
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1213

State of Washington

67th Legislature

2021 Regular Session

By House Appropriations (originally sponsored by Representatives Senn, Chopp, Ramos, Bateman, Sells, Shewmake, Lekanoff, Peterson, Stonier, Duerr, Fitzgibbon, Berry, Rule, Davis, Wicks, Fey, Callan, Dolan, Frame, Lovick, Chapman, Ryu, Santos, Thai, Ortiz-Self, Orwall, Simmons, Slatter, Gregerson, Bergquist, Hackney, Valdez, Ramel, Riccelli, Macri, Goodman, and Harris-Talley)

READ FIRST TIME 02/22/21.

1 AN ACT Relating to expanding accessible, affordable child care
2 and early childhood development programs; amending RCW 43.216.075,
3 43.216.136, 43.216.505, 43.216.512, 43.216.556, 43.216.749,
4 43.216.090, 43.216.578, 43.216.710, 43.216.514, and 43.216.136;
5 reenacting and amending RCW 43.216.010, 28B.50.248, 43.84.092,
6 43.84.092, and 43.84.092; adding new sections to chapter 43.216 RCW;
7 adding a new section to chapter 43.330 RCW; creating new sections;
8 repealing RCW 43.216.1365; providing effective dates; providing
9 expiration dates; and declaring an emergency.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

13 NEW SECTION. **Sec. 2.** INTENT. (1) The legislature finds that
14 high quality child care and early learning is critical to a child's
15 success in school and life. The legislature recognizes that COVID-19
16 has devastated the existing child care industry, making it unduly
17 burdensome for families to find care. The legislature recognizes that
18 without immediate action to support child care providers, and without
19 expanded access to affordable child care, especially infant and
20 school-age care, parents will not be able to return to work while

1 children lose valuable learning opportunities. In order to bolster a
2 full economic recovery, the legislature finds that every child
3 deserves a fair start.

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

19 (3) The legislature finds that the scarcity of child care,
20 exacerbated by COVID-19, most significantly impacts families furthest
21 from opportunity. The legislature recognizes that there are
22 additional barriers to accessing this foundational support for
23 immigrant communities and families whose first language is not
24 English, families who have children with disabilities, rural
25 communities, or other child care deserts. The legislature recognizes
26 that high quality, inclusive child care and early learning programs
27 have been shown to reduce the opportunity gap for low-income children
28 and black, indigenous, and children of color while consistently
29 improving outcomes for all children both inside and outside of the
30 classroom.

31 (4) The legislature finds that without access to comprehensive,
32 high quality prenatal to five services, children often enter
33 kindergarten without the social-emotional, physical, cognitive, and
34 language skills they need to be successful and fall behind their
35 peers, facing compounding developmental challenges throughout their
36 K-12 education. The legislature finds that cascading impacts of
37 inaccessible child care and early learning programs create systemic
38 barriers for children and their families that result in higher
39 special education needs, greater likelihood of needing to repeat
40 grades, increased child welfare and juvenile justice involvement,

1 reduced high school graduation rates, limited postsecondary education
2 attainment, and greater barriers to employment in adulthood.

3 (5) The legislature finds the vast majority of child care
4 providers are small businesses and nonprofit organizations. In
5 addition to adhering to federal, state, and local regulations to
6 ensure healthy and safe environments for children, the legislature
7 recognizes that child care providers must ensure their employees are
8 adequately compensated and supported. However, the legislature
9 acknowledges that the reduced staffing ratios for health and safety,
10 additional cost of personal protective equipment and extra cleaning
11 supplies, increased use of substitutes needed during COVID-19-related
12 absences, and increased technology demands during school closures
13 from the pandemic are further straining the viability of the child
14 care business model in Washington state.

15 (6) The legislature finds that the health and stability of the
16 early learning workforce is pivotal to any expansion of child care in
17 Washington state. The legislature recognizes that the child care
18 workforce, predominantly comprised of women of color, is structurally
19 afflicted by low wages, limited or no health care, and a severe lack
20 of retirement benefits. The legislature further recognizes that the
21 threat of COVID-19 compounds these underlying issues, forcing
22 providers to navigate increased stress, anxiety, and behavioral
23 issues all while risking their lives to care for children. The
24 legislature recognizes that families, friends, and neighbors who
25 provide care are a critical component of the child care system. The
26 legislature finds that child care workers are essential and deserve
27 to be compensated and benefited accordingly.

28 (7) Therefore, the legislature resolves to respond to the
29 COVID-19 crisis by first stabilizing the child care industry and then
30 expanding access to a comprehensive continuum of high quality early
31 childhood development programs, including infant and school-age child
32 care, preschool, parent and family supports, and prenatal to three
33 services. The legislature recognizes this continuum as critical to
34 meeting different families' needs and offering every child in
35 Washington access to a fair start.

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

1 (9) The legislature intends to expand eligibility for existing
2 child care and preschool programs to increase access. The legislature
3 recognizes that expansion must be accompanied by an investment to
4 make child care more affordable. Therefore, the legislature intends
5 to eliminate copayments for low-income families and limit copayments
6 for any family on subsidy to no more than seven percent of their
7 income.

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

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

19 **PART I**

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

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

24 (2) Expenditures from the account may be used only for child care
25 and early learning purposes, including but not limited to:

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

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

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

36 (d) Supporting and expanding access to the early childhood
37 education and assistance program to reach state-funded entitlement
38 required in RCW 43.216.556;

- 1 (e) Making child care affordable for families;
- 2 (f) Providing resources and supports for family, friend, and
3 neighbor caregivers that better reflect the full cost of care;
- 4 (g) Providing professional development opportunities for child
5 care and early learning providers;
- 6 (h) Delivering infant and early childhood mental health
7 consultation services;
- 8 (i) Providing child care for school-age children and establishing
9 prekindergarten through third grade systems coordinators at
10 educational service districts;
- 11 (j) Awarding grants and loans through the early learning
12 facilities grant and loan program established under chapter 43.31
13 RCW;
- 14 (k) Funding special designations in the working connections child
15 care programs, early childhood education and assistance programs, and
16 birth to three early childhood education and assistance programs
17 including designations established in sections 302, 304, 305, and 404
18 of this act;
- 19 (l) Supporting costs for transparent data collection and
20 information technology systems operated by the department and
21 department contractors, in particular, to ensure equitable systemic
22 service provision and outcomes;
- 23 (m) Providing access to learning technology;
- 24 (n) Providing child care resource and referral services;
- 25 (o) Conducting quality rating and improvement system activities
26 through the early achievers program;
- 27 (p) Expanding prenatal to three services and supports, including
28 the birth to three early childhood education and assistance program
29 and the in-home parent skill-based programs established in RCW
30 43.216.130;
- 31 (q) Building and delivering a family resource and referral
32 linkage system;
- 33 (r) Allowing the exploration of options to provide regulatory
34 relief and make licensing more affordable for child care providers;
- 35 (s) Administering comprehensive shared services hubs to allow the
36 ongoing pooling and shared use of services by licensed or certified
37 child care centers and family home providers;
- 38 (t) Training department staff to ensure consistent and equitable
39 application of child care licensing and quality standards across the
40 state including antibias and antiracist training;

1 (u) Providing incentives for child care providers to become
2 licensed;

3 (v) Studying and evaluating options to incentivize business
4 participation in child care and early learning systems;

5 (w) Recognizing the benefits of the diverse workforce and
6 facilitating communication in the three most commonly spoken
7 languages by developing a language access plan that centers equity
8 and access for immigrants, multilingual providers, caregivers, and
9 families;

10 (x) Supporting collectively bargained provisions for family child
11 care providers subject to RCW 41.56.028. Subsidies funded under this
12 act may be bargained by the appropriate entity; and

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

19 **Sec. 102.** RCW 43.216.075 and 2020 c 262 s 4 are each amended to
20 read as follows:

21 INVESTMENT ACCOUNTABILITY AND OVERSIGHT. (1) The early learning
22 advisory council is established to advise the department on statewide
23 early learning issues that contribute to the ongoing efforts of
24 building a comprehensive system of quality early learning programs
25 and services for Washington's young children and families. (2) The
26 council shall work in conjunction with the department to ~~((assist))~~:

27 (a) Assist in policy development and implementation that ~~((assist~~
28 ~~the department in promoting))~~ promotes alignment of private and
29 public sector actions, objectives, and resources, ~~((ensuring))~~ with
30 the overall goal of promoting school readiness for all children;

31 (b) Provide recommendations annually to the governor and the
32 legislature, beginning August 31, 2022, regarding the phased
33 implementation of strategies and priorities identified in section 101
34 of this act, recognizing that system capacity must be developed and
35 revenue expanded in order to achieve the stated goal in subsection
36 (1) of this section;

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

1 (d) Maintain a focus on inclusionary practices for children with
2 disabilities;

3 (e) Partner with nonprofit organizations to collect and analyze
4 data and measure progress; and

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

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

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

14 (iii) Promote kindergarten readiness by enhancing child
15 development, including development of social-emotional skills, and
16 eliminating exclusionary admissions practices and disproportionate
17 removals in child care and early learning programs; and

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

21 (3) In collaboration with the council, the department shall
22 consult with its advisory groups and other interested stakeholders
23 and shall submit a biennial report to the governor and legislature
24 describing how the investments funded by the fair start for kids act
25 have impacted the policy objectives stated in subsection (2)(f) of
26 this section. The first report under this section is due September
27 15, 2023. The council shall include diverse, statewide representation
28 from public, nonprofit, and for-profit entities. Its membership shall
29 include critical partners in service delivery and reflect regional,
30 racial, and cultural diversity to adequately represent the ((needs))
31 interests of all children and families in the state.

32 (4) Councilmembers shall serve two-year terms. However, to
33 stagger the terms of the council, the initial appointments for twelve
34 of the members shall be for one year. Once the initial one-year to
35 two-year terms expire, all subsequent terms shall be for two years,
36 with the terms expiring on June 30th of the applicable year. The
37 terms shall be staggered in such a way that, where possible, the
38 terms of members representing a specific group do not expire
39 simultaneously.

1 (5) The council shall consist of members essential to
2 coordinating services statewide prenatal through age five, as
3 follows:

4 (a) In addition to being staffed and supported by the department,
5 the governor shall appoint one representative from each of the
6 following: The department of commerce, the department of health, the
7 student achievement council, and the state board for community and
8 technical colleges;

9 (b) One representative from the office of the superintendent of
10 public instruction, to be appointed by the superintendent of public
11 instruction;

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

14 (d) The governor shall appoint leaders in early childhood
15 education to represent critical service delivery and support sectors,
16 with at least one individual representing each of the following:

17 ~~((The head start state collaboration office director or the~~
18 ~~director's designee;~~

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

21 ~~((iii))~~) (ii) A representative of ((a local education agency))
22 educational service districts;

23 ~~((iv))~~) (iii) A ((representative of the state agency)) provider
24 responsible for programs under section 619 ((or)) of the federal
25 individuals with disabilities education act;

26 (iv) A representative of the state agency responsible for part C
27 of the federal individuals with disabilities education act;

28 (v) A representative of the early childhood education and
29 assistance program;

30 (vi) A representative of licensed family ~~((day care))~~ home
31 providers;

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

33 (viii) A representative from the home visiting advisory committee
34 established in RCW 43.216.130;

35 ~~((d))~~) (ix) An infant or early childhood mental health expert;

36 (x) A family, friend, and neighbor caregiver;

37 (xi) A representative from prenatal to three services;

38 (xii) A pediatrician; and

39 (xiii) A representative of the statewide child care resource and
40 referral organization;

1 (e) Two members of the house of representatives, one from each
2 caucus, to be appointed by the speaker of the house of
3 representatives and two members of the senate, one from each caucus,
4 to be appointed by the majority leader in the senate and the minority
5 leader in the senate;

6 ~~((e))~~ (f) Two parents, one of whom serves on the department's
7 parent advisory group, to be appointed by the governor;

8 ~~((f))~~ (g) One representative of the private-public partnership
9 created in RCW 43.216.065, to be appointed by the partnership board;

10 ~~((g))~~ (h) One representative from the Washington state
11 developmental disabilities ((community)) council;

12 ~~((h))~~ (i) Two representatives from early learning regional
13 coalitions;

14 ~~((i))~~ (j) ~~((Representatives))~~ Up to five representatives of
15 underserved communities who have a special expertise or interest in
16 high quality early learning, one to be appointed by each of the
17 following commissions:

18 (i) The Washington state commission on Asian Pacific American
19 affairs;

20 (ii) The Washington state commission on African American affairs;
21 ~~((and))~~

22 (iii) The Washington state commission on Hispanic affairs;

23 ~~((j))~~ (iv) The Washington state women's commission; and

24 (v) The Washington state office of equity;

25 (k) Two representatives designated by sovereign tribal
26 governments, one of whom must be a representative of a tribal early
27 childhood education assistance program or head start program;

28 ~~((k))~~ (l) One representative from the office of equity
29 established under chapter 43.06D RCW;

30 (m) One representative from the women's commission established
31 under chapter 43.119 RCW;

32 (n) One representative from the Washington federation of
33 independent schools;

34 ~~((l))~~ (o) One representative from the Washington library
35 association; ~~((and~~

36 ~~((m))~~ (p) One representative from a statewide advocacy coalition
37 of organizations that focuses on early learning;

38 (q) One representative from an association representing statewide
39 business interests and one representative from a regional business
40 coalition;

1 (r) One representative of an advocacy organization for immigrants
2 and refugees;

3 (s) One representative of an organization advocating for expanded
4 learning opportunities and school-age child care programs; and

5 (t) One representative from the union representing the largest
6 number of child care providers.

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

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

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

16 ~~((+8))~~ (9) Each member of the board shall be compensated in
17 accordance with RCW 43.03.240 and reimbursed for travel expenses
18 incurred in carrying out the duties of the board in accordance with
19 RCW 43.03.050 and 43.03.060.

20 ~~((+9))~~ (10)(a) The council shall convene an early achievers
21 review subcommittee to provide feedback and guidance on strategies to
22 improve the quality of instruction and environment for early learning
23 and provide input and recommendations on the implementation and
24 refinement of the early achievers program. The subcommittee shall at
25 a minimum provide feedback and guidance to the department and the
26 council on the following:

27 (i) Adequacy of data collection procedures;

28 (ii) Coaching and technical assistance standards;

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

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

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

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

38 (vii) Other relevant early learning data, including but not
39 limited to, progress in serving students with disabilities ages birth
40 to five, including data on least restrictive environments.

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

4 (c) The subcommittee shall include representatives from child
5 care centers, family child care, the early childhood education and
6 assistance program, contractors for early achievers program technical
7 assistance and coaching, tribal governments, the organization
8 responsible for conducting early achievers program ratings, and
9 parents of children participating in early learning programs,
10 including working connections child care and early childhood
11 education and assistance programs. The subcommittee shall include
12 representatives from diverse cultural and linguistic backgrounds.

13 ~~((10))~~ (11) The council shall report its findings and
14 recommendations annually to the governor and the appropriate
15 committees of the legislature by August 1st.

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

17 NEW SECTION. Sec. 103. INFLATIONARY ADJUSTMENTS. Beginning July
18 1, 2023, and subject to the availability of amounts appropriated for
19 this specific purpose, rates paid under sections 302, 305, and 404 of
20 this act and RCW 43.216.578 must be adjusted every two years
21 according to an inflationary increase. The inflationary increase must
22 be calculated by applying the rate of the increase in the
23 inflationary adjustment index to the rates established in sections
24 302, 305, and 404 of this act and RCW 43.216.578. Any funded
25 inflationary increase must be included in the rate used to determine
26 inflationary increases in subsequent years. For the purposes of this
27 section, "inflationary adjustment index" means the implicit price
28 deflator averaged for each fiscal year, using the official current
29 base rate, compiled by the bureau of economic analysis, United States
30 department of commerce.

31 PART II

32 EXPANDING ACCESS TO CHILD CARE AND EARLY LEARNING PROGRAMS

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

1 (2) By July 1, 2025, a family is eligible for working connections
2 child care when the household's annual income is at or below 75
3 percent of the state median income adjusted for family size and:

4 (a) The child receiving care is: (i) Aged 13 years or younger; or
5 (ii) aged 19 years or younger and has a verified special need
6 according to department rule or is under court supervision; and

7 (b) The household meets all other program eligibility
8 requirements.

9 (3) By July 1, 2025, and subject to the availability of amounts
10 appropriated for this specific purpose, a family is eligible for
11 working connections child care when the household's annual income is
12 above 75 percent of the state median income and is at or below 100
13 percent of the state median income adjusted for family size and:

14 (a) The child receiving care is: (i) Aged 13 years or younger; or
15 (ii) aged 19 years or younger and has a verified special need
16 according to department rule or is under court supervision; and

17 (b) The household meets all other program eligibility
18 requirements.

19 (4) (a) The department must calculate a monthly copayment
20 according to the following phased-in schedule:

21 By date:	If the household's income is:	Then the household's copayment is not 22 to exceed:
23 By July 1, 2021	At or below 36 percent of the state 24 median income	Waived to the extent allowable under federal law
25 By July 1, 2021	Above 36 percent and at or below 50 26 percent of the state median income	\$65
27 By July 1, 2023	Above 50 percent and at or below 60 28 percent of the state median income	\$165
29 By July 1, 2025	Above 60 percent and at or below 75 30 percent of the state median income	\$215

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

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

1 (5) The department must adopt rules to implement this section.

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

4 WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS. (1) The
5 department shall establish and implement policies in the working
6 connections child care program to promote stability and quality of
7 care for children from low-income households. These policies shall
8 focus on supporting school readiness for young learners. Policies for
9 the expenditure of funds constituting the working connections child
10 care program must be consistent with the outcome measures established
11 by the department and the standards established in this section
12 intended to promote stability, quality, and continuity of early care
13 and education programming.

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

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

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

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

26 (i) In the last six months have:

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

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

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

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

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

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

1 (4) (a) Beginning (~~(August 1, 2020)~~) July 1, 2023, the department
2 may not require an applicant or consumer to meet work requirements as
3 a condition of receiving working connections child care benefits when
4 the applicant or consumer is(~~+~~

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

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

10 (ii) An associate degree program; or

11 (iii) A registered apprenticeship program.

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

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

20 (d) Subject to the availability of amounts appropriated for this
21 specific purpose, the department may extend the provisions of this
22 subsection (4) to full-time students who are enrolled in a bachelor's
23 degree program or applied baccalaureate degree program.

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

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

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

35 NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
36 PROGRAM INTENT. (1) The legislature finds that eligibility guidelines
37 for the national school lunch program require free meals for children
38 with household incomes at or below 130 percent of the federal poverty
39 level and that this income level is approximately equivalent to 36

1 percent of the state median income for a household of three. The
2 legislature further finds that eligibility guidelines require
3 reduced-price meals for children with household incomes at or below
4 185 percent of the federal poverty level and that this income level
5 is approximately equivalent to 50 percent of the state median income
6 for a household of three.

7 (2) Therefore, the legislature intends to raise the maximum
8 family income for children entitled to enroll in the early childhood
9 education and assistance program to 36 percent of the state median
10 income beginning July 1, 2026. Beginning in the 2030-31 school year,
11 the legislature intends to raise the maximum family income for
12 children entitled to enroll in this program to 50 percent of the
13 state median income. It is the intent of the legislature to
14 standardize income eligibility levels for assistance programs in
15 order to help families and social workers better understand the
16 benefits for which families qualify and to simplify and align state
17 systems wherever feasible.

18 (3) The legislature further intends to support educational
19 service districts to help school districts partner with early
20 childhood education and assistance program contractors and providers
21 to expand access.

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

24 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM ENTITLEMENT
25 ELIGIBILITY. Unless the context clearly requires otherwise, the
26 definitions in this section apply throughout RCW 43.216.500 through
27 43.216.559, 43.216.900, and 43.216.901.

28 (1) "Advisory committee" means the advisory committee under RCW
29 43.216.520.

30 (2) "Approved programs" means those state-supported education and
31 special assistance programs which are recognized by the department as
32 meeting the minimum program rules adopted by the department to
33 qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and
34 43.216.901 and are designated as eligible for funding by the
35 department under RCW 43.216.530 and 43.216.540.

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

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

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

7 (b) Is experiencing homelessness;

8 (c) Has participated in early head start or a successor federal
9 program providing comprehensive services for children from birth
10 through two years of age, the early support for infants and toddlers
11 program or received class C developmental services, the birth to
12 three early childhood education and assistance program, or the early
13 childhood intervention and prevention services program;

14 (d) Is eligible for special education due to disability under RCW
15 28A.155.020; (~~or~~

16 ~~(e))~~ (e) Meets criteria under rules adopted by the department if
17 the number of such children equals not more than ten percent of the
18 total enrollment in the early childhood program. Preference for
19 enrollment in this group shall be given to children from families
20 with the lowest income, children in foster care, or to eligible
21 children from families with multiple needs; or

22 (f) Is Indian as defined in rule by the department after
23 consultation and agreement with Washington state's federally
24 recognized tribes pursuant to section 207 of this act and is at or
25 below 100 percent of the state median income adjusted for family
26 size.

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

29 (a) Actively participate in their child's early childhood
30 program;

31 (b) Increase their knowledge of child development and parenting
32 skills;

33 (c) Further their education and training;

34 (d) Increase their ability to use needed services in the
35 community;

36 (e) Increase their self-reliance; and

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

39 (6) "Experiencing homelessness" means a child without a fixed,
40 regular, and adequate nighttime residence as described in the federal

1 McKinney-Vento homeless assistance act (42 U.S.C., Chapter 119,
2 Subchapter VI, Part B) as it existed on January 1, 2021.

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

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

10 EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED
11 ENROLLMENT. (1) The department shall adopt rules that allow the
12 enrollment of children in the early childhood education and
13 assistance program, as space is available, if the number of such
14 children equals not more than ((~~twenty-five~~)) 25 percent of total
15 statewide enrollment, when the child is not eligible under RCW
16 43.216.505 and whose family income level is ((~~÷ (a) Above one hundred~~
17 ten percent but less than or equal to one hundred thirty percent of
18 the federal poverty level; or

19 (~~b) Above one hundred thirty percent but less than or equal to~~
20 (~~two hundred percent of the federal poverty level if~~)) above 36
21 percent of the state median income but at or below 50 percent of the
22 state median income adjusted for family size and the child meets at
23 least one of the risk factor criterion described in subsection (2) of
24 this section.

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

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

33 (b) ((~~Homelessness;~~

34 ~~e~~)) Child welfare system involvement;

35 ((~~(d) Developmental delay or disability that does not meet the~~
36 eligibility criteria for special education described in RCW
37 28A.155.020)) (c) Eligible for services under part C of the federal
38 individuals with disabilities education act but not eligible for

1 services under part B of the federal individuals with disabilities
2 education act;

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

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

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

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

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

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

11 (3) ~~((The department shall adopt rules that allow a child to~~
12 ~~enroll in the early childhood education and assistance program, as~~
13 ~~space is available, when the child is not eligible under RCW~~
14 ~~43.216.505 and the child turns three years old at any time during the~~
15 ~~school year when the child:~~

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

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

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

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

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

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

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

31 NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE
32 PROGRAM EARLY ENTRY. (1) The department shall adopt rules that allow
33 a child to enroll in the early childhood education and assistance
34 program, as space is available, when the child is not eligible under
35 RCW 43.216.505 and the child turns three years old at any time during
36 the school year when the child:

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

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

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

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

7 (iii) The birth to three early childhood education and assistance
8 program; or

9 (iv) The early childhood intervention and prevention services
10 program.

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

15 NEW SECTION. **Sec. 207.** INDIAN CHILD DEFINITION. (1) The
16 department must consult, and obtain the advice and consent of, the
17 governing bodies of the state's federally recognized tribes in
18 developing an agreed-upon definition of the term "Indian" for the
19 purposes of RCW 43.216.505 and, by July 1, 2024, must adopt the
20 definition in rule.

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

22 **Sec. 208.** RCW 43.216.556 and 2019 c 408 s 3 are each amended to
23 read as follows:

24 (1) Funding for the program of early learning established under
25 this chapter must be appropriated to the department. The department
26 shall distribute funding to approved early childhood education and
27 assistance program contractors on the basis of eligible children
28 enrolled.

29 (2) The program shall be implemented in phases, so that full
30 implementation is achieved in the ((2022-23)) 2026-27 school year.

31 (3) Funding shall continue to be phased in ((each-year)) until
32 full statewide implementation of the early learning program is
33 achieved in the ((2022-23)) 2026-27 school year, at which time any
34 eligible child is entitled to be enrolled in the program. Entitlement
35 under this section is voluntary enrollment.

36 (4) School districts and approved community-based early learning
37 providers may contract with the department to provide services under
38 the program. The department shall collaborate with school districts,

1 community-based providers, and educational service districts to
2 promote an adequate supply of approved providers.

3 **PART III**

4 **SUPPORTING CHILD CARE AND EARLY LEARNING PROVIDERS**

5 **Sec. 301.** RCW 43.216.749 and 2019 c 368 s 7 are each amended to
6 read as follows:

7 CHILD CARE SUBSIDY RATES. (1) (~~By January 1, 2025, the~~
8 ~~department of children, youth, and families must~~) It is the intent
9 of the legislature to systemically increase child care subsidy rates
10 over time until rates are equal to the full cost of providing high
11 quality child care.

12 (2) (a) By July 1, 2021, child care subsidy base rates must
13 achieve the 75th percentile of market for licensed or certified child
14 care providers.

15 (b) By July 1, 2023, child care subsidy base rates must achieve
16 the 85th percentile of market for licensed or certified child care
17 providers.

18 (3) (a) The department shall build upon the work of the child care
19 collaborative task force to develop and implement a child care cost
20 estimate model and use the completed child care cost model
21 (developed under RCW 43.330.527 to determine child care subsidy
22 rates.

23 ~~(2) This section expires January 30, 2025))~~ to recommend subsidy
24 rates at levels that are sufficient to compensate licensed or
25 certified child care providers for the full costs of providing high
26 quality child care. The department shall consider adjusting rates to
27 reflect cost-of-living factors at the zip code level, grouped by
28 categories such as rural, suburban, or urban.

29 (b) The department shall build upon the work of the child care
30 collaborative task force to evaluate options to support access to
31 affordable health care insurance coverage for licensed or certified
32 child care providers.

33 (c) Nothing in this chapter shall be deemed to interfere with,
34 impede, or in any way diminish the right of employees to bargain
35 collectively with their employers through representatives of their
36 choosing in order to establish wages or other conditions of work in
37 excess of the applicable minimum under the provisions of this
38 chapter.

1 NEW SECTION. **Sec. 302.** EARLY CHILDHOOD EDUCATION AND ASSISTANCE
2 PROGRAM RATES. (1) Rates for the early childhood education and
3 assistance program shall be established as follows:

4 (a) For the 2021-22 through 2022-23 school years, rates must be
5 set at a level at least seven percent higher than the rates
6 established in section 225, chapter 415, Laws of 2019.

7 (b) For the 2023-24 school year, rates shall be set at a level at
8 least 10 percent higher than the rates established in section 225,
9 chapter 415, Laws of 2019.

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

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

14 NEW SECTION. **Sec. 303.** COMPLEX NEEDS FUNDS. (1) Working in
15 conjunction with the office of the superintendent of public
16 instruction and providers, the department shall administer two
17 complex needs funds to promote inclusive, least restrictive
18 environments and to support contractors and providers serving
19 children who have developmental delays, disabilities, behavioral
20 needs, or other unique needs. One fund must support early childhood
21 education and assistance program contractors, providers, and birth to
22 three early childhood education and assistance programs, and one fund
23 must support licensed or certified child care providers and license-
24 exempt child care programs.

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

30 NEW SECTION. **Sec. 304.** TRAUMA-INFORMED CARE SUPPORTS. (1) By
31 July 1, 2022, the department shall provide supports to aid eligible
32 providers in providing trauma-informed care. Trauma-informed care
33 supports may include:

34 (a) Additional compensation for staff who have an infant and
35 early childhood mental health or other child development specialty
36 credential;

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

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

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

3 (e) Other related expenses.

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

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

6 (a) An employee or owner of a licensed or certified child care center
7 accepting state subsidy; (b) an employee or owner of a licensed
8 family home provider accepting state subsidy; (c) a contractor or
9 provider of the early childhood education and assistance program or
10 birth to three early childhood education and assistance program; (d)
11 a license-exempt child care program; or (e) an early achievers coach.

12 NEW SECTION. **Sec. 305.** DUAL LANGUAGE RATE ENHANCEMENT. (1) By
13 July 1, 2022, the department shall establish a dual language
14 designation and provide subsidy rate enhancements or site-specific
15 grants for licensed or certified child care providers who are
16 accepting state subsidy; early childhood education and assistance
17 program contractors; or birth to three early childhood education and
18 assistance program contractors. It is the intent of the legislature
19 to allow uses of rate enhancements or site-specific grants to include
20 increased wages for individual staff who provide bilingual
21 instruction, professional development training, the purchase of dual
22 language and culturally appropriate curricula and accompanying
23 training programs, instructional materials, or other related
24 expenses.

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

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

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

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

1 NEW SECTION. **Sec. 307.** EARLY CHILDHOOD EQUITY GRANTS. (1)

2 Subject to the availability of amounts appropriated for this specific
3 purpose, the department shall distribute early childhood equity
4 grants to eligible applicants. Eligible applicants include play and
5 learn groups, licensed or certified child care centers and family
6 home providers, license-exempt child care programs, and early
7 childhood education and assistance program contractors. The equity
8 grants are intended to serve as a step toward expanding access to
9 early learning statewide and transforming Washington's early learning
10 system to make it more inclusive and equitable. The department shall
11 administer the early childhood equity grants to support inclusive and
12 culturally and linguistically specific early learning and early
13 childhood and parent support programs across the state.

14 (2) The department must conduct an equitable process to
15 prioritize grant applications for early childhood equity grant
16 assistance. An eligible applicant may receive an early childhood
17 equity grant once every two years. When conducting the equitable
18 grant process, the department must:

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

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

24 (c) Require applicants to demonstrate their proposed uses of
25 early childhood equity grant funds to incorporate either inclusive
26 practices or culturally and linguistically supportive and relevant
27 practices, or both, into early learning program design, delivery,
28 education, training, and evaluation; and

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

30 NEW SECTION. **Sec. 308.** A new section is added to chapter 43.330

31 RCW to read as follows:

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

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

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

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

5 (c) Providing financial assistance to employees for licensed or
6 certified child care providers and license-exempt child care program
7 expenses;

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

9 (e) Sponsoring dependent care flexible spending accounts for
10 employees; and

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

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

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

21 (3) The department shall provide, or contract with an entity to
22 provide, reflective supervision and professional development for
23 infant and early childhood mental health consultants to meet national
24 competency standards.

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

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

33 INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION. ((The)) By
34 July 1, 2021, the department of children, youth, and families must
35 have or contract for one infant and early childhood mental health
36 consultation coordinator and must enter into a contractual agreement
37 with an organization providing coaching services to early achievers
38 program participants to hire ((one)) at least 12 qualified infant and

1 early childhood mental health consultants (~~for each of the six~~
2 ~~department-designated regions~~). The department shall determine, in
3 collaboration with the statewide child care resource and referral
4 network, where the additional consultants should be sited based on
5 factors such as the total provider numbers overlaid with indicators
6 of highest need. The infant and early childhood mental health
7 consultants must support early achievers program coaches and child
8 care providers by providing resources, information, and guidance
9 regarding challenging behavior and expulsions and may travel to
10 assist providers in serving families and children with severe
11 behavioral needs. (~~In coordination with the contractor, the~~
12 ~~department of children, youth, and families must report on the~~
13 ~~services provided and the outcomes of the consultant activities to~~
14 ~~the governor and the appropriate policy and fiscal committees of the~~
15 ~~legislature by June 30, 2021.~~)

16 NEW SECTION. Sec. 311. PLAY AND LEARN GROUPS. Subject to the
17 availability of amounts appropriated for this specific purpose, the
18 department, in consultation with community-based programs, shall
19 provide or contract to provide, or both, resources and supports for
20 inclusive and culturally and linguistically relevant play and learn
21 groups. Play and learn groups offer parents and other caregivers
22 culturally responsive opportunities to support their children's early
23 learning, build relationships that reduce isolation and encourage
24 socialization, and promote kindergarten readiness.

25 NEW SECTION. Sec. 312. PROFESSIONAL DEVELOPMENT. (1) Subject to
26 the availability of amounts appropriated for this specific purpose,
27 the department shall provide professional development supports to aid
28 eligible providers in reaching the professional education and
29 training standards adopted by the department. Professional
30 development supports may include:

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

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

35 (c) Early achievers scholarships;

36 (d) Community-based training pathways and systems developed under
37 RCW 43.216.755; and

1 (e) Other professional development activities such as training
2 content maintenance, data collection and reporting, trainer
3 recruitment, retention, program monitoring, and trainings delivered
4 by department-approved trainers on topics such as small business
5 management, antibias and antiracist training, providing care for
6 children with developmental disabilities, social-emotional learning,
7 implementing inclusionary practices in the early learning
8 environment, infant and toddler care, dual language program
9 development, and providing trauma-informed care.

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

11 (a) An employee or owner of a licensed or certified child care center
12 or outdoor nature-based care; (b) an employee or owner of a licensed
13 family home provider accepting state subsidy; (c) a contractor or
14 provider of the early childhood education and assistance program or
15 birth to three early childhood education and assistance program; or
16 (d) an early achievers coach.

17 **PART IV**

18 **STRENGTHENING PRENATAL TO THREE SUPPORTS**

19 NEW SECTION. **Sec. 401.** PRENATAL TO THREE INTENT. (1) The
20 legislature finds that parental relationships and healthy
21 interactions in the first few years of life help shape the
22 development of babies' and toddlers' brains and bodies. Eighty
23 percent of the brain is developed by the age of three and parents are
24 a child's first teachers.

25 (2) The legislature finds that the federal family first
26 prevention services act (P.L. 115-123) offers the state the
27 opportunity to leverage federal funding for certain programs,
28 including in-home parent skill-based programs, substance use disorder
29 support, and mental health interventions. Culturally relevant,
30 evidence-based programs that may qualify for these federal funds are
31 limited. Therefore, state support may be necessary to serve
32 traditionally underrepresented communities and increase positive
33 engagement from parents and caregivers of children from before birth
34 to age three.

35 (3) The legislature finds that small teacher-child ratios for
36 infant and toddler care, as well as the existence of child care
37 deserts with low levels of access to care for the birth to three age

1 group, contribute to higher expenses for providers and families with
2 babies and young children.

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

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

13 (2) Components of the prenatal to three family engagement
14 strategy must include supports and services to improve maternal and
15 infant health outcomes, reduce and mitigate trauma, promote
16 attachment and other social-emotional assets, strengthen parenting
17 skills, and provide early supports to help maximize healthy and
18 robust childhood development and reduce isolation. Services and
19 supports may include:

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

22 (b) Facilitated play and learn groups;

23 (c) Parent peer-support groups, including groups designed for
24 families with children with complex needs; families whose primary
25 home language is not English; incarcerated parents; families coping
26 with substance use disorder or mental health support needs; black,
27 indigenous, and families of color; or other specific needs; and

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

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

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

36 BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

37 (1) (~~Within resources available under the federal preschool~~
38 ~~development grant birth to five grant award received in December~~

1 ~~2018,~~) Subject to the availability of amounts appropriated for this
2 specific purpose, the department shall ~~((develop a plan for phased~~
3 ~~implementation of))~~ administer a birth to three early childhood
4 education and assistance program ~~((pilot project))~~ for eligible
5 children under thirty-six months old. Funds to implement the ~~((pilot~~
6 ~~project))~~ program may include a combination of federal, state, or
7 private sources.

8 (2) The department may adopt rules to implement the ~~((pilot~~
9 ~~project))~~ program and may waive or adapt early childhood education
10 and assistance program requirements when necessary to allow for the
11 operation of the birth to three early childhood education and
12 assistance program. The department shall consider early head start
13 rules and regulations when developing the provider and family
14 eligibility requirements and program requirements. ~~((Any deviations~~
15 ~~from early head start standards, rules, or regulations must be~~
16 ~~identified and explained by the department in its annual report under~~
17 ~~subsection (6) of this section.))~~

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

23 (b) The department must determine minimum early achievers ratings
24 scores for ~~((programs))~~ participating ~~((in the pilot project))~~
25 contractors.

26 (4) ~~((When selecting pilot project locations for service~~
27 ~~delivery, the department may allow each pilot project location to~~
28 ~~have up to three classrooms per location. When selecting and~~
29 ~~approving pilot project locations, the department shall attempt to~~
30 ~~select a combination of rural, urban, and suburban locations. The~~
31 ~~department shall prioritize locations with programs currently~~
32 ~~operating early head start, head start, or the early childhood~~
33 ~~education and assistance program.~~

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

39 ~~((6) Beginning November 1, 2020, and each November 1st~~
40 ~~thereafter during pilot project activity, the department shall submit~~

1 ~~an annual report to the governor and legislature that includes a~~
2 ~~status update that describes the planning work completed, the status~~
3 ~~of funds secured, and any implementation activities of the pilot~~
4 ~~project. Implementation activity reports must include a description~~
5 ~~of the participating programs and number of children and families~~
6 ~~served.)~~)

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

15 (2) By July 1, 2022, the department shall provide an infant rate
16 enhancement for licensed or certified child care providers and birth
17 to three early childhood education and assistance program contractors
18 who are:

19 (a) Accepting state subsidy;

20 (b) In good standing with the early achievers quality rating and
21 improvement system; and

22 (c) Caring for a child between the ages of birth and 11 months.

23 (3) To the extent practicable, parties should consider in
24 collective bargaining agreements, beginning in the 2021-2023 fiscal
25 biennium, implementation of a rate structure similar to the
26 provisions in this section.

27 NEW SECTION. **Sec. 405.** EARLY THERAPEUTIC AND PREVENTATIVE
28 SERVICES. (1) Subject to the availability of amounts appropriated for
29 this specific purpose, the department shall administer early
30 therapeutic and preventative services and programs, such as the early
31 childhood intervention and prevention services program, and other
32 related services for children who are:

33 (a) Between the ages of birth and five years; and

34 (b) Referred by a child welfare worker, a department of social
35 and health services social worker, a primary care physician, a
36 behavioral health provider, or a public health nurse due to: (i) Risk
37 of child abuse or neglect; (ii) exposure to complex trauma; or (iii)
38 significant developmental delays.

1 (2) Subject to the availability of amounts appropriated for this
2 specific purpose, the department shall make all reasonable efforts to
3 deliver early therapeutic and preventative services and programs
4 statewide. These services and programs must focus first on children
5 and families furthest from opportunity as defined by income and be
6 delivered by programs that emphasize greater racial equity.

7 **PART V**
8 **CONFORMING AMENDMENTS**

9 **Sec. 501.** RCW 43.216.010 and 2020 c 270 s 11 are each reenacted
10 and amended to read as follows:

11 The definitions in this section apply throughout this chapter
12 unless the context clearly requires otherwise.

13 (1) "Agency" means any person, firm, partnership, association,
14 corporation, or facility that provides child care and early learning
15 services outside a child's own home and includes the following
16 irrespective of whether there is compensation to the agency:

17 (a) "Child day care center" and "child care center" mean(~~s~~) an
18 agency that regularly provides early childhood education and early
19 learning services for a group of children for periods of less than
20 twenty-four hours;

21 (b) "Early learning" includes but is not limited to programs and
22 services for child care; state, federal, private, and nonprofit
23 preschool; child care subsidies; child care resource and referral;
24 parental education and support; and training and professional
25 development for early learning professionals;

26 (c) "Family day care provider" and "family home provider"
27 mean(~~s~~) a child care provider who regularly provides early
28 childhood education and early learning services for not more than
29 twelve children at any given time in the provider's home in the
30 family living quarters;

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

36 (e) "Service provider" means the entity that operates a community
37 facility.

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

1 (a) Persons related to the child in the following ways:
2 (i) Any blood relative, including those of half-blood, and
3 including first cousins, nephews or nieces, and persons of preceding
4 generations as denoted by prefixes of grand, great, or great-great;
5 (ii) Stepfather, stepmother, stepbrother, and stepsister;
6 (iii) A person who legally adopts a child or the child's parent
7 as well as the natural and other legally adopted children of such
8 persons, and other relatives of the adoptive parents in accordance
9 with state law; or
10 (iv) Spouses of any persons named in (a)(i), (ii), or (iii) of
11 this subsection, even after the marriage is terminated;
12 (b) Persons who are legal guardians of the child;
13 (c) Persons who care for a neighbor's or friend's child or
14 children, with or without compensation, where the person providing
15 care for periods of less than twenty-four hours does not conduct such
16 activity on an ongoing, regularly scheduled basis for the purpose of
17 engaging in business, which includes, but is not limited to,
18 advertising such care;
19 (d) Parents on a mutually cooperative basis exchange care of one
20 another's children;
21 (e) Nursery schools that are engaged primarily in early childhood
22 education with preschool children and in which no child is enrolled
23 on a regular basis for more than four hours per day;
24 (f) Schools, including boarding schools, that are engaged
25 primarily in education, operate on a definite school year schedule,
26 follow a stated academic curriculum, and accept only school age
27 children;
28 (g) Seasonal camps of three months' or less duration engaged
29 primarily in recreational or educational activities;
30 (h) Facilities providing child care for periods of less than
31 twenty-four hours when a parent or legal guardian of the child
32 remains on the premises of the facility for the purpose of
33 participating in:
34 (i) Activities other than employment; or
35 (ii) Employment of up to two hours per day when the facility is
36 operated by a nonprofit entity that also operates a licensed child
37 care program at the same facility in another location or at another
38 facility;

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

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

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

9 (iii) The entity is a local affiliate of a national nonprofit;
10 and

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

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

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

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

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

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

25 (4) "Certificate of parental improvement" means a certificate
26 issued under RCW 74.13.720 to an individual who has a founded finding
27 of physical abuse or negligent treatment or maltreatment, or a court
28 finding that the individual's child was dependent as a result of a
29 finding that the individual abused or neglected their child pursuant
30 to RCW 13.34.030(6)(b).

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

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

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

39 (8) "Early childhood education and assistance program contractor"
40 means an organization that provides early childhood education and

1 assistance program services under a signed contract with the
2 department.

3 (9) "Early childhood education and assistance program provider"
4 means an organization that provides site level, direct, and high
5 quality early childhood education and assistance program services
6 under the direction of an early childhood education and assistance
7 program contractor.

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

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

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

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

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

18 ~~(11))~~ "Education data center" means the education data center
19 established in RCW 43.41.400, commonly referred to as the education
20 research and data center.

21 ~~((12))~~ (11) "Employer" means a person or business that engages
22 the services of one or more people, especially for wages or salary to
23 work in an agency.

24 ~~((13))~~ (12) "Enforcement action" means denial, suspension,
25 revocation, modification, or nonrenewal of a license pursuant to RCW
26 43.216.325(1) or assessment of civil monetary penalties pursuant to
27 RCW 43.216.325(3).

28 ~~((14))~~ (13) "Extended day program" means an early childhood
29 education and assistance program that offers early learning education
30 for at least ten hours per day, a minimum of two thousand hours per
31 year, at least four days per week, and operates year-round.

32 (14) "Family resource and referral linkage system" means a system
33 that connects families to resources, services, and programs for which
34 families are eligible and uses a database that is developed and
35 maintained in partnership with communities, health care providers,
36 and early learning providers.

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

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

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

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

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

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

16 (c) An adverse agency action, including termination, revocation,
17 or denial of a license or certification, or if pending adverse agency
18 action, the voluntary surrender of a license, certification, or
19 contract in lieu of the adverse action;

20 (d) A revocation, denial, or restriction placed on any
21 professional license; or

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

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

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

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

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

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

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

39 (25) "School age child" means a child who is five years of age
40 through (~~twelve~~) 13 years of age and is attending a public or

1 private school or is receiving home-based instruction under chapter
2 28A.200 RCW.

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

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

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

10 Nothing in RCW 43.216.135(~~(r)~~) or 43.216.136(~~(r or 43.216.1365)~~)
11 requires a community or technical college to expand any of its
12 existing child care facilities. Any additional child care services
13 provided by a community or technical college as a result of RCW
14 43.216.135(~~(r)~~) or 43.216.136(~~(r or 43.216.1365)~~) must be provided
15 within existing resources and existing facilities.

16 **Sec. 503.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
17 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted and amended to
18 read as follows:

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

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

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

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

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

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

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

39 (b) Any state agency that has independent authority over accounts
40 or funds not statutorily required to be held in the state treasury

1 that deposits funds into a fund or account in the state treasury
2 pursuant to an agreement with the office of the state treasurer shall
3 receive its proportionate share of earnings based upon each account's
4 or fund's average daily balance for the period.

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

8 **Sec. 504.** RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5,
9 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 are each reenacted
10 and amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

7 (2) The treasury income account shall be utilized to pay or
8 receive funds associated with federal programs as required by the
9 federal cash management improvement act of 1990. The treasury income
10 account is subject in all respects to chapter 43.88 RCW, but no
11 appropriation is required for refunds or allocations of interest
12 earnings required by the cash management improvement act. Refunds of
13 interest to the federal treasury required under the cash management
14 improvement act fall under RCW 43.88.180 and shall not require
15 appropriation. The office of financial management shall determine the
16 amounts due to or from the federal government pursuant to the cash
17 management improvement act. The office of financial management may
18 direct transfers of funds between accounts as deemed necessary to
19 implement the provisions of the cash management improvement act, and
20 this subsection. Refunds or allocations shall occur prior to the
21 distributions of earnings set forth in subsection (4) of this
22 section.

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

32 (4) Monthly, the state treasurer shall distribute the earnings
33 credited to the treasury income account. The state treasurer shall
34 credit the general fund with all the earnings credited to the
35 treasury income account except:

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and fund's
38 average daily balance for the period: The abandoned recreational
39 vehicle disposal account, the aeronautics account, the Alaskan Way
40 viaduct replacement project account, the brownfield redevelopment

1 trust fund account, the budget stabilization account, the capital
2 vessel replacement account, the capitol building construction
3 account, the Central Washington University capital projects account,
4 the charitable, educational, penal and reformatory institutions
5 account, the Chehalis basin account, the Chehalis basin taxable
6 account, the cleanup settlement account, the Columbia river basin
7 water supply development account, the Columbia river basin taxable
8 bond water supply development account, the Columbia river basin water
9 supply revenue recovery account, the common school construction fund,
10 the community forest trust account, the connecting Washington
11 account, the county arterial preservation account, the county
12 criminal justice assistance account, the deferred compensation
13 administrative account, the deferred compensation principal account,
14 the department of licensing services account, the department of
15 retirement systems expense account, the developmental disabilities
16 community ((~~trust~~)) services account, the diesel idle reduction
17 account, the drinking water assistance account, the administrative
18 subaccount of the drinking water assistance account, the early
19 learning facilities development account, the early learning
20 facilities revolving account, the Eastern Washington University
21 capital projects account, the education construction fund, the
22 education legacy trust account, the election account, the electric
23 vehicle account, the energy freedom account, the energy recovery act
24 account, the essential rail assistance account, The Evergreen State
25 College capital projects account, the fair start for kids account,
26 the ferry bond retirement fund, the fish, wildlife, and conservation
27 account, the freight mobility investment account, the freight
28 mobility multimodal account, the grade crossing protective fund, the
29 public health services account, the state higher education
30 construction account, the higher education construction account, the
31 higher education retirement plan supplemental benefit fund, the
32 highway bond retirement fund, the highway infrastructure account, the
33 highway safety fund, the hospital safety net assessment fund, the
34 Interstate 405 and state route number 167 express toll lanes account,
35 the judges' retirement account, the judicial retirement
36 administrative account, the judicial retirement principal account,
37 the limited fish and wildlife account, the local leasehold excise tax
38 account, the local real estate excise tax account, the local sales
39 and use tax account, the marine resources stewardship trust account,
40 the medical aid account, the money-purchase retirement savings

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

1 account, the volunteer firefighters' and reserve officers' relief and
2 pension principal fund, the volunteer firefighters' and reserve
3 officers' administrative fund, the vulnerable roadway user education
4 account, the Washington judicial retirement system account, the
5 Washington law enforcement officers' and firefighters' system plan 1
6 retirement account, the Washington law enforcement officers' and
7 firefighters' system plan 2 retirement account, the Washington public
8 safety employees' plan 2 retirement account, the Washington school
9 employees' retirement system combined plan 2 and 3 account, the
10 Washington state patrol retirement account, the Washington State
11 University building account, the Washington State University bond
12 retirement fund, the water pollution control revolving administration
13 account, the water pollution control revolving fund, the Western
14 Washington University capital projects account, the Yakima integrated
15 plan implementation account, the Yakima integrated plan
16 implementation revenue recovery account, and the Yakima integrated
17 plan implementation taxable bond account. Earnings derived from
18 investing balances of the agricultural permanent fund, the normal
19 school permanent fund, the permanent common school fund, the
20 scientific permanent fund, and the state university permanent fund
21 shall be allocated to their respective beneficiary accounts.

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

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

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

33 The department shall:

34 (1) Work in conjunction with the statewide child care resource
35 and referral network as well as local governments, nonprofit
36 organizations, businesses, and community child care advocates to
37 create local child care resource and referral organizations. These
38 organizations may carry out needs assessments, resource development,

1 provider training, technical assistance, and parent information and
2 training;

3 (2) Actively seek public and private money for distribution as
4 grants to the statewide child care resource and referral network and
5 to existing or potential local child care resource and referral
6 organizations;

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

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

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

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

17 (d) Provide information for businesses regarding child care
18 supply and demand;

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

21 (f) Provide technical assistance to employers regarding employee
22 child care services; and

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

27 (4) Provide staff support and technical assistance to the
28 statewide child care resource and referral network and local child
29 care resource and referral organizations;

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

34 (6) Through the statewide child care resource and referral
35 network and local resource and referral organizations, compile data
36 about local child care needs and availability for future planning and
37 development;

38 (7) Coordinate with the statewide child care resource and
39 referral network and local child care resource and referral

1 organizations for the provision of training and technical assistance
2 to child care providers;

3 (8) Collect and assemble information regarding the availability
4 of insurance and of federal and other child care funding to assist
5 state and local agencies, businesses, and other child care providers
6 in offering child care services;

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

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

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

15 (b) The provider is actively participating in the early achievers
16 program;

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

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

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

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

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

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

31 (2) As space is available, children may be included in the early
32 childhood education and assistance program pursuant to RCW
33 43.216.512. (~~Priority within this group must be given first to~~
34 ~~children with incomes up to one hundred thirty percent of the federal~~
35 ~~poverty level.))~~

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

1 (1) The department shall establish and implement policies in the
2 working connections child care program to promote stability and
3 quality of care for children from low-income households. These
4 policies shall focus on supporting school readiness for young
5 learners. Policies for the expenditure of funds constituting the
6 working connections child care program must be consistent with the
7 outcome measures established by the department and the standards
8 established in this section intended to promote stability, quality,
9 and continuity of early care and education programming.

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

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

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

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

22 (i) In the last six months have:

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

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

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

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

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

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

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

40 (i) A single parent;

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

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

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

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

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

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

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

25 **PART VI**
26 **MISCELLANEOUS**

27 NEW SECTION. **Sec. 601.** RCW 43.216.1365 (Working connections
28 child care program—Eligibility) and 2020 c 355 s 3 are each repealed.

29 NEW SECTION. **Sec. 602.** If any part of this act is found to be
30 in conflict with federal requirements that are a prescribed condition
31 to the allocation of federal funds to the state, the conflicting part
32 of this act is inoperative solely to the extent of the conflict and
33 with respect to the agencies directly affected, and this finding does
34 not affect the operation of the remainder of this act in its
35 application to the agencies concerned. Rules adopted under this act
36 must meet federal requirements that are a necessary condition to the
37 receipt of federal funds by the state.

1 NEW SECTION. **Sec. 603.** Section 202 of this act takes effect
2 July 1, 2023.

3 NEW SECTION. **Sec. 604.** Sections 204 through 206 and 403 of this
4 act take effect July 1, 2026.

5 NEW SECTION. **Sec. 605.** Section 508 of this act expires July 1,
6 2023.

7 NEW SECTION. **Sec. 606.** Sections 101, 103, 201, 206, 207, 302
8 through 307, 309, 311, 312, 402, 404, and 405 of this act are each
9 added to chapter 43.216 RCW.

10 NEW SECTION. **Sec. 607.** Section 503 of this act expires July 1,
11 2021.

12 NEW SECTION. **Sec. 608.** Section 504 of this act is necessary for
13 the immediate preservation of the public peace, health, or safety, or
14 support of the state government and its existing public institutions,
15 and takes effect July 1, 2021.

16 NEW SECTION. **Sec. 609.** Section 504 of this act expires July 1,
17 2024.

18 NEW SECTION. **Sec. 610.** Section 505 of this act takes effect
19 July 1, 2024.

20 NEW SECTION. **Sec. 611.** Section 503 of this act is necessary for
21 the immediate preservation of the public peace, health, or safety, or
22 support of the state government and its existing public institutions,
23 and takes effect immediately.

24 NEW SECTION. **Sec. 612.** If specific funding for the purposes of
25 this act, referencing this act by bill or chapter number, is not
26 provided by June 30, 2021, in the omnibus appropriations act, this
27 act is null and void.

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