

# SENATE BILL REPORT

## E2SHB 1491

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As Reported by Senate Committee On:  
Early Learning & K-12 Education, March 24, 2015  
Ways & Means, April 7, 2015

**Title:** An act relating to improving quality in the early care and education system.

**Brief Description:** Improving quality in the early care and education system.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Kagi, Walsh, Hunter, Johnson, Ormsby, MacEwen, Senn, Magendanz, Farrell, Hayes, Ortiz-Self, Hudgins, Appleton, Fitzgibbon, S. Hunt, Ryu, Jinkins, Bergquist, Goodman, Tharinger and Riccelli).

**Brief History:** Passed House: 3/09/15, 67-31.

**Committee Activity:** Early Learning & K-12 Education: 3/23/15, 3/24/15 [DPA-WM].  
Ways & Means: 4/07/15 [DPA, w/oRec].

### Brief Summary of Engrossed Second Substitute Bill (As Amended by Senate)

- Makes comprehensive changes to Early Achievers (EA), Washington's quality rating and improvement system for early care and education programs; Early Childhood Education and Assistance Program (ECEAP), preschool for eligible three to four-year-old children; and Working Connections Child Care (WCCC), subsidized childcare for families that meet certain requirements.
- Requires the Department of Early Learning (DEL) to make rules on specific topics and to create a single set of licensing standards for child care and ECEAP.
- Requires collection of longitudinal, student-level data on children attending WCCC or ECEAP by the Office of Financial Management's Education Research and Data Center (ERDC) and analysis by the Washington State Institute for Public Policy (WSIPP); and additional reports by DEL on the implementation of the changes made by this legislation.
- Creates an Early Start account for state and other funding sources to be used to improve the quality of early care and education programming.

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

- Encourages local governments to collaborate with DEL when establishing early learning programs.

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## SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Litzow, Chair; Dammeier, Vice Chair; McAuliffe, Ranking Member; Billig, Fain, Hill, Mullet, Rivers and Rolfes.

**Staff:** Ailey Kato (786-7434)

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## SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Hill, Chair; Braun, Vice Chair; Dammeier, Vice Chair; Honeyford, Vice Chair, Capital Budget Chair; Hargrove, Ranking Member; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Ranking Minority Member, Operating; Bailey, Becker, Billig, Brown, Conway, Fraser, Hewitt, Kohl-Welles, O'Ban, Parlette, Rolfes, Schoesler and Warnick.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Hasegawa, Hatfield and Padden.

**Staff:** Breann Boggs (786-7433)

**Background:** Department of Early Learning (DEL). DEL was created in 2006. In 2007 the Legislature established the Early Learning Advisory Council to advise DEL on statewide early learning needs and to develop a statewide early learning plan. Certain council members are specified in statute.

DEL oversees many programs and services including, but not limited to, licensing and monitoring of family home childcare facilities and childcare centers, ECEAP, the Washington Kindergarten Inventory of Developing Skills, and EA.

Early Achievers (EA). This free and voluntary program provides training, technical assistance, consultation, and coaching to licensed childcare facilities, tribal and military certified programs, and state and federally funded preschool programs such as ECEAP and Head Start. This program establishes a common set of expectations and standards to improve the quality of early learning and childcare.

EA participants are evaluated and assigned a rating from 1 to 5. Level 1 means that a facility has been licensed by DEL or has recognized, approved certification. Participants are rated at level 2 when they enroll in EA. Levels 3 to 5 are based on points that participants can earn. Points are awarded in the areas of child outcomes; facility curriculum and learning environment and interactions; professional development and training; and family engagement and partnership.

Quality improvement awards are currently funded by a federal grant and are available to all licensed EA participants rated at levels 3 to 5. In fiscal year (FY) 2015, a tiered reimbursement pilot provided incentive payments to subsidized childcare providers rated at levels 3 to 5. EA is funded through federal grants, one of which will end in December 2015.

Workers Connections Child Care (WCCC). This program offers subsidies to childcare providers serving families at or below 200 percent of the federal poverty level – \$47,700 for a family of four. The state pays part of the cost of childcare when a parent is employed, self-employed, or meets the requirements for Temporary Assistance for Needy Families or WorkFirst programs. The family is responsible for making a copayment to the childcare provider. DEL sets childcare subsidy policy and provides WCCC oversight for childcare licensing and early learning services. The Department of Social Health Services (DSHS) helps families apply for WCCC, determines eligibility and consumer copayments, authorizes child care, and pays providers. Both childcare centers and family home providers are able to receive WCCC subsidy payments.

Early Childhood Education and Assistance Program (ECEAP). This program offers preschool to eligible three to four-year-old children. Public or private nonsectarian organizations, including school districts, educational service districts, community and technical colleges, local governments, or nonprofit organizations are eligible to participate as ECEAP providers. Children are eligible for ECEAP if they are from families with annual income at or below 110 percent of the federal poverty level – \$26,235 for a family of four, qualify for school district special education services, or have developmental or environmental risk factors that could affect school success. Since 1985 ECEAP has provided nutrition, health, education, and family support services. Under current law funding must be phased in incrementally each year until full statewide implementation of the early learning program is achieved in the 2018-19 school year, at which time any eligible child must be entitled to be enrolled in the program. In 2013 the Legislature required ECEAP providers to enroll in EA and maintain a minimum score level by FY 2015. Currently, family home providers do not administer ECEAP.

Contracted Slots. The FY 2014 supplemental budget authorized DEL to serve a portion of WCCC households through slots contracted directly with specific childcare providers. DEL was also allowed to braid funding between WCCC and ECEAP for full-day preschool for eligible children.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Recommended Amendments):** Early Achievers (EA). The EA program is changed in a number of ways.

*EA Foundation.* DEL must collaborate with tribal governments when implementing EA, a quality rating and improvement system. EA provides a foundation of quality for the early care and education system. Two objectives are added to EA:

- improve short-term and long-term educational outcomes for children as measured by assessments, and

- provide professional development and coaching opportunities to early childcare and education providers, subject to the availability of amounts appropriated for this specific purpose.

*EA Participation.* Participation in EA is voluntary for (1) licensed or certified childcare centers and homes not receiving state subsidy payments, and (2) early learning programs not receiving state funds. However, certain childcare and education programs must participate in EA. There are five levels in EA, and participants are expected to actively engage and continually advance within the program.

*Nonschool Age Childcare and State Subsidy Payments.* Licensed or certified childcare centers and homes serving nonschool-age children and receiving state subsidy payments must participate in EA by required deadlines. Nonschool-age child means a child who is age six years or younger and who is not enrolled in a public or private school.

Existing childcare providers must complete the following requirements to be eligible for a state subsidy:

- enroll in EA by August 1, 2016;
- complete level 2 activities by August 1, 2017; and
- rate at a level 3 or higher by December 31, 2019.

If an existing childcare provider rates below a level 3 by December 31, 2019, the provider must complete remedial activities with DEL, and rate at a level 3 or higher no later than June 30, 2020.

New childcare providers must complete the following activities to be eligible for a state subsidy effective July 1, 2016:

- enroll in EA within 30 days of receiving the initial state subsidy payment;
- complete level 2 activities within 12 months of enrollment; and
- rate at a level 3 or higher within 30 months of enrollment.

If a new childcare provider rates below a level 3 within 30 months from enrollment into EA, the provider must complete remedial activities with DEL and rate at a level 3 or higher within six months of beginning remedial activities.

If a childcare provider does not rate at a level 3 or higher following the remedial period, the provider is no longer eligible to receive a state subsidy.

If a childcare provider has successfully completed all level 2 activities and is waiting to be rated by the deadline, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.

*ECEAP.* Preschool providers receiving state-funded support must participate in EA by required deadlines.

Existing ECEAP providers must complete the following requirements to be eligible to receive state-funded support:

- enroll in EA by August 1, 2015; and

- rate at a level 4 or 5 by January 1, 2016.

If an existing ECEAP provider rates below a level 4 by January 1, 2016, the provider must complete remedial activities with DEL, and rate at a level 4 or 5 within six months of beginning remedial activities.

New ECEAP providers must complete the following requirements to be eligible to receive state-funded support effective August 1, 2015:

- enroll in EA within 30 days of the start date of the ECEAP contract; and
- rate at a level 4 or 5 within 12 months of enrollment.

If a new ECEAP provider rates below a level 4 within 12 months of enrollment, the provider must complete remedial activities and rate at a level 4 or 5 within six months of beginning remedial activities.

Licensed or certified childcare centers and homes that administer ECEAP must rate at a level 4 or 5 within 18 months of the start date of the ECEAP contract. If an ECEAP provider rates below a level 4 within 18 months, the provider must complete remedial activities with DEL and rate at a level 4 or 5 within six months of beginning remedial activities.

If an ECEAP provider successfully completes all of the required EA activities and is waiting to be rated by the deadline, the provider may continue to participate in EA as an approved ECEAP provider and receive state subsidy pending the successful completion of a level 4 or 5 rating. To avoid disruption, DEL may allow for ECEAP providers who rated below a level 4 after completion of the six-month remedial period to continue to provide services until the current school year is finished.

ECEAP contractor means an organization that provides ECEAP services under a signed contract with DEL. ECEAP provider means an organization that provides site-level, direct, and high-quality ECEAP services under the direction of an ECEAP contractor.

*School-Age Childcare.* These providers are exempt from participating in EA. By July 1, 2017, DEL and the Office of Superintendent of Public Instruction (OSPI) must jointly design a plan to incorporate school-age childcare providers into EA or other appropriate quality improvement system. School-age child means a child who is between the ages of five years and twelve years and is attending a public or private school or is receiving home-based instruction. To test implementation of EA for school-age childcare providers, DEL and OSPI must implement a pilot program, subject to the availability of amounts appropriated for this specific purpose.

*EA Rating Cycle and Rerating Fees.* DEL has the authority to determine the rating cycle for EA. DEL must streamline and eliminate duplication between EA standards and state childcare rules in order to reduce costs associated with the EA rating cycle and childcare licensing. Participants may request to be rated at any time after the completion of all level 2 activities. DEL must provide a participant an update on its progress toward completing level 2 activities after enrollment in EA for 15 months.

The first rating is free. Each subsequent rating within the established rating cycle is free. Participants may request to be rerated outside the established rating cycle. DEL may charge a fee for optional rerating requests made by participants that are outside the established rating cycle. Fees charged are based on, but may not exceed, the cost to DEL for activities associated with EA.

*EA Extension Protocol.* In collaboration with tribal governments, community and statewide partners, and the EA Review Subcommittee, DEL must develop a protocol for granting EA participants an extension in meeting rating-level requirement timelines outlined for WCCC and ECEAP. DEL may grant extensions only under exceptional circumstances. Extensions must not exceed six months, and participants are only eligible for one extension in meeting rating-level requirement timelines. Extensions may only be granted to participants who demonstrate engagement in EA.

*EA Information for Parents and Caregivers.* Subject to the availability of amounts appropriated for this specific purpose, DEL must create a single source of information for parents and caregivers to access details on a provider's EA rating level, licensing history, and other indicators of quality and safety that will help parents and caregivers make informed choices. DEL must publish to its website, or offer through a link on its website, the following information:

- by August 1, 2015, EA rating levels 1 through 5 for all childcare programs that receive state subsidy, ECEAP, and federal Head Start programs in Washington; and
- new EA ratings within 30 days after a program becomes licensed or certified, or receives a rating.

The EA rating levels must be published in a manner that is easily accessible to parents and caregivers and takes into account the linguistic needs of parents and caregivers. DEL must publish EA rating levels for childcare programs that do not receive state subsidy but have voluntarily joined EA. Participants who have published rating levels online may include a brief description of their program, contingent upon the review and approval by DEL, as determined by established marketing standards.

*EA Professional Development Pathway.* Subject to the availability of amounts appropriated for this specific purpose, DEL must create a pathway for EA participants to obtain a high school diploma or equivalency, or higher education credential related to early care and education. The pathway must include scholarships and grants. DEL must address cultural and linguistic diversity when developing the pathway.

*EA Quality Improvement Awards and Tiered Reimbursement.* The quality improvement awards must be reserved for EA participants offering programs to an enrollment population consisting of at least 5 percent of children receiving a state subsidy. Subject to the availability of amounts appropriated for this specific purpose, DEL must implement tiered reimbursement for EA participants in WCCC rating at levels 3 to 5.

*EA and Accreditation.* DEL must accept national accreditation that meets certain requirements as a qualification for EA ratings. Each national accreditation agency will be allowed to submit its most current standards of accreditation to establish potential credit earned in EA. DEL must grant credit to accreditation bodies that can demonstrate that their

standards meet or exceed the current EA standards. Licensed child care centers and child care home providers must meet national accreditation standards approved by DEL for EA in order to be granted credit for the EA standards.

Eligibility for EA is not subject to bargaining, mediation, or interest arbitration, consistent with the legislative reservation of rights. Nothing limits the Legislature's authority to make programmatic modifications to licensed child care and early learning programs.

*EA and Interlocal Agreements.* A childcare or early learning program that is operated by a federally recognized tribe and receives state funds must participate in EA. The tribe may choose to participate through an interlocal agreement between the tribe and DEL. The interlocal agreement must reflect the government-to-government relationship between the state and the tribe, including recognition of tribal sovereignty. The interlocal agreement must provide that tribal child care facilities and early learning programs:

- are not required to be licensed by DEL;
- are not required to have their EA rating level published to DEL's website or through a link on the website; and
- must provide notification to parents or guardians who apply for or have been admitted into their program that EA rating level information is available upon request.

*EA Review Subcommittee Consultation.* DEL must consult with the EA Review Subcommittee on all substantial policy changes to EA.

*EA Low-Income Providers and Programs.* DEL must, in collaboration with tribal governments and community and statewide partners, implement a protocol to maximize and encourage participation in EA for culturally diverse and low-income center and family home childcare providers. Amounts appropriated for the encouragement of this participation must be appropriated separately from the other funds appropriated for DEL, are the only funds that may be used for the protocol, and may not be used for any other purposes. Funds appropriated for the protocol must be considered an ongoing program for purposes of future departmental budget requests.

During the first 30 months of implementation of EA, DEL must prioritize the resources authorized in this section to assist providers rating at a level 2 in EA to help them reach a level 3 rating wherever access to subsidized care is at risk.

The protocol should address barriers to EA participation and include at a minimum the following:

- creation of a substitute pool, subject to the availability of amounts appropriated for this specific purpose;
- development of needs-based grants to assist with purchasing curriculum development, instructional materials, supplies, and equipment, subject to the availability of amounts appropriated for this specific purpose;
- development of materials and assessments in a timely manner, and to the extent feasible, in the provider and family home languages, subject to the availability of amounts appropriated for this specific purpose; and
- development of flexibility in technical assistance and coaching structures to providers based on individual need and cultural context.

Low-income childcare provider means a person who administers a childcare program that consists of at least 80 percent of children receiving WCCC subsidy.

Single Set of Licensing Standards. No later than July 1, 2016, DEL must implement a single set of licensing standards for childcare and ECEAP. DEL must produce the single set of licensing standards within its available appropriations. The new standards must:

- provide minimum health and safety standards for childcare and preschool programs;
- rely on the standards established in EA to address quality issues;
- take into account the separate needs of family care providers and childcare centers;
- and
- promote the continued safety of childcare settings.

*Private Schools.* Private schools that operate early learning programs and do not receive state subsidy payments must be subject only to minimum health and safety standards. The state, and any agency thereof, must not restrict or dictate any specific educational or other programs for early learning programs operated by private schools except for programs that receive state subsidy payments.

Private school means a private school approved by the state under current law.

*School-Age Childcare.* For childcare programs serving only school-age children and operating in the same facilities used by public or private schools, DEL's director must not impose additional health and safety licensing requirements related to the physical facility beyond the health and safety standards established by the State Board of Health for primary and secondary schools. This provision is effective July 1, 2016.

Working Connections Child Care (WCCC). DEL must establish and implement policies for WCCC that focus on supporting school readiness for young learners. WCCC standards intend to promote stability, quality, and continuity of early care and education programming.

DEL must adopt rules that provide WCCC authorizations for up to 90 days, which do not need to be consecutive, when a recipient experiences a gap in the recipient's employment or approved activity during a 12-month period. In order for the recipient to continue to be authorized for child care during the 90 days, the recipient must be looking for another job or have verbal or written assurance from the recipient's employer or approved activity that the employment or approved activity will resume within the 90 days. The rules apply to recipients of Temporary Assistance for Needy Families or WorkFirst clients and non-WorkFirst clients who participate in WCCC.

Effective January 1, 2016, DSHS may accept written or verbal notification regarding any significant change related to the number of child care hours the WCCC recipient needs, cost-sharing, or eligibility.

Early Childhood Education and Assistance Program (ECEAP). This program is changed in a number of ways.

*ECEAP Full-Day Programming.* DEL must collect data periodically to determine the demand for full-day programming for ECEAP providers. DEL must analyze this demand by geographic region and report the findings to the Legislature in the Annual Progress Report beginning December 1, 2015.

Full-day program means ECEAP that offers early learning education for a minimum of 1000 hours per year. Part-day program means ECEAP that offers early learning education for at least two and one-half hours per class session, at least 320 hours per year, for a minimum of 30 weeks per year.

*ECEAP Pathway for Licensed or Certified Childcare Centers and Homes.* By December 1, 2015, DEL must develop a pathway for licensed or certified childcare centers and homes to administer ECEAP.

*ECEAP Implementation Priorities.* Beginning in the 2015-16 school year, ECEAP implementation must prioritize programs located in low-income neighborhoods within high-need geographical areas. Following this priority, preference must be given to programs that:

- offer an extended day program for early care and education;
- offer services to children diagnosed with a special need; or
- offer services to children involved in the child welfare system.

Extended day program means ECEAP that offers early learning education for at least ten hours per day, a minimum of 2000 hours per year, at least four days per week, and operates year round. Low-income neighborhood means a district or community where more than 20 percent of households are below the federal poverty level.

*ECEAP and Sectarian Organizations.* Sectarian public or private organizations are allowed to participate as ECEAP providers.

Contracted Childcare Slots and Vouchers. Subject to the availability of amounts appropriated for this specific purpose, DEL may employ a combination of vouchers and contracted slots for the subsidized childcare programs in WCCC. Any contracted slots DEL may create must meet certain requirements. Only childcare providers who participate in EA and rate at a level 3 to 5 are eligible to be awarded a contracted slot.

DEL must use data to calculate a set number of targeted contracted slots. In calculating the number, DEL must take into account a number of factors. The targeted contracted slots are reserved for programs meeting both of the following conditions:

- programs in low-income neighborhoods; and
- programs that consist of at least 50 percent of children receiving WCCC subsidy.

Until August 1, 2017, DEL must assure an even distribution of contracted slots from children birth to age five.

DEL must award the remaining contracted slots via a competitive process and prioritize childcare programs with at least one of the following characteristics:

- located in a high-need geographic area;
- partnering with elementary schools to offer transitional planning and support;

- serving children involved in the child welfare system; or
- serving children diagnosed with a special need.

DEL must pay a provider for each contracted slot, unless a contracted slot is not used for 30 days.

DEL must include the number of contracted slots that use both ECEAP funding and WCCC funding in the Annual Progress Report to the Legislature.

DEL must account for a childcare copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.

Rulemaking. DEL must adopt rules pertaining to the following topics.

*Child Absence Rules.* DEL must adopt rules pertaining to ECEAP and WCCC:

- allowable periods of child absences,
- required contact with parents or caregivers to discuss child absences and encourage regular attendance, and
- a de-enrollment procedure when allowable child absences are exceeded.

These rules must be adopted no later than July 31, 2016. DEL must adopt rules on child absences and attendance within its appropriations.

*Fingerprint Background Check Rules.* DEL must adopt rules requiring ECEAP employees who have access to children to submit to a fingerprint background check. Fingerprint background check procedures for ECEAP must be the same as DEL's established background check procedures.

*ECEAP Rules and EA.* The DEL Director must adopt rules for ECEAP that are consistent with EA standards.

Early Achievers Review Subcommittee. Subject to the availability of amounts appropriated for this specific purpose, the Early Learning Advisory Council must convene an EA Review Subcommittee to provide feedback and guidance. At a minimum, the review must address the following:

- adequacy of data collection procedures;
- coaching and technical assistance standards;
- progress in reducing barriers to participation for low-income providers and providers from diverse cultural backgrounds, including a review of EA rating tools, quality standard areas, and components, and how they are applied;
- strategies in response to data on the effectiveness of EA standards in relation to providers and children from diverse cultural backgrounds;
- status of the life circumstance exemption protocols; and
- analysis of EA data trends.

The Subcommittee must include consideration of cultural linguistic responsiveness when analyzing the areas for review. This review must be part of the Annual Progress Report.

The Subcommittee must include representatives from childcare centers, family childcare, ECEAP, contractors for EA technical assistance and coaching, the organization responsible for conducting EA ratings, and parents of children participating in early learning programs including WCCC and ECEAP. It must include representatives from diverse cultural and linguistic backgrounds.

Reports, Program Data Collection, and Evaluation. Data must be collected and a number of reports must be submitted to the Legislature.

*Annual Progress Report.* Beginning December 1, 2015, and each December 1 thereafter, DEL, in collaboration with the EA Review Subcommittee, must submit a progress report to the Governor and the Legislature regarding providers' progress in EA. Each progress report must include the following elements:

- the number, and relative percentage, of providers by region who have enrolled in EA and who have: (1) completed level 2 activities, (2) achieved the required rating level to remain eligible for state-funded support under ECEAP or a subsidy under WCCC, (3) failed to achieve the required rating level and engaged in remedial activities before successfully achieving the required rating level, (4) failed to achieve the required rating level after completing remedial activities, or (5) received an extension from DEL based on exceptional circumstances;
- a review of the services available to providers and children from diverse cultural backgrounds;
- an examination of the effectiveness of efforts to increase successful participation by providers serving children and families from diverse cultural and linguistic backgrounds and providers who serve children from low-income households;
- a description of the primary obstacles and challenges faced by providers who have not achieved the required rating level to remain eligible to receive a subsidy under WCCC, or state-funded support under ECEAP;
- a summary of the types of exceptional circumstances for which DEL has granted an extension;
- to the extent data is available, an analysis of the distribution of EA-rated facilities in relation to child and provider demographics, including but not limited to race and ethnicity, home language, and geographical location;
- recommendations for improving access for children from diverse cultural backgrounds to providers rated at a level 3 or higher in EA; and
- recommendations for improving EA standards.

*Education Research and Data Center (ERDC).* Subject to the availability of amounts appropriated for this specific purpose, the Office of Financial Management's center must collect longitudinal, student-level data on all children attending ECEAP. Upon completion of an electronic time and attendance record system, the ERDC must collect longitudinal, student-level data on all children attending WCCC. Data must include the following:

- daily program attendance;
- identification of classroom and teacher;
- EA quality level rating;
- program hours;
- program duration;

- developmental results from the Washington Kindergarten Inventory of Developing Skills; and
- to the extent available, the distinct ethnic categories within racial subgroups of children and providers.

DEL must provide early learning providers student-level data collected that are specific to the early learning provider's program. Upon completion of an electronic time and attendance record system, DEL must provide childcare providers student-level data that are specific to the childcare provider's program.

*Cultural Competency Recommendations.* DEL must review available research and best practices literature on cultural competency in early learning settings. It must review the K–12 components for cultural competency developed by the Professional Educator Standards Board and identify components appropriate for early learning professional development. By July 31, 2016, DEL must provide recommendations to the Legislature and the Early Learning Advisory Council on research-based cultural competency standards for early learning professional training.

*WSIPP.* The institute must conduct a longitudinal analysis examining relationships between EA quality ratings levels and outcomes for children participating in subsidized early care and education programs. WSIPP must submit the first report to the Legislature and the Early Learning Advisory Council by December 31, 2019. It must submit subsequent reports annually by December 31, with the final report due December 31, 2022. The final report must include a cost-benefit analysis.

*Annual Implementation Report on ECEAP and WCCC.* DEL must complete an annual early learning program implementation report on ECEAP and WCCC and post it on DEL's website and deliver the report to the Legislature. The first report is due by December 31, 2015, and the final report is due by December 31, 2019. It must address the following:

- progress on ECEAP implementation;
- examination of the regional distribution of new preschool programming by zip code;
- analysis of the impact of preschool expansion on low-income neighborhoods and communities;
- recommendations to address any identified barriers to access to quality preschool for children living in low-income neighborhoods;
- analysis of any impact from quality strengthening efforts on the availability and quality of infant and toddler care;
- analysis of any impact of extended day early care and education opportunities directives;
- examination of any identified barriers for providers to offer extended day early care and education opportunities;
- number of contracted slots that use both ECEAP and WCCC funding;
- analysis of the demand for full-day programming for ECEAP providers; and
- analysis of the cultural diversity of ECEAP providers and participants to the extent data is available.

The first annual implementation report must include a description of the EA extension protocol.

Early Start Account. An account is created in the state treasury. Revenues in the account must consist of appropriations by the Legislature and all other sources. Monies in the account may only be used after appropriation. Expenditures from the account may be used only to improve the quality of early care and education programming. DEL oversees the account.

Integration with Local Government Efforts. Local governments are encouraged to collaborate with DEL when establishing early learning programs. Local governments may contribute funds to DEL for the following purposes:

- initial investments to build capacity and quality in local early care and education programming; and
- reductions in copayments charged to parents or caregivers.

Funds contributed to DEL by local governments must be deposited in the Early Start Account.

Joint Select Committee on Early Achievers. This Committee is established and has the following members:

- chair and ranking minority member of the House of Representatives Appropriations Committee or a designee;
- chair and ranking minority member of the Senate Ways and Means Committee or a designee;
- chair and ranking minority member of the House of Representatives Early Learning and Human Services Committee or a designee; and
- chair and ranking minority member of the Senate Early Learning and K–12 Education Committee or a designee.

The Committee must choose its chair or co-chairs from among its legislative membership. The chair of the House of Representatives Appropriations Committee or a designee, and the chair Senate Ways and Means committee or a designee must convene the initial meeting of the Committee.

Between July 1, 2017, and December 1, 2017, the Committee must review the demand and availability of licensed or certified childcare family homes and centers, approved ECEAP, Head Start programs, and family, friend, and neighbor caregivers by geographic region, including rural and low-income areas. This review must specifically look at the following:

- the geographic distribution of these childcare programs by type of program, programs that accept state subsidy, enrollment in EA, and EA rating levels; and
- the demand and availability of these childcare programs for major ethnic populations.

By December 1, 2017, the Committee must make recommendations to the Legislature on the following:

- the sufficiency of funding provided for EA;
- the need for targeted funding for specific geographic regions or major ethnic populations; and
- whether to modify the EA deadlines.

Staff support for the committee must be provided by the Senate Committee Services and the House of Representatives Office of Program Research.

Legislative members of the Committee must be reimbursed for travel expenses. The expenses of the Committee must be paid jointly by the Senate and the House of Representatives. Committee expenditures are subject to approval by the Senate Facilities and Operations Committee and the House of Representatives Executive Rules Committee, or their successor committees.

The Committee must report its findings and recommendations to the Legislature by December 1, 2017.

This section expires December 1, 2018.

Null and Void Clause. This act is null and void unless funded in the budget.

**EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Amendments):** Adds a provision stating that private schools operating early learning programs and not receiving state subsidy payments must be subject only to minimum health and safety standards. The state must not dictate or restrict educational programming for early learning programs operated by private schools, except in the case that the private school takes state subsidy.

Restores current law that indicates the WCCC subsidy is effective for 12 months unless a change of circumstance necessitates reauthorization sooner than 12 months. The 12-month certification applies only if the enrollments in the child care subsidy program is capped.

Requires DEL to adopt rules that provide WCCC authorizations for up to 90 days, which do not need to be consecutive, when a recipient experiences a gap in the recipient's employment or approved activity during a 12-month period.

In order for the recipient to continue to be authorized for child care during the 90 days, the recipient must be looking for another job or have verbal or written assurance from the recipient's employer or approved activity that the employment or approved activity will resume within the 90 days. This provision includes Temporary Assistance for Needy Families and Workfirst clients who are participating in WCCC. Restores current law that WCCC applicants or recipients notify DSHS, within ten days, about any significant change related to the number of child care hours the applicant or recipient needs, cost-sharing, or eligibility. Allows the notification to be in writing or verbal.

A number of provisions are subject to the availability of amounts appropriated for the specific purpose: professional development and coaching opportunities; school-age pilot; website for child care provider rating and licensing information; professional development pathway; substitute pool, needs-based grants and materials, and assessments for low-income and diverse providers; tiered reimbursement; contracted slots; data collection; and the Early Learning Advisory Committee's EA Review Subcommittee.

**EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (Recommended Amendments):** Language is changed to clarify that for child care programs serving only school-age children and operating in the same facilities used by public or private schools, the director of DEL must not impose additional health and safety licensing requirements related to the physical facility beyond the health and safety standards established by the State Board of Health for primary and secondary schools pursuant to its authority. Language is added that clarifies that for new childcare providers receiving WCCC subsidy, the enrollment deadline for EA is within 30 days of receiving the initial subsidy payment; and for new ECEAP providers, the enrollment deadline for EA is within 30 days of the ECEAP contract start date. A reference is changed from extended day programming to extended day program. The collection of longitudinal, student-level data on all children attending a WCCC program is delayed until the completion of an electronic time and attendance record system. WSIPP's reporting deadlines are delayed by one year. The employment of a combination of vouchers and contracted slots for the WCCC program is made optional. The term "childcare" is replaced with the term "early learning education" in the definitions for "extended day program," "full day program," and "part day program." A definition for private school is added. The definition for nonschool-age child is modified to mean a child who is six years or younger and who is not enrolled in a public or private school. The definition for school-age child is modified to mean a child who is between the ages of five years and twelve years and is attending a public or private school or is receiving home-based instruction. Language is added that allows the members of the Joint Select Committee on EA to appoint a designee to serve in their place. Language is added that specifies that the EA Review Subcommittee must include parents of children participating in early learning programs including WCCC and ECEAP.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** Yes.

**Effective Date:** The bill contains more than one effective date. Please refer to the bill.

**Staff Summary of Public Testimony on Engrossed Second Substitute House Bill (Early Learning & K-12 Education):** PRO: The Legislature must invest in K–12 schools, but it must also make sure that this investment pays off. The best way to do this is to invest in high-quality early learning. Early learning has been historically under-resourced. Investing in high-quality early learning makes a difference in children's education, particularly for children from low-income families. Investing in high-quality early learning also helps close the opportunity gap. When children are behind in kindergarten, it is difficult to catch up. When students start school ready to learn, it is a joyful experience rather than a discouraging one. Research shows that high quality early learning prevents crime and saves money. The business leaders around this state care about economic competitiveness and the workforce in the future. Quality early learning will ensure that children are ready for jobs in the future. This bill is designed to strategically improve the quality of early learning and reward quality through the EA system. EA establishes standards, which helps produce quality results. This bill will increase access to high-quality early learning programs. This bill is set up to monitor the progress of EA, so that it can be corrected as it is implemented. The

underpinning issue of quality early learning is stability of childcare. Without stability of childcare, all of the quality enhancements do not make a difference. Twelve-month authorization for WCCC is vital to making early learning a success. The flexibility provided for the definition of full-day programming is helpful to meet families' needs.

CON: The requirements placed on childcare providers has led to the closure of small childcare businesses and to families putting their children in unlicensed care. Many providers do not want to fit into a one-size-fits-all approach. The mandate for EA participation should be made voluntary. This bill could eliminate private facilities and decrease parental choice in childcare and early education. This bill requires data collection of young children. It is concerning to have this data stored in a state database. Childcare home providers do not make much money, and this bill requires these providers to achieve the same standards as larger childcare providers that make much more money. Childcare home providers will have out-of-pocket expenses when they enroll in EA. Given these costs, this bill will discourage people from starting new childcare businesses.

OTHER: Early learning has been historically under-funded and professional development has largely been ignored. EA is a good program for those providers that voluntarily choose to enroll and can afford to make the investments required to be successful. If participation in EA is mandatory, many providers will quit the industry, stop providing care for subsidized children, or go underground. This bill will limit access to childcare for the poorest families.

**Persons Testifying (Early Learning & K-12 Education):** PRO: Representative Kagi, prime sponsor; Melissa Johnson, WA State Assn. of Headstart/ECEAP Programs; Sheriff Casey Salisbury, Mason County Sheriff's Office; Laura Wells, Fight Crime: Invest in Kids; Jennifer Jennings-Shaffer, Children's Alliance; Marcia Fromhold, OSPI; Susan Anderson-Newham, Pierce County Library System.

CON: Tim Benn, Karen Larsen, Sharon Hanek, citizens.

OTHER: Alex Hur, Service Employees International Union 925.

**Persons Signed in to Testify But Not Testifying:** No one.

**Staff Summary of Public Testimony on Bill as Amended by Early Learning & K-12 Education (Ways & Means):** None.

**Persons Testifying (Ways & Means):** No one.

**Persons Signed in to Testify But Not Testifying:** No one.