
SECOND SUBSTITUTE HOUSE BILL 1213

State of Washington

67th Legislature

2021 Regular Session

By House Appropriations (originally sponsored by Representatives Senn, Chopp, Ramos, Bateman, Sells, Shewmake, Lekanoff, Peterson, Stonier, Duerr, Fitzgibbon, Berry, Rule, Davis, Wicks, Fey, Callan, Dolan, Frame, Lovick, Chapman, Ryu, Santos, Thai, Ortiz-Self, Orwall, Simmons, Slatter, Gregerson, Bergquist, Hackney, Valdez, Ramel, Riccelli, Macri, Goodman, and Harris-Talley)

READ FIRST TIME 02/22/21.

1 AN ACT Relating to expanding accessible, affordable child care
2 and early childhood development programs; amending RCW 43.216.075,
3 43.216.136, 43.216.505, 43.216.512, 43.216.556, 43.216.749,
4 43.216.090, 43.216.578, 43.216.710, 43.216.514, and 43.216.136;
5 reenacting and amending RCW 43.216.010, 28B.50.248, 43.84.092,
6 43.84.092, and 43.84.092; adding new sections to chapter 43.216 RCW;
7 adding a new section to chapter 43.330 RCW; creating new sections;
8 repealing RCW 43.216.1365; providing effective dates; providing
9 expiration dates; and declaring an emergency.

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

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

13 NEW SECTION. **Sec. 2.** INTENT. (1) The legislature finds that
14 high quality child care and early learning is critical to a child's
15 success in school and life. The legislature recognizes that COVID-19
16 has devastated the existing child care industry, making it unduly
17 burdensome for families to find care. The legislature recognizes that
18 without immediate action to support child care providers, and without
19 expanded access to affordable child care, especially infant and
20 school-age care, parents will not be able to return to work while

1 children lose valuable learning opportunities. In order to bolster a
2 full economic recovery, the legislature finds that every child
3 deserves a fair start.

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

19 (3) The legislature finds that the scarcity of child care,
20 exacerbated by COVID-19, most significantly impacts families furthest
21 from opportunity. The legislature recognizes that there are
22 additional barriers to accessing this foundational support for
23 immigrant communities and families whose first language is not
24 English, families who have children with disabilities, rural
25 communities, or other child care deserts. The legislature recognizes
26 that high quality, inclusive child care and early learning programs
27 have been shown to reduce the opportunity gap for low-income children
28 and black, indigenous, and children of color while consistently
29 improving outcomes for all children both inside and outside of the
30 classroom.

31 (4) The legislature finds that without access to comprehensive,
32 high quality prenatal to five services, children often enter
33 kindergarten without the social-emotional, physical, cognitive, and
34 language skills they need to be successful and fall behind their
35 peers, facing compounding developmental challenges throughout their
36 K-12 education. The legislature finds that cascading impacts of
37 inaccessible child care and early learning programs create systemic
38 barriers for children and their families that result in higher
39 special education needs, greater likelihood of needing to repeat
40 grades, increased child welfare and juvenile justice involvement,

1 reduced high school graduation rates, limited postsecondary education
2 attainment, and greater barriers to employment in adulthood.

3 (5) The legislature finds the vast majority of child care
4 providers are small businesses and nonprofit organizations. In
5 addition to adhering to federal, state, and local regulations to
6 ensure healthy and safe environments for children, the legislature
7 recognizes that child care providers must ensure their employees are
8 adequately compensated and supported. However, the legislature
9 acknowledges that the reduced staffing ratios for health and safety,
10 additional cost of personal protective equipment and extra cleaning
11 supplies, increased use of substitutes needed during COVID-19-related
12 absences, and increased technology demands during school closures
13 from the pandemic are further straining the viability of the child
14 care business model in Washington state.

15 (6) The legislature finds that the health and stability of the
16 early learning workforce is pivotal to any expansion of child care in
17 Washington state. The legislature recognizes that the child care
18 workforce, predominantly comprised of women of color, is structurally
19 afflicted by low wages, limited or no health care, and a severe lack
20 of retirement benefits. The legislature further recognizes that the
21 threat of COVID-19 compounds these underlying issues, forcing
22 providers to navigate increased stress, anxiety, and behavioral
23 issues all while risking their lives to care for children. The
24 legislature recognizes that families, friends, and neighbors who
25 provide care are a critical component of the child care system. The
26 legislature finds that child care workers are essential and deserve
27 to be compensated and benefited accordingly.

28 (7) Therefore, the legislature resolves to respond to the
29 COVID-19 crisis by first stabilizing the child care industry and then
30 expanding access to a comprehensive continuum of high quality early
31 childhood development programs, including infant and school-age child
32 care, preschool, parent and family supports, and prenatal to three
33 services. The legislature recognizes this continuum as critical to
34 meeting different families' needs and offering every child in
35 Washington access to a fair start.

36 (8) The legislature recognizes the strengths that multilingual,
37 diverse early learning providers and caregivers contribute to early
38 learning across the state. Therefore, the legislature intends to
39 expand language access services to create an inclusive early learning
40 system that specifically supports underserved providers.

1 (9) The legislature intends to expand eligibility for existing
2 child care and preschool programs to increase access. The legislature
3 recognizes that expansion must be accompanied by an investment to
4 make child care more affordable. Therefore, the legislature intends
5 to eliminate copayments for low-income families and limit copayments
6 for any family on subsidy to no more than seven percent of their
7 income.

8 (10) The legislature further intends to stabilize, support, and
9 grow the diverse early learning workforce by funding living wages and
10 affordable health benefits while providing training, infant and early
11 childhood mental health consultation, shared business services, and a
12 variety of other supports that recognize the critical role that early
13 learning providers serve for all Washington children.

14 (11) The legislature intends to accelerate Washington's economic
15 recovery from the devastating impacts of COVID-19 by dramatically
16 expanding access to affordable, high quality child care and
17 preschool, in order to get parents back to work and provide every
18 child with a fair start.

19 **PART I**

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

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

24 (2) Expenditures from the account may be used only for child care
25 and early learning purposes, including but not limited to:

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

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

34 (c) Increasing child care and early learning providers'
35 compensation;

36 (d) Supporting and expanding access to the early childhood
37 education and assistance program to reach state-funded entitlement
38 required in RCW 43.216.556;

- 1 (e) Making child care affordable for families;
- 2 (f) Providing resources and supports for family, friend, and
3 neighbor caregivers that better reflect the full cost of care;
- 4 (g) Providing professional development opportunities for child
5 care and early learning providers;
- 6 (h) Delivering infant and early childhood mental health
7 consultation services;
- 8 (i) Providing child care for school-age children and establishing
9 prekindergarten through third grade systems coordinators at
10 educational service districts;
- 11 (j) Awarding grants and loans through the early learning
12 facilities grant and loan program established under chapter 43.31
13 RCW;
- 14 (k) Funding special designations in the working connections child
15 care programs, early childhood education and assistance programs, and
16 birth to three early childhood education and assistance programs
17 including designations established in sections 302, 304, 305, and 404
18 of this act;
- 19 (l) Supporting costs for transparent data collection and
20 information technology systems operated by the department and
21 department contractors, in particular, to ensure equitable systemic
22 service provision and outcomes;
- 23 (m) Providing access to learning technology;
- 24 (n) Providing child care resource and referral services;
- 25 (o) Conducting quality rating and improvement system activities
26 through the early achievers program;
- 27 (p) Expanding prenatal to three services and supports, including
28 the birth to three early childhood education and assistance program
29 and the in-home parent skill-based programs established in RCW
30 43.216.130;
- 31 (q) Building and delivering a family resource and referral
32 linkage system;
- 33 (r) Allowing the exploration of options to provide regulatory
34 relief and make licensing more affordable for child care providers;
- 35 (s) Administering comprehensive shared services hubs to allow the
36 ongoing pooling and shared use of services by licensed or certified
37 child care centers and family home providers;
- 38 (t) Training department staff to ensure consistent and equitable
39 application of child care licensing and quality standards across the
40 state including antibias and antiracist training;

1 (u) Providing incentives for child care providers to become
2 licensed;

3 (v) Studying and evaluating options to incentivize business
4 participation in child care and early learning systems;

5 (w) Recognizing the benefits of the diverse workforce and
6 facilitating communication in the three most commonly spoken
7 languages by developing a language access plan that centers equity
8 and access for immigrants, multilingual providers, caregivers, and
9 families;

10 (x) Supporting collectively bargained provisions for family child
11 care providers subject to RCW 41.56.028. Subsidies funded under this
12 act may be bargained by the appropriate entity; and

13 (y) Providing start-up grants to eligible organizations as
14 described in RCW 43.31.575 who provide or commit to providing the
15 early childhood education and assistance program or working
16 connections child care. Start-up grants must be used for one-time
17 start-up costs associated with the start up of a new child care or
18 early childhood education and assistance program site.

19 **Sec. 102.** RCW 43.216.075 and 2020 c 262 s 4 are each amended to
20 read as follows:

21 INVESTMENT ACCOUNTABILITY AND OVERSIGHT. (1) The early learning
22 advisory council is established to advise the department on statewide
23 early learning issues that contribute to the ongoing efforts of
24 building a comprehensive system of quality early learning programs
25 and services for Washington's young children and families. (2) The
26 council shall work in conjunction with the department to ~~((assist))~~:

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

31 (b) Provide recommendations annually to the governor and the
32 legislature, beginning August 31, 2022, regarding the phased
33 implementation of strategies and priorities identified in section 101
34 of this act, recognizing that system capacity must be developed and
35 revenue expanded in order to achieve the stated goal in subsection
36 (1) of this section;

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

1 (d) Maintain a focus on inclusionary practices for children with
2 disabilities;

3 (e) Partner with nonprofit organizations to collect and analyze
4 data and measure progress; and

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

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

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

14 (iii) Promote kindergarten readiness by enhancing child
15 development, including development of social-emotional skills, and
16 eliminating exclusionary admissions practices and disproportionate
17 removals in child care and early learning programs; and

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

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

32 (4) Councilmembers shall serve two-year terms. However, to
33 stagger the terms of the council, the initial appointments for twelve
34 of the members shall be for one year. Once the initial one-year to
35 two-year terms expire, all subsequent terms shall be for two years,
36 with the terms expiring on June 30th of the applicable year. The
37 terms shall be staggered in such a way that, where possible, the
38 terms of members representing a specific group do not expire
39 simultaneously.

1 (5) The council shall consist of members essential to
2 coordinating services statewide prenatal through age five, as
3 follows:

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

9 (b) One representative from the office of the superintendent of
10 public instruction, to be appointed by the superintendent of public
11 instruction;

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

15 ~~((The head start state collaboration office director or the
16 director's designee;~~

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

19 ~~((iii))~~) (ii) A representative of ~~((a local education agency))~~
20 educational service districts;

21 ~~((iv))~~) (iii) A ~~((representative of the state agency))~~ provider
22 responsible for programs under section 619 ~~((or))~~ of the federal
23 individuals with disabilities education act;

24 (iv) A representative of the state agency responsible for part C
25 of the federal individuals with disabilities education act;

26 (v) A representative of the early childhood education and
27 assistance program;

28 (vi) A representative of licensed family ~~((day care))~~ home
29 providers;

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

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

33 (ix) An infant or early childhood mental health expert;

34 (x) A family, friend, and neighbor caregiver;

35 (xi) A representative from prenatal to three services;

36 (xii) A pediatrician; and

37 (xiii) A representative of the statewide child care resource and
38 referral organization;

39 (d) Two members of the house of representatives, one from each
40 caucus, to be appointed by the speaker of the house of

1 representatives and two members of the senate, one from each caucus,
2 to be appointed by the majority leader in the senate and the minority
3 leader in the senate;

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

6 (f) One representative of the private-public partnership created
7 in RCW 43.216.065, to be appointed by the partnership board;

8 (g) One representative from the Washington state developmental
9 disabilities (~~community~~) council;

10 (h) Two representatives from early learning regional coalitions;

11 (i) (~~Representatives~~) Up to five representatives of underserved
12 communities who have a special expertise or interest in high quality
13 early learning, one to be appointed by each of the following
14 commissions:

15 (i) The Washington state commission on Asian Pacific American
16 affairs;

17 (ii) The Washington state commission on African American affairs;
18 (~~and~~)

19 (iii) The Washington state commission on Hispanic affairs;

20 (iv) The Washington state women's commission; and

21 (v) The Washington state office of equity;

22 (j) Two representatives designated by sovereign tribal
23 governments, one of whom must be a representative of a tribal early
24 childhood education assistance program or head start program;

25 (k) One representative from the office of equity established
26 under chapter 43.06D RCW;

27 (l) One representative from the women's commission established
28 under chapter 43.119 RCW;

29 (m) One representative from the Washington federation of
30 independent schools;

31 (~~(l)~~) (n) One representative from the Washington library
32 association; (~~and~~

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

35 (p) One representative from an association representing statewide
36 business interests and one representative from a regional business
37 coalition;

38 (q) One representative of an advocacy organization for immigrants
39 and refugees;

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

3 (s) One representative from the union representing the largest
4 number of child care providers.

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

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

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

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

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

25 (i) Adequacy of data collection procedures;

26 (ii) Coaching and technical assistance standards;

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

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

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

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

36 (vii) Other relevant early learning data, including but not
37 limited to, progress in serving students with disabilities ages birth
38 to five, including data on least restrictive environments.

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

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

13 ~~((10))~~ (11) The council shall report its findings and
14 recommendations annually to the governor and the appropriate
15 committees of the legislature by August 1st.

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

17 NEW SECTION. **Sec. 103.** INFLATIONARY ADJUSTMENTS. Beginning July
18 1, 2023, and subject to the availability of amounts appropriated for
19 this specific purpose, rates paid under sections 302, 305, and 404 of
20 this act and RCW 43.216.578 must be adjusted every two years
21 according to an inflationary increase. The inflationary increase must
22 be calculated by applying the rate of the increase in the
23 inflationary adjustment index to the rates established in sections
24 302, 305, and 404 of this act and RCW 43.216.578. Any funded
25 inflationary increase must be included in the rate used to determine
26 inflationary increases in subsequent years. For the purposes of this
27 section, "inflationary adjustment index" means the implicit price
28 deflator averaged for each fiscal year, using the official current
29 base rate, compiled by the bureau of economic analysis, United States
30 department of commerce.

31 **PART II**

32 **EXPANDING ACCESS TO CHILD CARE AND EARLY LEARNING PROGRAMS**

33 NEW SECTION. **Sec. 201.** WORKING CONNECTIONS CHILD CARE PROGRAM
34 ELIGIBILITY AND COPAYMENT. (1) It is the intent of the legislature to
35 increase working families' access to affordable, high quality child
36 care and to support the expansion of the workforce to support
37 businesses and the statewide economy.

1 (2) By July 1, 2025, a family is eligible for working connections
2 child care when the household's annual income is at or below 75
3 percent of the state median income adjusted for family size and:

4 (a) The child receiving care is: (i) Aged 13 years or younger; or
5 (ii) aged 19 years or younger and has a verified special need
6 according to department rule or is under court supervision; and

7 (b) The household meets all other program eligibility
8 requirements.

9 (3) By July 1, 2025, and subject to the availability of amounts
10 appropriated for this specific purpose, a family is eligible for
11 working connections child care when the household's annual income is
12 above 75 percent of the state median income and is at or below 100
13 percent of the state median income adjusted for family size and:

14 (a) The child receiving care is: (i) Aged 13 years or younger; or
15 (ii) aged 19 years or younger and has a verified special need
16 according to department rule or is under court supervision; and

17 (b) The household meets all other program eligibility
18 requirements.

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

Beginning date:	If the household's income is:	Then the household's copayment is not to exceed:
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

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

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

1 (5) The department must adopt rules to implement this section.

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

4 WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS. (1) The
5 department shall establish and implement policies in the working
6 connections child care program to promote stability and quality of
7 care for children from low-income households. These policies shall
8 focus on supporting school readiness for young learners. Policies for
9 the expenditure of funds constituting the working connections child
10 care program must be consistent with the outcome measures established
11 by the department and the standards established in this section
12 intended to promote stability, quality, and continuity of early care
13 and education programming.

14 (2) As recommended by P.L. 113-186, authorizations for the
15 working connections child care subsidy are effective for twelve
16 months beginning July 1, 2016(~~(, unless an earlier date is provided~~
17 ~~in the omnibus appropriations act)~~).

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

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

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

26 (i) In the last six months have:

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

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

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

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

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

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

1 (4) (a) Beginning (~~(August 1, 2020)~~) July 1, 2023, the department
2 may not require an applicant or consumer to meet work requirements as
3 a condition of receiving working connections child care benefits when
4 the applicant or consumer is (~~(~~

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

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

10 (ii) An associate degree program; or

11 (iii) A registered apprenticeship program.

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

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

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

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

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

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

35 NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
36 PROGRAM INTENT. (1) The legislature finds that eligibility guidelines
37 for the national school lunch program require free meals for children
38 with household incomes at or below 130 percent of the federal poverty
39 level and that this income level is approximately equivalent to 36

1 percent of the state median income for a household of three. The
2 legislature further finds that eligibility guidelines require
3 reduced-price meals for children with household incomes at or below
4 185 percent of the federal poverty level and that this income level
5 is approximately equivalent to 50 percent of the state median income
6 for a household of three.

7 (2) Therefore, the legislature intends to raise the maximum
8 family income for children entitled to enroll in the early childhood
9 education and assistance program to 36 percent of the state median
10 income beginning July 1, 2026. Beginning in the 2030-31 school year,
11 the legislature intends to raise the maximum family income for
12 children entitled to enroll in this program to 50 percent of the
13 state median income. It is the intent of the legislature to
14 standardize income eligibility levels for assistance programs in
15 order to help families and social workers better understand the
16 benefits for which families qualify and to simplify and align state
17 systems wherever feasible.

18 (3) The legislature further intends to support educational
19 service districts to help school districts partner with early
20 childhood education and assistance program contractors and providers
21 to expand access.

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

24 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM ENTITLEMENT
25 ELIGIBILITY. Unless the context clearly requires otherwise, the
26 definitions in this section apply throughout RCW 43.216.500 through
27 43.216.559, 43.216.900, and 43.216.901.

28 (1) "Advisory committee" means the advisory committee under RCW
29 43.216.520.

30 (2) "Approved programs" means those state-supported education and
31 special assistance programs which are recognized by the department as
32 meeting the minimum program rules adopted by the department to
33 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and
34 43.216.901 and are designated as eligible for funding by the
35 department under RCW 43.216.530 and 43.216.540.

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

1 (4) "Eligible child" means a child who is at least three (~~to~~
2 ~~five-year~~) years old (~~child who~~) by the school year, is not age-
3 eligible for kindergarten, is not a participant in a federal or state
4 program providing comprehensive services, and who:

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

8 (b) Is experiencing homelessness;

9 (c) Has participated in early head start or a successor federal
10 program providing comprehensive services for children from birth
11 through two years of age, the early support for infants and toddlers
12 program or received class C developmental services, the birth to
13 three early childhood education and assistance program, or the early
14 childhood intervention and prevention services program;

15 (d) Is eligible for special education due to disability under RCW
16 28A.155.020; (~~or~~

17 ~~or~~) (e) Meets criteria under rules adopted by the department if
18 the number of such children equals not more than ten percent of the
19 total enrollment in the early childhood program. Preference for
20 enrollment in this group shall be given to children from families
21 with the lowest income, children in foster care, or to eligible
22 children from families with multiple needs; or

23 (f) Beginning in the 2026-27 school year, is Indian as defined in
24 rule by the department after consultation and agreement with
25 Washington state's federally recognized tribes pursuant to section
26 207 of this act and is at or below 100 percent of the state median
27 income adjusted for family size.

28 (5) "Family support services" means providing opportunities for
29 parents to:

30 (a) Actively participate in their child's early childhood
31 program;

32 (b) Increase their knowledge of child development and parenting
33 skills;

34 (c) Further their education and training;

35 (d) Increase their ability to use needed services in the
36 community;

37 (e) Increase their self-reliance; and

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

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

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

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

12 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED
13 ENROLLMENT. (1) The department shall adopt rules that allow the
14 enrollment of children in the early childhood education and
15 assistance program, as space is available, if the number of such
16 children equals not more than ((~~twenty-five~~)) 25 percent of total
17 statewide enrollment, when the child is not eligible under RCW
18 43.216.505 and whose family income level is ((~~÷ (a) Above one hundred~~
19 ten percent but less than or equal to one hundred thirty percent of
20 the federal poverty level; or

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

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

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

35 (b) ((~~Homelessness;~~

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

37 ((~~(d) Developmental delay or disability that does not meet the~~
38 eligibility criteria for special education described in RCW
39 28A.155.020)) (c) Eligible for services under part C of the federal

1 individuals with disabilities education act but not eligible for
2 services under part B of the federal individuals with disabilities
3 education act;

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

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

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

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

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

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

12 (3) ~~((The department shall adopt rules that allow a child to~~
13 ~~enroll in the early childhood education and assistance program, as~~
14 ~~space is available, when the child is not eligible under RCW~~
15 ~~43.216.505 and the child turns three years old at any time during the~~
16 ~~school year when the child:~~

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

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

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

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

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

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

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

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

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

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

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

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

10 (iii) The birth to three early childhood education and assistance
11 program; or

12 (iv) The early childhood intervention and prevention services
13 program.

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

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

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

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

27 (1) Funding for the program of early learning established under
28 this chapter must be appropriated to the department. The department
29 shall distribute funding to approved early childhood education and
30 assistance program contractors on the basis of eligible children
31 enrolled.

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

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

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

6 **PART III**
7 **SUPPORTING CHILD CARE AND EARLY LEARNING PROVIDERS**

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

10 CHILD CARE SUBSIDY RATES. (1) (~~By January 1, 2025, the~~
11 ~~department of children, youth, and families must~~) It is the intent
12 of the legislature to systemically increase child care subsidy rates
13 over time until rates are equal to the full cost of providing high
14 quality child care.

15 (2) (a) By July 1, 2021, child care subsidy base rates must
16 achieve the 75th percentile of market for licensed or certified child
17 care providers.

18 (b) By July 1, 2023, child care subsidy base rates must achieve
19 the 85th percentile of market for licensed or certified child care
20 providers.

21 (3) (a) The department shall build upon the work of the child care
22 collaborative task force to develop and implement a child care cost
23 estimate model and use the completed child care cost model
24 (~~developed under RCW 43.330.527 to determine child care subsidy~~
25 rates.

26 ~~(2) This section expires January 30, 2025))~~ to recommend subsidy
27 rates at levels that are sufficient to compensate licensed or
28 certified child care providers for the full costs of providing high
29 quality child care. The department shall consider adjusting rates to
30 reflect cost-of-living factors at the zip code level, grouped by
31 categories such as rural, suburban, or urban.

32 (b) The department shall build upon the work of the child care
33 collaborative task force to evaluate options to support access to
34 affordable health care insurance coverage for licensed or certified
35 child care providers.

36 (c) Nothing in this chapter shall be deemed to interfere with,
37 impede, or in any way diminish the right of employees to bargain
38 collectively with their employers through representatives of their

1 choosing in order to establish wages or other conditions of work in
2 excess of the applicable minimum under the provisions of this
3 chapter.

4 NEW SECTION. Sec. 302. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
5 PROGRAM RATES. (1) Rates for the early childhood education and
6 assistance program shall be established as follows:

7 (a) For the 2021-22 through 2022-23 school years, rates must be
8 set at a level at least seven percent higher than the rates
9 established in section 225, chapter 415, Laws of 2019.

10 (b) For the 2023-24 school year, rates shall be set at a level at
11 least 10 percent higher than the rates established in section 225,
12 chapter 415, Laws of 2019.

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

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

17 NEW SECTION. Sec. 303. COMPLEX NEEDS FUNDS. (1) The department
18 shall administer two complex needs funds to promote inclusive, least
19 restrictive environments and to support contractors and providers
20 serving children who have developmental delays, disabilities,
21 behavioral needs, or other unique needs. One fund must support early
22 childhood education and assistance program contractors, providers,
23 and birth to three early childhood education and assistance programs,
24 and one fund must support licensed or certified child care providers,
25 license-exempt child care programs.

26 (2) Support may include staffing, programming, therapeutic
27 services, and equipment or technology support. Additional support may
28 include activities to assist families with children expelled or at
29 risk of expulsion from child care, and to help families transition in
30 and out of child care.

31 NEW SECTION. Sec. 304. TRAUMA-INFORMED CARE SUPPORTS. (1) By
32 July 1, 2022, the department shall provide supports to aid eligible
33 providers in providing trauma-informed care. Trauma-informed care
34 supports may include:

35 (a) Additional compensation for staff who have an infant and
36 early childhood mental health or other child development specialty
37 credential;

- 1 (b) Trauma-informed professional development and training;
- 2 (c) The purchase of screening tools and assessment materials;
- 3 (d) Supportive services for children with complex needs that are
- 4 offered as fee-for-service within local communities; or
- 5 (e) Other related expenses.

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

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

- 8 (a) An employee or owner of a licensed or certified child care center
- 9 accepting state subsidy; (b) an employee or owner of a licensed
- 10 family home provider accepting state subsidy; (c) a contractor or
- 11 provider of the early childhood education and assistance program or
- 12 birth to three early childhood education and assistance program; (d)
- 13 a license-exempt child care program; or (e) an early achievers coach.

14 NEW SECTION. **Sec. 305.** DUAL LANGUAGE RATE ENHANCEMENT. (1) By

15 July 1, 2022, the department shall establish a dual language
16 designation and provide subsidy rate enhancements or site-specific
17 grants for licensed or certified child care providers who are
18 accepting state subsidy; early childhood education and assistance
19 program contractors; or birth to three early childhood education and
20 assistance program contractors. It is the intent of the legislature
21 to allow uses of rate enhancements or site-specific grants to include
22 increased wages for individual staff who provide bilingual
23 instruction, professional development training, the purchase of dual
24 language and culturally appropriate curricula and accompanying
25 training programs, instructional materials, or other related
26 expenses.

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

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

31 NEW SECTION. **Sec. 306.** NONSTANDARD HOURS RATE MODEL. (1) In

32 order to expand the supply of critically needed after-hours care to
33 meet the needs of parents and caregivers and a round-the-clock
34 economy, the department of children, youth, and families, in
35 consultation with diverse stakeholders, must develop a rate model for
36 nonstandard child care hours and submit the model to the governor and
37 the appropriate committees of the legislature by January 1, 2022.

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

1 NEW SECTION. **Sec. 307.** EARLY CHILDHOOD EQUITY GRANTS. (1)

2 Subject to the availability of amounts appropriated for this specific
3 purpose, the department shall distribute early childhood equity
4 grants to eligible applicants. Eligible applicants include play and
5 learn groups, licensed or certified child care centers and family
6 home providers, license-exempt child care programs, and early
7 childhood education and assistance program contractors. The equity
8 grants are intended to serve as a step toward expanding access to
9 early learning statewide and transforming Washington's early learning
10 system to make it more inclusive and equitable. The department shall
11 administer the early childhood equity grants to support inclusive and
12 culturally and linguistically specific early learning and early
13 childhood and parent support programs across the state.

14 (2) The department must conduct an equitable process to
15 prioritize grant applications for early childhood equity grant
16 assistance. An eligible applicant may receive an early childhood
17 equity grant once every two years. When conducting the equitable
18 grant process, the department must:

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

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

24 (c) Require applicants to demonstrate their proposed uses of
25 early childhood equity grant funds to incorporate either inclusive
26 practices or culturally and linguistically supportive and relevant
27 practices, or both, into early learning program design, delivery,
28 education, training, and evaluation; and

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

30 NEW SECTION. **Sec. 308.** A new section is added to chapter 43.330

31 RCW to read as follows:

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

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

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

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

5 (c) Providing financial assistance to employees for licensed or
6 certified child care providers and license-exempt child care program
7 expenses;

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

9 (e) Sponsoring dependent care flexible spending accounts for
10 employees; and

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

13 NEW SECTION. **Sec. 309.** INFANT AND EARLY CHILDHOOD MENTAL HEALTH
14 CONSULTATION. (1) The department shall administer or contract for
15 infant and early childhood mental health consultation services to
16 child care providers and early learning providers participating in
17 the early achievers program.

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

21 (3) The department shall provide, or contract with an entity to
22 provide, reflective supervision and professional development for
23 infant and early childhood mental health consultants to meet national
24 competency standards.

25 (4) As capacity allows, the department may provide access to
26 infant and early childhood mental health consultation services to
27 caregivers and licensed or certified, military, and tribal early
28 learning providers, license-exempt family, friend, and neighbor care
29 providers, and families with children expelled or at risk of
30 expulsion from child care.

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

33 INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION. ((The)) By
34 July 1, 2021, the department of children, youth, and families must
35 have or contract for one infant and early childhood mental health
36 consultation coordinator and must enter into a contractual agreement
37 with an organization providing coaching services to early achievers
38 program participants to hire ((one)) at least 12 qualified infant and

1 early childhood mental health consultants (~~for each of the six~~
2 ~~department-designated regions~~). The department shall determine, in
3 collaboration with child care aware of Washington, where the
4 additional consultants should be sited based on factors such as the
5 total provider numbers overlaid with indicators of highest need. The
6 infant and early childhood mental health consultants must support
7 early achievers program coaches and child care providers by providing
8 resources, information, and guidance regarding challenging behavior
9 and expulsions and may travel to assist providers in serving families
10 and children with severe behavioral needs. (~~In coordination with the~~
11 ~~contractor, the department of children, youth, and families must~~
12 ~~report on the services provided and the outcomes of the consultant~~
13 ~~activities to the governor and the appropriate policy and fiscal~~
14 ~~committees of the legislature by June 30, 2021.~~)

15 NEW SECTION. Sec. 311. PLAY AND LEARN GROUPS. Subject to the
16 availability of amounts appropriated for this specific purpose, the
17 department, in consultation with community-based programs, shall
18 provide or contract to provide, or both, resources and supports for
19 inclusive and culturally and linguistically relevant play and learn
20 groups. Play and learn groups offer parents and other caregivers
21 culturally responsive opportunities to support their children's early
22 learning, build relationships that reduce isolation and encourage
23 socialization, and promote kindergarten readiness.

24 NEW SECTION. Sec. 312. PROFESSIONAL DEVELOPMENT. (1) Subject to
25 the availability of amounts appropriated for this specific purpose,
26 the department shall provide professional development supports to aid
27 eligible providers in reaching the professional education and
28 training standards adopted by the department. Professional
29 development supports may include:

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

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

34 (c) Early achievers scholarships;

35 (d) Community-based training pathways and systems developed under
36 RCW 43.216.755; and

37 (e) Other professional development activities such as training
38 content maintenance, data collection and reporting, trainer

1 recruitment, retention, program monitoring, and trainings delivered
2 by department-approved trainers on topics such as small business
3 management, antibias and antiracist training, providing care for
4 children with developmental disabilities, social-emotional learning,
5 implementing inclusionary practices in the early learning
6 environment, infant and toddler care, dual language program
7 development, and providing trauma-informed care.

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

9 (a) An employee or owner of a licensed or certified child care center
10 or outdoor nature-based care; (b) an employee or owner of a licensed
11 family home provider accepting state subsidy; (c) a contractor or
12 provider of the early childhood education and assistance program or
13 birth to three early childhood education and assistance program; or
14 (d) an early achievers coach.

15 PART IV

16 STRENGTHENING PRENATAL TO THREE SUPPORTS

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

23 (2) The legislature finds that the federal family first
24 prevention services act (P.L. 115-123) offers the state the
25 opportunity to leverage federal funding for certain programs,
26 including in-home parent skill-based programs, substance use disorder
27 support, and mental health interventions. Culturally relevant,
28 evidence-based programs that may qualify for these federal funds are
29 limited. Therefore, state support may be necessary to serve
30 traditionally underrepresented communities and increase positive
31 engagement from parents and caregivers of children from before birth
32 to age three.

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

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

5 NEW SECTION. Sec. 402. EDUCATION AND SUPPORT FOR PARENTS AND
6 FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the
7 availability of amounts appropriated for this specific purpose, the
8 department shall administer a prenatal to three family engagement
9 strategy to support expectant parents, babies and toddlers from birth
10 to three years of age, and their caregivers.

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

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

20 (b) Facilitated play and learn groups;

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

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

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

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

34 BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

35 (1) (~~Within resources available under the federal preschool~~
36 ~~development grant birth to five grant award received in December~~
37 ~~2018,)) Subject to the availability of amounts appropriated for this
38 specific purpose, the department shall (~~develop a plan for phased~~~~

1 ~~implementation of~~) administer a birth to three early childhood
2 education and assistance program (~~(pilot project)~~) for eligible
3 children under thirty-six months old. Funds to implement the (~~(pilot~~
4 ~~project)~~) program may include a combination of federal, state, or
5 private sources.

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

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

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

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

32 ~~(5))~~ To be eligible for the birth to three early childhood
33 education and assistance program, a child's family income must be at
34 or below (~~(one hundred thirty)~~) 50 percent of the (~~(federal poverty~~
35 ~~level)~~) state median income and the child must be under thirty-six
36 months old.

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

1 ~~of funds secured, and any implementation activities of the pilot~~
2 ~~project. Implementation activity reports must include a description~~
3 ~~of the participating programs and number of children and families~~
4 ~~served.)~~)

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

13 (2) By July 1, 2022, the department shall provide an infant rate
14 enhancement for licensed or certified child care providers and birth
15 to three early childhood education and assistance program contractors
16 who are:

17 (a) Accepting state subsidy;

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

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

21 (3) To the extent practicable, parties should consider in
22 collective bargaining agreements, beginning in the 2021-2023 fiscal
23 biennium, implementation of a rate structure similar to the
24 provisions in this section.

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

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

32 (b) Referred by a child welfare worker, a department of social
33 and health services social worker, a primary care physician, a
34 behavioral health provider, or a public health nurse due to: (i) Risk
35 of child abuse or neglect; (ii) exposure to complex trauma; or (iii)
36 significant developmental delays.

37 (2) Subject to the availability of amounts appropriated for this
38 specific purpose, the department shall make all reasonable efforts to

1 deliver early therapeutic and preventative services and programs
2 statewide. These services and programs must focus first on children
3 and families furthest from opportunity as defined by income and be
4 delivered by programs that emphasize greater racial equity.

5 **PART V**

6 **CONFORMING AMENDMENTS**

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

9 The definitions in this section apply throughout this chapter
10 unless the context clearly requires otherwise.

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

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

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

24 (c) "Family day care provider" and "family home provider"
25 mean(~~s~~) a child care provider who regularly provides early
26 childhood education and early learning services for not more than
27 twelve children at any given time in the provider's home in the
28 family living quarters;

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

34 (e) "Service provider" means the entity that operates a community
35 facility.

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

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

1 (i) Any blood relative, including those of half-blood, and
2 including first cousins, nephews or nieces, and persons of preceding
3 generations as denoted by prefixes of grand, great, or great-great;
4 (ii) Stepfather, stepmother, stepbrother, and stepsister;
5 (iii) A person who legally adopts a child or the child's parent
6 as well as the natural and other legally adopted children of such
7 persons, and other relatives of the adoptive parents in accordance
8 with state law; or
9 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of
10 this subsection, even after the marriage is terminated;
11 (b) Persons who are legal guardians of the child;
12 (c) Persons who care for a neighbor's or friend's child or
13 children, with or without compensation, where the person providing
14 care for periods of less than twenty-four hours does not conduct such
15 activity on an ongoing, regularly scheduled basis for the purpose of
16 engaging in business, which includes, but is not limited to,
17 advertising such care;
18 (d) Parents on a mutually cooperative basis exchange care of one
19 another's children;
20 (e) Nursery schools that are engaged primarily in early childhood
21 education with preschool children and in which no child is enrolled
22 on a regular basis for more than four hours per day;
23 (f) Schools, including boarding schools, that are engaged
24 primarily in education, operate on a definite school year schedule,
25 follow a stated academic curriculum, and accept only school age
26 children;
27 (g) Seasonal camps of three months' or less duration engaged
28 primarily in recreational or educational activities;
29 (h) Facilities providing child care for periods of less than
30 twenty-four hours when a parent or legal guardian of the child
31 remains on the premises of the facility for the purpose of
32 participating in:
33 (i) Activities other than employment; or
34 (ii) Employment of up to two hours per day when the facility is
35 operated by a nonprofit entity that also operates a licensed child
36 care program at the same facility in another location or at another
37 facility;
38 (i) Any entity that provides recreational or educational
39 programming for school age children only and the entity meets all of
40 the following requirements:

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

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

6 (iii) The entity is a local affiliate of a national nonprofit;
7 and

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

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

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

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

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

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

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

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

31 (6) "Department" means the department of children, youth, and
32 families.

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

36 (8) "Early childhood education and assistance program contractor"
37 means an organization that provides early childhood education and
38 assistance program services under a signed contract with the
39 department.

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

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

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

16 ~~(11))~~ "Education data center" means the education data center
17 established in RCW 43.41.400, commonly referred to as the education
18 research and data center.

19 ~~((12))~~ (11) "Employer" means a person or business that engages
20 the services of one or more people, especially for wages or salary to
21 work in an agency.

22 ~~((13))~~ (12) "Enforcement action" means denial, suspension,
23 revocation, modification, or nonrenewal of a license pursuant to RCW
24 43.216.325(1) or assessment of civil monetary penalties pursuant to
25 RCW 43.216.325(3).

26 ~~((14))~~ (13) "Extended day program" means an early childhood
27 education and assistance program that offers early learning education
28 for at least ten hours per day, a minimum of two thousand hours per
29 year, at least four days per week, and operates year-round.

30 (14) "Family resource and referral linkage system" means a system
31 that connects families to resources, services, and programs for which
32 families are eligible and uses a database that is developed and
33 maintained in partnership with communities, health care providers,
34 and early learning providers.

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

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

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

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

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

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

13 (c) An adverse agency action, including termination, revocation,
14 or denial of a license or certification, or if pending adverse agency
15 action, the voluntary surrender of a license, certification, or
16 contract in lieu of the adverse action;

17 (d) A revocation, denial, or restriction placed on any
18 professional license; or

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

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

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

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

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

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

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

36 (25) "School age child" means a child who is five years of age
37 through (~~twelve~~) 13 years of age and is attending a public or
38 private school or is receiving home-based instruction under chapter
39 28A.200 RCW.

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

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

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

7 Nothing in RCW 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~)
8 requires a community or technical college to expand any of its
9 existing child care facilities. Any additional child care services
10 provided by a community or technical college as a result of RCW
11 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~) must be provided
12 within existing resources and existing facilities.

13 **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
14 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to
15 read as follows:

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

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

35 (3) Except for the provisions of RCW 43.84.160, the treasury
36 income account may be utilized for the payment of purchased banking
37 services on behalf of treasury funds including, but not limited to,
38 depository, safekeeping, and disbursement functions for the state

1 treasury and affected state agencies. The treasury income account is
2 subject in all respects to chapter 43.88 RCW, but no appropriation is
3 required for payments to financial institutions. Payments shall occur
4 prior to distribution of earnings set forth in subsection (4) of this
5 section.

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

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

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

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

35 (b) Any state agency that has independent authority over accounts
36 or funds not statutorily required to be held in the state treasury
37 that deposits funds into a fund or account in the state treasury
38 pursuant to an agreement with the office of the state treasurer shall
39 receive its proportionate share of earnings based upon each account's
40 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. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
5 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted
6 and amended to read 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 ambulance transport fund,
6 the brownfield redevelopment trust fund account, the budget
7 stabilization account, the capital vessel replacement account, the
8 capitol building construction account, the Central Washington
9 University capital projects account, the charitable, educational,
10 penal and reformatory institutions account, the Chehalis basin
11 account, the Chehalis basin taxable account, the cleanup settlement
12 account, the Columbia river basin water supply development account,
13 the Columbia river basin taxable bond water supply development
14 account, the Columbia river basin water supply revenue recovery
15 account, the common school construction fund, the community forest
16 trust account, the connecting Washington account, the county arterial
17 preservation account, the county criminal justice assistance account,
18 the deferred compensation administrative account, the deferred
19 compensation principal account, the department of licensing services
20 account, the department of retirement systems expense account, the
21 developmental disabilities community (~~trust~~) services account, the
22 diesel idle reduction account, the drinking water assistance account,
23 the administrative subaccount of the drinking water assistance
24 account, the early learning facilities development account, the early
25 learning facilities revolving account, the Eastern Washington
26 University capital projects account, the education construction fund,
27 the education legacy trust account, the election account, the
28 electric vehicle account, the energy freedom account, the energy
29 recovery act account, the essential rail assistance account, The
30 Evergreen State College capital projects account, the fair start for
31 kids account, the ferry bond retirement fund, the fish, wildlife, and
32 conservation account, the freight mobility investment account, the
33 freight mobility multimodal account, the grade crossing protective
34 fund, the 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. 505.** RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020
37 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read
38 as follows:

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

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

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

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

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

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

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

1 account, the Washington judicial retirement system account, the
2 Washington law enforcement officers' and firefighters' system plan 1
3 retirement account, the Washington law enforcement officers' and
4 firefighters' system plan 2 retirement account, the Washington public
5 safety employees' plan 2 retirement account, the Washington school
6 employees' retirement system combined plan 2 and 3 account, the
7 Washington state patrol retirement account, the Washington State
8 University building account, the Washington State University bond
9 retirement fund, the water pollution control revolving administration
10 account, the water pollution control revolving fund, the Western
11 Washington University capital projects account, the Yakima integrated
12 plan implementation account, the Yakima integrated plan
13 implementation revenue recovery account, and the Yakima integrated
14 plan implementation taxable bond account. Earnings derived from
15 investing balances of the agricultural permanent fund, the normal
16 school permanent fund, the permanent common school fund, the
17 scientific permanent fund, and the state university permanent fund
18 shall be allocated to their respective beneficiary accounts.

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

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

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

30 The department shall:

31 (1) Work in conjunction with the statewide child care resource
32 and referral network as well as local governments, nonprofit
33 organizations, businesses, and community child care advocates to
34 create local child care resource and referral organizations. These
35 organizations may carry out needs assessments, resource development,
36 provider training, technical assistance, and parent information and
37 training;

38 (2) Actively seek public and private money for distribution as
39 grants to the statewide child care resource and referral network and

1 to existing or potential local child care resource and referral
2 organizations;

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

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

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

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

13 (d) Provide information for businesses regarding child care
14 supply and demand;

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

17 (f) Provide technical assistance to employers regarding employee
18 child care services; and

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

23 (4) Provide staff support and technical assistance to the
24 statewide child care resource and referral network and local child
25 care resource and referral organizations;

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

30 (6) Through the statewide child care resource and referral
31 network and local resource and referral organizations, compile data
32 about local child care needs and availability for future planning and
33 development;

34 (7) Coordinate with the statewide child care resource and
35 referral network and local child care resource and referral
36 organizations for the provision of training and technical assistance
37 to child care providers;

38 (8) Collect and assemble information regarding the availability
39 of insurance and of federal and other child care funding to assist

1 state and local agencies, businesses, and other child care providers
2 in offering child care services;

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

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

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

11 (b) The provider is actively participating in the early achievers
12 program;

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

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

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

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

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

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

27 (2) As space is available, children may be included in the early
28 childhood education and assistance program pursuant to RCW
29 43.216.512. (~~Priority within this group must be given first to~~
30 ~~children with incomes up to one hundred thirty percent of the federal~~
31 ~~poverty level.))~~

32 **Sec. 508.** RCW 43.216.136 and 2020 c 279 s 2 are each amended to
33 read as follows:

34 (1) The department shall establish and implement policies in the
35 working connections child care program to promote stability and
36 quality of care for children from low-income households. These
37 policies shall focus on supporting school readiness for young
38 learners. Policies for the expenditure of funds constituting the

1 working connections child care program must be consistent with the
2 outcome measures established by the department and the standards
3 established in this section intended to promote stability, quality,
4 and continuity of early care and education programming.

5 (2) As recommended by P.L. 113-186, authorizations for the
6 working connections child care subsidy are effective for twelve
7 months beginning July 1, 2016(~~(, unless an earlier date is provided~~
8 ~~in the omnibus appropriations act)~~).

9 (a) A household's 12-month authorization must begin on the date
10 that child care is expected to begin.

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

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

17 (i) In the last six months have:

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

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

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

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

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

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

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

35 (i) A single parent;

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

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

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

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

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

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

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

20 **PART VI**
21 **MISCELLANEOUS**

22 NEW SECTION. **Sec. 601.** RCW 43.216.1365 (Working connections
23 child care program—Eligibility) and 2020 c 355 s 3 are each repealed.

24 NEW SECTION. **Sec. 602.** If any part of this act is found to be
25 in conflict with federal requirements that are a prescribed condition
26 to the allocation of federal funds to the state, the conflicting part
27 of this act is inoperative solely to the extent of the conflict and
28 with respect to the agencies directly affected, and this finding does
29 not affect the operation of the remainder of this act in its
30 application to the agencies concerned. Rules adopted under this act
31 must meet federal requirements that are a necessary condition to the
32 receipt of federal funds by the state.

33 NEW SECTION. **Sec. 603.** Section 202 of this act takes effect
34 July 1, 2023.

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

3 NEW SECTION. **Sec. 605.** Section 508 of this act expires July 1,
4 2023.

5 NEW SECTION. **Sec. 606.** Sections 101, 103, 201, 206, 207, 302
6 through 307, 309, 311, 312, 402, 404, and 405 of this act are each
7 added to chapter 43.216 RCW.

8 NEW SECTION. **Sec. 607.** Section 503 of this act expires July 1,
9 2021.

10 NEW SECTION. **Sec. 608.** Section 504 of this act is necessary for
11 the immediate preservation of the public peace, health, or safety, or
12 support of the state government and its existing public institutions,
13 and takes effect July 1, 2021.

14 NEW SECTION. **Sec. 609.** Section 504 of this act expires July 1,
15 2024.

16 NEW SECTION. **Sec. 610.** Section 505 of this act takes effect
17 July 1, 2024.

18 NEW SECTION. **Sec. 611.** Section 503 of this act is necessary for
19 the immediate preservation of the public peace, health, or safety, or
20 support of the state government and its existing public institutions,
21 and takes effect immediately.

22 NEW SECTION. **Sec. 612.** If specific funding for the purposes of
23 this act, referencing this act by bill or chapter number, is not
24 provided by June 30, 2021, in the omnibus appropriations act, this
25 act is null and void.

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