

HOUSE BILL REPORT

HB 1489

As Reported by House Committee On:
Appropriations

Title: An act relating to implementation dates for programs related to early childhood education and child care.

Brief Description: Adjusting implementation dates for programs related to early childhood education and child care.

Sponsors: Representative Ormsby; by request of Office of Financial Management.

Brief History:

Committee Activity:

Appropriations: 2/6/25, 2/12/25 [DPS].

Brief Summary of Substitute Bill

- Delays the entitlement date for the Early Childhood Education and Assistance Program from the 2026-27 school year to the 2030-2031 school year, and delays entitlement eligibility for families with incomes at or below 50 percent of the state median income (SMI) until the 2034-35 school year.
- Delays the Working Connections Child Care (WCCC) program income eligibility expansion from 60 percent to 75 percent of the SMI from July 1, 2025, to July 1, 2029, and the eligibility expansion from 75 percent to 85 percent of the SMI, currently subject to appropriation, from July 1, 2027, to July 1, 2031.
- Delays the WCCC program eligibility for persons in the first 12 months of a state registered apprenticeship who have a household income under 85 percent of the SMI, and meet certain additional criteria from July 1, 2027, to July 1, 2031.

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 APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 30 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Caldier, Callan, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Staff: Jordan Clarke (786-7123).

Background:

The Early Childhood Education and Assistance Program.

The Early Childhood Education and Assistance Program (ECEAP) is a no-cost preschool and family support program administered by the Department of Children, Youth, and Families (DCYF). Children are eligible for ECEAP when they are between the ages of three and five and are from families with incomes at or below 110 percent of the federal poverty level, are eligible for special education due to disability, or meet other criteria under rules adopted by the DCYF.

Beginning July 1, 2026, eligibility will expand to include any child who:

- has a family with financial need;
- is experiencing homelessness;
- has participated in Early Head Start or a successor federal program, the Early Support for Infants and Toddlers program or received class C developmental services, the Birth to Three ECEAP, or the Early Childhood Intervention and Prevention Services program; or
- is Indian as defined in DCYF rule and has a household income at or below 100 percent of the state median income (SMI).

"Family with financial need" means families with incomes at or below 36 percent of the SMI until the 2030-31 school year. Beginning in the 2030-31 school year, it includes families with incomes at or below 50 percent of the SMI.

Eligibility will again expand on August 1, 2030, to include children who are part of an assistance unit receiving basic food benefits under the Supplemental Nutrition Assistance Program or the State Food Assistance Program. Starting in the 2026-27 school year, ECEAP will become an entitlement for eligible children meeting the standard eligibility criteria.

Working Connections Child Care.

Working Connections Child Care (WCCC) is a federally and state-funded program

administered by the 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 SMI, adjusted for family size.

Working Connections Child Care Income Eligibility Expansion.

Beginning July 1, 2025, a family is eligible for the 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.

Working Connections Child Care and State Registered Apprenticeship Programs.

A person is eligible to receive the WCCC program benefits for the first 12 months of the person's enrollment in a state registered apprenticeship when:

- the person has a household income that does not exceed 75 percent of the SMI at the time of application, or, beginning July 1, 2027, does not exceed 85 percent of the SMI at the time of application if funds are appropriated to increase the generally applicable income eligibility threshold for the WCCC program to 85 percent of the SMI;
- the child receiving care is less than 13 years old, or is less than 19 years old and has a verified special need or is under court supervision; and
- the household meets all other program eligibility requirements.

Summary of Substitute Bill:

The Early Childhood Education and Assistance Program.

The entitlement for ECEAP is delayed from the 2026-27 school year to the 2030-31 school year. Entitlement eligibility for families with incomes at or below 50 percent of the SMI is delayed from the 2030-31 school year until the 2034-35 school year.

Working Connections Child Care.

Eligibility expansions for the WCCC are delayed.

Beginning July 1, 2029, a family is eligible for the 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, 2031, if funds are appropriated, when the household's annual income is up to 85 percent of the SMI, adjusted for family size.

Beginning July 1, 2031, a person is eligible to receive the WCCC program benefits for the first 12 months of the person's enrollment in a state registered apprenticeship when the person has a household income that does not exceed 85 percent of the SMI at the time of application if funds are appropriated to increase the generally applicable income eligibility

threshold for the WCCC program to 85 percent of the SMI.

Substitute Bill Compared to Original Bill:

The ECEAP entitlement date is delayed from school year 2030-31 to school year 2034-35 for families with incomes at or below 50 percent of the SMI, adjusted for family size.

The WCCC income expansion is changed from July 1, 2032, to July 1, 2031, for households in the first 12 months of a state registered apprenticeship program and whose household annual income does not exceed 85 percent of the SMI if funds are appropriated to increase the generally applicable income eligibility threshold for the WCCC program to 85 percent of the SMI.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 2025.

Staff Summary of Public Testimony:

(In support) It is difficult to delay the ECEAP entitlement date and the WCCC income expansion, but the budget is in a tough spot and this bill will help balance the budget.

(Opposed) None.

(Other) It is sad to face another ECEAP entitlement delay, but there is a budgetary need to delay the program. ECEAP is struggling to recruit and retain preschool educators, and a rate increase for ECEAP would help providers prepare for the 2030-31 entitlement date with livable wages.

Delaying the WCCC income expansion is understandable due to budget constraints. Please support progressive revenue to continue investing in early learning programs. The economy depends on working families, and the WCCC supports those families. The Legislature should prioritize maintaining the current WCCC copayments for families, as well as increasing the WCCC provider rates to the eighty-fifth percentile of the new 2024 market rate survey, as is currently required in statute.

Persons Testifying: (In support) Representative Timm Ormsby, prime sponsor; and Sheri Sawyer, Office of Financial Management.

(Other) Emily Murphy, Child Care Aware of Washington and Child Care for Washington

Campaign; and Melissa Johnson, Washington State Association of Head Start and Early Childhood Education and Assistance Program.

Persons Signed In To Testify But Not Testifying: None.