
Capital Budget Committee

HB 1370

Brief Description: Concerning grants for early learning facilities.

Sponsors: Representatives Callan, Shewmake, Davis, Ramos, Leavitt, Duerr, Senn, Wicks, Chopp, Bateman, Kloba, Macri, Ramel, Harris-Talley, Pollet, Rule and Goodman.

Brief Summary of Bill

- Increases the grant and loan award limits within the Early Learning Facilities (ELF) program.
- Creates a start-up grant program, subject to the availability of amounts appropriated from the Fair Start for Kids Account.
- Adds program administration and technical assistance as allowable activities eligible for funding through the ELF program.

Hearing Date: 2/2/21

Staff: Kelci Karl-Robinson (786-7116).

Background:

The Department of Commerce (Commerce) administers the Early Learning Facilities (ELF) program, which provides grants and loans to eligible organizations to plan, renovate, purchase, and construct early learning facilities. Commerce's administration of the program may not exceed an average of four percent of appropriated funding. Eligible organizations include Working Connections Child Care (WCCC) and Early Childhood Education and Assistance Program (ECEAP) providers, developers of housing and community facilities, community and technical colleges, Educational Service Districts, local governments, federally recognized tribes, and religiously affiliated entities. In the 2021-23 biennium, eligible organizations may receive grants or loans up to:

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- \$10,698 for facility predesign, feasibility planning, and project development;
- \$106,978 for minor renovation or repairs of existing early learning facilities; and
- \$855,823 to create, purchase, or expand early learning facilities.

In addition, school districts may receive grants or loans up to \$855,823 to purchase, construct, or renovate early learning classrooms for WCCC and ECEAP. Commerce determines the level of private or public match required for construction, purchase, or renovation projects. Any recipient of a grant or loan must own or secure a long-term lease for the project site and commit to using the funded facility for preschool or childcare for 10 years if the award is less than \$200,000 and for 20 years if the award is greater than \$200,000. Recipients must also commit to being an active participant in good standing with the Early Achievers quality rating and improvement system. If a recipient ceases to be in good standing with Early Achievers, the grant must be repaid.

Summary of Bill:

ELF grant or loan amounts are increased:

- to \$20,000 for predesign grant or loans;
- to \$200,000 for minor renovations or repairs; and
- to \$1 million for major construction and renovation.

Grants or loans for predevelopment activities for eligible organizations to advance a major project are allowed up to \$200,000. Program administration and technical assistance are added as eligible for funding through the ELF grant and loan program for eligible organizations.

Subject to the availability of amounts appropriated from the Fair Start for Kids Account created in House Bill 1213, start-up grants must be awarded to eligible ELF organizations. The grants may be used for one-time start-up costs associated with opening a new child care or ECEAP site. The site must be an active participant and in good standing with the Early Achievers quality rating and improvement system for at least five years. Eligible uses of the start-up grants include the purchase of equipment, supplies, fixtures and furnishings, dual language programming, and other goods and services. Commerce must adopt rules and use the child care cost estimate model to inform the start-up grants.

Statutory references are corrected.

Appropriation: None.

Fiscal Note: Available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 2, relating to start-up grants, which takes effect if House Bill 1213 is enacted.