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SENATE BILL 5225

State of Washington 68th Legislature 2023 Regular Session

By Senators C. Wilson, Conway, Frame, Hasegawa, Hunt, Keiser, Lovelett, Nguyen, Salomon, Shewmake, Stanford, and Valdez

Read first time 01/10/23. Referred to Committee on Early Learning & K-12 Education.

- AN ACT Relating to increasing access to the working connections child care program; amending RCW 43.216.136 and 43.216.1368; reenacting and amending RCW 43.216.135; adding a new section to chapter 43.216 RCW; creating a new section; and providing an effective date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The legislature acknowledges that the working connections child care program provides quality child care for families. The legislature intends to increase access to this program for certain families.
 - (2) The legislature recognizes that child care providers are struggling to hire and retain child care employees. As stated in RCW 43.216.749, the legislature intends to systemically increase child care subsidy rates over time until rates are equal to the full cost of providing high quality child care to help address these workforce issues. The legislature intends to provide child care employees with access to the working connections child care program as a more immediate benefit while acknowledging that this benefit may not be needed as child care subsidy rates increase.
- 20 (3) As stated in RCW 2.30.010, the legislature recognizes that 21 therapeutic courts provide an opportunity for defendants or

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respondents to obtain treatment services to address particular issues that may have contributed to the conduct that led to their issue before the court. The legislature intends to provide those participating in these courts with access to the working connections child care program to help support their success in these courts and to provide stable and high quality child care for their families.

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(4) The legislature acknowledges that the state has granted higher education tuition assistance to students regardless of their immigration status. This assistance is one step toward helping these students on their educational pathway and will in turn help address workforce shortages. The legislature recognizes that child care for these students, who are also parents, is a barrier to enrollment in these higher education programs. The legislature acknowledges that the working connections child care program requires children to have a certain immigration status to be eligible. The legislature intends to expand the working connections child care program to provide access to child care for these families.

NEW SECTION. Sec. 2. A new section is added to chapter 43.216 19 RCW to read as follows:

- (1) Beginning October 1, 2023, a family is eligible for working connections child care when the household's annual income is at or below 85 percent of the state median income adjusted for family size and:
- 24 (a) The child receiving care is: (i) Less than 13 years of age; 25 or (ii) less than 19 years of age and has a verified special need 26 according to department rule or is under court supervision;
 - (b) The applicant or consumer is employed in a licensed child care center or family home provider, as verified in the agency's electronic workforce registry; and
- 30 (c) The household meets all other program eligibility 31 requirements.
- 32 (2) The department must waive the copayment to the extent 33 allowable under federal law; otherwise, a maximum of \$15 for any 34 applicant or consumer that meets the requirements under this section.
- 35 **Sec. 3.** RCW 43.216.136 and 2021 c 199 s 202 are each amended to read as follows:
- 37 (1) The department shall establish and implement policies in the 38 working connections child care program to promote stability and

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- quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.
 - (2) As recommended by P.L. 113-186, authorizations for the working connections child care subsidy are effective for twelve months beginning July 1, 2016.
 - (a) A household's 12-month authorization begins on the date that child care is expected to begin.
 - (b) If a newly eligible household does not begin care within 12 months of being determined eligible by the department, the household must reapply in order to qualify for subsidy.
 - (3) (a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:
 - (i) In the last six months have:

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- 20 (A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;
 - (B) Received child welfare services as defined and used by chapter 74.13 RCW; $((\Theta r))$
 - (C) Received services through a family assessment response as defined and used by chapter 26.44 RCW; or
 - (D) A parent or guardian participating in a specialty court or therapeutic court as defined in RCW 2.30.020;
 - (ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020 or as part of the specialty court or therapeutic court's proceedings; and
 - (iii) Are residing with a biological parent or guardian.
 - (b) Families who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services or keep participating in a specialty court or therapeutic court identified in this subsection to maintain twelve-month authorization.
 - (4) (a) Beginning July 1, 2021, and subject to the availability of amounts appropriated for this specific purpose, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when

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- 1 the applicant or consumer is a full-time student of a community,
 2 technical, or tribal college and is enrolled in:
- 3 (i) A vocational education program that leads to a degree or 4 certificate in a specific occupation;
 - (ii) An associate degree program; or

- (iii) A registered apprenticeship program.
- (b) An applicant or consumer is a full-time student for the purposes of this subsection if he or she meets the college's definition of a full-time student.
- (c) Nothing in this subsection is intended to change how applicants or consumers are prioritized when applicants or consumers are placed on a waitlist for working connections child care benefits.
- (d) Subject to the availability of amounts appropriated for this specific purpose, the department may extend the provisions of this subsection (4) to full-time students who are enrolled in a bachelor's degree program or applied baccalaureate degree program.
- (5) The department may not consider the immigration status of an applicant or consumer's child when determining eligibility for working connections child care benefits when the applicant or consumer is a full-time student and is enrolled in one of the programs listed in subsection (4) of this section.
- (6)(a) The department must extend the homeless grace period, as adopted in department rule as of January 1, 2020, from a four-month grace period to a twelve-month grace period.
- (b) For the purposes of this section, "homeless" means being without a fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (42 U.S.C. Sec. 11434a) as it existed on January 1, 2020.
- (((6))) <u>(7)</u> For purposes of this section, "authorization" means a transaction created by the department that allows a child care provider to claim payment for care. The department may adjust an authorization based on a household's eligibility status.
- **Sec. 4.** RCW 43.216.1368 and 2022 c 297 s 959 are each amended to read as follows:
 - (1) It is the intent of the legislature to increase working families' access to affordable, high quality child care and to support the expansion of the workforce to support businesses and the statewide economy.

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(2) Beginning October 1, 2021, a family is eligible for working connections child care when the household's annual income is at or below 60 percent of the state median income adjusted for family size and:

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- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- household meets all 8 (b) The other program eligibility requirements.
 - (3) Beginning July 1, 2025, a family is eligible for working connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size and:
 - (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
 - household other program eligibility The meets all requirements.
 - (4) Beginning July 1, 2027, and subject to the availability of amounts appropriated for this specific purpose, a family is eligible for working connections child care when the household's annual income is above 75 percent of the state median income and is at or below 85 percent of the state median income adjusted for family size and:
 - (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
 - (b) The household meets all other program eligibility requirements.
 - (5)(a) Beginning October 1, 2021, through June 30, 2023, the department must calculate a monthly copayment according to the following schedule:

32	If the household's income is:	Then the household's maximum monthly copayment is:
33 34	At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
35 36	Above 20 percent and at or below 36 percent of the state median income	\$65
37 38	Above 36 percent and at or below 50 percent of the state median income	\$115 until December 31, 2021, and \$90 beginning January 1, 2022

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1	Above 50 percent and at or below 60 percent of the state	\$115
2	median income	

(b) Beginning July 1, 2023, the department must calculate a monthly copayment according to the following schedule:

5	If the household's income is:	Then the household's maximum monthly copayment is:
7	At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
3	Above 20 percent and at or below 36 percent of the state median income	\$65
-	Above 36 percent and at or below 50 percent of the state median income	\$90
3	Above 50 percent and at or below 60 percent of the state median income	\$165

- (c) Beginning July 1, 2025, the department must calculate a maximum monthly copayment of \$215 for households with incomes above 60 percent and at or below 75 percent of the state median income.
- (d) Subject to the availability of amounts appropriated for this specific purpose, the department shall adopt a copayment model for households with annual incomes above 75 percent of the state median income and at or below 85 percent of the state median income. The model must calculate a copayment for each household that is no greater than seven percent of the household's countable income within this income range.
- (e) The department may adjust the copayment schedule to comply with federal law.
- (6) The department must adopt rules to implement this section, including an income phase-out eligibility period.
- 28 <u>(7) This section does not apply to households eligible for the</u> 29 <u>working connections child care program under RCW 43.216.145 and</u> 30 <u>section 2 of this act.</u>
 - Sec. 5. RCW 43.216.135 and 2020 c 355 s 2, 2020 c 321 s 2, and 2020 c 279 s 1 are each reenacted and amended to read as follows:
 - (1) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:
 - (a) Enroll in the early achievers program by August 1, 2016;

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1 (b) Complete level 2 activities in the early achievers program by 2 August 1, 2017; and

- (c) Rate or request to be rated at a level 3 or higher in the early achievers program by December 31, 2019. If a child care provider does not rate at or request to be rated at a level 3 by December 31, 2019, the provider must complete remedial activities with the department, and must rate at or request to be rated at a level 3 or higher no later than December 30, 2020.
- 9 (2) A new child care provider serving nonschool-age children and 10 receiving state subsidy payments must complete the following 11 activities to be eligible to receive a state subsidy under this 12 section:
 - (a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;
 - (b) Complete level 2 activities in the early achievers program within twelve months of enrollment; and
 - (c) Rate or request to be rated at a level 3 or higher in the early achievers program within thirty months of enrollment. If a child care provider does not rate or request to be rated at a level 3 within thirty months from enrollment into the early achievers program, the provider must complete remedial activities with the department, and rate or request to be rated at a level 3 or higher within twelve months of beginning remedial activities.
 - (3) If a child care provider does not rate or request to be rated at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section. If a child care provider does not rate at a level 3 or higher when the rating is released following the remedial period, the provider is no longer eligible to receive state subsidy under this section.
 - (4) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.
 - (5) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.
- 38 (6) The department shall account for a child care copayment 39 collected by the provider from the family for each contracted slot 40 ((and establish the copayment fee by rule)).

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1 <u>NEW SECTION.</u> **Sec. 6.** Section 3 of this act takes effect October

2 1, 2023.

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