

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2689**

69th Legislature  
2026 Regular Session

Passed by the House March 11, 2026  
Yeas 51 Nays 45

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**Speaker of the House of  
Representatives**

Passed by the Senate March 11, 2026  
Yeas 33 Nays 16

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2689** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2689**

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AS AMENDED BY THE SENATE

Passed Legislature - 2026 Regular Session

**State of Washington                      69th Legislature                      2026 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Gregerson, Ormsby, and Macri; by request of Office of Financial Management)

READ FIRST TIME 03/02/26.

1            AN ACT Relating to the working connections child care program;  
2 amending RCW 43.216.802 and 43.216.828; adding new sections to  
3 chapter 43.216 RCW; creating a new section; repealing RCW 43.216.827;  
4 providing an effective date; providing an expiration date; and  
5 declaring an emergency.

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

7            **Sec. 1.** RCW 43.216.802 and 2025 c 412 s 5 are each amended to  
8 read as follows:

9            (1) It is the intent of the legislature to increase working  
10 families' access to affordable, high quality child care and to  
11 support the expansion of the workforce to support businesses and the  
12 statewide economy.

13            (2) A family is eligible for working connections child care when  
14 the household's annual income is at or below 60 percent of the state  
15 median income adjusted for family size and:

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

19            (b) The household meets all other program eligibility  
20 requirements established in this chapter or in rule by the department

1 as authorized by RCW 43.216.055 or 43.216.065 or any other authority  
2 granted by this chapter.

3 ~~(3) ((Beginning July 1, 2029, a family is eligible for working~~  
4 ~~connections child care when the household's annual income is above 60~~  
5 ~~percent and at or below 75 percent of the state median income~~  
6 ~~adjusted for family size and:~~

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

10 ~~(b) The household meets all other program eligibility~~  
11 ~~requirements established in this chapter or in rule by the department~~  
12 ~~as authorized by RCW 43.216.055 or 43.216.065 or any other authority~~  
13 ~~granted by this chapter.~~

14 ~~(4) Beginning July 1, 2031, and subject to the availability of~~  
15 ~~amounts appropriated for this specific purpose, a family is eligible~~  
16 ~~for working connections child care when the household's annual income~~  
17 ~~is above 75 percent of the state median income and is at or below 85~~  
18 ~~percent of the state median income adjusted for family size and:~~

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

22 ~~(b) The household meets all other program eligibility~~  
23 ~~requirements established in this chapter or in rule by the department~~  
24 ~~as authorized by RCW 43.216.055 or 43.216.065 or any other authority~~  
25 ~~granted by this chapter.~~

26 ~~(5))~~ Beginning November 1, 2024, when an applicant or consumer  
27 is a member of an assistance unit that is eligible for or receiving  
28 basic food benefits under the federal supplemental nutrition  
29 assistance program or the state food assistance program the  
30 department must determine that the household income eligibility  
31 requirements in this section are met.

32 ~~((6))~~ (4) The department must adopt rules to implement this  
33 section, including an income phase-out eligibility period.

34 ~~((7))~~ (5) The department may not consider the citizenship  
35 status of an applicant or consumer's child when determining  
36 eligibility for working connections child care benefits.

37 ~~((8))~~ (6) The income eligibility requirements in  
38 ~~((subsections))~~ subsection (2) ~~((through (4)))~~ of this section ~~((do))~~  
39 does not apply to households eligible for the working connections  
40 child care program under RCW 43.216.808 and 43.216.814.

1       **Sec. 2.** RCW 43.216.828 and 2025 c 424 s 957 are each amended to  
2 read as follows:

3       (1) It is the intent of the legislature to systemically increase  
4 child care subsidy rates over time until rates are equal to the full  
5 cost of providing high quality child care.

6       (2) (a) Beginning July 1, 2026, child care subsidy base rates must  
7 achieve the 85th percentile of market, as established by the most  
8 recent market rate survey published before May 20, 2025, for licensed  
9 or certified child care providers.

10       (b) Beginning July 1, 2027, child care subsidy base rates must  
11 achieve the 75th percentile of market for licensed or certified child  
12 care providers. The state and the exclusive representative for family  
13 child care providers must enter into bargaining over the  
14 implementation of the subsidy rate increase under this subsection.

15       (c) Beginning with the market rate survey published by June 1,  
16 2028, in accordance with RCW 43.216.829, in order for the results  
17 from the survey for a child care subsidy rate region to be considered  
18 valid for the purpose of informing subsidy base rate increases under  
19 (b) of this subsection, the region must achieve a provider response  
20 rate of at least 40 percent and also be greater than the response  
21 rate for that region in the survey in the prior even-numbered year.  
22 When the response rate in a region achieves 65 percent or greater, a  
23 minimum of 65 percent must be maintained in subsequent surveys to be  
24 considered valid.

25       (3) (a) The department shall ~~((build upon the work of the child~~  
26 ~~care collaborative task force to develop and implement a child care~~  
27 ~~cost estimate model and))~~ use the completed child care cost ~~((model))~~  
28 methodology published in accordance with RCW 43.216.829 to recommend  
29 subsidy rates at levels that are sufficient to compensate licensed or  
30 certified child care providers for the full costs of providing high  
31 quality child care. ~~((The department shall consider:~~

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

35       ~~(ii) Incorporating the rate model for nonstandard child care~~  
36 ~~hours developed under section 306, chapter 199, Laws of 2021.))~~

37       (b) The department shall build upon the work of the child care  
38 collaborative task force to evaluate options to support access to  
39 affordable health care insurance coverage for licensed or certified  
40 child care providers.

1 (4) This section does not interfere with, impede, or in any way  
2 diminish the right of family child care providers to bargain  
3 collectively with the state through the exclusive bargaining  
4 representatives as provided for under RCW 41.56.153.

5 NEW SECTION. **Sec. 3.** (1) By October 1, 2026, the department of  
6 children, youth, and families shall adopt rules related to child care  
7 provider subsidy payments that allow licensed or certified child care  
8 centers who accept state subsidy payments to claim daily subsidy  
9 payments as follows:

10 (a) For a child who has attended for 16 or more days in a  
11 calendar month, a provider may claim payment for the full number of  
12 authorized days;

13 (b) For a child who has attended nine to 15 days in a calendar  
14 month, a provider may claim payment for the full number of authorized  
15 days, or for 15 days, whichever is fewer; and

16 (c) For a child who has attended one to eight days in a calendar  
17 month, a provider may claim payment for the full number of authorized  
18 days, or for 11 days, whichever is fewer.

19 (2) Daily subsidy payments must be paid in half-day or partial-  
20 day rates, as established in rule, for a child authorized for and  
21 receiving half-day or partial-day care.

22 (3) This section expires July 1, 2027.

23 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.216  
24 RCW under the subchapter heading "subsidized child care" to read as  
25 follows:

26 (1) The department shall adopt rules related to child care  
27 provider subsidy payments that allow licensed or certified child care  
28 providers who accept state subsidy payments to claim daily subsidy  
29 payments as follows:

30 (a) For a child who has attended for 16 or more days in a  
31 calendar month, a provider may claim payment for the full number of  
32 authorized days;

33 (b) For a child who has attended nine to 15 days in a calendar  
34 month, a provider may claim payment for the full number of authorized  
35 days, or for 15 days, whichever is fewer; and

36 (c) For a child who has attended one to eight days in a calendar  
37 month, a provider may claim payment for the full number of authorized  
38 days, or for 11 days, whichever is fewer.

1 (2) Daily subsidy payments must be paid in half-day or partial-  
2 day rates, as established in rule, for a child authorized for and  
3 receiving half-day or partial-day care.

4 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.216  
5 RCW under the subchapter heading "subsidized child care" to read as  
6 follows:

7 Beginning July 1, 2026, licensed or certified child care  
8 providers may not receive a child care subsidy base rate that is  
9 different than the rate for the child care subsidy rate region in  
10 which the provider is located.

11 NEW SECTION. **Sec. 6.** RCW 43.216.827 (Prospective payments) and  
12 2025 c 412 s 13 are each repealed.

13 NEW SECTION. **Sec. 7.** Section 4 of this act takes effect July 1,  
14 2027.

15 NEW SECTION. **Sec. 8.** Except for section 4 of this act, this act  
16 is necessary for the immediate preservation of the public peace,  
17 health, or safety, or support of the state government and its  
18 existing public institutions, and takes effect immediately.

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