



OFFICE *of*  
**PROGRAM RESEARCH**

WASHINGTON STATE  
HOUSE OF REPRESENTATIVES

# **DCYF - Early Learning Overview**

Prepared by Jordan Clarke

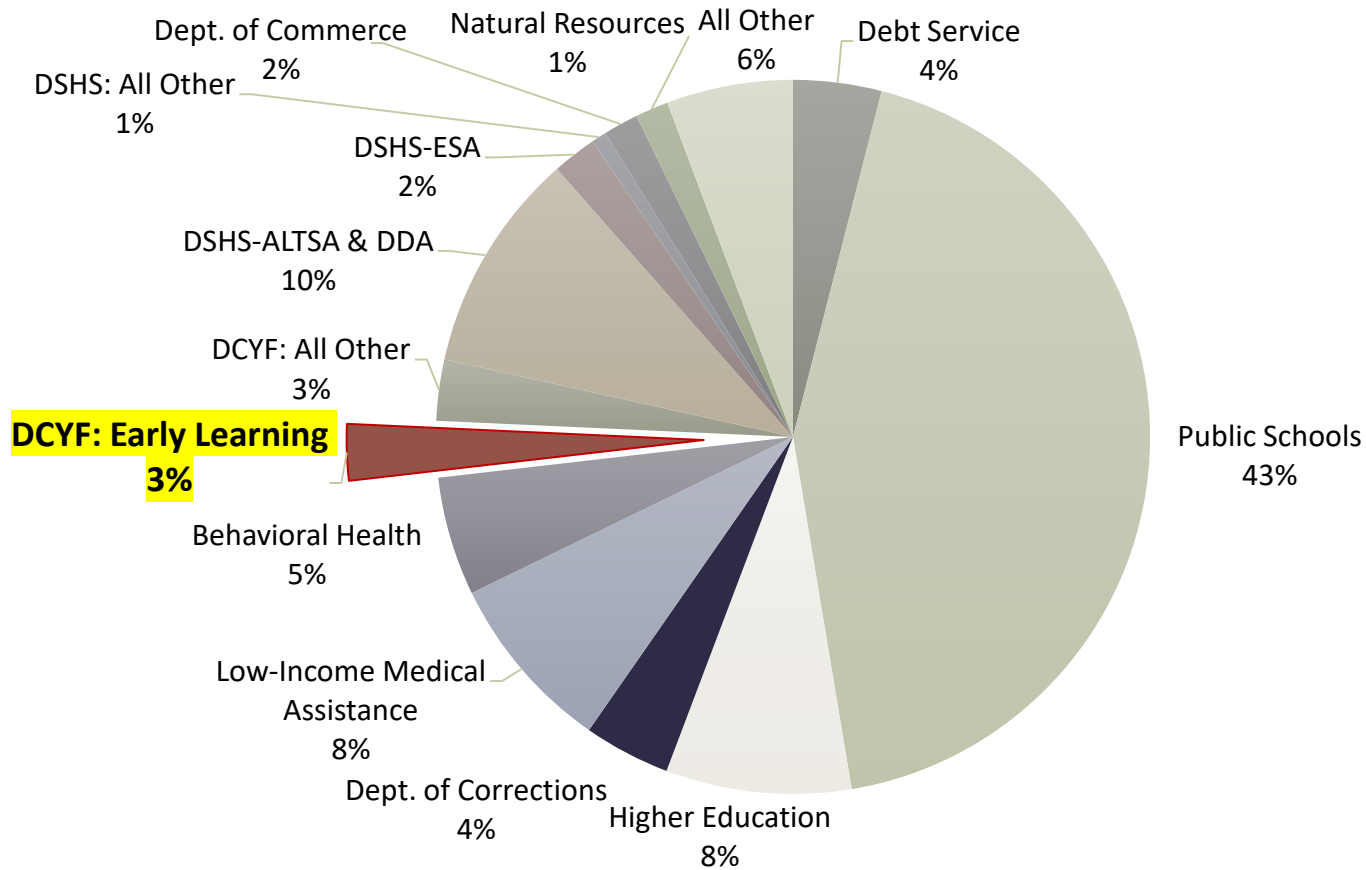
January 29<sup>th</sup>, 2025

# Topics Covered

1. DCYF-Early Learning Budget Overview
2. Early Childhood Education and Assistance Program (ECEAP)
3. Working Connections Child Care (WCCC)
4. Early Achievers
5. Early Support for Infants and Toddlers (ESIT)
6. Home Visiting

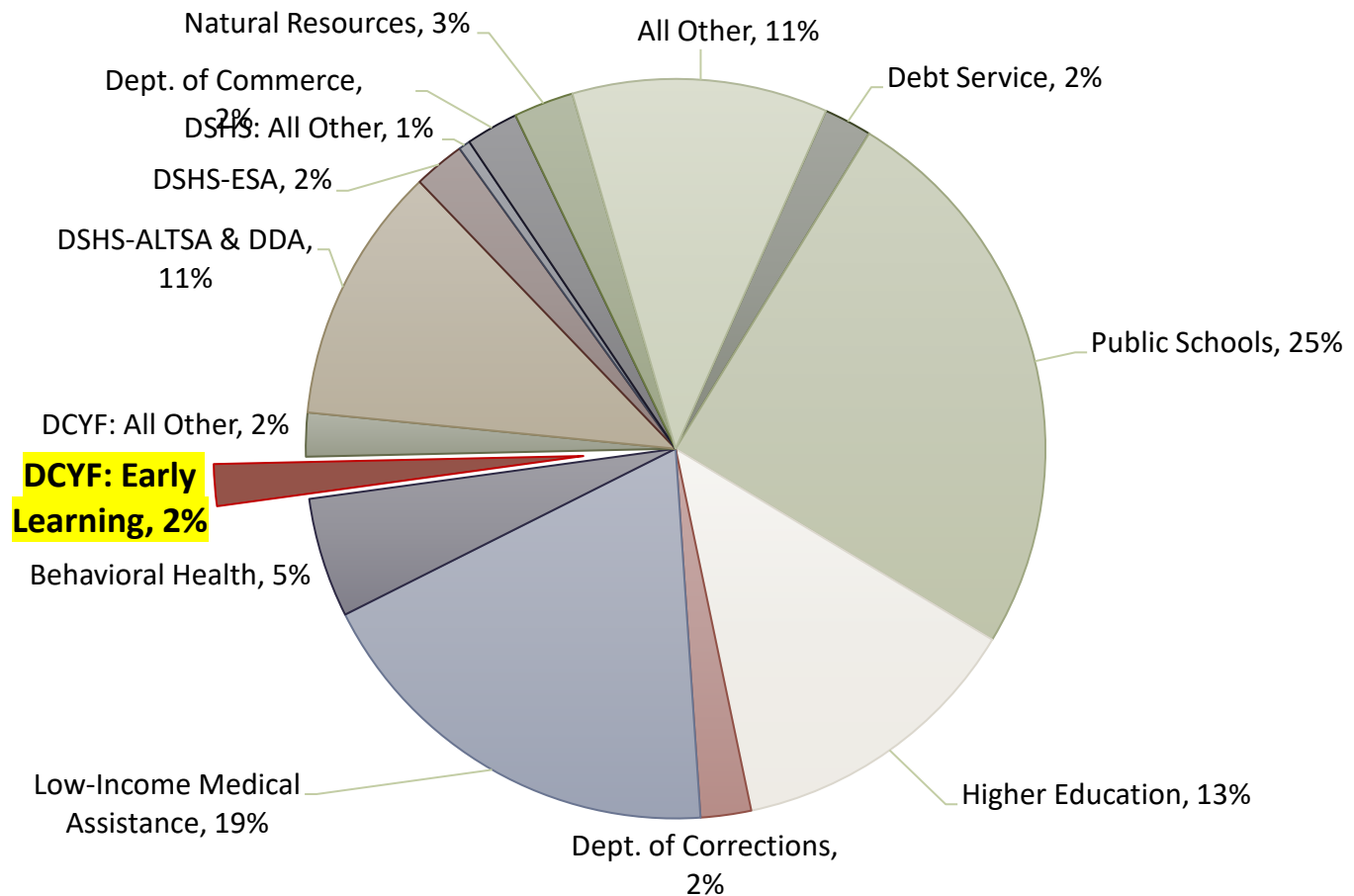


# Where are Funds in the Operating Budget Spent?



2023-25 Operating Budget Including 2024 Supplemental (\$71.9 billion NGF-O)

# Where are Funds in the Operating Budget Spent?



2023-25 Operating Budget Including 2024 Supplemental (\$140.9B Total Budgeted)



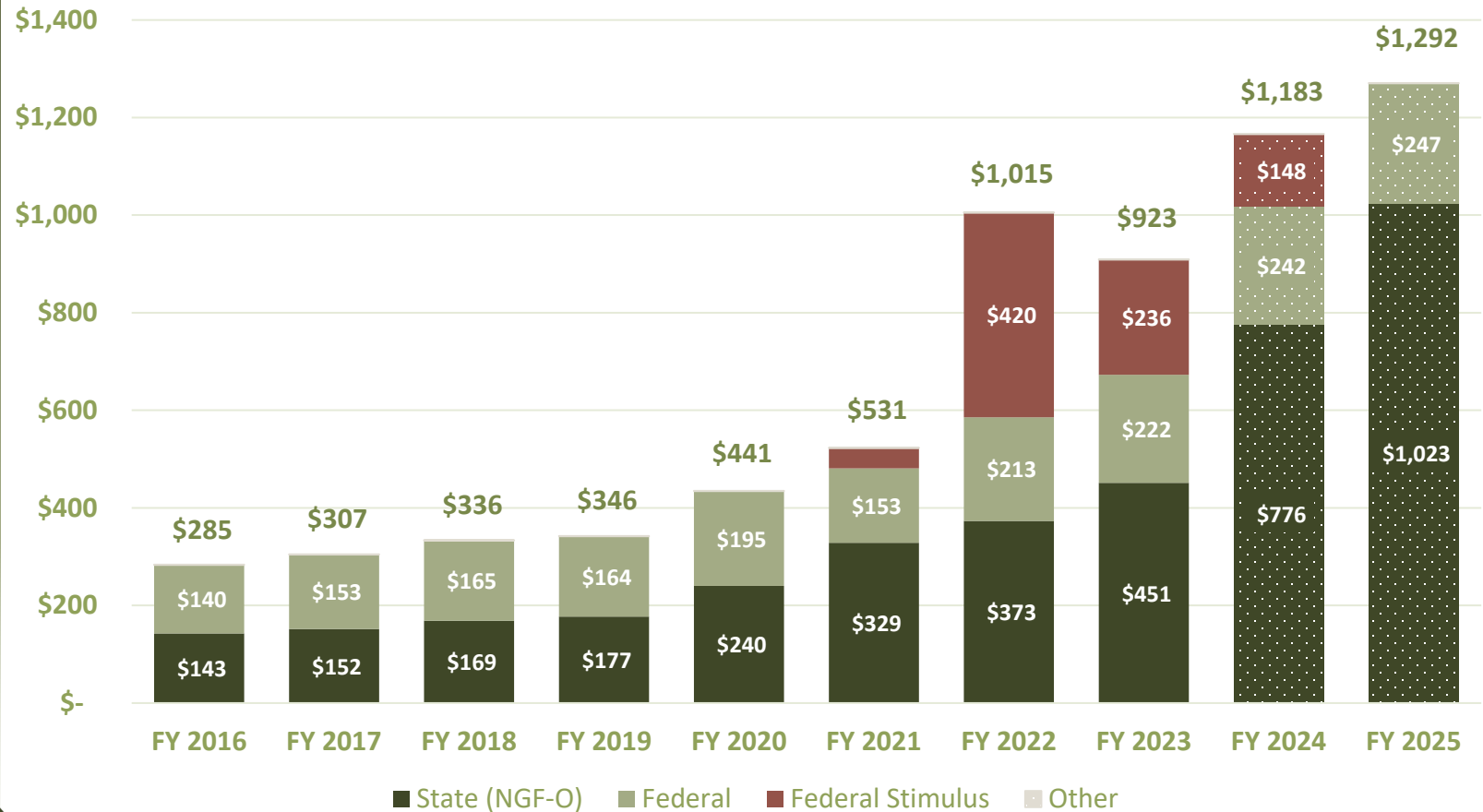
# What does the Early Learning program support?

- ☞ Licensing to approximately 6,000 child care providers
- ☞ State-funded preschool services to nearly 17,000 low-income 3- and 4-year-olds
- ☞ Subsidized child care services to over 50,000 low-income children
- ☞ Early intervention services to approximately 13,000 infants and toddlers with disabilities and their families
- ☞ Home visiting services to over 3,000 families



# The Early Learning Budget History

(dollars in millions)

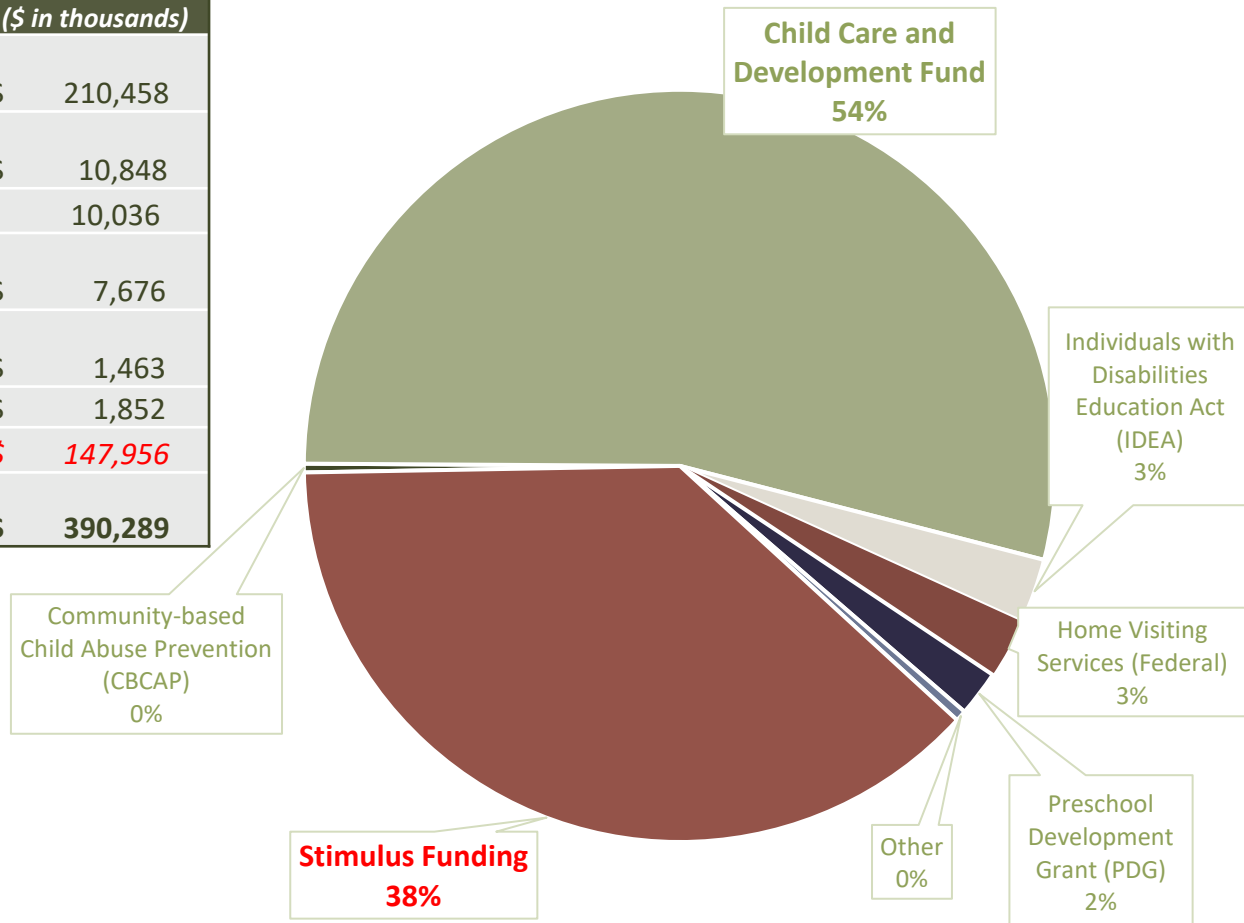


The FY 2016-23 amounts reflect the actual expenditures for the biennium;  
FY 2024 reflects preliminary actuals and FY 2025 reflects allotments for DCYF-EL

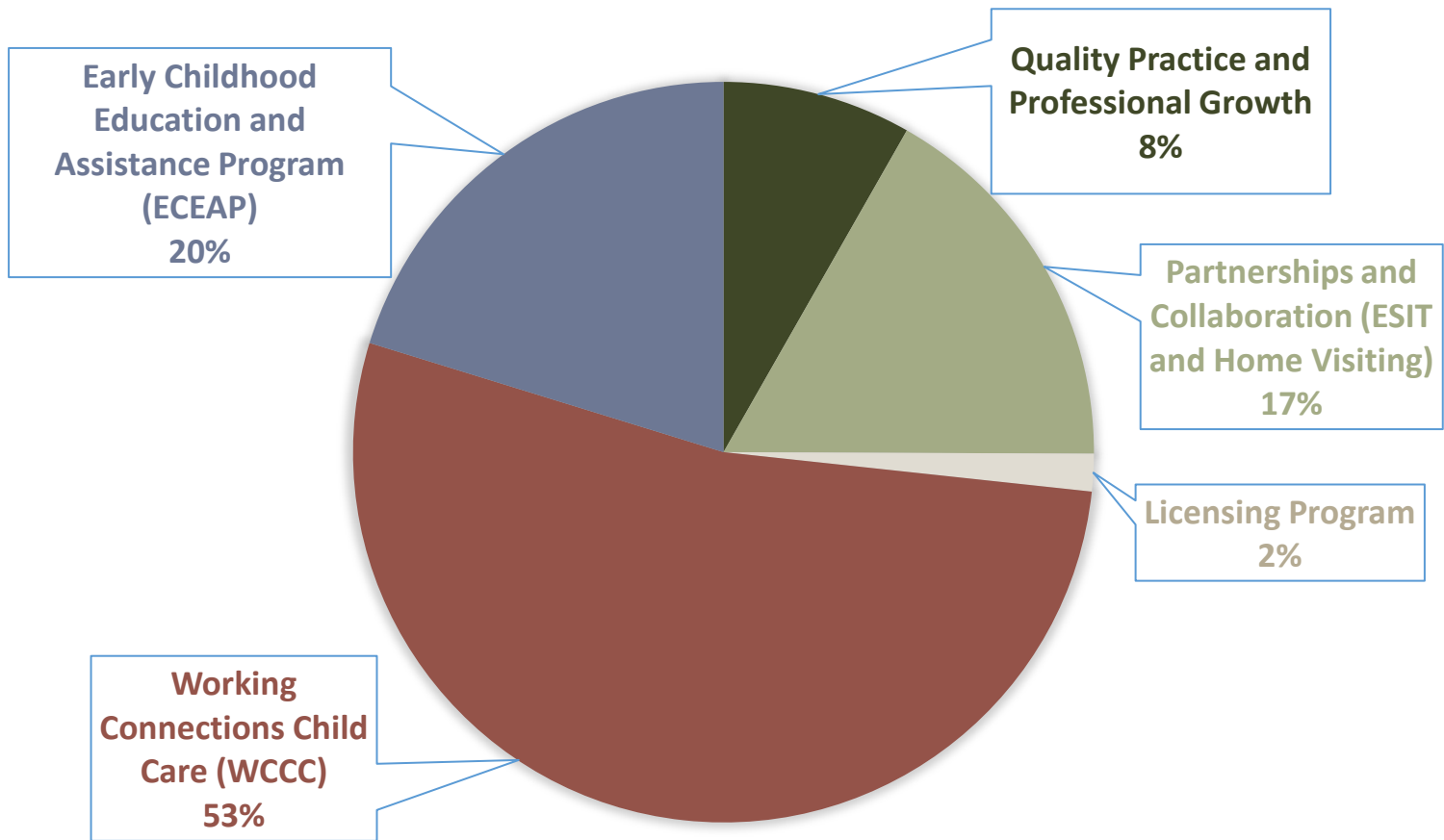


# Federal Funding Expenditures: FY 2024

Federal Fund Source	FY 2024 (\$ in thousands)
Child Care and Development Fund (CCDF)	\$ 210,458
Individuals with Disabilities Education Act (IDEA)	\$ 10,848
Home Visiting Services (Fed)	\$ 10,036
Preschool Development Grant (PDG)	\$ 7,676
Community-based Child Abuse Prevention (CBCAP)	\$ 1,463
Other	\$ 1,852
<i>Stimulus Funding (one-time)</i>	<i>\$ 147,956</i>
<b>TOTAL</b>	<b>\$ 390,289</b>



# Most of the Early Learning budget is dedicated to Child Care and ECEAP (2023-25 Biennium)



*Amounts reflect total funds actuals for FY24 and allotments for FY25 for DCYF-EL*





# Early Childhood Education and Assistance Program (ECEAP) Overview

☰ **ECEAP:** 100% state-funded preschool program that incorporates family support, parental involvement, and child health coordination and nutrition

☰ Serves 3 and 4 year old children from families at or below 110% Federal Poverty Level (\$28,402 for a family of three in 2025), children eligible for special education and other prioritized populations (up to 10% of the total enrollment)

☰ 2023-25 total program allotment is **\$509.8 million Near General Fund-Operating (NGF-O)**

☰ 17,278 budgeted slots for the 2024-25 school year:

☰ 7,610 (44%) part-day slots at \$9,836 per slot

☰ 8,766 (51%) school day slots at \$15,638 per slot\*

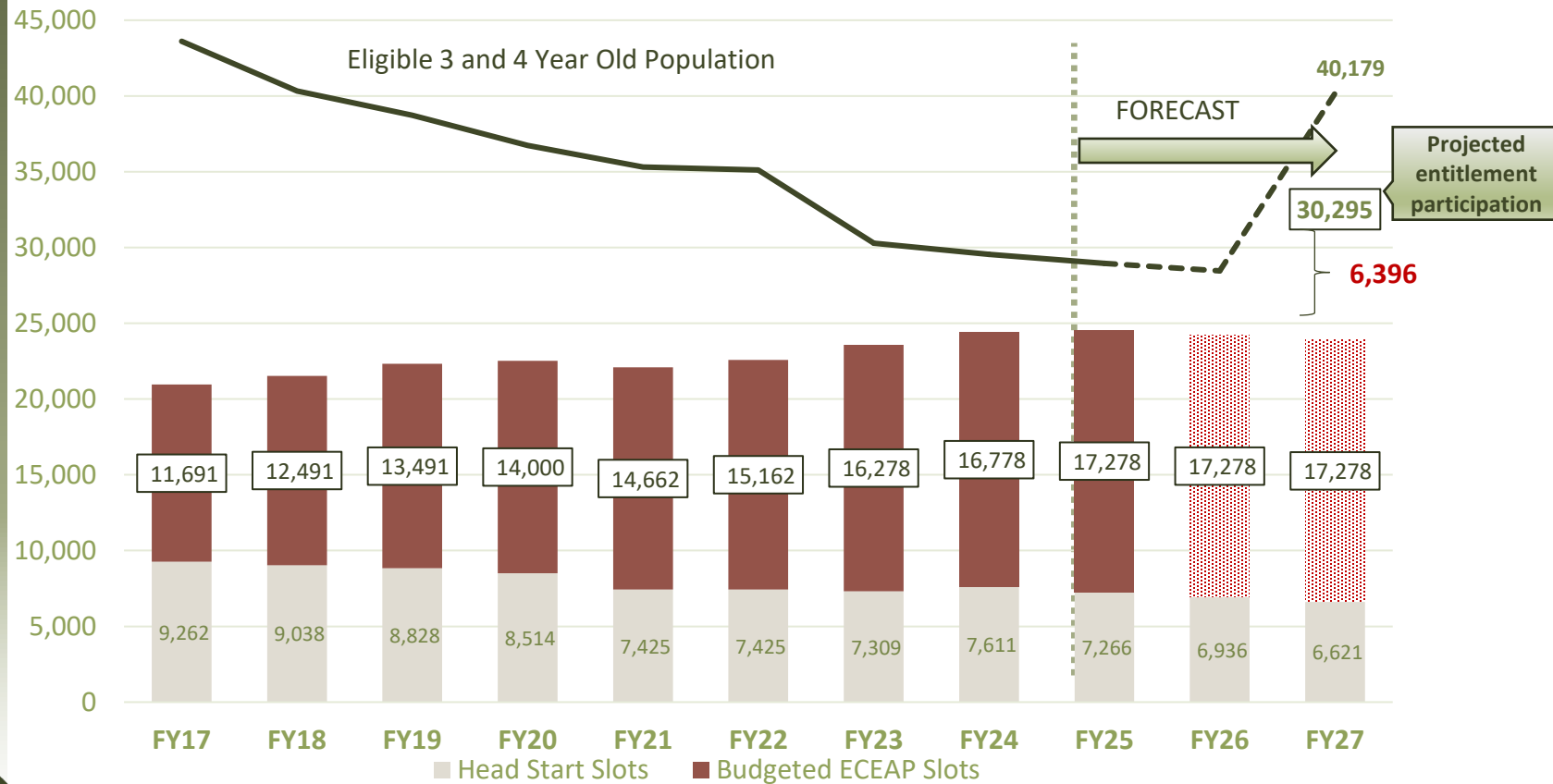
☰ 902 (5%) working day slots at \$23,411 per slot\*

☰ **Head Start:** Federal program that provides free learning and development services to children ages birth to 5 from low-income families with priority given to families at or below 100% FPL

☰ Head Start funding is not included in the state budget



# ECEAP becomes a statutory entitlement in the 2026-27 school year for families below 36% State Median Income (SMI) (\$39,631 for a family of three) and for specific populations



Source: Caseload Forecast Council November 2024 ECEAP Forecast



# ECEAP: Major Expenditures & Recently Enacted Policies

## Fair Start for Kids (2021):

### ECEAP Entitlement

Delayed the entitlement date from SY 2022-23 to SY 2026-27

Increased ECEAP entitlement income threshold from 110% FPL (around 30% SMI at the time) to 36% SMI

## ECEAP Budget Changes:

	FY 2020		FY 2025	
	# Slots	Rate	# Slots	Rate
Part-day	10,387	\$8,237	7,610	\$9,837
School day	3,044	\$11,309	8,766	\$15,638
Working day	570	\$17,656	902	\$23,411
<b>TOTAL</b>	<b>14,000</b>	<b>\$9,288*</b>	<b>17,278</b>	<b>\$13,489*</b>
<b>Expenditures</b>	<b>\$154.4M (actuals)</b>		<b>\$262.7M (allotments)</b>	

\*Weighted average rate



# Working Connections Child Care (WCCC) Overview

Working Connections Child Care (WCCC) provides subsidized child care for families that qualify across the state

Families must meet basic eligibility requirements:

- The family's income must be at or below 60% SMI when applying (\$66,084 per year for a family of three), or 65% SMI when reapplying (\$71,544 per year for a family of three)

- This income threshold will increase from 60% SMI to 75% SMI beginning July 1, 2025, per statute (75% SMI = \$82,560 for a family of three)

- The parent must be employed or self-employed in legal, income-generating, taxable activities; or the parent must meet all TANF/WorkFirst requirements if participating in that program; or must be a single parent who is a full-time student or is pursuing vocational education or an apprenticeship. Families experiencing homelessness may be approved annually

- The child who needs subsidized care must be under 13 years old

- The family must live in Washington state

DCYF's WCCC Budget	23-25 Allotment
NGF-Total	\$837,815,000
General Fund- Federal	\$333,782,000
COVID Stimulus-Federal	\$143,615,000
<b>Total</b>	<b>\$1,315,212,000</b>

*Note: does not include DSHS-ESA TANF transfer.*



# What does WCCC look like for families?

Once a family applies for and is approved to receive subsidized child care through WCCC, families have the option of receiving care through licensed child care centers, licensed family homes, or Family, Friend and Neighbor (FFN) providers (unlicensed)

Families pay a monthly household copayment:

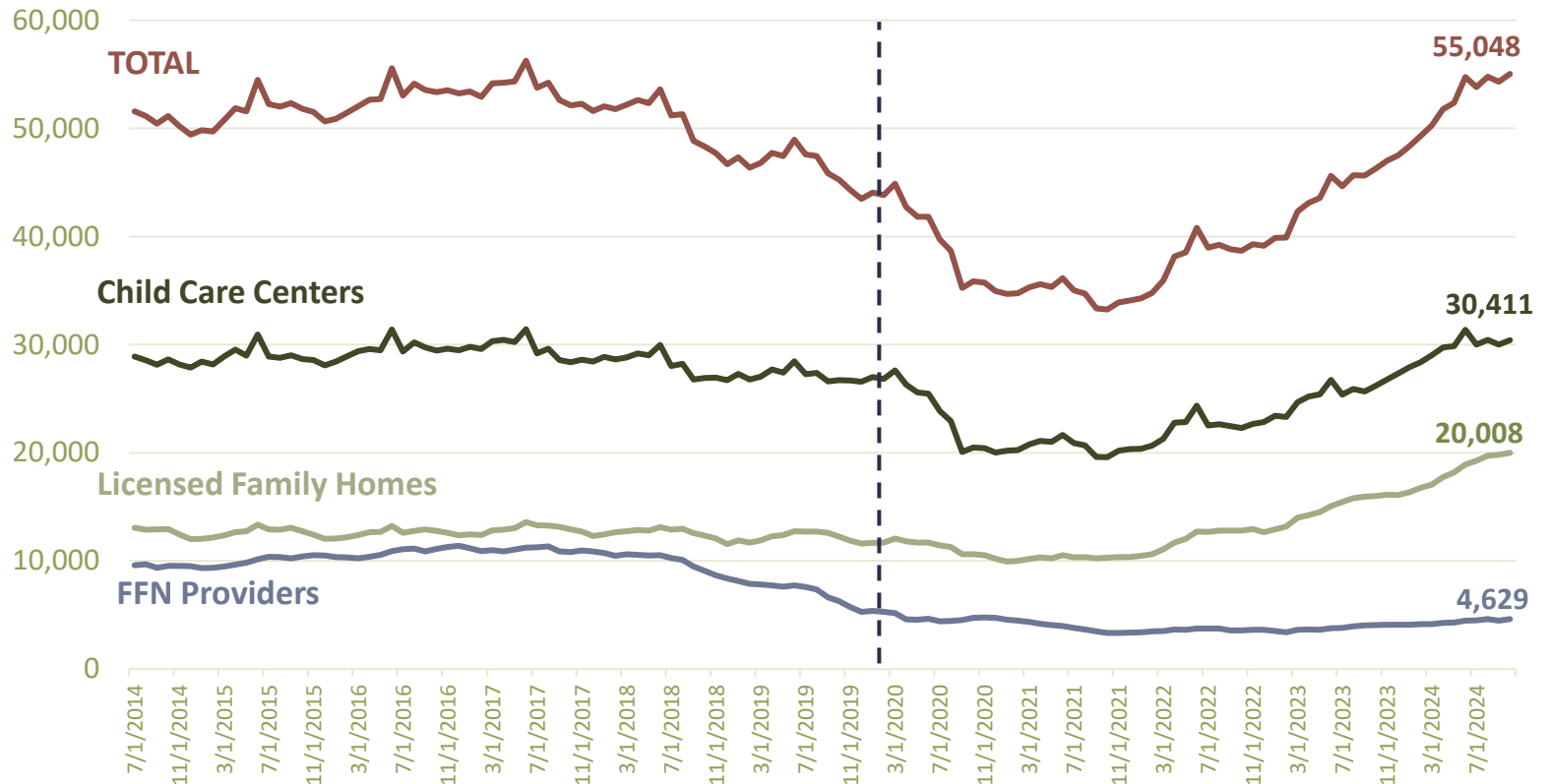
	0%-20% SMI	20%-36% SMI	36%-50% SMI	50%-60% SMI	60%-65% SMI
<b>Annual Income Range for Family of 3</b>	\$0 - \$22,008	\$22,009 - \$39,624	\$39,625 - \$55,032	\$55,033 - \$66,048	\$66,049 - \$71,544
<b>Monthly Income Range for Family of 3</b>	\$0 - \$1,834	\$1,835 - \$3,302	\$3,303 - \$4,586	\$4,587 - \$5,504	\$5,505 - \$5,962
<b>Monthly Copayment</b>	\$0	\$65	\$90	\$165	\$215

The state pays the difference between the subsidy payment and the monthly household copay amount

Families reapply for the program annually



# Number of Children Served by Type of WCCC Provider



Source: DCYF and Caseload Forecast Council



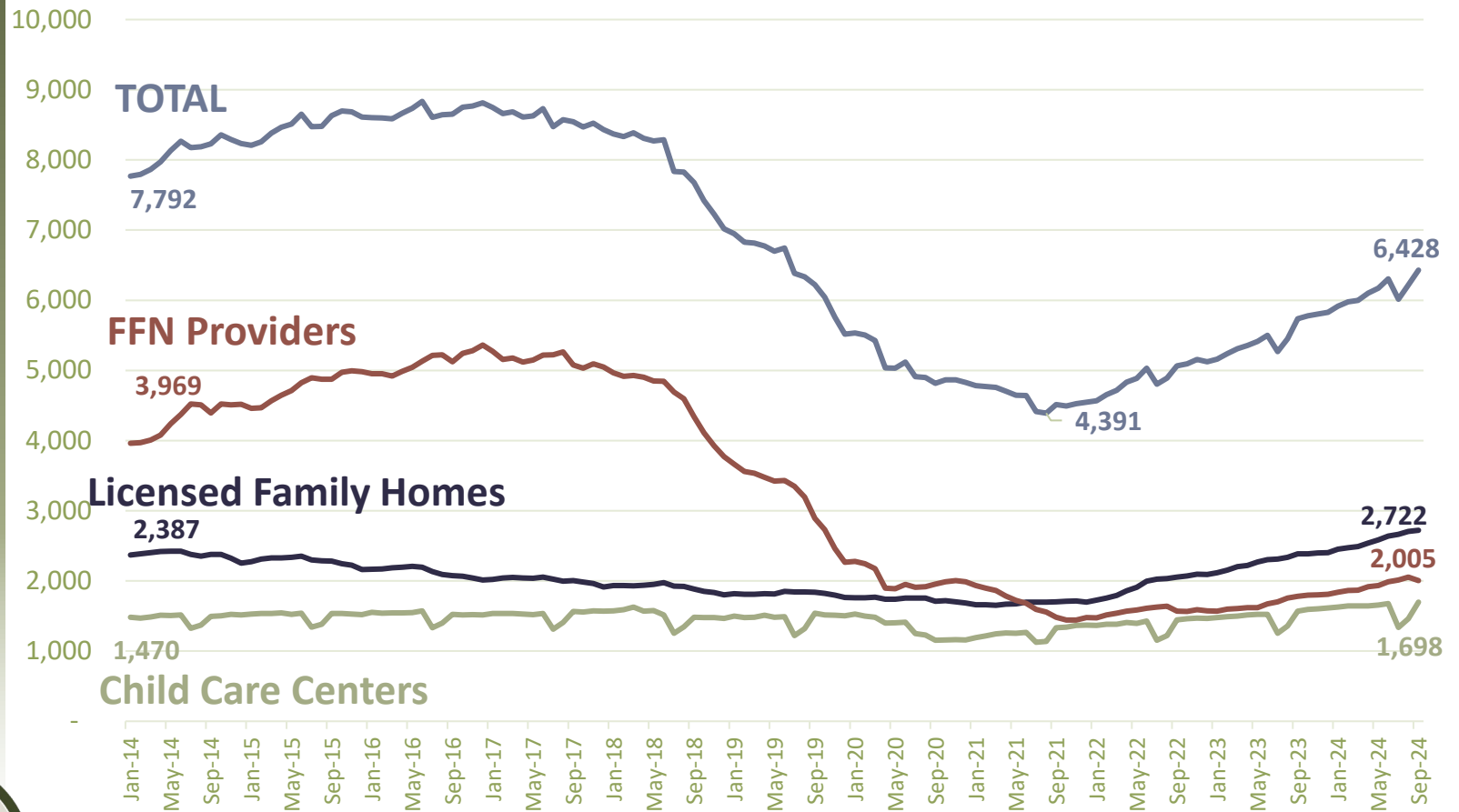
# What does WCCC look like for providers?

- ☰ Once a family chooses a WCCC provider, DCYF authorizes payments directly to the provider
- ☰ Licensed child care centers and family homes (LFHs):
  - ☰ Licensed or certified child care providers who must meet minimum licensing requirements and are participating in Early Achievers
  - ☰ Rates are set in statute for centers at the 85<sup>th</sup> percentile of market rates, as determined by the most recent Market Rate Survey
  - ☰ Rates vary by region, setting, age of the child and quality level
- ☰ Family, friends, and neighbor (FFN) providers:
  - ☰ Relatives can provide care in their own homes or adults who go to the child's home to provide care
  - ☰ Current rate is \$4.00 per hour per child
- ☰ Subsidy rates are collectively bargained with LFHs and FFN providers. LFHs currently match the 85<sup>th</sup> percentile rates set in statute for centers





# WCCC Number of Providers by Setting





# FY 2025 Monthly WCCC Base Rates\*

## Child Care Centers Rates

Base Rates				
	Infants	Toddlers	Preschool	School Age
Region 1	\$ 1,365	\$ 1,235	\$ 1,170	\$ 1,174
Spokane	\$ 1,380	\$ 1,245	\$ 1,114	\$ 1,078
Region 2	\$ 1,300	\$ 1,080	\$ 985	\$ 720
Region 3	\$ 1,905	\$ 1,768	\$ 1,595	\$ 1,440
Region 4	\$ 2,500	\$ 2,235	\$ 1,885	\$ 1,994
Region 5	\$ 1,590	\$ 1,408	\$ 1,210	\$ 1,192
Region 6	\$ 1,694	\$ 1,485	\$ 1,270	\$ 1,105

## Licensed Family Home Rates

Base Rates					
	Infants	Enhanced Toddlers	Toddlers	Preschool	School Age
Region 1	\$ 1,083	\$ 1,083	\$ 1,036	\$ 880	\$ 805
Spokane	\$ 1,056	\$ 1,056	\$ 1,056	\$ 990	\$ 990
Region 2	\$ 1,452	\$ 1,452	\$ 1,300	\$ 1,056	\$ 880
Region 3	\$ 1,430	\$ 1,430	\$ 1,300	\$ 1,192	\$ 1,083
Region 4	\$ 1,800	\$ 1,800	\$ 1,650	\$ 1,517	\$ 1,320
Region 5	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,083	\$ 975
Region 6	\$ 1,300	\$ 1,300	\$ 1,210	\$ 1,166	\$ 990



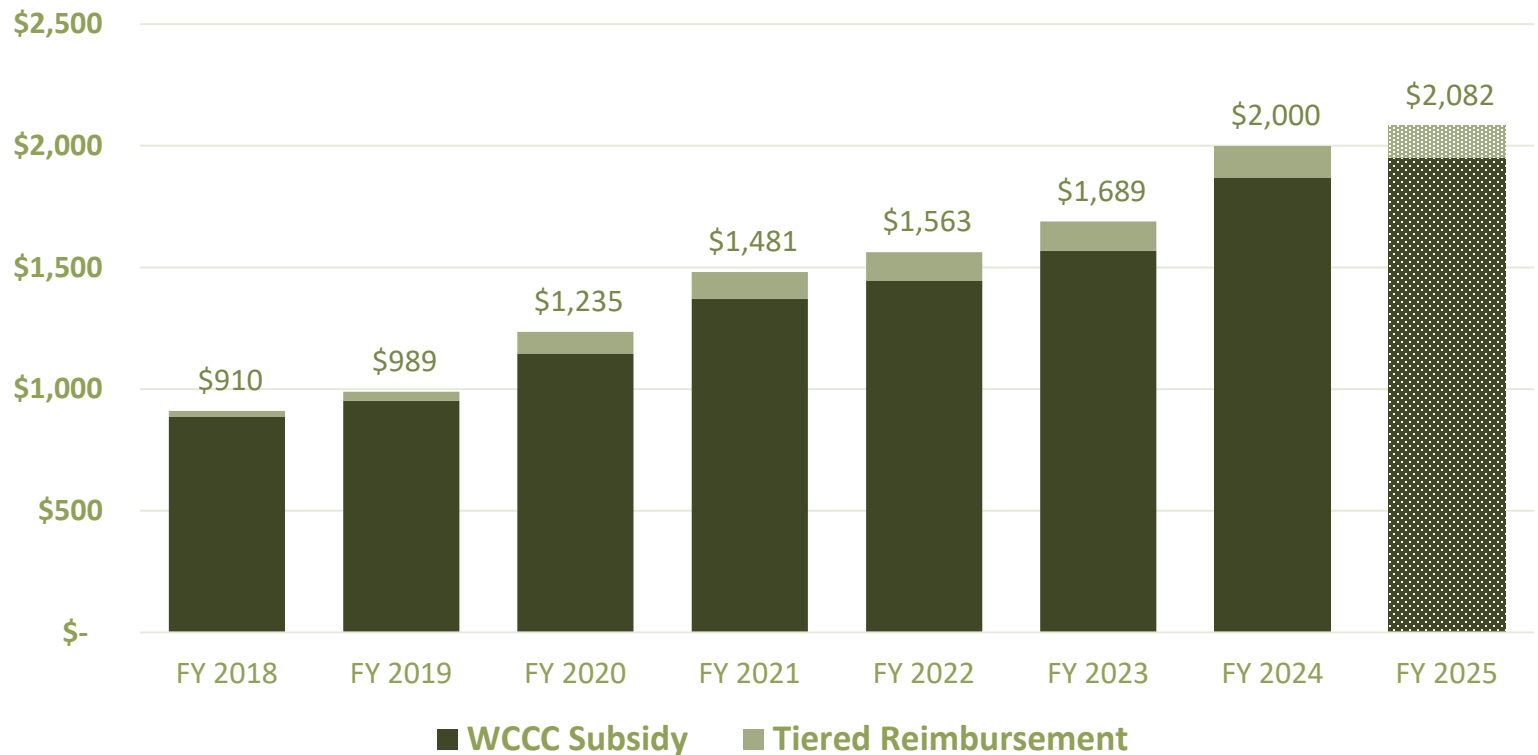
### For child care centers only:

- Clark County is in Region 6 but is paid at Region 3 rates
- Benton and Walla Walla counties are in Region 2 but are paid Region 6 rates
- Whitman County is in Region 1 but is paid at Region 6 rates

\*Base rates do not include Tiered Reimbursement



# WCCC Average Monthly Payment Per Household Paid by the State



Source: Nov 2024 DCYF Forecasting  
Note: Does not include copayments.



# Early Achievers is Washington's Quality Rating and Improvement System (QRIS)

- ☞ Early Achievers is a voluntary program that provides training, coaching and scholarships to all enrolled child care providers
  - ☞ Offered to subsidy and non-subsidy providers
  - ☞ Level 2 is reached once providers enroll in the program
  - ☞ Levels 3-5 are determined based on points awarded in the areas of learning environment and interactions; child outcomes; curriculum and staff supports; family engagement and partnerships; and professional development and training
- ☞ For providers to continue to receive subsidy payments:
  - ☞ New subsidy providers must complete Level 2 activities within 12 months and attempt to rate at Level 3 or higher within 30 months to continue receiving subsidy
  - ☞ ECEAP providers must rate at a Level 4 or higher within 24 months
- ☞ Needs based grants, scholarships, quality improvement awards and tiered reimbursement payments are available to participants serving subsidy children



# Tiered Reimbursement Rates and Annual Quality Improvement Awards

## Tiered Reimbursement Rates:

	Centers	Licensed Homes
Level 2	2%	2%
Level 3	8%	12%
Level 3+	8%	15%
Level 4	15%	17%
Level 5	20%	20%


 **Total Tiered Reimbursements paid in FY24: \$45.3M**

 Percentages are applied to authorized base subsidy rates

## Quality Improvement Awards:

	Centers	Licensed Homes
Level 2	\$0	\$1,000
Level 3	\$5,000	\$2,750
Level 3+	\$5,000	\$2,750
Level 4	\$7,500	\$3,000
Level 5	\$9,000	\$3,250

 **Total Quality Improvement Awards paid in FY24: \$6.4M**

 Provided annually to providers serving an enrollment population of at least five percent of children receiving a state subsidy



# WCCC: Major Expenditures & Recently Enacted Policies

## Fair Start for Kids (2021):

### Income Eligibility:

- October 1, 2021: Income threshold expanded from 200% FPL (around 50% SMI at the time) to 60% SMI (\$66,084 per year for a family of three)
- July 1, 2025: Expands from 60% to 75% SMI (\$82,560)
- July 1, 2027: Subject to appropriation, expands from 75% to 85% SMI (\$93,564)

### Copayments:

- Reduced copayments and set a flat copayment based on SMI groups.

### WCCC Provider Rates:

- Set in statute and increased rates from 65<sup>th</sup> to 85<sup>th</sup> percentile Market Rate Survey

## WCCC Caseload Budget Changes:

	FY 2020	FY 2025
Caseload (households)	25,291	34,743*
Per capita cost	\$1,232	\$2,082*
Expenditures	\$236.2M ( <i>actuals</i> )	\$694.1M ( <i>allotments</i> )

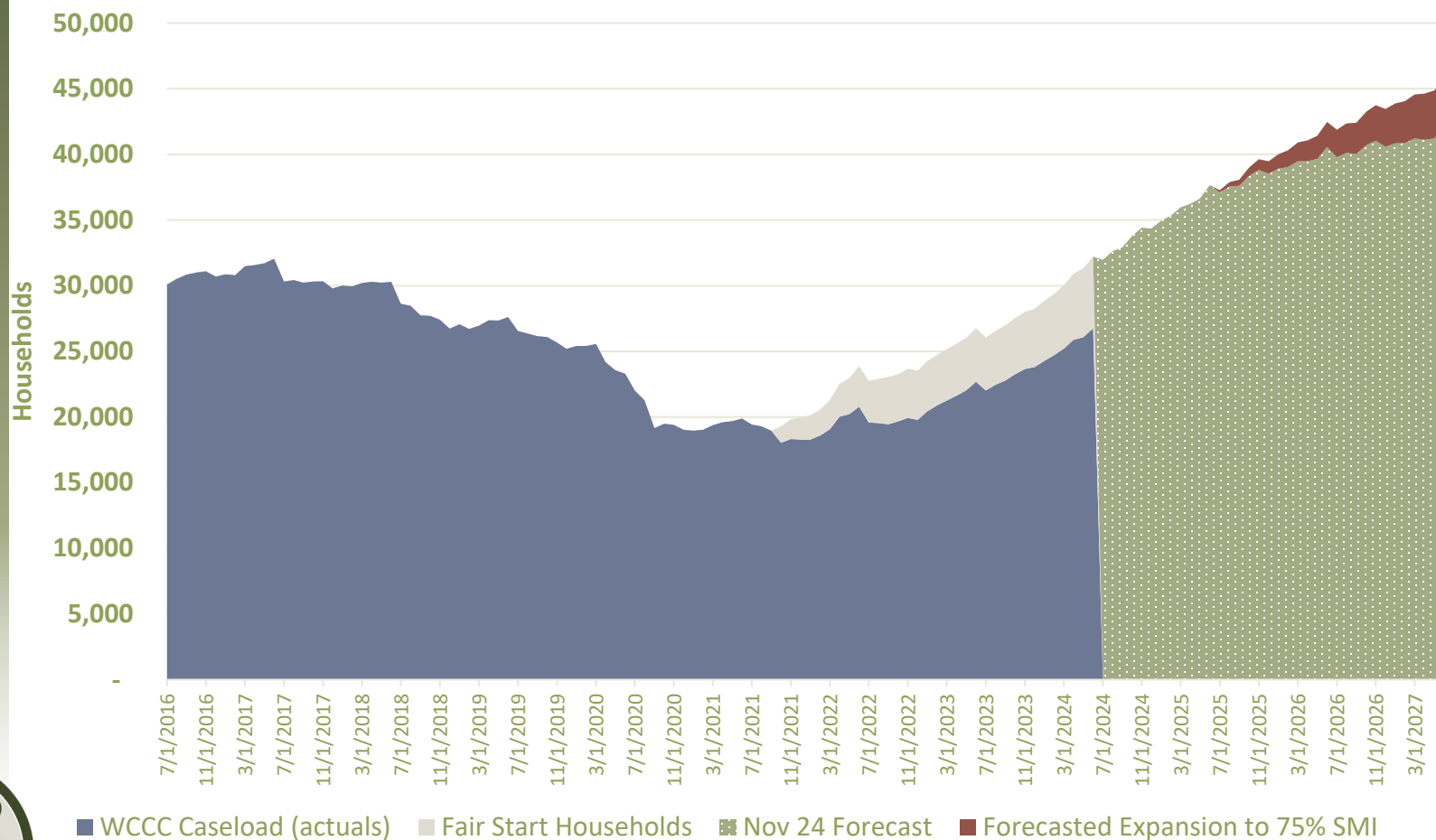
*\*Based on November 2024 WCCC Forecast*

## Cost-of-Care Rate Enhancement: The state has funded cost-of-care rate enhancement for licensed family home providers since FY 2023.

- This enhancement is outside of forecasted WCCC caseload costs.



# Fair Start and the WCCC Caseload



Sources: WCCC actuals and the November 2024 WCCC Forecast

# Fair Start and WCCC Provider Rates: 65<sup>th</sup> percentile (FY20) to 85<sup>th</sup> percentile (FY24)

## Child Care Centers

Base rate increases since 2021

	Infants	Toddlers	Preschool	School Age
Region 1	68%	60%	65%	74%
Region 2	31%	40%	34%	36%
Region 3	27%	42%	46%	85%
Region 4	32%	44%	32%	127%
Region 5	25%	34%	29%	89%
Region 6	50%	48%	41%	67%
Spokane	24%	31%	30%	72%

## Licensed Family Homes

Base rate increases since 2021

	Infants	Enh Todd	Toddlers	Preschool	School Age
Region 1	41%	41%	57%	33%	31%
Region 2	69%	69%	69%	52%	33%
Region 3	30%	30%	31%	35%	41%
Region 4	36%	36%	32%	38%	71%
Region 5	31%	31%	48%	41%	38%
Region 6	53%	53%	57%	66%	52%
Spokane	20%	20%	45%	41%	50%





# Early Support for Infants and Toddlers (ESIT) Overview

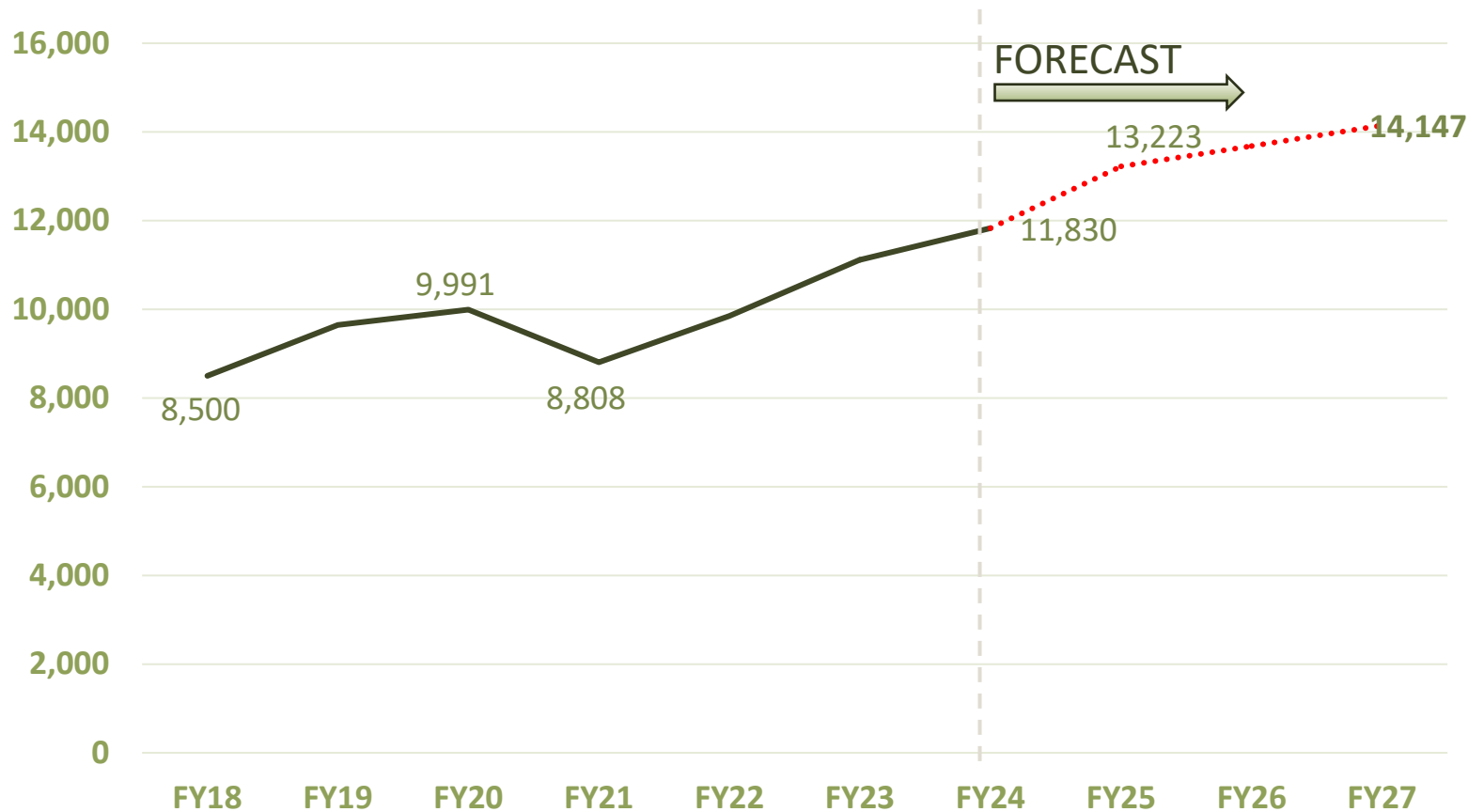
- ⌄ The Early Support for Infants and Toddlers program (ESIT) is a program that provides early intervention services for infants and toddlers (birth through age two) with disabilities and their families
- ⌄ All infants and toddlers eligible for the program must be served, and Individualized Family Service Plans must be developed and implemented for each child and family
- ⌄ ESIT funding is tied to the special education Basic Education Allocation (BEA) rate (Special education BEA rate \* 1.15 \* ESIT caseload)
- ⌄ Early intervention services include:
  - ⌄ Family resource coordination to help families access services and supports
  - ⌄ Speech/language therapy
  - ⌄ Occupational or physical therapy
  - ⌄ Specialized instruction

ESIT Budget	23-25 Allotment
General Fund – State	\$309,697,000
IDEA Part C - Federal	\$23,638,000
<b>Total</b>	<b>\$333,335,000</b>





# ESIT Caseload History and Forecast



Source: Caseload Forecast Council November 2024 ESIT Forecast



# Home Visiting Overview

- Voluntary, family focused services for expectant parents and families with new babies and young children
- Trained professionals regularly visit the families' homes and provide information and support related to prenatal care, infant care, child development, and parenting skills
- Maternal, Infant, and Early Childhood Home Visiting (MIECHV) federal grant funding has been provided since 2010
- Additional federal, local and private fund sources support additional home visiting slots outside of the state budget

Home Visiting Services Account (HVSA)	23-25 Allotment
HVSA-State	\$35,794,000
HVSA-Federal	\$37,256,000
<b>Total</b>	<b>\$73,050,000</b>





# Questions?



January 29, 2025





# Appendix

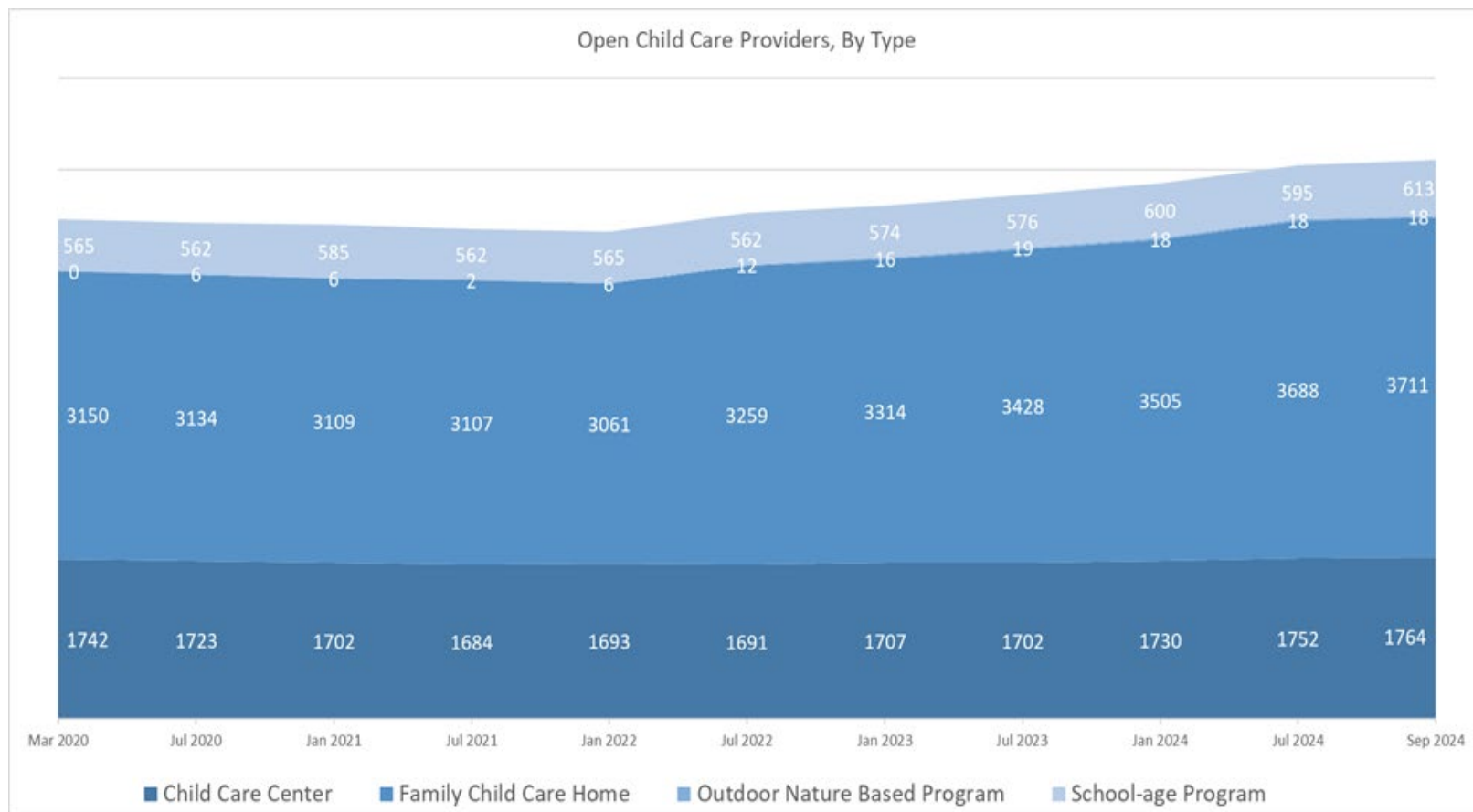
# ECEAP Site Buildings: SY 2024-25

ECEAP Site Building Type 2024-25	Funded Slots	Percent of Slots
Public school or school district building	10,053	61%
Non-Profit Organization Building	1,928	12%
Child Care Center Including Campus Child Care	1,739	11%
Head Start Facility	1,071	7%
Faith-Based Facility	405	2%
Family Child Care Home	271	2%
Other	361	2%
Tribal Organization building	277	2%
College/University (not child care)	204	1%
Local Government building	44	0%
<b>Total</b>	<b>16,353</b>	<b>100%</b>

*Source: Department of Children, Youth, and Families*



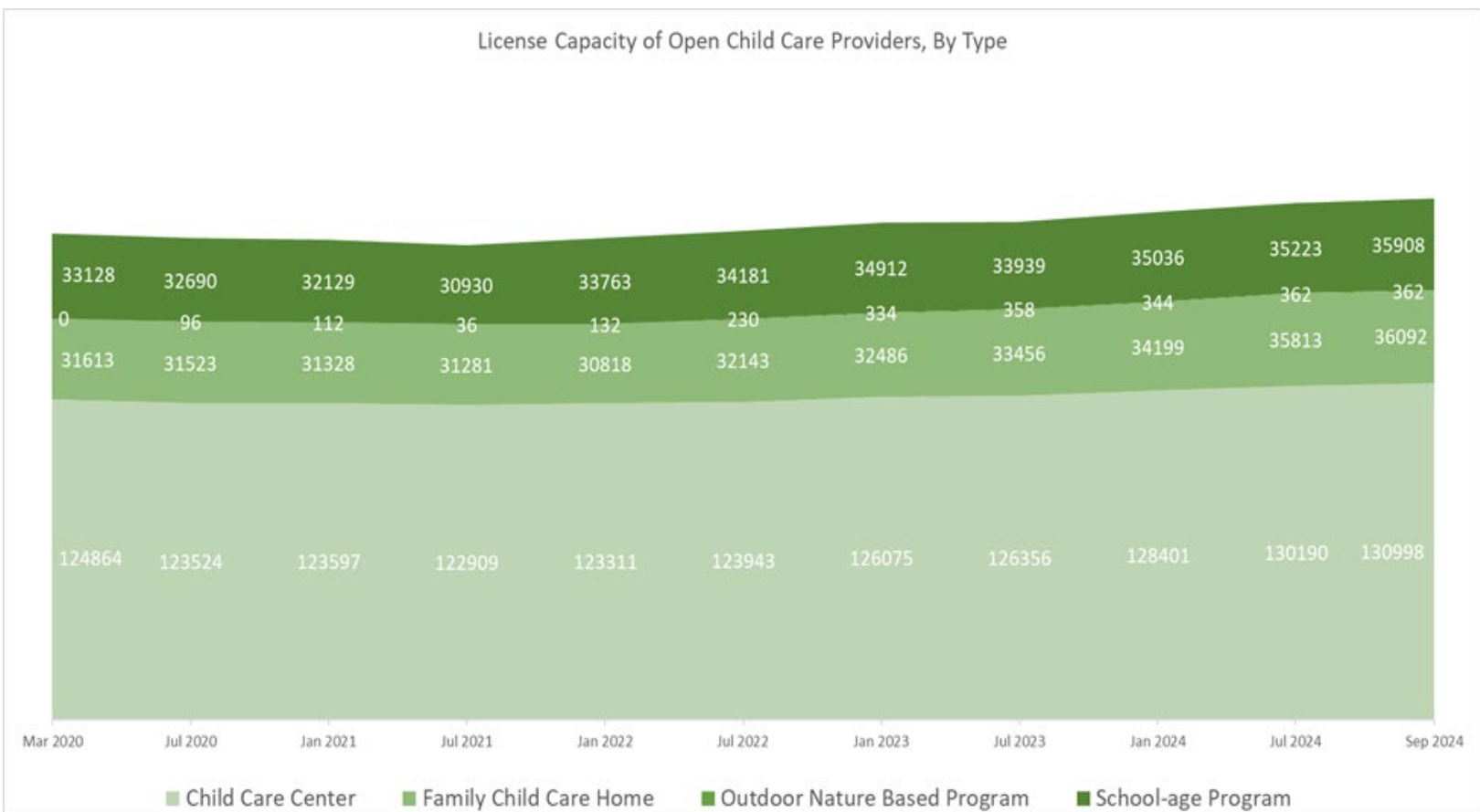
# Statewide Licensed Providers



Source: DCFY OIAA, WA Compass.



# Statewide Licensed Capacity

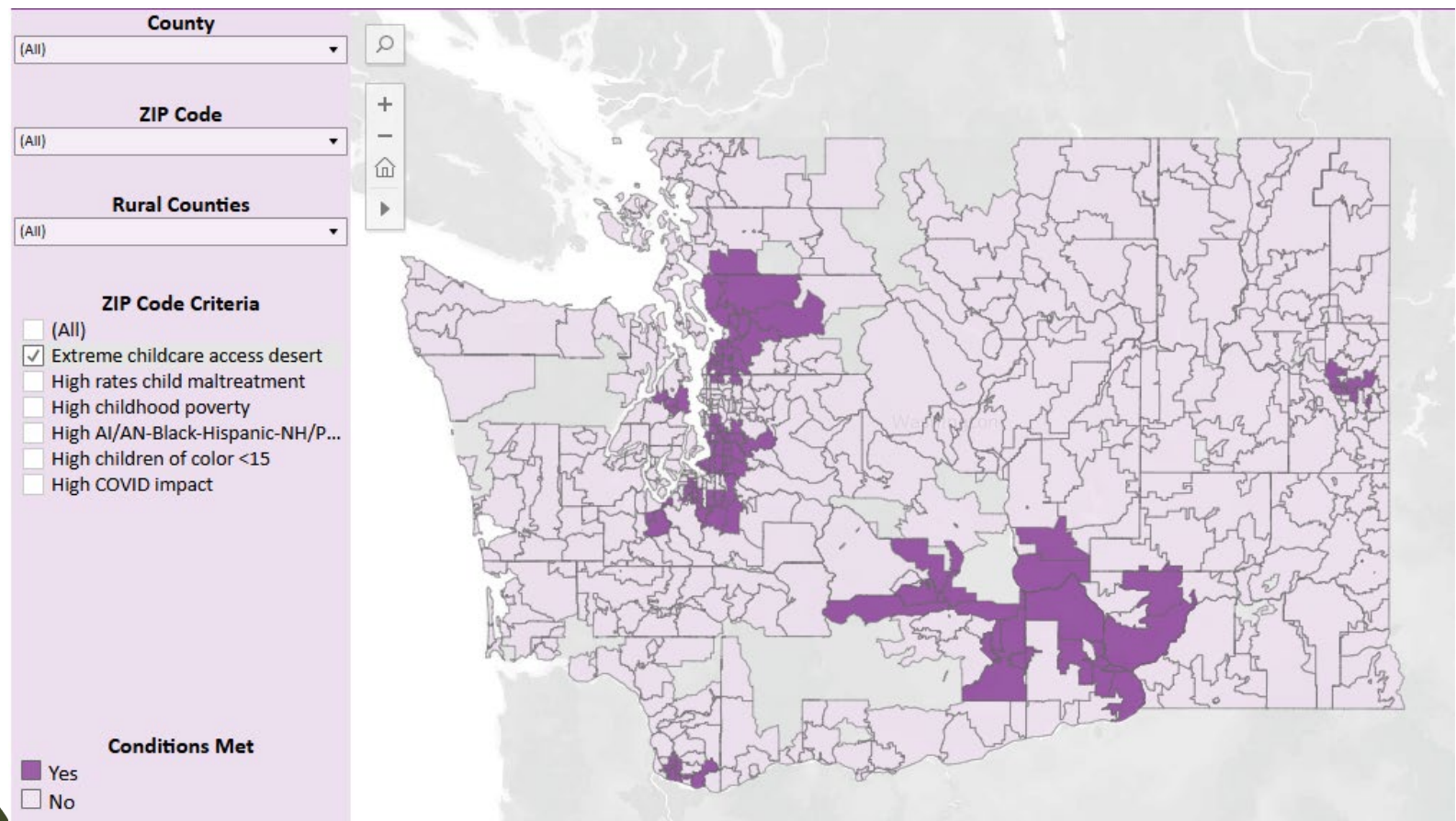


Source: DCFY OIAA, WA Compass.





# Child Care Deserts



Source: [DCYF Child Care Stabilization Dashboard](#)





# Child Care Stabilization Grants

 Grant awards by type of provider:

License Type	Total Count	Total Amount	License Capacity
Child Care Center	1,586	\$145,138,500	116,695
Licensed Family Home	3,223	\$171,046,000	31,847
Outdoor Preschool	11	\$498,000	228
School-Age Program	555	\$44,514,500	33,461
Family, Friend, and Neighbor (FFN)	1,477	\$2,158,750	N/A
<b>Total</b>	<b>6,852</b>	<b>\$363,355,750</b>	<b>182,231</b>

Source: [\*DCYF Child Care Stabilization Grants Fast Facts\*](#)



# Child Care Stabilization Grants

 Grant awards by subsidized pay vs. private pay:

Subsidy Status	Total Count	Total Amount	License Capacity
Subsidy Child Care Centers	1,007	\$97,485,500	76,102
Subsidy Licensed Family Homes	2,155	\$123,370,000	21,508
Subsidy Outdoor Preschool	3	\$141,000	104
Subsidy School-Age Programs	450	\$36,760,500	27,537
Subsidy FFN	1,477	\$2,158,750	N/A
<b>Total Subsidy</b>	<b>5,092</b>	<b>\$259,915,750</b>	<b>125,251</b>
Private Pay Child Care Centers	579	\$47,653,000	40,593
Private Pay Licensed Family Home	1,068	\$47,676,000	10,339
Private Pay Outdoor Preschool	8	\$357,000	124
Private Pay School-Age Programs	105	\$7,754,000	5,924
<b>Total Private Pay</b>	<b>1,760</b>	<b>\$103,440,000</b>	<b>56,980</b>

Source: [DCYF Child Care Stabilization Grants Fast Facts](#)



# Child Care Stabilization Grants

## Grant awards by region:

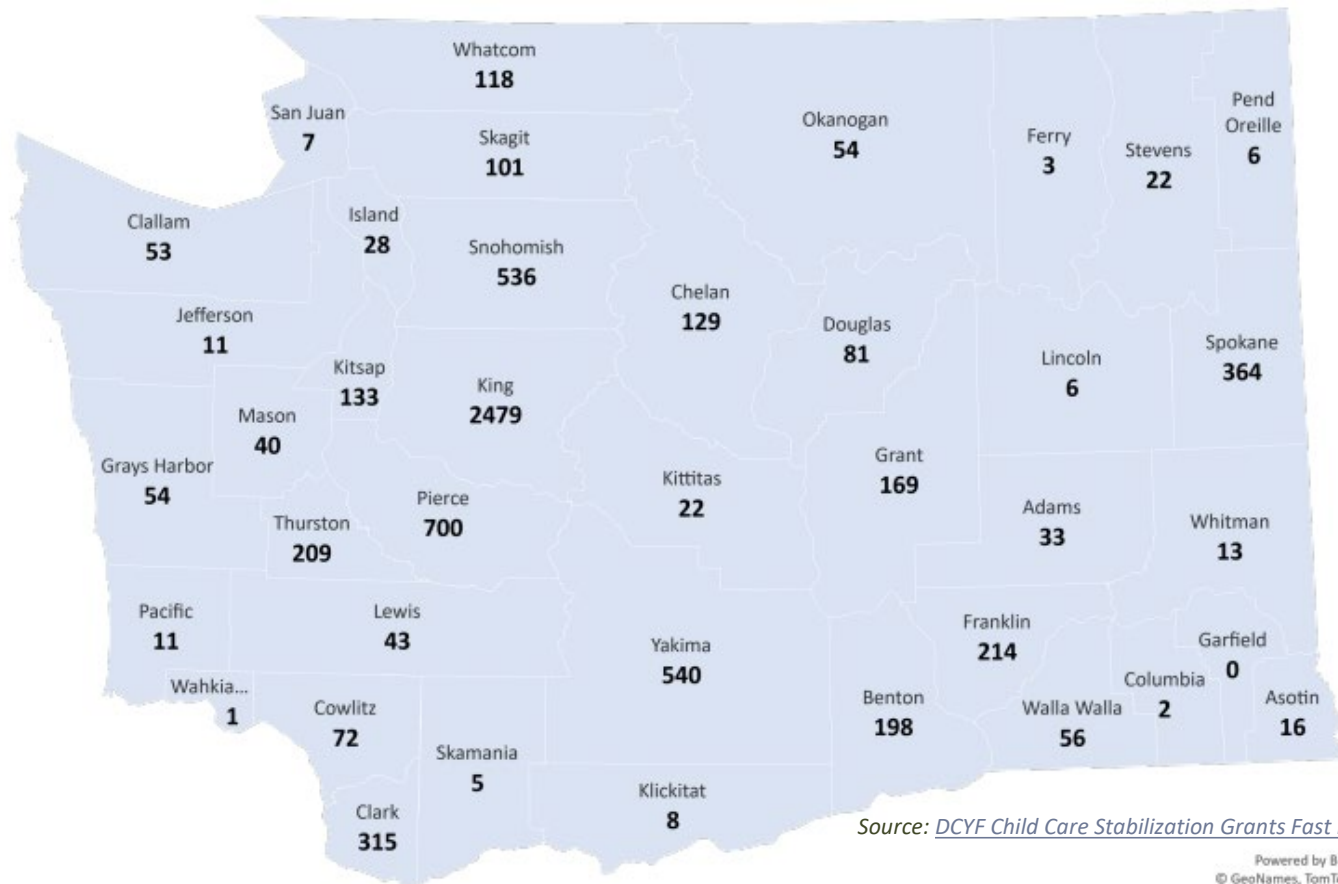
Stabilization Grant	Grant Awards	Grant Amounts Awarded
Region 1	530	\$25,117,250
Region 2	1,036	\$50,087,250
Region 3	805	\$44,864,000
Region 4	2,445	\$150,547,500
Region 5	833	\$40,393,250
Region 6	839	\$36,178,750
Spokane	364	\$16,167,750

Source: [DCYF Child Care Stabilization Grants Fast Facts](#)



# Child Care Stabilization Grants

 Grant awards by county:

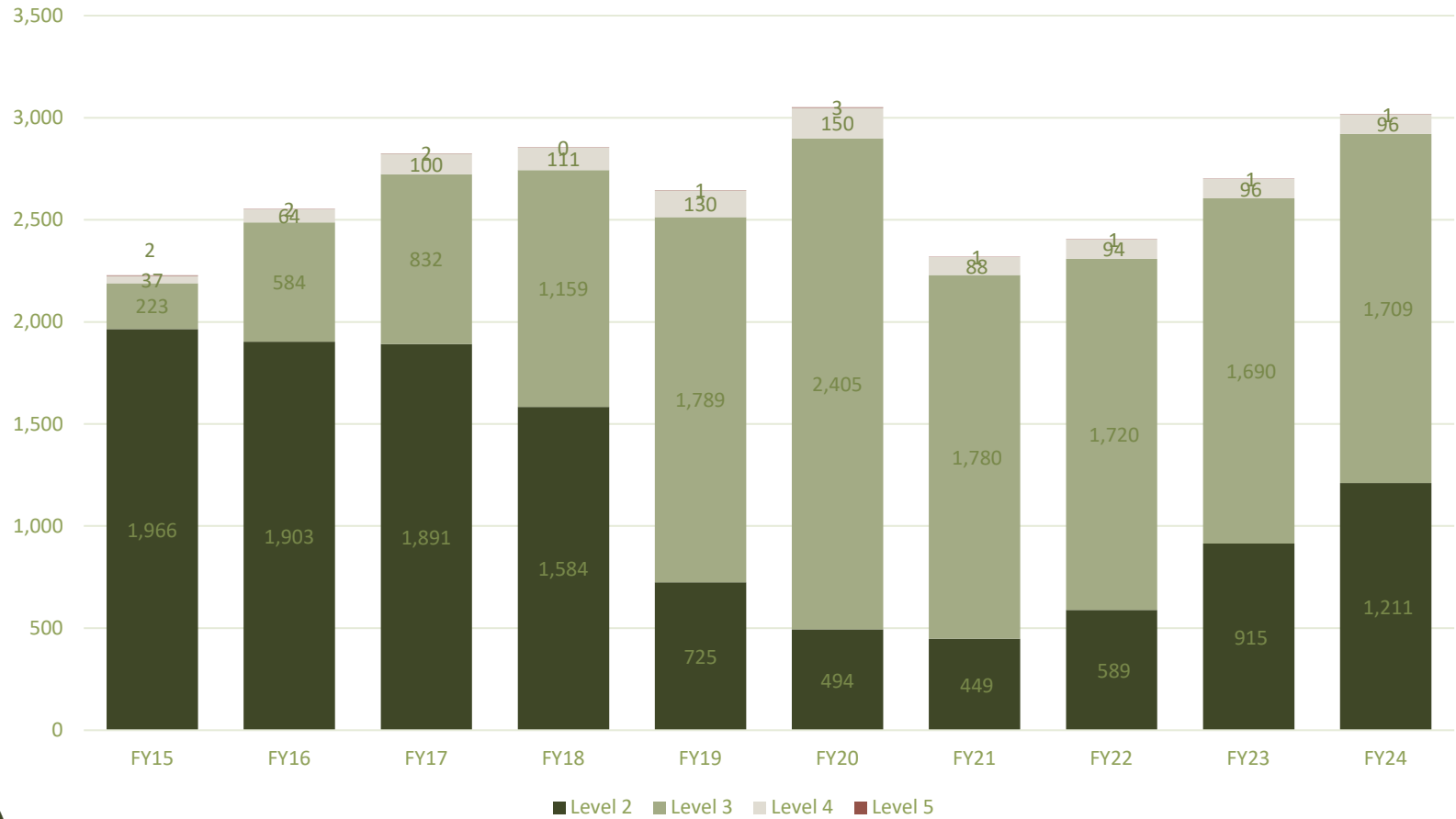


Source: [DCYF Child Care Stabilization Grants Fast Facts](#)

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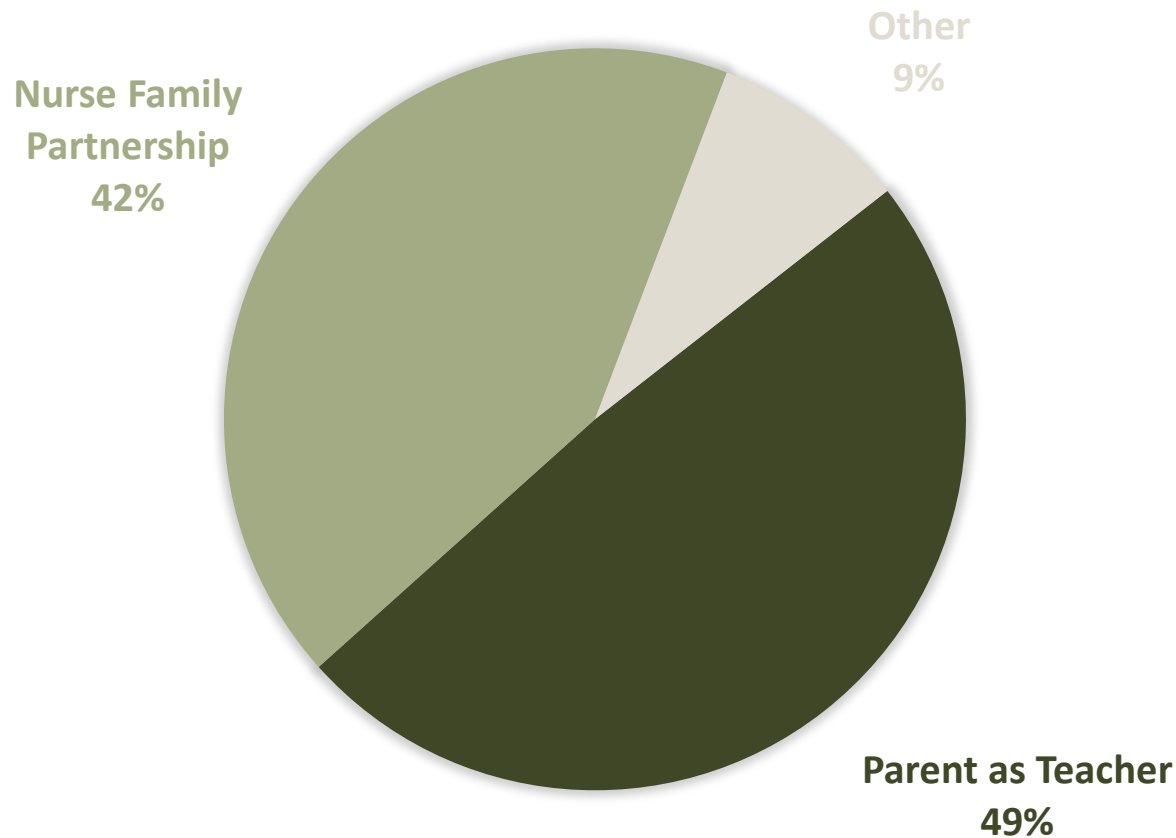


# Average Number of Early Achievers Providers Serving Subsidy Children per Month



Source: November 2024 Tiered Reimbursement Monthly Payments by Level

# Over 90% of families were served through evidence-based home visiting programs



*Source: DCYF-EL Home Visiting Program Data*

