

SENATE BILL REPORT

SB 5107

As Reported by Senate Committee On:
Early Learning & K-12 Education, February 2, 2017

Title: An act relating to creating a local pathway for local governments, school districts, and nonprofit organizations to provide more high quality early learning opportunities by reducing barriers and increasing efficiency.

Brief Description: Creating a local pathway for local governments, school districts, and nonprofit organizations to provide more high quality early learning opportunities by reducing barriers and increasing efficiency. [**Revised for 1st Substitute:** Creating a local pathway for local governments, school districts, institutions of higher education, and nonprofit organizations to provide more high quality early learning opportunities by reducing barrier and increasing efficiency.]

Sponsors: Senators Billig, Fain, Rolfes, Wellman, Walsh, Zeiger, Lias, Cleveland, Hunt, Conway, Saldaña, Kuderer and Mullet.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/19/17, 2/02/17 [DPS-WM].

Brief Summary of Substitute Bill

- Encourages school districts, institutions of higher education, and nonprofit organizations, in addition to local governments, to collaborate with the Department of Early Learning (DEL) when establishing and strengthening early learning programs.
- Directs DEL to create a local pathway to high quality early learning to help local governments, school districts, institutions of higher education, nonprofit organizations, and early learning providers use additional local or private funds, or both, to expand access, increase quality, and extend hours for existing early care and education programs.
- Requires the local pathway to include a needs assessment, funding tool, training, and technical assistance.
- Allows local governments, school districts, institutions of higher education, and nonprofit organizations to contribute funds to the Early Start Account for these purposes.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 5107 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Zeiger, Chair; Rolfes, Ranking Minority Member; Billig, Mullet and Rivers.

Staff: Ailey Kato (786-7434)

Background: Local Governments and the Early Start Account. Current law encourages local governments to collaborate with DEL when establishing early learning programs for residents. Local governments may contribute funds to DEL through the Early Start Account, which was created in 2015. These funds may be used for initial investments to build capacity and quality in local early care and education programming and reductions in copayments charged to parents or caregivers.

Early Childhood Education and Assistance Program (ECEAP). This state-funded voluntary preschool program serves eligible three and four-year-old children. Children are eligible if they are from a low-income household, eligible for special education due to disability, or impacted by certain risk factors identified by DEL. Children from families with an annual income at or below 110 percent of the federal poverty level (\$26,730 for a family of four) are eligible for enrollment in ECEAP.

Current law requires that state funding continue to be phased in each year until full statewide implementation is achieved in the 2020-21 school year, at which time any eligible child shall be entitled to be enrolled in the program. Additional eligible children may be admitted to the extent that grants and contributions from community sources provide sufficient funds for a program equivalent to that supported by state funds.

Working Connections Child Care (WCCC). This federally and state-funded program offers subsidies to childcare providers serving families with an income at or below 200 percent of the federal poverty level (\$48,600 for a family of four). This program pays part of the cost of childcare when a parent is employed, self-employed, or meets the requirements for Temporary Assistance for Needy Families (TANF) or WorkFirst programs.

Home Visiting. Home visiting programs provide support and education to expectant parents and new families. Home visiting programs are voluntary and offer an array of in-person services to families based on the particular objectives of the program and needs of the family.

Summary of Bill (First Substitute): Early Start Account. In addition to local governments, school districts, institutions of higher education, and nonprofit organizations may contribute funds to the Early Start Account. These local entities may contribute funds for additional purposes: expanding access and increasing slots, increasing quality, and extending hours in early care and education programs. DEL must separately track funds received from local entities. Expenditures from these funds may be used only for specified purposes as identified, in writing, by the local entities. The account is put in the custody of the state treasurer.

Local Pathway to High Quality Early Learning. DEL must create a local pathway to high quality early learning to help local governments, school districts, institutions of higher education, nonprofit organizations, and early learning providers use additional local or private funds, or both, to expand access, increase quality, and extend hours for existing ECEAP programs. The local pathway must reduce barriers and increase efficiency for using local or private funds, or both, to provide more high quality early learning opportunities.

To help local governments, school districts, and nonprofit organizations, DEL must create:

- a needs assessment to determine where investments in early learning are needed and feasible;
- a funding tool to estimate the local or private cost of expanding access, increasing quality, and extending hours; and
- technical assistance for using local or private funds, or both, with existing funds in ECEAP programs.

To help early learning providers, DEL must create:

- information on how to best work with local governments, school districts, institutions of higher education, and nonprofit organizations;
- training and technical assistance for using local or private funds, or both, with existing funds; and
- training and technical assistance for creating mixed-income programs, including children using private pay.

For the 2017-18 school year, the local pathway will be available to a maximum of five entities, including local governments, school districts, institutions of higher education, or nonprofit organizations, that want to expand access, increase quality, and extend hours for existing ECEAP contractors in good standing. In future years, the number of the entities that utilize the local pathway is not limited.

By December 1, 2018, DEL must submit a report to the appropriate committees of the legislature describing the effectiveness of the local pathway. The report must describe what is needed to expand the local pathway to help local governments, school districts, institutions of higher education, nonprofit organizations, and early learning providers throughout the state. The report must include a plan for incorporating WCCC and home visiting into the local pathway.

DEL must submit a preliminary report by December 1, 2017.

ECEAP. Additional children may be admitted to the extent that grants and contributions from community sources provide sufficient funds for a program equivalent to that supported by state funds. These children do not have to be eligible for ECEAP. Grants and contributions from community sources shall not supplant the funding required for the full statewide implementation of ECEAP.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (First Substitute):

- Adds institutions of higher education to the list of entities that may use the local pathway to high quality early learning and may contribute funds to the Early Start Account.
- Removes WCCC and home visiting programs from the local pathway and requires DEL to make a plan to incorporate these programs in the future.
- Allows a maximum of five entities to use the local pathway for existing ECEAP contractors in good standing in the 2017-18 school year but does not limit the number of entities in future years.
- Directs DEL to submit a preliminary report in December 2017 and final report in December 2018 describing the effectiveness of the local pathway and what is needed to expand the local pathway.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This bill promotes efficiency and helps knock down barriers to increase access to high quality early learning. This bill would have DEL create easy-to-read and follow steps to buy into existing high quality early learning programs. It would allow local entities the ability to provide ECEAP to children who are above the income requirement. This bill could open up doors of opportunity for children throughout the state. Buying into existing programs avoids administrative overhead for creating new programs. This bill could use the existing Home Visiting Services Account in addition to the Early Start Account. The tools in the local pathway could be amended to be less costly, and existing advisory groups could take on some of the work. DEL may need a year to figure out how to include WCCC in the local pathway. Home visiting and ECEAP can significantly impact children and get them ready for school. Local business leaders throughout the state are ready to invest in early learning, and this bill could reduce barriers to help them make this investment. Local dollars need to stay local.

Persons Testifying: PRO: Senator Andy Billig, Prime Sponsor; Frank Ordway, Dept. of Early Learning; Kristin Wiggins, State Director, ReadyNation.

Persons Signed In To Testify But Not Testifying: No one.