTION. **Sec. 311.** (1) Subject to the availability of
13 amounts appropriated for this specific purpose, the department shall
14 provide early childhood equity grants to eligible applicants. The
15 equity grants are intended to serve as a step toward expanding access
16 to early learning statewide and transforming Washington's early
17 learning system to make it more inclusive and equitable. Families of
18 color deserve the option of a culturally and linguistically specific
19 experience that might make the difference for their child's future
20 success. The department shall administer the early childhood equity
21 grants to support culturally and linguistically specific early
22 learning and early childhood and parent support programs across the
23 state.

24 (2) The department must conduct an equitable process to
25 prioritize grant applications for early childhood equity grant
26 assistance as described in subsection (1) of this section. An
27 applicant must be in good standing with the early achievers quality
28 rating and improvement system to be eligible to receive an early
29 childhood equity grant. An eligible applicant may receive an early
30 childhood equity grant once every two years.

31 (3) When conducting the equitable grant process pursuant to
32 subsection (2) of this section, the department must:

33 (a) Solicit project applications from a racially and
34 geographically diverse pool of eligible applicants statewide;

35 (b) Provide application materials in the top three spoken
36 languages in the state and broadly communicate using a variety of
37 strategies to reach diverse communities;

1 (c) Require applicants to demonstrate their proposed uses of
2 early childhood equity grant funds to incorporate culturally and
3 linguistically supportive and relevant practices into early learning
4 program design, delivery, education, training, and evaluation; and

5 (d) Evaluate and rank applications in consultation with an
6 advisory committee focused on racial equity, diversity, and inclusion
7 in early learning that includes representation by members from
8 diverse communities. Applications must be ranked and prioritized
9 according to the following criteria:

10 (i) Proposed uses of the early childhood equity grant funds,
11 including how funds will be used to support cultural and linguistic
12 diversity;

13 (ii) The number of children receiving state subsidy as a
14 percentage of the applicant's overall enrollment population; and

15 (iii) Characteristics of the children served by the applicant,
16 including the percentage of children from racial or ethnic groups
17 that have historically experienced academic, health, or economic
18 disparities.

19 (4) To be eligible for early childhood equity grant funds an
20 applicant must describe how their program is culturally or
21 linguistically specific and must have demonstrated experience of
22 providing effective outreach, support, and resources to underserved
23 children and their families.

24 (5) In years following the appropriation of state funding for
25 early childhood equity grants in the prior fiscal year, the
26 department must submit a brief status report by December 1st to the
27 governor and the legislature describing the projects funded with
28 early childhood equity grant funds and the populations served.

29 (6) The department may adopt rules to implement this section.

30 **Dual Language Workforce and Designation**

31 NEW SECTION. **Sec. 312.** (1) Beginning July 1, 2022, and subject
32 to the availability of amounts appropriated for this specific
33 purpose, the department shall establish a dual language designation
34 and provide a rate enhancement in the early achievers program for
35 child care providers and early childhood education and assistance
36 program contractors who are accepting state subsidy and caring for
37 children between the ages of birth and five years. To be eligible for
38 dual language rate enhancements, a provider must be an active

1 participant in good standing with the early achievers program. It is
2 the intent of the legislature to allow uses of rate enhancements to
3 include the purchase of dual language and culturally appropriate
4 curricula and accompanying training programs, instructional
5 materials, professional development training, and increased wages for
6 individual staff who provide bilingual instruction.

7 (2) The department must consult with a stakeholder advisory group
8 to develop criteria for the dual language designation by September 1,
9 2021. The stakeholder group must include:

10 (a) A representative of an organization of early learning
11 providers focused on preserving languages and culture by serving
12 immigrant and refugee communities;

13 (b) A representative of an early learning advocacy organization;

14 (c) A representative of an organization that advocates on behalf
15 of dual language learners and home language support programs;

16 (d) A representative of the statewide child care resource and
17 referral network;

18 (e) A representative of the department's Indian policy early
19 learning committee;

20 (f) A representative of a statewide organization representing the
21 interests of early childhood education and assistance program
22 contractors; and

23 (g) A representative of a statewide organization representing the
24 interests of family day care providers.

25 (3) The department must provide a financial model for calculating
26 the dual language rate enhancements under subsection (1) of this
27 section to the governor and the legislature by October 1, 2021.

28 (4) By December 1st in years following distribution of early
29 achievers dual language rate enhancements, the department must
30 provide the following data to the legislature and the governor: (a)
31 Languages spoken by rate enhancement recipients; (b) the number of
32 rate enhancements distributed; and (c) the types of early
33 intervention programs and services delivered by rate enhancement
34 recipients.

35 (5) To the extent practicable, parties should consider in
36 collective bargaining agreements, beginning in the 2021-2023
37 biennium, implementation of a rate structure similar to the
38 provisions in this section.

39 (6) Beginning July 1, 2023, and subject to the availability of
40 amounts appropriated for this specific purpose, rate enhancements

1 established under this section shall be adjusted annually for
2 inflation as described in section 203 of this act.

3 (7) The department may adopt rules to implement this section.

4 **Technical Assistance for Employer-Supported Child Care**

5 NEW SECTION. **Sec. 313.** A new section is added to chapter 43.330
6 RCW to read as follows:

7 Subject to the availability of amounts appropriated for this
8 specific purpose, the department shall collaborate with the
9 department of children, youth, and families to provide or contract to
10 provide remote or in-person technical assistance to employers
11 interested in supporting their employees' access to high quality
12 child care. Technical assistance may include, but is not limited to,
13 guidance related to:

14 (1) Operating a licensed child care center at or near the
15 workplace for the benefit of employees;

16 (2) Financing and construction of a licensed child care center at
17 or near the workplace for the benefit of employees;

18 (3) Providing financial assistance to employees for licensed or
19 certified child care expenses;

20 (4) Sponsoring dependent care flexible spending accounts for
21 employees; and

22 (5) Developing a "bring your infant to work" program and other
23 family-friendly work policies for employees.

24 **Mental Health Consultation**

25 NEW SECTION. **Sec. 314.** (1) The legislature finds that mental
26 health consultation for early learning providers is an effective
27 strategy for supporting children's social and emotional development.
28 The legislature further finds that young children in Washington are
29 experiencing increasing levels of mental health needs and without a
30 properly supported early learning workforce these children face
31 higher rates of expulsion and are at risk of increasing developmental
32 delays continuing into the K-12 education system. The legislature
33 further recognizes that a mental health consultation system also
34 benefits early learning providers by reducing secondary trauma and
35 minimizing staff turnover in addition to improving providers' ability
36 to work with parents to address complex needs at home. Therefore, it

1 is the intent of the legislature to support a mental health
2 consultation system that is available to early learning providers
3 statewide.

4 (2) Subject to the availability of amounts appropriated for this
5 specific purpose, the department shall provide mental health
6 consultation services to early learning providers through shared
7 services hubs as described in section 316 of this act.

8 (a) Mental health consultation services must be delivered in
9 coordination with the early achievers mental health coaching provided
10 under RCW 43.216.090.

11 (b) The department must provide supervisors for mental health
12 consultants to provide reflective supervision and overall
13 coordination of service delivery.

14 (c) As capacity allows, the department may provide access to
15 mental health consultation services to license-exempt family, friend,
16 and neighbor care providers.

17 **Training for Early Learning Providers**

18 NEW SECTION. **Sec. 315.** (1) Subject to the availability of
19 amounts appropriated for this specific purpose, the department shall
20 administer training grants for early learning providers that support
21 providers in reaching the professional education and training
22 standards promoted by the early achievers program. Moneys from the
23 training grants must be used to augment existing early achievers
24 scholarships available to providers and must be distributed to
25 eligible providers as follows:

26 (a) The department must use training grant moneys to provide or
27 contract for:

28 (i) Department-required trainings for early learning providers
29 conducted by department-approved trainers;

30 (ii) Trainings for license-exempt family, friend, and neighbor
31 child care providers conducted by department-approved trainers; and

32 (iii) Early achievers scholarships.

33 (b) (i) The department may distribute supplemental training awards
34 to eligible providers as determined by the department.

35 (ii) Supplemental training awards may be used by eligible
36 providers for qualified activities. Qualified activities may include,
37 but are not limited to, trainings delivered by department-approved
38 trainers on topics such as small business management, providing care

1 for children with developmental disabilities, infant and toddler
2 care, dual language program development, and providing trauma-
3 informed care.

4 (2) For the purposes of this section, "eligible provider" means:

5 (a) An employee or owner of a licensed or certified child care center
6 accepting state subsidy; (b) an employee or owner of a licensed
7 family home accepting state subsidy; (c) a contractor or provider of
8 the early childhood education and assistance program; or (d) an early
9 achievers coach.

10 **Shared Services for Child Care Providers**

11 NEW SECTION. **Sec. 316.** (1) Subject to the availability of
12 amounts appropriated for this specific purpose, the department shall
13 provide or contract to provide one or more shared services hubs that
14 allow the ongoing pooling and shared use of comprehensive services,
15 business services, and pedagogical leadership by licensed and
16 certified child care centers and family homes. It is the intent of
17 the legislature that shared services hubs will help support child
18 care; provide one-stop shopping for easier, consolidated, and
19 efficient service delivery; and bring together siloed service streams
20 for early learning providers.

21 (a) Shared comprehensive services may include developmental and
22 health screenings, mental health and nurse consultation, health
23 advisory and parent policy councils, assessments for one-on-one
24 behavioral support aides, and coordination with a local or statewide
25 family linkage system that connects families with young children to
26 appropriate community resources and services.

27 (b) Shared business services may include support with fee
28 collection and financial management, human resources and payroll
29 services, regional substitute pools, identification of translation
30 and interpreter services, and business coaching and training.

31 (c) Shared pedagogical resources may include leadership
32 development, reflective supervision for child care center
33 administrators, curricula, and training for early achievers coaches.

34 (2) Shared services hubs must be located in different geographic
35 regions of the state and serve diverse demographic groups.

36 (3) By December 1, 2025, the department shall report to the
37 governor and the legislature on the effectiveness of the service hub
38 model in creating administrative efficiencies, realizing cost savings

1 for child care providers and the department, increasing the
2 responsiveness of providers to the needs of families, and building
3 capacity for inclusive and trauma-informed services. The department
4 must make recommendations for improvements or changes to the hub
5 model and the expansion of the service hub model statewide.

6 (4) As funds are available, the department must expand
7 availability of shared services hubs around the state.

8 **3. SUPPORTING FAMILIES WITH CHILDREN FROM PRENATAL TO AGE THREE**

9 NEW SECTION. **Sec. 317.** (1) The legislature finds that parental
10 relationships and healthy interactions in the first few years of life
11 help shape the development of babies and toddlers' brains and bodies.
12 Eighty percent of the brain is developed by the age of three and
13 parents are a child's first teachers. The legislature finds that the
14 federal family first prevention services act (P.L. 115-123) offers
15 the state the opportunity to leverage federal funding for certain
16 programs, including in-home parent skill-based programs, substance
17 use disorder support, and mental health interventions. Culturally
18 relevant, evidence-based programs that may qualify for these federal
19 funds are limited. Therefore, state support may be necessary to serve
20 traditionally underrepresented communities and increase positive
21 engagement from parents and caregivers of children from before birth
22 to age three. The legislature finds that small teacher-child ratios
23 for infant and toddler care, as well as the existence of child care
24 deserts with low levels of access to care for the birth to three age
25 group, contribute to higher expenses for providers and families with
26 babies and young children.

27 (2) The legislature further finds that the state has the
28 opportunity to leverage medicaid funds to support the expansion of
29 the early childhood intervention prevention services program if the
30 program is available statewide.

31 (3) Therefore, the legislature intends to promote parent and
32 family education and support, incentivize the provision of infant and
33 toddler care, and make trauma and complex needs programs and other
34 early intervention services more readily available to families and
35 young children.

36 **Parent and Family Education and Support**

1 NEW SECTION. Sec. 318. (1) Subject to the availability of
2 amounts appropriated for this specific purpose, the department shall
3 administer a prenatal to three family engagement strategy to support
4 expectant parents, babies and toddlers from birth to three years of
5 age, and their caregivers.

6 (2) Components of the prenatal to three family engagement
7 strategy must include supports and services to improve maternal and
8 infant health outcomes, reduce and mitigate trauma, promote
9 attachment and other social-emotional assets, strengthen parenting
10 skills, and provide early interventions to help maximize healthy and
11 robust childhood development and reduce isolation. Services and
12 supports may include:

13 (a) Parent skill-based programs and training;

14 (b) Facilitated play and learn groups;

15 (c) Parent peer-support groups, including groups designed for
16 families with children with complex needs, families whose primary
17 home language is not English, incarcerated parents, families coping
18 with substance use disorder or mental health support needs, or other
19 specific needs; and

20 (d) Other prenatal to age three programs and services.

21 (3) Continuity of services for babies and toddlers are important
22 for early childhood brain development. Therefore, the services and
23 supports described in this section may be made available to
24 biological parents, foster parents, and kinship care providers.

25 **Infant and Toddler Care Incentives**

26 NEW SECTION. Sec. 319. (1) The legislature finds that our state
27 suffers from an extreme shortage of infant and toddler child care,
28 impacting the ability of parents to participate in the workforce.
29 Further, parents returning to work after using paid family leave to
30 care for a new child struggle to find readily available, high quality
31 care during a time of critical growth and brain development for young
32 children. Therefore, the legislature intends to incentivize the
33 provision of high quality infant and toddler care.

34 (2) Subject to the availability of amounts appropriated for this
35 specific purpose, the department shall provide an infant-toddler rate
36 enhancement for providers and contractors who are:

37 (a) Accepting state subsidy;

1 (b) In good standing with the early achievers quality rating and
2 improvement system; and

3 (c) Caring for a child between the ages of birth and three years.

4 (3) To the extent practicable, parties should consider in
5 collective bargaining agreements, beginning in the 2021-2023
6 biennium, implementation of a rate structure similar to the
7 provisions in this section.

8 (4) Beginning July 1, 2023, and subject to the availability of
9 amounts appropriated for this specific purpose, rate enhancements
10 established under this section shall be adjusted annually for
11 inflation as described in section 203 of this act.

12 (5) Beginning January 1, 2025, the department must use the child
13 care cost estimate model developed under RCW 43.330.527 to set infant
14 and toddler enhancement rates at levels that are sufficient to
15 compensate providers for the full costs of providing high quality
16 child care.

17 **Expanding Early Interventions**

18 NEW SECTION. **Sec. 320.** (1) Subject to the availability of
19 amounts appropriated for this specific purpose, the department shall
20 administer trauma and complex needs programs, such as the early
21 childhood intervention prevention services program, and other early
22 intervention services for children who are:

23 (a) Between the ages of birth and five years;

24 (b) Referred by a child welfare worker, a department of social
25 and health services social worker, a primary care physician, a
26 behavioral health provider, or a public health nurse due to: (i) Risk
27 of child abuse or neglect; or (ii) exposure to complex trauma; and

28 (c) Enrolled in apple health for kids.

29 (2) The department shall make all reasonable efforts to deliver
30 the trauma and complex needs programs and other early intervention
31 services in areas of the state with the highest need and the greatest
32 local interest in such services and programs.

33 **PART IV**

34 **CONFORMING AMENDMENTS**

35 **Sec. 401.** RCW 43.216.010 and 2017 3rd sp.s. c 6 s 201 are each
36 reenacted and amended to read as follows:

1 The definitions in this section apply throughout this chapter
2 unless the context clearly requires otherwise.

3 (1) "Agency" means any person, firm, partnership, association,
4 corporation, or facility that provides child care and early learning
5 services outside a child's own home and includes the following
6 irrespective of whether there is compensation to the agency:

7 (a) "Child day care center" means an agency that regularly
8 provides early childhood education and early learning services for a
9 group of children for periods of less than twenty-four hours;

10 (b) "Early learning" includes but is not limited to programs and
11 services for child care; state, federal, private, and nonprofit
12 preschool; child care subsidies; child care resource and referral;
13 parental education and support; and training and professional
14 development for early learning professionals;

15 (c) "Family day care provider" means a child care provider who
16 regularly provides early childhood education and early learning
17 services for not more than twelve children at any given time in the
18 provider's home in the family living quarters;

19 (d) "Nongovernmental private-public partnership" means an entity
20 registered as a nonprofit corporation in Washington state with a
21 primary focus on early learning, school readiness, and parental
22 support, and an ability to raise a minimum of five million dollars in
23 contributions;

24 (e) "Service provider" means the entity that operates a community
25 facility.

26 (2) "Agency" does not include the following:

27 (a) Persons related to the child in the following ways:

28 (i) Any blood relative, including those of half-blood, and
29 including first cousins, nephews or nieces, and persons of preceding
30 generations as denoted by prefixes of grand, great, or great-great;

31 (ii) Stepfather, stepmother, stepbrother, and stepsister;

32 (iii) A person who legally adopts a child or the child's parent
33 as well as the natural and other legally adopted children of such
34 persons, and other relatives of the adoptive parents in accordance
35 with state law; or

36 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of
37 this subsection, even after the marriage is terminated;

38 (b) Persons who are legal guardians of the child;

39 (c) Persons who care for a neighbor's or friend's child or
40 children, with or without compensation, where the person providing

1 care for periods of less than twenty-four hours does not conduct such
2 activity on an ongoing, regularly scheduled basis for the purpose of
3 engaging in business, which includes, but is not limited to,
4 advertising such care;

5 (d) Parents on a mutually cooperative basis exchange care of one
6 another's children;

7 (e) Nursery schools that are engaged primarily in early childhood
8 education with preschool children and in which no child is enrolled
9 on a regular basis for more than four hours per day;

10 (f) Schools, including boarding schools, that are engaged
11 primarily in education, operate on a definite school year schedule,
12 follow a stated academic curriculum, and accept only school age
13 children;

14 (g) Seasonal camps of three months' or less duration engaged
15 primarily in recreational or educational activities;

16 (h) Facilities providing child care for periods of less than
17 twenty-four hours when a parent or legal guardian of the child
18 remains on the premises of the facility for the purpose of
19 participating in:

20 (i) Activities other than employment; or

21 (ii) Employment of up to two hours per day when the facility is
22 operated by a nonprofit entity that also operates a licensed child
23 care program at the same facility in another location or at another
24 facility;

25 (i) Any entity that provides recreational or educational
26 programming for school age children only and the entity meets all of
27 the following requirements:

28 (i) The entity utilizes a drop-in model for programming, where
29 children are able to attend during any or all program hours without a
30 formal reservation;

31 (ii) The entity does not assume responsibility in lieu of the
32 parent, unless for coordinated transportation;

33 (iii) The entity is a local affiliate of a national nonprofit;
34 and

35 (iv) The entity is in compliance with all safety and quality
36 standards set by the associated national agency;

37 (j) A program operated by any unit of local, state, or federal
38 government;

39 (k) A program located within the boundaries of a federally
40 recognized Indian reservation, licensed by the Indian tribe;

1 (1) A program located on a federal military reservation, except
2 where the military authorities request that such agency be subject to
3 the licensing requirements of this chapter;

4 (m) A program that offers early learning and support services,
5 such as parent education, and does not provide child care services on
6 a regular basis.

7 (3) "Applicant" means a person who requests or seeks employment
8 in an agency.

9 (4) "Conviction information" means criminal history record
10 information relating to an incident which has led to a conviction or
11 other disposition adverse to the applicant.

12 (5) "Department" means the department of children, youth, and
13 families.

14 (6) "Early achievers" means a program that improves the quality
15 of early learning programs and supports and rewards providers for
16 their participation.

17 (7) "Early childhood education and assistance program contractor"
18 means an organization that provides early childhood education and
19 assistance program services under a signed contract with the
20 department.

21 (8) "Early childhood education and assistance program provider"
22 means an organization that provides site level, direct, and high
23 quality early childhood education and assistance program services
24 under the direction of an early childhood education and assistance
25 program contractor.

26 (9) (~~"Early start" means an integrated high quality continuum of~~
27 ~~early learning programs for children birth to five years of age.~~
28 ~~Components of early start include, but are not limited to, the~~
29 ~~following:~~

30 ~~(a) Home visiting and parent education and support programs;~~

31 ~~(b) The early achievers program described in RCW 43.216.085;~~

32 ~~(c) Integrated full-day and part-day high quality early learning~~
33 ~~programs; and~~

34 ~~(d) High quality preschool for children whose family income is at~~
35 ~~or below one hundred ten percent of the federal poverty level.~~

36 (10)) "Education data center" means the education data center
37 established in RCW 43.41.400, commonly referred to as the education
38 research and data center.

1 (~~(11)~~) (10) "Employer" means a person or business that engages
2 the services of one or more people, especially for wages or salary to
3 work in an agency.

4 (~~(12)~~) (11) "Enforcement action" means denial, suspension,
5 revocation, modification, or nonrenewal of a license pursuant to RCW
6 43.216.325(1) or assessment of civil monetary penalties pursuant to
7 RCW 43.216.325(3).

8 (~~(13)~~) (12) "Extended day program" means an early childhood
9 education and assistance program that offers early learning education
10 for at least ten hours per day, a minimum of two thousand hours per
11 year, at least four days per week, and operates year-round.

12 (~~(14)~~) (13) "Full day program" means an early childhood
13 education and assistance program that offers early learning education
14 for a minimum of one thousand hours per year.

15 (~~(15)~~) (14) "Low-income child care provider" means a person who
16 administers a child care program that consists of at least eighty
17 percent of children receiving working connections child care subsidy.

18 (~~(16)~~) (15) "Low-income neighborhood" means a district or
19 community where more than twenty percent of households are below the
20 federal poverty level.

21 (~~(17)~~) (16) "Negative action" means a court order, court
22 judgment, or an adverse action taken by an agency, in any state,
23 federal, tribal, or foreign jurisdiction, which results in a finding
24 against the applicant reasonably related to the individual's
25 character, suitability, and competence to care for or have
26 unsupervised access to children in child care. This may include, but
27 is not limited to:

28 (a) A decision issued by an administrative law judge;

29 (b) A final determination, decision, or finding made by an agency
30 following an investigation;

31 (c) An adverse agency action, including termination, revocation,
32 or denial of a license or certification, or if pending adverse agency
33 action, the voluntary surrender of a license, certification, or
34 contract in lieu of the adverse action;

35 (d) A revocation, denial, or restriction placed on any
36 professional license; or

37 (e) A final decision of a disciplinary board.

38 (~~(18)~~) (17) "Nonconviction information" means arrest, founded
39 allegations of child abuse, or neglect pursuant to chapter 26.44 RCW,
40 or other negative action adverse to the applicant.

1 ~~((19))~~ (18) "Nonschool age child" means a child who is age six
2 years or younger and who is not enrolled in a public or private
3 school.

4 ~~((20))~~ (19) "Part day program" means an early childhood
5 education and assistance program that offers early learning education
6 for at least two and one-half hours per class session, at least three
7 hundred twenty hours per year, for a minimum of thirty weeks per
8 year.

9 ~~((21))~~ (20) "Private school" means a private school approved by
10 the state under chapter 28A.195 RCW.

11 ~~((22))~~ (21) "Probationary license" means a license issued as a
12 disciplinary measure to an agency that has previously been issued a
13 full license but is out of compliance with licensing standards.

14 ~~((23))~~ (22) "Requirement" means any rule, regulation, or
15 standard of care to be maintained by an agency.

16 ~~((24))~~ (23) "School age child" means a child who is five years
17 of age through twelve years of age and is attending a public or
18 private school or is receiving home-based instruction under chapter
19 28A.200 RCW.

20 ~~((25))~~ (24) "Secretary" means the secretary of the department.

21 ~~((26))~~ (25) "Washington state preschool program" means an
22 education program for children three-to-five years of age who have
23 not yet entered kindergarten, such as the early childhood education
24 and assistance program.

25 (26) "Distressed community" means: (a) A county that has an
26 unemployment rate that is twenty percent above the state average for
27 the immediately previous three years; (b) an area within a county
28 that the department determines to be a low-income community, using as
29 guidance the low-income community designations under the community
30 development financial institutions fund's new markets tax credit
31 program of the United States department of the treasury; or (c) a
32 school district in which at least fifty percent of local elementary
33 students receive free and reduced-price meals.

34 (27) "Employer-supported child care" includes:

35 (a) A licensed child care center operated at or near the
36 workplace by an employer for the benefit of employees; and

37 (b) Financial assistance provided by an employer for licensed
38 child care expenses incurred by an employee.

1 **Sec. 402.** RCW 43.216.578 and 2019 c 408 s 8 are each amended to
2 read as follows:

3 (1) Within resources available under the federal preschool
4 development grant birth to five grant award received in December
5 2018, the department shall develop a plan for phased implementation
6 of a birth to three early childhood education and assistance program
7 pilot project for eligible children under thirty-six months old.
8 Funds to implement the pilot project may include a combination of
9 federal, state, or private sources.

10 (2) The department may adopt rules to implement the pilot project
11 and may waive or adapt early childhood education and assistance
12 program requirements when necessary to allow for the operation of the
13 birth to three early childhood education and assistance program. The
14 department shall consider early head start rules and regulations when
15 developing the provider and family eligibility requirements and
16 program requirements. Any deviations from early head start standards,
17 rules, or regulations must be identified and explained by the
18 department in its annual report under subsection (6) of this section.

19 (3) (a) Upon securing adequate funds to begin implementation, the
20 pilot project programs must be delivered through child care centers
21 and family home providers who meet minimum licensing standards and
22 are enrolled in the early achievers program.

23 (b) The department must determine minimum early achievers ratings
24 scores for programs participating in the pilot project.

25 (4) When selecting pilot project locations for service delivery,
26 the department may allow each pilot project location to have up to
27 three classrooms per location. When selecting and approving pilot
28 project locations, the department shall attempt to select a
29 combination of rural, urban, and suburban locations. The department
30 shall prioritize locations with programs currently operating early
31 head start, head start, or the early childhood education and
32 assistance program.

33 (5) To be eligible for the birth to three early childhood
34 education and assistance program, a child's family income must be at
35 or below (~~one hundred thirty percent of the federal poverty level~~)
36 thirty-six percent of the state median income and the child must be
37 under thirty-six months old.

38 (6) Beginning November 1, 2020, and each November 1st thereafter
39 during pilot project activity, the department shall submit an annual
40 report to the governor and legislature that includes a status update

1 that describes the planning work completed, the status of funds
2 secured, and any implementation activities of the pilot project.
3 Implementation activity reports must include a description of the
4 participating programs and number of children and families served.

5 **Sec. 403.** RCW 43.216.710 and 2017 3rd sp.s. c 6 s 213 are each
6 amended to read as follows:

7 The department shall:

8 (1) Work in conjunction with the statewide child care resource
9 and referral network as well as local governments, nonprofit
10 organizations, businesses, and community child care advocates to
11 create local child care resource and referral organizations. These
12 organizations may carry out needs assessments, resource development,
13 provider training, technical assistance, and parent information and
14 training;

15 (2) Actively seek public and private money for distribution as
16 grants to the statewide child care resource and referral network and
17 to existing or potential local child care resource and referral
18 organizations;

19 (3) Adopt rules regarding the application for and distribution of
20 grants to local child care resource and referral organizations. The
21 rules shall, at a minimum, require an applicant to submit a plan for
22 achieving the following objectives:

23 (a) Provide parents with information about child care resources,
24 including location of services and subsidies;

25 (b) Carry out child care provider recruitment and training
26 programs, including training under RCW 74.25.040;

27 (c) Offer support services, such as parent and provider seminars,
28 toy-lending libraries, and substitute banks;

29 (d) Provide information for businesses regarding child care
30 supply and demand;

31 (e) Advocate for increased public and private sector resources
32 devoted to child care;

33 (f) Provide technical assistance to employers regarding employee
34 child care services; and

35 (g) Serve recipients of temporary assistance for needy families
36 and working parents with household incomes at or below (~~household~~
37 ~~incomes of two hundred percent of the federal poverty line~~) eighty-
38 five percent of the state median income;

1 (4) Provide staff support and technical assistance to the
2 statewide child care resource and referral network and local child
3 care resource and referral organizations;

4 (5) Maintain a statewide child care licensing data bank and work
5 with department licensors to provide information to local child care
6 resource and referral organizations about licensed child care
7 providers in the state;

8 (6) Through the statewide child care resource and referral
9 network and local resource and referral organizations, compile data
10 about local child care needs and availability for future planning and
11 development;

12 (7) Coordinate with the statewide child care resource and
13 referral network and local child care resource and referral
14 organizations for the provision of training and technical assistance
15 to child care providers;

16 (8) Collect and assemble information regarding the availability
17 of insurance and of federal and other child care funding to assist
18 state and local agencies, businesses, and other child care providers
19 in offering child care services;

20 (9) Subject to the availability of amounts appropriated for this
21 specific purpose, increase the base rate for all child care providers
22 by ten percent;

23 (10) Subject to the availability of amounts appropriated for this
24 specific purpose, provide tiered subsidy rate enhancements to child
25 care providers if the provider meets the following requirements:

26 (a) The provider enrolls in quality rating and improvement system
27 levels 2, 3, 4, or 5;

28 (b) The provider is actively participating in the early achievers
29 program;

30 (c) The provider continues to advance towards level 5 of the
31 early achievers program; and

32 (d) The provider must complete level 2 within thirty months or
33 the reimbursement rate returns the level 1 rate; and

34 (11) Require exempt providers to participate in continuing
35 education, if adequate funding is available.

36 **Sec. 404.** RCW 43.84.092 and 2019 c 421 s 15, 2019 c 403 s 14,
37 2019 c 365 s 19, 2019 c 287 s 19, and 2019 c 95 s 6 are each
38 reenacted and amended to read as follows:

1 (1) All earnings of investments of surplus balances in the state
2 treasury shall be deposited to the treasury income account, which
3 account is hereby established in the state treasury.

4 (2) The treasury income account shall be utilized to pay or
5 receive funds associated with federal programs as required by the
6 federal cash management improvement act of 1990. The treasury income
7 account is subject in all respects to chapter 43.88 RCW, but no
8 appropriation is required for refunds or allocations of interest
9 earnings required by the cash management improvement act. Refunds of
10 interest to the federal treasury required under the cash management
11 improvement act fall under RCW 43.88.180 and shall not require
12 appropriation. The office of financial management shall determine the
13 amounts due to or from the federal government pursuant to the cash
14 management improvement act. The office of financial management may
15 direct transfers of funds between accounts as deemed necessary to
16 implement the provisions of the cash management improvement act, and
17 this subsection. Refunds or allocations shall occur prior to the
18 distributions of earnings set forth in subsection (4) of this
19 section.

20 (3) Except for the provisions of RCW 43.84.160, the treasury
21 income account may be utilized for the payment of purchased banking
22 services on behalf of treasury funds including, but not limited to,
23 depository, safekeeping, and disbursement functions for the state
24 treasury and affected state agencies. The treasury income account is
25 subject in all respects to chapter 43.88 RCW, but no appropriation is
26 required for payments to financial institutions. Payments shall occur
27 prior to distribution of earnings set forth in subsection (4) of this
28 section.

29 (4) Monthly, the state treasurer shall distribute the earnings
30 credited to the treasury income account. The state treasurer shall
31 credit the general fund with all the earnings credited to the
32 treasury income account except:

33 (a) The following accounts and funds shall receive their
34 proportionate share of earnings based upon each account's and fund's
35 average daily balance for the period: The abandoned recreational
36 vehicle disposal account, the aeronautics account, the aircraft
37 search and rescue account, the Alaskan Way viaduct replacement
38 project account, the brownfield redevelopment trust fund account, the
39 budget stabilization account, the capital vessel replacement account,
40 the capitol building construction account, the Cedar River channel

1 construction and operation account, the Central Washington University
2 capital projects account, the charitable, educational, penal and
3 reformatory institutions account, the Chehalis basin account, the
4 cleanup settlement account, the Columbia river basin water supply
5 development account, the Columbia river basin taxable bond water
6 supply development account, the Columbia river basin water supply
7 revenue recovery account, the common school construction fund, the
8 community forest trust account, the connecting Washington account,
9 the county arterial preservation account, the county criminal justice
10 assistance account, the deferred compensation administrative account,
11 the deferred compensation principal account, the department of
12 licensing services account, the department of licensing tuition
13 recovery trust fund, the department of retirement systems expense
14 account, the developmental disabilities community trust account, the
15 diesel idle reduction account, the drinking water assistance account,
16 the drinking water assistance administrative account, the early
17 learning facilities development account, the early learning
18 facilities revolving account, the early learning health care
19 expansion account the Eastern Washington University capital projects
20 account, the education construction fund, the education legacy trust
21 account, the election account, the electric vehicle account, the
22 energy freedom account, the energy recovery act account, the
23 essential rail assistance account, The Evergreen State College
24 capital projects account, the fair start for kids account, the
25 federal forest revolving account, the ferry bond retirement fund, the
26 freight mobility investment account, the freight mobility multimodal
27 account, the grade crossing protective fund, the public health
28 services account, the state higher education construction account,
29 the higher education construction account, the highway bond
30 retirement fund, the highway infrastructure account, the highway
31 safety fund, the hospital safety net assessment fund, the industrial
32 insurance premium refund account, the Interstate 405 and state route
33 number 167 express toll lanes account, the judges' retirement
34 account, the judicial retirement administrative account, the judicial
35 retirement principal account, the local leasehold excise tax account,
36 the local real estate excise tax account, the local sales and use tax
37 account, the marine resources stewardship trust account, the medical
38 aid account, the mobile home park relocation fund, the money-purchase
39 retirement savings administrative account, the money-purchase
40 retirement savings principal account, the motor vehicle fund, the

1 motorcycle safety education account, the multimodal transportation
2 account, the multiuse roadway safety account, the municipal criminal
3 justice assistance account, the natural resources deposit account,
4 the oyster reserve land account, the pension funding stabilization
5 account, the perpetual surveillance and maintenance account, the
6 pollution liability insurance agency underground storage tank
7 revolving account, the public employees' retirement system plan 1
8 account, the public employees' retirement system combined plan 2 and
9 plan 3 account, the public facilities construction loan revolving
10 account beginning July 1, 2004, the public health supplemental
11 account, the public works assistance account, the Puget Sound capital
12 construction account, the Puget Sound ferry operations account, the
13 Puget Sound Gateway facility account, the Puget Sound taxpayer
14 accountability account, the real estate appraiser commission account,
15 the recreational vehicle account, the regional mobility grant program
16 account, the resource management cost account, the rural arterial
17 trust account, the rural mobility grant program account, the rural
18 Washington loan fund, the sexual assault prevention and response
19 account, the site closure account, the skilled nursing facility
20 safety net trust fund, the small city pavement and sidewalk account,
21 the special category C account, the special wildlife account, the
22 state employees' insurance account, the state employees' insurance
23 reserve account, the state investment board expense account, the
24 state investment board commingled trust fund accounts, the state
25 patrol highway account, the state route number 520 civil penalties
26 account, the state route number 520 corridor account, the state
27 wildlife account, the statewide broadband account, the statewide
28 tourism marketing account, the student achievement council tuition
29 recovery trust fund, the supplemental pension account, the Tacoma
30 Narrows toll bridge account, the teachers' retirement system plan 1
31 account, the teachers' retirement system combined plan 2 and plan 3
32 account, the tobacco prevention and control account, the tobacco
33 settlement account, the toll facility bond retirement account, the
34 transportation 2003 account (nickel account), the transportation
35 equipment fund, the transportation future funding program account,
36 the transportation improvement account, the transportation
37 improvement board bond retirement account, the transportation
38 infrastructure account, the transportation partnership account, the
39 traumatic brain injury account, the tuition recovery trust fund, the
40 University of Washington bond retirement fund, the University of

1 Washington building account, the voluntary cleanup account, the
2 volunteer firefighters' and reserve officers' relief and pension
3 principal fund, the volunteer firefighters' and reserve officers'
4 administrative fund, the vulnerable roadway user education account,
5 the Washington judicial retirement system account, the Washington law
6 enforcement officers' and firefighters' system plan 1 retirement
7 account, the Washington law enforcement officers' and firefighters'
8 system plan 2 retirement account, the Washington public safety
9 employees' plan 2 retirement account, the Washington school
10 employees' retirement system combined plan 2 and 3 account, the
11 Washington state health insurance pool account, the Washington state
12 patrol retirement account, the Washington State University building
13 account, the Washington State University bond retirement fund, the
14 water pollution control revolving administration account, the water
15 pollution control revolving fund, the Western Washington University
16 capital projects account, the Yakima integrated plan implementation
17 account, the Yakima integrated plan implementation revenue recovery
18 account, and the Yakima integrated plan implementation taxable bond
19 account. Earnings derived from investing balances of the agricultural
20 permanent fund, the normal school permanent fund, the permanent
21 common school fund, the scientific permanent fund, the state
22 university permanent fund, and the state reclamation revolving
23 account shall be allocated to their respective beneficiary accounts.

24 (b) Any state agency that has independent authority over accounts
25 or funds not statutorily required to be held in the state treasury
26 that deposits funds into a fund or account in the state treasury
27 pursuant to an agreement with the office of the state treasurer shall
28 receive its proportionate share of earnings based upon each account's
29 or fund's average daily balance for the period.

30 (5) In conformance with Article II, section 37 of the state
31 Constitution, no treasury accounts or funds shall be allocated
32 earnings without the specific affirmative directive of this section.

33 **Sec. 405.** RCW 28B.50.248 and 2019 c 406 s 71 are each amended to
34 read as follows:

35 Nothing in ((~~RCW 43.216.135~~)) section 301 of this act requires a
36 community or technical college to expand any of its existing child
37 care facilities. Any additional child care services provided by a
38 community or technical college as a result of ((~~RCW 43.216.135~~))

1 section 301 of this act must be provided within existing resources
2 and existing facilities.

3 **Sec. 406.** RCW 43.31.583 and 2018 c 58 s 16 are each amended to
4 read as follows:

5 When funding is provided in the previous biennium, the
6 department, in collaboration with the department of children, youth,
7 and families, shall submit a report no later than December 1st of
8 even-numbered years, to the governor and the appropriate committees
9 of the legislature that provides an update on the status of the early
10 learning facilities grant and loan program that includes, but is not
11 limited to:

12 (1) The total amount of funds, by grant and loan, spent or
13 contracted to be spent; (~~and~~)

14 (2) A list of projects awarded funding including, but not limited
15 to, information about whether the project is a renovation or new
16 construction or some other category, where the project is located,
17 and the number of slots the project supports;

18 (3) A description of start-up grant applications and awards,
19 including the:

20 (a) Total number of start-up grant applications received during
21 the previous application cycle, including the total dollar amount of
22 requested funds;

23 (b) Number of start-up grants awarded;

24 (c) Grant award amounts;

25 (d) Grant recipients and the type of organization represented by
26 each recipient; and

27 (e) Planned uses of each grant award.

28 **Sec. 407.** RCW 43.31.575 and 2018 c 58 s 18 are each amended to
29 read as follows:

30 (1) Organizations eligible to receive funding from the early
31 learning facilities grant and loan program include:

32 (a) Early childhood education and assistance program providers;

33 (b) Working connections child care providers who are eligible to
34 receive state subsidies;

35 (c) Licensed early learning centers not currently participating
36 in the early childhood education and assistance program, but
37 intending to do so;

38 (d) Developers of housing and community facilities;

- 1 (e) Community and technical colleges;
- 2 (f) Educational service districts;
- 3 (g) Local governments;
- 4 (h) Federally recognized tribes in the state; (~~and~~)
- 5 (i) Religiously affiliated entities; and
- 6 (j) Local governments for purposes described in RCW 43.31.577.

7 (2) To be eligible to receive funding from the early learning
8 facilities grant and loan program for activities described in RCW
9 43.31.577 (1) (b) (~~and~~), (c), and (e) and (2), eligible
10 organizations and school districts must:

11 (a) Commit, when applicable to the organization, to being an
12 active participant in good standing with the early achievers program
13 as defined by chapter 43.216 RCW;

14 (b) Demonstrate that projects receiving construction, purchase,
15 or renovation grants or loans less than two hundred thousand dollars
16 must also:

17 (i) Demonstrate that the project site is under the applicant's
18 control for a minimum of ten years, either through ownership or a
19 long-term lease; and

20 (ii) Commit to using the facility funded by the grant or loan for
21 the purposes of providing preschool or child care for a minimum of
22 ten years;

23 (c) Demonstrate that projects receiving construction, purchase,
24 or renovation grants or loans of two hundred thousand dollars or more
25 must also:

26 (i) Demonstrate that the project site is under the applicant's
27 control for a minimum of twenty years, either through ownership or a
28 long-term lease; and

29 (ii) Commit to using the facility funded by the grant or loan for
30 the purposes of providing preschool or child care for a minimum of
31 twenty years.

32 (3) To be eligible to receive funding from the early learning
33 facilities grant and loan program for activities described in RCW
34 43.31.577 (1) (b) (~~and~~), (c), and (e) and (2), religiously
35 affiliated entities must use the facility to provide child care and
36 education services consistent with subsection (4) (a) of this section.

37 (4) (a) Upon receiving a grant or loan, the recipient must
38 continue to be an active participant and in good standing with the
39 early achievers program, as applicable.

1 (b) If the recipient does not meet the conditions specified in
2 (a) of this subsection, the grants shall be repaid to the early
3 learning facilities revolving account or the early learning
4 facilities development account, as directed by the department. So
5 long as an eligible organization continues to provide an early
6 learning program in the facility, the facility is used as authorized,
7 and the eligible organization continues to be an active participant
8 and in good standing with the early achievers program, the grant
9 repayment is waived.

10 (c) The department, in consultation with the department of
11 children, youth, and families, must adopt rules to implement this
12 section.

13 **Sec. 408.** RCW 43.216.089 and 2019 c 369 s 13 are each amended to
14 read as follows:

15 (1) (~~Beginning December 15, 2015, and each~~) Each December 15th
16 (~~thereafter~~), the department, in collaboration with the statewide
17 child care resource and referral organization, and the early
18 achievers review subcommittee of the early learning advisory and
19 accountability council, shall submit, in compliance with RCW
20 43.01.036, a progress report to the governor and the legislature
21 regarding providers' progress in the early achievers program. Each
22 progress report must include the following elements:

23 (a) The number, and relative percentage, of family child care and
24 center providers who have enrolled in the early achievers program and
25 who have:

26 (i) Completed the level 2 activities;

27 (ii) Completed rating readiness consultation and are waiting to
28 be rated;

29 (iii) Achieved the required rating level to remain eligible for
30 state-funded support under the early childhood education and
31 assistance program or a subsidy under the working connections child
32 care program;

33 (iv) Not achieved the required rating level initially but
34 qualified for and are working through intensive targeted support in
35 preparation for a partial rerate outside the standard rating cycle;

36 (v) Not achieved the required rating level initially and engaged
37 in remedial activities before successfully achieving the required
38 rating level;

1 (vi) Not achieved the required rating level after completing
2 remedial activities; or

3 (vii) Received an extension from the department based on
4 exceptional circumstances pursuant to RCW 43.216.085;

5 (b) A review of the services available to providers and children
6 from diverse cultural backgrounds;

7 (c) An examination of the effectiveness of efforts to increase
8 successful participation by providers serving children and families
9 from diverse cultural and linguistic backgrounds and providers who
10 serve children from low-income households;

11 (d) A description of the primary obstacles and challenges faced
12 by providers who have not achieved the required rating level to
13 remain eligible to receive:

14 (i) A subsidy under the working connections child care program;
15 or

16 (ii) State-funded support under the early childhood education and
17 assistance program;

18 (e) A summary of the types of exceptional circumstances for which
19 the department has granted an extension pursuant to RCW 43.216.085;

20 (f) The average amount of time required for providers to achieve
21 local level milestones within each level of the early achievers
22 program;

23 (g) To the extent data is available, an analysis of the
24 distribution of early achievers program-rated facilities in relation
25 to child and provider demographics, including but not limited to race
26 and ethnicity, home language, and geographical location;

27 (h) Recommendations for improving access for children from
28 diverse cultural backgrounds to providers rated at a level 3 or
29 higher in the early achievers program;

30 (i) Recommendations for improving the early achievers program
31 standards;

32 (j) An analysis of any impact from quality strengthening efforts
33 on the availability and quality of infant and toddler care;

34 (k) The number of contracted slots that use both early childhood
35 education and assistance program funding and working connections
36 child care program funding; and

37 (l) A description of the early childhood education and assistance
38 program implementation to include the following:

1 (i) Progress on early childhood education and assistance program
2 implementation as required pursuant to RCW 43.216.515, 43.216.525,
3 and 43.216.555;

4 (ii) An examination of the regional distribution of new preschool
5 programming by zip code;

6 (iii) An analysis of the impact of preschool expansion on low-
7 income neighborhoods and communities;

8 (iv) Recommendations to address any identified barriers to access
9 to quality preschool for children living in low-income neighborhoods;

10 (v) An analysis of any impact of extended day early care and
11 education opportunities directives;

12 (vi) An examination of any identified barriers for providers to
13 offer extended day early care and education opportunities;

14 (vii) An analysis of the demand for full-day programming for
15 early childhood education and assistance program providers required
16 under RCW 43.216.515; and

17 (viii) To the extent data is available, an analysis of the
18 cultural diversity of early childhood education and assistance
19 program providers and participants.

20 (2) The first annual report due under subsection (1) of this
21 section also shall include a description of the early achievers
22 program extension protocol required under RCW 43.216.085.

23 (3) The elements required to be reported under subsection (1)(a)
24 of this section must be reported at the county level, and for those
25 counties with a population of five hundred thousand and higher, the
26 data must be reported at the zip code level.

27 (4) If, based on information in an annual report submitted in
28 2018 or later under this section, fifteen percent or more of the
29 licensed or contracted providers who are participating in the early
30 achievers program in a county or in a single zip code have not
31 achieved the rating levels under RCW 43.216.135 and 43.216.515, the
32 department must:

33 (a) Analyze the reasons providers in the affected counties or zip
34 codes have not attained the required rating levels; and

35 (b) Develop a plan to mitigate the effect on the children and
36 families served by these providers. The plan must be submitted to the
37 legislature as part of the annual progress report along with any
38 recommendations for legislative action to address the needs of the
39 providers and the children and families they serve.

1 **Sec. 409.** RCW 43.216.525 and 2015 3rd sp.s. c 7 s 8 are each
2 amended to read as follows:

3 (1) The department shall adopt rules under chapter 34.05 RCW for
4 the administration of the early childhood education and assistance
5 program. Approved early childhood education and assistance programs
6 shall conduct needs assessments of their service area and identify
7 any targeted groups of children, to include but not be limited to
8 children of seasonal and migrant farmworkers and native American
9 populations living either on or off reservation. Approved early
10 childhood education and assistance programs shall provide to the
11 department a service delivery plan, to the extent practicable, that
12 addresses these targeted populations.

13 (2) The department, in developing rules for the early childhood
14 education and assistance program, shall consult with the early
15 learning advisory and accountability council, and shall consider such
16 factors as coordination with existing head start and other early
17 childhood programs, the preparation necessary for instructors,
18 qualifications of instructors, adequate space and equipment, and
19 special transportation needs. The rules shall specifically require
20 the early childhood programs to provide for parental involvement in
21 participation with their child's program, in local program policy
22 decisions, in development and revision of service delivery systems,
23 and in parent education and training.

24 (3) (~~By January 1, 2016, the~~) The department shall adopt rules
25 requiring early childhood education and assistance program employees
26 who have access to children to submit to a fingerprint background
27 check. Fingerprint background check procedures for the early
28 childhood education and assistance program shall be the same as the
29 background check procedures in RCW (~~43.215.215~~) 43.216.270.

30 **Sec. 410.** RCW 43.216.655 and 2019 c 369 s 7 are each amended to
31 read as follows:

32 (1) The education data center established in RCW 43.41.400 must
33 collect longitudinal, student-level data on all children attending an
34 early childhood education and assistance program. Upon completion of
35 an electronic time and attendance record system, the education data
36 center must collect longitudinal, student-level data on all children
37 attending a working connections child care program. Data collected
38 should capture at a minimum the following characteristics:

39 (a) Daily program attendance;

- 1 (b) Identification of classroom and teacher;
- 2 (c) Early achievers program quality level rating;
- 3 (d) Program hours;
- 4 (e) Program duration;
- 5 (f) Developmental results from the Washington kindergarten
- 6 inventory of developing skills in RCW 28A.655.080; and
- 7 (g) To the extent data is available, the distinct ethnic
- 8 categories within racial subgroups of children and providers that
- 9 align with categories recognized by the education data center.

10 (2) The department shall provide early learning providers
11 student-level data collected pursuant to this section that are
12 specific to the early learning provider's program. Upon completion of
13 an electronic time and attendance record system identified in
14 subsection (1) of this section, the department shall provide child
15 care providers student-level data that are specific to the child care
16 provider's program.

17 (3) The department shall review available research and best
18 practices literature on cultural competency in early learning
19 settings. The department shall review the K-12 components for
20 cultural competency developed by the professional educator standards
21 board and identify components appropriate for early learning
22 professional development.

23 (4) (a) The Washington state institute for public policy shall
24 conduct a longitudinal analysis examining relationships between the
25 early achievers program quality ratings levels and outcomes for
26 children participating in subsidized early care and education
27 programs.

28 (b) The institute shall submit the first report to the
29 appropriate committees of the legislature and the early learning
30 advisory and accountability council by December 31, 2019. The
31 institute shall submit subsequent reports annually to the appropriate
32 committees of the legislature and the early learning advisory and
33 accountability council by December 31st, with the final report due
34 December 31, 2022. The final report shall include a cost-benefit
35 analysis.

36 (5) By December 31, 2021, and subject to the availability of
37 amounts appropriated for this specific purpose, the Washington state
38 institute for public policy shall update the outcome evaluation of
39 the early childhood education and assistance program required by
40 chapter 16, Laws of 2013 and report to the governor and the

1 legislature on the outcomes of program participants. The evaluation
2 must include the demographics of program participants including race,
3 ethnicity, and socioeconomic status. The evaluation must examine
4 short and long-term impacts on program participants, including high
5 school graduation rates for up to two cohorts. When conducting the
6 evaluation, the institute must consider, to the extent that data is
7 available, the education levels and demographics, including race,
8 ethnicity, and socioeconomic status, of early childhood education and
9 assistance program staff and the effects of full-day programming and
10 half-day programming on outcomes.

11 **PART V**
12 **MISCELLANEOUS**

13 NEW SECTION. **Sec. 501.** Sections 201 through 205, 207 through
14 209, 301, 302, 308, 309, 311, 313 through 320, 401, and 403 through
15 410 of this act take effect July 1, 2022.

16 NEW SECTION. **Sec. 502.** Sections 206, 303, 310, and 312 of this
17 act take effect July 1, 2021.

18 NEW SECTION. **Sec. 503.** Sections 304 through 307 and 402 of this
19 act take effect July 1, 2026.

20 NEW SECTION. **Sec. 504.** If any provision of this act or its
21 application to any person or circumstance is held invalid, the
22 remainder of the act or the application of the provision to other
23 persons or circumstances is not affected.

24 NEW SECTION. **Sec. 505.** If any part of this act is found to be
25 in conflict with federal requirements that are a prescribed condition
26 to the allocation of federal funds to the state, the conflicting part
27 of this act is inoperative solely to the extent of the conflict and
28 with respect to the agencies directly affected, and this finding does
29 not affect the operation of the remainder of this act in its
30 application to the agencies concerned. Rules adopted under this act
31 must meet federal requirements that are a necessary condition to the
32 receipt of federal funds by the state.

1 NEW SECTION. **Sec. 506.** Sections 201, 203 through 206, 301, 303,
2 304, 309 through 312, and 314 through 320 of this act are each added
3 to chapter 43.216 RCW.

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