
SENATE BILL 5237

State of Washington

67th Legislature

2021 Regular Session

By Senators Wilson, C., Dhingra, Das, Billig, Conway, Darneille, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Nguyen, Nobles, Pedersen, Saldaña, and Salomon

Read first time 01/15/21. Referred to Committee on Early Learning & K-12 Education.

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, 43.216.749, 43.216.090,
4 43.216.578, 43.216.710, 43.216.514, and 43.216.136; reenacting and
5 amending RCW 43.216.010, 28B.50.248, 43.84.092, 43.84.092, and
6 43.84.092; adding new sections to chapter 43.216 RCW; adding a new
7 section to chapter 43.330 RCW; creating new sections; repealing RCW
8 43.216.1365; providing effective dates; providing expiration dates;
9 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 perinatal 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 perinatal 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 access to affordable health care for staff in child
29 care centers, family home providers, and early childhood education
30 and assistance program staff;

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

34 (d) Making child care affordable for families;

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

37 (f) Providing professional development opportunities for child
38 care and early learning providers;

- 1 (g) Delivering infant and early childhood mental health
2 consultation services;
- 3 (h) Providing child care for school-age children;
- 4 (i) Awarding grants and loans through the early learning
5 facilities grant and loan program established under chapter 43.31
6 RCW;
- 7 (j) Paying enhanced rates for special rate designations in the
8 working connections child care programs, early childhood education
9 and assistance programs, and birth to three early childhood education
10 and assistance programs including designations established in
11 sections 302, 304, 305, and 404 of this act;
- 12 (k) Supporting costs for transparent data collection and
13 information technology systems operated by the department and
14 department contractors, in particular, to ensure equitable systemic
15 service provision and outcomes;
- 16 (l) Providing access to learning technology;
- 17 (m) Providing child care resource and referral services;
- 18 (n) Conducting quality rating and improvement system activities
19 through the early achievers program;
- 20 (o) Expanding perinatal to three services and supports, including
21 the birth to three early childhood education and assistance program
22 and the in-home parent skill-based programs established in RCW
23 43.216.130;
- 24 (p) Building and delivering a family resource and referral
25 linkage system;
- 26 (q) Administering comprehensive shared services hubs to allow the
27 ongoing pooling and shared use of services by licensed or certified
28 child care centers and family home providers;
- 29 (r) Training department staff to ensure consistent and equitable
30 application of child care licensing and quality standards across the
31 state including antibias and antiracist training;
- 32 (s) Providing incentives for child care providers to become
33 licensed; and
- 34 (t) Recognizing the benefits of the diverse workforce and
35 facilitating communication in the three most commonly spoken
36 languages.

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

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

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

8 (a) Assist in policy development and implementation that assist
9 the department in promoting alignment of private and public sector
10 actions, objectives, and resources, ensuring school readiness;

11 (b) Provide guidance and recommendations to the governor and the
12 legislature on phasing in child care and early learning priorities as
13 system capacity is developed and revenue is expanded to build a
14 comprehensive system of quality early learning programs and services
15 available to and affordable for Washington's young children and
16 families;

17 (c) Keep racial equity and inclusion, undoing intergenerational
18 poverty, and addressing systemic racism at its core; and

19 (d) Exercise fiscal accountability for the child care and early
20 learning investments funded by the fair start for kids account
21 created in section 101 of this act by ensuring these investments are
22 producing the intended results of:

23 (i) Support businesses and the statewide economy;

24 (ii) Support working parents;

25 (iii) Promote kindergarten readiness;

26 (iv) Enhance child development including social-emotional skills;

27 (v) Stabilize, support, and grow the early learning workforce;

28 (vi) Provide affordable and accessible child care, particularly
29 in underserved communities;

30 (vii) Advance racial equity;

31 (viii) Eliminate exclusionary admissions and disproportionate
32 removals;

33 (ix) Recognize and support the growing diversity of our state's
34 families and meeting their needs; and

35 (x) Strengthen families.

36 (3) The council shall include diverse, statewide representation
37 from public, nonprofit, and for-profit entities. Its membership shall
38 include critical partners in service delivery and reflect regional,
39 racial, and cultural diversity to adequately represent the needs of
40 all children and families in the state.

1 (4) Councilmembers shall serve two-year terms. However, to
2 stagger the terms of the council, the initial appointments for twelve
3 of the members shall be for one year. Once the initial one-year to
4 two-year terms expire, all subsequent terms shall be for two years,
5 with the terms expiring on June 30th of the applicable year. The
6 terms shall be staggered in such a way that, where possible, the
7 terms of members representing a specific group do not expire
8 simultaneously.

9 (5) The council shall consist of members essential to
10 coordinating services statewide prenatal through age five, as
11 follows:

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

17 (b) One representative from the office of the superintendent of
18 public instruction, to be appointed by the superintendent of public
19 instruction;

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

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

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

27 (iii) A representative of a local education agency;

28 (iv) A representative of the state agency responsible for
29 programs under section 619 or part C of the federal individuals with
30 disabilities education act;

31 (v) A representative of the early childhood education and
32 assistance program;

33 (vi) A representative of licensed family (~~day-care~~) home
34 providers;

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

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

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

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

40 (xi) A representative from perinatal to three services;

1 (xii) A pediatrician; and

2 (xiii) A representative of the statewide child care resource and
3 referral organization;

4 (d) Two members of the house of representatives, one from each
5 caucus, to be appointed by the speaker of the house of
6 representatives and two members of the senate, one from each caucus,
7 to be appointed by the majority leader in the senate and the minority
8 leader in the senate;

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

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

13 (g) One representative from the developmental disabilities
14 community;

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

16 (i) Representatives of underserved communities who have a special
17 expertise or interest in high quality early learning, one to be
18 appointed by each of the following commissions:

19 (i) The Washington state commission on Asian Pacific American
20 affairs;

21 (ii) The Washington state commission on African American affairs;
22 and

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

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

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

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

31 (m) One representative from the Washington federation of
32 independent schools;

33 ~~((1))~~ (n) One representative from the Washington library
34 association; ~~(and~~

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

37 (p) Two representatives from an association representing
38 statewide business interests;

39 (q) One representative of an advocacy organization for immigrants
40 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 a union representing child care
4 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 to evaluate specific issues and report related
10 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.

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

39 (c) The subcommittee shall include representatives from child
40 care centers, family child care, the early childhood education and

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

8 ~~((10))~~ (11) The council shall report its findings and
9 recommendations annually to the governor and the appropriate
10 committees of the legislature by August 1st.

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

12 NEW SECTION. Sec. 103. INFLATIONARY ADJUSTMENTS. Beginning July
13 1, 2023, and subject to the availability of amounts appropriated for
14 this specific purpose, rates paid under sections 302, 305, and 404 of
15 this act and RCW 43.216.578 must be adjusted every two years
16 according to an inflationary increase. The inflationary increase must
17 be calculated by applying the rate of the increase in the
18 inflationary adjustment index to the rates established in sections
19 302, 305, and 404 of this act and RCW 43.216.578. Any funded
20 inflationary increase must be included in the rate used to determine
21 inflationary increases in subsequent years. For the purposes of this
22 section, "inflationary adjustment index" means the implicit price
23 deflator averaged for that fiscal year, using the official current
24 base rate, compiled by the bureau of economic analysis, United States
25 department of commerce.

26 **PART II**

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

28 NEW SECTION. Sec. 201. WORKING CONNECTIONS CHILD CARE PROGRAM
29 ELIGIBILITY AND COPAYMENT. (1) It is the intent of the legislature to
30 increase working families' access to affordable, high quality child
31 care and to support the expansion of the workforce to support
32 businesses and the statewide economy.

33 (2) By July 1, 2025, a family is eligible for working connections
34 child care when the household's annual income is at or below 85
35 percent of the state median income adjusted for family size and:

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

4 (b) The household meets all other program eligibility
5 requirements.

6 (3) By July 1, 2025, and subject to the availability of amounts
7 appropriated for this specific purpose, a family is eligible for
8 working connections child care when the household's annual income is
9 above 85 percent of the state median income and is at or below 100
10 percent of the state median income adjusted for family size and:

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

14 (b) The household meets all other program eligibility
15 requirements.

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

Beginning date:	If the household's income is:	Then the household's copayment is:
Beginning July 1, 2021	At or below 36 percent of the state median income	\$0
Beginning July 1, 2021	Above 36 percent and at or below 50 percent of the state median income	\$15
Beginning July 1, 2023	Above 50 percent and at or below 75 percent of the state median income	\$115
Beginning July 1, 2025	Above 75 percent and at or below 85 percent of the state median income	\$165
Beginning July 1, 2025	Above 85 percent and at or below 100 percent of the state median income	Calculated according to a copayment model adopted by the department

29 (b) The department shall adopt a copayment model based on
30 available revenue for households with annual incomes above 85 percent
31 of the state median income and at or below 100 percent of the state
32 median income. The model must calculate a copayment for each
33 household that is no greater than seven percent of the household's
34 countable income within this income range.

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

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

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

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

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

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

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

23 (i) In the last six months have:

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

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

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

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

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

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

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

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

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

6 (ii) An associate degree program; or

7 (iii) A registered apprenticeship program.

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

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

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

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

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

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

31 NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
32 PROGRAM INTENT. (1) The legislature finds that eligibility guidelines
33 for the national school lunch program require free meals for children
34 with household incomes at or below 130 percent of the federal poverty
35 level and that this income level is approximately equivalent to 36
36 percent of the state median income for a household of three. The
37 legislature further finds that eligibility guidelines require
38 reduced-price meals for children with household incomes at or below
39 185 percent of the federal poverty level and that this income level

1 is approximately equivalent to 50 percent of the state median income
2 for a household of three.

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

14 (3) The legislature further intends to support educational
15 service districts to help school districts partner with early
16 childhood education and assistance program contractors and providers
17 to expand access.

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

20 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM ENTITLEMENT
21 ELIGIBILITY. Unless the context clearly requires otherwise, the
22 definitions in this section apply throughout RCW 43.216.500 through
23 43.216.559, 43.216.900, and 43.216.901.

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

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

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

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

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

4 (b) Is experiencing homelessness;

5 (c) Has participated in early head start, the early support for
6 infants and toddlers, the birth to three early childhood education
7 and assistance program, or the early childhood intervention
8 prevention services program;

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

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

17 (f) Beginning in the 2030-31 school year, is Indian as defined in
18 rule by the department after consultation and agreement with
19 Washington state's federally recognized tribes pursuant to section
20 207 of this act and is at or below 100 percent of the state median
21 income adjusted for family size.

22 (5) "Family support services" means providing opportunities for
23 parents to:

24 (a) Actively participate in their child's early childhood
25 program;

26 (b) Increase their knowledge of child development and parenting
27 skills;

28 (c) Further their education and training;

29 (d) Increase their ability to use needed services in the
30 community;

31 (e) Increase their self-reliance; and

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

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

38 (7) "Family with financial need" means families with incomes at
39 or below 36 percent of the state median income adjusted for family
40 size until the 2030-31 school year. Beginning in the 2030-31 school

1 year, "family with financial need" means families with incomes at or
2 below 50 percent of the state median income adjusted for family size.

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

5 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED
6 ENROLLMENT. (1) The department shall adopt rules that allow the
7 enrollment of children in the early childhood education and
8 assistance program, as space is available, if the number of such
9 children equals not more than (~~twenty-five~~) 25 percent of total
10 statewide enrollment, whose family income level is(~~;~~

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

13 ~~(b) Above one hundred thirty percent but less than or equal to~~
14 ~~two hundred percent of the federal poverty level if)) above those of~~
15 ~~a family with financial need, as defined in RCW 43.216.505, but less~~
16 ~~than or equal to 100 percent of the state median income adjusted for~~
17 ~~family size and the child meets at least one of the risk factor~~
18 ~~criterion described in subsection (2) of this section.~~

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

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

27 (b) (~~Homelessness;~~
28 ~~(c)~~) Child welfare system involvement;

29 (~~(d)~~) (c) Developmental delay or disability that does not meet
30 the eligibility criteria for special education described in RCW
31 28A.155.020;

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

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

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

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

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

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

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

6 (a) Has a family income at or below (~~two hundred~~) 100 percent
7 of the (~~federal poverty level~~) state median income or meets at
8 least one risk factor criterion adopted by the department in rule;
9 and

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

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

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

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

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

21 NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
22 PROGRAM TUITION COPAYMENT FOR EXPANDED ENROLLMENT. (1) Subject to the
23 availability of amounts appropriated for this specific purpose,
24 families who are enrolled in the early childhood education and
25 assistance program under RCW 43.216.512 must pay a monthly tuition
26 copayment according to a copayment model adopted by the department.

27 (2) The model must calculate a copayment for each family that is
28 no greater than seven percent of the family's countable income within
29 this income range. The department must also consider integrating the
30 copayment model with working connections child care and other early
31 learning programs to reduce burdens on families.

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

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

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

2 **PART III**

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

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

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

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

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

17 (3) The department shall build upon the work of the child care
18 collaborative task force to develop a child care cost estimate model
19 and use the completed child care cost model ~~((developed under RCW~~
20 ~~43.330.527 to determine child care subsidy rates.~~

21 ~~(2) This section expires January 30, 2025))~~ to recommend subsidy
22 rates at levels that are sufficient to compensate licensed or
23 certified child care providers for the full costs of providing high
24 quality child care.

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

28 (a) For the 2021-22 and 2022-23 school years, rates must be set
29 at a level at least five percent higher than the rates established in
30 section 225, chapter 415, Laws of 2019.

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

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

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

1 NEW SECTION. **Sec. 303.** COMPLEX NEEDS FUNDS. (1) The department
2 shall administer two complex needs funds to promote inclusive, least
3 restrictive environments and to support contractors and providers
4 serving children who have developmental delays, disabilities,
5 behavioral needs, or other unique needs. One fund must support early
6 childhood education and assistance program contractors and providers,
7 and one fund must support licensed or certified child care providers
8 and license-exempt child care programs.

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

14 NEW SECTION. **Sec. 304.** TRAUMA-INFORMED CARE SUPPORTS. (1) By
15 July 1, 2022, the department shall provide supports to aid eligible
16 providers in providing trauma-informed care. Trauma-informed care
17 supports may include:

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

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

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

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

25 (e) Other related expenses.

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

27 (3) To the extent practicable, parties should consider in
28 collective bargaining agreements, beginning in the 2023-2025 fiscal
29 biennium, implementation of a rate structure similar to the
30 provisions in this section.

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

32 (a) An employee or owner of a licensed or certified child care center
33 accepting state subsidy; (b) an employee or owner of a licensed
34 family home provider accepting state subsidy; (c) a contractor or
35 provider of the early childhood education and assistance program or
36 birth to three early childhood education and assistance program; (d)
37 a license-exempt child care program; or (e) an early achievers coach.

1 NEW SECTION. **Sec. 305.** DUAL LANGUAGE RATE ENHANCEMENT. (1) By
2 July 1, 2022, the department shall establish a dual language
3 designation and provide a subsidy rate enhancement for licensed or
4 certified child care providers who are accepting state subsidy; early
5 childhood education and assistance program contractors; or birth to
6 three early childhood education and assistance program contractors.
7 It is the intent of the legislature to allow uses of the rate
8 enhancement to include increased wages for individual staff who
9 provide bilingual instruction, professional development training, the
10 purchase of dual language and culturally appropriate curricula and
11 accompanying training programs, instructional materials, or other
12 related expenses.

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

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

17 (4) To the extent practicable, parties should consider in
18 collective bargaining agreements, beginning in the 2023-2025 fiscal
19 biennium, implementation of a rate structure similar to the
20 provisions in this section.

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

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

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

1 administer the early childhood equity grants to support inclusive and
2 culturally and linguistically specific early learning and early
3 childhood and parent support programs across the state.

4 (2) The department must conduct an equitable process to
5 prioritize grant applications for early childhood equity grant
6 assistance. An eligible applicant may receive an early childhood
7 equity grant once every two years. When conducting the equitable
8 grant process, the department must:

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

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

14 (c) Require applicants to demonstrate their proposed uses of
15 early childhood equity grant funds to incorporate either inclusive
16 practices or culturally and linguistically supportive and relevant
17 practices, or both, into early learning program design, delivery,
18 education, training, and evaluation; and

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

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

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

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

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

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

33 (c) Providing financial assistance to employees for licensed or
34 certified child care providers and license-exempt child care program
35 expenses;

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

37 (e) Sponsoring dependent care flexible spending accounts for
38 employees; and

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

3 NEW SECTION. **Sec. 309.** INFANT AND EARLY CHILDHOOD MENTAL HEALTH
4 CONSULTATION. (1) The department shall administer or contract for
5 infant and early childhood mental health consultation services and
6 supervision to child care providers participating in the early
7 achievers program.

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

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

14 (4) As capacity allows, the department may provide access to
15 infant and early childhood mental health consultation services to
16 license-exempt family, friend, and neighbor care providers and
17 families with children expelled or at risk of expulsion from child
18 care.

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

21 INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION. ((The)) By
22 July 1, 2021, the department of children, youth, and families must
23 have one infant and early childhood mental health coordinator and
24 must enter into a contractual agreement with an organization
25 providing coaching services to early achievers program participants
26 to hire ((one)) at least two qualified infant and early childhood
27 mental health consultants for each of the six department-designated
28 regions. The infant and early childhood mental health consultants
29 must support early achievers program coaches and child care providers
30 by providing resources, information, and guidance regarding
31 challenging behavior and expulsions and may travel to assist
32 providers in serving families and children with severe behavioral
33 needs. ((In coordination with the contractor, the department of
34 children, youth, and families must report on the services provided
35 and the outcomes of the consultant activities to the governor and the
36 appropriate policy and fiscal committees of the legislature by June
37 30, 2021.))

1 NEW SECTION. **Sec. 401.** PERINATAL TO THREE INTENT. (1) The
2 legislature finds that parental relationships and healthy
3 interactions in the first few years of life help shape the
4 development of babies' and toddlers' brains and bodies. Eighty
5 percent of the brain is developed by the age of three and parents are
6 a child's first teachers.

7 (2) The legislature finds that the federal family first
8 prevention services act (P.L. 115-123) offers the state the
9 opportunity to leverage federal funding for certain programs,
10 including in-home parent skill-based programs, substance use disorder
11 support, and mental health interventions. Culturally relevant,
12 evidence-based programs that may qualify for these federal funds are
13 limited. Therefore, state support may be necessary to serve
14 traditionally underrepresented communities and increase positive
15 engagement from parents and caregivers of children from before birth
16 to age three.

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

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

26 NEW SECTION. **Sec. 402.** EDUCATION AND SUPPORT FOR PARENTS AND
27 FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the
28 availability of amounts appropriated for this specific purpose, the
29 department shall administer a perinatal to three family engagement
30 strategy to support expectant parents, babies and toddlers from birth
31 to three years of age, and their caregivers.

32 (2) Components of the perinatal to three family engagement
33 strategy must include supports and services to improve maternal and
34 infant health outcomes, reduce and mitigate trauma, promote
35 attachment and other social-emotional assets, strengthen parenting
36 skills, and provide early supports to help maximize healthy and
37 robust childhood development and reduce isolation. Services and
38 supports may include:

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

3 (b) Facilitated play and learn groups;

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

9 (d) Other perinatal to age three programs and services.

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

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

17 BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

18 (1) ~~((Within resources available under the federal preschool
19 development grant birth to five grant award received in December
20 2018,))~~ Subject to the availability of amounts appropriated for this
21 specific purpose, the department shall ~~((develop a plan for phased
22 implementation of))~~ administer a birth to three early childhood
23 education and assistance program ~~((pilot project))~~ for eligible
24 children under thirty-six months old. Funds to implement the ~~((pilot
25 project))~~ program may include a combination of federal, state, or
26 private sources.

27 (2) The department may adopt rules to implement the ~~((pilot
28 project))~~ program and may waive or adapt early childhood education
29 and assistance program requirements when necessary to allow for the
30 operation of the birth to three early childhood education and
31 assistance program. The department shall consider early head start
32 rules and regulations when developing the provider and family
33 eligibility requirements and program requirements. ~~((Any deviations
34 from early head start standards, rules, or regulations must be
35 identified and explained by the department in its annual report under
36 subsection (6) of this section.))~~

37 (3) (a) ~~((Upon securing adequate funds to begin implementation,
38 the pilot project))~~ The birth to three early childhood education and
39 assistance program(s) must be delivered through child care centers

1 and family home providers who meet minimum licensing standards and
2 are enrolled in the early achievers program.

3 (b) The department must determine minimum early achievers ratings
4 scores for ~~((programs))~~ participating ~~((in the pilot project))~~
5 contractors.

6 ~~(4) ((When selecting pilot project locations for service
7 delivery, the department may allow each pilot project location to
8 have up to three classrooms per location. When selecting and
9 approving pilot project locations, the department shall attempt to
10 select a combination of rural, urban, and suburban locations. The
11 department shall prioritize locations with programs currently
12 operating early head start, head start, or the early childhood
13 education and assistance program.~~

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

19 ~~((6) Beginning November 1, 2020, and each November 1st
20 thereafter during pilot project activity, the department shall submit
21 an annual report to the governor and legislature that includes a
22 status update that describes the planning work completed, the status
23 of funds secured, and any implementation activities of the pilot
24 project. Implementation activity reports must include a description
25 of the participating programs and number of children and families
26 served.))~~

27 NEW SECTION. Sec. 404. INFANT CARE INCENTIVES. (1) The
28 legislature finds that our state suffers from an extreme shortage of
29 infant child care, impacting the ability of parents to participate in
30 the workforce. Further, parents returning to work after using paid
31 family leave to care for a new child struggle to find readily
32 available, high quality care during a time of critical growth and
33 brain development for young children. Therefore, the legislature
34 intends to incentivize the provision of high quality infant care.

35 (2) By July 1, 2021, the department shall provide an infant rate
36 enhancement for licensed or certified child care providers and birth
37 to three early childhood education and assistance program contractors
38 who are:

39 (a) Accepting state subsidy;

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

3 (c) Caring for a child between the ages of birth and 17 months.

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

8 NEW SECTION. **Sec. 405.** EARLY THERAPEUTIC AND PREVENTATIVE

9 SERVICES. (1) Subject to the availability of amounts appropriated for
10 this specific purpose, the department shall administer early
11 therapeutic and preventative services and programs, such as the early
12 childhood intervention prevention services program, and other related
13 services for children who are:

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

15 (b) Referred by a child welfare worker, a department of social
16 and health services social worker, a primary care physician, a
17 behavioral health provider, or a public health nurse due to: (i) Risk
18 of child abuse or neglect; (ii) exposure to complex trauma; or (iii)
19 significant developmental delays; and

20 (c) Enrolled in apple health for kids.

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

27 **PART V**

28 **CONFORMING AMENDMENTS**

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

31 The definitions in this section apply throughout this chapter
32 unless the context clearly requires otherwise.

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

1 (a) "Child day care center" and "child care center" mean((s)) an
2 agency that regularly provides early childhood education and early
3 learning services for a group of children for periods of less than
4 twenty-four hours;

5 (b) "Early learning" includes but is not limited to programs and
6 services for child care; state, federal, private, and nonprofit
7 preschool; child care subsidies; child care resource and referral;
8 parental education and support; and training and professional
9 development for early learning professionals;

10 (c) "Family day care provider" and "family home provider"
11 mean((s)) a child care provider who regularly provides early
12 childhood education and early learning services for not more than
13 twelve children at any given time in the provider's home in the
14 family living quarters;

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

20 (e) "Service provider" means the entity that operates a community
21 facility.

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

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

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

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

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

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

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

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

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

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

6 (f) Schools, including boarding schools, that are engaged
7 primarily in education, operate on a definite school year schedule,
8 follow a stated academic curriculum, and accept only school age
9 children;

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

12 (h) Facilities providing child care for periods of less than
13 twenty-four hours when a parent or legal guardian of the child
14 remains on the premises of the facility for the purpose of
15 participating in:

16 (i) Activities other than employment; or

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

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

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

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

29 (iii) The entity is a local affiliate of a national nonprofit;
30 and

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

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

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

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

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

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

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

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

15 (6) "Department" means the department of children, youth, and
16 families.

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

20 (8) "Early childhood education and assistance program contractor"
21 means an organization that provides early childhood education and
22 assistance program services under a signed contract with the
23 department.

24 (9) "Early childhood education and assistance program provider"
25 means an organization that provides site level, direct, and high
26 quality early childhood education and assistance program services
27 under the direction of an early childhood education and assistance
28 program contractor.

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

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

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

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

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

1 ~~(11)~~) "Education data center" means the education data center
2 established in RCW 43.41.400, commonly referred to as the education
3 research and data center.

4 ~~((12))~~ (11) "Employer" means a person or business that engages
5 the services of one or more people, especially for wages or salary to
6 work in an agency.

7 ~~((13))~~ (12) "Enforcement action" means denial, suspension,
8 revocation, modification, or nonrenewal of a license pursuant to RCW
9 43.216.325(1) or assessment of civil monetary penalties pursuant to
10 RCW 43.216.325(3).

11 ~~((14))~~ (13) "Extended day program" means an early childhood
12 education and assistance program that offers early learning education
13 for at least ten hours per day, a minimum of two thousand hours per
14 year, at least four days per week, and operates year-round.

15 (14) "Family resource and referral linkage system" means a system
16 that connects families to resources, services, and programs for which
17 families are eligible and uses a database that is developed and
18 maintained in partnership with communities, health care providers,
19 and early learning providers.

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

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

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

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

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

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

38 (c) An adverse agency action, including termination, revocation,
39 or denial of a license or certification, or if pending adverse agency

1 action, the voluntary surrender of a license, certification, or
2 contract in lieu of the adverse action;

3 (d) A revocation, denial, or restriction placed on any
4 professional license; or

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

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

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

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

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

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

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

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

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

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

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

33 Nothing in RCW 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~)
34 requires a community or technical college to expand any of its
35 existing child care facilities. Any additional child care services
36 provided by a community or technical college as a result of RCW
37 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~) must be provided
38 within existing resources and existing facilities.

1 **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
2 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to
3 read as follows:

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

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

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

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

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and fund's
38 average daily balance for the period: The abandoned recreational
39 vehicle disposal account, the aeronautics account, the Alaskan Way
40 viaduct replacement project account, the ambulance transport fund,

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

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

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

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

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

30 **Sec. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
31 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted
32 and amended to read as follows:

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

36 (2) The treasury income account shall be utilized to pay or
37 receive funds associated with federal programs as required by the
38 federal cash management improvement act of 1990. The treasury income
39 account is subject in all respects to chapter 43.88 RCW, but no

1 appropriation is required for refunds or allocations of interest
2 earnings required by the cash management improvement act. Refunds of
3 interest to the federal treasury required under the cash management
4 improvement act fall under RCW 43.88.180 and shall not require
5 appropriation. The office of financial management shall determine the
6 amounts due to or from the federal government pursuant to the cash
7 management improvement act. The office of financial management may
8 direct transfers of funds between accounts as deemed necessary to
9 implement the provisions of the cash management improvement act, and
10 this subsection. Refunds or allocations shall occur prior to the
11 distributions of earnings set forth in subsection (4) of this
12 section.

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

22 (4) Monthly, the state treasurer shall distribute the earnings
23 credited to the treasury income account. The state treasurer shall
24 credit the general fund with all the earnings credited to the
25 treasury income account except:

26 (a) The following accounts and funds shall receive their
27 proportionate share of earnings based upon each account's and fund's
28 average daily balance for the period: The abandoned recreational
29 vehicle disposal account, the aeronautics account, the Alaskan Way
30 viaduct replacement project account, the ambulance transport fund,
31 the brownfield redevelopment trust fund account, the budget
32 stabilization account, the capital vessel replacement account, the
33 capitol building construction account, the Central Washington
34 University capital projects account, the charitable, educational,
35 penal and reformatory institutions account, the Chehalis basin
36 account, the Chehalis basin taxable account, the cleanup settlement
37 account, the Columbia river basin water supply development account,
38 the Columbia river basin taxable bond water supply development
39 account, the Columbia river basin water supply revenue recovery
40 account, the common school construction fund, the community forest

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

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

1 University building account, the Washington State University bond
2 retirement fund, the water pollution control revolving administration
3 account, the water pollution control revolving fund, the Western
4 Washington University capital projects account, the Yakima integrated
5 plan implementation account, the Yakima integrated plan
6 implementation revenue recovery account, and the Yakima integrated
7 plan implementation taxable bond account. Earnings derived from
8 investing balances of the agricultural permanent fund, the normal
9 school permanent fund, the permanent common school fund, the
10 scientific permanent fund, and the state university permanent fund
11 shall be allocated to their respective beneficiary accounts.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 The department shall:

15 (1) Work in conjunction with the statewide child care resource
16 and referral network as well as local governments, nonprofit
17 organizations, businesses, and community child care advocates to
18 create local child care resource and referral organizations. These
19 organizations may carry out needs assessments, resource development,
20 provider training, technical assistance, and parent information and
21 training;

22 (2) Actively seek public and private money for distribution as
23 grants to the statewide child care resource and referral network and
24 to existing or potential local child care resource and referral
25 organizations;

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

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

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

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

36 (d) Provide information for businesses regarding child care
37 supply and demand;

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

1 (f) Provide technical assistance to employers regarding employee
2 child care services; and

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

7 (4) Provide staff support and technical assistance to the
8 statewide child care resource and referral network and local child
9 care resource and referral organizations;

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

14 (6) Through the statewide child care resource and referral
15 network and local resource and referral organizations, compile data
16 about local child care needs and availability for future planning and
17 development;

18 (7) Coordinate with the statewide child care resource and
19 referral network and local child care resource and referral
20 organizations for the provision of training and technical assistance
21 to child care providers;

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

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

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

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

34 (b) The provider is actively participating in the early achievers
35 program;

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

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

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

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

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

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

11 (2) As space is available, children may be included in the early
12 childhood education and assistance program pursuant to RCW
13 43.216.512. (~~Priority within this group must be given first to~~
14 ~~children with incomes up to one hundred thirty percent of the federal~~
15 ~~poverty level.))~~

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

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

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

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

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

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

1 (i) In the last six months have:

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

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

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

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

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

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

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

19 (i) A single parent;

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

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

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

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

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

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

1 support of the state government and its existing public institutions,
2 and takes effect July 1, 2021.

3 NEW SECTION. **Sec. 609.** Section 504 of this act expires July 1,
4 2024.

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

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

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