

E2SSB 5237 - H COMM AMD

By Committee on Children, Youth & Families

ADOPTED AND ENGROSSED 04/08/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** SHORT TITLE. This act may be known and
4 cited as the fair start for kids act.

5 NEW SECTION. **Sec. 2.** INTENT. (1) The legislature finds that
6 high quality child care and early learning is critical to a child's
7 success in school and life. The legislature recognizes that COVID-19
8 has devastated the existing child care industry, making it unduly
9 burdensome for families to find care. The legislature recognizes that
10 without immediate action to support child care providers, and without
11 expanded access to affordable child care, especially infant and
12 school-age care, parents will not be able to return to work while
13 children lose valuable learning opportunities. In order to bolster a
14 full economic recovery, the legislature finds that every child
15 deserves a fair start.

16 (2) The legislature finds that access to affordable child care
17 increases economic growth and labor force participation. The
18 legislature further finds that an affordable, accessible system of
19 high quality child care is necessary to the health of Washington's
20 economy because employers benefit when parents have safe, stable, and
21 appropriate care for their children. The legislature recognizes that
22 too many working parents are forced to reduce their hours, decline
23 promotional opportunities, or leave the workforce completely due to a
24 lack of affordable and appropriate child care. The legislature finds
25 that a report commissioned by the department of commerce in 2019
26 found that working parents in Washington forego \$14,000,000,000 each
27 year directly due to child care scarcity. The legislature recognizes
28 that this disproportionately impacts women in the workforce and that
29 in September 2020 alone, 78,000 men left the workforce, compared to
30 600,000 women.

1 (3) The legislature recognizes that quality child care can be a
2 stabilizing factor for children experiencing homelessness, and is a
3 proven protective factor against the impacts of trauma they may
4 experience. Access to child care is also a necessary support for
5 families with young children in resolving homelessness and securing
6 employment.

7 (4) The legislature finds that the scarcity of child care,
8 exacerbated by COVID-19, most significantly impacts families furthest
9 from opportunity. The legislature recognizes that there are
10 additional barriers to accessing this foundational support for
11 immigrant communities and families whose first language is not
12 English, families who have children with disabilities, rural
13 communities, or other child care deserts. The legislature recognizes
14 that high quality, inclusive child care and early learning programs
15 have been shown to reduce the opportunity gap for low-income children
16 and black, indigenous, and children of color while consistently
17 improving outcomes for all children both inside and outside of the
18 classroom.

19 (5) The legislature finds that without access to comprehensive,
20 high quality prenatal to five services, children often enter
21 kindergarten without the social-emotional, physical, cognitive, and
22 language skills they need to be successful and fall behind their
23 peers, facing compounding developmental challenges throughout their
24 K-12 education. The legislature finds that cascading impacts of
25 inaccessible child care and early learning programs create systemic
26 barriers for children and their families that result in higher
27 special education needs, greater likelihood of needing to repeat
28 grades, increased child welfare and juvenile justice involvement,
29 reduced high school graduation rates, limited postsecondary education
30 attainment, and greater barriers to employment in adulthood.

31 (6) The legislature finds the vast majority of child care
32 providers are small businesses and nonprofit organizations. In
33 addition to adhering to federal, state, and local regulations to
34 ensure healthy and safe environments for children, the legislature
35 recognizes that child care providers must ensure their employees are
36 adequately compensated and supported. However, the legislature
37 acknowledges that the reduced staffing ratios for health and safety,
38 additional cost of personal protective equipment and extra cleaning
39 supplies, increased use of substitutes needed during COVID-19-related
40 absences, and increased technology demands during school closures

1 from the pandemic are further straining the viability of the child
2 care business model in Washington state.

3 (7) The legislature finds that the health and stability of the
4 early learning workforce is pivotal to any expansion of child care in
5 Washington state. The legislature recognizes that the child care
6 workforce, predominantly comprised of women of color, is structurally
7 afflicted by low wages, limited or no health care, and a severe lack
8 of retirement benefits. The legislature further recognizes that the
9 threat of COVID-19 compounds these underlying issues, forcing
10 providers to navigate increased stress, anxiety, and behavioral
11 issues all while risking their lives to care for children. The
12 legislature recognizes that families, friends, and neighbors who
13 provide care are a critical component of the child care system. The
14 legislature finds that child care workers are essential and deserve
15 to be compensated and benefited accordingly.

16 (8) Therefore, the legislature resolves to respond to the
17 COVID-19 crisis by first stabilizing the child care industry and then
18 expanding access to a comprehensive continuum of high quality early
19 childhood development programs, including infant and school-age child
20 care, preschool, parent and family supports, and prenatal to three
21 services. The legislature recognizes this continuum as critical to
22 meeting different families' needs and offering every child in
23 Washington access to a fair start.

24 (9) The legislature recognizes that the federal government has
25 provided substantial additional funding through the coronavirus
26 response and relief supplemental appropriations act, P.L. 116-260,
27 division M., and the American rescue plan act of 2021. The purpose of
28 the additional federal funding is to ensure access to affordable
29 child care and stabilize and support child care providers affected by
30 COVID-19. Therefore, it is the intent of the legislature to use the
31 additional federal funding to supplement state funding in order to
32 accelerate these investments.

33 (10) The legislature recognizes the strengths that multilingual,
34 diverse early learning providers and caregivers contribute to early
35 learning across the state. Therefore, the legislature intends to
36 expand language access services to create an inclusive early learning
37 system that specifically supports underserved providers.

38 (11) The legislature intends to expand eligibility for existing
39 child care and preschool programs to increase access. The legislature
40 recognizes that expansion must be accompanied by an investment to

1 make child care more affordable. Therefore, the legislature intends
2 to eliminate copayments for low-income families and limit copayments
3 for any family on subsidy to no more than seven percent of their
4 income.

5 (12) The legislature further intends to stabilize, support, and
6 grow the diverse early learning workforce by funding living wages and
7 affordable health benefits while providing training, infant and early
8 childhood mental health consultation, shared business services, and a
9 variety of other supports that recognize the critical role that early
10 learning providers serve for all Washington children.

11 (13) The legislature intends to accelerate Washington's economic
12 recovery from the devastating impacts of COVID-19 by dramatically
13 expanding access to affordable, high quality child care and
14 preschool, in order to get parents back to work and provide every
15 child with a fair start.

16 **PART I**

17 **INVESTING IN CHILD CARE AND EARLY LEARNING**

18 NEW SECTION. **Sec. 101.** FAIR START FOR KIDS ACCOUNT. (1) The
19 fair start for kids account is created in the state treasury. Moneys
20 in the account may be spent only after appropriation.

21 (2) Expenditures from the account may be used only for child care
22 and early learning purposes.

23 NEW SECTION. **Sec. 102.** FAIR START FOR KIDS SPENDING GOALS AND
24 STRATEGIES. (1) The spending goals and strategies for the fair start
25 for kids account created under section 101 of this act include, but
26 are not limited to:

27 (a) Increasing child care subsidy rates, with the goal of moving
28 toward the full cost of providing high quality child care;

29 (b) Expanding health care coverage through state sponsorship of
30 child care workers on the Washington health benefit exchange and
31 providing consumer assistance through navigators, as well as any
32 other expansions of access to affordable health care for staff in
33 child care centers, family home providers, outdoor nature-based care,
34 and early childhood education and assistance program staff;

35 (c) Increasing child care and early learning providers'
36 compensation;

- 1 (d) Implementing the provisions of collective bargaining
2 agreements for family child care providers negotiated pursuant to RCW
3 41.56.028;
- 4 (e) Supporting and expanding access to the early childhood
5 education and assistance program to reach state-funded entitlement
6 required in RCW 43.216.556;
- 7 (f) Making child care affordable for families;
- 8 (g) Providing resources and supports for family, friend, and
9 neighbor caregivers that better reflect the full cost of care;
- 10 (h) Providing child care subsidies for families working to
11 resolve homelessness;
- 12 (i) Providing professional development opportunities for child
13 care and early learning providers;
- 14 (j) Delivering infant and early childhood mental health
15 consultation services;
- 16 (k) Establishing prekindergarten through third grade systems
17 coordinators at educational service districts;
- 18 (l) Supporting youth development programs serving children and
19 youth ages birth through 12 including, but not limited to, expanded
20 learning opportunities, mentoring, school-age child care, and
21 wraparound supports or integrated student supports;
- 22 (m) Awarding grants and loans through the early learning
23 facilities grant and loan program established under chapter 43.31
24 RCW;
- 25 (n) Funding special designations in the working connections child
26 care programs, early childhood education and assistance programs, and
27 birth to three early childhood education and assistance programs
28 including designations established in sections 302, 304, 305, and 404
29 of this act;
- 30 (o) Supporting costs for transparent data collection and
31 information technology systems operated by the department and
32 department contractors, in particular, to ensure equitable systemic
33 service provision and outcomes;
- 34 (p) Providing access to learning technology;
- 35 (q) Providing child care resource and referral services;
- 36 (r) Conducting quality rating and improvement system activities
37 through the early achievers program;
- 38 (s) Expanding prenatal to three services and supports, including
39 the birth to three early childhood education and assistance program

1 and the in-home parent skill-based programs established in RCW
2 43.216.130;

3 (t) Building and delivering a family resource and referral
4 linkage system;

5 (u) Allowing the exploration of options to provide regulatory
6 relief and make licensing more affordable for child care providers;

7 (v) Administering comprehensive shared services hubs to allow the
8 ongoing pooling and shared use of services by licensed or certified
9 child care centers and family home providers;

10 (w) Training department staff to ensure consistent and equitable
11 application of child care licensing and quality standards across the
12 state including antibias and antiracist training;

13 (x) Providing incentives and supports for child care providers to
14 become licensed;

15 (y) Studying and evaluating options to incentivize business
16 participation in child care and early learning systems;

17 (z) Providing start-up grants to eligible organizations as
18 described in RCW 43.31.575 who provide or commit to providing the
19 early childhood education and assistance program or working
20 connections child care. Start-up grants must be used for one-time
21 start-up costs associated with the start-up of a new child care or
22 early childhood education and assistance program site; and

23 (aa) Recognizing the benefits of the diverse workforce and
24 facilitating communication in the three most commonly spoken
25 languages by developing a language access plan that centers on equity
26 and access for immigrants, multilingual providers, caregivers, and
27 families.

28 (2) This section does not interfere with, impede, or in any way
29 diminish the right of family child care providers to bargain
30 collectively with the state through the exclusive bargaining
31 representatives as provided for under RCW 41.56.028.

32 **Sec. 103.** RCW 43.88.055 and 2020 c 218 s 2 are each amended to
33 read as follows:

34 LEGISLATIVE BALANCED BUDGET REQUIREMENT. (1) The legislature must
35 adopt a four-year balanced budget as follows:

36 (a) Beginning in the 2013-2015 fiscal biennium, the legislature
37 shall enact a balanced omnibus operating appropriations bill that
38 leaves, in total, a positive ending fund balance in the general fund
39 and related funds.

1 (b) Beginning in the 2013-2015 fiscal biennium, the projected
2 maintenance level of the omnibus appropriations bill enacted by the
3 legislature shall not exceed the available fiscal resources for the
4 next ensuing fiscal biennium.

5 (2) For purposes of this section:

6 (a) "Available fiscal resources" means the beginning general fund
7 and related fund balances and any fiscal resources estimated for the
8 general fund and related funds, adjusted for enacted legislation, and
9 with forecasted revenues adjusted to the greater of (i) the official
10 general fund and related funds revenue forecast for the ensuing
11 biennium, or (ii) the official general fund and related funds
12 forecast for the second fiscal year of the current fiscal biennium,
13 increased by 4.5 percent for each fiscal year of the ensuing
14 biennium;

15 (b) "Projected maintenance level" means estimated appropriations
16 necessary to maintain the continuing costs of program and service
17 levels either funded in that appropriations bill or mandated by other
18 state or federal law, and the amount of any general fund moneys
19 projected to be transferred to the budget stabilization account
20 pursuant to Article VII, section 12 of the state Constitution;

21 (c) "Related funds," as used in this section, means the
22 Washington opportunity pathways account, the workforce education
23 investment account, the fair start for kids account, and the
24 education legacy trust account.

25 (3) Subsection (1)(a) and (b) of this section does not apply to
26 an appropriations bill that makes net reductions in general fund and
27 related funds appropriations and is enacted between July 1st and
28 February 15th of any fiscal year.

29 (4) Subsection (1)(b) of this section does not apply in a fiscal
30 biennium in which money is appropriated from the budget stabilization
31 account pursuant to Article VII, section 12(d)(ii) of the state
32 Constitution.

33 **Sec. 104.** RCW 43.216.075 and 2020 c 262 s 4 are each amended to
34 read as follows:

35 INVESTMENT ACCOUNTABILITY AND OVERSIGHT. (1) The early learning
36 advisory council is established to advise the department on statewide
37 early learning issues that contribute to the ongoing efforts of
38 building a comprehensive system of quality early learning programs
39 and services for Washington's young children and families.

1 (2) The council shall work in conjunction with the department to
2 ((assist)):

3 (a) Assist in policy development and implementation that ((assist
4 the department in promoting)) promotes alignment of private and
5 public sector actions, objectives, and resources, ((ensuring)) with
6 the overall goal of promoting school readiness for all children;

7 (b) Provide recommendations annually to the governor and the
8 legislature, beginning August 31, 2022, regarding the phased
9 implementation of strategies and priorities identified in section 102
10 of this act;

11 (c) Maintain a focus on racial equity and inclusion in order to
12 dismantle systemic racism at its core and contribute to statewide
13 efforts to break the cycle of intergenerational poverty;

14 (d) Maintain a focus on inclusionary practices for children with
15 disabilities;

16 (e) Partner with nonprofit organizations to collect and analyze
17 data and measure progress; and

18 (f) Assist the department in monitoring and ensuring that the
19 investments funded by the fair start for kids account created in
20 section 101 of this act are designed to support the following
21 objectives:

22 (i) Advance racial equity and strengthen families by recognizing
23 and responding to the growing diversity of our state's population;

24 (ii) Promote access to affordable, high quality child care and
25 early learning opportunities for all families, paying particular
26 attention to the needs of rural and other underserved communities;

27 (iii) Promote kindergarten readiness by enhancing child
28 development, including development of social-emotional skills, and
29 eliminating exclusionary admissions practices and disproportionate
30 removals in child care and early learning programs; and

31 (iv) Contribute to efforts to strengthen and grow our state's
32 economy by supporting working parents as well as stabilizing and
33 supporting the child care and early learning workforce.

34 (3) In collaboration with the council, the department shall
35 consult with its advisory groups and other interested stakeholders
36 and shall submit a biennial report to the governor and legislature
37 describing how the investments funded by the fair start for kids act
38 have impacted the policy objectives stated in subsection (2)(f) of
39 this section. The first report under this section is due September
40 15, 2023. The council shall include diverse, statewide representation

1 from public, nonprofit, and for-profit entities. Its membership shall
2 include critical partners in service delivery and reflect regional,
3 racial, and cultural diversity to adequately represent the ~~((needs))~~
4 interests of all children and families in the state.

5 (4) Councilmembers shall serve two-year terms. However, to
6 stagger the terms of the council, the initial appointments for twelve
7 of the members shall be for one year. Once the initial one-year to
8 two-year terms expire, all subsequent terms shall be for two years,
9 with the terms expiring on June 30th of the applicable year. The
10 terms shall be staggered in such a way that, where possible, the
11 terms of members representing a specific group do not expire
12 simultaneously.

13 (5) The council shall consist of members essential to
14 coordinating services statewide prenatal through age ~~((five))~~ 12, as
15 follows:

16 (a) In addition to being staffed and supported by the department,
17 the governor shall appoint one representative from each of the
18 following: The department of commerce and the department of health~~((7~~
19 ~~the student achievement council, and the state board for community~~
20 ~~and technical colleges))~~;

21 (b) One representative from the student achievement council, to
22 be appointed by the student achievement council;

23 (c) The military spouse liaison created within the department of
24 veterans affairs under RCW 43.60A.245;

25 (d) One representative from the state board for community and
26 technical colleges, to be appointed by the state board for community
27 and technical colleges;

28 (e) One representative from the office of the superintendent of
29 public instruction, to be appointed by the superintendent of public
30 instruction;

31 ~~((c) The governor shall appoint leaders in early childhood~~
32 ~~education to represent critical service delivery and support sectors,~~
33 ~~with at least one individual representing each of the following:~~

34 ~~(i) The head start state collaboration office director or the~~
35 ~~director's designee;~~

36 ~~(ii) A representative of a head start, early head start, or~~
37 ~~migrant/seasonal head start program;~~

38 ~~(iii) A representative of a local education agency;~~

1 ~~(iv) A representative of the state agency responsible for~~
2 ~~programs under section 619 or part C of the federal individuals with~~
3 ~~disabilities education act;~~

4 ~~(v) A representative of the early childhood education and~~
5 ~~assistance program;~~

6 ~~(vi) A representative of licensed family day care providers;~~

7 ~~(vii) A representative of child day care centers; and~~

8 ~~(viii) A representative from the home visiting advisory committee~~
9 ~~established in RCW 43.216.130;~~

10 ~~(d))~~ (f) Two members of the house of representatives, one from
11 each caucus, to be appointed by the speaker of the house of
12 representatives and two members of the senate, one from each caucus,
13 to be appointed by the majority leader in the senate and the minority
14 leader in the senate;

15 ~~((e))~~ (g) Two parents, one of whom serves on the department's
16 parent advisory group, to be appointed by the ~~((governor))~~ parent
17 advisory group;

18 ~~((f))~~ (h) One representative of the private-public partnership
19 created in RCW 43.216.065, to be appointed by the partnership board;

20 ~~((g))~~ (i) One representative from the developmental
21 disabilities community representing children and families involved in
22 part C of the federal individuals with disabilities education act and
23 one representative from the developmental disabilities community
24 representing children and families involved in part B of the federal
25 individuals with disabilities education act;

26 ~~((h))~~ (j) Two representatives from early learning regional
27 coalitions;

28 ~~((i) Representatives))~~ (k) Up to five representatives of
29 underserved communities who have a special expertise or interest in
30 high quality early learning, one to be appointed by each of the
31 following commissions:

32 (i) The Washington state commission on Asian Pacific American
33 affairs established under chapter 43.117 RCW;

34 (ii) The Washington state commission on African American affairs
35 established under chapter 43.113 RCW; ~~((and))~~

36 (iii) The Washington state commission on Hispanic affairs
37 established under chapter 43.115 RCW;

38 (iv) The Washington state women's commission established under
39 chapter 43.119 RCW; and

1 (v) The Washington state office of equity established under
2 chapter 43.06D RCW;

3 ~~((j))~~ (l) Two representatives designated by sovereign tribal
4 governments, one of whom must be a representative of a tribal early
5 childhood education assistance program or head start program;

6 ~~((k))~~ (m) One representative from the Washington federation of
7 independent schools;

8 ~~((l))~~ (n) One representative from the Washington library
9 association; ~~(and~~

10 ~~(m))~~ (o) One representative from a statewide advocacy coalition
11 of organizations that focuses on early learning;

12 (p) One representative from an association representing statewide
13 business interests, to be appointed by the association and one
14 representative from a regional business coalition;

15 (q) One representative of an advocacy organization for immigrants
16 and refugees;

17 (r) One representative of an organization advocating for expanded
18 learning opportunities and school-age child care programs;

19 (s) One representative from the largest union representing child
20 care providers;

21 (t) A representative of a head start, early head start, or
22 migrant and seasonal head start program, to be appointed by the head
23 start collaboration office;

24 (u) A representative of educational service districts, to be
25 appointed by a statewide association of educational service district
26 board members;

27 (v) A provider responsible for programs under section 619 of the
28 federal individuals with disabilities education act, to be appointed
29 by the superintendent of public instruction;

30 (w) A representative of the state agency responsible for part C
31 of the federal individuals with disabilities education act, to be
32 appointed by the department;

33 (x) A representative of the early childhood education and
34 assistance program, to be appointed by an association representing
35 early childhood education and assistance programs;

36 (y) A representative of licensed family home providers, to be
37 appointed by the largest union representing child care providers;

38 (z) A representative of child care centers, to be appointed by an
39 association representing child care centers;

1 (aa) A representative from the home visiting advisory committee
2 established in RCW 43.216.130, to be appointed by the committee;

3 (bb) An infant or early childhood mental health expert, to be
4 appointed by the Barnard center for infant and early childhood mental
5 health at the University of Washington;

6 (cc) A family, friend, and neighbor caregiver, to be appointed by
7 the largest union representing child care providers;

8 (dd) A representative from prenatal to three services;

9 (ee) A pediatrician, to be appointed by the state chapter of the
10 American academy of pediatrics; and

11 (ff) A representative of the statewide child care resource and
12 referral organization, to be appointed by the statewide child care
13 resource and referral organization.

14 (6) The council shall be cochaired by two members, to be elected
15 by the council for two-year terms and not more than one cochair may
16 represent a state agency.

17 (7) At the direction of the cochairs, the council may convene
18 advisory groups, such as a parent caucus, to evaluate specific issues
19 and report related findings and recommendations to the full council.

20 (8) The council shall appoint two members and stakeholders with
21 expertise in early learning to sit on the technical working group
22 created in section 2, chapter 234, Laws of 2010.

23 ~~((+8))~~ (9) Each member of the ~~((board))~~ council shall be
24 compensated in accordance with RCW 43.03.240 and reimbursed for
25 travel expenses incurred in carrying out the duties of the ~~((board))~~
26 council in accordance with RCW 43.03.050 and 43.03.060.

27 ~~((+9))~~ (10)(a) The council shall convene an early achievers
28 review subcommittee to provide feedback and guidance on strategies to
29 improve the quality of instruction and environment for early learning
30 and provide input and recommendations on the implementation and
31 refinement of the early achievers program. The subcommittee shall at
32 a minimum provide feedback and guidance to the department and the
33 council on the following:

34 (i) Adequacy of data collection procedures;

35 (ii) Coaching and technical assistance standards;

36 (iii) Progress in reducing barriers to participation for low-
37 income providers and providers from diverse cultural backgrounds,
38 including a review of the early achievers program's rating tools,
39 quality standard areas, and components, and how they are applied;

1 (iv) Strategies in response to data on the effectiveness of early
2 achievers program standards in relation to providers and children
3 from diverse cultural backgrounds;

4 (v) Status of the life circumstance exemption protocols; ~~((and))~~

5 (vi) Analysis of early achievers program data trends; and

6 (vii) Other relevant early learning data including progress in
7 serving students with disabilities ages birth to five and least
8 restrictive environment data.

9 (b) The subcommittee must include consideration of cultural
10 linguistic responsiveness when analyzing the areas for review
11 required by (a) of this subsection.

12 (c) The subcommittee shall include representatives from child
13 care centers, family child care, the early childhood education and
14 assistance program, contractors for early achievers program technical
15 assistance and coaching, tribal governments, the organization
16 responsible for conducting early achievers program ratings, and
17 parents of children participating in early learning programs,
18 including working connections child care and early childhood
19 education and assistance programs. The subcommittee shall include
20 representatives from diverse cultural and linguistic backgrounds.

21 ~~((+10+))~~ (11) (a) The council shall convene a temporary licensing
22 subcommittee to provide feedback and recommendations on improvement
23 to the statewide licensing process.

24 (b) Members of the subcommittee must include two representatives
25 of the department, two child care providers, and two parents of
26 children in child care. One child care provider and one parent
27 representative must reside east of the crest of the Cascade mountains
28 and one child care provider and one parent representative must reside
29 west of the crest of the Cascade mountains.

30 (c) The subcommittee shall:

31 (i) Examine strategies to increase the number of licensed child
32 care providers in the state, including meeting with prospective
33 licensees to explain the licensure requirements and inspect and
34 provide feedback on the physical space that is contemplated for
35 licensure;

36 (ii) Develop model policies for licensed child care providers to
37 implement licensing standards including, but not limited to,
38 completing the child care and early learning licensing guidebook, to
39 be made available to support providers with compliance; and

1 (iii) Develop recommendations regarding incentives and financial
2 supports to help prospective providers navigate the licensing
3 process.

4 (d) The subcommittee shall provide feedback and recommendations
5 to the department of children, youth, and families pursuant to this
6 subsection (11) by December 1, 2022.

7 (12) The department shall provide staff support to the council.

8 **Sec. 105.** RCW 83.100.230 and 2019 c 415 s 990 are each amended
9 to read as follows:

10 The education legacy trust account is created in the state
11 treasury. Money in the account may be spent only after appropriation.
12 Expenditures from the account may be used only for support of the
13 common schools, and for expanding access to higher education through
14 funding for new enrollments and financial aid, early learning and
15 child care programs, and other educational improvement efforts.
16 ~~((During the 2015-2017, 2017-2019, and 2019-2021 fiscal biennia~~
17 ~~appropriations from the account may be made for support of early~~
18 ~~learning programs. It is the intent of the legislature that this~~
19 ~~policy will be continued in subsequent fiscal biennia.))~~

20 NEW SECTION. **Sec. 106.** INFLATIONARY ADJUSTMENTS. Beginning July
21 1, 2023, and subject to the availability of amounts appropriated for
22 this specific purpose, rates paid under sections 302, 305, and 404 of
23 this act and RCW 43.216.578 must be adjusted every two years
24 according to an inflationary increase. The inflationary increase must
25 be calculated by applying the rate of the increase in the
26 inflationary adjustment index to the rates established in sections
27 302, 305, and 404 of this act and RCW 43.216.578. Any funded
28 inflationary increase must be included in the rate used to determine
29 inflationary increases in subsequent years. For the purposes of this
30 section, "inflationary adjustment index" means the implicit price
31 deflator averaged for each fiscal year, using the official current
32 base rate, compiled by the bureau of economic analysis, United States
33 department of commerce.

34 **PART II**

35 **EXPANDING ACCESS TO CHILD CARE AND EARLY LEARNING PROGRAMS**

1 NEW SECTION. **Sec. 201.** WORKING CONNECTIONS CHILD CARE PROGRAM
2 ELIGIBILITY AND COPAYMENT. (1) It is the intent of the legislature to
3 increase working families' access to affordable, high quality child
4 care and to support the expansion of the workforce to support
5 businesses and the statewide economy.

6 (2) Beginning October 1, 2021, a family is eligible for working
7 connections child care when the household's annual income is at or
8 below 60 percent of the state median income adjusted for family size
9 and:

10 (a) The child receiving care is: (i) Less than 13 years of age;
11 or (ii) less than 19 years of age and has a verified special need
12 according to department rule or is under court supervision; and

13 (b) The household meets all other program eligibility
14 requirements.

15 (3) Beginning July 1, 2025, a family is eligible for working
16 connections child care when the household's annual income is above 60
17 percent and at or below 75 percent of the state median income
18 adjusted for family size and:

19 (a) The child receiving care is: (i) Less than 13 years of age;
20 or (ii) less than 19 years of age and has a verified special need
21 according to department rule or is under court supervision; and

22 (b) The household meets all other program eligibility
23 requirements.

24 (4) Beginning July 1, 2027, and subject to the availability of
25 amounts appropriated for this specific purpose, a family is eligible
26 for working connections child care when the household's annual income
27 is above 75 percent of the state median income and is at or below 100
28 percent of the state median income adjusted for family size and:

29 (a) The child receiving care is: (i) Less than 13 years of age;
30 or (ii) less than 19 years of age and has a verified special need
31 according to department rule or is under court supervision; and

32 (b) The household meets all other program eligibility
33 requirements.

34 (5) (a) The department must calculate a monthly copayment
35 according to the following phased-in schedule:

Beginning date:	If the household's income is:	Then the household's copayment is:
Beginning July 1, 2023	At or below 36 percent of the state median income	Waived to the extent allowable under federal law

1	Beginning July 1, 2023	Above 36 percent and at or below 50 percent of the state median income	\$65
2			
3	Beginning July 1, 2023	Above 50 percent and at or below 60 percent of the state median income	\$165
4			
5	Beginning July 1, 2025	Above 60 percent and at or below 75 percent of the state median income	\$215
6			

7 (b) The department shall adopt a copayment model based on
8 available revenue for households with annual incomes above 75 percent
9 of the state median income and at or below 100 percent of the state
10 median income. The model must calculate a copayment for each
11 household that is no greater than seven percent of the household's
12 countable income within this income range.

13 (c) The department may adjust the copayment schedule to comply
14 with federal law.

15 (6) The department must adopt rules, including phase-out
16 eligibility, to implement this section.

17 **Sec. 202.** RCW 43.216.136 and 2020 c 279 s 2 are each amended to
18 read as follows:

19 WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS. (1) The
20 department shall establish and implement policies in the working
21 connections child care program to promote stability and quality of
22 care for children from low-income households. These policies shall
23 focus on supporting school readiness for young learners. Policies for
24 the expenditure of funds constituting the working connections child
25 care program must be consistent with the outcome measures established
26 by the department and the standards established in this section
27 intended to promote stability, quality, and continuity of early care
28 and education programming.

29 (2) As recommended by P.L. 113-186, authorizations for the
30 working connections child care subsidy are effective for twelve
31 months beginning July 1, 2016(~~(, unless an earlier date is provided~~
32 ~~in the omnibus appropriations act)).~~

33 (a) A household's 12-month authorization begins on the date that
34 child care is expected to begin.

35 (b) If a newly eligible household does not begin care within 12
36 months of being determined eligible by the department, the household
37 must reapply in order to qualify for subsidy.

1 (3) (a) The department shall establish and implement policies in
2 the working connections child care program to allow eligibility for
3 families with children who:

4 (i) In the last six months have:

5 (A) Received child protective services as defined and used by
6 chapters 26.44 and 74.13 RCW;

7 (B) Received child welfare services as defined and used by
8 chapter 74.13 RCW; or

9 (C) Received services through a family assessment response as
10 defined and used by chapter 26.44 RCW;

11 (ii) Have been referred for child care as part of the family's
12 case management as defined by RCW 74.13.020; and

13 (iii) Are residing with a biological parent or guardian.

14 (b) (~~Children~~) Families who are eligible for working
15 connections child care pursuant to this subsection do not have to
16 keep receiving services identified in this subsection to maintain
17 twelve-month authorization.

18 (4) (a) Beginning (~~August 1, 2020~~) August 1, 2021, and subject
19 to the availability of amounts appropriated for this specific
20 purpose, the department may not require an applicant or consumer to
21 meet work requirements as a condition of receiving working
22 connections child care benefits when the applicant or consumer is (~~+~~

23 ~~(i) A single parent;~~

24 ~~(ii) A) a full-time student of a community, technical, or tribal~~
25 ~~college (~~+~~) and (~~(iii) Pursuing~~) is enrolled in: (i) A vocational~~
26 ~~education program that leads to a degree or certificate in a specific~~
27 ~~occupation (~~, not to result in a bachelor's or advanced degree~~);~~

28 (ii) An associate degree program; or

29 (iii) A registered apprenticeship program.

30 (b) An applicant or consumer is a full-time student for the
31 purposes of this subsection if he or she meets the college's
32 definition of a full-time student. (~~The student must maintain~~
33 ~~passing grades and be in good standing pursuant to college attendance~~
34 ~~requirements.~~)

35 (c) Nothing in this subsection is intended to change how
36 applicants or consumers are prioritized when applicants or consumers
37 are placed on a waitlist for working connections child care benefits.

38 (d) Subject to the availability of amounts appropriated for this
39 specific purpose, the department may extend the provisions of this

1 subsection (4) to full-time students who are enrolled in a bachelor's
2 degree program or applied baccalaureate degree program.

3 (5) (a) The department must extend the homeless grace period, as
4 adopted in department rule as of January 1, 2020, from a four-month
5 grace period to a twelve-month grace period.

6 (b) For the purposes of this section, "homeless" means being
7 without a fixed, regular, and adequate nighttime residence as
8 described in the federal McKinney-Vento homeless assistance act (42
9 U.S.C. Sec. 11434a) as it existed on January 1, 2020.

10 (6) For purposes of this section, "authorization" means a
11 transaction created by the department that allows a child care
12 provider to claim payment for care. The department may adjust an
13 authorization based on a household's eligibility status.

14 NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
15 PROGRAM INTENT. (1) The legislature finds that eligibility guidelines
16 for the national school lunch program require free meals for children
17 with household incomes at or below 130 percent of the federal poverty
18 level and that this income level is approximately equivalent to 36
19 percent of the state median income for a household of three. The
20 legislature further finds that eligibility guidelines require
21 reduced-price meals for children with household incomes at or below
22 185 percent of the federal poverty level and that this income level
23 is approximately equivalent to 50 percent of the state median income
24 for a household of three.

25 (2) Therefore, the legislature intends to raise the maximum
26 family income for children entitled to enroll in the early childhood
27 education and assistance program to 36 percent of the state median
28 income beginning July 1, 2026. Beginning in the 2030-31 school year,
29 the legislature intends to raise the maximum family income for
30 children entitled to enroll in this program to 50 percent of the
31 state median income. It is the intent of the legislature to
32 standardize income eligibility levels for assistance programs in
33 order to help families and social workers better understand the
34 benefits for which families qualify and to simplify and align state
35 systems wherever feasible.

36 (3) The legislature further intends to support educational
37 service districts to help school districts partner with early
38 childhood education and assistance program contractors and providers
39 to expand access.

1 **Sec. 204.** RCW 43.216.505 and 2019 c 408 s 2 are each amended to
2 read as follows:

3 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM ENTITLEMENT
4 ELIGIBILITY. Unless the context clearly requires otherwise, the
5 definitions in this section apply throughout RCW 43.216.500 through
6 43.216.559, 43.216.900, and 43.216.901.

7 (1) "Advisory committee" means the advisory committee under RCW
8 43.216.520.

9 (2) "Approved programs" means those state-supported education and
10 special assistance programs which are recognized by the department as
11 meeting the minimum program rules adopted by the department to
12 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and
13 43.216.901 and are designated as eligible for funding by the
14 department under RCW 43.216.530 and 43.216.540.

15 (3) "Comprehensive" means an assistance program that focuses on
16 the needs of the child and includes education, health, and family
17 support services.

18 (4) "Eligible child" means a three to five-year old child who is
19 not age-eligible for kindergarten, is not a participant in a federal
20 or state program providing comprehensive services, and who:

21 (a) ~~Has a family ((income at or below one hundred ten percent of~~
22 ~~the federal poverty level, as published annually by the federal~~
23 ~~department of health and human services)) with financial need;~~

24 (b) Is experiencing homelessness;

25 (c) Has participated in early head start or a successor federal
26 program providing comprehensive services for children from birth
27 through two years of age, the early support for infants and toddlers
28 program or received class C developmental services, the birth to
29 three early childhood education and assistance program, or the early
30 childhood intervention and prevention services program;

31 (d) Is eligible for special education due to disability under RCW
32 28A.155.020; (~~or~~

33 ~~(e))~~ (e) Is Indian as defined in rule by the department after
34 consultation and agreement with Washington state's federally
35 recognized tribes pursuant to section 207 of this act and is at or
36 below 100 percent of the state median income adjusted for family
37 size; or

38 (f) Meets criteria under rules adopted by the department if the
39 number of such children equals not more than ten percent of the total
40 enrollment in the early childhood program. Preference for enrollment

1 in this group shall be given to children from families with the
2 lowest income, children in foster care, or to eligible children from
3 families with multiple needs.

4 (5) "Family support services" means providing opportunities for
5 parents to:

6 (a) Actively participate in their child's early childhood
7 program;

8 (b) Increase their knowledge of child development and parenting
9 skills;

10 (c) Further their education and training;

11 (d) Increase their ability to use needed services in the
12 community;

13 (e) Increase their self-reliance; and

14 (f) Connect with culturally competent, disability positive
15 therapists and supports where appropriate.

16 (6) "Experiencing homelessness" means a child without a fixed,
17 regular, and adequate nighttime residence as described in the federal
18 McKinney-Vento homeless assistance act (42 U.S.C., Chapter 119,
19 Subchapter VI, Part B) as it existed on January 1, 2021.

20 (7) "Family with financial need" means families with incomes at
21 or below 36 percent of the state median income adjusted for family
22 size until the 2030-31 school year. Beginning in the 2030-31 school
23 year, "family with financial need" means families with incomes at or
24 below 50 percent of the state median income adjusted for family size.

25 **Sec. 205.** RCW 43.216.512 and 2019 c 409 s 2 are each amended to
26 read as follows:

27 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED
28 ENROLLMENT. (1) The department shall adopt rules that allow the
29 enrollment of children in the early childhood education and
30 assistance program, as space is available, if the number of such
31 children equals not more than ((~~twenty-five~~)) 25 percent of total
32 statewide enrollment, when the child is not eligible under RCW
33 43.216.505 and whose family income level is((÷

34 ~~(a) Above one hundred ten percent but less than or equal to one~~
35 ~~hundred thirty percent of the federal poverty level; or~~

36 ~~(b) Above one hundred thirty percent but less than or equal to~~
37 ~~two hundred percent of the federal poverty level if)) above 36~~
38 percent of the state median income but at or below 50 percent of the
39 state median income adjusted for family size and the child meets at

1 least one of the risk factor criterion described in subsection (2) of
2 this section.

3 (2) Children enrolled in the early childhood education and
4 assistance program pursuant to (~~subsection (1)(b) of~~) this section
5 must be prioritized for available funded slots according to a
6 prioritization system adopted in rule by the department that
7 considers risk factors that have a disproportionate effect on
8 kindergarten readiness and school performance, including:

9 (a) Family income as a percent of the (~~federal poverty level~~)
10 state median income;

11 (b) (~~Homelessness~~;

12 ~~(e)~~) Child welfare system involvement;

13 (~~(d) Developmental delay or disability that does not meet the~~
14 ~~eligibility criteria for special education described in RCW~~
15 ~~28A.155.020~~) (c) Eligible for services under part C of the federal
16 individuals with disabilities education act but not eligible for
17 services under part B of the federal individuals with disabilities
18 education act;

19 (~~(e)~~) (d) Domestic violence;

20 (~~(f)~~) (e) English as a second language;

21 (~~(g)~~) (f) Expulsion from an early learning setting;

22 (~~(h)~~) (g) A parent who is incarcerated;

23 (~~(i)~~) (h) A parent with a (~~substance use disorder or mental~~)
24 behavioral health treatment need; and

25 (~~(j)~~) (i) Other risk factors determined by the department to be
26 linked by research to school performance.

27 (3) (~~The department shall adopt rules that allow a child to~~
28 ~~enroll in the early childhood education and assistance program, as~~
29 ~~space is available, when the child is not eligible under RCW~~
30 ~~43.216.505 and the child turns three years old at any time during the~~
31 ~~school year when the child:~~

32 ~~(a) Has a family income at or below two hundred percent of the~~
33 ~~federal poverty level or meets at least one risk factor criterion~~
34 ~~adopted by the department in rule; and~~

35 ~~(b) Has received services from or participated in:~~

36 ~~(i) The early support for infants and toddlers program;~~

37 ~~(ii) The early head start or a successor federal program~~
38 ~~providing comprehensive services for children from birth through two~~
39 ~~years of age; or~~

1 ~~(iii) The birth to three early childhood education and assistance~~
2 ~~program, if such a program is established.~~

3 ~~(4)) Children enrolled in the early childhood education and~~
4 ~~assistance program under this section are not considered eligible~~
5 ~~children as defined in RCW 43.216.505 and are not considered to be~~
6 ~~part of the state-funded entitlement required in RCW 43.216.556.~~

7 (4) This section expires August 1, 2030.

8 NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
9 PROGRAM EARLY ENTRY. (1) The department shall adopt rules that allow
10 a child to enroll in the early childhood education and assistance
11 program, as space is available and subject to the availability of
12 amounts appropriated for this specific purpose, when the child is not
13 eligible under RCW 43.216.505 and the child turns three years old at
14 any time during the school year when the child:

15 (a) Has a family income at or below 50 percent of the state
16 median income or meets at least one risk factor criterion adopted by
17 the department in rule; and

18 (b) Has received services from or participated in:

19 (i) The early head start or a successor federal program providing
20 comprehensive services for children from birth through two years of
21 age;

22 (ii) The early support for infants and toddlers program or
23 received class C developmental services;

24 (iii) The birth to three early childhood education and assistance
25 program; or

26 (iv) The early childhood intervention and prevention services
27 program.

28 (2) Children enrolled in the early childhood education and
29 assistance program under this section are not eligible children as
30 defined in RCW 43.216.505 and are not part of the state-funded
31 entitlement required in RCW 43.216.556.

32 NEW SECTION. Sec. 207. INDIAN CHILD DEFINITION. (1) The
33 department must consult, and obtain the advice and consent of, the
34 governing bodies of the state's federally recognized tribes in
35 developing an agreed-upon definition of the term "Indian" for the
36 purposes of RCW 43.216.505 and, by July 1, 2024, must adopt the
37 definition in rule.

38 (2) This section expires December 1, 2030.

1 ~~(2) This section expires January 30, 2025)) to recommend subsidy~~
2 ~~rates at levels that are sufficient to compensate licensed or~~
3 ~~certified child care providers for the full costs of providing high~~
4 ~~quality child care. The department shall consider:~~

5 ~~(i) Adjusting rates to reflect cost of living such as area median~~
6 ~~income, cost of living by zip code, and grouping by categories such~~
7 ~~as rural, suburban, or urban; and~~

8 ~~(ii) Incorporating the rate model for nonstandard child care~~
9 ~~hours developed under section 306 of this act.~~

10 ~~(b) The department shall build upon the work of the child care~~
11 ~~collaborative task force to evaluate options to support access to~~
12 ~~affordable health care insurance coverage for licensed or certified~~
13 ~~child care providers.~~

14 ~~(4) This section does not interfere with, impede, or in any way~~
15 ~~diminish the right of family child care providers to bargain~~
16 ~~collectively with the state through the exclusive bargaining~~
17 ~~representatives as provided for under RCW 41.56.028.~~

18 NEW SECTION. Sec. 302. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
19 PROGRAM RATES. (1) For the 2021-22 school year, rates for the early
20 childhood education and assistance program must be set at a level at
21 least 10 percent higher than the rates established in section 225,
22 chapter 415, Laws of 2019.

23 (2) It is the intent of the legislature that rate increases shall
24 be informed by the department's 2020 early childhood education and
25 assistance program rate study.

26 (3) This section expires June 30, 2027.

27 NEW SECTION. Sec. 303. COMPLEX NEEDS FUNDS. (1) The department
28 shall administer two complex needs funds to promote inclusive, least
29 restrictive environments and to support contractors and providers
30 serving children who have developmental delays, disabilities,
31 behavioral needs, or other unique needs. The department shall work
32 collaboratively with the office of the superintendent of public
33 instruction and providers so that the funds best serve the children.
34 One fund must support early childhood education and assistance
35 program contractors and providers and birth to three early childhood
36 education and assistance program contractors and providers, and one
37 fund must support licensed or certified child care providers and
38 license-exempt child care programs.

1 (2) Support may include staffing, programming, therapeutic
2 services, and equipment or technology support. Additional support may
3 include activities to assist families with children expelled or at
4 risk of expulsion from child care, and to help families transition in
5 and out of child care.

6 NEW SECTION. **Sec. 304.** TRAUMA-INFORMED CARE SUPPORTS. (1)
7 Beginning July 1, 2022, the department shall provide supports to aid
8 eligible providers in providing trauma-informed care. Trauma-informed
9 care supports may be used by eligible providers for the following
10 purposes:

11 (a) Additional compensation for individual staff who have an
12 infant and early childhood mental health or other child development
13 specialty credential;

14 (b) Trauma-informed professional development and training;

15 (c) The purchase of screening tools and assessment materials;

16 (d) Supportive services for children with complex needs that are
17 offered as fee-for-service within local communities; or

18 (e) Other related expenses.

19 (2) The department must adopt rules to implement this section.

20 (3) For the purposes of this section, "eligible provider" means:

21 (a) An employee or owner of a licensed or certified child care center
22 or outdoor nature-based care accepting state subsidy; (b) an employee

23 or owner of a licensed family home provider accepting state subsidy;

24 (c) a contractor or provider of the early childhood education and
25 assistance program or birth to three early childhood education and
26 assistance program; (d) a license-exempt child care program; or (e)

27 an early achievers coach.

28 NEW SECTION. **Sec. 305.** DUAL LANGUAGE RATE ENHANCEMENT. (1)
29 Beginning July 1, 2022, the department shall establish a dual
30 language designation and provide subsidy rate enhancements or site-
31 specific grants for licensed or certified child care providers who
32 are accepting state subsidy; early childhood education and assistance
33 program contractors; or birth to three early childhood education and
34 assistance program contractors. It is the intent of the legislature
35 to allow uses of the rate enhancements or site-specific grants to
36 include increased wages for individual staff who provide bilingual
37 instruction, professional development training, the purchase of dual
38 language and culturally appropriate curricula and accompanying

1 training programs, instructional materials, or other related
2 expenses.

3 (2) The department must consult with a culturally and
4 linguistically diverse stakeholder advisory group to develop criteria
5 for the dual language designation.

6 (3) The department must adopt rules to implement this section.

7 NEW SECTION. **Sec. 306.** NONSTANDARD HOURS RATE MODEL. (1) In
8 order to expand the supply of critically needed after-hours care to
9 meet the needs of parents and caregivers and a round-the-clock
10 economy, the department of children, youth, and families, in
11 consultation with diverse stakeholders, must develop a rate model for
12 nonstandard child care hours and submit the model to the governor and
13 the appropriate committees of the legislature by January 1, 2022.

14 (2) This section expires June 30, 2022.

15 NEW SECTION. **Sec. 307.** EARLY CHILDHOOD EQUITY GRANTS. (1)
16 Subject to the availability of amounts appropriated for this specific
17 purpose, the department shall distribute early childhood equity
18 grants to eligible applicants. Eligible applicants include play and
19 learn groups, licensed or certified child care centers and family
20 home providers, license-exempt child care programs, and early
21 childhood education and assistance program contractors. The equity
22 grants are intended to serve as a step toward expanding access to
23 early learning statewide and transforming Washington's early learning
24 system to make it more inclusive and equitable. The department shall
25 administer the early childhood equity grants to support inclusive and
26 culturally and linguistically specific early learning and early
27 childhood and parent support programs across the state.

28 (2) The department must conduct an equitable process to
29 prioritize grant applications for early childhood equity grant
30 assistance. An eligible applicant may receive an early childhood
31 equity grant once every two years. When conducting the equitable
32 grant process, the department must:

33 (a) Solicit project applications from a racially and
34 geographically diverse pool of eligible applicants statewide;

35 (b) Provide application materials in the five most commonly
36 spoken languages in the state and broadly communicate using a variety
37 of strategies to reach diverse communities;

1 (c) Require applicants to demonstrate their proposed uses of
2 early childhood equity grant funds to incorporate either inclusive
3 practices or culturally and linguistically supportive and relevant
4 practices, or both, into early learning program design, delivery,
5 education, training, and evaluation; and

6 (d) Provide technical assistance to any applicant who needs it.

7 NEW SECTION. **Sec. 308.** A new section is added to chapter 43.330
8 RCW to read as follows:

9 EMPLOYER-SUPPORTED CHILD CARE. (1) Subject to the availability of
10 amounts appropriated for this specific purpose, the department, in
11 collaboration with the department of children, youth, and families,
12 shall provide or contract to provide remote or in-person technical
13 assistance to employers interested in supporting their employees'
14 access to high quality child care.

15 (2) Technical assistance may include guidance related to:

16 (a) Operating a licensed child care center at or near the
17 workplace for the benefit of employees;

18 (b) Financing and construction of a licensed child care center at
19 or near the workplace for the benefit of employees;

20 (c) Providing financial assistance to employees for licensed or
21 certified child care providers and license-exempt child care program
22 expenses;

23 (d) Encouraging access and support for low-wage employees;

24 (e) Sponsoring dependent care flexible spending accounts for
25 employees; and

26 (f) Developing a "bring your infant to work" program and other
27 family-friendly work policies for employees.

28 NEW SECTION. **Sec. 309.** INFANT AND EARLY CHILDHOOD MENTAL HEALTH
29 CONSULTATION. (1) The department shall administer or contract for
30 infant and early childhood mental health consultation services to
31 child care providers and early learning providers participating in
32 the early achievers program.

33 (2) Infant and early childhood mental health consultation
34 services must be delivered in coordination with the consultants
35 provided under RCW 43.216.090.

36 (3) The department shall provide, or contract with an entity to
37 provide, reflective supervision and professional development for

1 infant and early childhood mental health consultants to meet national
2 competency standards.

3 (4) As capacity allows, the department may provide access to
4 infant and early childhood mental health consultation services to
5 caregivers and licensed or certified, military, and tribal early
6 learning providers, license-exempt family, friend, and neighbor care
7 providers, and families with children expelled or at risk of
8 expulsion from child care.

9 **Sec. 310.** RCW 43.216.090 and 2019 c 360 s 7 are each amended to
10 read as follows:

11 INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION. ((The))
12 Beginning July 1, 2021, the department of children, youth, and
13 families must have or contract for one infant and early childhood
14 mental health consultation coordinator and must enter into a
15 contractual agreement with an organization providing coaching
16 services to early achievers program participants to hire ((one)) at
17 least 12 qualified infant and early childhood mental health
18 consultants ~~((for each of the six department-designated regions))~~.
19 The department shall determine, in collaboration with the statewide
20 child care resource and referral network, where the additional
21 consultants should be sited based on factors such as the total
22 provider numbers overlaid with indicators of highest need. The infant
23 and early childhood mental health consultants must support early
24 achievers program coaches and child care providers by providing
25 resources, information, and guidance regarding challenging behavior
26 and expulsions and may travel to assist providers in serving families
27 and children with severe behavioral needs. ~~((In coordination with the~~
28 ~~contractor, the department of children, youth, and families must~~
29 ~~report on the services provided and the outcomes of the consultant~~
30 ~~activities to the governor and the appropriate policy and fiscal~~
31 ~~committees of the legislature by June 30, 2021.))~~

32 NEW SECTION. **Sec. 311.** PLAY AND LEARN GROUPS. Subject to the
33 availability of amounts appropriated for this specific purpose, the
34 department, in consultation with community-based programs, shall
35 provide or contract to provide, or both, resources and supports for
36 inclusive and culturally and linguistically relevant play and learn
37 groups. Play and learn groups offer parents and other caregivers
38 culturally responsive opportunities to support their children's early

1 learning, build relationships that reduce isolation and encourage
2 socialization, and promote kindergarten readiness.

3 NEW SECTION. **Sec. 312.** PROFESSIONAL DEVELOPMENT. (1) Subject to
4 the availability of amounts appropriated for this specific purpose,
5 the department shall provide professional development supports to aid
6 eligible providers in reaching the professional education and
7 training standards adopted by the department. Professional
8 development supports may include:

9 (a) Department-required trainings for child care providers
10 conducted by department-approved trainers;

11 (b) Trainings for license-exempt family, friend, and neighbor
12 child care providers conducted by department-approved trainers;

13 (c) Early achievers scholarships;

14 (d) Community-based training pathways and systems developed under
15 RCW 43.216.755;

16 (e) Supporting a nonprofit organization that provides
17 relationship-based professional development support to family,
18 friend, and neighbor caregivers, child care centers, and licensed
19 family home providers, and their work to help providers start their
20 businesses; and

21 (f) Other professional development activities such as updating
22 training content, data collection and reporting, trainer recruitment,
23 retention, program monitoring, and trainings delivered by department-
24 approved trainers on topics such as small business management,
25 antibias and antiracist training, providing care for children with
26 developmental disabilities, social-emotional learning, implementing
27 inclusionary practices in early learning environments, infant and
28 toddler care, dual language program development, and providing
29 trauma-informed care.

30 (2) For the purposes of this section, "eligible provider" means:

31 (a) An owner of a licensed or certified child care center, licensed
32 or certified outdoor nature-based care, or licensed family home
33 provider accepting state subsidy; (b) an employee of a licensed or
34 certified child care center, licensed or certified outdoor nature-
35 based care, or a licensed family home provider; (c) a contractor or
36 provider of the early childhood education and assistance program or
37 birth to three early childhood education and assistance program; or
38 (d) an early achievers coach.

1 (2) The legislature finds that the federal family first
2 prevention services act (P.L. 115-123) offers the state the
3 opportunity to leverage federal funding for certain programs,
4 including in-home parent skill-based programs, substance use disorder
5 support, and mental health interventions. Culturally relevant,
6 evidence-based programs that may qualify for these federal funds are
7 limited. Therefore, state support may be necessary to serve
8 traditionally underrepresented communities and increase positive
9 engagement from parents and caregivers of children from before birth
10 to age three.

11 (3) The legislature finds that small teacher-child ratios for
12 infant and toddler care, as well as the existence of child care
13 deserts with low levels of access to care for the birth to three age
14 group, contribute to higher expenses for providers and families with
15 babies and young children.

16 (4) Therefore, the legislature intends to expand parent and
17 family education and support, incentivize the provision of infant and
18 toddler care, and make early therapeutic and preventative services
19 more readily available to families and young children.

20 NEW SECTION. **Sec. 402.** EDUCATION AND SUPPORT FOR PARENTS AND
21 FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the
22 availability of amounts appropriated for this specific purpose, the
23 department shall administer a prenatal to three family engagement
24 strategy to support expectant parents, babies and toddlers from birth
25 to three years of age, and their caregivers.

26 (2) Components of the prenatal to three family engagement
27 strategy must include supports and services to improve maternal and
28 infant health outcomes, reduce and mitigate trauma, promote
29 attachment and other social-emotional assets, strengthen parenting
30 skills, and provide early supports to help maximize healthy and
31 robust childhood development and reduce isolation. Services and
32 supports may include:

33 (a) In-home parent skill-based programs and training established
34 in RCW 43.216.130;

35 (b) Facilitated play and learn groups;

36 (c) Parent peer-support groups, including groups designed for
37 families with children with complex needs; families whose primary
38 home language is not English; incarcerated parents; families coping

1 with substance use disorder or mental health support needs; black,
2 indigenous, and families of color; or other specific needs; and

3 (d) Other prenatal to age three programs and services.

4 (3) Continuity of services for babies and toddlers are important
5 for early childhood brain development. Therefore, the services and
6 supports described in this section may be made available to
7 biological parents, foster parents, kinship care providers, and other
8 family, friend, and neighbor caregivers.

9 **Sec. 403.** RCW 43.216.578 and 2019 c 408 s 8 are each amended to
10 read as follows:

11 BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

12 (1) ~~((Within resources available under the federal preschool
13 development grant birth to five grant award received in December
14 2018,))~~ Subject to the availability of amounts appropriated for this
15 specific purpose, the department shall ~~((develop a plan for phased
16 implementation of))~~ administer a birth to three early childhood
17 education and assistance program ~~((pilot project))~~ for eligible
18 children under thirty-six months old. Funds to implement the ~~((pilot
19 project))~~ program may include a combination of federal, state, or
20 private sources.

21 (2) The department may adopt rules to implement the ~~((pilot
22 project))~~ program and may waive or adapt early childhood education
23 and assistance program requirements when necessary to allow for the
24 operation of the birth to three early childhood education and
25 assistance program. The department shall consider early head start
26 rules and regulations when developing the provider and family
27 eligibility requirements and program requirements. ~~((Any deviations
28 from early head start standards, rules, or regulations must be
29 identified and explained by the department in its annual report under
30 subsection (6) of this section.))~~

31 (3) (a) ~~((Upon securing adequate funds to begin implementation,
32 the pilot project))~~ The birth to three early childhood education and
33 assistance program~~((s))~~ must be delivered through child care centers
34 and family home providers who meet minimum licensing standards and
35 are enrolled in the early achievers program.

36 (b) The department must determine minimum early achievers ratings
37 scores for ~~((programs))~~ participating ~~((in the pilot project))~~
38 contractors.

1 (4) ~~((When selecting pilot project locations for service~~
2 ~~delivery, the department may allow each pilot project location to~~
3 ~~have up to three classrooms per location. When selecting and~~
4 ~~approving pilot project locations, the department shall attempt to~~
5 ~~select a combination of rural, urban, and suburban locations. The~~
6 ~~department shall prioritize locations with programs currently~~
7 ~~operating early head start, head start, or the early childhood~~
8 ~~education and assistance program.~~

9 ~~(5))~~ To be eligible for the birth to three early childhood
10 education and assistance program, a child's family income must be at
11 or below ~~((one hundred thirty))~~ 50 percent of the ~~((federal poverty~~
12 ~~level))~~ state median income and the child must be under thirty-six
13 months old.

14 ~~((6) Beginning November 1, 2020, and each November 1st~~
15 ~~thereafter during pilot project activity, the department shall submit~~
16 ~~an annual report to the governor and legislature that includes a~~
17 ~~status update that describes the planning work completed, the status~~
18 ~~of funds secured, and any implementation activities of the pilot~~
19 ~~project. Implementation activity reports must include a description~~
20 ~~of the participating programs and number of children and families~~
21 ~~served.))~~

22 NEW SECTION. **Sec. 404.** INFANT CARE INCENTIVES. (1) The
23 legislature finds that our state suffers from an extreme shortage of
24 infant child care, impacting the ability of parents to participate in
25 the workforce. Further, parents returning to work after using paid
26 family leave to care for a new child struggle to find readily
27 available, high quality care during a time of critical growth and
28 brain development for young children. Therefore, the legislature
29 intends to incentivize the provision of high quality infant care.

30 (2) Beginning July 1, 2022, the department shall provide an
31 infant rate enhancement for licensed or certified child care
32 providers and birth to three early childhood education and assistance
33 program contractors who are:

- 34 (a) Accepting state subsidy;
- 35 (b) In good standing with the early achievers quality rating and
36 improvement system; and
- 37 (c) Caring for a child between the ages of birth and 11 months.
- 38 (3) The department must adopt rules to implement this section.

1 (c) "Family day care provider" and "family home provider"
2 mean((s)) a child care provider who regularly provides early
3 childhood education and early learning services for not more than
4 twelve children at any given time in the provider's home in the
5 family living quarters except as provided in section 314 of this act;

6 (d) "Nongovernmental private-public partnership" means an entity
7 registered as a nonprofit corporation in Washington state with a
8 primary focus on early learning, school readiness, and parental
9 support, and an ability to raise a minimum of five million dollars in
10 contributions;

11 (e) "Service provider" means the entity that operates a community
12 facility.

13 (2) "Agency" does not include the following:

14 (a) Persons related to the child in the following ways:

15 (i) Any blood relative, including those of half-blood, and
16 including first cousins, nephews or nieces, and persons of preceding
17 generations as denoted by prefixes of grand, great, or great-great;

18 (ii) Stepfather, stepmother, stepbrother, and stepsister;

19 (iii) A person who legally adopts a child or the child's parent
20 as well as the natural and other legally adopted children of such
21 persons, and other relatives of the adoptive parents in accordance
22 with state law; or

23 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of
24 this subsection, even after the marriage is terminated;

25 (b) Persons who are legal guardians of the child;

26 (c) Persons who care for a neighbor's or friend's child or
27 children, with or without compensation, where the person providing
28 care for periods of less than twenty-four hours does not conduct such
29 activity on an ongoing, regularly scheduled basis for the purpose of
30 engaging in business, which includes, but is not limited to,
31 advertising such care;

32 (d) Parents on a mutually cooperative basis exchange care of one
33 another's children;

34 (e) Nursery schools that are engaged primarily in early childhood
35 education with preschool children and in which no child is enrolled
36 on a regular basis for more than four hours per day;

37 (f) Schools, including boarding schools, that are engaged
38 primarily in education, operate on a definite school year schedule,
39 follow a stated academic curriculum, and accept only school age
40 children;

1 (g) Seasonal camps of three months' or less duration engaged
2 primarily in recreational or educational activities;

3 (h) Facilities providing child care for periods of less than
4 twenty-four hours when a parent or legal guardian of the child
5 remains on the premises of the facility for the purpose of
6 participating in:

7 (i) Activities other than employment; or

8 (ii) Employment of up to two hours per day when the facility is
9 operated by a nonprofit entity that also operates a licensed child
10 care program at the same facility in another location or at another
11 facility;

12 (i) Any entity that provides recreational or educational
13 programming for school age children only and the entity meets all of
14 the following requirements:

15 (i) The entity utilizes a drop-in model for programming, where
16 children are able to attend during any or all program hours without a
17 formal reservation;

18 (ii) The entity does not assume responsibility in lieu of the
19 parent, unless for coordinated transportation;

20 (iii) The entity is a local affiliate of a national nonprofit;
21 and

22 (iv) The entity is in compliance with all safety and quality
23 standards set by the associated national agency;

24 (j) A program operated by any unit of local, state, or federal
25 government;

26 (k) A program located within the boundaries of a federally
27 recognized Indian reservation, licensed by the Indian tribe;

28 (l) A program located on a federal military reservation, except
29 where the military authorities request that such agency be subject to
30 the licensing requirements of this chapter;

31 (m) A program that offers early learning and support services,
32 such as parent education, and does not provide child care services on
33 a regular basis.

34 (3) "Applicant" means a person who requests or seeks employment
35 in an agency.

36 (4) "Certificate of parental improvement" means a certificate
37 issued under RCW 74.13.720 to an individual who has a founded finding
38 of physical abuse or negligent treatment or maltreatment, or a court
39 finding that the individual's child was dependent as a result of a

1 finding that the individual abused or neglected their child pursuant
2 to RCW 13.34.030(6)(b).

3 (5) "Conviction information" means criminal history record
4 information relating to an incident which has led to a conviction or
5 other disposition adverse to the applicant.

6 (6) "Department" means the department of children, youth, and
7 families.

8 (7) "Early achievers" means a program that improves the quality
9 of early learning programs and supports and rewards providers for
10 their participation.

11 (8) "Early childhood education and assistance program contractor"
12 means an organization that provides early childhood education and
13 assistance program services under a signed contract with the
14 department.

15 (9) "Early childhood education and assistance program provider"
16 means an organization that provides site level, direct, and high
17 quality early childhood education and assistance program services
18 under the direction of an early childhood education and assistance
19 program contractor.

20 (10) (~~"Early start" means an integrated high quality continuum~~
21 ~~of early learning programs for children birth to five years of age.~~
22 ~~Components of early start include, but are not limited to, the~~
23 ~~following:~~

24 ~~(a) Home visiting and parent education and support programs;~~

25 ~~(b) The early achievers program described in RCW 43.216.085;~~

26 ~~(c) Integrated full-day and part-day high quality early learning~~
27 ~~programs; and~~

28 ~~(d) High quality preschool for children whose family income is at~~
29 ~~or below one hundred ten percent of the federal poverty level.~~

30 ~~(11))~~ "Education data center" means the education data center
31 established in RCW 43.41.400, commonly referred to as the education
32 research and data center.

33 ~~((12))~~ (11) "Employer" means a person or business that engages
34 the services of one or more people, especially for wages or salary to
35 work in an agency.

36 ~~((13))~~ (12) "Enforcement action" means denial, suspension,
37 revocation, modification, or nonrenewal of a license pursuant to RCW
38 43.216.325(1) or assessment of civil monetary penalties pursuant to
39 RCW 43.216.325(3).

1 (~~(14)~~) (13) "Extended day program" means an early childhood
2 education and assistance program that offers early learning education
3 for at least ten hours per day, a minimum of two thousand hours per
4 year, at least four days per week, and operates year-round.

5 (14) "Family resource and referral linkage system" means a system
6 that connects families to resources, services, and programs for which
7 families are eligible and uses a database that is developed and
8 maintained in partnership with communities, health care providers,
9 and early learning providers.

10 (15) "Full day program" means an early childhood education and
11 assistance program that offers early learning education for a minimum
12 of one thousand hours per year.

13 (16) "Low-income child care provider" means a person who
14 administers a child care program that consists of at least eighty
15 percent of children receiving working connections child care subsidy.

16 (17) "Low-income neighborhood" means a district or community
17 where more than twenty percent of households are below the federal
18 poverty level.

19 (18) "Negative action" means a court order, court judgment, or an
20 adverse action taken by an agency, in any state, federal, tribal, or
21 foreign jurisdiction, which results in a finding against the
22 applicant reasonably related to the individual's character,
23 suitability, and competence to care for or have unsupervised access
24 to children in child care. This may include, but is not limited to:

25 (a) A decision issued by an administrative law judge;

26 (b) A final determination, decision, or finding made by an agency
27 following an investigation;

28 (c) An adverse agency action, including termination, revocation,
29 or denial of a license or certification, or if pending adverse agency
30 action, the voluntary surrender of a license, certification, or
31 contract in lieu of the adverse action;

32 (d) A revocation, denial, or restriction placed on any
33 professional license; or

34 (e) A final decision of a disciplinary board.

35 (19) "Nonconviction information" means arrest, founded
36 allegations of child abuse, or neglect pursuant to chapter 26.44 RCW,
37 or other negative action adverse to the applicant.

38 (20) "Nonschool age child" means a child who is age six years or
39 younger and who is not enrolled in a public or private school.

1 (21) "Part day program" means an early childhood education and
2 assistance program that offers early learning education for at least
3 two and one-half hours per class session, at least three hundred
4 twenty hours per year, for a minimum of thirty weeks per year.

5 (22) "Private school" means a private school approved by the
6 state under chapter 28A.195 RCW.

7 (23) "Probationary license" means a license issued as a
8 disciplinary measure to an agency that has previously been issued a
9 full license but is out of compliance with licensing standards.

10 (24) "Requirement" means any rule, regulation, or standard of
11 care to be maintained by an agency.

12 (25) "School age child" means a child who is five years of age
13 through (~~twelve~~) 12 years of age and is attending a public or
14 private school or is receiving home-based instruction under chapter
15 28A.200 RCW.

16 (26) "Secretary" means the secretary of the department.

17 (27) "Washington state preschool program" means an education
18 program for children three-to-five years of age who have not yet
19 entered kindergarten, such as the early childhood education and
20 assistance program.

21 **Sec. 502.** RCW 28B.50.248 and 2020 c 355 s 4 and 2020 c 279 s 3
22 are each reenacted and amended to read as follows:

23 Nothing in RCW 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~)
24 requires a community or technical college to expand any of its
25 existing child care facilities. Any additional child care services
26 provided by a community or technical college as a result of RCW
27 43.216.135(~~(7)~~) or 43.216.136(~~(7 or 43.216.1365)~~) must be provided
28 within existing resources and existing facilities.

29 **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
30 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to
31 read as follows:

32 (1) All earnings of investments of surplus balances in the state
33 treasury shall be deposited to the treasury income account, which
34 account is hereby established in the state treasury.

35 (2) The treasury income account shall be utilized to pay or
36 receive funds associated with federal programs as required by the
37 federal cash management improvement act of 1990. The treasury income
38 account is subject in all respects to chapter 43.88 RCW, but no

1 appropriation is required for refunds or allocations of interest
2 earnings required by the cash management improvement act. Refunds of
3 interest to the federal treasury required under the cash management
4 improvement act fall under RCW 43.88.180 and shall not require
5 appropriation. The office of financial management shall determine the
6 amounts due to or from the federal government pursuant to the cash
7 management improvement act. The office of financial management may
8 direct transfers of funds between accounts as deemed necessary to
9 implement the provisions of the cash management improvement act, and
10 this subsection. Refunds or allocations shall occur prior to the
11 distributions of earnings set forth in subsection (4) of this
12 section.

13 (3) Except for the provisions of RCW 43.84.160, the treasury
14 income account may be utilized for the payment of purchased banking
15 services on behalf of treasury funds including, but not limited to,
16 depository, safekeeping, and disbursement functions for the state
17 treasury and affected state agencies. The treasury income account is
18 subject in all respects to chapter 43.88 RCW, but no appropriation is
19 required for payments to financial institutions. Payments shall occur
20 prior to distribution of earnings set forth in subsection (4) of this
21 section.

22 (4) Monthly, the state treasurer shall distribute the earnings
23 credited to the treasury income account. The state treasurer shall
24 credit the general fund with all the earnings credited to the
25 treasury income account except:

26 (a) The following accounts and funds shall receive their
27 proportionate share of earnings based upon each account's and fund's
28 average daily balance for the period: The abandoned recreational
29 vehicle disposal account, the aeronautics account, the Alaskan Way
30 viaduct replacement project account, the ambulance transport fund,
31 the brownfield redevelopment trust fund account, the budget
32 stabilization account, the capital vessel replacement account, the
33 capitol building construction account, the Central Washington
34 University capital projects account, the charitable, educational,
35 penal and reformatory institutions account, the Chehalis basin
36 account, the Chehalis basin taxable account, the cleanup settlement
37 account, the Columbia river basin water supply development account,
38 the Columbia river basin taxable bond water supply development
39 account, the Columbia river basin water supply revenue recovery
40 account, the common school construction fund, the community forest

1 trust account, the connecting Washington account, the county arterial
2 preservation account, the county criminal justice assistance account,
3 the deferred compensation administrative account, the deferred
4 compensation principal account, the department of licensing services
5 account, the department of retirement systems expense account, the
6 developmental disabilities community (~~trust~~) services account, the
7 diesel idle reduction account, the drinking water assistance account,
8 the administrative subaccount of the drinking water assistance
9 account, the early learning facilities development account, the early
10 learning facilities revolving account, the Eastern Washington
11 University capital projects account, the education construction fund,
12 the education legacy trust account, the election account, the
13 electric vehicle account, the energy freedom account, the energy
14 recovery act account, the essential rail assistance account, The
15 Evergreen State College capital projects account, the fair start for
16 kids account, the ferry bond retirement fund, the freight mobility
17 investment account, the freight mobility multimodal account, the
18 grade crossing protective fund, the public health services account,
19 the state higher education construction account, the higher education
20 construction account, the higher education retirement plan
21 supplemental benefit fund, the highway bond retirement fund, the
22 highway infrastructure account, the highway safety fund, the hospital
23 safety net assessment fund, the Interstate 405 and state route number
24 167 express toll lanes account, the judges' retirement account, the
25 judicial retirement administrative account, the judicial retirement
26 principal account, the local leasehold excise tax account, the local
27 real estate excise tax account, the local sales and use tax account,
28 the marine resources stewardship trust account, the medical aid
29 account, the money-purchase retirement savings administrative
30 account, the money-purchase retirement savings principal account, the
31 motor vehicle fund, the motorcycle safety education account, the
32 multimodal transportation account, the multiuse roadway safety
33 account, the municipal criminal justice assistance account, the
34 oyster reserve land account, the pension funding stabilization
35 account, the perpetual surveillance and maintenance account, the
36 pilotage account, the pollution liability insurance agency
37 underground storage tank revolving account, the public employees'
38 retirement system plan 1 account, the public employees' retirement
39 system combined plan 2 and plan 3 account, the public facilities
40 construction loan revolving account, the public health supplemental

1 account, the public works assistance account, the Puget Sound capital
2 construction account, the Puget Sound ferry operations account, the
3 Puget Sound Gateway facility account, the Puget Sound taxpayer
4 accountability account, the real estate appraiser commission account,
5 the recreational vehicle account, the regional mobility grant program
6 account, the resource management cost account, the rural arterial
7 trust account, the rural mobility grant program account, the rural
8 Washington loan fund, the sexual assault prevention and response
9 account, the site closure account, the skilled nursing facility
10 safety net trust fund, the small city pavement and sidewalk account,
11 the special category C account, the special wildlife account, the
12 state investment board expense account, the state investment board
13 commingled trust fund accounts, the state patrol highway account, the
14 state reclamation revolving account, the state route number 520 civil
15 penalties account, the state route number 520 corridor account, the
16 state wildlife account, the statewide broadband account, the
17 statewide tourism marketing account, the supplemental pension
18 account, the Tacoma Narrows toll bridge account, the teachers'
19 retirement system plan 1 account, the teachers' retirement system
20 combined plan 2 and plan 3 account, the tobacco prevention and
21 control account, the tobacco settlement account, the toll facility
22 bond retirement account, the transportation 2003 account (nickel
23 account), the transportation equipment fund, the transportation
24 future funding program account, the transportation improvement
25 account, the transportation improvement board bond retirement
26 account, the transportation infrastructure account, the
27 transportation partnership account, the traumatic brain injury
28 account, the University of Washington bond retirement fund, the
29 University of Washington building account, the voluntary cleanup
30 account, the volunteer firefighters' and reserve officers' relief and
31 pension principal fund, the volunteer firefighters' and reserve
32 officers' administrative fund, the vulnerable roadway user education
33 account, the Washington judicial retirement system account, the
34 Washington law enforcement officers' and firefighters' system plan 1
35 retirement account, the Washington law enforcement officers' and
36 firefighters' system plan 2 retirement account, the Washington public
37 safety employees' plan 2 retirement account, the Washington school
38 employees' retirement system combined plan 2 and 3 account, the
39 Washington state patrol retirement account, the Washington State
40 University building account, the Washington State University bond

1 retirement fund, the water pollution control revolving administration
2 account, the water pollution control revolving fund, the Western
3 Washington University capital projects account, the Yakima integrated
4 plan implementation account, the Yakima integrated plan
5 implementation revenue recovery account, and the Yakima integrated
6 plan implementation taxable bond account. Earnings derived from
7 investing balances of the agricultural permanent fund, the normal
8 school permanent fund, the permanent common school fund, the
9 scientific permanent fund, and the state university permanent fund
10 shall be allocated to their respective beneficiary accounts.

11 (b) Any state agency that has independent authority over accounts
12 or funds not statutorily required to be held in the state treasury
13 that deposits funds into a fund or account in the state treasury
14 pursuant to an agreement with the office of the state treasurer shall
15 receive its proportionate share of earnings based upon each account's
16 or fund's average daily balance for the period.

17 (5) In conformance with Article II, section 37 of the state
18 Constitution, no treasury accounts or funds shall be allocated
19 earnings without the specific affirmative directive of this section.

20 **Sec. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
21 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted
22 and amended to read as follows:

23 (1) All earnings of investments of surplus balances in the state
24 treasury shall be deposited to the treasury income account, which
25 account is hereby established in the state treasury.

26 (2) The treasury income account shall be utilized to pay or
27 receive funds associated with federal programs as required by the
28 federal cash management improvement act of 1990. The treasury income
29 account is subject in all respects to chapter 43.88 RCW, but no
30 appropriation is required for refunds or allocations of interest
31 earnings required by the cash management improvement act. Refunds of
32 interest to the federal treasury required under the cash management
33 improvement act fall under RCW 43.88.180 and shall not require
34 appropriation. The office of financial management shall determine the
35 amounts due to or from the federal government pursuant to the cash
36 management improvement act. The office of financial management may
37 direct transfers of funds between accounts as deemed necessary to
38 implement the provisions of the cash management improvement act, and
39 this subsection. Refunds or allocations shall occur prior to the

1 distributions of earnings set forth in subsection (4) of this
2 section.

3 (3) Except for the provisions of RCW 43.84.160, the treasury
4 income account may be utilized for the payment of purchased banking
5 services on behalf of treasury funds including, but not limited to,
6 depository, safekeeping, and disbursement functions for the state
7 treasury and affected state agencies. The treasury income account is
8 subject in all respects to chapter 43.88 RCW, but no appropriation is
9 required for payments to financial institutions. Payments shall occur
10 prior to distribution of earnings set forth in subsection (4) of this
11 section.

12 (4) Monthly, the state treasurer shall distribute the earnings
13 credited to the treasury income account. The state treasurer shall
14 credit the general fund with all the earnings credited to the
15 treasury income account except:

16 (a) The following accounts and funds shall receive their
17 proportionate share of earnings based upon each account's and fund's
18 average daily balance for the period: The abandoned recreational
19 vehicle disposal account, the aeronautics account, the Alaskan Way
20 viaduct replacement project account, the ambulance transport fund,
21 the brownfield redevelopment trust fund account, the budget
22 stabilization account, the capital vessel replacement account, the
23 capitol building construction account, the Central Washington
24 University capital projects account, the charitable, educational,
25 penal and reformatory institutions account, the Chehalis basin
26 account, the Chehalis basin taxable account, the cleanup settlement
27 account, the Columbia river basin water supply development account,
28 the Columbia river basin taxable bond water supply development
29 account, the Columbia river basin water supply revenue recovery
30 account, the common school construction fund, the community forest
31 trust account, the connecting Washington account, the county arterial
32 preservation account, the county criminal justice assistance account,
33 the deferred compensation administrative account, the deferred
34 compensation principal account, the department of licensing services
35 account, the department of retirement systems expense account, the
36 developmental disabilities community (~~trust~~) services account, the
37 diesel idle reduction account, the drinking water assistance account,
38 the administrative subaccount of the drinking water assistance
39 account, the early learning facilities development account, the early
40 learning facilities revolving account, the Eastern Washington

1 University capital projects account, the education construction fund,
2 the education legacy trust account, the election account, the
3 electric vehicle account, the energy freedom account, the energy
4 recovery act account, the essential rail assistance account, The
5 Evergreen State College capital projects account, the fair start for
6 kids account, the ferry bond retirement fund, the fish, wildlife, and
7 conservation account, the freight mobility investment account, the
8 freight mobility multimodal account, the grade crossing protective
9 fund, the public health services account, the state higher education
10 construction account, the higher education construction account, the
11 higher education retirement plan supplemental benefit fund, the
12 highway bond retirement fund, the highway infrastructure account, the
13 highway safety fund, the hospital safety net assessment fund, the
14 Interstate 405 and state route number 167 express toll lanes account,
15 the judges' retirement account, the judicial retirement
16 administrative account, the judicial retirement principal account,
17 the limited fish and wildlife account, the local leasehold excise tax
18 account, the local real estate excise tax account, the local sales
19 and use tax account, the marine resources stewardship trust account,
20 the medical aid account, the money-purchase retirement savings
21 administrative account, the money-purchase retirement savings
22 principal account, the motor vehicle fund, the motorcycle safety
23 education account, the multimodal transportation account, the
24 multiuse roadway safety account, the municipal criminal justice
25 assistance account, the oyster reserve land account, the pension
26 funding stabilization account, the perpetual surveillance and
27 maintenance account, the pilotage account, the pollution liability
28 insurance agency underground storage tank revolving account, the
29 public employees' retirement system plan 1 account, the public
30 employees' retirement system combined plan 2 and plan 3 account, the
31 public facilities construction loan revolving account, the public
32 health supplemental account, the public works assistance account, the
33 Puget Sound capital construction account, the Puget Sound ferry
34 operations account, the Puget Sound Gateway facility account, the
35 Puget Sound taxpayer accountability account, the real estate
36 appraiser commission account, the recreational vehicle account, the
37 regional mobility grant program account, the resource management cost
38 account, the rural arterial trust account, the rural mobility grant
39 program account, the rural Washington loan fund, the sexual assault
40 prevention and response account, the site closure account, the

1 skilled nursing facility safety net trust fund, the small city
2 pavement and sidewalk account, the special category C account, the
3 special wildlife account, the state investment board expense account,
4 the state investment board commingled trust fund accounts, the state
5 patrol highway account, the state reclamation revolving account, the
6 state route number 520 civil penalties account, the state route
7 number 520 corridor account, the statewide broadband account, the
8 statewide tourism marketing account, the supplemental pension
9 account, the Tacoma Narrows toll bridge account, the teachers'
10 retirement system plan 1 account, the teachers' retirement system
11 combined plan 2 and plan 3 account, the tobacco prevention and
12 control account, the tobacco settlement account, the toll facility
13 bond retirement account, the transportation 2003 account (nickel
14 account), the transportation equipment fund, the transportation
15 future funding program account, the transportation improvement
16 account, the transportation improvement board bond retirement
17 account, the transportation infrastructure account, the
18 transportation partnership account, the traumatic brain injury
19 account, the University of Washington bond retirement fund, the
20 University of Washington building account, the voluntary cleanup
21 account, the volunteer firefighters' and reserve officers' relief and
22 pension principal fund, the volunteer firefighters' and reserve
23 officers' administrative fund, the vulnerable roadway user education
24 account, the Washington judicial retirement system account, the
25 Washington law enforcement officers' and firefighters' system plan 1
26 retirement account, the Washington law enforcement officers' and
27 firefighters' system plan 2 retirement account, the Washington public
28 safety employees' plan 2 retirement account, the Washington school
29 employees' retirement system combined plan 2 and 3 account, the
30 Washington state patrol retirement account, the Washington State
31 University building account, the Washington State University bond
32 retirement fund, the water pollution control revolving administration
33 account, the water pollution control revolving fund, the Western
34 Washington University capital projects account, the Yakima integrated
35 plan implementation account, the Yakima integrated plan
36 implementation revenue recovery account, and the Yakima integrated
37 plan implementation taxable bond account. Earnings derived from
38 investing balances of the agricultural permanent fund, the normal
39 school permanent fund, the permanent common school fund, the

1 scientific permanent fund, and the state university permanent fund
2 shall be allocated to their respective beneficiary accounts.

3 (b) Any state agency that has independent authority over accounts
4 or funds not statutorily required to be held in the state treasury
5 that deposits funds into a fund or account in the state treasury
6 pursuant to an agreement with the office of the state treasurer shall
7 receive its proportionate share of earnings based upon each account's
8 or fund's average daily balance for the period.

9 (5) In conformance with Article II, section 37 of the state
10 Constitution, no treasury accounts or funds shall be allocated
11 earnings without the specific affirmative directive of this section.

12 **Sec. 505.** RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020
13 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to read
14 as follows:

15 (1) All earnings of investments of surplus balances in the state
16 treasury shall be deposited to the treasury income account, which
17 account is hereby established in the state treasury.

18 (2) The treasury income account shall be utilized to pay or
19 receive funds associated with federal programs as required by the
20 federal cash management improvement act of 1990. The treasury income
21 account is subject in all respects to chapter 43.88 RCW, but no
22 appropriation is required for refunds or allocations of interest
23 earnings required by the cash management improvement act. Refunds of
24 interest to the federal treasury required under the cash management
25 improvement act fall under RCW 43.88.180 and shall not require
26 appropriation. The office of financial management shall determine the
27 amounts due to or from the federal government pursuant to the cash
28 management improvement act. The office of financial management may
29 direct transfers of funds between accounts as deemed necessary to
30 implement the provisions of the cash management improvement act, and
31 this subsection. Refunds or allocations shall occur prior to the
32 distributions of earnings set forth in subsection (4) of this
33 section.

34 (3) Except for the provisions of RCW 43.84.160, the treasury
35 income account may be utilized for the payment of purchased banking
36 services on behalf of treasury funds including, but not limited to,
37 depository, safekeeping, and disbursement functions for the state
38 treasury and affected state agencies. The treasury income account is
39 subject in all respects to chapter 43.88 RCW, but no appropriation is

1 required for payments to financial institutions. Payments shall occur
2 prior to distribution of earnings set forth in subsection (4) of this
3 section.

4 (4) Monthly, the state treasurer shall distribute the earnings
5 credited to the treasury income account. The state treasurer shall
6 credit the general fund with all the earnings credited to the
7 treasury income account except:

8 (a) The following accounts and funds shall receive their
9 proportionate share of earnings based upon each account's and fund's
10 average daily balance for the period: The abandoned recreational
11 vehicle disposal account, the aeronautics account, the Alaskan Way
12 viaduct replacement project account, the brownfield redevelopment
13 trust fund account, the budget stabilization account, the capital
14 vessel replacement account, the capitol building construction
15 account, the Central Washington University capital projects account,
16 the charitable, educational, penal and reformatory institutions
17 account, the Chehalis basin account, the Chehalis basin taxable
18 account, the cleanup settlement account, the Columbia river basin
19 water supply development account, the Columbia river basin taxable
20 bond water supply development account, the Columbia river basin water
21 supply revenue recovery account, the common school construction fund,
22 the community forest trust account, the connecting Washington
23 account, the county arterial preservation account, the county
24 criminal justice assistance account, the deferred compensation
25 administrative account, the deferred compensation principal account,
26 the department of licensing services account, the department of
27 retirement systems expense account, the developmental disabilities
28 community (~~trust~~) services account, the diesel idle reduction
29 account, the drinking water assistance account, the administrative
30 subaccount of the drinking water assistance account, the early
31 learning facilities development account, the early learning
32 facilities revolving account, the Eastern Washington University
33 capital projects account, the education construction fund, the
34 education legacy trust account, the election account, the electric
35 vehicle account, the energy freedom account, the energy recovery act
36 account, the essential rail assistance account, The Evergreen State
37 College capital projects account, the fair start for kids account,
38 the ferry bond retirement fund, the fish, wildlife, and conservation
39 account, the freight mobility investment account, the freight
40 mobility multimodal account, the grade crossing protective fund, the

1 public health services account, the state higher education
2 construction account, the higher education construction account, the
3 higher education retirement plan supplemental benefit fund, the
4 highway bond retirement fund, the highway infrastructure account, the
5 highway safety fund, the hospital safety net assessment fund, the
6 Interstate 405 and state route number 167 express toll lanes account,
7 the judges' retirement account, the judicial retirement
8 administrative account, the judicial retirement principal account,
9 the limited fish and wildlife account, the local leasehold excise tax
10 account, the local real estate excise tax account, the local sales
11 and use tax account, the marine resources stewardship trust account,
12 the medical aid account, the money-purchase retirement savings
13 administrative account, the money-purchase retirement savings
14 principal account, the motor vehicle fund, the motorcycle safety
15 education account, the multimodal transportation account, the
16 multiuse roadway safety account, the municipal criminal justice
17 assistance account, the oyster reserve land account, the pension
18 funding stabilization account, the perpetual surveillance and
19 maintenance account, the pilotage account, the pollution liability
20 insurance agency underground storage tank revolving account, the
21 public employees' retirement system plan 1 account, the public
22 employees' retirement system combined plan 2 and plan 3 account, the
23 public facilities construction loan revolving account, the public
24 health supplemental account, the public works assistance account, the
25 Puget Sound capital construction account, the Puget Sound ferry
26 operations account, the Puget Sound Gateway facility account, the
27 Puget Sound taxpayer accountability account, the real estate
28 appraiser commission account, the recreational vehicle account, the
29 regional mobility grant program account, the resource management cost
30 account, the rural arterial trust account, the rural mobility grant
31 program account, the rural Washington loan fund, the sexual assault
32 prevention and response account, the site closure account, the
33 skilled nursing facility safety net trust fund, the small city
34 pavement and sidewalk account, the special category C account, the
35 special wildlife account, the state investment board expense account,
36 the state investment board commingled trust fund accounts, the state
37 patrol highway account, the state reclamation revolving account, the
38 state route number 520 civil penalties account, the state route
39 number 520 corridor account, the statewide broadband account, the
40 statewide tourism marketing account, the supplemental pension

1 account, the Tacoma Narrows toll bridge account, the teachers'
2 retirement system plan 1 account, the teachers' retirement system
3 combined plan 2 and plan 3 account, the tobacco prevention and
4 control account, the tobacco settlement account, the toll facility
5 bond retirement account, the transportation 2003 account (nickel
6 account), the transportation equipment fund, the transportation
7 future funding program account, the transportation improvement
8 account, the transportation improvement board bond retirement
9 account, the transportation infrastructure account, the
10 transportation partnership account, the traumatic brain injury
11 account, the University of Washington bond retirement fund, the
12 University of Washington building account, the voluntary cleanup
13 account, the volunteer firefighters' and reserve officers' relief and
14 pension principal fund, the volunteer firefighters' and reserve
15 officers' administrative fund, the vulnerable roadway user education
16 account, the Washington judicial retirement system account, the
17 Washington law enforcement officers' and firefighters' system plan 1
18 retirement account, the Washington law enforcement officers' and
19 firefighters' system plan 2 retirement account, the Washington public
20 safety employees' plan 2 retirement account, the Washington school
21 employees' retirement system combined plan 2 and 3 account, the
22 Washington state patrol retirement account, the Washington State
23 University building account, the Washington State University bond
24 retirement fund, the water pollution control revolving administration
25 account, the water pollution control revolving fund, the Western
26 Washington University capital projects account, the Yakima integrated
27 plan implementation account, the Yakima integrated plan
28 implementation revenue recovery account, and the Yakima integrated
29 plan implementation taxable bond account. Earnings derived from
30 investing balances of the agricultural permanent fund, the normal
31 school permanent fund, the permanent common school fund, the
32 scientific permanent fund, and the state university permanent fund
33 shall be allocated to their respective beneficiary accounts.

34 (b) Any state agency that has independent authority over accounts
35 or funds not statutorily required to be held in the state treasury
36 that deposits funds into a fund or account in the state treasury
37 pursuant to an agreement with the office of the state treasurer shall
38 receive its proportionate share of earnings based upon each account's
39 or fund's average daily balance for the period.

1 (5) In conformance with Article II, section 37 of the state
2 Constitution, no treasury accounts or funds shall be allocated
3 earnings without the specific affirmative directive of this section.

4 **Sec. 506.** RCW 43.216.710 and 2017 3rd sp.s. c 6 s 213 are each
5 amended to read as follows:

6 The department shall:

7 (1) Work in conjunction with the statewide child care resource
8 and referral network as well as local governments, nonprofit
9 organizations, businesses, and community child care advocates to
10 create local child care resource and referral organizations. These
11 organizations may carry out needs assessments, resource development,
12 provider training, technical assistance, and parent information and
13 training;

14 (2) Actively seek public and private money for distribution as
15 grants to the statewide child care resource and referral network and
16 to existing or potential local child care resource and referral
17 organizations;

18 (3) Adopt rules regarding the application for and distribution of
19 grants to local child care resource and referral organizations. The
20 rules shall, at a minimum, require an applicant to submit a plan for
21 achieving the following objectives:

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

24 (b) Carry out child care provider recruitment and training
25 programs, including training under RCW 74.25.040;

26 (c) Offer support services, such as parent and provider seminars,
27 toy-lending libraries, and substitute banks;

28 (d) Provide information for businesses regarding child care
29 supply and demand;

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

32 (f) Provide technical assistance to employers regarding employee
33 child care services; and

34 (g) Serve recipients of temporary assistance for needy families
35 and working parents with household incomes at or below (~~household~~
36 ~~incomes of two hundred~~) 100 percent of the (~~federal poverty line~~)
37 state median income;

1 (4) Provide staff support and technical assistance to the
2 statewide child care resource and referral network and local child
3 care resource and referral organizations;

4 (5) Maintain a statewide child care licensing data bank and work
5 with department licensors to provide information to local child care
6 resource and referral organizations about licensed or certified child
7 care providers in the state;

8 (6) Through the statewide child care resource and referral
9 network and local resource and referral organizations, compile data
10 about local child care needs and availability for future planning and
11 development;

12 (7) Coordinate with the statewide child care resource and
13 referral network and local child care resource and referral
14 organizations for the provision of training and technical assistance
15 to child care providers;

16 (8) Collect and assemble information regarding the availability
17 of insurance and of federal and other child care funding to assist
18 state and local agencies, businesses, and other child care providers
19 in offering child care services;

20 (9) Subject to the availability of amounts appropriated for this
21 specific purpose, increase the base rate for all child care providers
22 by ten percent;

23 (10) Subject to the availability of amounts appropriated for this
24 specific purpose, provide tiered subsidy rate enhancements to child
25 care providers if the provider meets the following requirements:

26 (a) The provider enrolls in quality rating and improvement system
27 levels 2, 3, 4, or 5;

28 (b) The provider is actively participating in the early achievers
29 program;

30 (c) The provider continues to advance towards level 5 of the
31 early achievers program; and

32 (d) The provider must complete level 2 within thirty months or
33 the reimbursement rate returns the level 1 rate; and

34 (11) Require exempt providers to participate in continuing
35 education, if adequate funding is available.

36 **Sec. 507.** RCW 43.216.514 and 2020 c 343 s 3 are each amended to
37 read as follows:

1 (1) (a) The department shall prioritize children for enrollment in
2 the early childhood education and assistance program who are eligible
3 pursuant to RCW 43.216.505.

4 (b) A child who is eligible at the time of enrollment in the
5 early childhood education and assistance program maintains program
6 eligibility until the child begins kindergarten.

7 (2) As space is available, children may be included in the early
8 childhood education and assistance program pursuant to RCW
9 43.216.512. ~~((Priority within this group must be given first to
10 children with incomes up to one hundred thirty percent of the federal
11 poverty level.))~~

12 **Sec. 508.** RCW 43.216.136 and 2020 c 279 s 2 are each amended to
13 read as follows:

14 (1) The department shall establish and implement policies in the
15 working connections child care program to promote stability and
16 quality of care for children from low-income households. These
17 policies shall focus on supporting school readiness for young
18 learners. Policies for the expenditure of funds constituting the
19 working connections child care program must be consistent with the
20 outcome measures established by the department and the standards
21 established in this section intended to promote stability, quality,
22 and continuity of early care and education programming.

23 (2) As recommended by P.L. 113-186, authorizations for the
24 working connections child care subsidy are effective for twelve
25 months beginning July 1, 2016~~((, unless an earlier date is provided
26 in the omnibus appropriations act))~~.

27 (a) A household's 12-month authorization must begin on the date
28 that child care is expected to begin.

29 (b) If a newly eligible household does not begin care within 12
30 months of being determined eligible by the department, the household
31 must reapply in order to qualify for subsidy.

32 (3) (a) The department shall establish and implement policies in
33 the working connections child care program to allow eligibility for
34 families with children who:

35 (i) In the last six months have:

36 (A) Received child protective services as defined and used by
37 chapters 26.44 and 74.13 RCW;

38 (B) Received child welfare services as defined and used by
39 chapter 74.13 RCW; or

1 (C) Received services through a family assessment response as
2 defined and used by chapter 26.44 RCW;

3 (ii) Have been referred for child care as part of the family's
4 case management as defined by RCW 74.13.020; and

5 (iii) Are residing with a biological parent or guardian.

6 (b) (~~Children~~) Families who are eligible for working
7 connections child care pursuant to this subsection do not have to
8 keep receiving services identified in this subsection to maintain
9 twelve-month authorization.

10 (4) (a) Beginning August 1, 2020, the department may not require
11 an applicant or consumer to meet work requirements as a condition of
12 receiving working connections child care benefits when the applicant
13 or consumer is:

14 (i) A single parent;

15 (ii) A full-time student of a community, technical, or tribal
16 college; and

17 (iii) Pursuing vocational education that leads to a degree or
18 certificate in a specific occupation, not to result in a bachelor's
19 or advanced degree.

20 (b) An applicant or consumer is a full-time student for the
21 purposes of this subsection if he or she meets the college's
22 definition of a full-time student. The student must maintain passing
23 grades and be in good standing pursuant to college attendance
24 requirements.

25 (c) Nothing in this subsection is intended to change how
26 applicants or consumers are prioritized when applicants or consumers
27 are placed on a waitlist for working connections child care benefits.

28 (5) (a) The department must extend the homeless grace period, as
29 adopted in department rule as of January 1, 2020, from a four-month
30 grace period to a twelve-month grace period.

31 (b) For the purposes of this section, "homeless" means being
32 without a fixed, regular, and adequate nighttime residence as
33 described in the federal McKinney-Vento homeless assistance act (42
34 U.S.C. Sec. 11434a) as it existed on January 1, 2020.

35 (6) For purposes of this section, "authorization" means a
36 transaction created by the department that allows a child care
37 provider to claim payment for care. The department may adjust an
38 authorization based on a household's eligibility status.

1 health, or safety, or support of the state government and its
2 existing public institutions, and take effect July 1, 2021.

3 NEW SECTION. **Sec. 610.** Section 504 of this act expires July 1,
4 2024.

5 NEW SECTION. **Sec. 611.** Section 505 of this act takes effect
6 July 1, 2024.

7 NEW SECTION. **Sec. 612.** Sections 105 and 503 of this act are
8 necessary for the immediate preservation of the public peace, health,
9 or safety, or support of the state government and its existing public
10 institutions, and take effect immediately."

11 Correct the title.

--- END ---