
HOUSE BILL 1370

State of Washington

67th Legislature

2021 Regular Session

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

Read first time 01/25/21. Referred to Committee on Capital Budget.

1 AN ACT Relating to early learning facilities; amending RCW
2 43.31.577, 43.31.565, and 43.185.050; adding a new section to chapter
3 43.31 RCW; and providing a contingent effective date.

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

5 **Sec. 1.** RCW 43.31.577 and 2017 3rd sp.s. c 12 s 8 are each
6 amended to read as follows:

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

9 (a) Facility predesign grants or loans of no more than (~~ten~~
10 ~~thousand dollars~~) \$20,000 to allow eligible organizations to secure
11 professional services or consult with organizations certified by the
12 community development financial institutions fund to plan for and
13 assess the feasibility of early learning facilities projects or
14 receive other technical assistance to design and develop projects for
15 construction funding;

16 (b) Grants or loans of no more than (~~one hundred thousand~~
17 ~~dollars~~) \$200,000 for minor renovations or repairs of existing early
18 learning facilities or for predevelopment activities to advance a
19 proposal from planning to major construction or renovation; (~~and~~)

20 (c) Major construction and renovation grants or loans and grants
21 or loans for facility purchases of no more than (~~eight hundred~~

1 ~~thousand dollars))~~ \$1,000,000 to create or expand early learning
2 facilities; and

3 (d) Administration costs associated with conducting application
4 processes, managing contracts, and providing technical assistance.

5 (2) Activities eligible for funding through the early learning
6 facilities grant and loan program for school districts include major
7 construction, purchase, and renovation grants or loans of no more
8 than ((~~eight hundred thousand dollars~~)) \$1,000,000 to create or
9 expand early learning facilities that received priority and ranking
10 as described in RCW 43.31.581.

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

15 NEW SECTION. Sec. 2. A new section is added to chapter 43.31
16 RCW, to be codified between RCW 43.31.567 and 43.31.583, to read as
17 follows:

18 (1) Subject to the availability of amounts appropriated from the
19 fair start for kids account created in RCW 43.216.--- (section 101,
20 chapter . . . (House Bill No. 1213), Laws of 2021) for this specific
21 purpose, the department shall award start-up grants to eligible
22 organizations as described in RCW 43.31.575 who provide or commit to
23 providing the early childhood education and assistance program or
24 working connections child care.

25 (a) To be eligible for grants under this section, the
26 organization must commit to being an active participant in good
27 standing with the early achievers program as described in chapter
28 43.216 RCW. Start-up grants are limited to one grant per location per
29 eligible organization. After receiving a start-up grant and upon
30 enrollment in the early achievers program, the site must continue to
31 be an active participant in good standing with the early achievers
32 program as described in chapter 43.216 RCW for at least five years.

33 (b) Start-up grant funds provided under this section must be used
34 for one-time start-up costs associated with the start up of a new
35 child care or early childhood education and assistance program site.
36 Eligible uses of grant funds include the purchase of equipment,
37 supplies, fixtures and furnishings, dual language programming, and
38 the cost of other goods and services associated with operations that
39 are necessary to meet foundational quality standards for early

1 learning programs as established by the department of children,
2 youth, and families.

3 (2) The department shall adopt rules to implement this section.
4 When developing rules for start-up grants, the department must use
5 the child care cost estimate model developed pursuant to section 6,
6 chapter 368, Laws of 2019 to inform the start-up grant parameters.

7 **Sec. 3.** RCW 43.31.565 and 2017 3rd sp.s. c 12 s 3 are each
8 amended to read as follows:

9 Unless the context clearly requires otherwise, the definitions in
10 this section apply throughout (~~chapter 12, Laws of 2017 3rd sp.~~
11 ~~sess.~~) RCW 43.31.567 through 43.31.583:

12 (1) "Department" means the department of commerce.

13 (2) "Director" means the director of commerce.

14 (3) "Early learning facility" means a facility providing
15 regularly scheduled care for a group of children one month of age
16 through twelve years of age for periods of less than twenty-four
17 hours.

18 **Sec. 4.** RCW 43.185.050 and 2018 c 223 s 4 are each amended to
19 read as follows:

20 (1) The department must use moneys from the housing trust fund
21 and other legislative appropriations to finance in whole or in part
22 any loans or grant projects that will provide housing for persons and
23 families with special housing needs and with incomes at or below
24 fifty percent of the median family income for the county or standard
25 metropolitan statistical area where the project is located. At least
26 thirty percent of these moneys used in any given funding cycle must
27 be for the benefit of projects located in rural areas of the state as
28 defined by the department. If the department determines that it has
29 not received an adequate number of suitable applications for rural
30 projects during any given funding cycle, the department may allocate
31 unused moneys for projects in nonrural areas of the state.

32 (2) Activities eligible for assistance from the housing trust
33 fund and other legislative appropriations include, but are not
34 limited to:

35 (a) New construction, rehabilitation, or acquisition of low and
36 very low-income housing units;

37 (b) Rent subsidies;

1 (c) Matching funds for social services directly related to
2 providing housing for special-need tenants in assisted projects;

3 (d) Technical assistance, design and finance services and
4 consultation, and administrative costs for eligible nonprofit
5 community or neighborhood-based organizations;

6 (e) Administrative costs for housing assistance groups or
7 organizations when such grant or loan will substantially increase the
8 recipient's access to housing funds other than those available under
9 this chapter;

10 (f) Shelters and related services for the homeless, including
11 emergency shelters and overnight youth shelters;

12 (g) Mortgage subsidies, including temporary rental and mortgage
13 payment subsidies to prevent homelessness;

14 (h) Mortgage insurance guarantee or payments for eligible
15 projects;

16 (i) Down payment or closing cost assistance for eligible first-
17 time home buyers;

18 (j) Acquisition of housing units for the purpose of preservation
19 as low-income or very low-income housing;

20 (k) Projects making housing more accessible to families with
21 members who have disabilities; and

22 (l) Remodeling and improvements as required to meet building
23 code, licensing requirements, or legal operations to residential
24 properties owned and operated by an entity eligible under RCW
25 43.185A.040, which were transferred as described in RCW
26 82.45.010(3)(t) by the parent of a child with developmental
27 disabilities.

28 (3) Preference must be given for projects that include an early
29 learning facility, as defined in RCW 43.31.565.

30 (4) Legislative appropriations from capital bond proceeds may be
31 used only for the costs of projects authorized under subsection
32 (2)(a), (i), and (j) of this section, and not for the administrative
33 costs of the department.

34 (5) Moneys from repayment of loans from appropriations from
35 capital bond proceeds may be used for all activities necessary for
36 the proper functioning of the housing assistance program except for
37 activities authorized under subsection (2)(b) and (c) of this
38 section.

39 (6) Administrative costs associated with application,
40 distribution, and project development activities of the department

1 may not exceed three percent of the annual funds available for the
2 housing assistance program. Reappropriations must not be included in
3 the calculation of the annual funds available for determining the
4 administrative costs.

5 (7) Administrative costs associated with compliance and
6 monitoring activities of the department may not exceed one-quarter of
7 one percent annually of the contracted amount of state investment in
8 the housing assistance program.

9 NEW SECTION. **Sec. 5.** Section 2 of this act takes effect if
10 chapter . . . (House Bill No. 1213), Laws of 2021 is enacted by the
11 effective date of this section.

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