

HOUSE BILL REPORT

2SHB 1525

As Amended by the Senate

Title: An act relating to eligibility for working connections child care benefits for persons participating in state registered apprenticeships.

Brief Description: Concerning eligibility for working connections child care benefits for persons participating in state registered apprenticeships.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Fosse, Lekanoff, Farivar, Shavers, Thai, Taylor, Hansen, Alvarado, Senn, Hackney, Wylie, Duerr, Leavitt, Berg, Stearns, Peterson, Macri, Berry, Cortes, Low, Schmidt, Stonier, Kloba, Robertson, Gregerson, Riccelli, Doglio, Waters, Cheney, Orwall, Connors, Ybarra, Bronoske, Dent, Morgan, Ramel, Donaghy, Goodman, Ryu, Fey, Reed, Davis, Timmons, Street, Simmons, Fitzgibbon, Christian, Santos, Rule, Abbarno, Sandlin, Chopp, Bateman, Rude, Eslick, Ormsby, Reeves, Barkis, Graham, Pollet, Ortiz-Self, Callan and Bergquist).

Brief History:

Committee Activity:

Human Services, Youth, & Early Learning: 1/31/23, 2/7/23 [DPS];
Appropriations: 2/22/23, 2/24/23 [DP2S(w/o sub HSEL)].

Floor Activity:

Passed House: 3/1/23, 96-0.
Senate Amended.
Passed Senate: 4/8/23, 36-12.

Brief Summary of Second Substitute Bill

- Expands eligibility for Working Connections Child Care program benefits to apply to persons in the first 12 months of a state registered apprenticeship when the person meets certain additional criteria.

HOUSE COMMITTEE ON HUMAN SERVICES, YOUTH, & EARLY LEARNING

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan, Dent, Goodman, Ortiz-Self, Rule and Walsh.

Staff: Omeara Harrington (786-7136).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Human Services, Youth, & Early Learning. Signed by 30 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; Berg, Chandler, Chopp, Connors, Couture, Davis, Dye, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Rude, Ryu, Sandlin, Schmick, Senn, Simmons, Slatter, Springer, Steele, Stonier and Tharinger.

Staff: Jordan Clarke (786-7123).

Background:

Working Connections Child Care.

Working Connections Child Care (WCCC) is a federally and state-funded program that provides subsidies for child care to families with incomes at or below 60 percent of the state median income (SMI), adjusted for family size, and when the household meets other eligibility requirements. Beginning July 1, 2025, a family is eligible for WCCC program benefits when the household's annual income is above 60 percent and at or below 75 percent of the SMI, adjusted for family size, and beginning July 1, 2027, if funds are appropriated, when the household's annual income is up to 85 percent of the SMI, adjusted for family size.

Through the WCCC program, the state pays part of the cost of child care when a parent is working or participating in approved work-related activities. Depending on income, families may be required to pay a monthly copayment to their provider. Copayments are currently calculated as follows:

Household income:	Maximum copayment:
At or below 20 percent of the SMI	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the SMI	\$65

Above 36 percent and at or below 50 percent of SMI	\$90
Above 50 percent and at or below 60 percent of SMI	\$115 (\$165 beginning July 1, 2023)

Beginning July 1, 2025, the Department of Children, Youth, and Families (DCYF) must calculate a maximum monthly copayment of \$215 for households with incomes above 60 percent and at or below 75 percent of the SMI. Subject to appropriations, the DCYF must adopt a copayment model for households with annual incomes above 75 percent of the SMI and at or below 85 percent of the SMI. The model must calculate a copayment for each household that is no greater than 7 percent of the household's countable income within this income range.

The DCYF may not require an applicant or consumer to meet work requirements as a condition of receiving the WCCC program benefits when the recipient is a full-time student of a community, technical, or tribal college; and enrolled in a vocational education program that leads to a degree or certificate in a specific occupation, an associate degree program, or a registered apprenticeship program. Subject to appropriations, the DCYF may waive work requirements for full-time students who are enrolled in a bachelor's degree or applied baccalaureate degree program.

Registered Apprenticeships.

Apprenticeship programs enable individuals to learn trades and occupations through on-the-job training and related supplemental instruction. Journey-level craft persons or trade professionals generally supervise on-the-job training. Employer- or union-sponsored schools or community or technical colleges offer the technical instruction.

Most registered apprenticeship programs take around two to five years to complete, and apprentices earn wages while learning their trade or occupation. Upon completing apprenticeship programs, apprentices receive completion certificates issued by the Washington State Apprenticeship and Training Council, which is the entity that establishes standards and registers apprenticeship programs.

Summary of Second Substitute Bill:

Regardless of whether or not eligibility requirements are otherwise met, a person is eligible to receive WCCC program benefits for the first 12 months of the person's enrollment in a state registered apprenticeship when the person has a household income that, beginning July 1, 2023, does not exceed 75 percent of the SMI at the time of application, and, beginning July 1, 2025, does not exceed 85 percent of the SMI at the time of application.

The DCYF must adopt a copayment model for benefits granted to households with incomes above 60 percent and at or below 85 percent of the SMI.

EFFECT OF SENATE AMENDMENT(S):

The work requirements for the Working Connections Child Care (WCCC) program are waived for those participating in a state-registered apprenticeship regardless of whether or not the apprentice is a full-time student of a community, technical, or tribal college, as is required in current law for the waiver to apply.

The special WCCC program eligibility requirements for apprentices in the first 12 months of their apprenticeship program are modified. Instead of increasing income eligibility from 75 percent of the state median income (SMI) to 85 percent of the SMI starting July 1, 2025, income eligibility does not increase to 85 percent of the SMI unless funds are appropriated to increase the income eligibility threshold to 85 percent of the SMI for all WCCC program participants beginning July 1, 2027. Rather than waiving all eligibility requirements other than income, the apprentice's household must meet all other current law eligibility requirements. The July 1, 2023, start date is removed, making the apprentice eligibility requirements take effect 90 days after the adjournment of session.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on April 5, 2023.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony (Human Services, Youth, & Early Learning):

(In support) The lack of affordable child care affects many families, especially those trying to build their lives through apprenticeships. Child care is a barrier to recruiting and retaining apprentices. Pay is inconsistent throughout apprenticeship programs and can jeopardize assistance eligibility and lead to economic insecurity. The unaffordability of daycare hinders many from completing apprenticeships, as they include mandatory unpaid trainings. This bill would make it possible for a trained family member to care for an apprentice's child and gain an income, or for children to be in safe and licensed care. Having children in safe and stable care will allow their parents to focus on their own safety when bridges and high rises are being built. It will also aid the effort to diversify those participating in the construction trades. More women are now participating in the trades. The state supports other people in postsecondary education on their way to a career, but apprentices are not supported the same way. Apprenticeship is a faster path to economic stability, so it makes sense to support this policy.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) Washington already provides access to child care subsidies for vocational training for students in college, but the state is penalizing apprentices for choosing a

vocational program that includes paid training. This is a training pathway that gets students to economic self-sufficiency quicker than other pathways. Students at vocational colleges could be using childcare subsidies for two years, but this bill only requires the state to support apprentices with children for a single year. This bill would increase an apprentice's ability to be successful in their training program and reduce the number of apprentices that exit programs due to financial burden, many of whom end up on other public assistance programs. These costs can be avoided with the passage of this bill.

Access to child care is one of the most critical barriers to developing the workforce needed to meet the state's clean energy, transportation, and other infrastructure goals. Building trades apprenticeship programs are funded by employers and workers, so unlike other vocational training in the state, this training is privately funded. We are asking the state to help increase equitable access and retention for apprentices with children for the first year of an apprenticeship. Apprentices are postsecondary students who are not using state resources like tuition assistance, so relative to the investments in other postsecondary areas, helping apprentices access child care is a small cost to the state.

(Opposed) None.

Persons Testifying (Human Services, Youth, & Early Learning): Representative Mary Fosse, prime sponsor; Tara Davis, Heather Kurtenbach, and Michael Swanson, Iron Workers Local Union 86; Maya Gillett; and Erin Frasier, Washington State Building and Construction Trades Council.

Persons Testifying (Appropriations): Heather Kurtenbach, Ironworkers Local 86; and Erin Frasier, Washington State Building and Construction Trades Council.

Persons Signed In To Testify But Not Testifying (Human Services, Youth, & Early Learning): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.