S-3830.1

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**SENATE BILL 6038**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Senators C. Wilson, Lovelett, Keiser, Kuderer, Liias, Nguyen, Nobles, Randall, Salomon, Valdez, and Wellman

AN ACT Relating to reducing the costs associated with providing child care; amending RCW 43.216.300; adding a new section to chapter 82.04 RCW; creating a new section; providing an effective date; and providing an expiration date.

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

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . ., Laws of 2024 (section 2 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to reduce the costs associated with providing child care by expanding the business and occupation tax exemption for child care services to include income derived from the care and education of children up to age 12.

(4) If a review finds a reduction in the cost of providing child care and education, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state.

NEW SECTION. **Sec.**  A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to amounts received by a nursery school, preschool, or child care provider for the care or supervision of children under 13 years of age.

(2) This section expires July 1, 2034.

**Sec.**  RCW 43.216.300 and 2018 c 58 s 41 are each amended to read as follows:

((~~(1)~~)) The secretary ((~~shall~~)) may not charge fees to the licensee for obtaining a child care license. ((~~The secretary may waive the fees when, in the discretion of the secretary, the fees would not be in the best interest of public health and safety, or when the fees would be to the financial disadvantage of the state.~~

~~(2) Fees charged shall be based on, but shall not exceed, the cost to the department for the licensure of the activity or class of activities and may include costs of necessary inspection.~~

~~(3) The secretary shall establish the fees charged by rule.~~))

NEW SECTION. **Sec.**  This act takes effect July 1, 2024.

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