

Topic	Engrossed Second Substitute Senate Bill 5237 (E2SSB 5237)
<b>Fair Start for Kids Account</b>	<ul style="list-style-type: none"> <li>• Funding is deposited directly into the account</li> <li>• Money spent only after appropriation</li> </ul>
<b>Fair Start for Kids Act Spending Goals and Strategies</b>	<ul style="list-style-type: none"> <li>• Only used for these specified goals and strategies:               <ul style="list-style-type: none"> <li>○ Increase WCCC rates, with the goal of moving toward the full cost of high-quality child care</li> <li>○ Expand access to health care for workers through state sponsorship of child care workers on the Health Benefit Exchange and providing consumer assistance through navigators, as well as any other expansions of access to affordable health care for staff in in centers, family child care and ECEAP</li> <li>○ Increasing child care and early learning providers' compensation</li> <li>○ Support collective bargained provisions for family child care providers</li> <li>○ Support and expand access to ECEAP to reach entitlement</li> <li>○ Make child care more affordable for families</li> <li>○ Provide resources and supports for Family Friend and Neighbor providers</li> <li>○ Provide child care subsidies for families working to resolve homelessness</li> <li>○ Professional Development</li> <li>○ Infant and Early Childhood Mental Health Consultation</li> <li>○ Establishing prekindergarten through third grade system coordinators at ESDs</li> <li>○ Supporting youth development programs serving children and youth ages birth through 12 including expanded learning opportunities and school-age child care, among others</li> <li>○ Grants and loans through Early Learning Facilities Fund (note statute for ELFF is cited)</li> <li>○ Enhanced rates for WCCC, ECEAP and Early ECEAP</li> <li>○ Costs for data collection and information technology for DCYF and contractors</li> <li>○ Access to learning technology</li> <li>○ Providing resource and referral services</li> <li>○ QRIS activities through Early Achievers</li> <li>○ Expanding prenatal to three services and supports, including home visiting (HVSA statute cited) and Early ECEAP</li> <li>○ Help Me Grow</li> <li>○ Exploration of options to provide regulatory relief and make licensing more affordable for child care providers</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Comprehensive shared services hubs</li> <li>○ Training DCYF staff for consistent licensing and quality standards</li> <li>○ Incentives for child care providers to become licensed</li> <li>○ Start-up grants for providers interested in providing ECEAP or WCCC and</li> <li>○ Facilitating communication in the three most commonly spoken languages</li> </ul>
<b>Four-Year Balanced Budget</b>	<ul style="list-style-type: none"> <li>● Adds Fair Start for Kids Account to the list of related funds included in legislative balanced budget requirements.</li> </ul>
<b>Investment Accountability and Oversight</b>	<ul style="list-style-type: none"> <li>● Amends the statute around the Early Learning Advisory Council to include the following new roles: <ul style="list-style-type: none"> <li>○ Provide guidance to Governor and legislature on phasing priorities as system capacity is developed and revenue is expanded.</li> <li>○ Keep racial equity and inclusion, undoing intergenerational poverty and addressing systemic racism at its core</li> <li>○ Maintain a focus on inclusionary practices for children with disabilities</li> <li>○ Partner with nonprofit organizations to collect and analyze data and measure progress</li> <li>○ Assist DCYF in monitoring and ensuring that the investments funded by FSA account support these objectives: advance racial equity and strengthen families; promote access to affordable and high quality child care and other early learning opportunities for all families, paying particular attention to the needs of rural and other underserved communities; promote kindergarten readiness, strengthen our state’s economy.</li> </ul> </li> <li>● DCYF is required to consult with the ELAC, its advisory groups and other stakeholders to submit a biennial report to the Governor and Legislature describing how the investments have helped achieve the objectives listed above. First report is due 9/15/23.</li> <li>● The bill reconstitutes ELAC and would be comprised of 44 members: <ul style="list-style-type: none"> <li>○ Representatives of the following departments: <ul style="list-style-type: none"> <li>▪ Department of Commerce (1) (appointed by Governor);</li> <li>▪ Department of Health (1) (appointed by Governor);</li> <li>▪ Student Achievement Council (1) (appointed by the Student Achievement Council);</li> <li>▪ Military spouse liaison created within the department of veterans affairs (1);</li> <li>▪ State Board for Community and Technical Colleges (1) (appointed by the State Board of Technical Colleges);</li> </ul> </li> <li>○ Office of Superintendent of Public Instruction, appointed by the Superintendent of Public Instruction (1);</li> <li>○ Additional representatives from: <ul style="list-style-type: none"> <li>▪ Head Start, Early Head Start, or Migrant/Seasonal Head Start appointed by the Head Start Collaboration Office (1);</li> <li>▪ Educational Service Districts to be appointed by a statewide association of ESD board members (1);</li> <li>▪ Provider responsible for programs under part C of the individuals with disabilities act (1) to be appointed by the Office of Superintendent of Public Instruction;</li> </ul> </li> </ul> </li> </ul>

- Representative of the state agency responsible for part C of the individuals with disabilities act to be appointed by DCYF(1);
- ECEAP appointed by the ECEAP Association (1);
- Licensed family child care providers to be appointed by the largest union representing child care providers (1);
- Child care centers to be appointed by the association representing child care centers (1);
- Home visiting advisory committee to be appointed by the committee (1);
- An infant or early childhood mental health expert to be appointed by the Barnard center for infant and early childhood mental health at the University of Washington (1);
- Family, friend and neighbor caregiver to be appointed by the largest union representing child care providers (1);
- Representative of prenatal to three services (1);
- Pediatrician appointed by the state chapter of the American academy of Pediatrics (1);
- Statewide child care resource and referral agency appointed by the statewide child care resource and referral organization (1);
- Two parents, one of whom serves on DCYF’s parent advisory group appointed by the parent advisory group (2);
- Start Early Washington (public-private partnership) appointed by the SEWA Board (1);
- One representative from the developmental disabilities community representing children and families involved in part C and one representative from the developmental disabilities community representing children and families involved in part B (2);
- Two representatives from early learning coalitions (2);
- Up to five representatives of underserved communities who have a special expertise or interest in high quality early learning, one to be appointed by each of the following commissions: (5)
  - Washington state commission on Asian Pacific American Affairs;
  - Washington state commission on African America Affairs;
  - Washington state commission on Hispanic Affairs;
  - Office of Equity;
  - Women’s Commission;
- Two representatives designated by sovereign tribal governments, one of whom much be a representative of a tribal ECEAP or Head Start (2);
  - Washington federation of independent schools (1);
  - Washington library association (1);
  - Early Learning Action Alliance (1);
  - One representative from the Association of Washington Business (1);
  - Representative of an advocacy organization for immigrants and refugees (1);
  - Schools Out Washington (1); and
  - Union representing the largest number of child care providers (1).

	<ul style="list-style-type: none"> <li>○ 4 legislative members – two from the House and two from the Senate, one from each caucus appointed by the respective caucus leaders (4)</li> <li>● At the direction of the co-chairs, ELAC can convene advisory groups (e.g. parent caucuses) to evaluate specific issues and report finding and recommendations to the full council.</li> <li>● Calls for an annual report of findings and recommendations to the Governor and appropriate committees beginning August 31, 2022 regarding the phased implementation of strategies and priorities.</li> <li>● Directs ELAC to convene a temporary licensing subcommittee to provide feedback and recommendations on improvement to the statewide licensing process. The subcommittee shall look at strategies to increase the number of licensed providers, develop model policies and recommendations for incentives and financial supports to help prospective providers. Findings and recommendations are due by December 1, 2022.</li> </ul>
<b>Education Legacy Trust Account</b>	<ul style="list-style-type: none"> <li>● Amends the Education Legacy Trust Account statute to specify early learning and child care programs are an allowable expense for funds in this account.</li> </ul>
<b>Inflationary Adjustments</b>	<ul style="list-style-type: none"> <li>● As of July 1, 2023, and subject to availability of funds, rates adjusted every two years for inflation for. ECEAP, Early ECEAP, Dual Language and Infant Care Incentives.</li> </ul>
<b>Working Connections Child care Eligibility and Co-payment</b>	<ul style="list-style-type: none"> <li>● Eligibility* <ul style="list-style-type: none"> <li>○ Beginning July 1, 2025, a family is eligible for WCCC when the household annual income is at or below 75 percent of State Medium Income, adjusted for family size.</li> <li>○ Beginning July 1, 2025, subject to the availability of funds, a family is eligible for WCCC when the household income is between 75 percent of State Medium Income and 100 percent of State Medium Income (FYI – 100 percent of State Medium Income is \$6845/month for a family of three or \$82,140 a year).</li> </ul> </li> </ul> <p>*For both, all other program eligibility requirements remain</p> <ul style="list-style-type: none"> <li>● Co-pays – Note DCYF must adopt rules to implement: <ul style="list-style-type: none"> <li>○ Beginning 7/1/21 Less than 36% SMI = \$15 or waived to the extent allowable under federal law</li> <li>○ Beginning 7/1/21 36% SMI – 50% SMI = \$65</li> <li>○ Beginning 7/1/23 50% SMI – 60% SMI = \$115 (this is about 136%-189% Federal poverty level)</li> <li>○ Beginning 7/23 50% SMI – 60% SMI = \$165</li> <li>○ Beginning 7/1/25 60% SMI – 75% SMI = \$215</li> <li>○ Directs DCYF to adopt a co-payment model based on available revenue for households with annual incomes between 75% SMI – 100% SMI. The co-payment cannot exceed 7% of a household’s countable income.</li> </ul> </li> </ul>

<b>Amends the WCCC Student Parents</b>	<ul style="list-style-type: none"> <li>• 12-month authorization starts when care is expected to begin.</li> <li>• If a household does not start care within 12 months of authorization, they must apply again.</li> <li>• Subject to the availability of funds and starting July 1, 2021, relieves the work requirements for full-time students of a community, technical or tribal college enrolled in a vocational program that leads to a degree or certificate in a specific occupation (removes requirement that it cannot result in a bachelor's or advanced degree), an associate degree or a registered apprenticeship program.</li> <li>• Subject to the availability of funds appropriated for this specific purpose, work requirements may be waived for full-time students enrolled in a bachelor's degree program or applied baccalaureate degree program.</li> </ul>
<b>ECEAP</b>	<ul style="list-style-type: none"> <li>• Intent language to increase income eligibility to 36% SMI by July 1, 2026.</li> <li>• Additional intent language to increase maximum family income to 50% of SMI starting in the 2030-31 school year.</li> <li>• Further intent language to support educational service districts to help school districts partner with ECEAP contractors and programs to expand access.</li> </ul>
<b>Amendments to ECEAP statute</b>	<ul style="list-style-type: none"> <li>• Removes the 100% of FPL eligibility language, replacing with a family with "financial need." Family need aligns with the income eligibility timeline laid out in Section 203.</li> <li>• Makes homeless children automatically eligible (McKinney Vinto definition)</li> <li>• Children who were in Early Head Start, ESIT or Early ECEAP, or ECLIPSE are categorically eligible as are Indian children with incomes at or below 100% of State Median Income beginning in the 2026-27 school year after consultation and agreement with the state's federally recognized tribes.</li> <li>• Adds connecting with culturally competent, disability positive therapists and supports where possible to the family support services opportunities.</li> </ul>
<b>Amendments to ECEAP expanded enrollment statute</b>	<ul style="list-style-type: none"> <li>• Changes allowable above income to be between 36% of SMI and 50% SMI adjusted for family size (was 130% of FPL) along with one risk factor (existing statute).</li> <li>• Homelessness removed as a risk factor because would be automatically eligible</li> <li>• Note still limited to 25% of statewide slots</li> </ul>
<b>ECEAP Early Entry</b>	<ul style="list-style-type: none"> <li>• Directs DCYF to adopt rules to allow children who will turn three during the school year in ECEAP if space and funds are available and the child is income eligible and meets at least one risk factor or has participated in Early Head Start, ESIT, Early ECEAP or ECLIPSE. These children do not meet the entitlement requirement.</li> </ul>
<b>Indian Child Definition</b>	<ul style="list-style-type: none"> <li>• DCYF must consult, and obtain the advice and consent of, the governing bodies of the state's federally recognized tribes in developing an agreed-upon definition of the term Indian.</li> </ul>

<b>ECEAP Entitlement Date</b>	<ul style="list-style-type: none"> <li>• Pushes ECEAP entitlement from 2022-23 to the 2026-27 school year.</li> </ul>
<b>Amend WCCC Rates Section</b>	<ul style="list-style-type: none"> <li>• Intent to increase WCCC rates over time until the rates are the full cost of providing high-quality child care. <ul style="list-style-type: none"> <li>○ By 7/1/21, 85th percentile of market rate</li> <li>○ DCYF shall build upon the work of the child care collaborative task force to develop a child care cost estimate model and use the model to recommend subsidy rates at the full cost of quality.</li> <li>○ DCYF shall consider adjusting rates to reflect the cost of living as well as incorporating the model for nonstandard child care hours.</li> <li>○ DCYF should evaluate options to support access to affordable health care insurance coverage for licensed providers.</li> </ul> </li> </ul>
<b>ECEAP Rates</b>	<ul style="list-style-type: none"> <li>• 10% rate increase beginning in the 2021-22 school year</li> <li>• The 2020 ECEAP rate study should inform the rate increases.</li> <li>• This section expires 6/30/27.</li> </ul>
<b>Complex Needs Fund</b>	<ul style="list-style-type: none"> <li>• Subject to the availability of funds, DCYF shall administer (in collaboration with OSPI) two complex needs funds – one for ECEAP and Early ECEAP and another for licensed or certified child care providers and license-exempt child care providers.</li> <li>• Allowable uses include staffing, programming, therapeutic services and equipment or technology support, activities to assist families with children expelled or at risk of expulsion from child care, and to help families transition out of child care.</li> </ul>
<b>Trauma-Informed Care Supports</b>	<ul style="list-style-type: none"> <li>• By 7/1/22, DCYF shall provide supports to aid eligible providers in providing trauma-informed care.</li> <li>• Supports may include: <ul style="list-style-type: none"> <li>○ Wage increases for staff who have an infant and early childhood mental health or other child development specialty credential,</li> <li>○ Purchase of screening tools and assessment materials,</li> <li>○ Supporting services for children with complex needs that are offered as fee-for-service within local communities, or</li> <li>○ Other related expenses.</li> </ul> </li> <li>• Eligible providers include licensed child care centers or outdoor nature-based care accepting state subsidy, family homes accepting state subsidy, ECEAP, Early ECEAP, a licensed-exempt provider or an Early Achievers Coach.</li> </ul>
<b>Dual Language Rate Increase</b>	<ul style="list-style-type: none"> <li>• By 7/1/22, DCYF shall establish a dual language designation and provide a rate enhancement for licensed and certified child care providers participating in WCCC, ECEAP and Early ECEAP.</li> <li>• Legislative intent that the rate increases be used to increase wages for staff who provide bilingual instruction, professional development training, purchase of dual language and culturally appropriate curricula and accompanying training programs, instructional materials, or other expenses.</li> <li>• DCYF must consult with a culturally and linguistically diverse stakeholder advisory group to develop criteria for the designation.</li> </ul>

	<ul style="list-style-type: none"> <li>Beginning in the 2023-25 fiscal biennium, in the collective bargaining process should consider implementation of a rate structure similar to the provisions in this section to the extent possible.</li> </ul>
<b>Nonstandard rate hours model rate increase</b>	<ul style="list-style-type: none"> <li>Subject to the availability of funds for this exact purpose, DCYF develop a rate model for nonstandard child care hours in consultation with stakeholders and submit the model to the Governor and appropriate committees by 1/1/22.</li> </ul>
<b>Equity Grants</b>	<ul style="list-style-type: none"> <li>Subject to the availability of funds, DCYF distribute equity grants to Play and Learn groups, ECEAP, Early ECEAP Centers and Homes</li> <li>The grants are intended to make the early learning system more inclusive and equitable.</li> <li>Eligible applicants may receive a grant once every 2 years.</li> <li>The bill describes how DCYF shall conduct an equitable grant process, including a requirement that the application materials be available in the five most commonly spoken languages.</li> </ul>
<b>Employer Supported Child Care</b>	<ul style="list-style-type: none"> <li>Subject to the availability of funds, Dept of Commerce, in collaboration with DCYF, provide or contract for TA for employers interested in supporting employee access to child care in many ways, including operating an on-site child care or providing financial assistance to employees.</li> </ul>
<b>Infant and Early Childhood Mental Health Consultation</b>	<ul style="list-style-type: none"> <li>Directs DCYF to administer or contract for infant and early childhood mental health consultation services to child care providers participating in early achievers.</li> <li>As capacity allows, DCYF may provide access to infant and early childhood mental health consultation services to license-exempt family, friend and neighbor providers and families with children expelled or at risk of expulsion from child care</li> </ul>
<b>Amendments to Infant and Early Childhood Mental Health Consultation</b>	<ul style="list-style-type: none"> <li>Beginning 7/1/21, DCYF must have one infant and early childhood mental health coordinator and enter into a contractual agreement with an organization providing coaching services to early achievers program participants to hire at least 12 qualified infant and early childhood mental health consultants. The consultants must be placed in regions based on highest need.</li> </ul>
<b>Play and Learn Groups</b>	<ul style="list-style-type: none"> <li>Subject to the availability of funds, DCYF, in consultation with community-based programs, shall provide or contract to provide, or both, resources and supports for inclusive and culturally and linguistically relevant play and learn groups.</li> </ul>

<b>Professional Development</b>	<ul style="list-style-type: none"> <li>• Subject to the availability of funds, DCYF shall provide professional development supports to aid eligible providers in reaching the professional education and training standards adopted by DCYF. Bill contains a list of eligible supports, including trainings and scholarships.</li> </ul>
<b>Negotiated Rule Making</b>	<ul style="list-style-type: none"> <li>• Directs the Secretary of DCYF to engage in negotiated rule making before adopting requirements that affect child care center licensees. This rule making must involve the largest organization representing child care center owners and directors; the largest organization representing supervisors, teachers and aides; and other interested parties.</li> </ul>
<b>Capacity Flexibility for Family Child Care</b>	<ul style="list-style-type: none"> <li>• Allows DCYF to waive the limit that restricts family child care providers from serving not more than 12 children. DCYF must establish conditions for these waivers and assess available square footage.</li> </ul>
<b>Prenatal to Three Intent</b>	<ul style="list-style-type: none"> <li>• Findings that the federal Family First Prevention Services Act provides an opportunity for the state to leverage federal funding for certain programs like home visiting, but culturally relevant, evidence-based programs that may qualify for these federal funds are limited. The bill notes state support may be necessary to serve traditionally underrepresented communities.</li> <li>• Intent language to expand parent and family education and support, incentivize infant and toddler care and make therapeutic and preventive services more available.</li> </ul>
<b>Education and Support for Parents and Family, Friend and Neighbor Caregivers</b>	<ul style="list-style-type: none"> <li>• Subject to availability of funds, DCYF administer a prenatal to three family engagement strategy. Components must include supports and services to improve maternal and infant health outcomes, reduce and mitigate trauma, promote attachment and other social-emotional assets, strengthen parenting skills and provide early supports to help maximize healthy and robust childhood development and reduce isolation</li> <li>• May include supports and services including; <ul style="list-style-type: none"> <li>○ Parent skills programs and training (links to HVSA statute)</li> <li>○ Plan and Learn Groups</li> <li>○ Parent peer support groups</li> </ul> </li> <li>• Specifies that services are available to biological parents, foster parents, kinship care providers and other FFN caregivers.</li> </ul>
<b>Early ECEAP Amendment</b>	<ul style="list-style-type: none"> <li>• Removes pilot designation and allows for expansion subject to the availability of funds.</li> <li>• Eligibility must be at or below 50% of SMI.</li> </ul>
<b>Infant Care Incentive Rate Enhancement</b>	<ul style="list-style-type: none"> <li>• By 7/1/22, DCYF shall provide an infant rate enhancement for licensed or certified child care providers and Early ECEAP providers who are accepting state subsidy, in good standing with Early Achievers and caring for a child between the ages of birth and 11 months.</li> <li>• Beginning in the 2021-23 biennium, participants in collective bargaining should consider a similar rate structure to the extent practicable.</li> </ul>

<b>Early Therapeutic and Preventive Services Expansion</b>	<ul style="list-style-type: none"><li>• Subject to availability of funds, DCYF shall administer an early therapeutic and preventive services and programs. The goal is statewide if funds are available.</li><li>• This is the Eclipse program.</li></ul>
<b>Emergency Clauses</b>	<ul style="list-style-type: none"><li>• Emergency clauses for provisions that take effect July 1, 2021</li></ul>