CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6483

Chapter 321, Laws of 2020

66th Legislature 2020 Regular Session

CHILD CARE PROVIDER RATING REQUIREMENTS--REMEDIAL ACTIVITIES

EFFECTIVE DATE: June 11, 2020

Passed by the Senate February 19, CERTIFICATE 2020 I, Brad Hendrickson, Secretary of Yeas 45 Nays 3 the Senate of the State of Washington, do hereby certify that CYRUS HABIB the attached is **SUBSTITUTE SENATE** BILL 6483 as passed by the Senate President of the Senate and the House of Representatives on the dates hereon set forth. Passed by the House March 4, 2020 Yeas 96 Nays 0 BRAD HENDRICKSON Secretary LAURIE JINKINS Speaker of the House of Representatives Approved April 2, 2020 3:08 PM FILED April 3, 2020

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SUBSTITUTE SENATE BILL 6483

Passed Legislature - 2020 Regular Session

State of Washington 66th Legislature 2020 Regular Session

By Senate Early Learning & K-12 Education (originally sponsored by Senators Wilson, C. and Nguyen; by request of Department of Children, Youth, and Families)

READ FIRST TIME 02/07/20.

- 1 AN ACT Relating to rating requirements for child care providers;
- 2 amending RCW 43.216.515; reenacting and amending RCW 43.216.135; and
- 3 amending 2019 c 369 s 6 (uncodified).

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 43.216.515 and 2019 c 369 s 3 are each amended to 6 read as follows:
 - (1) Approved early childhood education and assistance programs shall receive state-funded support through the department. Public or private organizations including, but not limited to, school districts, educational service districts, community and technical colleges, local governments, or nonprofit organizations, are eligible to participate as providers of the state early childhood education and assistance program.
 - (2) Funds obtained by providers through voluntary grants or contributions from individuals, agencies, corporations, or organizations may be used to expand or enhance preschool programs so long as program standards established by the department are maintained.
- 19 (3) Persons applying to conduct the early childhood education and 20 assistance program shall identify targeted groups and the number of 21 children to be served, program components, the qualifications of

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instructional and special staff, the source and amount of grants or contributions from sources other than state funds, facilities and equipment support, and transportation and personal care arrangements.

- (4) A new early childhood education and assistance program provider must complete the requirements in this subsection to be eligible to receive state-funded support under the early childhood education and assistance program:
- (a) Enroll in the early achievers program within thirty days of the start date of the early childhood education and assistance program contract;
- (b) (i) Except as provided in (b) (ii) of this subsection, rate at a level 4 or 5 in the early achievers program within twenty-four months of enrollment. If an early childhood education and assistance program provider rates below a level 4 within twenty-four months of enrollment, the provider must complete remedial activities with the department, and $\underline{\text{must}}$ rate at $\underline{\text{or request to be rated at}}$ a level 4 or 5 within $((\underline{\text{six}}))$ $\underline{\text{twelve}}$ months of beginning remedial activities.
- (ii) Licensed or certified child care centers and homes that administer an early childhood education and assistance program shall rate at a level 4 or 5 in the early achievers program within twenty-four months of the start date of the early childhood education and assistance program contract. If an early childhood education and assistance program provider rates below a level 4 within twenty-four months, the provider must complete remedial activities with the department, and <u>must</u> rate at <u>or request to be rated at</u> a level 4 or 5 within ((six)) twelve months of beginning remedial activities.
- (5)(a) If an early childhood education and assistance program provider has successfully completed all of the required early achievers program activities and is waiting to be rated by the deadline provided in this section, the provider may continue to participate in the early achievers program as an approved early childhood education and assistance program provider and receive state subsidy pending the successful completion of a level 4 or 5 rating.
- (b) To avoid disruption, the department may allow for early childhood education and assistance program providers who have rated below a level 4 after completion of the ((six)) twelve-month remedial period to continue to provide services until the current school year is finished.
- (c) (i) If the early childhood education and assistance program provider described under subsection (4)(b)(i) or (ii) of this section

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does not rate or request to be rated at a level 4 or 5 following the
remedial period, the provider is not eligible to receive state-funded
support under the early childhood education and assistance program
under this section.

- (ii) If the early childhood education and assistance program provider described under subsection (4)(b)(i) or (ii) of this section does not rate at a level 4 or 5 when the rating is released following the remedial period, the provider is not eligible to receive statefunded support under the early childhood education and assistance program under this section.
- (6) (a) When an early childhood education and assistance program in good standing changes classroom locations to a comparable or improved space within the same facility, a rerating is not required outside of the regular rerating and renewal cycle.
- (b) When an early childhood education and assistance program in good standing moves to a new facility, the provider must notify the department of the move within six months of changing locations in order to retain their existing rating. The early achievers program must conduct an observational visit to ensure the new classroom space is of comparable or improved environmental quality. If a provider fails to notify the department within six months of a move, the early achievers rating must be changed from the posted rated level to "Participating, Not Yet Rated" and the provider will cease to receive tiered reimbursement incentives until a new rating is completed.
- (7) The department shall collect data periodically to determine the demand for full-day programming for early childhood education and assistance program providers. The department shall analyze this demand by geographic region and shall include the findings in the annual report required under RCW 43.216.089.
- (8) The department shall develop multiple pathways for licensed or certified child care centers and homes to administer an early childhood education and assistance program. The pathways shall include an accommodation for these providers to rate at a level 4 or 5 in the early achievers program according to the timelines and standards established in subsection (4)(b)(ii) of this section. The department must consider using the intermediate level that is between level 3 and level 4 as described in RCW 43.216.085, incentives, and front-end funding in order to encourage providers to participate in the pathway.

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Sec. 2. RCW 43.216.135 and 2019 c 406 s 70 and 2019 c 369 s 4 2 are each reenacted and amended to read as follows:

- (1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.
- (2) As recommended by Public Law 113-186, authorizations for the working connections child care subsidy shall be effective for twelve months beginning July 1, 2016, unless an earlier date is provided in the omnibus appropriations act.
- (3) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:
 - (a) Enroll in the early achievers program by August 1, 2016;
- (b) Complete level 2 activities in the early achievers program by August 1, 2017; and
 - (c) Rate or request to be rated at a level 3 or higher in the early achievers program by December 31, 2019. If a child care provider does not rate at or request to be rated at a level 3 by December 31, 2019, the provider ((is no longer eligible to receive state subsidy. If the provider rates below a level 3 when the rating is released, the provider)) must complete remedial activities with the department, and must rate at or request to be rated at a level 3 or higher no later than December 30, 2020.
- (4) A new child care provider serving nonschool-age children and receiving state subsidy payments must complete the following activities to be eligible to receive a state subsidy under this section:
- (a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;
- 36 (b) Complete level 2 activities in the early achievers program 37 within twelve months of enrollment; and
- 38 (c) Rate or request to be rated at a level 3 or higher in the 39 early achievers program within thirty months of enrollment. If a 40 child care provider does not rate or request to be rated at a level 3

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- within thirty months from enrollment into the early achievers program, the provider ((is no longer eligible to receive state subsidy. If the provider rates below a level 3 when the rating is released, the provider)) must complete remedial activities with the department, and rate or request to be rated at a level 3 or higher within twelve months of beginning remedial activities.
 - (5) If a child care provider does not rate or request to be rated at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section. If a child care provider does not rate at a level 3 or higher when the rating is released following the remedial period, the provider is no longer eligible to receive state subsidy under this section.
 - (6) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.
 - (7) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.
 - (8) The department shall account for a child care copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.
 - (9) (a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:
 - (i) In the last six months have:

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- 28 (A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;
- 30 (B) Received child welfare services as defined and used by 31 chapter 74.13 RCW; or
 - (C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;
- (ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and
 - (iii) Are residing with a biological parent or guardian.
- 37 (b) Children who are eligible for working connections child care 38 pursuant to this subsection do not have to keep receiving services 39 identified in this subsection to maintain twelve-month authorization. 40 The department of social and health services' involvement with the

- family referred for working connections child care ends when the family's child protective services, child welfare services, or family assessment response case is closed.
- 4 (10)(a) Beginning August 1, 2020, the department may not require 5 an applicant or consumer to meet work requirements as a condition of 6 receiving working connections child care benefits when the applicant 7 or consumer is:
 - (i) A single parent;

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- 9 (ii) A full-time student of a community, technical, or tribal 10 college; and
- 11 (iii) Pursuing vocational education that leads to a degree or 12 certificate in a specific occupation, not to result in a bachelor's 13 or advanced degree.
 - (b) An applicant or consumer is a full-time student for the purposes of this subsection if he or she meets the college's definition of a full-time student. The student must maintain passing grades and be in good standing pursuant to college attendance requirements.
- 19 (c) Nothing in this subsection is intended to change how 20 applicants or consumers are prioritized when applicants or consumers 21 are placed on a wait list for working connections child care 22 benefits.
- Sec. 3. 2019 c 369 s 6 (uncodified) is amended to read as follows:
- 25 (1) Subject to the availability of amounts appropriated for this 26 specific purpose, the department of children, youth, and families 27 must deliver a progress report to the governor and the legislature by 28 ((July)) September 1, 2020, and a final report by July 1, 2021, that 29 includes:
- 30 (a) An analysis of consumer income and copay requirements in the 31 working connections child care program and recommendations for 32 mitigating the "cliff effect" for child care subsidy consumers. 33 Recommendations must consider:
- 34 (i) How to further develop and implement a sliding scale or 35 tiered reimbursement and phase-out model that works for both 36 consumers and providers and provides incentives for quality child 37 care across communities;

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- 1 (ii) Whether or not increasing or decreasing the eligibility 2 threshold for working connections child care would allow parents to 3 grow professionally without losing affordable child care;
 - (iii) Whether further graduation of the copay scale would help alleviate the cliff that occurs at subsidy cutoff; and
 - (iv) Capping family child care expenses at seven percent of a family's income;

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- (b) Recommendations related to differential slot rates for the early childhood education and assistance program based on variable factors that may contribute to costs for providers when working to achieve positive child outcomes. When developing the recommendations, the department must:
- 13 (i) Consider, at a minimum, variations by geographic region, 14 contractor type, child risk factors, and teacher credentials;
 - (ii) Evaluate advantages and disadvantages of linking early childhood education and assistance program rates and other child care subsidy rates; and
 - (iii) Review the department-designated subsidy regions and adjust regional boundaries as necessary to reflect regional economic conditions; and
 - (c) A plan for blending child care development funds and early childhood education and assistance program funds to provide extended day slots in the early childhood education and assistance program. The plan must include consideration of administrative efficiencies gained resulting from fully transferring the working connections child care program into the department.
 - (2) This section expires January 1, ((2020)) 2022.

Passed by the Senate February 19, 2020. Passed by the House March 4, 2020. Approved by the Governor April 2, 2020. Filed in Office of Secretary of State April 3, 2020.

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