

SENATE BILL 5408

State of Washington

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By Senators L. Kreidler, Murray, Pelz, Skratek, A. Smith, Rinehart, Vognild, Madsen, Williams, Bauer, McMullen, Gaspard, Wojahn and Rasmussen.

Read first time January 30, 1991. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to employer-assisted child and family care;
2 amending RCW 74.13.0901, 74.13.0902, 43.31.085, 43.31.512, 74.13.0903,
3 and 82.02.020; adding a new section to chapter 74.13 RCW; adding a new
4 section to chapter 82.02 RCW; creating new sections; and making
5 appropriations.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

PART I

8 CHILD AND FAMILY CARE PARTNERSHIP

9 NEW SECTION. **Sec. 1.** The legislature finds that efforts by
10 Washington state to encourage employers' involvement in meeting their
11 employees' child care needs represent an effective and successful
12 public-private partnership. The legislature further finds that
13 employees' caregiving responsibilities include care of adult family

1 members who are unable to care for themselves, as well as children, and
2 that employer support of all of an employee's caregiving
3 responsibilities can result in higher productivity, reduced
4 absenteeism, and higher employee retention rates. It is the intent of
5 the legislature to build upon the successful efforts of the child care
6 partnership and the child care facility fund and to increase the
7 effectiveness of these programs. It is also the legislature's intent
8 to have new growth and development pay a fair share of the cost of
9 additional child care facilities and services needed as a result of the
10 new development.

11 **Sec. 2.** RCW 74.13.0901 and 1989 c 381 s 4 are each amended to read
12 as follows:

13 The child and family care partnership is established as a
14 subcommittee of the child care coordinating committee to increase
15 employer assistance and involvement in child and family care, and to
16 foster cooperation between business and government to improve the
17 availability, quality, and affordability of child and family care
18 services in the state.

19 (1) The partnership shall have ((nine)) eleven members ((who may be
20 drawn from the membership of the child care coordinating committee)).
21 The secretary of the department of social and health services shall
22 appoint the partnership members, who shall include:

23 (a) At least two members representing labor organizations;
24 (b) At least one member representing each of the following:
25 Businesses with one through fifty employees, businesses with fifty-one
26 through two hundred employees, and businesses with more than two
27 hundred employees; ((and))

28 (c) At least one representative of local child care resource and
29 referral organizations;

1 (d) At least one representative of organizations that provide adult
2 day care services to adults who are unable to care for themselves; and
3 (e) At least one representative of persons with disabilities.

4 (2) The partnership shall follow the same policies and procedures
5 adopted by the child care coordinating committee, and members shall be
6 reimbursed for travel expenses as provided in RCW 43.03.050 and
7 43.03.060.

8 (3) To the extent possible within available funds, the partnership
9 shall:

10 (a) Review and propose statutory and administrative changes to
11 encourage employer involvement in child and family care and
12 partnerships between employers and the public sector to increase the
13 quantity, quality, and affordability of child and family care services
14 and facilities in this state;

15 (b) Review public and private child and family care programs with
16 the purpose of enhancing communications and coordination among
17 business, labor, public agencies, ((and)) child care providers, and
18 long-term care providers in order to encourage employers to develop and
19 implement child and family care services for their employees;

20 (c) Evaluate alternative employer-assisted child care service
21 systems, in the context of the policies set forth in RCW 74.13.085, and
22 recommend to the legislature and local governments ways to encourage
23 and enhance employer-assisted child care services in the state,
24 including statutory and administrative changes;

25 (d) Evaluate the impact of workplace personnel practices and
26 policies, including flexible work schedules, on the ability of
27 ((parents)) employees to access or provide care for their children and
28 adult family members who are unable to care for themselves, and make
29 recommendations to employers and the legislature in this regard; and

1 (e) ((Study the liability insurance issues related to the provision
2 of employer assisted child care and report the findings and
3 recommendations to the legislature; and

4 (f))) Advise and assist the employer liaison in the implementation
5 of its duties under RCW 74.13.0902.

6 All findings and recommendations of the partnership to the
7 legislature shall be incorporated into ((the)) an annual report ((of
8 ~~the child care coordinating committee required under RCW 74.13.090)) to~~
9 appropriate committees of the legislature by December 1 of each year.

10 **Sec. 3.** RCW 74.13.0902 and 1989 c 381 s 6 are each amended to read
11 as follows:

12 ((An)) Two employer liaison positions ((is)) are established in the
13 department of social and health services to be colocated at the
14 business assistance center established under RCW 43.31.083. The
15 employer liaisons shall, within appropriated funds:

16 (1) Staff and assist the child and family care partnership in the
17 implementation of its duties under RCW 74.13.0901;

18 (2) Provide technical assistance to employers regarding child and
19 family care services, working with and through ((local)) community-
20 based child care resource and referral organizations and long-term care
21 organizations whenever possible. Such technical assistance shall
22 include at a minimum:

23 (a) Assessing the child and family care needs of employees and
24 prospective employees;

25 (b) Reviewing options available to employers interested in
26 increasing access to child and family care for their employees;

27 (c) Developing techniques to permit small businesses to increase
28 access to child and family care for their employees;

1 (d) Reviewing methods of evaluating the impact of child and family
2 care activities on employers; and
3 (e) Preparing, collecting, and distributing current information for
4 employers on options for increasing involvement in child and family
5 care; and
6 (3) Provide assistance to ((local)) community-based child care
7 resource and referral organizations and long-term care organizations to
8 increase their capacity to provide quality technical assistance to
9 employers in their community.

10 **Sec. 4.** RCW 43.31.085 and 1989 c 430 s 2 are each amended to read
11 as follows:

12 The business assistance center shall:
13 (1) Serve as the state's lead agency and advocate for the
14 development and conservation of businesses.
15 (2) Coordinate the delivery of state programs to assist businesses.
16 (3) Provide comprehensive referral services to businesses requiring
17 government assistance.
18 (4) Serve as the business ombudsman within state government and
19 advise the governor and the legislature of the need for new legislation
20 to improve the effectiveness of state programs to assist businesses.
21 (5) Aggressively promote business awareness of the state's business
22 programs and distribute information on the services available to
23 businesses.
24 (6) Develop, in concert with local economic development and
25 business assistance organizations, coordinated processes that
26 complement both state and local activities and services.

27 (7) The business assistance center shall work with other federal,
28 state, and local agencies and organizations to ensure that business
29 assistance services including small business, trade services, and

1 distressed area programs are provided in a coordinated and cost-
2 effective manner.

3 (8) In collaboration with the ((child care coordinating committee
4 in the department of social and health services)) child and family care
5 partnership established pursuant to RCW 74.13.0901, prepare and
6 disseminate information on child and family care options for employers
7 and the existence of the program. As much as possible, and through
8 interagency agreements where necessary, such information should be
9 included in the routine communications to employers from (a) the
10 department of revenue, (b) the department of labor and industries, (c)
11 the department of community development, (d) the employment security
12 department, (e) the department of trade and economic development, (f)
13 the small business development center, and (g) the department of social
14 and health services.

15 (9) In collaboration with the ((child care coordinating committee
16 in the department of social and health services)) child and family care
17 partnership established pursuant to RCW 74.13.0901, compile information
18 on and facilitate employer access to individuals, firms, organizations,
19 and agencies that provide technical assistance to employers to enable
20 them to develop and support child and family care services or
21 facilities.

22 (10) Actively seek public and private money to support the child
23 care facility fund described in RCW 43.31.502, staff and assist the
24 child care facility fund committee as described in RCW 43.31.504, and
25 work to promote applications to the committee for loan guarantees,
26 loans, and grants.

27 **Sec. 5.** RCW 43.31.512 and 1989 c 430 s 7 are each amended to read
28 as follows:

1 The child care facility fund committee shall award loan guarantees,
2 loans or grants to those persons, businesses, or organizations meeting
3 the minimum standards set forth in this chapter who will best serve the
4 intent of the chapter to increase the availability of high quality,
5 affordable child care in Washington state. The committee shall
6 ((promulgate)) adopt rules regarding the application for and
7 disbursement of loan guarantees, loans, or grants from the fund,
8 including loan terms and repayment procedures.

9 (1) At a minimum, such rules shall require an applicant to submit
10 a plan which includes a detailed description of:

11 ((+1))) (a) The need for a new or improved child care facility in
12 the area served by the applicant;

13 ((+2))) (b) The steps the applicant will take to serve a reasonable
14 number of handicapped children, as ((defined)) described in chapter
15 72.40 RCW, sick children, infants, children requiring night time or
16 weekend care, or children whose costs of care are subsidized by
17 government;

18 ((+3))) (c) Why financial assistance from the state is needed to
19 start or improve the child care facility;

20 ((+4))) (d) How the guaranteed loan, loan, or grant will be used,
21 and how such uses will meet the described need;

22 ((+5))) (e) The child care services to be available at the facility
23 and the capacity of the applicant to provide those services; and

24 ((+6))) (f) The financial status of the applicant, including other
25 resources available to the applicant which will ensure the continued
26 viability of the facility and the availability of its described
27 services.

28 (2) Each employer applying for a loan guarantee, loan, or grant
29 shall conduct, either directly or by contract, an assessment of its
30 employees' child care needs. In determining whether to award a loan

1 guarantee, loan, or grant to an employer applicant, the committee shall
2 consider the extent to which the application reflects the results of
3 the employer's child care needs assessment.

4 (3) Recipients shall annually for two years following the receipt
5 of the loan guarantee, loan, or grant, submit to the child care
6 facility fund committee a report on the facility and how it is meeting
7 the child care needs for which it was intended.

PART II

CHILD CARE RESOURCE AND REFERRAL

10 NEW SECTION. **sec. 6.** The legislature recognizes that an
11 integrated child care services system is needed to ensure that planning
12 and coordination of child care services occurs and that linkages
13 between employers, consumers, and child care providers are established.
14 The legislature finds that establishment of the office of the child
15 care resources coordinator, the child care coordinating committee, and
16 the child care partnership are first steps toward achieving an
17 integrated child care system. Additional steps, including the support
18 of existing community-based child care resource and referral programs,
19 and the development of new child care resource and referral programs,
20 must be taken to help parents obtain appropriate child care for their
21 children, increase the supply of child care services and coordination
22 with employers, and improve the quality of child care services through
23 training and support of child care providers.

24 The legislature intends that child care resource and referral
25 services be provided in collaboration with local communities,
26 employers, consumers, and state and federal agencies.

1 NEW SECTION. **Sec. 7.** A new section is added to chapter 74.13 RCW
2 to read as follows:

3 (1) Persons or organizations may apply for funding to establish or
4 operate a community-based child care resource and referral program
5 through the office of the child care resources coordinator. In
6 evaluating applications for funding, the coordinator shall consider
7 the applicant's ability to offer, or make progress towards offering,
8 the activities provided in subsection (2) of this section. The
9 coordinator shall also consider the number of children under age twelve
10 in the geographic area that will be served by the program when
11 determining the level of funding for the program.

12 (2) Community-based child care resource and referral programs shall
13 develop a service plan that includes the following components:

14 (a) Provide parents with information regarding child care,
15 including but not limited to the location of child care services,
16 information regarding child care licensing requirements, how to choose
17 quality child care services, and the availability of funds to subsidize
18 child care costs;

19 (b) Participate with other community agencies or organizations in
20 the provision of parent support services, such as parent education
21 classes and information on community services available to families;

22 (c) Provide support to child care providers, such as: Information
23 regarding training opportunities, development of appropriate training
24 as needed, resource libraries, toy lending libraries, meeting space,
25 information regarding the operation of child care as a small business,
26 and liaison with department child care licensors;

27 (d) Recruit licensed child care providers, emphasizing geographic
28 or program areas that have an inadequate supply of child care services;

1 (e) In cooperation with the child care partnership established
2 under this chapter, provide technical assistance to employers regarding
3 employee child care benefits;

4 (f) Directly or through a coalition of child care resource and
5 referral programs, provide information to local and state policy makers
6 regarding child care supply and demand, and advocate for increased
7 public and private sector resources for child care services; and

8 (g) Coordinate a local response to the demand for quality child
9 care services, and participate in coordinated efforts for delivery of
10 services to families.

11 (3) Twenty-five percent of the funding for community-based child
12 care resource and referral agencies under this section shall be
13 community matching funds provided by private or public entities in the
14 community served by the program requesting funding. Contributions of
15 materials, supplies, or physical facilities may be considered as all or
16 part of the matching funds provided.

17 **Sec. 8.** RCW 74.13.0903 and 1989 c 381 s 5 are each amended to read
18 as follows:

19 The office of the child care resources coordinator is established
20 to operate under the authority of the department of social and health
21 services. The office shall, within appropriated funds:

22 (1) Staff and assist the child care coordinating committee in the
23 implementation of its duties under RCW 74.13.090;

24 (2) Work with local governments, nonprofit organizations,
25 businesses, and community child care advocates to create local child
care resource and referral organizations((. These organizations may
27 carry out needs assessments, resource development, provider training,
28 technical assistance, and parent information and training));

1 (3) Actively seek public and private money for distribution as
2 grants to potential or existing ((local)) community-based child care
3 resource and referral ((organizations. No grant shall be distributed
4 that is greater than twenty five thousand dollars)) programs as
5 provided in section 7 of this act;

6 ((4) ((Adopt rules regarding the application for and distribution of
7 grants to local child care resource and referral organizations. The
8 rules shall, at a minimum, require an applicant to submit a plan for
9 achieving the following objectives:

10 (a) Provide parents with information about child care resources,
11 including location of services and subsidies;

12 (b) Carry out child care provider recruitment and training
13 programs;

14 (c) Offer support services, such as parent and provider seminars,
15 toy lending libraries, and substitute banks;

16 (d) Provide information for businesses regarding child care supply
17 and demand;

18 (e) Advocate for increased public and private sector resources
19 devoted to child care; and

20 (f) Provide technical assistance to employers regarding employee
21 child care services;

22 ((5))) Provide staff support and technical assistance to local child
23 care resource and referral organizations;

24 ((6)) Organize the local child care resource and referral
25 organizations into a state wide system;

26 ((7))) (5) Maintain a state-wide ((child care referral)) data bank
27 of licensed providers and work with department of social and health
28 services licensors to provide information to ((local)) community-based
29 child care resource and referral organizations about licensed child
30 care providers in the state;

1 ((+8)) (6) Through local resource and referral organizations,
2 compile data about local child care needs and availability for future
3 planning and development;

4 ((+9)) (7) Coordinate the provision of training and technical
5 assistance to child care providers; and

6 ((+10)) (8) Collect and assemble information regarding the
7 availability of insurance and of federal and other child care funding
8 to assist state and local agencies, businesses, and other child care
9 providers in offering child care services.

10 PART III

11 CHILD CARE IMPACT FEES

12 **Sec. 9.** RCW 82.02.020 and 1990 1st ex.s. c 17 s 42 are each
13 amended to read as follows:

14 Except only as expressly provided in RCW 67.28.180 and 67.28.190
15 and the provisions of chapter 82.14 RCW, the state preempts the field
16 of imposing taxes upon retail sales of tangible personal property, the
17 use of tangible personal property, parimutuel wagering authorized
18 pursuant to RCW 67.16.060, conveyances, and cigarettes, and no county,
19 town, or other municipal subdivision shall have the right to impose
20 taxes of that nature. Except as provided in RCW 82.02.050 through
21 82.02.090 and section 10 of this act, no county, city, town, or other
22 municipal corporation shall impose any tax, fee, or charge, either
23 direct or indirect, on the construction or reconstruction of
24 residential buildings, commercial buildings, industrial buildings, or
25 on any other building or building space or appurtenance thereto, or on
26 the development, subdivision, classification, or reclassification of
27 land. However, this section does not preclude dedications of land or
28 easements within the proposed development or plat which the county,

1 city, town, or other municipal corporation can demonstrate are
2 reasonably necessary as a direct result of the proposed development or
3 plat to which the dedication of land or easement is to apply.

4 This section does not prohibit voluntary agreements with counties,
5 cities, towns, or other municipal corporations that allow a payment in
6 lieu of a dedication of land or to mitigate a direct impact that has
7 been identified as a consequence of a proposed development,
8 subdivision, or plat. A local government shall not use such voluntary
9 agreements for local off-site transportation improvements within the
10 geographic boundaries of the area or areas covered by an adopted
11 transportation program authorized by chapter 39.92 RCW. Any such
12 voluntary agreement is subject to the following provisions:

13 (1) The payment shall be held in a reserve account and may only be
14 expended to fund a capital improvement agreed upon by the parties to
15 mitigate the identified, direct impact;

16 (2) The payment shall be expended in all cases within five years of
17 collection; and

18 (3) Any payment not so expended shall be refunded with interest at
19 the rate applied to judgments to the property owners of record at the
20 time of the refund; however, if the payment is not expended within five
21 years due to delay attributable to the developer, the payment shall be
22 refunded without interest.

23 No county, city, town, or other municipal corporation shall require
24 any payment as part of such a voluntary agreement which the county,
25 city, town, or other municipal corporation cannot establish is
26 reasonably necessary as a direct result of the proposed development or
27 plat.

28 Nothing in this section prohibits cities, towns, counties, or other
29 municipal corporations from collecting reasonable fees from an
30 applicant for a permit or other governmental approval to cover the cost

1 to the city, town, county, or other municipal corporation of processing
2 applications, inspecting and reviewing plans, or preparing detailed
3 statements required by chapter 43.21C RCW.

4 This section does not limit the existing authority of any county,
5 city, town, or other municipal corporation to impose special
6 assessments on property specifically benefitted thereby in the manner
7 prescribed by law.

8 Nothing in this section prohibits counties, cities, or towns from
9 imposing or permits counties, cities, or towns to impose water, sewer,
10 natural gas, drainage utility, and drainage system charges: PROVIDED,
11 That no such charge shall exceed the proportionate share of such
12 utility or system's capital costs which the county, city, or town can
13 demonstrate are attributable to the property being charged: PROVIDED
14 FURTHER, That these provisions shall not be interpreted to expand or
15 contract any existing authority of counties, cities, or towns to impose
16 such charges.

17 Nothing in this section prohibits a transportation benefit district
18 from imposing fees or charges authorized in RCW 36.73.120 nor prohibits
19 the legislative authority of a county, city, or town from approving the
20 imposition of such fees within a transportation benefit district.

21 Nothing in this section prohibits counties, cities, or towns from
22 imposing transportation impact fees authorized pursuant to chapter
23 39.92 RCW.

24 Nothing in this section prohibits counties, cities, or towns from
25 requiring property owners to provide relocation assistance to tenants
26 under RCW 59.18.440 and 59.18.450.

27 This section does not apply to special purpose districts formed and
28 acting pursuant to Titles 54, 56, 57, or 87 RCW, nor is the authority
29 conferred by these titles affected.

1 NEW SECTION. **Sec. 10.** A new section is added to chapter 82.02 RCW
2 to read as follows:

3 (1) The legislature finds that it is an important public purpose to
4 promote the availability of quality and affordable child care.
5 Affordable and quality child care is important for the well-being of
6 children of working parents, for the stability of the family and the
7 work force, and for economic prosperity. The legislature also finds
8 that new development in communities experiencing rapid growth causes a
9 need for additional community child care facilities and services that
10 cannot be absorbed by existing facilities or services. It is the
11 intent of the legislature that:

12 (a) Counties, cities, and towns may require, by ordinance, that
13 new growth and development pay a proportionate share of the cost of new
14 child care facilities and services needed as a result of the new
15 development; and

16 (b) Impact fees for child care facilities and services are imposed
17 through established procedures and criteria so that specific
18 developments do not pay arbitrary fees or duplicate fees for the same
19 impact.

20 (2) Counties, cities, and towns that are required or choose to
21 plan under RCW 36.70A.040 are authorized to impose impact fees on
22 development activity. The impact fees:

23 (a) Are only imposed after a finding by the county, city, or town
24 that a shortage of adequate child care facilities and services exist;

25 (b) Are only imposed after the county, city, or town has adopted,
26 by resolution, a child care plan that addresses the forecasted needs
27 for child care facilities and services, how the needs will be met, and
28 how the needed child care facilities and services are financed through
29 a balance of public and private sources; and

1 (c) Are only imposed for child care facilities and services that
2 are reasonably related to new development, that do not exceed a
3 proportionate share of the costs of the child care facilities and
4 services, and that are used only for child care facilities and services
5 that will reasonably benefit the new development.

6 (3) The impact fee ordinance by which impact fees are imposed for
7 child care facilities or services shall:

8 (a) Include a schedule of fees that is based on a formula or other
9 method to ensure that the fees are reasonable and comply with
10 subsection (2)(c) of this section;

11 (b) Provide for credit for child care facilities or services
12 provided by the developer;

13 (c) Allow the county, city, or town to adjust the standard impact
14 fee imposed under this section to consider unusual circumstances in
15 specific cases to ensure that the impact fees are imposed fairly; and

16 (d) Provide for a refund procedure if the county, city, or town
17 fails to expend or encumber the impact fees within six years of when
18 the fee is collected from the developer or if the developer does not
19 proceed with the development and no impact has resulted.

20 (4) Impact fees collected under this section are deposited in a
21 child care fund. The moneys deposited in the fund are used solely to
22 increase the supply of child care facilities and services in the
23 county, city, or town.

24 (5) The county, city, or town shall establish an advisory
25 committee to evaluate the impact fee schedule, to advise the county,
26 city, or town on the administration of the impact fee ordinance, and to
27 make recommendations periodically to the county, city, or town
28 regarding improving the impact fee process. The advisory committee
29 shall be representative of public officials, developers, and child care
30 providers.

1

PART IV

2

MISCELLANEOUS

3 NEW SECTION. **Sec. 11.** The sum of seventy-five thousand
4 dollars, or as much thereof as may be necessary, is appropriated for
5 the biennium ending June 30, 1993, from the general fund to the
6 department of social and health services for the purpose of
7 establishing an additional employer liaison position as provided in
8 section 3 of this act.

9 NEW SECTION. **Sec. 12.** The sum of one million six hundred
10 thousand dollars, or as much thereof as may be necessary, is
11 appropriated for the biennium ending June 30, 1993, of which eight
12 hundred thousand dollars shall come from the general fund and eight
13 hundred thousand dollars shall be matched by federal child care and
14 development block grant funds to the department of social and health
15 services for the purposes of this act.

16 NEW SECTION. **Sec. 13.** If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 remainder of the act or the application of the provision to other
19 persons or circumstances is not affected.

20 NEW SECTION. **Sec. 14.** Part headings as used in this act
21 constitute no part of the law.