

HOUSE BILL REPORT

HB 1351

As Reported by House Committee On:
Human Services & Early Learning
Appropriations

Title: An act relating to expanding eligibility to the early childhood education and assistance program.

Brief Description: Expanding eligibility to the early childhood education and assistance program.

Sponsors: Representatives Goodman, Senn, Callan, Lovick, Frame, Ortiz-Self, Kilduff, Appleton, Dolan, Stanford, Valdez, Kloba, Doglio, Pollet and Leavitt; by request of Office of the Governor.

Brief History:

Committee Activity:

Human Services & Early Learning: 1/29/19, 2/5/19 [DPS];
Appropriations: 2/27/19, 2/28/19 [DP2S(w/o sub HSEL)].

Brief Summary of Second Substitute Bill

- Creates a birth-to-three ECEAP pilot project.
- Prioritizes, under certain conditions, the enrollment of children in the Early Childhood Education and Assistance Program who have family incomes up to 130 percent of the federal poverty level.

HOUSE COMMITTEE ON HUMAN SERVICES & EARLY LEARNING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Senn, Chair; Callan, Vice Chair; Frame, Vice Chair; Eslick, Assistant Ranking Minority Member; Corry, Goodman, Griffey, Kilduff, Lovick and Ortiz-Self.

Minority Report: Do not pass. Signed by 2 members: Representatives McCaslin, Assistant Ranking Minority Member; Klippert.

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.

Minority Report: Without recommendation. Signed by 1 member: Representative Dent, Ranking Minority Member.

Staff: Dawn Eychaner (786-7135).

Background:

The Early Childhood Education and Assistance Program (ECEAP) is the state's voluntary preschool program for 3 and 4 year olds. The Department of Children, Youth, and Families (DCYF) administers the ECEAP. The ECEAP provides comprehensive services, sometimes referred to as "wraparound services," that include education, health and nutrition, and family support for participating children and their families.

Early Childhood Education and Assistance Program Eligibility and Entitlement.

Children are eligible for the state-supported ECEAP who are eligible for special education due to a disability or are from families with incomes at or below 110 percent of the federal poverty level (FPL). Up to 10 percent of the total enrollment in the state-supported program may consist of children who are eligible based on other criteria adopted in rule. Priority for enrollment must be given to children from families with the lowest incomes, children in foster care, or eligible families with multiple needs.

State funding for the ECEAP is phased in yearly, and eligible children may be admitted to the extent the state provides funds for the program. Full statewide implementation is required by the 2022-23 school year, when any eligible child will be entitled to enroll in the state-supported ECEAP.

Additional Early Childhood Education and Assistance Program Enrollments.

As space is available, the DCYF may allow up to 25 percent of the total statewide ECEAP enrollment to consist of children who have family incomes above 110 percent of the FPL. These children must be either homeless, or impacted by specific developmental or environmental risk factors that are linked by research to school performance. Within this group, priority must be given to children experiencing homelessness, child welfare system involvement, or a developmental delay or disability that does not meet the eligibility criteria for special education. Children included in the ECEAP under these eligibility criteria are not considered part of the state-funded entitlement.

Local governments, school districts, institutions of higher education, and nonprofit organizations may use funds from community sources to admit children into the ECEAP programs equivalent to the state-supported program. Children enrolled in these local programs are not considered part of the state-funded entitlement.

HeadStart and Early Head Start.

HeadStart and Early Head Start (EHS) programs are federally funded early learning programs. HeadStart serves 3 and 4 year olds, and the EHS program serves pregnant women and infants and toddlers under the age of 3. The EHS program provides comprehensive support services that can be delivered through child care centers and family home providers, through home visits to the family, or a combination.

Early Achievers.

Early Achievers (EA) is Washington's Quality Rating and Improvement System for child care and early learning. The quality of care is assigned a rating on a scale of 1-5, with Level 1 being the minimum requirements for licensing, and Level 5 being the highest possible level of quality. Participation in the EA program is mandatory for all providers serving non-school-age children and accepting state subsidy payments.

Summary of Substitute Bill:

Early Childhood Education and Assistance Program Eligibility and Entitlement.

Two groups of eligible 3- to 5-year-old children for the ECEAP are established: children entitled to enroll in the ECEAP, and children allowed to enroll in the ECEAP. An entitled child is a child with a family income at or below 130 percent of the FPL, who is eligible for special education due to a disability, or who meets criteria under rules adopted by the DCYF. Entitled children enrolled under the DCYF-adopted criteria may not exceed 10 percent of the total statewide enrollment. An allowed child must have a family income greater than 130 percent of the FPL, but less than or equal to 200 percent of the FPL.

Early Childhood Education and Assistance Program Enrollments.

The DCYF must prioritize entitled children for enrollment. As space is available, the DCYF may enroll allowed children in the ECEAP, with no statutory cap on statewide enrollment for this group.

An allowed child must be enrolled, as space is available, according to a system of risk factors and priority points adopted by the DCYF in rule. The priority system must consider risk factors that have disproportionate effects on kindergarten readiness, including child welfare system involvement, a developmental delay or disability that does not meet the criteria for special education, domestic violence, English as a second language, expulsion from an early learning setting, a parent who is or has been incarcerated, and a parent with a substance use disorder or mental health treatment need.

Birth-to-Three Early Childhood Education and Assistance Program Pilot.

A state-funded birth-to-three ECEAP pilot project is established for eligible children under 3 years old. To be eligible, a child must be under 36 months old and have a family income at or below 130 percent of the FPL. The pilot project must be implemented by the DCYF by January 1, 2020, and conclude June 30, 2023.

The DCYF may adopt rules to implement the pilot project and may waive or adopt pilot project requirements when necessary to allow for the operation of the pilot. The DCYF must consider EHS rules and regulations when developing program, provider, and family eligibility requirements.

Pilot project programs must be delivered through child care centers and family home providers who meet minimum DCYF licensing standards and are enrolled in the EA program. The DCYF must establish EA standards for providers participating in the pilot project. When selecting pilot project locations, the DCYF must attempt to select a combination of rural,

urban, and suburban locations and must prioritize locations with programs currently operating EHS programs, HeadStart programs, or the ECEAP.

The DCYF must begin an evaluation to analyze quality and performance measures during the pilot. In the third year of the pilot, the DCYF must analyze child and parent outcomes. Beginning November 1, 2020, the DCYF must submit an annual report to the Governor and the Legislature with a status update describing the pilot project's implementation, the participating programs, and the number of children and families served. The report must also include an identification and explanation of any deviations from EHS standards, rules, and regulations, in the development of the pilot. A final report describing the DCYF's findings and recommendations is due November 1, 2024.

Other.

The DCYF must develop recommendations related to differential slot rates for the ECEAP based on variable factors that may contribute to provider costs. The DCYF must: consider variations by geographic region, contractor type, child risk factors, and teacher credentials; evaluate advantages and disadvantages of linking ECEAP rates to other child care subsidy rates; and review DCYF designated subsidy regions and adjust regional boundaries as necessary. The DCYF must submit the recommendations and a report on the results of the regional subsidy boundary review to the Governor and the Legislature by September 1, 2020.

Outdated statutory references are corrected.

Substitute Bill Compared to Original Bill:

The substitute bill: (1) changes the definition of "eligible child" in the ECEAP to include two groups: a child entitled to enrollment in the ECEAP, and a child allowed to be enrolled in the ECEAP; (2) removes family eligibility for public assistance from the definition describing criteria for entitlement; (3) requires the DCYF to prioritize entitled children before enrolling "allowed" children as space is available; (4) increases the maximum family income for an entitled child from 110 percent of the FPL to 130 percent of the FPL; (5) allows the enrollment of a child with a family income greater than 130 percent of FPL, but less than or equal to 200 percent of the FPL; (6) removes the 25 percent cap on statewide enrollment of children allowed to be enrolled who have incomes greater than 110 percent of the FPL; (7) requires the DCYF to enroll an allowed child, as space is available, according to a system of risk factors and priority points adopted by the DCYF in rule; and (8) requires the DCYF to develop recommendations related to differential slot rates for the ECEAP based on variable factors that may contribute to provider costs, and report to the Governor and the Legislature by September 1, 2020.

The substitute bill modifies the birth-to-three ECEAP pilot to:

- allow eligibility for children with incomes at or below 130 percent of the FPL rather than 110 percent of the FPL;
- change the dates of the pilot to January 1, 2020, through June 30, 2023, and extend associated reporting dates accordingly;
- stipulate that the pilot must be delivered through child care centers and family home providers;
- remove the requirement for the provider to be rated at a Level 4 in the EA program;

- add a requirement for the DCYF to establish EA standards for providers participating in the pilot;
- remove requirements related to a minimum number of classroom hours and specified teacher to child ratios; and
- remove provisions related to home visiting.

The emergency clause is removed.

Appropriation: None.

Fiscal Note: Requested on February 5, 2019.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support of substitute bill) The majority of brain development occurs during the first five years of life. During these early years children should be exposed to high quality environments to impact that development. The pilot is modeled after the EHS program, which has favorable impacts on children's social and emotional development, and parenting outcomes are also improved. Only 3,500 kids are accessing EHS programs in the state, and creating a similar program can positively impact more children. This does not expand entitlement, but would allow access for families up to 200 percent of the FPL. Low-income children are behind their peers in kindergarten readiness. Increasing eligibility to 130 percent of the FPL for entitlement aligns with HeadStart and free lunch programs. Some communities cannot fill their slots because of the income limit even though children are in that community who could benefit from those services. Washington Kindergarten Inventory of Developing Skills (WaKids) data has shown that the two groups at highest risk of not being ready are tribal and homeless children. Calling these groups out for categorical eligibility will go a long way in getting those kids ready. Native American children would be better positioned to succeed in the kindergarten through twelfth grade school system if they have access to preschool. Teachers who have been in the field for over 20 years are noticing an increase in children who have social-emotional issues. If children receive social-emotional support in preschool, they will not require as many services when they enter kindergarten. The WaKids data shows only 20 percent of kids at or below 185 percent of the FPL are ready for kindergarten, and systems should be aligned so children can reach the top. Many parents work multiple jobs to put food on the table, and they still can't qualify for the ECEAP. In some facilities, the entire waitlist is composed of over-income families. Children who have participated in the ECEAP show significant gains in reading and math scores. Bringing the entitlement to 130 percent of the FPL aligns with increases in minimum wage, and bringing access to 200 percent of the FPL makes it easier for child care providers to become ECEAP providers. The early ECEAP pilot will help address accessibility and affordability issues with infant and toddler care. This is an opportunity to further strengthen the continuum of services available to young children, particularly those impacted by poverty and trauma and who have other risk factors.

(Opposed) None.

Persons Testifying: Representative Goodman, prime sponsor; RaShelle Davis, Office of the Governor; Melissa Johnson, Washington State Association of Head Start and Early Childhood Education and Assistance Program; Sheryl Fryberg, Betty J. Taylor Early Learning Academy; Nancy Spurgeon, Chelan Douglas Child Services Association; Charity Powell-Edwards; Talena Dixon, Puget Sound Educational Sound District; Renee Hernandez Greenfield, Tacoma College Child Care Center; Teela Lanchester; Kristin Wiggins, ReadyNation and Mission: Readiness; Emily Murphy, Children's Alliance; Sylvia Gil, Washington State Parent Teacher Association; and Kelli Bohanon, Department of Children, Youth, and Families.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Human Services & Early Learning. Signed by 26 members: Representatives Ormsby, Chair; Bergquist, 2nd Vice Chair; Robinson, 1st Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Cody, Dolan, Fitzgibbon, Hansen, Hudgins, Jinkins, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Senn, Springer, Stanford, Steele, Sullivan, Tarleton, Tharinger and Ybarra.

Minority Report: Do not pass. Signed by 5 members: Representatives Chandler, Dye, Hoff, Kraft and Sutherland.

Staff: Kelci Karl-Robinson (786-7116).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Human Services & Early Learning:

The change in the definition of "eligible child" that creates two categories of eligible children is removed. The income limit for purposes of entitlement is restored to 110 percent of the federal poverty level (FPL). The enrollment of children whose family income is greater than 110 percent of FPL is prioritized to children with incomes up to 130 percent of FPL. The requirement for the Department of Children, Youth, and Families (DCYF) to develop and report on recommendations related to differential slot rates for the Early Childhood Education and Assistance Program (ECEAP) is removed. The findings and intent language are added. The birth-to-three ECEAP pilot is modified to:

- require pilot activities to be conducted within resources available under the federal Preschool Development Grant Birth to Five award received by the DCYF;
- require the DCYF to develop a plan for implementation of the pilot and begin phased service delivery after the DCYF has secured adequate funds to implement the pilot in at least 10 locations;
- require the DCYF to determine Early Achievers ratings scores for programs participating in the pilot;

- remove the requirement for the DCYF to conduct and report on an evaluation of outcomes and recommendations for modifying the pilot; and
- require an annual report during pilot project activity that provides a status update describing planning work completed, the status of funds secured, and any implementation activities of the pilot project.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The Early Childhood Education and Assistance Program (ECEAP) is a nationally recognized preschool program with lasting outcomes. Only 31.5 percent of low-income children are arriving to kindergarten school-ready. Washington is ranked thirty-fourth in the nation related to access to preschool, as there is only one other state with a lower income eligibility threshold. A single mother with two children who works a minimum wage job is not eligible for the ECEAP. This bill is a first step to serving additional low-income children. In order to retain and attract high quality teachers, the ECEAP rates must be increased by 17 percent.

(Opposed) None.

Persons Testifying: Katy Warren, Washington State Association of Head Start and Early Childhood Education and Assistance Program; and Emily Murphy, Children's Alliance.

Persons Signed In To Testify But Not Testifying: None.