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SUBSTITUTE HOUSE BILL 1723

State of Washington 63rd Legislature 2013 Regular Session

By House Early Learning & Human Services (originally sponsored by Representatives Kagi, Walsh, Farrell, Maxwell, Roberts, Freeman, Goodman, Sawyer, Sullivan, Jinkins, Seaquist, Lytton, Haigh, Hunter, Morrell, Sells, Ryu, Morris, McCoy, Reykdal, Tarleton, Tharinger, Pollet, Fey, Moscoso, Bergquist, Ormsby, and Santos)

READ FIRST TIME 02/22/13.

- AN ACT Relating to expanding and streamlining early learning services and programs; amending RCW 43.215.100, 43.215.430, and 43.215.545; reenacting and amending RCW 43.215.010, 43.215.020, and 43.215.405; reenacting RCW 43.215.135; adding new sections to chapter 43.215 RCW; creating a new section; and providing an expiration date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. **Sec. 1.** A new section is added to chapter 43.215 RCW to read as follows:
- 9 The legislature finds that the first five years of a child's life establish the foundation for educational success. The legislature also 10 11 finds that children who have high quality early learning opportunities from birth through age five are more likely to succeed throughout their 12 13 K-12 education and beyond. The legislature further finds that the benefits of high quality early learning experiences are particularly 14 15 significant for low-income parents and children, and provide an 16 opportunity to narrow the opportunity gap in Washington's K-12 educational system. The legislature understands that early supports 17 18 for high-risk parents of young children through home visiting services show a high return on investment due to significantly improved chances 19

p. 1 SHB 1723

of better education, health, and life outcomes for children. 1 2 legislature further recognizes that, when parents work or go to school, high quality and full-day early learning opportunities should be 3 4 available and accessible for their children. In order to improve education outcomes, particularly for low-income 5 children, 6 legislature is committed to expanding high quality early learning 7 opportunities and integrating currently disparate funding streams for 8 birth-to-five early learning services including, 9 connections child care and the early childhood education and assistance 10 program, into a single high quality continuum of learning that provides 11 essential services to low-income families and prepares all enrolled 12 children for success in school. The legislature therefore intends to 13 establish the early start program to provide a continuum of high 14 quality early learning opportunities for Washington's parents and 15 children.

- Sec. 2. RCW 43.215.010 and 2011 c 295 s 3 and 2011 c 78 s 1 are each reenacted and amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- (1) "Agency" means any person, firm, partnership, association, corporation, or facility that provides child care and early learning services outside a child's own home and includes the following irrespective of whether there is compensation to the agency:
- (a) "Child day care center" means an agency that regularly provides ((child day care)) early childhood education and early learning services for a group of children for periods of less than twenty-four hours;
- (b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;
- 33 (c) "Family day care provider" means a child ((day)) care provider
 34 who regularly provides ((child day care)) early childhood education and
 35 early learning services for not more than twelve children in the
 36 provider's home in the family living quarters;

SHB 1723 p. 2

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- (d) "Nongovernmental private-public partnership" means an entity registered as a nonprofit corporation in Washington state with a primary focus on early learning, school readiness, and parental support, and an ability to raise a minimum of five million dollars in contributions;
- 6 (e) "Service provider" means the entity that operates a community 7 facility.
 - (2) "Agency" does not include the following:

- (a) Persons related to the child in the following ways:
- (i) Any blood relative, including those of half-blood, and including first cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;
 - (ii) Stepfather, stepmother, stepbrother, and stepsister;
- (iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; or
 - (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2)((a)), even after the marriage is terminated;
 - (b) Persons who are legal guardians of the child;
 - (c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the person providing care for periods of less than twenty-four hours does not conduct such activity on an ongoing, regularly scheduled basis for the purpose of engaging in business, which includes, but is not limited to, advertising such care;
 - (d) Parents on a mutually cooperative basis exchange care of one another's children;
 - (e) Nursery schools ((or kindergartens)) that are engaged primarily in ((educational work)) early childhood education with preschool children and in which no child is enrolled on a regular basis for more than four hours per day;
 - (f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children, and do not accept custody of children;
- 37 (g) Seasonal camps of three months' or less duration engaged 38 primarily in recreational or educational activities;

p. 3 SHB 1723

- (h) Facilities providing child care for periods of less than twenty-four hours when a parent or legal guardian of the child remains on the premises of the facility for the purpose of participating in:
 - (i) Activities other than employment; or

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- (ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;
- (i) ((Any agency having been in operation in this state ten years before June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;
- (j) An agency)) A program operated by any unit of local, state, or federal government or an agency, located within the boundaries of a federally recognized Indian reservation, licensed by the Indian tribe;
- ((k) An agency)) (j) A program located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;
- (((1) An agency)) (k) A program that offers early learning and support services, such as parent education, and does not provide child care services on a regular basis.
- (3) "Applicant" means a person who requests or seeks employment in an agency.
 - (4) "Conviction information" means criminal history record information relating to an incident which has led to a conviction or other disposition adverse to the applicant.
 - (5) "Department" means the department of early learning.
 - (6) "Director" means the director of the department.
- 29 (7) "Early achievers" means a program that improves the quality of 30 early learning programs and supports and rewards providers for their 31 participation.
- 32 <u>(8)</u> "Employer" means a person or business that engages the services 33 of one or more people, especially for wages or salary to work in an 34 agency.
- $((\frac{(8)}{(8)}))$ <u>(9)</u> "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.215.300(1) or assessment of civil monetary penalties pursuant to RCW 43.215.300(3).

- ((+9)) (10) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:
 - (a) A decision issued by an administrative law judge;

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- 8 (b) A final determination, decision, or finding made by an agency following an investigation;
 - (c) An adverse agency action, including termination, revocation, or denial of a license or certification, or if pending adverse agency action, the voluntary surrender of a license, certification, or contract in lieu of the adverse action;
- 14 (d) A revocation, denial, or restriction placed on any professional license; or
 - (e) A final decision of a disciplinary board.
- $((\frac{10}{10}))$ (11) "Nonconviction information" means arrest, founded allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, or other negative action adverse to the applicant.
- 20 (((11))) <u>(12)</u> "Probationary license" means a license issued as a 21 disciplinary measure to an agency that has previously been issued a 22 full license but is out of compliance with licensing standards.
- 23 $((\frac{(12)}{(13)}))$ "Requirement" means any rule, regulation, or standard 24 of care to be maintained by an agency.
- 25 (14) "Washington state preschool program" means an education 26 program for children three-to-five years of age who have not yet 27 entered kindergarten, such as the early childhood education and 28 assistance program.
- NEW SECTION. Sec. 3. (1)(a) A legislative task force on early learning is established, with members as provided in this subsection.
- 31 (i) The president of the senate shall appoint one member from each 32 of the two largest caucuses of the senate.
- 33 (ii) The speaker of the house of representatives shall appoint one 34 member from each of the two largest caucuses of the house of 35 representatives.
- (iii) The president of the senate and the speaker of the house of representatives shall jointly appoint:

p. 5 SHB 1723

- 1 (A) One member representing the early learning action council;
- 2 (B) One member representing the Washington state association of 3 head start and early childhood education and assistance program;
 - (C) One member from an educational service district;
 - (D) One member representing thrive by five;

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- 6 (E) One member from the birth-to-three community;
- 7 (F) One member representing the Washington state child care 8 resource and referral system;
 - (G) One member who is a child care center provider;
- 10 (H) One member who provides early intervention services to infants 11 and toddlers with disabilities;
- 12 (I) One member representing the office of the superintendent of public instruction;
- 14 (J) One member representing the service employees international union 925;
 - (K) One member who is a family child care provider; and
- 17 (L) One member who is a parent who is utilizing a state-funded 18 early learning program.
 - (iv) The governor shall appoint one representative from the department of social and health services and the department of early learning.
 - (b) The task force shall choose its chair from among its membership. The chair of the house of representatives early learning and human services committee shall convene the initial meeting of the task force.
 - (2) The task force shall complete the following objectives:
 - (a) Review the existing funding sources, program goals, and restrictions associated with different funding streams for early learning programs and services as identified by the technical working group;
- 31 (b) Identify areas of alignment and conflicts in restrictions and 32 eligibility requirements associated with early learning funding and 33 services;
- 34 (c) Develop recommendations that provide financial compensation to 35 early childhood education professionals who participate and advance 36 through the early achievers program;
- 37 (d) Develop step-by-step recommendations to create an accessible,

- integrated, high quality, and community-based early learning program for children ages birth-to-five and their families. Reform efforts must include the following components:
 - (i) Full-day and half-day learning opportunities and home visiting programs for children;
 - (ii) A variety of mixed settings for service delivery;
 - (iii) Diverse provider composition; and

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- 8 (iv) A single point of entry for families wanting early learning 9 services.
 - (3)(a) The task force shall direct a technical working group to:
 - (i) Review federal and state early education funding streams;
- 12 (ii) Develop technical options for aligning eligibility 13 requirements for child care and Washington state preschool;
 - (iii) Examine the feasibility and impact of transferring working connections child care eligibility processes from the department of social and health services;
 - (iv) Develop technical options for system designs that blend and braid disparate federal and state funding streams into a single program, including the option of applying for waivers from existing federal requirements; and
 - (v) Present findings and options to the task force.
 - (b) At a minimum, the technical working group must be composed of financial and policy staff from the department of social and health services and the department of early learning. Legislative staff may provide technical support as needed to the technical working group, at the request of the task force.
 - (4) Staff support for the task force must be provided by the senate committee services and the house of representatives office of program research, with assistance from the department of social and health services and the department of early learning.
 - (5) Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.
 - (6) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

p. 7 SHB 1723

- 1 (7) The task force shall report its findings and recommendations to 2 the early learning and human services committees of the legislature by 3 December 1, 2013.
 - (8) This section expires December 31, 2013.

- **Sec. 4.** RCW 43.215.020 and 2010 c 233 s 1, 2010 c 232 s 2, and 6 2010 c 231 s 6 are each reenacted and amended to read as follows:
 - (1) The department of early learning is created as an executive branch agency. The department is vested with all powers and duties transferred to it under this chapter and such other powers and duties as may be authorized by law.
 - (2) The primary duties of the department are to implement state early learning policy and to coordinate, consolidate, and integrate child care and early learning programs in order to administer programs and funding as efficiently as possible. The department's duties include, but are not limited to, the following:
 - (a) To support both public and private sectors toward a comprehensive and collaborative system of early learning that serves parents, children, and providers and to encourage best practices in child care and early learning programs;
 - (b) To make early learning resources available to parents and caregivers;
 - (c) To carry out activities, including providing clear and easily accessible information about quality and improving the quality of early learning opportunities for young children, in cooperation with the nongovernmental private-public partnership;
 - (d) To administer child care and early learning programs;
 - (e) To annually review rates for child care compared to market rates and make recommendations to the legislature;
 - (f) To conduct an annual survey of staff compensation in licensed child care programs and the Washington state preschool program, including early achievers and nonearly achievers programs, using data generated by the managed education and registry information tool and the early achievers program and report survey findings to the legislature;
- 35 (g) To serve as the state lead agency for Part C of the federal individuals with disabilities education act (IDEA);

 $((\frac{f}{f}))$ (h) To standardize internal financial audits, oversight visits, performance benchmarks, and licensing criteria, so that programs can function in an integrated fashion;

- $((\frac{g}))$ (i) To support the implementation of the nongovernmental private-public partnership and cooperate with that partnership in pursuing its goals including providing data and support necessary for the successful work of the partnership;
- $((\frac{h}{h}))$ To work cooperatively and in coordination with the early learning council;
 - $((\frac{1}{2}))$ <u>(k)</u> To collaborate with the K-12 school system at the state and local levels to ensure appropriate connections and smooth transitions between early learning and K-12 programs;
- $((\frac{(j)}{(j)}))$ (1) To develop and adopt rules for administration of the program of early learning established in RCW 43.215.141;
 - $((\frac{k}{k}))$ (m) To develop a comprehensive birth-to-three plan to provide education and support through a continuum of options including, but not limited to, services such as: Home visiting; quality incentives for infant and toddler child care subsidies; quality improvements for family home and center-based child care programs serving infants and toddlers; professional development; early literacy programs; and informal supports for family, friend, and neighbor caregivers; and
 - $((\frac{1}{n}))$ (n) Upon the development of an early learning information system, to make available to parents timely inspection and licensing action information and provider comments through the internet and other means.
 - (3) Beginning in fiscal year 2014, the legislature shall appropriate funding for the specific purpose of home visiting and parent and caregiver support. When new funds are appropriated, the department must reserve at least eighty percent for home visiting services to be deposited into the home visiting services account and up to twenty percent of the new funds for other parent or caregiver support.
- 34 <u>(4) Home visiting services must include programs that serve</u> 35 families involved in the child welfare system.
- 36 (5) Beginning in fiscal year 2014, the legislature shall fund the expansion in the early childhood education and assistance program.

p. 9 SHB 1723

- (6) Beginning in fiscal year 2014, new funding appropriated for the 1 purposes of expanding the Washington state preschool program and 2 working connections child care must be distributed through a 3 competitive bidding process that provides an incentive to integrate 4 preschool and child care programming to create a full-day high quality 5 early learning program. The Washington state preschool and working 6 7 connections child care programs meeting the following requirements must be prioritized in accordance with this subsection (6) for funding: 8
- 9 <u>(a) Programs offering an integrated full-day early learning program</u>
 10 <u>for children birth-to-five years of age; and</u>
- 11 (b) Programs that have created partnerships with elementary schools
 12 and that offer transitional planning and support to children as they
 13 advance to kindergarten.
- 14 (7) The department shall continue to offer half-day preschool 15 programs for children.
 - (8) The department's programs shall be designed in a way that respects and preserves the ability of parents and legal guardians to direct the education, development, and upbringing of their children, and that recognizes and honors cultural and linguistic diversity. The department shall include parents and legal guardians in the development of policies and program decisions affecting their children.
- NEW SECTION. Sec. 5. A new section is added to chapter 43.215 RCW to read as follows:

Funds distributed to the general fund pursuant to RCW 69.50.540 must be utilized to phase in an integrated high quality continuum of early learning program, called early start, for children birth-to-five years of age. Components of early start include, but are not limited to, the following:

- (1) Home visiting and parent education and support programs;
- (2) The early achievers program described in RCW 43.215.100;
- (3) Integrated full-day, high quality early learning programs; and
- 32 (4) High quality preschool for children whose family income is at 33 or below one hundred thirty percent of the federal poverty level.
- 34 **Sec. 6.** RCW 43.215.100 and 2007 c 394 s 4 are each amended to read as follows:
- 36 <u>(1)</u> Subject to the availability of amounts appropriated for this

SHB 1723 p. 10

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specific purpose, the department, in collaboration with community and statewide partners, shall implement a voluntary quality rating and improvement system, called the early achievers program, that is applicable to licensed or certified child care centers and homes and early education programs.

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- (2) The purpose of the ((voluntary quality rating and improvement system)) early achievers program is: (a) To give parents clear and easily accessible information about the quality of child care and early education programs, support improvement in early learning programs throughout the state, increase the readiness of children for school, and close the disparity in access to quality care; and (b) to establish a common set of expectations and standards that define, measure, and improve the quality of early learning settings.
- 14 (3) Participation in the early achievers program is voluntary for 15 licensed or certified child care centers and homes.
 - (4) By fiscal year 2015, Washington state preschool programs receiving state funds must enroll in the early achievers program and maintain a minimum score level.
 - (5) Child care providers who participate in the early achievers program and maintain levels 3, 4, or 5 are eligible to apply for contracted child care slots.
 - (6) Before final implementation of the ((voluntary quality rating and improvement system)) early achievers program, the department shall report to the appropriate policy and fiscal committees of the legislature. Nothing in this section changes the department's responsibility to collectively bargain over mandatory subjects.
- 27 Sec. 7. RCW 43.215.405 and 2010 c 231 s 7 are each reenacted and 28 amended to read as follows:
- Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.215.400 through 43.215.450 and 43.215.900 through 43.215.903.
- 32 (1) "Advisory committee" means the advisory committee under RCW 33 43.215.420.
- 34 (2) "Approved programs" means those state-supported education and 35 special assistance programs which are recognized by the department as 36 meeting the minimum program rules adopted by the department to qualify

p. 11 SHB 1723

- under RCW 43.215.400 through 43.215.450 and 43.215.900 through 43.215.903 and are designated as eligible for funding by the department under RCW 43.215.430 and 43.215.440.
 - (3) "Comprehensive" means an assistance program that focuses on the needs of the child and includes education, health, and family support services.
 - (4) "Department" means the department of early learning.
- 8 (5) "Eligible child" means a child not eligible for kindergarten whose family income is at or below one hundred ((ten)) thirty percent 9 10 of the federal poverty level, as published annually by the federal department of health and human services, and includes a child whose 11 12 family is eligible for public assistance, and who is not a participant in a federal or state program providing comprehensive services; a child 13 14 eligible for special education due to disability under RCW 28A.155.020; and may include children who are eligible under rules adopted by the 15 department if the number of such children equals not more than ten 16 17 percent of the total enrollment in the early childhood program. 18 Priority for enrollment shall be given to children from families with 19 the lowest income, children in foster care, or to eligible children from families with multiple needs. 20
- 21 (6) "Family support services" means providing opportunities for 22 parents to:
 - (a) Actively participate in their child's early childhood program;
- 24 (b) Increase their knowledge of child development and parenting 25 skills;
 - (c) Further their education and training;
- 27 (d) Increase their ability to use needed services in the community;
- 28 (e) Increase their self-reliance.

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- 29 **Sec. 8.** RCW 43.215.430 and 1994 c 166 s 8 are each amended to read 30 as follows:
- (1) The department shall review applications from public or private nonsectarian organizations for state funding of early childhood education and assistance programs ((and award funds as determined by department rules and based on)). The department shall consider local community needs ((and)), demonstrated capacity ((to provide services)), and the need to support a mixed delivery system of early learning when reviewing applications.

- 1 (2) The department shall increase the base slot rate for the
 2 Washington state preschool program to align with the average head start
 3 federal funding rate per child with the head start program slot rate.
 - **Sec. 9.** RCW 43.215.545 and 2006 c 265 s 204 are each amended to read as follows:

The department of early learning shall:

- (1) Work in conjunction with the statewide child care resource and referral network as well as local governments, nonprofit organizations, businesses, and community child care advocates to create local child care resource and referral organizations. These organizations may carry out needs assessments, resource development, provider training, technical assistance, and parent information and training;
- (2) Actively seek public and private money for distribution as grants to the statewide child care resource and referral network and to existing or potential local child care resource and referral organizations;
- (3) Adopt rules regarding the application for and distribution of grants to local child care resource and referral organizations. The rules shall, at a minimum, require an applicant to submit a plan for achieving the following objectives:
- (a) Provide parents with information about child care resources, including location of services and subsidies;
 - (b) Carry out child care provider recruitment and training programs, including training under RCW 74.25.040;
 - (c) Offer support services, such as parent and provider seminars, toy-lending libraries, and substitute banks;
- (d) Provide information for businesses regarding child care supply and demand;
- (e) Advocate for increased public and private sector resources devoted to child care;
- (f) Provide technical assistance to employers regarding employee child care services; and
- (g) Serve recipients of temporary assistance for needy families and working parents with incomes at or below household incomes of ((one)) two hundred ((seventy-five)) percent of the federal poverty line;
- (4) Provide staff support and technical assistance to the statewide

p. 13 SHB 1723

child care resource and referral network and local child care resource and referral organizations;

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- (5) Maintain a statewide child care licensing data bank and work with department licensors to provide information to local child care resource and referral organizations about licensed child care providers in the state;
- (6) Through the statewide child care resource and referral network and local resource and referral organizations, compile data about local child care needs and availability for future planning and development;
- (7) Coordinate with the statewide child care resource and referral network and local child care resource and referral organizations for the provision of training and technical assistance to child care providers; ((and))
- (8) Collect and assemble information regarding the availability of insurance and of federal and other child care funding to assist state and local agencies, businesses, and other child care providers in offering child care services;
- 18 (9) Beginning in January 2014, increase the base rate for all child 19 care providers by ten percent;
- 20 <u>(10) Provide tiered subsidy rate enhancements to child care</u> 21 providers if the provider meets the following requirements:
- 22 (a) The provider meets quality rating and improvement system levels 23 2, 3, 4, or 5;
- 24 <u>(b) The provider is actively participating in the early achievers</u> 25 program;
- 26 <u>(c) The provider continues to advance towards level 5 of the early</u>
 27 achievers program; and
- 28 <u>(d) The provider must complete level 2 within eighteen months or</u> 29 the reimbursement rate will return the level 1 rate; and
- 30 (11) Require exempt providers to participate in continuing 31 education.
- 32 **Sec. 10.** RCW 43.215.135 and 2012 c 253 s 5 and 2012 c 251 s 1 are 33 each reenacted to read as follows:
- 34 (1) The department shall establish and implement policies in the 35 working connections child care program to promote stability and quality 36 of care for children from low-income households. Policies for the 37 expenditure of funds constituting the working connections child care

program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.

- (2) Beginning in fiscal year 2013, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months. The twelve-month certification applies only if the enrollments in the child care subsidy or working connections child care program are capped.
- (3) Beginning August 1, 2013, the department shall provide a ten percent increase in the working connections child care subsidy rate to those providers who accept children eligible for the subsidy.
- 13 (4) Beginning August 1, 2013, working connections child care
 14 providers must receive a five percent per child increase in the subsidy
 15 rate for achieving level 2 in the early achievers programs. Providers
 16 must complete level 2 and advance to level 3 within eighteen months in
 17 order to maintain this increase.

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p. 15 SHB 1723