

HOUSE BILL REPORT

2SHB 2124

As Amended by the Senate

Title: An act relating to supporting and expanding access to child care and early learning programs.

Brief Description: Supporting and expanding access to child care and early learning programs.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Eslick, Senn, Leavitt, Chapman, Reed, Ramel, Callan, Rule, Goodman, Tharinger, Wylie, Timmons, Stonier, Reeves and Kloba).

Brief History:

Committee Activity:

Human Services, Youth, & Early Learning: 1/9/24, 1/12/24 [DPS];
Appropriations: 2/2/24, 2/5/24 [DP2S(w/o sub HSEL)].

Floor Activity:

Passed House: 2/13/24, 74-22.
Senate Amended.
Passed Senate: 2/28/24, 39-8.

Brief Summary of Second Substitute Bill

- Makes an exception to the work requirement for Working Connections Child Care (WCCC) when the family is participating in the Birth to Three Early Childhood Education Assistant Program (ECEAP) or Early Head Start.
- Includes all certified child care providers, ECEAP and Birth to Three ECEAP providers, and Head Start and Early Head Start providers in the expanded WCCC eligibility provisions that are currently applicable to licensed child care providers.
- Requires inflationary adjustments to the dual language designation subsidy rate enhancements, rather than allowing those adjustments to be subject to appropriations.

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

HOUSE COMMITTEE ON HUMAN SERVICES, YOUTH, & EARLY LEARNING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Senn, Chair; Cortes, Vice Chair; Rule, Vice Chair; Eslick, Ranking Minority Member; Callan, Dent, Goodman, Ortiz-Self and Taylor.

Minority Report: Without recommendation. Signed by 2 members: Representatives Couture, Assistant Ranking Minority Member; Walsh.

Staff: Omeara Harrington (786-7136).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Human Services, Youth, & Early Learning. Signed by 26 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chambers, Assistant Ranking Minority Member; Connors, Assistant Ranking Minority Member; Berg, Callan, Chopp, Davis, Dye, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Ryu, Sandlin, Senn, Simmons, Slatter, Springer, Stokesbary, Stonier, Tharinger and Wilcox.

Minority Report: Without recommendation. Signed by 4 members: Representatives Corry, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Rude and Schmick.

Staff: Jordan Clarke (786-7123).

Background:

Working Connections Child Care.

Working Connections Child Care (WCCC) is a federally and state-funded program administered by the Department of Children, Youth, and Families (DCYF) that provides subsidies for child care while a parent is working or participating in approved work-related activities. The WCCC program is available to families who meet certain eligibility requirements and have a household income at or below 60 percent of the state median income (SMI), adjusted for family size. Beginning July 1, 2025, a family is eligible for WCCC program benefits when the household's annual income is above 60 percent and at or below 75 percent of the SMI, adjusted for family size, and beginning July 1, 2027, if funds are appropriated, when the household's annual income is up to 85 percent of the SMI, adjusted for family size. Depending on income, families may be required to pay a monthly copayment to their provider.

Approved Activities for Working Connections Child Care.

To be eligible for WCCC benefits, an applicant or consumer must be engaged in an

approved activity. Approved activities include employment, self-employment, certain educational and training programs, and other identified activities.

The DCYF may not require an applicant or consumer to meet work requirements as a condition of receiving WCCC program benefits when the recipient is enrolled in a state registered apprenticeship or is a full-time student of a community, technical, or tribal college, and is enrolled in a vocational education program that leads to a degree or certificate in a specific occupation or an associate degree program. Subject to appropriations, the DCYF may waive work requirements for full-time students who are enrolled in a bachelor's degree or applied baccalaureate degree program.

Working Connections Child Care Eligibility for Child Care Employees.

Employees of licensed child care centers and family home providers are eligible for WCCC benefits when:

- the employee's household income is at or below 85 percent of the SMI level, adjusted for family size;
- the child receiving care is younger than 13 years old, or younger than 19 years old and has a verified special need or is under court supervision; and
- the employee's household meets all other program eligibility requirements.

To the extent allowable under federal law, the DCYF must waive the copayment for qualifying employees of licensed child care centers and family home providers, and otherwise must apply a maximum copay of \$15.

The Early Childhood Education and Assistance Program and the Head Start Program.

The Early Childhood Education and Assistance Program (ECEAP) is the state's no-cost voluntary preschool program, and Head Start is a federally funded no-cost voluntary preschool program. Children are eligible for the ECEAP and Head Start when they are between the ages of 3 and 5 and meet certain household income requirements or have experienced specified risk factors. Both ECEAP and Head Start provide free early learning child care or preschool, family support, child health coordination and nutrition, and other responsive services.

In addition, there is a Birth to Three ECEAP program, as well as an Early Head Start program, for children who are not yet age eligible for ECEAP or Head Start.

Child Care Licensing and Certification.

In general, individuals and entities that provide care for children must be licensed by the DCYF. However, certain categories are exempt from the licensure requirement, including programs licensed by an Indian tribe, federally licensed programs, and programs approved by the Office of the Superintendent of Public Instruction or operated by a school, among others. Upon request, a license-exempt provider may request to be certified by the DCYF for purposes of approval to receive subsidy payments.

Dual Language Provider Supports.

The DCYF is required to maintain a dual language designation and provide subsidy rate enhancements or site-specific grants for qualifying licensed or certified child care providers and ECEAP or Birth to Three ECEAP contractors. Rate enhancements and site-specific grants are intended to be used for increased wages for individual staff who provide bilingual instruction, professional development training, the purchase of dual language and culturally appropriate curricula and accompanying training programs, instructional materials, or other related expenses. Subject to the availability of appropriated funds, dual language rate enhancements must be adjusted every two years for inflation.

Summary of Second Substitute Bill:

A family's participation in the Birth to Three ECEAP or the Early Head Start program satisfies the work requirement for purposes of the WCCC program.

All certified child care providers, ECEAP and Birth to Three ECEAP providers, and Head Start and Early Head Start providers are included in the expanded WCCC eligibility provisions that are currently applicable to licensed child care providers.

Inflationary adjustments to the dual language designation subsidy rate enhancements are required, rather than being subject to appropriation.

EFFECT OF SENATE AMENDMENT(S):

The amendment makes technical changes to harmonize the provisions of the bill with the provisions of another pending bill, House Bill 2111, which relates to clarifying requirements for subsidized child care, contingent on the enactment of both bills.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on November 1, 2024. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony (Human Services, Youth, & Early Learning):

(In support) Child care services are critical to families, and lack of child care resources is one of the biggest reasons people are not able to get work or are losing jobs. It is important to expand access to child care, particularly for low-income people. This bill will strengthen the ECEAP and Head Start programs in multiple ways.

Parent programs through ECEAP are essential and should count as a work activity. Through these programs, families work with support workers to overcome barriers to

employment, connect with mental health treatment, and engage with other services. The goals of these programs are to have children ready for kindergarten and to achieve emotional and financial stability for the family. Currently, many parents struggle to work consistently, and may be under the minimum hours requirement to qualify for the WCCC. By allowing the intensive family support work to count as a work activity for the WCCC, the bill will allow children to remain in child care and have continuity while they move toward kindergarten. The bill will also provide stability for providers. Families lose their benefits when their employment is unstable or they return to school and providers are faced with removing the student or absorbing the cost.

Child care is also a huge issue for the ECEAP and Head Start workforce, as many early learning professionals face financial challenges, particularly when it comes to care of their own children. This bill is a crucial step toward recognizing the valuable service of child care providers, the majority of whom are working parents and women. Last year, legislation provided expanded access to the WCCC for licensed providers. Currently some staff can access WCCC benefits and some cannot, depending on where their program is. The bill should be amended to include Head Start and Early Head Start staff.

(Opposed) None.

Staff Summary of Public Testimony (Appropriations):

(In support) This bill will do two things to strengthen the Early Childhood Education and Assistance Program (ECEAP), Head Start, and child care. First, it will count the ECEAP's intensive family support work as a work activity for continued eligibility in the Working Connections Child Care (WCCC) program. Early Childhood Education and Assistance Program providers work primarily with families with major challenges in life and work. These families partner with their ECEAP family support worker to pursue goals related to short- and long-term financial security, employment, behavioral health supports, parenting, housing, and other challenges. The bill will enable children to remain in quality care and enable programs to remain whole while staff work with the family to resolve issues.

The bill will also provide a technical fix that extends the WCCC benefits provided in last year's Senate Bill 5225 to ECEAP, Birth to Three ECEAP, Head Start, and Early Head Start staff. There is a fiscal impact to this bill, and there is support for the proposed second substitute bill that narrows the work activity portion of the bill to only include the birth-to-three programs, Birth to Three ECEAP, and Early Head Start. This would still provide a childcare option for high-risk families that would not be able to access WCCC under current law.

(Opposed) None.

Persons Testifying (Human Services, Youth, & Early Learning): Representative Carolyn Eslick, prime sponsor; Katy Warren, Washington State Association of Head Start

and ECEAP; Stacie Marez, Educational Service District 105; Ronda Hull, Mid-Columbia Children's Council; Jessica Heavner; and Roxy Magno, Multicultural Child and Family Hope Center.

Persons Testifying (Appropriations): Melissa Johnson, Washington State Association of Head Start and Early Childhood Education Assistant Program.

Persons Signed In To Testify But Not Testifying (Human Services, Youth, & Early Learning): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.