SECOND SUBSTITUTE HOUSE BILL 2124

AS AMENDED BY THE SENATE

Passed Legislature - 2024 Regular Session

State of Washington 68th Legislature 2024 Regular Session

By House Appropriations (originally sponsored by Representatives Eslick, Senn, Leavitt, Chapman, Reed, Ramel, Callan, Rule, Goodman, Tharinger, Wylie, Timmons, Stonier, Reeves, and Kloba)

READ FIRST TIME 02/05/24.

AN ACT Relating to supporting and expanding access to child care and early learning programs; amending RCW 43.216.1364, 43.216.775, and 43.216.---; reenacting and amending RCW 43.216.136; creating new sections; and providing an effective date.

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

6 Sec. 1. RCW 43.216.136 and 2023 c 294 s 1 and 2023 c 222 s 3 are 7 each reenacted and amended to read as follows:

8 (1) The department shall establish and implement policies in the 9 working connections child care program to promote stability and 10 quality of care for children from low-income households. These 11 policies shall focus on supporting school readiness for voung 12 learners. Policies for the expenditure of funds constituting the 13 working connections child care program must be consistent with the 14 outcome measures established by the department and the standards 15 established in this section intended to promote stability, quality, 16 and continuity of early care and education programming.

17 (2) As recommended by P.L. 113-186, authorizations for the 18 working connections child care subsidy are effective for 12 months 19 beginning July 1, 2016.

(a) A household's 12-month authorization begins on the date thatchild care is expected to begin.

1 (b) If a newly eligible household does not begin care within 12 2 months of being determined eligible by the department, the household 3 must reapply in order to qualify for subsidy.

4 (3)(a) The department shall establish and implement policies in 5 the working connections child care program to allow eligibility for 6 families with children who:

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(i) In the last six months have:

8 (A) Received child protective services as defined and used by 9 chapters 26.44 and 74.13 RCW;

10 (B) Received child welfare services as defined and used by 11 chapter 74.13 RCW;

12 (C) Received services through a family assessment response as13 defined and used by chapter 26.44 RCW; or

(D) A parent or guardian participating in a specialty court or therapeutic court or who is a listed victim in a case in a specialty court or therapeutic court;

(ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020 or as part of the specialty court or therapeutic court's proceedings; and

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(iii) Are residing with a biological parent or guardian.

(b) Families who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services or keep participating in a specialty court or therapeutic court identified in this subsection to maintain 12-month authorization.

(4) (a) Beginning July 1, 2021, and subject to the availability of amounts appropriated for this specific purpose, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when the applicant or consumer is in a state registered apprenticeship program or is a full-time student of a community, technical, or tribal college and is enrolled in:

32 (i) A vocational education program that leads to a degree or33 certificate in a specific occupation; or

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(ii) An associate degree program.

35 (b) An applicant or consumer is a full-time student for the 36 purposes of this subsection if the applicant or consumer meets the 37 college's definition of a full-time student.

38 (c) Nothing in this subsection is intended to change how 39 applicants or consumers are prioritized when applicants or consumers 40 are placed on a waitlist for working connections child care benefits. 1 (d) Subject to the availability of amounts appropriated for this 2 specific purpose, the department may extend the provisions of this 3 subsection (4) to full-time students who are enrolled in a bachelor's 4 degree program or applied baccalaureate degree program.

5 (5) The department may not consider the immigration status of an 6 applicant or consumer's child when determining eligibility for 7 working connections child care benefits.

8 (6) The department must consider an applicant or consumer's 9 participation in the birth to three early childhood education and 10 assistance program or the early head start program as an approved 11 activity when determining eligibility for working connections child 12 care benefits.

13 <u>(7)</u>(a) An applicant or consumer is eligible to receive working 14 connections child care benefits for the care of one or more eligible 15 children for the first 12 months of the applicant's or consumer's 16 enrollment in a state registered apprenticeship program under chapter 17 49.04 RCW when:

(i) The applicant or consumer's household annual income adjusted for family size does not exceed 75 percent of the state median income at the time of application, or, beginning July 1, 2027, does not exceed 85 percent of the state median income if funds are appropriated for the purpose of RCW 43.216.1368(4);

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

26 (iii) The household meets all other program eligibility 27 requirements.

(b) The department must adopt a copayment model for benefits granted under this subsection, which must align with any copayment identified or adopted for households with the same income level under RCW 43.216.1368.

32 (((7))) (8)(a) The department must extend the homeless grace 33 period, as adopted in department rule as of January 1, 2020, from a 34 four-month grace period to a 12-month grace period.

35 (b) For the purposes of this section, "homeless" means being 36 without a fixed, regular, and adequate nighttime residence as 37 described in the federal McKinney-Vento homeless assistance act (42 38 U.S.C. Sec. 11434a) as it existed on January 1, 2020.

39 (((8))) <u>(9)</u> For purposes of this section, "authorization" means a 40 transaction created by the department that allows a child care

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1 provider to claim payment for care. The department may adjust an 2 authorization based on a household's eligibility status.

3 Sec. 2. RCW 43.216.1364 and 2023 c 222 s 2 are each amended to 4 read as follows:

5 (1) Beginning October 1, 2023, a family is eligible for working 6 connections child care when the household's annual income is at or 7 below 85 percent of the state median income adjusted for family size 8 and:

9 (a) The child receiving care is: (i) Less than 13 years of age; 10 or (ii) less than 19 years of age and has a verified special need 11 according to department rule or is under court supervision;

(b) The applicant or consumer is employed ((in a licensed child care center or family home provider)), as verified in the agency's electronic workforce registry, in a:

15 <u>(i) Licensed or certified child care center or family home</u> 16 provider;

17 (ii) Early childhood education and assistance program or birth to 18 three early childhood education and assistance program; or

19 <u>(iii) Head start or early head start program or a successor</u> 20 <u>federal program</u>; and

21 (c) The household meets all other program eligibility 22 requirements.

(2) The department must waive the copayment to the extent allowable under federal law; otherwise, a maximum of \$15 for any applicant or consumer that meets the requirements under this section.

26 Sec. 3. RCW 43.216.775 and 2021 c 199 s 106 are each amended to 27 read as follows:

((Beginning July 1, 2023, and subject to the availability of 28 29 amounts appropriated for this specific purpose, rates)) (1) Rates paid under RCW ((43.216.579, 43.216.585,)) 43.216.592((, and 30 43.216.578)) must be adjusted every two years according to an 31 inflationary increase. The inflationary increase must be calculated 32 by applying the rate of the increase in the inflationary adjustment 33 index to the rates established $((\frac{\text{in RCW} 43.216.579}, 43.216.585))$ 34 pursuant to RCW 43.216.592((, and 43.216.578. Any)). 35

36 (2) Subject to the availability of amounts appropriated for this 37 specific purpose, rates paid under RCW 43.216.579, 43.216.585, and 38 43.216.578 must be adjusted every two years according to an

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inflationary increase. The inflationary increase must be calculated by applying the rate of the increase in the inflationary adjustment index to the rates established pursuant to RCW 43.216.579, 43.216.585, and 43.216.578.

5 <u>(3) Inflationary increases under subsection (1) of this section</u> 6 <u>and any</u> funded inflationary increase <u>under subsection (2) of this</u> 7 <u>section</u> must be included in the rate used to determine inflationary 8 increases in subsequent years.

9 <u>(4)</u> For the purposes of this section, "inflationary adjustment 10 index" means the implicit price deflator averaged for each fiscal 11 year, using the official current base rate, compiled by the bureau of 12 economic analysis, United States department of commerce.

13 Sec. 4. RCW 43.216.--- and 2024 c ... (HB 2111) s 4 are each 14 amended to read as follows:

(1) (a) Subject to the availability of amounts appropriated for this specific purpose, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when the applicant or consumer is in a state registered apprenticeship program or is a full-time student of a community, technical, or tribal college and is enrolled in:

(i) A vocational education program that leads to a degree orcertificate in a specific occupation; or

24 (ii) An associate degree program.

(b) An applicant or consumer is a full-time student for the purposes of this subsection if the applicant or consumer meets the college's definition of a full-time student.

28 (((2))) <u>(c)</u> Subject to the availability of amounts appropriated 29 for this specific purpose, the department may extend the provisions 30 of this <u>sub</u>section to full-time students who are enrolled in a 31 bachelor's degree program or applied baccalaureate degree program.

32 (2) The department must consider an applicant or consumer's 33 participation in the birth to three early childhood education and 34 assistance program or the early head start program as an approved 35 activity when determining eligibility for working connections child 36 care benefits.

37 <u>NEW SECTION.</u> Sec. 5. This act takes effect November 1, 2024.

<u>NEW SECTION.</u> Sec. 6. (1) Section 4 of this act is null and void
if chapter . . (House Bill No. 2111), Laws of 2024 is not enacted
by November 1, 2024.
(2) Section 1 of this act is null and void if section 4 of this

act takes effect.

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6 <u>NEW SECTION.</u> Sec. 7. If specific funding for the purposes of 7 this act, referencing this act by bill or chapter number, is not 8 provided by June 30, 2024, in the omnibus appropriations act, this 9 act is null and void.

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