



# RULE-MAKING ORDER

(RCW 34.05.360)

CR-103 (7/22/01)

**Agency:** Department of Community, Trade and Economic Development

- Permanent Rule
- Emergency Rule
- Expedited Rule Making

**(1) Date of adoption:** February 27, 2002

**(2) Purpose:** Child Care Facility Fund WAC 130-14-010--130-14-070  
To increase availability of capital for child care facility development and expansion of child care capacity in Washington (original intent was to increase supply of employer-supported child care facilities in Washington).

**(3) Citation of existing rules affected by this order:**  
Repealed:  
Amended: WAC 130-14-010, 130-14-030, 130-14-050, and 130-14-060.  
Suspended:

**(4) Statutory authority for adoption:** RCW 43.31.504  
Other Authority:

**PERMANENT RULE ONLY (Including Expedited Rule Making)**  
Adopted under notice filed as WSR 02-03-131 on January 23, 2002.  
Describe any changes other than editing from proposed to adopted version: None

**EMERGENCY RULE ONLY**  
Under RCW 34.05.350 the agency for good cause finds:  
 (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.  
 (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

**(5.3) Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?:**  
 Yes     No    If Yes, explain:

<b>(6) Effective date of rule:</b>	
<b>Permanent Rules</b>	<b>Emergency Rules</b>
<input checked="" type="checkbox"/> 31 days after filing	<input type="checkbox"/> Immediately
<input type="checkbox"/> Other (specify) _____*	<input type="checkbox"/> Later (specify) _____

\*If less than 31 days after filing, specific finding in 5.3 under RCW 34.05.380(3) is required

Name (Type or Print)  
Martha Choe

Signature  
*Martha Choe*

Title  
Director

Date  
February 27, 2002

CODE REVISER USE ONLY

FEB 27 2002  
3:52  
02-06-043

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(COMPLETE REVERSE SIDE)

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	_____	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	_____	Amended	4	Repealed	_____
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	Amended	4	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	_____	Amended	_____	Repealed	_____

AMENDATORY SECTION (Amending WSR 92-02-015, filed 12/23/91)

**WAC 130-14-010 Definitions.** As used in this chapter:

Capital improvements means improvements to real property or improvements or acquisition of personal property which is depreciable under the Federal Tax Code.

Existing child care facility means that facility which holds a current license for a child care facility from the department of social and health services (DSHS) at the time of application to the child care facility fund.

New child care facility means that facility that does not hold a current license for a child care facility from the department of social and health services (DSHS) at the time of application to the child care facility fund.

Applicant means either:

(1) One or more businesses seeking to establish or cause to be established a child care facility primarily for use of the children of its employees; or

(2) A child care facility that has a written contract with one or more private sector businesses to provide child care for the employees of that business.

(3) A business, organization or person whose primary purpose is to provide child care services. Sectarian organizations are not eligible organizations.

AMENDATORY SECTION (Amending WSR 92-02-015, filed 12/23/91)

**WAC 130-14-030 Direct loans.** (1) Direct loans may be awarded to the applicant on a one-time-only basis and shall not exceed a maximum of one hundred thousand dollars.

(2) Repayment of the direct loan shall be made to the child care facility revolving fund.

(3) Interest rates for a direct loan may be up to prime rate, negotiated on a case-by-case basis, fixed for the life of the loan. Loan terms shall be negotiated on a case-by-case basis.

(4) Applicants must provide sufficient collateral for funds loaned under this section, as determined by the child care facility fund committee.

(5) Applicants may be charged a one-time loan origination fee.

AMENDATORY SECTION (Amending WSR 92-02-015, filed 12/23/91)

**WAC 130-14-050 Project eligibility.** ~~((+))~~To receive child care facility funds under these provisions, an applicant must: ~~((provide on-site or off-site child care.~~

~~—(2) The business applicant must:~~

~~—(a) Enter into a written contract with an existing or a newly licensed child care provider offering expanded child care services either on-site or off-site; or~~

~~—(b) Operate a child care facility for their own employees' children.~~

~~—(3) An applicant must--)~~ (1) Include with ~~((its--))~~ their application a copy of the required ~~((written contract--))~~ state license for child care services.

~~((4) The applicant must--)~~ (2) Submit a plan that includes a description of:

(a) The need for a new or improved child care facility in the area to be served by the applicant;

- (b) The steps to be taken to serve a reasonable number of:
- (i) Handicapped children;
  - (ii) Sick children;
  - (iii) Infants;
  - (iv) Children requiring nighttime or weekend care;
  - (v) Children whose costs of care are subsidized by the government;
- (c) Why financial assistance from the state is needed to start or improve the child care facility;
- (d) How the guaranteed loan, direct loan, or grant will be used, and how such use will meet the described need;
- (e) The child care services to be available at the facility and the capacity of the applicant to provide these services;
- (f) The financial status of the applicant, including other resources available to the applicant which will ensure the viability of the facility and the availability of its described services.

AMENDATORY SECTION (Amending WSR 90-17-054, filed 8/14/90)

**WAC 130-14-060 Use of funds.** Eligible activities and uses of child care facility funds include:

- (1) Capital improvements for new or existing licensed child care facilities;
- (2) Operating capital for new facilities which are available for a period limited to the first three months of operation.
- (3) Purchase of land or buildings which enables a child care business to increase the number licensed child care slots.