

E2SSB 5237 - H COMM AMD

By Committee on Children, Youth & Families

ADOPTED AS AMENDED 04/08/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** SHORT TITLE. This act may be known and
4 cited as the fair start for kids act.

5 NEW SECTION. **Sec. 2.** INTENT. (1) The legislature finds that
6 high quality child care and early learning is critical to a child's
7 success in school and life. The legislature recognizes that COVID-19
8 has devastated the existing child care industry, making it unduly
9 burdensome for families to find care. The legislature recognizes that
10 without immediate action to support child care providers, and without
11 expanded access to affordable child care, especially infant and
12 school-age care, parents will not be able to return to work while
13 children lose valuable learning opportunities. In order to bolster a
14 full economic recovery, the legislature finds that every child
15 deserves a fair start.

16 (2) The legislature finds that access to affordable child care
17 increases economic growth and labor force participation. The
18 legislature further finds that an affordable, accessible system of
19 high quality child care is necessary to the health of Washington's
20 economy because employers benefit when parents have safe, stable, and
21 appropriate care for their children. The legislature recognizes that
22 too many working parents are forced to reduce their hours, decline
23 promotional opportunities, or leave the workforce completely due to a
24 lack of affordable and appropriate child care. The legislature finds
25 that a report commissioned by the department of commerce in 2019
26 found that working parents in Washington forego \$14,000,000,000 each
27 year directly due to child care scarcity. The legislature recognizes
28 that this disproportionately impacts women in the workforce and that
29 in September 2020 alone, 78,000 men left the workforce, compared to
30 600,000 women.

1 (3) The legislature recognizes that quality child care can be a
2 stabilizing factor for children experiencing homelessness, and is a
3 proven protective factor against the impacts of trauma they may
4 experience. Access to child care is also a necessary support for
5 families with young children in resolving homelessness and securing
6 employment.

7 (4) The legislature finds that the scarcity of child care,
8 exacerbated by COVID-19, most significantly impacts families furthest
9 from opportunity. The legislature recognizes that there are
10 additional barriers to accessing this foundational support for
11 immigrant communities and families whose first language is not
12 English, families who have children with disabilities, rural
13 communities, or other child care deserts. The legislature recognizes
14 that high quality, inclusive child care and early learning programs
15 have been shown to reduce the opportunity gap for low-income children
16 and black, indigenous, and children of color while consistently
17 improving outcomes for all children both inside and outside of the
18 classroom.

19 (5) The legislature finds that without access to comprehensive,
20 high quality prenatal to five services, children often enter
21 kindergarten without the social-emotional, physical, cognitive, and
22 language skills they need to be successful and fall behind their
23 peers, facing compounding developmental challenges throughout their
24 K-12 education. The legislature finds that cascading impacts of
25 inaccessible child care and early learning programs create systemic
26 barriers for children and their families that result in higher
27 special education needs, greater likelihood of needing to repeat
28 grades, increased child welfare and juvenile justice involvement,
29 reduced high school graduation rates, limited postsecondary education
30 attainment, and greater barriers to employment in adulthood.

31 (6) The legislature finds the vast majority of child care
32 providers are small businesses and nonprofit organizations. In
33 addition to adhering to federal, state, and local regulations to
34 ensure healthy and safe environments for children, the legislature
35 recognizes that child care providers must ensure their employees are
36 adequately compensated and supported. However, the legislature
37 acknowledges that the reduced staffing ratios for health and safety,
38 additional cost of personal protective equipment and extra cleaning
39 supplies, increased use of substitutes needed during COVID-19-related
40 absences, and increased technology demands during school closures

1 from the pandemic are further straining the viability of the child
2 care business model in Washington state.

3 (7) The legislature finds that the health and stability of the
4 early learning workforce is pivotal to any expansion of child care in
5 Washington state. The legislature recognizes that the child care
6 workforce, predominantly comprised of women of color, is structurally
7 afflicted by low wages, limited or no health care, and a severe lack
8 of retirement benefits. The legislature further recognizes that the
9 threat of COVID-19 compounds these underlying issues, forcing
10 providers to navigate increased stress, anxiety, and behavioral
11 issues all while risking their lives to care for children. The
12 legislature recognizes that families, friends, and neighbors who
13 provide care are a critical component of the child care system. The
14 legislature finds that child care workers are essential and deserve
15 to be compensated and benefited accordingly.

16 (8) Therefore, the legislature resolves to respond to the
17 COVID-19 crisis by first stabilizing the child care industry and then
18 expanding access to a comprehensive continuum of high quality early
19 childhood development programs, including infant and school-age child
20 care, preschool, parent and family supports, and prenatal to three
21 services. The legislature recognizes this continuum as critical to
22 meeting different families' needs and offering every child in
23 Washington access to a fair start.

24 (9) The legislature recognizes the strengths that multilingual,
25 diverse early learning providers and caregivers contribute to early
26 learning across the state. Therefore, the legislature intends to
27 expand language access services to create an inclusive early learning
28 system that specifically supports underserved providers.

29 (10) The legislature intends to expand eligibility for existing
30 child care and preschool programs to increase access. The legislature
31 recognizes that expansion must be accompanied by an investment to
32 make child care more affordable. Therefore, the legislature intends
33 to eliminate copayments for low-income families and limit copayments
34 for any family on subsidy to no more than seven percent of their
35 income.

36 (11) The legislature further intends to stabilize, support, and
37 grow the diverse early learning workforce by funding living wages and
38 affordable health benefits while providing training, infant and early
39 childhood mental health consultation, shared business services, and a

1 variety of other supports that recognize the critical role that early
2 learning providers serve for all Washington children.

3 (12) The legislature intends to accelerate Washington's economic
4 recovery from the devastating impacts of COVID-19 by dramatically
5 expanding access to affordable, high quality child care and
6 preschool, in order to get parents back to work and provide every
7 child with a fair start.

8 **PART I**

9 **INVESTING IN CHILD CARE AND EARLY LEARNING**

10 NEW SECTION. **Sec. 101.** FAIR START FOR KIDS ACCOUNT. (1) The
11 fair start for kids account is created in the state treasury. Moneys
12 in the account may be spent only after appropriation.

13 (2) Expenditures from the account may be used only for child care
14 and early learning purposes.

15 NEW SECTION. **Sec. 102.** FAIR START FOR KIDS SPENDING GOALS AND
16 STRATEGIES. (1) The spending goals and strategies for the fair start
17 for kids account created under section 101 of this act include, but
18 are not limited to:

19 (a) Increasing child care subsidy rates, with the goal of moving
20 toward the full cost of providing high quality child care;

21 (b) Expanding health care coverage through state sponsorship of
22 child care workers on the Washington health benefit exchange and
23 providing consumer assistance through navigators, as well as any
24 other expansions of access to affordable health care for staff in
25 child care centers, family home providers, outdoor nature-based care,
26 and early childhood education and assistance program staff;

27 (c) Increasing child care and early learning providers'
28 compensation;

29 (d) Implementing the provisions of collective bargaining
30 agreements for family child care providers negotiated pursuant to RCW
31 41.56.028;

32 (e) Supporting and expanding access to the early childhood
33 education and assistance program to reach state-funded entitlement
34 required in RCW 43.216.556;

35 (f) Making child care affordable for families;

36 (g) Providing resources and supports for family, friend, and
37 neighbor caregivers that better reflect the full cost of care;

- 1 (h) Providing child care subsidies for families working to
2 resolve homelessness;
- 3 (i) Providing professional development opportunities for child
4 care and early learning providers;
- 5 (j) Delivering infant and early childhood mental health
6 consultation services;
- 7 (k) Establishing prekindergarten through third grade systems
8 coordinators at educational service districts;
- 9 (l) Supporting youth development programs serving children and
10 youth ages birth through 12 including, but not limited to, expanded
11 learning opportunities, mentoring, school-age child care, and
12 wraparound supports or integrated student supports;
- 13 (m) Awarding grants and loans through the early learning
14 facilities grant and loan program established under chapter 43.31
15 RCW;
- 16 (n) Funding special designations in the working connections child
17 care programs, early childhood education and assistance programs, and
18 birth to three early childhood education and assistance programs
19 including designations established in sections 302, 304, 305, and 404
20 of this act;
- 21 (o) Supporting costs for transparent data collection and
22 information technology systems operated by the department and
23 department contractors, in particular, to ensure equitable systemic
24 service provision and outcomes;
- 25 (p) Providing access to learning technology;
- 26 (q) Providing child care resource and referral services;
- 27 (r) Conducting quality rating and improvement system activities
28 through the early achievers program;
- 29 (s) Expanding prenatal to three services and supports, including
30 the birth to three early childhood education and assistance program
31 and the in-home parent skill-based programs established in RCW
32 43.216.130;
- 33 (t) Building and delivering a family resource and referral
34 linkage system;
- 35 (u) Allowing the exploration of options to provide regulatory
36 relief and make licensing more affordable for child care providers;
- 37 (v) Administering comprehensive shared services hubs to allow the
38 ongoing pooling and shared use of services by licensed or certified
39 child care centers and family home providers;

1 (w) Training department staff to ensure consistent and equitable
2 application of child care licensing and quality standards across the
3 state including antibias and antiracist training;

4 (x) Providing incentives and supports for child care providers to
5 become licensed;

6 (y) Studying and evaluating options to incentivize business
7 participation in child care and early learning systems;

8 (z) Providing start-up grants to eligible organizations as
9 described in RCW 43.31.575 who provide or commit to providing the
10 early childhood education and assistance program or working
11 connections child care. Start-up grants must be used for one-time
12 start-up costs associated with the start-up of a new child care or
13 early childhood education and assistance program site; and

14 (aa) Recognizing the benefits of the diverse workforce and
15 facilitating communication in the three most commonly spoken
16 languages by developing a language access plan that centers on equity
17 and access for immigrants, multilingual providers, caregivers, and
18 families.

19 (2) This section does not interfere with, impede, or in any way
20 diminish the right of family child care providers to bargain
21 collectively with the state through the exclusive bargaining
22 representatives as provided for under RCW 41.56.028.

23 **Sec. 103.** RCW 43.88.055 and 2020 c 218 s 2 are each amended to
24 read as follows:

25 LEGISLATIVE BALANCED BUDGET REQUIREMENT. (1) The legislature must
26 adopt a four-year balanced budget as follows:

27 (a) Beginning in the 2013-2015 fiscal biennium, the legislature
28 shall enact a balanced omnibus operating appropriations bill that
29 leaves, in total, a positive ending fund balance in the general fund
30 and related funds.

31 (b) Beginning in the 2013-2015 fiscal biennium, the projected
32 maintenance level of the omnibus appropriations bill enacted by the
33 legislature shall not exceed the available fiscal resources for the
34 next ensuing fiscal biennium.

35 (2) For purposes of this section:

36 (a) "Available fiscal resources" means the beginning general fund
37 and related fund balances and any fiscal resources estimated for the
38 general fund and related funds, adjusted for enacted legislation, and
39 with forecasted revenues adjusted to the greater of (i) the official

1 general fund and related funds revenue forecast for the ensuing
2 biennium, or (ii) the official general fund and related funds
3 forecast for the second fiscal year of the current fiscal biennium,
4 increased by 4.5 percent for each fiscal year of the ensuing
5 biennium;

6 (b) "Projected maintenance level" means estimated appropriations
7 necessary to maintain the continuing costs of program and service
8 levels either funded in that appropriations bill or mandated by other
9 state or federal law, and the amount of any general fund moneys
10 projected to be transferred to the budget stabilization account
11 pursuant to Article VII, section 12 of the state Constitution;

12 (c) "Related funds," as used in this section, means the
13 Washington opportunity pathways account, the workforce education
14 investment account, the fair start for kids account, and the
15 education legacy trust account.

16 (3) Subsection (1)(a) and (b) of this section does not apply to
17 an appropriations bill that makes net reductions in general fund and
18 related funds appropriations and is enacted between July 1st and
19 February 15th of any fiscal year.

20 (4) Subsection (1)(b) of this section does not apply in a fiscal
21 biennium in which money is appropriated from the budget stabilization
22 account pursuant to Article VII, section 12(d)(ii) of the state
23 Constitution.

24 **Sec. 104.** RCW 43.216.075 and 2020 c 262 s 4 are each amended to
25 read as follows:

26 INVESTMENT ACCOUNTABILITY AND OVERSIGHT. (1) The early learning
27 advisory council is established to advise the department on statewide
28 early learning issues that contribute to the ongoing efforts of
29 building a comprehensive system of quality early learning programs
30 and services for Washington's young children and families.

31 (2) The council shall work in conjunction with the department to
32 ~~((assist))~~:

33 (a) Assist in policy development and implementation that ~~((assist~~
34 ~~the department in promoting))~~ promotes alignment of private and
35 public sector actions, objectives, and resources, ~~((ensuring))~~ with
36 the overall goal of promoting school readiness for all children;

37 (b) Provide recommendations annually to the governor and the
38 legislature, beginning August 31, 2022, regarding the phased

1 implementation of strategies and priorities identified in section 102
2 of this act;

3 (c) Maintain a focus on racial equity and inclusion in order to
4 dismantle systemic racism at its core and contribute to statewide
5 efforts to break the cycle of intergenerational poverty;

6 (d) Maintain a focus on inclusionary practices for children with
7 disabilities;

8 (e) Partner with nonprofit organizations to collect and analyze
9 data and measure progress; and

10 (f) Assist the department in monitoring and ensuring that the
11 investments funded by the fair start for kids account created in
12 section 101 of this act are designed to support the following
13 objectives:

14 (i) Advance racial equity and strengthen families by recognizing
15 and responding to the growing diversity of our state's population;

16 (ii) Promote access to affordable, high quality child care and
17 early learning opportunities for all families, paying particular
18 attention to the needs of rural and other underserved communities;

19 (iii) Promote kindergarten readiness by enhancing child
20 development, including development of social-emotional skills, and
21 eliminating exclusionary admissions practices and disproportionate
22 removals in child care and early learning programs; and

23 (iv) Contribute to efforts to strengthen and grow our state's
24 economy by supporting working parents as well as stabilizing and
25 supporting the child care and early learning workforce.

26 (3) In collaboration with the council, the department shall
27 consult with its advisory groups and other interested stakeholders
28 and shall submit a biennial report to the governor and legislature
29 describing how the investments funded by the fair start for kids act
30 have impacted the policy objectives stated in subsection (2)(f) of
31 this section. The first report under this section is due September
32 15, 2023. The council shall include diverse, statewide representation
33 from public, nonprofit, and for-profit entities. Its membership shall
34 include critical partners in service delivery and reflect regional,
35 racial, and cultural diversity to adequately represent the ((needs))
36 interests of all children and families in the state.

37 (4) Councilmembers shall serve two-year terms. However, to
38 stagger the terms of the council, the initial appointments for twelve
39 of the members shall be for one year. Once the initial one-year to
40 two-year terms expire, all subsequent terms shall be for two years,

1 with the terms expiring on June 30th of the applicable year. The
2 terms shall be staggered in such a way that, where possible, the
3 terms of members representing a specific group do not expire
4 simultaneously.

5 (5) The council shall consist of members essential to
6 coordinating services statewide prenatal through age (~~(five)~~) 12, as
7 follows:

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

13 (b) One representative from the student achievement council, to
14 be appointed by the student achievement council;

15 (c) The military spouse liaison created within the department of
16 veterans affairs under RCW 43.60A.245;

17 (d) One representative from the state board for community and
18 technical colleges, to be appointed by the state board for community
19 and technical colleges;

20 (e) One representative from the office of the superintendent of
21 public instruction, to be appointed by the superintendent of public
22 instruction;

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

26 ~~(i) The head start state collaboration office director or the
27 director's designee;~~

28 ~~(ii) A representative of a head start, early head start, or
29 migrant/seasonal head start program;~~

30 ~~(iii) A representative of a local education agency;~~

31 ~~(iv) A representative of the state agency responsible for
32 programs under section 619 or part C of the federal individuals with
33 disabilities education act;~~

34 ~~(v) A representative of the early childhood education and
35 assistance program;~~

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

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

38 ~~(viii) A representative from the home visiting advisory committee
39 established in RCW 43.216.130;~~

1 ~~(d)~~) (f) Two members of the house of representatives, one from
2 each caucus, to be appointed by the speaker of the house of
3 representatives and two members of the senate, one from each caucus,
4 to be appointed by the majority leader in the senate and the minority
5 leader in the senate;

6 ~~((e))~~ (g) Two parents, one of whom serves on the department's
7 parent advisory group, to be appointed by the ~~((governor))~~ parent
8 advisory group;

9 ~~((f))~~ (h) One representative of the private-public partnership
10 created in RCW 43.216.065, to be appointed by the partnership board;

11 ~~((g))~~ (i) One representative from the developmental
12 disabilities community representing children and families involved in
13 part C of the federal individuals with disabilities education act and
14 one representative from the developmental disabilities community
15 representing children and families involved in part B of the federal
16 individuals with disabilities education act;

17 ~~((h))~~ (j) Two representatives from early learning regional
18 coalitions;

19 ~~((i—Representatives))~~ (k) Up to five representatives of
20 underserved communities who have a special expertise or interest in
21 high quality early learning, one to be appointed by each of the
22 following commissions:

23 (i) The Washington state commission on Asian Pacific American
24 affairs established under chapter 43.117 RCW;

25 (ii) The Washington state commission on African American affairs
26 established under chapter 43.113 RCW; ~~((and))~~

27 (iii) The Washington state commission on Hispanic affairs
28 established under chapter 43.115 RCW;

29 (iv) The Washington state women's commission established under
30 chapter 43.119 RCW; and

31 (v) The Washington state office of equity established under
32 chapter 43.06D RCW;

33 ~~((j))~~ (l) Two representatives designated by sovereign tribal
34 governments, one of whom must be a representative of a tribal early
35 childhood education assistance program or head start program;

36 ~~((k))~~ (m) One representative from the Washington federation of
37 independent schools;

38 ~~((l))~~ (n) One representative from the Washington library
39 association; ~~((and~~

1 ~~(m)~~) (o) One representative from a statewide advocacy coalition
2 of organizations that focuses on early learning;

3 (p) One representative from an association representing statewide
4 business interests, to be appointed by the association and one
5 representative from a regional business coalition;

6 (q) One representative of an advocacy organization for immigrants
7 and refugees;

8 (r) One representative of an organization advocating for expanded
9 learning opportunities and school-age child care programs;

10 (s) One representative from the largest union representing child
11 care providers;

12 (t) A representative of a head start, early head start, or
13 migrant and seasonal head start program, to be appointed by the head
14 start collaboration office;

15 (u) A representative of educational service districts, to be
16 appointed by a statewide association of educational service district
17 board members;

18 (v) A provider responsible for programs under section 619 of the
19 federal individuals with disabilities education act, to be appointed
20 by the superintendent of public instruction;

21 (w) A representative of the state agency responsible for part C
22 of the federal individuals with disabilities education act, to be
23 appointed by the department;

24 (x) A representative of the early childhood education and
25 assistance program, to be appointed by an association representing
26 early childhood education and assistance programs;

27 (y) A representative of licensed family home providers, to be
28 appointed by the largest union representing child care providers;

29 (z) A representative of child care centers, to be appointed by an
30 association representing child care centers;

31 (aa) A representative from the home visiting advisory committee
32 established in RCW 43.216.130, to be appointed by the committee;

33 (bb) An infant or early childhood mental health expert, to be
34 appointed by the Barnard center for infant and early childhood mental
35 health at the University of Washington;

36 (cc) A family, friend, and neighbor caregiver, to be appointed by
37 the largest union representing child care providers;

38 (dd) A representative from prenatal to three services;

39 (ee) A pediatrician, to be appointed by the state chapter of the
40 American academy of pediatrics; and

1 (ff) A representative of the statewide child care resource and
2 referral organization, to be appointed by the statewide child care
3 resource and referral organization.

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

7 (7) At the direction of the cochairs, the council may convene
8 advisory groups, such as a parent caucus, to evaluate specific issues
9 and report related findings and recommendations to the full council.

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

13 ~~((+8))~~ (9) Each member of the ~~((board))~~ council shall be
14 compensated in accordance with RCW 43.03.240 and reimbursed for
15 travel expenses incurred in carrying out the duties of the ~~((board))~~
16 council in accordance with RCW 43.03.050 and 43.03.060.

17 ~~((+9))~~ (10)(a) The council shall convene an early achievers
18 review subcommittee to provide feedback and guidance on strategies to
19 improve the quality of instruction and environment for early learning
20 and provide input and recommendations on the implementation and
21 refinement of the early achievers program. The subcommittee shall at
22 a minimum provide feedback and guidance to the department and the
23 council on the following:

24 (i) Adequacy of data collection procedures;

25 (ii) Coaching and technical assistance standards;

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

30 (iv) Strategies in response to data on the effectiveness of early
31 achievers program standards in relation to providers and children
32 from diverse cultural backgrounds;

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

34 (vi) Analysis of early achievers program data trends; and

35 (vii) Other relevant early learning data including progress in
36 serving students with disabilities ages birth to five and least
37 restrictive environment data.

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

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

10 ~~((10))~~ (11) The council shall convene a temporary licensing
11 subcommittee to provide feedback and recommendations on improvement
12 to the statewide licensing process. The subcommittee shall examine
13 strategies to increase the number of licensed child care providers in
14 the state, including meeting with prospective licensees to explain
15 the licensure requirements and inspect and provide feedback on the
16 physical space that is contemplated for licensure. The subcommittee
17 shall develop model policies for licensed child care providers to
18 implement licensing standards including, but not limited to,
19 completing the child care and early learning licensing guidebook, to
20 be made available to support providers with compliance. The
21 subcommittee shall also develop recommendations regarding incentives
22 and financial supports to help prospective providers navigate the
23 licensing process. The subcommittee shall provide feedback and
24 recommendations to the department of children, youth, and families
25 pursuant to this subsection (11) by December 1, 2022.

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

27 **Sec. 105.** RCW 83.100.230 and 2019 c 415 s 990 are each amended
28 to read as follows:

29 The education legacy trust account is created in the state
30 treasury. Money in the account may be spent only after appropriation.
31 Expenditures from the account may be used only for support of the
32 common schools, and for expanding access to higher education through
33 funding for new enrollments and financial aid, early learning and
34 child care programs, and other educational improvement efforts.
35 ~~((During the 2015-2017, 2017-2019, and 2019-2021 fiscal biennia~~
36 ~~appropriations from the account may be made for support of early~~
37 ~~learning programs. It is the intent of the legislature that this~~
38 ~~policy will be continued in subsequent fiscal biennia.))~~

1 (b) The household meets all other program eligibility
2 requirements.

3 (4) (a) The department must calculate a monthly copayment
4 according to the following phased-in schedule:

Beginning date:	If the household's income is:	Then the household's copayment is:
Beginning July 1, 2021	At or below 36 percent of the state median income	Waived to the extent allowable under federal law
Beginning July 1, 2021	Above 36 percent and at or below 50 percent of the state median income	\$65
Beginning July 1, 2023	Above 50 percent and at or below 60 percent of the state median income	\$165
Beginning July 1, 2025	Above 60 percent and at or below 75 percent of the state median income	\$215

14 (b) The department shall adopt a copayment model based on
15 available revenue for households with annual incomes above 75 percent
16 of the state median income and at or below 100 percent of the state
17 median income. The model must calculate a copayment for each
18 household that is no greater than seven percent of the household's
19 countable income within this income range.

20 (c) The department may adjust the copayment schedule to comply
21 with federal law.

22 (5) The department must adopt rules, including phase-out
23 eligibility, to implement this section.

24 **Sec. 202.** RCW 43.216.136 and 2020 c 279 s 2 are each amended to
25 read as follows:

26 WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS. (1) The
27 department shall establish and implement policies in the working
28 connections child care program to promote stability and quality of
29 care for children from low-income households. These policies shall
30 focus on supporting school readiness for young learners. Policies for
31 the expenditure of funds constituting the working connections child
32 care program must be consistent with the outcome measures established
33 by the department and the standards established in this section
34 intended to promote stability, quality, and continuity of early care
35 and education programming.

36 (2) As recommended by P.L. 113-186, authorizations for the
37 working connections child care subsidy are effective for twelve

1 months beginning July 1, 2016(~~(, unless an earlier date is provided~~
2 ~~in the omnibus appropriations act)~~).

3 (a) A household's 12-month authorization begins on the date that
4 child care is expected to begin.

5 (b) If a newly eligible household does not begin care within 12
6 months of being determined eligible by the department, the household
7 must reapply in order to qualify for subsidy.

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

11 (i) In the last six months have:

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

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

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

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

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

21 (b) (~~Children~~) Families who are eligible for working
22 connections child care pursuant to this subsection do not have to
23 keep receiving services identified in this subsection to maintain
24 twelve-month authorization.

25 (4) (a) Beginning (~~August 1, 2020~~) July 1, 2021, and subject to
26 the availability of amounts appropriated for this specific purpose,
27 the department may not require an applicant or consumer to meet work
28 requirements as a condition of receiving working connections child
29 care benefits when the applicant or consumer is(~~(~~

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

31 ~~(ii) A) a full-time student of a community, technical, or tribal~~
32 ~~college(~~(~~) and (~~(iii) Pursuing~~) is enrolled in: (i) A vocational
33 education program that leads to a degree or certificate in a specific
34 occupation(~~(, not to result in a bachelor's or advanced degree)~~);~~

35 (ii) An associate degree program; or

36 (iii) A registered apprenticeship program.

37 (b) An applicant or consumer is a full-time student for the
38 purposes of this subsection if he or she meets the college's
39 definition of a full-time student. (~~The student must maintain~~

1 ~~passing grades and be in good standing pursuant to college attendance~~
2 ~~requirements.))~~

3 (c) Nothing in this subsection is intended to change how
4 applicants or consumers are prioritized when applicants or consumers
5 are placed on a waitlist for working connections child care benefits.

6 (d) Subject to the availability of amounts appropriated for this
7 specific purpose, the department may extend the provisions of this
8 subsection (4) to full-time students who are enrolled in a bachelor's
9 degree program or applied baccalaureate degree program.

10 (5) (a) The department must extend the homeless grace period, as
11 adopted in department rule as of January 1, 2020, from a four-month
12 grace period to a twelve-month grace period.

13 (b) For the purposes of this section, "homeless" means being
14 without a fixed, regular, and adequate nighttime residence as
15 described in the federal McKinney-Vento homeless assistance act (42
16 U.S.C. Sec. 11434a) as it existed on January 1, 2020.

17 (6) For purposes of this section, "authorization" means a
18 transaction created by the department that allows a child care
19 provider to claim payment for care. The department may adjust an
20 authorization based on a household's eligibility status.

21 NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
22 PROGRAM INTENT. (1) The legislature finds that eligibility guidelines
23 for the national school lunch program require free meals for children
24 with household incomes at or below 130 percent of the federal poverty
25 level and that this income level is approximately equivalent to 36
26 percent of the state median income for a household of three. The
27 legislature further finds that eligibility guidelines require
28 reduced-price meals for children with household incomes at or below
29 185 percent of the federal poverty level and that this income level
30 is approximately equivalent to 50 percent of the state median income
31 for a household of three.

32 (2) Therefore, the legislature intends to raise the maximum
33 family income for children entitled to enroll in the early childhood
34 education and assistance program to 36 percent of the state median
35 income beginning July 1, 2026. Beginning in the 2030-31 school year,
36 the legislature intends to raise the maximum family income for
37 children entitled to enroll in this program to 50 percent of the
38 state median income. It is the intent of the legislature to
39 standardize income eligibility levels for assistance programs in

1 order to help families and social workers better understand the
2 benefits for which families qualify and to simplify and align state
3 systems wherever feasible.

4 (3) The legislature further intends to support educational
5 service districts to help school districts partner with early
6 childhood education and assistance program contractors and providers
7 to expand access.

8 **Sec. 204.** RCW 43.216.505 and 2019 c 408 s 2 are each amended to
9 read as follows:

10 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM ENTITLEMENT
11 ELIGIBILITY. Unless the context clearly requires otherwise, the
12 definitions in this section apply throughout RCW 43.216.500 through
13 43.216.559, 43.216.900, and 43.216.901.

14 (1) "Advisory committee" means the advisory committee under RCW
15 43.216.520.

16 (2) "Approved programs" means those state-supported education and
17 special assistance programs which are recognized by the department as
18 meeting the minimum program rules adopted by the department to
19 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and
20 43.216.901 and are designated as eligible for funding by the
21 department under RCW 43.216.530 and 43.216.540.

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

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

28 (a) ~~Has a family ((income at or below one hundred ten percent of~~
29 ~~the federal poverty level, as published annually by the federal~~
30 ~~department of health and human services)) with financial need;~~

31 (b) Is experiencing homelessness;

32 (c) Has participated in early head start or a successor federal
33 program providing comprehensive services for children from birth
34 through two years of age, the early support for infants and toddlers
35 program or received class C developmental services, the birth to
36 three early childhood education and assistance program, or the early
37 childhood intervention and prevention services program;

38 (d) Is eligible for special education due to disability under RCW
39 28A.155.020; ((or

1 ~~(e))~~ (e) Is Indian as defined in rule by the department after
2 consultation and agreement with Washington state's federally
3 recognized tribes pursuant to section 207 of this act and is at or
4 below 100 percent of the state median income adjusted for family
5 size; or

6 (f) Meets criteria under rules adopted by the department if the
7 number of such children equals not more than ten percent of the total
8 enrollment in the early childhood program. Preference for enrollment
9 in this group shall be given to children from families with the
10 lowest income, children in foster care, or to eligible children from
11 families with multiple needs.

12 (5) "Family support services" means providing opportunities for
13 parents to:

14 (a) Actively participate in their child's early childhood
15 program;

16 (b) Increase their knowledge of child development and parenting
17 skills;

18 (c) Further their education and training;

19 (d) Increase their ability to use needed services in the
20 community;

21 (e) Increase their self-reliance; and

22 (f) Connect with culturally competent, disability positive
23 therapists and supports where appropriate.

24 (6) "Experiencing homelessness" means a child without a fixed,
25 regular, and adequate nighttime residence as described in the federal
26 McKinney-Vento homeless assistance act (42 U.S.C., Chapter 119,
27 Subchapter VI, Part B) as it existed on January 1, 2021.

28 (7) "Family with financial need" means families with incomes at
29 or below 36 percent of the state median income adjusted for family
30 size until the 2030-31 school year. Beginning in the 2030-31 school
31 year, "family with financial need" means families with incomes at or
32 below 50 percent of the state median income adjusted for family size.

33 **Sec. 205.** RCW 43.216.512 and 2019 c 409 s 2 are each amended to
34 read as follows:

35 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED
36 ENROLLMENT. (1) The department shall adopt rules that allow the
37 enrollment of children in the early childhood education and
38 assistance program, as space is available, if the number of such
39 children equals not more than (~~twenty-five~~) 25 percent of total

1 statewide enrollment, when the child is not eligible under RCW
2 43.216.505 and whose family income level is (~~(÷~~

3 ~~(a) Above one hundred ten percent but less than or equal to one~~
4 ~~hundred thirty percent of the federal poverty level; or~~

5 ~~(b) Above one hundred thirty percent but less than or equal to~~
6 ~~two hundred percent of the federal poverty level if)) above 36~~
7 percent of the state median income but at or below 50 percent of the
8 state median income adjusted for family size and the child meets at
9 least one of the risk factor criterion described in subsection (2) of
10 this section.

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

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

19 (b) (~~Homelessness;~~

20 ~~(c))~~ Child welfare system involvement;

21 (~~(d) Developmental delay or disability that does not meet the~~
22 ~~eligibility criteria for special education described in RCW~~
23 ~~28A.155.020)) (c) Eligible for services under part C of the federal~~
24 individuals with disabilities education act but not eligible for
25 services under part B of the federal individuals with disabilities
26 education act;

27 (~~(e))~~ (d) Domestic violence;

28 (~~(f))~~ (e) English as a second language;

29 (~~(g))~~ (f) Expulsion from an early learning setting;

30 (~~(h))~~ (g) A parent who is incarcerated;

31 (~~(i))~~ (h) A parent with a (~~substance use disorder or mental~~)
32 behavioral health treatment need; and

33 (~~(j))~~ (i) Other risk factors determined by the department to be
34 linked by research to school performance.

35 (3) (~~The department shall adopt rules that allow a child to~~
36 ~~enroll in the early childhood education and assistance program, as~~
37 ~~space is available, when the child is not eligible under RCW~~
38 ~~43.216.505 and the child turns three years old at any time during the~~
39 ~~school year when the child:~~

1 ~~(a) Has a family income at or below two hundred percent of the~~
2 ~~federal poverty level or meets at least one risk factor criterion~~
3 ~~adopted by the department in rule; and~~

4 ~~(b) Has received services from or participated in:~~

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

6 ~~(ii) The early head start or a successor federal program~~
7 ~~providing comprehensive services for children from birth through two~~
8 ~~years of age; or~~

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

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

15 (4) This section expires August 1, 2030.

16 NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
17 PROGRAM EARLY ENTRY. (1) The department shall adopt rules that allow
18 a child to enroll in the early childhood education and assistance
19 program, as space is available, when the child is not eligible under
20 RCW 43.216.505 and the child turns three years old at any time during
21 the school year when the child:

22 (a) Has a family income at or below 50 percent of the state
23 median income or meets at least one risk factor criterion adopted by
24 the department in rule; and

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

26 (i) The early head start or a successor federal program providing
27 comprehensive services for children from birth through two years of
28 age;

29 (ii) The early support for infants and toddlers program or
30 received class C developmental services;

31 (iii) The birth to three early childhood education and assistance
32 program; or

33 (iv) The early childhood intervention and prevention services
34 program.

35 (2) Children enrolled in the early childhood education and
36 assistance program under this section are not eligible children as
37 defined in RCW 43.216.505 and are not part of the state-funded
38 entitlement required in RCW 43.216.556.

1 NEW SECTION. **Sec. 207.** INDIAN CHILD DEFINITION. (1) The
2 department must consult, and obtain the advice and consent of, the
3 governing bodies of the state's federally recognized tribes in
4 developing an agreed-upon definition of the term "Indian" for the
5 purposes of RCW 43.216.505 and, by July 1, 2024, must adopt the
6 definition in rule.

7 (2) This section expires December 1, 2030.

8 **Sec. 208.** RCW 43.216.556 and 2019 c 408 s 3 are each amended to
9 read as follows:

10 (1) Funding for the program of early learning established under
11 this chapter must be appropriated to the department. The department
12 shall distribute funding to approved early childhood education and
13 assistance program contractors on the basis of eligible children
14 enrolled.

15 (2) The program shall be implemented in phases, so that full
16 implementation is achieved in the ((2022-23)) 2026-27 school year.

17 (3) Funding shall continue to be phased in each year until full
18 statewide implementation of the early learning program is achieved in
19 the ((2022-23)) 2026-27 school year, at which time any eligible child
20 is entitled to be enrolled in the program. Entitlement under this
21 section is voluntary enrollment.

22 (4) School districts and approved community-based early learning
23 providers may contract with the department to provide services under
24 the program. The department shall collaborate with school districts,
25 community-based providers, and educational service districts to
26 promote an adequate supply of approved providers.

27 **PART III**

28 **SUPPORTING CHILD CARE AND EARLY LEARNING PROVIDERS**

29 **Sec. 301.** RCW 43.216.749 and 2019 c 368 s 7 are each amended to
30 read as follows:

31 CHILD CARE SUBSIDY RATES. (1) ((By January 1, 2025, the
32 department of children, youth, and families must)) It is the intent
33 of the legislature to systemically increase child care subsidy rates
34 over time until rates are equal to the full cost of providing high
35 quality child care.

36 (2) Beginning July 1, 2021, child care subsidy base rates must
37 achieve the 85th percentile of market for licensed or certified child

1 care providers. The state and the exclusive representative for family
2 child care providers must enter bargaining over the implementation of
3 the subsidy rate increase under this subsection.

4 (3) (a) The department shall build upon the work of the child care
5 collaborative task force to develop and implement a child care cost
6 estimate model and use the completed child care cost model
7 ((developed under RCW 43.330.527 to determine child care subsidy
8 rates.

9 (2) This section expires January 30, 2025)) to recommend subsidy
10 rates at levels that are sufficient to compensate licensed or
11 certified child care providers for the full costs of providing high
12 quality child care. The department shall consider:

13 (i) Adjusting rates to reflect cost of living such as area median
14 income, cost of living by zip code, and grouping by categories such
15 as rural, suburban, or urban; and

16 (ii) Incorporating the rate model for nonstandard child care
17 hours developed under section 306 of this act.

18 (b) The department shall build upon the work of the child care
19 collaborative task force to evaluate options to support access to
20 affordable health care insurance coverage for licensed or certified
21 child care providers.

22 (4) This section does not interfere with, impede, or in any way
23 diminish the right of family child care providers to bargain
24 collectively with the state through the exclusive bargaining
25 representatives as provided for under RCW 41.56.028.

26 NEW SECTION. Sec. 302. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
27 PROGRAM RATES. (1) For the 2021-22 school year, rates for the early
28 childhood education and assistance program must be set at a level at
29 least 10 percent higher than the rates established in section 225,
30 chapter 415, Laws of 2019.

31 (2) It is the intent of the legislature that rate increases shall
32 be informed by the department's 2020 early childhood education and
33 assistance program rate study.

34 (3) This section expires June 30, 2027.

35 NEW SECTION. Sec. 303. COMPLEX NEEDS FUNDS. (1) The department
36 shall administer two complex needs funds to promote inclusive, least
37 restrictive environments and to support contractors and providers
38 serving children who have developmental delays, disabilities,

1 behavioral needs, or other unique needs. The department shall work
2 collaboratively with the office of the superintendent of public
3 instruction and providers so that the funds best serve the children.
4 One fund must support early childhood education and assistance
5 program contractors and providers and birth to three early childhood
6 education and assistance program contractors and providers, and one
7 fund must support licensed or certified child care providers and
8 license-exempt child care programs.

9 (2) Support may include staffing, programming, therapeutic
10 services, and equipment or technology support. Additional support may
11 include activities to assist families with children expelled or at
12 risk of expulsion from child care, and to help families transition in
13 and out of child care.

14 NEW SECTION. **Sec. 304.** TRAUMA-INFORMED CARE SUPPORTS. (1)
15 Beginning July 1, 2022, the department shall provide supports to aid
16 eligible providers in providing trauma-informed care. Trauma-informed
17 care supports may be used by eligible providers for the following
18 purposes:

19 (a) Additional compensation for individual staff who have an
20 infant and early childhood mental health or other child development
21 specialty credential;

22 (b) Trauma-informed professional development and training;

23 (c) The purchase of screening tools and assessment materials;

24 (d) Supportive services for children with complex needs that are
25 offered as fee-for-service within local communities; or

26 (e) Other related expenses.

27 (2) The department must adopt rules to implement this section.

28 (3) For the purposes of this section, "eligible provider" means:

29 (a) An employee or owner of a licensed or certified child care center
30 or outdoor nature-based care accepting state subsidy; (b) an employee

31 or owner of a licensed family home provider accepting state subsidy;

32 (c) a contractor or provider of the early childhood education and
33 assistance program or birth to three early childhood education and

34 assistance program; (d) a license-exempt child care program; or (e)

35 an early achievers coach.

36 NEW SECTION. **Sec. 305.** DUAL LANGUAGE RATE ENHANCEMENT. (1)
37 Beginning July 1, 2022, the department shall establish a dual
38 language designation and provide subsidy rate enhancements or site-

1 specific grants for licensed or certified child care providers who
2 are accepting state subsidy; early childhood education and assistance
3 program contractors; or birth to three early childhood education and
4 assistance program contractors. It is the intent of the legislature
5 to allow uses of the rate enhancements or site-specific grants to
6 include increased wages for individual staff who provide bilingual
7 instruction, professional development training, the purchase of dual
8 language and culturally appropriate curricula and accompanying
9 training programs, instructional materials, or other related
10 expenses.

11 (2) The department must consult with a culturally and
12 linguistically diverse stakeholder advisory group to develop criteria
13 for the dual language designation.

14 (3) The department must adopt rules to implement this section.

15 NEW SECTION. **Sec. 306.** NONSTANDARD HOURS RATE MODEL. (1) In
16 order to expand the supply of critically needed after-hours care to
17 meet the needs of parents and caregivers and a round-the-clock
18 economy, the department of children, youth, and families, in
19 consultation with diverse stakeholders, must develop a rate model for
20 nonstandard child care hours and submit the model to the governor and
21 the appropriate committees of the legislature by January 1, 2022.

22 (2) This section expires June 30, 2022.

23 NEW SECTION. **Sec. 307.** EARLY CHILDHOOD EQUITY GRANTS. (1)
24 Subject to the availability of amounts appropriated for this specific
25 purpose, the department shall distribute early childhood equity
26 grants to eligible applicants. Eligible applicants include play and
27 learn groups, licensed or certified child care centers and family
28 home providers, license-exempt child care programs, and early
29 childhood education and assistance program contractors. The equity
30 grants are intended to serve as a step toward expanding access to
31 early learning statewide and transforming Washington's early learning
32 system to make it more inclusive and equitable. The department shall
33 administer the early childhood equity grants to support inclusive and
34 culturally and linguistically specific early learning and early
35 childhood and parent support programs across the state.

36 (2) The department must conduct an equitable process to
37 prioritize grant applications for early childhood equity grant
38 assistance. An eligible applicant may receive an early childhood

1 equity grant once every two years. When conducting the equitable
2 grant process, the department must:

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

5 (b) Provide application materials in the five most commonly
6 spoken languages in the state and broadly communicate using a variety
7 of strategies to reach diverse communities;

8 (c) Require applicants to demonstrate their proposed uses of
9 early childhood equity grant funds to incorporate either inclusive
10 practices or culturally and linguistically supportive and relevant
11 practices, or both, into early learning program design, delivery,
12 education, training, and evaluation; and

13 (d) Provide technical assistance to any applicant who needs it.

14 NEW SECTION. **Sec. 308.** A new section is added to chapter 43.330
15 RCW to read as follows:

16 EMPLOYER-SUPPORTED CHILD CARE. (1) Subject to the availability of
17 amounts appropriated for this specific purpose, the department, in
18 collaboration with the department of children, youth, and families,
19 shall provide or contract to provide remote or in-person technical
20 assistance to employers interested in supporting their employees'
21 access to high quality child care.

22 (2) Technical assistance may include guidance related to:

23 (a) Operating a licensed child care center at or near the
24 workplace for the benefit of employees;

25 (b) Financing and construction of a licensed child care center at
26 or near the workplace for the benefit of employees;

27 (c) Providing financial assistance to employees for licensed or
28 certified child care providers and license-exempt child care program
29 expenses;

30 (d) Encouraging access and support for low-wage employees;

31 (e) Sponsoring dependent care flexible spending accounts for
32 employees; and

33 (f) Developing a "bring your infant to work" program and other
34 family-friendly work policies for employees.

35 NEW SECTION. **Sec. 309.** INFANT AND EARLY CHILDHOOD MENTAL HEALTH
36 CONSULTATION. (1) The department shall administer or contract for
37 infant and early childhood mental health consultation services to

1 child care providers and early learning providers participating in
2 the early achievers program.

3 (2) Infant and early childhood mental health consultation
4 services must be delivered in coordination with the consultants
5 provided under RCW 43.216.090.

6 (3) The department shall provide, or contract with an entity to
7 provide, reflective supervision and professional development for
8 infant and early childhood mental health consultants to meet national
9 competency standards.

10 (4) As capacity allows, the department may provide access to
11 infant and early childhood mental health consultation services to
12 caregivers and licensed or certified, military, and tribal early
13 learning providers, license-exempt family, friend, and neighbor care
14 providers, and families with children expelled or at risk of
15 expulsion from child care.

16 **Sec. 310.** RCW 43.216.090 and 2019 c 360 s 7 are each amended to
17 read as follows:

18 INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION. ((The))
19 Beginning July 1, 2021, the department of children, youth, and
20 families must have or contract for one infant and early childhood
21 mental health consultation coordinator and must enter into a
22 contractual agreement with an organization providing coaching
23 services to early achievers program participants to hire ((one)) at
24 least 12 qualified infant and early childhood mental health
25 consultants ~~((for each of the six department-designated regions))~~.
26 The department shall determine, in collaboration with the statewide
27 child care resource and referral network, where the additional
28 consultants should be sited based on factors such as the total
29 provider numbers overlaid with indicators of highest need. The infant
30 and early childhood mental health consultants must support early
31 achievers program coaches and child care providers by providing
32 resources, information, and guidance regarding challenging behavior
33 and expulsions and may travel to assist providers in serving families
34 and children with severe behavioral needs. ~~((In coordination with the~~
35 ~~contractor, the department of children, youth, and families must~~
36 ~~report on the services provided and the outcomes of the consultant~~
37 ~~activities to the governor and the appropriate policy and fiscal~~
38 ~~committees of the legislature by June 30, 2021.))~~

1 NEW SECTION. **Sec. 311.** PLAY AND LEARN GROUPS. Subject to the
2 availability of amounts appropriated for this specific purpose, the
3 department, in consultation with community-based programs, shall
4 provide or contract to provide, or both, resources and supports for
5 inclusive and culturally and linguistically relevant play and learn
6 groups. Play and learn groups offer parents and other caregivers
7 culturally responsive opportunities to support their children's early
8 learning, build relationships that reduce isolation and encourage
9 socialization, and promote kindergarten readiness.

10 NEW SECTION. **Sec. 312.** PROFESSIONAL DEVELOPMENT. (1) Subject to
11 the availability of amounts appropriated for this specific purpose,
12 the department shall provide professional development supports to aid
13 eligible providers in reaching the professional education and
14 training standards adopted by the department. Professional
15 development supports may include:

16 (a) Department-required trainings for child care providers
17 conducted by department-approved trainers;

18 (b) Trainings for license-exempt family, friend, and neighbor
19 child care providers conducted by department-approved trainers;

20 (c) Early achievers scholarships;

21 (d) Community-based training pathways and systems developed under
22 RCW 43.216.755;

23 (e) Supporting a nonprofit organization that provides
24 relationship-based professional development support to family,
25 friend, and neighbor caregivers, child care centers, and licensed
26 family home providers, and their work to help providers start their
27 businesses; and

28 (f) Other professional development activities such as updating
29 training content, data collection and reporting, trainer recruitment,
30 retention, program monitoring, and trainings delivered by department-
31 approved trainers on topics such as small business management,
32 antibias and antiracist training, providing care for children with
33 developmental disabilities, social-emotional learning, implementing
34 inclusionary practices in early learning environments, infant and
35 toddler care, dual language program development, and providing
36 trauma-informed care.

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

38 (a) An owner of a licensed or certified child care center, licensed
39 or certified outdoor nature-based care, or licensed family home

1 provider accepting state subsidy; (b) an employee of a licensed or
2 certified child care center, licensed or certified outdoor nature-
3 based care, or a licensed family home provider; (c) a contractor or
4 provider of the early childhood education and assistance program or
5 birth to three early childhood education and assistance program; or
6 (d) an early achievers coach.

7 NEW SECTION. **Sec. 313.** NEGOTIATED RULE MAKING WITH CHILD CARE
8 CENTERS. When the secretary elects to engage in negotiated rule
9 making pursuant to RCW 34.05.310(2)(a), the department must include
10 the largest organization representing child care center owners and
11 directors; the largest organization representing supervisors,
12 teachers, and aides; and other affected interests before adopting
13 requirements that affect child care center licensees.

14 NEW SECTION. **Sec. 314.** CAPACITY FLEXIBILITY FOR FAMILY HOME
15 PROVIDERS. The department may waive the limit, as established in RCW
16 43.216.010(1)(c), that restricts family home providers from serving
17 not more than 12 children. The department must establish conditions
18 for such waivers by rule and must assess, at minimum, the provider's
19 available square footage and staffing capabilities prior to issuing
20 any waiver of the limit of 12 children.

21 **PART IV**
22 **STRENGTHENING PRENATAL TO THREE SUPPORTS**

23 NEW SECTION. **Sec. 401.** PRENATAL TO THREE INTENT. (1) The
24 legislature finds that parental relationships and healthy
25 interactions in the first few years of life help shape the
26 development of babies' and toddlers' brains and bodies. Eighty
27 percent of the brain is developed by the age of three and parents are
28 a child's first teachers.

29 (2) The legislature finds that the federal family first
30 prevention services act (P.L. 115-123) offers the state the
31 opportunity to leverage federal funding for certain programs,
32 including in-home parent skill-based programs, substance use disorder
33 support, and mental health interventions. Culturally relevant,
34 evidence-based programs that may qualify for these federal funds are
35 limited. Therefore, state support may be necessary to serve
36 traditionally underrepresented communities and increase positive

1 engagement from parents and caregivers of children from before birth
2 to age three.

3 (3) The legislature finds that small teacher-child ratios for
4 infant and toddler care, as well as the existence of child care
5 deserts with low levels of access to care for the birth to three age
6 group, contribute to higher expenses for providers and families with
7 babies and young children.

8 (4) Therefore, the legislature intends to expand parent and
9 family education and support, incentivize the provision of infant and
10 toddler care, and make early therapeutic and preventative services
11 more readily available to families and young children.

12 NEW SECTION. **Sec. 402.** EDUCATION AND SUPPORT FOR PARENTS AND
13 FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the
14 availability of amounts appropriated for this specific purpose, the
15 department shall administer a prenatal to three family engagement
16 strategy to support expectant parents, babies and toddlers from birth
17 to three years of age, and their caregivers.

18 (2) Components of the prenatal to three family engagement
19 strategy must include supports and services to improve maternal and
20 infant health outcomes, reduce and mitigate trauma, promote
21 attachment and other social-emotional assets, strengthen parenting
22 skills, and provide early supports to help maximize healthy and
23 robust childhood development and reduce isolation. Services and
24 supports may include:

25 (a) In-home parent skill-based programs and training established
26 in RCW 43.216.130;

27 (b) Facilitated play and learn groups;

28 (c) Parent peer-support groups, including groups designed for
29 families with children with complex needs; families whose primary
30 home language is not English; incarcerated parents; families coping
31 with substance use disorder or mental health support needs; black,
32 indigenous, and families of color; or other specific needs; and

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

34 (3) Continuity of services for babies and toddlers are important
35 for early childhood brain development. Therefore, the services and
36 supports described in this section may be made available to
37 biological parents, foster parents, kinship care providers, and other
38 family, friend, and neighbor caregivers.

1 **Sec. 403.** RCW 43.216.578 and 2019 c 408 s 8 are each amended to
2 read as follows:

3 BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

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

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

23 (3) (a) ~~((Upon securing adequate funds to begin implementation,~~
24 ~~the pilot project)) The birth to three early childhood education and~~
25 ~~assistance~~ program~~((s))~~ must be delivered through child care centers
26 and family home providers who meet minimum licensing standards and
27 are enrolled in the early achievers program.

28 (b) The department must determine minimum early achievers ratings
29 scores for ~~((programs))~~ participating ~~((in the pilot project))~~
30 contractors.

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

39 ~~(5))~~ To be eligible for the birth to three early childhood
40 education and assistance program, a child's family income must be at

1 or below (~~(one hundred thirty)~~) 50 percent of the (~~(federal poverty~~
2 ~~level)~~) state median income and the child must be under thirty-six
3 months old.

4 (~~(6) Beginning November 1, 2020, and each November 1st~~
5 ~~thereafter during pilot project activity, the department shall submit~~
6 ~~an annual report to the governor and legislature that includes a~~
7 ~~status update that describes the planning work completed, the status~~
8 ~~of funds secured, and any implementation activities of the pilot~~
9 ~~project. Implementation activity reports must include a description~~
10 ~~of the participating programs and number of children and families~~
11 ~~served.)~~)

12 NEW SECTION. **Sec. 404.** INFANT CARE INCENTIVES. (1) The
13 legislature finds that our state suffers from an extreme shortage of
14 infant child care, impacting the ability of parents to participate in
15 the workforce. Further, parents returning to work after using paid
16 family leave to care for a new child struggle to find readily
17 available, high quality care during a time of critical growth and
18 brain development for young children. Therefore, the legislature
19 intends to incentivize the provision of high quality infant care.

20 (2) Beginning July 1, 2022, the department shall provide an
21 infant rate enhancement for licensed or certified child care
22 providers and birth to three early childhood education and assistance
23 program contractors who are:

24 (a) Accepting state subsidy;

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

27 (c) Caring for a child between the ages of birth and 11 months.

28 (3) The department must adopt rules to implement this section.

29 NEW SECTION. **Sec. 405.** EARLY THERAPEUTIC AND PREVENTATIVE
30 SERVICES. (1) Subject to the availability of amounts appropriated for
31 this specific purpose, the department shall administer early
32 therapeutic and preventative services and programs, such as the early
33 childhood intervention and prevention services program, and other
34 related services for children who are:

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

36 (b) Referred by a child welfare worker, a department of social
37 and health services social worker, a primary care physician, a
38 behavioral health provider, or a public health nurse due to: (i) Risk

1 of child abuse or neglect; (ii) exposure to complex trauma; or (iii)
2 significant developmental delays.

3 (2) Subject to the availability of amounts appropriated for this
4 specific purpose, the department shall make all reasonable efforts to
5 deliver early therapeutic and preventative services and programs
6 statewide. These services and programs must focus first on children
7 and families furthest from opportunity as defined by income and be
8 delivered by programs that emphasize greater racial equity.

9 **PART V**

10 **CONFORMING AMENDMENTS**

11 **Sec. 501.** RCW 43.216.010 and 2020 c 270 s 11 are each reenacted
12 and amended to read as follows:

13 The definitions in this section apply throughout this chapter
14 unless the context clearly requires otherwise.

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

19 (a) "Child day care center" and "child care center" mean(~~s~~) an
20 agency that regularly provides early childhood education and early
21 learning services for a group of children for periods of less than
22 twenty-four hours;

23 (b) "Early learning" includes but is not limited to programs and
24 services for child care; state, federal, private, and nonprofit
25 preschool; child care subsidies; child care resource and referral;
26 parental education and support; and training and professional
27 development for early learning professionals;

28 (c) "Family day care provider" and "family home provider"
29 mean(~~s~~) a child care provider who regularly provides early
30 childhood education and early learning services for not more than
31 twelve children at any given time in the provider's home in the
32 family living quarters except as provided in section 314 of this act;

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

1 (e) "Service provider" means the entity that operates a community
2 facility.

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

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

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

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

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

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

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

16 (c) Persons who care for a neighbor's or friend's child or
17 children, with or without compensation, where the person providing
18 care for periods of less than twenty-four hours does not conduct such
19 activity on an ongoing, regularly scheduled basis for the purpose of
20 engaging in business, which includes, but is not limited to,
21 advertising such care;

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

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

27 (f) Schools, including boarding schools, that are engaged
28 primarily in education, operate on a definite school year schedule,
29 follow a stated academic curriculum, and accept only school age
30 children;

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

33 (h) Facilities providing child care for periods of less than
34 twenty-four hours when a parent or legal guardian of the child
35 remains on the premises of the facility for the purpose of
36 participating in:

37 (i) Activities other than employment; or

38 (ii) Employment of up to two hours per day when the facility is
39 operated by a nonprofit entity that also operates a licensed child

1 care program at the same facility in another location or at another
2 facility;

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

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

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

11 (iii) The entity is a local affiliate of a national nonprofit;
12 and

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

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

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

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

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

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

27 (4) "Certificate of parental improvement" means a certificate
28 issued under RCW 74.13.720 to an individual who has a founded finding
29 of physical abuse or negligent treatment or maltreatment, or a court
30 finding that the individual's child was dependent as a result of a
31 finding that the individual abused or neglected their child pursuant
32 to RCW 13.34.030(6)(b).

33 (5) "Conviction information" means criminal history record
34 information relating to an incident which has led to a conviction or
35 other disposition adverse to the applicant.

36 (6) "Department" means the department of children, youth, and
37 families.

38 (7) "Early achievers" means a program that improves the quality
39 of early learning programs and supports and rewards providers for
40 their participation.

1 (8) "Early childhood education and assistance program contractor"
2 means an organization that provides early childhood education and
3 assistance program services under a signed contract with the
4 department.

5 (9) "Early childhood education and assistance program provider"
6 means an organization that provides site level, direct, and high
7 quality early childhood education and assistance program services
8 under the direction of an early childhood education and assistance
9 program contractor.

10 ~~(10) ("Early start" means an integrated high quality continuum~~
11 ~~of early learning programs for children birth to five years of age.~~
12 ~~Components of early start include, but are not limited to, the~~
13 ~~following:~~

- 14 ~~(a) Home visiting and parent education and support programs;~~
15 ~~(b) The early achievers program described in RCW 43.216.085;~~
16 ~~(c) Integrated full-day and part-day high quality early learning~~
17 ~~programs; and~~
18 ~~(d) High quality preschool for children whose family income is at~~
19 ~~or below one hundred ten percent of the federal poverty level.~~

20 ~~(11))~~ (11) "Education data center" means the education data center
21 established in RCW 43.41.400, commonly referred to as the education
22 research and data center.

23 ~~((12))~~ (12) "Employer" means a person or business that engages
24 the services of one or more people, especially for wages or salary to
25 work in an agency.

26 ~~((13))~~ (13) "Enforcement action" means denial, suspension,
27 revocation, modification, or nonrenewal of a license pursuant to RCW
28 43.216.325(1) or assessment of civil monetary penalties pursuant to
29 RCW 43.216.325(3).

30 ~~((14))~~ (14) "Extended day program" means an early childhood
31 education and assistance program that offers early learning education
32 for at least ten hours per day, a minimum of two thousand hours per
33 year, at least four days per week, and operates year-round.

34 (15) "Family resource and referral linkage system" means a system
35 that connects families to resources, services, and programs for which
36 families are eligible and uses a database that is developed and
37 maintained in partnership with communities, health care providers,
38 and early learning providers.

1 (15) "Full day program" means an early childhood education and
2 assistance program that offers early learning education for a minimum
3 of one thousand hours per year.

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

7 (17) "Low-income neighborhood" means a district or community
8 where more than twenty percent of households are below the federal
9 poverty level.

10 (18) "Negative action" means a court order, court judgment, or an
11 adverse action taken by an agency, in any state, federal, tribal, or
12 foreign jurisdiction, which results in a finding against the
13 applicant reasonably related to the individual's character,
14 suitability, and competence to care for or have unsupervised access
15 to children in child care. This may include, but is not limited to:

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

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

19 (c) An adverse agency action, including termination, revocation,
20 or denial of a license or certification, or if pending adverse agency
21 action, the voluntary surrender of a license, certification, or
22 contract in lieu of the adverse action;

23 (d) A revocation, denial, or restriction placed on any
24 professional license; or

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

26 (19) "Nonconviction information" means arrest, founded
27 allegations of child abuse, or neglect pursuant to chapter 26.44 RCW,
28 or other negative action adverse to the applicant.

29 (20) "Nonschool age child" means a child who is age six years or
30 younger and who is not enrolled in a public or private school.

31 (21) "Part day program" means an early childhood education and
32 assistance program that offers early learning education for at least
33 two and one-half hours per class session, at least three hundred
34 twenty hours per year, for a minimum of thirty weeks per year.

35 (22) "Private school" means a private school approved by the
36 state under chapter 28A.195 RCW.

37 (23) "Probationary license" means a license issued as a
38 disciplinary measure to an agency that has previously been issued a
39 full license but is out of compliance with licensing standards.

1 (24) "Requirement" means any rule, regulation, or standard of
2 care to be maintained by an agency.

3 (25) "School age child" means a child who is five years of age
4 through (~~twelve~~) 13 years of age and is attending a public or
5 private school or is receiving home-based instruction under chapter
6 28A.200 RCW.

7 (26) "Secretary" means the secretary of the department.

8 (27) "Washington state preschool program" means an education
9 program for children three-to-five years of age who have not yet
10 entered kindergarten, such as the early childhood education and
11 assistance program.

12 **Sec. 502.** RCW 28B.50.248 and 2020 c 355 s 4 and 2020 c 279 s 3
13 are each reenacted and amended to read as follows:

14 Nothing in RCW 43.216.135(~~(r)~~) or 43.216.136(~~(r or 43.216.1365)~~)
15 requires a community or technical college to expand any of its
16 existing child care facilities. Any additional child care services
17 provided by a community or technical college as a result of RCW
18 43.216.135(~~(r)~~) or 43.216.136(~~(r or 43.216.1365)~~) must be provided
19 within existing resources and existing facilities.

20 **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
21 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to
22 read as follows:

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

26 (2) The treasury income account shall be utilized to pay or
27 receive funds associated with federal programs as required by the
28 federal cash management improvement act of 1990. The treasury income
29 account is subject in all respects to chapter 43.88 RCW, but no
30 appropriation is required for refunds or allocations of interest
31 earnings required by the cash management improvement act. Refunds of
32 interest to the federal treasury required under the cash management
33 improvement act fall under RCW 43.88.180 and shall not require
34 appropriation. The office of financial management shall determine the
35 amounts due to or from the federal government pursuant to the cash
36 management improvement act. The office of financial management may
37 direct transfers of funds between accounts as deemed necessary to
38 implement the provisions of the cash management improvement act, and

1 this subsection. Refunds or allocations shall occur prior to the
2 distributions of earnings set forth in subsection (4) of this
3 section.

4 (3) Except for the provisions of RCW 43.84.160, the treasury
5 income account may be utilized for the payment of purchased banking
6 services on behalf of treasury funds including, but not limited to,
7 depository, safekeeping, and disbursement functions for the state
8 treasury and affected state agencies. The treasury income account is
9 subject in all respects to chapter 43.88 RCW, but no appropriation is
10 required for payments to financial institutions. Payments shall occur
11 prior to distribution of earnings set forth in subsection (4) of this
12 section.

13 (4) Monthly, the state treasurer shall distribute the earnings
14 credited to the treasury income account. The state treasurer shall
15 credit the general fund with all the earnings credited to the
16 treasury income account except:

17 (a) The following accounts and funds shall receive their
18 proportionate share of earnings based upon each account's and fund's
19 average daily balance for the period: The abandoned recreational
20 vehicle disposal account, the aeronautics account, the Alaskan Way
21 viaduct replacement project account, the ambulance transport fund,
22 the brownfield redevelopment trust fund account, the budget
23 stabilization account, the capital vessel replacement account, the
24 capitol building construction account, the Central Washington
25 University capital projects account, the charitable, educational,
26 penal and reformatory institutions account, the Chehalis basin
27 account, the Chehalis basin taxable account, the cleanup settlement
28 account, the Columbia river basin water supply development account,
29 the Columbia river basin taxable bond water supply development
30 account, the Columbia river basin water supply revenue recovery
31 account, the common school construction fund, the community forest
32 trust account, the connecting Washington account, the county arterial
33 preservation account, the county criminal justice assistance account,
34 the deferred compensation administrative account, the deferred
35 compensation principal account, the department of licensing services
36 account, the department of retirement systems expense account, the
37 developmental disabilities community (~~trust~~) services account, the
38 diesel idle reduction account, the drinking water assistance account,
39 the administrative subaccount of the drinking water assistance
40 account, the early learning facilities development account, the early

1 learning facilities revolving account, the Eastern Washington
2 University capital projects account, the education construction fund,
3 the education legacy trust account, the election account, the
4 electric vehicle account, the energy freedom account, the energy
5 recovery act account, the essential rail assistance account, The
6 Evergreen State College capital projects account, the fair start for
7 kids account, the ferry bond retirement fund, the freight mobility
8 investment account, the freight mobility multimodal account, the
9 grade crossing protective fund, the public health services account,
10 the state higher education construction account, the higher education
11 construction account, the higher education retirement plan
12 supplemental benefit fund, the highway bond retirement fund, the
13 highway infrastructure account, the highway safety fund, the hospital
14 safety net assessment fund, the Interstate 405 and state route number
15 167 express toll lanes account, the judges' retirement account, the
16 judicial retirement administrative account, the judicial retirement
17 principal account, the local leasehold excise tax account, the local
18 real estate excise tax account, the local sales and use tax account,
19 the marine resources stewardship trust account, the medical aid
20 account, the money-purchase retirement savings administrative
21 account, the money-purchase retirement savings principal account, the
22 motor vehicle fund, the motorcycle safety education account, the
23 multimodal transportation account, the multiuse roadway safety
24 account, the municipal criminal justice assistance account, the
25 oyster reserve land account, the pension funding stabilization
26 account, the perpetual surveillance and maintenance account, the
27 pilotage account, the pollution liability insurance agency
28 underground storage tank revolving account, the public employees'
29 retirement system plan 1 account, the public employees' retirement
30 system combined plan 2 and plan 3 account, the public facilities
31 construction loan revolving account, the public health supplemental
32 account, the public works assistance account, the Puget Sound capital
33 construction account, the Puget Sound ferry operations account, the
34 Puget Sound Gateway facility account, the Puget Sound taxpayer
35 accountability account, the real estate appraiser commission account,
36 the recreational vehicle account, the regional mobility grant program
37 account, the resource management cost account, the rural arterial
38 trust account, the rural mobility grant program account, the rural
39 Washington loan fund, the sexual assault prevention and response
40 account, the site closure account, the skilled nursing facility

1 safety net trust fund, the small city pavement and sidewalk account,
2 the special category C account, the special wildlife account, the
3 state investment board expense account, the state investment board
4 commingled trust fund accounts, the state patrol highway account, the
5 state reclamation revolving account, the state route number 520 civil
6 penalties account, the state route number 520 corridor account, the
7 state wildlife account, the statewide broadband account, the
8 statewide tourism marketing account, the supplemental pension
9 account, the Tacoma Narrows toll bridge account, the teachers'
10 retirement system plan 1 account, the teachers' retirement system
11 combined plan 2 and plan 3 account, the tobacco prevention and
12 control account, the tobacco settlement account, the toll facility
13 bond retirement account, the transportation 2003 account (nickel
14 account), the transportation equipment fund, the transportation
15 future funding program account, the transportation improvement
16 account, the transportation improvement board bond retirement
17 account, the transportation infrastructure account, the
18 transportation partnership account, the traumatic brain injury
19 account, the University of Washington bond retirement fund, the
20 University of Washington building account, the voluntary cleanup
21 account, the volunteer firefighters' and reserve officers' relief and
22 pension principal fund, the volunteer firefighters' and reserve
23 officers' administrative fund, the vulnerable roadway user education
24 account, the Washington judicial retirement system account, the
25 Washington law enforcement officers' and firefighters' system plan 1
26 retirement account, the Washington law enforcement officers' and
27 firefighters' system plan 2 retirement account, the Washington public
28 safety employees' plan 2 retirement account, the Washington school
29 employees' retirement system combined plan 2 and 3 account, the
30 Washington state patrol retirement account, the Washington State
31 University building account, the Washington State University bond
32 retirement fund, the water pollution control revolving administration
33 account, the water pollution control revolving fund, the Western
34 Washington University capital projects account, the Yakima integrated
35 plan implementation account, the Yakima integrated plan
36 implementation revenue recovery account, and the Yakima integrated
37 plan implementation taxable bond account. Earnings derived from
38 investing balances of the agricultural permanent fund, the normal
39 school permanent fund, the permanent common school fund, the

1 scientific permanent fund, and the state university permanent fund
2 shall be allocated to their respective beneficiary accounts.

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

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

12 **Sec. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
13 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted
14 and amended to read as follows:

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

18 (2) The treasury income account shall be utilized to pay or
19 receive funds associated with federal programs as required by the
20 federal cash management improvement act of 1990. The treasury income
21 account is subject in all respects to chapter 43.88 RCW, but no
22 appropriation is required for refunds or allocations of interest
23 earnings required by the cash management improvement act. Refunds of
24 interest to the federal treasury required under the cash management
25 improvement act fall under RCW 43.88.180 and shall not require
26 appropriation. The office of financial management shall determine the
27 amounts due to or from the federal government pursuant to the cash
28 management improvement act. The office of financial management may
29 direct transfers of funds between accounts as deemed necessary to
30 implement the provisions of the cash management improvement act, and
31 this subsection. Refunds or allocations shall occur prior to the
32 distributions of earnings set forth in subsection (4) of this
33 section.

34 (3) Except for the provisions of RCW 43.84.160, the treasury
35 income account may be utilized for the payment of purchased banking
36 services on behalf of treasury funds including, but not limited to,
37 depository, safekeeping, and disbursement functions for the state
38 treasury and affected state agencies. The treasury income account is
39 subject in all respects to chapter 43.88 RCW, but no appropriation is

1 required for payments to financial institutions. Payments shall occur
2 prior to distribution of earnings set forth in subsection (4) of this
3 section.

4 (4) Monthly, the state treasurer shall distribute the earnings
5 credited to the treasury income account. The state treasurer shall
6 credit the general fund with all the earnings credited to the
7 treasury income account except:

8 (a) The following accounts and funds shall receive their
9 proportionate share of earnings based upon each account's and fund's
10 average daily balance for the period: The abandoned recreational
11 vehicle disposal account, the aeronautics account, the Alaskan Way
12 viaduct replacement project account, the ambulance transport fund,
13 the brownfield redevelopment trust fund account, the budget
14 stabilization account, the capital vessel replacement account, the
15 capitol building construction account, the Central Washington
16 University capital projects account, the charitable, educational,
17 penal and reformatory institutions account, the Chehalis basin
18 account, the Chehalis basin taxable account, the cleanup settlement
19 account, the Columbia river basin water supply development account,
20 the Columbia river basin taxable bond water supply development
21 account, the Columbia river basin water supply revenue recovery
22 account, the common school construction fund, the community forest
23 trust account, the connecting Washington account, the county arterial
24 preservation account, the county criminal justice assistance account,
25 the deferred compensation administrative account, the deferred
26 compensation principal account, the department of licensing services
27 account, the department of retirement systems expense account, the
28 developmental disabilities community (~~trust~~) services account, the
29 diesel idle reduction account, the drinking water assistance account,
30 the administrative subaccount of the drinking water assistance
31 account, the early learning facilities development account, the early
32 learning facilities revolving account, the Eastern Washington
33 University capital projects account, the education construction fund,
34 the education legacy trust account, the election account, the
35 electric vehicle account, the energy freedom account, the energy
36 recovery act account, the essential rail assistance account, The
37 Evergreen State College capital projects account, the fair start for
38 kids account, the ferry bond retirement fund, the fish, wildlife, and
39 conservation account, the freight mobility investment account, the
40 freight mobility multimodal account, the grade crossing protective

1 fund, the public health services account, the state higher education
2 construction account, the higher education construction account, the
3 higher education retirement plan supplemental benefit fund, the
4 highway bond retirement fund, the highway infrastructure account, the
5 highway safety fund, the hospital safety net assessment fund, the
6 Interstate 405 and state route number 167 express toll lanes account,
7 the judges' retirement account, the judicial retirement
8 administrative account, the judicial retirement principal account,
9 the limited fish and wildlife account, the local leasehold excise tax
10 account, the local real estate excise tax account, the local sales
11 and use tax account, the marine resources stewardship trust account,
12 the medical aid account, the money-purchase retirement savings
13 administrative account, the money-purchase retirement savings
14 principal account, the motor vehicle fund, the motorcycle safety
15 education account, the multimodal transportation account, the
16 multiuse roadway safety account, the municipal criminal justice
17 assistance account, the oyster reserve land account, the pension
18 funding stabilization account, the perpetual surveillance and
19 maintenance account, the pilotage account, the pollution liability
20 insurance agency underground storage tank revolving account, the
21 public employees' retirement system plan 1 account, the public
22 employees' retirement system combined plan 2 and plan 3 account, the
23 public facilities construction loan revolving account, the public
24 health supplemental account, the public works assistance account, the
25 Puget Sound capital construction account, the Puget Sound ferry
26 operations account, the Puget Sound Gateway facility account, the
27 Puget Sound taxpayer accountability account, the real estate
28 appraiser commission account, the recreational vehicle account, the
29 regional mobility grant program account, the resource management cost
30 account, the rural arterial trust account, the rural mobility grant
31 program account, the rural Washington loan fund, the sexual assault
32 prevention and response account, the site closure account, the
33 skilled nursing facility safety net trust fund, the small city
34 pavement and sidewalk account, the special category C account, the
35 special wildlife account, the state investment board expense account,
36 the state investment board commingled trust fund accounts, the state
37 patrol highway account, the state reclamation revolving account, the
38 state route number 520 civil penalties account, the state route
39 number 520 corridor account, the statewide broadband account, the
40 statewide tourism marketing account, the supplemental pension

1 account, the Tacoma Narrows toll bridge account, the teachers'
2 retirement system plan 1 account, the teachers' retirement system
3 combined plan 2 and plan 3 account, the tobacco prevention and
4 control account, the tobacco settlement account, the toll facility
5 bond retirement account, the transportation 2003 account (nickel
6 account), the transportation equipment fund, the transportation
7 future funding program account, the transportation improvement
8 account, the transportation improvement board bond retirement
9 account, the transportation infrastructure account, the
10 transportation partnership account, the traumatic brain injury
11 account, the University of Washington bond retirement fund, the
12 University of Washington building account, the voluntary cleanup
13 account, the volunteer firefighters' and reserve officers' relief and
14 pension principal fund, the volunteer firefighters' and reserve
15 officers' administrative fund, the vulnerable roadway user education
16 account, the Washington judicial retirement system account, the
17 Washington law enforcement officers' and firefighters' system plan 1
18 retirement account, the Washington law enforcement officers' and
19 firefighters' system plan 2 retirement account, the Washington public
20 safety employees' plan 2 retirement account, the Washington school
21 employees' retirement system combined plan 2 and 3 account, the
22 Washington state patrol retirement account, the Washington State
23 University building account, the Washington State University bond
24 retirement fund, the water pollution control revolving administration
25 account, the water pollution control revolving fund, the Western
26 Washington University capital projects account, the Yakima integrated
27 plan implementation account, the Yakima integrated plan
28 implementation revenue recovery account, and the Yakima integrated
29 plan implementation taxable bond account. Earnings derived from
30 investing balances of the agricultural permanent fund, the normal
31 school permanent fund, the permanent common school fund, the
32 scientific permanent fund, and the state university permanent fund
33 shall be allocated to their respective beneficiary accounts.

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

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

4 **Sec. 505.** RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020
5 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read
6 as follows:

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

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

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

35 (4) Monthly, the state treasurer shall distribute the earnings
36 credited to the treasury income account. The state treasurer shall
37 credit the general fund with all the earnings credited to the
38 treasury income account except:

1 (a) The following accounts and funds shall receive their
2 proportionate share of earnings based upon each account's and fund's
3 average daily balance for the period: The abandoned recreational
4 vehicle disposal account, the aeronautics account, the Alaskan Way
5 viaduct replacement project account, the brownfield redevelopment
6 trust fund account, the budget stabilization account, the capital
7 vessel replacement account, the capitol building construction
8 account, the Central Washington University capital projects account,
9 the charitable, educational, penal and reformatory institutions
10 account, the Chehalis basin account, the Chehalis basin taxable
11 account, the cleanup settlement account, the Columbia river basin
12 water supply development account, the Columbia river basin taxable
13 bond water supply development account, the Columbia river basin water
14 supply revenue recovery account, the common school construction fund,
15 the community forest trust account, the connecting Washington
16 account, the county arterial preservation account, the county
17 criminal justice assistance account, the deferred compensation
18 administrative account, the deferred compensation principal account,
19 the department of licensing services account, the department of
20 retirement systems expense account, the developmental disabilities
21 community (~~trust~~) services account, the diesel idle reduction
22 account, the drinking water assistance account, the administrative
23 subaccount of the drinking water assistance account, the early
24 learning facilities development account, the early learning
25 facilities revolving account, the Eastern Washington University
26 capital projects account, the education construction fund, the
27 education legacy trust account, the election account, the electric
28 vehicle account, the energy freedom account, the energy recovery act
29 account, the essential rail assistance account, The Evergreen State
30 College capital projects account, the fair start for kids account,
31 the ferry bond retirement fund, the fish, wildlife, and conservation
32 account, the freight mobility investment account, the freight
33 mobility multimodal account, the grade crossing protective fund, the
34 public health services account, the state higher education
35 construction account, the higher education construction account, the
36 higher education retirement plan supplemental benefit fund, the
37 highway bond retirement fund, the highway infrastructure account, the
38 highway safety fund, the hospital safety net assessment fund, the
39 Interstate 405 and state route number 167 express toll lanes account,
40 the judges' retirement account, the judicial retirement

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

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

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

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

36 **Sec. 506.** RCW 43.216.710 and 2017 3rd sp.s. c 6 s 213 are each
37 amended to read as follows:

38 The department shall:

1 (1) Work in conjunction with the statewide child care resource
2 and referral network as well as local governments, nonprofit
3 organizations, businesses, and community child care advocates to
4 create local child care resource and referral organizations. These
5 organizations may carry out needs assessments, resource development,
6 provider training, technical assistance, and parent information and
7 training;

8 (2) Actively seek public and private money for distribution as
9 grants to the statewide child care resource and referral network and
10 to existing or potential local child care resource and referral
11 organizations;

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

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

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

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

22 (d) Provide information for businesses regarding child care
23 supply and demand;

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

26 (f) Provide technical assistance to employers regarding employee
27 child care services; and

28 (g) Serve recipients of temporary assistance for needy families
29 and working parents with household incomes at or below (~~household~~
30 ~~incomes of two hundred~~) 100 percent of the (~~federal poverty line~~)
31 state median income;

32 (4) Provide staff support and technical assistance to the
33 statewide child care resource and referral network and local child
34 care resource and referral organizations;

35 (5) Maintain a statewide child care licensing data bank and work
36 with department licensors to provide information to local child care
37 resource and referral organizations about licensed or certified child
38 care providers in the state;

39 (6) Through the statewide child care resource and referral
40 network and local resource and referral organizations, compile data

1 about local child care needs and availability for future planning and
2 development;

3 (7) Coordinate with the statewide child care resource and
4 referral network and local child care resource and referral
5 organizations for the provision of training and technical assistance
6 to child care providers;

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

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

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

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

19 (b) The provider is actively participating in the early achievers
20 program;

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

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

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

27 **Sec. 507.** RCW 43.216.514 and 2020 c 343 s 3 are each amended to
28 read as follows:

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

32 (b) A child who is eligible at the time of enrollment in the
33 early childhood education and assistance program maintains program
34 eligibility until the child begins kindergarten.

35 (2) As space is available, children may be included in the early
36 childhood education and assistance program pursuant to RCW
37 43.216.512. (~~Priority within this group must be given first to~~
38 ~~children with incomes up to one hundred thirty percent of the federal~~
39 ~~poverty level.))~~

PART VI
MISCELLANEOUS

1
2
3 NEW SECTION. **Sec. 601.** Nothing in this act changes the
4 department's responsibility to collectively bargain over mandatory
5 subjects consistent with RCW 41.56.028(3) or limits the legislature's
6 authority to make programmatic modifications to licensed child care
7 and early learning programs consistent with legislative reservation
8 of rights under RCW 41.56.028(4)(d).

9 NEW SECTION. **Sec. 602.** RCW 43.216.1365 (Working connections
10 child care program—Eligibility) and 2020 c 355 s 3 are each repealed.

11 NEW SECTION. **Sec. 603.** If any part of this act is found to be
12 in conflict with federal requirements that are a prescribed condition
13 to the allocation of federal funds to the state, the conflicting part
14 of this act is inoperative solely to the extent of the conflict and
15 with respect to the agencies directly affected, and this finding does
16 not affect the operation of the remainder of this act in its
17 application to the agencies concerned. Rules adopted under this act
18 must meet federal requirements that are a necessary condition to the
19 receipt of federal funds by the state.

20 NEW SECTION. **Sec. 604.** Sections 204 through 206 and 403 of this
21 act take effect July 1, 2026.

22 NEW SECTION. **Sec. 605.** Sections 101, 102, 106, 201, 206, 207,
23 302 through 307, 309, 311 through 314, 402, 404, 405, and 601 of this
24 act are each added to chapter 43.216 RCW.

25 NEW SECTION. **Sec. 606.** Section 503 of this act expires July 1,
26 2021.

27 NEW SECTION. **Sec. 607.** Sections 201, 202, 301, 310, and 504 of
28 this act are necessary for the immediate preservation of the public
29 peace, health, or safety, or support of the state government and its
30 existing public institutions, and take effect July 1, 2021.

31 NEW SECTION. **Sec. 608.** Section 504 of this act expires July 1,
32 2024.

1 NEW SECTION. **Sec. 609.** Section 505 of this act takes effect
2 July 1, 2024.

3 NEW SECTION. **Sec. 610.** Sections 105 and 503 of this act are
4 necessary for the immediate preservation of the public peace, health,
5 or safety, or support of the state government and its existing public
6 institutions, and take effect immediately."

7 Correct the title.

EFFECT: Adds language providing that the Legislature recognizes that quality child care can be a stabilizing factor for children experiencing homelessness, and that access to child care is a necessary support for families with young children in resolving homelessness and securing employment. Adds spending goals and strategies for the Fair Start for Kids Account. Amends the Education Legacy Trust Account to include early learning and child care programs. Makes changes to the Working Connections Child Care program, including amending the years for expanding eligibility. Changes the Working Connections Child Care monthly copayment schedule. Adds a new section providing that the Department of Children, Youth, and Families may waive the limit restricting family home providers from serving not more than 12 children. Strikes language providing that a number of supports are subject to appropriations including the Early Childhood Education and Assistance program early entry, complex needs funds, nonstandard hours rate model, and the infant and early childhood mental health consultation. Makes technical changes.

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