

2SHB 2396 - H AMD 852

By Representative Reeves

ADOPTED AS AMENDED 02/12/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that high
4 quality child care helps build foundational skills to prepare our
5 children for the future. These skills strengthen the next generation
6 of workers and contribute to the success of businesses and the
7 economic well-being of our state.

8 (2) The legislature further finds that working families are
9 experiencing an affordability crisis when it comes to caring for
10 their young children. Child care is one of the largest household
11 expenses for most families, with the cost all too often being too
12 much for a family to manage. At the same time, child care providers
13 and private businesses across all sectors are facing a workforce
14 shortage and are reporting worker losses due to extended vacancies,
15 absenteeism, and a shortage of skilled workers. To remain in the
16 workforce, parents with young children need reliable child care to be
17 able to improve their skills through education, resulting in retained
18 employment and increased productivity. A recent report by the United
19 States chamber of commerce foundation found that high quality child
20 care is an under-recognized and promising strategy for addressing
21 America's growing workforce crisis.

22 (3) The legislature also finds that the bureau of labor
23 statistics reports less than forty percent of the workforce is
24 offered dependent care flexible spending accounts by their employers.
25 Further, the legislature finds that employees with higher wages and
26 those working for larger employers are more likely to have access to
27 this benefit.

28 (4) Therefore, the legislature intends to partner with private
29 employers to implement and support strategies to increase access to
30 quality child care and early learning opportunities, preparing
31 children for school and supporting parents as productive members of
32 the workforce.

1 (5) The legislature further intends to create a pilot program
2 with small businesses that increases the affordability of child care
3 for working families by providing meaningful incentives for employers
4 to contribute to the child care costs of their employees. If the
5 pilot program is successful, the legislature intends to expand the
6 incentive to additional employers.

7 **Part I**

8 **Employer Supported Child Care**

9 NEW SECTION. **Sec. 101.** A new section is added to chapter 43.216
10 RCW to read as follows:

11 (1) The department must consult with the department of commerce
12 to develop a web site containing current resources for businesses
13 regarding employer-supported child care. The web site must be
14 available to the public within one year of the effective date of this
15 section and must be updated regularly. Web site resources must
16 include, at a minimum:

17 (a) Information about the benefits to employers and employees
18 associated with employer-supported child care;

19 (b) Guidance for the provision of on-site care at the workplace,
20 including permitting and licensing resources to facilitate the
21 development and construction of child care facilities;

22 (c) Tools and guidance for the provision of financial assistance
23 to employees for child care expenses;

24 (d) A model policy for the establishment of a "bring your infant
25 to work" program for employees who are the parent or legal guardian
26 of an infant up to six months of age; and

27 (e) A link to a licensed child care registry developed and
28 maintained by a professional organization of child care providers
29 jointly with participating employers.

30 (2) The department must consult with the office of financial
31 management to modify the "bring your infant to work" policy
32 established in this section for use in state agencies.

33 (3) In accordance with RCW 43.01.036 the department must submit a
34 report to the governor and the appropriate committees of the
35 legislature by November 1, 2020. The report must include a summary of
36 the resources provided on the site created under subsection (1) of
37 this section and information about activities undertaken by other

1 states related to incentivizing businesses to provide employer-
2 supported child care.

3 (4) For the purposes of this section, "employer-supported child
4 care" means:

5 (a) A licensed child care center operated at or near the
6 workplace by an employer for the benefit of employees; or

7 (b) Financial assistance provided by an employer for licensed
8 child care expenses incurred by an employee.

9 **Sec. 102.** RCW 43.330.060 and 2010 c 165 s 2 are each amended to
10 read as follows:

11 (1) The department shall (a) assist in expanding the state's role
12 as an international center of trade, culture, and finance; (b)
13 promote and market the state's products and services both nationally
14 and internationally; (c) work in close cooperation with other private
15 and public international trade efforts; (d) act as a centralized
16 location for the assimilation and distribution of trade information;
17 and (e) establish and operate foreign offices promoting overseas
18 trade and commerce.

19 (2) The department shall identify and work with Washington
20 businesses that can use local, state, and federal assistance to
21 increase domestic and foreign exports of goods and services.

22 (3) The department shall work generally with small businesses and
23 other employers to facilitate resolution of siting, regulatory,
24 expansion, and retention problems. This assistance shall include but
25 not be limited to assisting in workforce training and infrastructure
26 needs, identifying and locating suitable business sites, and
27 resolving problems with government licensing and regulatory
28 requirements. The department shall identify gaps in needed services
29 and develop steps to address them including private sector support
30 and purchase of these services.

31 (4) The department shall work to increase the availability of
32 capital to small businesses by developing new and flexible investment
33 tools; by assisting in targeting and improving the efficiency of
34 existing investment mechanisms; and by assisting in the procurement
35 of managerial and technical assistance necessary to attract potential
36 investors.

37 (5) The department shall assist women and minority-owned
38 businesses in overcoming barriers to entrepreneurial success. The
39 department shall contract with public and private agencies,

1 institutions, and organizations to conduct entrepreneurial training
2 courses for minority and women-owned businesses. The instruction
3 shall be intensive, practical training courses in financing,
4 marketing, managing, accounting, and recordkeeping for a small
5 business, with an emphasis on federal, state, local, or private
6 programs available to assist small businesses. Instruction shall be
7 offered in major population centers throughout the state at times and
8 locations that are convenient for minority and women small business
9 owners.

10 ~~(6)((a) Subject to the availability of amounts appropriated for~~
11 ~~this specific purpose, by December 1, 2010, the department, in~~
12 ~~conjunction with the small business development center, must prepare~~
13 ~~and present to the governor and appropriate legislative committees a~~
14 ~~specific, actionable plan to increase access to capital and technical~~
15 ~~assistance to small businesses and entrepreneurs beginning with the~~
16 ~~2011-2013 biennium. In developing the plan, the department and the~~
17 ~~center may consult with the Washington state microenterprise~~
18 ~~association, and with other government, nonprofit, and private~~
19 ~~organizations as necessary. The plan must identify:~~

20 ~~(i) Existing sources of capital and technical assistance for~~
21 ~~small businesses and entrepreneurs;~~

22 ~~(ii) Critical gaps and barriers to availability of capital and~~
23 ~~delivery of technical assistance to small businesses and~~
24 ~~entrepreneurs;~~

25 ~~(iii) Workable solutions to filling the gaps and removing~~
26 ~~barriers identified in (a)(ii) of this subsection; and~~

27 ~~(iv) The financial resources and statutory changes necessary to~~
28 ~~put the plan into effect beginning with the 2011-2013 biennium.~~

29 ~~(b) With respect to increasing access to capital, the plan must~~
30 ~~identify specific, feasible sources of capital and practical~~
31 ~~mechanisms for expanding access to it.~~

32 ~~(c) The department and the center must include, within the~~
33 ~~analysis and recommendations in (a) of this subsection, any specific~~
34 ~~gaps, barriers, and solutions related to rural and low-income~~
35 ~~communities and small manufacturers interested in exporting.)) The~~

36 department must assist businesses with identifying resources for the
37 provision of employer-supported child care as defined in section 101
38 of this act and conduct outreach to businesses located in rural and
39 underserved areas about the incentives in sections 302 and 303 of
40 this act.

1 NEW SECTION. **Sec. 103.** The office of financial management must:

2 (1) Consult with the department of children, youth, and families
3 to modify the model policy developed under section 101 of this act as
4 appropriate for implementation at state agencies; and

5 (2) Provide the model policy and implementation guidelines to
6 state agency directors by December 1, 2018. The implementation
7 guidelines must require agencies to adopt the policy by June 1, 2019,
8 and allow agencies to modify the policy or limit its application as
9 appropriate based on the working conditions and job duties of agency
10 personnel.

11 (3) This section expires July 1, 2019.

12 **Part II**

13 **Child Care Workforce Conditional Scholarship and Loan Repayment**
14 **Program**

15 NEW SECTION. **Sec. 201.** A new section is added to chapter 43.216
16 RCW to read as follows:

17 The definitions in this section apply throughout this part unless
18 the context clearly requires otherwise.

19 (1) "Conditional scholarship" means a loan that is given to an
20 eligible student under an agreement in which the eligible student
21 will be relieved of his or her obligation to repay all or part of the
22 loan in exchange for his or her providing early learning services in
23 the state of Washington and meeting all other requirements of the
24 agreement.

25 (2) "Early learning services" has the same meaning as "early
26 learning" as defined in RCW 43.216.010.

27 (3) "Eligible student" means a student who is registered for at
28 least three credit hours or the equivalent, is a resident student as
29 defined by RCW 28B.15.012(2) and 28B.15.013, and has a declared
30 intention to complete an approved program of study and provide early
31 learning services in the state of Washington and meet all other
32 requirements under a conditional scholarship agreement entered into
33 between the student and the department.

34 (4) "Equalization fee" means the additional amount added to the
35 principal of a loan under this chapter to equate the debt to that
36 which the student would have incurred if the loan had been received
37 through the federal direct Stafford student loan program.

1 (5) "Institution of higher education" or "institution" means a
2 college or university in the state of Washington that is accredited
3 by an accrediting association recognized as such by rule of the
4 student achievement council.

5 (6) "Loan repayment" means a student loan that is repaid in whole
6 or in part if the recipient renders early learning services in the
7 state under requirements of an agreement entered into under this
8 chapter.

9 (7) "Participant" means an individual who has received a
10 conditional scholarship or loan repayment under this chapter.

11 (8) "Rural and underserved area" means an area where credentialed
12 early learning providers are in short supply, as determined by the
13 department of children, youth, and families.

14 (9) "Satisfied" means paid in full.

15 (10) "Service obligation" means an obligation by the participant
16 to provide early learning services for a period to be established as
17 provided for in this chapter.

18 NEW SECTION. **Sec. 202.** A new section is added to chapter 43.216
19 RCW to read as follows:

20 (1) The child care workforce conditional scholarship and loan
21 repayment program is established. The program is comprised of the
22 following two components:

23 (a) Conditional scholarships awarded to eligible students
24 attending an institution of higher education who meet the
25 requirements established under this chapter; and

26 (b) Loan repayments for participants providing early learning
27 services in the state and who meet the requirements for loan
28 repayment established under this chapter.

29 (2) The program must be administered by the department of
30 children, youth, and families. In administering the program, the
31 department must:

32 (a) Select eligible students to be awarded conditional
33 scholarships;

34 (b) Select participants to receive loan repayments;

35 (c) Adopt rules and develop guidelines to administer the program;

36 (d) Publicize the program, particularly to maximize participation
37 among individuals in shortage areas and among populations expected to
38 experience the greatest growth in the workforce;

1 (e) Collect and manage repayments from conditional scholarship
2 participants who do not meet their required service obligations or
3 otherwise fail to meet the requirements under their agreements; and

4 (f) Solicit and accept grants and donations from public and
5 private sources for the program.

6 NEW SECTION. **Sec. 203.** A new section is added to chapter 43.216
7 RCW to read as follows:

8 (1) The department must establish a planning committee to assist
9 in developing criteria for the selection of participants. Planning
10 committee members must include representatives of the department of
11 social and health services; the department of children, youth, and
12 families; private business; child day care center providers; family
13 day care providers; and a union representing child care providers.

14 (2) When selecting participants, the department must give
15 priority to individuals providing early learning services in:

16 (a) Rural and underserved areas; and

17 (b) Low-income neighborhoods or in a low-income child care
18 provider settings as defined in RCW 43.216.010.

19 NEW SECTION. **Sec. 204.** A new section is added to chapter 43.216
20 RCW to read as follows:

21 To receive disbursements from a conditional scholarship under
22 this chapter, an eligible student must be considered by his or her
23 institution of higher education to be in a satisfactory progress
24 condition, in addition to any other requirements established in an
25 agreement between the eligible student and the department.

26 NEW SECTION. **Sec. 205.** A new section is added to chapter 43.216
27 RCW to read as follows:

28 (1) The department may award conditional scholarships or provide
29 loan repayments to eligible participants from private donations, or
30 any other funds given to the department for this program.

31 (2) The amount of the conditional scholarship or loan repayment
32 awarded a participant must not exceed five thousand dollars per year
33 for priority participants and must not exceed two thousand, five
34 hundred dollars per year for all other participants. Participants are
35 eligible to receive conditional scholarships or loan repayments for a
36 maximum of six years.

1 NEW SECTION. **Sec. 206.** A new section is added to chapter 43.216
2 RCW to read as follows:

3 (1) Upon documentation of student loan indebtedness, the
4 department may enter into agreements with participants to repay all
5 or part of a student loan in exchange for the participant providing
6 early learning services in the state of Washington and meeting all
7 other requirements under the agreement.

8 (2) The agreement must specify in detail the obligations of the
9 department and the participant, including the amount of loan
10 repayment the participant will receive in exchange for his or her
11 satisfying all requirements of the agreement and any geographic
12 location or area of service requirements that are part of the
13 agreement.

14 (3)(a) At the end of each year, a participant under this section
15 must provide evidence to the department that the participant has met
16 his or her service obligation and any other requirements under the
17 agreement. Upon receipt of the evidence, the department must pay the
18 participant the agreed-upon amount for one year of full-time service
19 or a prorated amount for less than full-time service.

20 (b) To qualify for additional loan repayments, the participant
21 must be engaged in continuous service as defined by the department
22 and meet any other requirements established in the agreement.

23 (4) The department may, at its discretion, arrange to make the
24 loan repayment directly to the holder of the participant's student
25 loan.

26 (5) The department's obligations to a participant under this
27 section ceases when:

28 (a) The terms of the agreement have been fulfilled;

29 (b) The participant fails to maintain continuous service as
30 determined by the department or otherwise fails to fulfill any other
31 term of the agreement; or

32 (c) The participant's student loans that are subject to the
33 agreement have been repaid.

34 (6) The department must adopt rules governing loan repayments,
35 including approved leaves of absence from continuous service and
36 other deferments as may be necessary.

37 NEW SECTION. **Sec. 207.** A new section is added to chapter 43.216
38 RCW to read as follows:

1 (1) A participant in the conditional scholarship program is
2 obligated to repay the conditional scholarship, with interest and an
3 equalization fee, unless he or she renders early learning services
4 for each year of scholarship received and meets all other
5 requirements as provided under the agreement between the participant
6 and the department.

7 (2) A participant who fails to complete the required service
8 obligation or otherwise fails to fulfill the terms of the agreement
9 will incur an equalization fee based on the remaining unforgiven
10 balance of the loan. The equalization fee must be added to the
11 remaining balance owed by the participant.

12 (3) The department must set the minimum payment. The maximum
13 period for repayment is ten years, with payments of principal and
14 interest commencing six months from the date the participant
15 completes or discontinues the course of study. The interest rate must
16 be determined by the department and be established in rule.
17 Provisions for deferral of payment must be determined by the
18 department. The department must establish an appeal process in rule.

19 (4) The entire principal and interest of each payment must be
20 forgiven for each payment period in which the participant provides
21 early learning services in the state and meets all other requirements
22 of the agreement, until the entire repayment obligation is satisfied.
23 Should the participant cease to provide early learning services in
24 this state before the participant's service obligation is completed
25 or otherwise fails to fulfill the terms of the agreement, payments on
26 the unsatisfied portion of the principal and interest must begin the
27 next payment period and continue until the remainder of the
28 participant's repayment obligation is satisfied.

29 (5) The department is responsible for collection of repayments
30 made under this section and must exercise due diligence in such
31 collection, maintaining all necessary records to insure that maximum
32 repayments are made. Collection and servicing of repayments under
33 this section must be pursued using the full extent of the law,
34 including wage garnishment if necessary. The department must maintain
35 all necessary records of payments made by participants.

36 (6) Receipts from the payment of principal or interest or any
37 other subsidies to which the office as administrator is entitled,
38 which are paid by or on behalf of participants under this section,
39 must be deposited in the child care workforce conditional scholarship
40 and loan repayment account and must be used to cover the costs of

1 granting the conditional scholarships, maintaining necessary records,
2 and making collections under subsection (5) of this section. The
3 department must maintain accurate records of these costs, and all
4 receipts beyond those necessary to pay such costs must be used to
5 grant conditional scholarships to eligible students.

6 (7) The department must adopt rules to define the terms of
7 repayment, including applicable interest rates, fees, and deferments.

8 NEW SECTION. **Sec. 208.** A new section is added to chapter 43.216
9 RCW to read as follows:

10 The child care workforce conditional scholarship and loan
11 repayment account is created in the custody of the state treasurer.
12 All moneys received for the child care workforce conditional
13 scholarship and loan repayment program must be deposited into the
14 account. Expenditures from the account may be used only for
15 conditional loans and loan repayments to participants in the child
16 care workforce conditional scholarship and loan repayment program
17 established by this chapter and costs associated with program
18 administration by the department. Only the director or the director's
19 designee may authorize expenditures from the account. The account is
20 not subject to allotment procedures under chapter 43.88 RCW, except
21 for moneys used for program administration and an appropriation is
22 not required for expenditures.

23 **Part III**

24 **Employer Contributions to Dependent Care Accounts**

25 NEW SECTION. **Sec. 301.** (1) This section is the tax preference
26 performance statement for the tax preferences contained in sections
27 302 and 303, chapter . . ., Laws of 2018 (sections 302 and 303 of
28 this act). This performance statement is only intended to be used for
29 subsequent evaluation of the tax preferences. It is not intended to
30 create a private right of action by any party or be used to determine
31 eligibility for preferential tax treatment.

32 (2) The legislature categorizes the tax preferences in this act
33 as ones intended to induce certain designated behavior by taxpayers,
34 as indicated in RCW 82.32.808(2)(a).

35 (3) It is the legislature's specific public policy objective to
36 encourage employers to assist their employees with child care

1 expenses by contributing to employee dependent care flexible spending
2 accounts.

3 (4) To measure the effectiveness of the tax preferences provided
4 in sections 302 and 303, chapter . . . , Laws of 2018 (sections 302
5 and 303 of this act) in achieving the public policy objective in
6 subsection (3) of this section, the joint legislative audit and
7 review committee must provide the following in a published evaluation
8 of the tax preference by July 31, 2022:

- 9 (a) The number of employers applying for credits;
- 10 (b) The average amount of credit claimed by employers;
- 11 (c) The types of businesses claiming credits;
- 12 (d) The annual median employee wages paid by each employer
13 claiming a credit; and

14 (e) The number of employees receiving a qualifying contribution
15 with annual wages in each of the following wage bands:

- 16 (i) Less than forty-five thousand dollars;
- 17 (ii) Greater than or equal to forty-five thousand dollars, but
18 less than ninety thousand dollars; and
- 19 (iii) Greater than or equal to ninety thousand dollars, but less
20 than one hundred twenty-five thousand dollars.

21 (5) If a review finds that employers request more credits than
22 are available each year, it is the legislature's intent to increase
23 the annual amount of statewide credits and expand the program to
24 additional employers.

25 (6) In order to obtain the data necessary to perform the review
26 in subsection (4) of this section, the joint legislative audit and
27 review committee may refer to data available from the department of
28 revenue and the employment security department.

29 NEW SECTION. **Sec. 302.** A new section is added to chapter 82.04
30 RCW to read as follows:

31 (1) Subject to the limitations in this section, an employer with
32 at least five but no more than one hundred employees is allowed a
33 credit against the tax imposed under this chapter for qualifying
34 contributions made to dependent care flexible spending accounts for
35 eligible employees.

36 (2) The credit is equal to the full amount of qualifying
37 contributions to dependent care flexible spending accounts for
38 eligible employees during the calendar year, minus any qualifying
39 contributions returned to the employer from the third-party

1 administrator. The credit under this section and section 303 of this
2 act may not exceed five thousand dollars per eligible employee and
3 fifty thousand dollars per employer in any calendar year.

4 (3) The department must keep a running total of all credits
5 approved under this section and section 303 of this act for each
6 calendar year. The department may not approve any credits under this
7 section and section 303 of this act that would cause the total amount
8 of approved credits statewide to exceed five hundred thousand dollars
9 in any calendar year.

10 (4) Application for tax credits under this section must be
11 submitted to the department before making qualifying contributions to
12 employee dependent care assistance accounts. The application must be
13 made to the department in a form and manner prescribed by the
14 department. The application must include the proposed amount of
15 qualifying contributions to employee dependent care assistance
16 accounts, the proposed number of eligible employees receiving
17 contributions, and other information required by the department to
18 determine eligibility under this section. The application may not
19 contain personal employee information such as names or social
20 security numbers, but must identify the number of employees receiving
21 wages in each wage band, as provided under section 301(4) of this
22 act, for whom the employer makes a qualifying contribution. The
23 department must rule on the application within forty-five days.
24 Applications must be approved on a first-come basis.

25 (5) The credit may be claimed only in the calendar year
26 immediately following the calendar year in which the credit was
27 approved by the department and the qualifying contributions were
28 made. The amount of credit claimed for a reporting period may not
29 exceed the tax otherwise due under this chapter for that reporting
30 period. Credits may not be carried over to subsequent years. No
31 refunds may be granted for any unused credits.

32 (6) To claim a credit under this section, a person must
33 electronically file with the department all returns, forms, and any
34 other information required by the department, in an electronic format
35 as provided or approved by the department. Any return, form, or
36 information required to be filed in an electronic format under this
37 section is not filed until received by the department in an
38 electronic format. As used in this subsection, "returns" has the same
39 meaning as "return" in RCW 82.32.050.

1 (7) The department may not accept any applications before January
2 1, 2019, or after December 31, 2028. The department may not allow any
3 credit to be claimed before January 1, 2020, or after December 31,
4 2029.

5 (8) A person that was approved for credit as provided in this
6 section must make the total approved contribution by the end of the
7 calendar year in which the contribution was approved.

8 (9) A person that does not make a contribution as required in
9 subsection (8) of this section forfeits all credits for the approved
10 contribution.

11 (10) The definitions in this subsection apply throughout this
12 section unless the context clearly requires otherwise.

13 (a) "Dependent care flexible spending account" means dependent
14 care assistance as defined in 26 U.S.C. Sec. 129 of the federal
15 internal revenue as it existed on the effective date of this section,
16 or such subsequent date as may be provided by the department by rule.

17 (b) "Eligible employee" means an employee with annual wages of
18 less than one hundred twenty-five thousand dollars.

19 (c) "Qualifying contribution" means a contribution by an employer
20 to a dependent care flexible spending account for an eligible
21 employee used to pay for the care of a child under age thirteen.

22 (d) "Third-party administrator" means a person contracted by an
23 employer to administer dependent care flexible spending accounts for
24 eligible employees.

25 NEW SECTION. **Sec. 303.** A new section is added to chapter 82.16
26 RCW to read as follows:

27 (1) Subject to the limitations in this section, an employer with
28 at least five but no more than one hundred employees is allowed a
29 credit against the tax imposed under this chapter for qualifying
30 contributions made to dependent care flexible spending accounts for
31 eligible employees.

32 (2) The credit is equal to the full amount of qualifying
33 contributions to dependent care flexible spending accounts for
34 eligible employees during the calendar year, minus any qualifying
35 contributions returned to the employer from the third-party
36 administrator. The credit under this section and section 302 of this
37 act may not exceed five thousand dollars per eligible employee and
38 fifty thousand dollars per employer in any calendar year.

1 (3) The department must keep a running total of all credits
2 approved under this section and section 302 of this act for each
3 calendar year. The department may not approve any credits under this
4 section and section 302 of this act that would cause the total amount
5 of approved credits statewide to exceed five hundred thousand dollars
6 in any calendar year.

7 (4) Application for tax credits under this section must be
8 submitted to the department before making qualifying contributions to
9 employee dependent care assistance accounts. The application must be
10 made to the department in a form and manner prescribed by the
11 department. The application must include the proposed amount of
12 qualifying contributions to employee dependent care assistance
13 accounts, the proposed number of eligible employees receiving
14 contributions, and other information required by the department to
15 determine eligibility under this section. The application may not
16 contain personal employee information such as names or social
17 security numbers, but must identify the number of employees receiving
18 wages in each wage band, as provided under section 301(4) of this
19 act, for whom the employer makes a qualifying contribution. The
20 department must rule on the application within forty-five days.
21 Applications must be approved on a first-come basis.

22 (5) The credit may be claimed only in the calendar year
23 immediately following the calendar year in which the credit was
24 approved by the department and the qualifying contributions were
25 made. The amount of credit claimed for a reporting period may not
26 exceed the tax otherwise due under this chapter for that reporting
27 period. Credits may not be carried over to subsequent years. No
28 refunds may be granted for any unused credits.

29 (6) To claim a credit under this section, a person must
30 electronically file with the department all returns, forms, and any
31 other information required by the department, in an electronic format
32 as provided or approved by the department. Any return, form, or
33 information required to be filed in an electronic format under this
34 section is not filed until received by the department in an
35 electronic format. As used in this subsection, "returns" has the same
36 meaning as "return" in RCW 82.32.050.

37 (7) The department may not accept any applications before January
38 1, 2019, or after December 31, 2028. The department may not allow any
39 credit to be claimed before January 1, 2020, or after December 31,
40 2029.

1 (8) A person that was approved for credit as provided in this
2 section must make the total approved contribution by the end of the
3 calendar year in which the contribution was approved.

4 (9) A person that does not make a contribution as required in
5 subsection (8) of this section forfeits all credits for the approved
6 contribution.

7 (10) The definitions in section 302 of this act apply to this
8 section.

9 **Part IV**

10 **Miscellaneous Provisions**

11 NEW SECTION. **Sec. 401.** (1) Sections 201 through 207 of this act
12 take effect on the date that the contributions to the child care
13 workforce conditional scholarship and loan repayment account, created
14 in section 208 of this act, exceed one hundred thousand dollars.

15 (2) The department of children, youth, and families must provide
16 written notice of the effective date of sections 201 through 207 of
17 this act to affected parties, the chief clerk of the house of
18 representatives, the secretary of the senate, the office of the code
19 reviser, and others as deemed appropriate by the department."

20 Correct the title.

EFFECT: Clarifies that the annual dollar limits apply to the combined total of business and occupation and public utility tax credits. Limits the credit to employers with at least five but no more than 100 employees. Limits the tax credits to qualifying contributions for employees with annual wages of less than \$125,000. Requires the Joint Legislative Audit and Review Committee to include employee wage data in the tax preference performance review. Requires employers claiming a credit to identify the number of employees receiving wages in specified wage bands for whom the employer makes a qualifying contribution. Requires the Department of Children, Youth, and Families to provide the required written notice when contributions to the Child Care Workforce Conditional Scholarship and Loan Repayment Account exceed \$100,000. Makes technical corrections.

--- END ---