

# HOUSE BILL REPORT

## HB 1771

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**As Reported by House Committee On:**  
Labor & Workplace Standards

**Title:** An act relating to permitting family child care providers to collectively bargain defined contribution retirement benefits.

**Brief Description:** Permitting family child care providers to collectively bargain defined contribution retirement benefits.

**Sponsors:** Representatives Berry, Chopp, Fitzgibbon, Ryu, Sells, Bateman, Davis, Goodman, Macri, Ramel, Santos, Senn, Simmons, Bergquist, Valdez, Pollet, Riccelli, Harris-Talley and Frame.

**Brief History:**

**Committee Activity:**

Labor & Workplace Standards: 1/14/22, 1/21/22 [DP].

**Brief Summary of Bill**

- Expands the scope of collective bargaining for family child care providers, to include bargaining of defined contribution retirement benefits.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** Do pass. Signed by 4 members: Representatives Sells, Chair; Berry, Vice Chair; Bronoske and Ortiz-Self.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Hoff, Ranking Minority Member; Harris.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Mosbrucker, Assistant Ranking Minority Member.

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

**Staff:** Trudes Tango (786-7384).

**Background:**

The Department of Children, Youth, and Families (DCYF) is responsible for licensing child care providers and centers. A "family child care provider" is a person who: (1) provides regularly scheduled care for a child or children in the provider's home or in the child's home for periods of less than 24 hours or, if due to the nature of the parent's work, for periods of 24 hours or more; (2) receives child care subsidies; and (3) is either licensed by the state or is exempt from licensing.

Family child care providers have collective bargaining rights under the Public Employees' Collective Bargaining Act (PECBA). Solely for the purposes of bargaining, the Governor is considered the public employer and family child care providers are considered public employees.

The scope of bargaining for family child care providers is limited solely to:

- economic compensation, such as manner and rate of subsidy and reimbursement;
- health and welfare benefits;
- professional development and training;
- labor-management committees;
- grievance procedures; and
- other economic matters.

Retirement benefits are not subject to collective bargaining for family child care providers. "Defined contribution retirement plans" are those in which contributions are made to an individual account for each employee, similar to a private-sector 401(k)-type plan. Defined contribution retirement plans are distinct from "defined benefit plans," which provide a definite benefit formula for calculating benefit amounts. Many plans provided to Washington state employees, such as the Public Employees' Retirement System (PERS) Plan 2, are defined benefit plans.

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**Summary of Bill:**

The scope of collective bargaining for family child care providers includes defined contribution retirement benefits. Retirement benefits other than contributions to a defined contribution retirement plan, are not subject to collective bargaining.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) Child care providers are essential workers. These are not high-paying jobs and most providers are women, immigrants, and people of color. Many providers do not have a retirement plan and need to work into their 70s. Retirement would offer some peace of mind. This bill would allow these workers to bargain for retirement plans.

(Opposed) None.

**Persons Testifying:** Representative Liz Berry, prime sponsor; June Steen, Guadalupe Magallan, Pauli Owen, Kat McGunagle and William McGunagle, Service Employees International Union 925.

**Persons Signed In To Testify But Not Testifying:** None.