

HOUSE BILL REPORT

HB 1491

As Reported by House Committee On:
Early Learning & Human Services
Appropriations

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: 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:

Committee Activity:

Early Learning & Human Services: 1/28/15, 2/3/15 [DPS];

Appropriations: 2/25/15, 2/27/15 [DP2S(w/o sub ELHS)].

Brief Summary of Second Substitute Bill

- Requires the Department of Early Learning (DEL) to provide a foundation of quality through the Early Achievers program for early learning and licensed child care programs.
- Expands the Early Achievers program and authorizes the DEL to require all licensed or certified child care facilities and early learning programs serving non-school age children and receiving state funds to participate in the Early Achievers program, except programs whom the DEL determines have national accreditation standards that meet or exceed the current Early Achievers program standards.
- Requires the DEL to focus the early care and education system on supporting school readiness for young learners and improving educational outcomes in response to Early Achievers program data collection and analysis.
- Creates an Early Achievers Review Subcommittee to provide feedback and guidance on strategies to improve the quality of instruction and environment for early learning and provide input and recommendations on the implementation and refinement of the Early Achievers program.

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.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Kagi, Chair; Walkinshaw, Vice Chair; Walsh, Ranking Minority Member; Dent, Farrell, Hawkins, Ortiz-Self and Senn.

Minority Report: Do not pass. Signed by 3 members: Representatives Scott, Assistant Ranking Minority Member; McCaslin and Sawyer.

Staff: Ashley Paintner (786-7120).

Background:

Early Achievers Program.

In 2007 the Legislature enacted Engrossed Second Substitute Senate Bill 5828, which created the quality rating and improvement system for the early care and education system in Washington, called Early Achievers. The Early Achievers program establishes a common set of expectations and standards that define, measure, and improve the quality of early learning and child care settings. The Department of Early Learning (DEL) completed statewide implementation of the Early Achievers program in July 2013.

There are five levels in the Early Achievers program. Licensed or certified child care programs enter the program at level 1. Participants advance to level 2 when they officially enroll in the Early Achievers program. At level 2, participants are required to complete several activities such as a self-assessment and trainings. For levels 3-5 participants are evaluated and earn points in the following areas: child outcomes; facility curriculum and learning environment and interaction; professional development and training; and family engagement and partnership. At levels 3, 4, and 5, Early Achievers program participants are evaluated and assigned a rating. The Early Achievers program provides participants with coaching, training opportunities, professional development scholarships and grants, technical assistance, and consultation.

Working Connections Child Care.

The Working Connections Child Care (WCCC) program offers subsidies to child care providers serving families at or below 200 percent of the federal poverty level. The state pays part of the cost of child care. The parents or caregivers are responsible for making a copayment to the child care provider. Both child care centers and family home providers are able to receive WCCC subsidy payments. Children of families receiving the WCCC benefits are required to be less than 13 years of age or less than 19 years of age and have a verified special need or be under court supervision. The DEL sets child care subsidy policy and provides the WCCC program oversight for child care licensing. The Department of Social and Health Services helps families apply for WCCC, determines eligibility and parent or caregiver copayments, authorizes child care, and issues payment to providers.

Early Childhood Education and Assistance Program.

The Early Childhood Education and Assistance Program (ECEAP) is the Washington State Preschool Program. The ECEAP serves families at or below 110 percent of the federal poverty level. Although the ECEAP prioritizes children who are 4 years old, children who

are 3 years old are also eligible for the program. In addition to preschool programming, the ECEAP provides family support and health services. The stated goal of the ECEAP is to help ensure children enter kindergarten ready to succeed. Approved ECEAPs receive state-funded support through the DEL. Public or private nonsectarian organizations, including but not limited to, school districts, community and technical colleges, local governments, and nonprofit organizations, are eligible to participate as an ECEAP provider.

During the legislative session in 2013, the Legislature passed Senate Bill 5904 (SB 5904), which outlines an expansion of the ECEAP through the 2013-15 biennium. The ECEAP expansion is subject to amounts appropriated, and required the DEL to develop an ECEAP expansion plan by September 30, 2013. In addition, SB 5904 required the Washington State Institute for Public Policy (WSIPP) to complete a meta-analysis and retrospective outcome evaluation of the ECEAP. The meta-analysis was provided to the Legislature in January 2014 and the outcome evaluation was provided to the Legislature in December 2014. The outcome evaluation found that the ECEAP has a positive impact on third, fourth, and fifth grade test scores.

Early Learning Advisory Council.

In 2007 the Legislature created the Early Learning Advisory Council (ELAC) to advise the DEL on statewide early learning needs and progress. In 2010 the ELAC delivered a statewide early learning plan. Following the completion of the statewide early learning plan, the role of the ELAC was revised to advise the DEL on issues that would build a comprehensive system of quality early learning programs and services for Washington's children and families by assessing needs and the availability of services, aligning resources, developing plans for data collection, developing plans for professional development of early childhood educators, and establishing key performance measures.

Summary of Substitute Bill:

Early Achievers Program.

The Early Achievers program provides a foundation of quality for the early care and education system in Washington. The DEL is authorized to require all licensed or certified child care centers and homes, and early learning programs serving non-school age children and receiving state funds, to participate in the Early Achievers program. The stated objectives for the Early Achievers program include:

- improving short- and long-term educational outcomes for children;
- providing parents clear and accessible information on the quality of early learning programs;
- increasing school readiness;
- closing the disparities in access to quality care;
- providing professional development and coaching; and
- establishing a common set of expectations and standards that define, measure, and improve the quality of early learning.

There are five levels in the Early Achievers program. Participants are expected to actively engage in the program and continually advance from level 1, basic licensing, to level 5. By

August 1, 2015, the DEL must publish to their website Early Achievers program rating levels for child care programs that receive a state subsidy, the ECEAP, and Head Start programs in Washington. The rating levels must be published in a manner that is easily accessible to parents and caregivers, and takes into account their linguistic needs. Tribal child care facilities and early learning programs may choose to be exempt from posting their rating on the DEL website if they provide proper notification to parents and guardians on the availability of their program rating. Additionally, the DEL is required to create a single source of information for parents and caregivers to access details on a provider's rating level, licensing history, and other indicators of quality and safety that will help parents and caregivers make informed choices. By July 1, 2016, the DEL is required to implement a single set of licensing standards for child care programs and the ECEAP.

The DEL must create a professional development pathway for the Early Achievers program participants to obtain a high school diploma or higher education credential in an academic field related to early care and education. The professional development pathway shall include opportunities for scholarships and grants to assist the Early Achievers program participants with the costs associated with obtaining an educational degree. The DEL is further required, in collaboration with tribal governments and community and statewide partners, to implement protocols to maximize and encourage participation in the Early Achievers program for culturally diverse and low-income providers. Additionally, the DEL must employ a combination of vouchers and contracted slots for the WCCC program and the ECEAP, which must prioritize programs with specific characteristics.

The Education Data Center (EDC) is required to collect longitudinal, student-level data on all children attending a WCCC program or an ECEAP. The DEL and the Early Achievers Review Subcommittee (Subcommittee) shall review the data and make recommendations for improving the Early Achievers program. Additionally, the WSIPP must conduct an analysis that examines relationships between the Early Achievers program quality rating levels and outcomes for children participating in the Early Achievers program. The stated purpose of the data collection and evaluation is to improve the educational outcomes for young learners in response to Early Achievers longitudinal data.

Working Connections Child Care.

The DEL must establish and implement policies in the WCCC program that promote stability, quality, and continuity of care for children from low-income households. Authorizations for the WCCC program must be effective for a 12-month enrollment period, and the child may not be deemed ineligible due to a change in circumstance. An existing WCCC provider serving non-school age children must enroll in the Early Achievers program, complete level 2 activities by August 1, 2016, and rate at a level 3 or higher by December 31, 2018. Effective July 1, 2016, a new WCCC provider serving non-school age children must enroll in the Early Achievers program within 30 days, complete level 2 activities within 12 months of enrollment, and rate at a level 3 or higher within 30 months of enrollment. If a WCCC provider fails to rate at a level 3 or higher by the required deadline, the provider must complete remedial activities with the DEL and rate at a level 3 or higher within six months. Additionally, the DEL shall implement tiered reimbursement for the Early Achievers program participants in the WCCC program rating at a level 3 or higher.

Early Childhood Education and Assistance Program.

An existing ECEAP provider must enroll in the Early Achievers program by August 1, 2015, and rate at a level 4 or higher by January 1, 2016. Effective August 1, 2015, a new ECEAP provider must enroll in the Early Achievers program within 30 days and rate at a level 4 or higher within 12 months of enrollment. If an ECEAP provider fails to rate at a level 4 or higher by the required deadline, the provider must complete remedial activities with the DEL and rate at a level 4 or higher within six months. Beginning in the 2015-16 school year, the DEL is required to prioritize ECEAP providers located in low-income neighborhoods within high-need geographical areas. By July 31, 2016, the DEL must adopt rules pertaining to the ECEAP that outline allowable periods of child absence, require contact with parents or caregivers to discuss child absences and encourage regular attendance, and specify a de-enrollment procedure when allowable child absences are exceeded. Effective July 1, 2018, any provider administering an ECEAP must maintain a full-day option. The DEL is required to collect data on the demand for full-day programming for the ECEAP and report the findings to the Legislature by January 1, 2016.

Early Learning Advisory Council.

The ELAC must convene the Subcommittee to provide feedback and guidance on strategies to improve the quality of instruction and environment for early learning, and provide input and recommendations on the implementation and refinement of the Early Achievers program. The Subcommittee must include representatives from diverse cultural and linguistic backgrounds, and representatives who work in a variety of early learning settings.

Definitions are provided for the following: education data center, extended day program, full day program, low-income child care provider, low-income neighborhood, non-school age child, part-day program, and school-age child.

Substitute Bill Compared to Original Bill:

The substitute bill allows tribes to govern participation in the Early Achievers program through an interlocal agreement between the tribe and the DEL. The agreement exempts tribal child care facilities and early learning programs from posting their rating on the DEL website if they provide proper notification and access to parents and guardians on their Early Achievers program rating level.

The substitute bill allows the DEL to implement a process to review and accept national accreditation standards as qualifications for the Early Achievers program ratings if those standards are found by the DEL to meet or exceed the current program standards. Additionally, it requires the DEL to prioritize authorized resources to assist providers rating at a level 2 to reach a level 3 in the Early Achievers program. The substitute bill allows sectarian public and private organizations to participate as ECEAP providers. It also requires the Subcommittee to submit annual reports to the DEL and the Legislature beginning January 1, 2016.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) Early learning is one of the best investments we can make but we are not making that investment in Washington. House Bill 1491 (HB 1491) provides an enormous step forward in closing the opportunity gap, ensuring that all children start kindergarten on an even playing field, and ensuring that our children can really succeed in school and in life. The Early Achievers program builds on early learning and brain science. This research shows how the first five-years of life are imperative for future learning. Early learning has the highest return on investment of any educational investment we can make. It saves a lot of resources in the K-12 system in reducing the need for remedial education, special education, and repeating grades. Fully funded, this bill addresses a key area where we need the state to provide leadership, increasing access to quality early learning for youth.

The benefits of quality early learning are not reaching the children in Washington that need it the most. According to the most recent kindergarten entry assessment data, only 53 percent of children entering kindergarten demonstrated characteristics expected of incoming kindergartners in the area of math. The Early Start Act offers new ways to make sure all of Washington's children gain access to early learning. Elements of the bill recognize and promote cultural and linguistic responsiveness as a core element of high quality early learning. The Early Achievers program integrates quality standards into one system. The Early Achievers program provides parents a place to go to find high quality care and also offers parent education and engagement. Additionally, the program provides training for staff and providers that increases the tools they have available to deliver the best education to young learners. The bill before you today creates a pathway for providers to continue their education in the early learning field, which is a crucial piece of this legislation when looking forward. The Early Achievers program values equity, which is essential for quality early learning. The 12-month eligibility provision is critical to providing stability for children. Furthermore, the school-age pilot aligns well with the standards already established for school-age development.

We have no better tool to prevent crime than quality early learning. In Michigan's Perry Preschool study, children who were assigned to the control group were five-times more likely to become chronic offenders (defined as five or more arrests) than children who participated in the preschool program. Seventy percent of prison inmates don't have a high school diploma. High school dropouts are eight-times more likely to be incarcerated than those who graduate. Incarceration presents a considerably higher cost than investing in early learning. This bill will interrupt the cycle of violence that exists in some of our families. There are too many situations where multiple generations enter the criminal justice system. What really matters if you want to cut crime over time is to implement good public policy that allows children to build skills that they need for life in the long term. If we invest in early learning we will increase graduation rates, which will decrease crime.

According to the Department of Defense (DOD) almost 75 percent of youth 17-24 years of age do not qualify to serve in the military because they are obese, not physically fit, unable to

pass the military entrance exam, or they have a criminal record. In Washington almost one-in-six youth who graduate high school cannot join the military because they cannot pass the military entrance exam. Early learning is a smart investment and a way to prepare our children for the future whether they join the military or enter into civilian careers.

(In support with amendment(s)) There should be more flexibility with full-day and part-day ECEAPs. Part-day ECEAPs allow providers to serve more children. The full-day mandate risks decreasing the number of children who can participate in the ECEAP. The bill should encourage the ECEAP providers to continue offering part-day programs where there is a high need instead of implementing a full-day mandate.

(In support with concerns) The mandate in House Bill 1491 (HB 1491) requiring ECEAP providers to offer a full-day option runs the risk of reducing the number of slots for children. Additionally, the programs that do not choose to provide full-day care will not be able to take advantage of the ECEAP expansion. There are concerns that the funding for a full-day option will not meet the true need of providers. It is imperative that funding for full-day programming provides enough funding for the six-hour requirement.

The K-12 system provides lots of opportunities for pre-K children. Approximately 40 percent of the ECEAPs are located in school districts. For some of our school districts the full-day option mandate will be difficult to implement. Classroom space and class size reduction are issues with the expansion of full-day kindergarten. It is crucial to look at the capital side and ensure early learning programs can continue to operate.

The Early Achievers program should include a system that recognizes and accepts national accreditation standards. This would improve efficiency and allow programs already under quality standards to not have to duplicate their work. Additionally, the program should ensure that homeless children have access to extended day programming, especially in areas where the ECEAP is subsidized through braided funding.

(With concerns) Mandated participation in the Early Achievers program in order to get a WCCC subsidy will have several consequences including the following: (1) it could further the distrust between licensed providers and the DEL; (2) the bill will exacerbate the opportunity gap differential; and (3) it may reduce access to licensed care in rural areas. The Early Achievers program fails to provide a sufficient level of resources for licensed childcare providers. Overall, the number of licensed childcare providers has reduced significantly in the past decade. Reduced funds for the WCCC will impact care in the short term and in the long term it may drive family care providers out of the industry. Research shows that historically disenfranchised groups need additional resources to excel at the same level as non-historically disenfranchised groups. Although section 3 of HB 1491 addresses this issue, it could go further. Furthermore, there is not a viable pathway laid out for family childcare to participate in the ECEAP. Thirty percent of childcare providers provide non-standard hour care, and 30 percent of new families need that non-standard hour care.

(Opposed) The Early Achievers program and this bill will require never-ending participation for providers who already have substantial training requirements through the state. This bill discriminates among providers depending on the children they serve. Providers who serve low-income children are required to participate where other providers are not required. House Bill 1491 allows the DEL to decide what programs are high quality and what

programs are not based on subjective criteria. The electronic time and attendance system will increase the cost of childcare. Additionally, this system will add confusion for providers and parents. The supposed intent behind creating the DEL was to improve access to quality child care, but instead several policies put in place have reduced access to childcare with a good example being the bill before you today.

This proposed bill will no longer make participating in Early Achievers an option, but will mandate providers serving low-income children to participate by the required deadlines. It heavily regulates and diminishes the uniqueness of each provider, requiring them to deliver a one-size-fits-all model. It puts childcare providers in a box. The parent should be able to choose what provider meets their quality requirements, not the state. The data collection efforts will store children's data on the state server with no accountability.

Persons Testifying: (In support) Representative Kagi, prime sponsor; Dow Constantine, King County; Laura Wells, Fight Crime: Invest in Kids; Brian Burnett, Chelan County Sheriff's Office; Steve Strachan, Bremerton Police Department; Eleanor Valentin; Steve Leahy, Mission: Readiness; Jennifer Jennings Shaffer, Children's Alliance; Frank Ordway, League of Education Voters; Bette Hyde, Department of Early Learning; Roberta Wright, The Wright Child Care and Preschool; Vicki Greger, Spokane Child Development Center; Dan Terres, Thrive Washington; David Beard, School's Out Washington; and Kristin Wiggins.

(In support with amendment(s)) Marie Sullivan, Pasco School District.

(In support with concerns) Melissa Johnson, Washington State Association of Headstart and Early Childhood Education and Assistance Programs; Bob Butts, Office of the Superintendent of Public Instruction; Suzie Hanson, Washington Federation of Independent Schools; and Melanie Smith, Wellspring Family Services.

(With concerns) Lani Todd, SEIU Local 925; and Marie Keller, SEIU Local 925.

(Opposed) Tim Benn; and Karen Larsen.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Early Learning & Human Services. Signed by 24 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Chandler, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Carlyle, Cody, Dent, Dunshee, Fagan, Hansen, Hudgins, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Magendanz, Pettigrew, Senn, Springer, Sullivan, Tharinger and Walkinshaw.

Minority Report: Do not pass. Signed by 8 members: Representatives Buys, Condotta, Haler, G. Hunt, Sawyer, Schmick, Taylor and Van Werven.

Minority Report: Without recommendation. Signed by 1 member: Representative Stokesbary.

Staff: Catrina Lucero (786-7192).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Early Learning & Human Services:

The second substitute bill requires the Department of Early Learning (DEL) to accept nationally accredited programs with standards that meet or exceed the Early Achievers program standards as a qualification for Early Achievers program ratings and specifies that eligibility for the Early Achievers program is not subject to bargaining consistent with the Legislature's reservation of rights under RCW 41.56.028(4)(d). The second substitute bill clarifies that nothing in section 2 of the bill is outside the Legislature's authority to make programmatic modifications to licensed child care and early learning programs, consistent with the powers reserved to modify the delivery of state services through child care subsidy programs, regardless of collective bargaining agreements. Twelve-month authorizations for Working Connection Child Care subsidy are effective January 1, 2016. The requirement for Early Childhood Education and Assistance Program (ECEAP) providers to maintain a full-day option is removed. The second substitute bill requires the DEL to: (1) conduct an analysis of state-funded early learning subsidy rates and market rates of licensed child care homes and centers that serve children ages birth to 3; and (2) make biennial recommendations to the Legislature regarding these rates and compensation models that would attract and retain high quality early learning professionals. Finally, it removes the requirement that the DEL implement an electronic time and attendance records system.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) The Early Start Act is one of the best investments that can be made. It will result in stronger schools and communities. It increases accountability over the state dollars spent on early learning programs. The costs in the Early Start Act are scalable. Early Achievers makes higher education opportunities available to staff. This helps staff continue their higher education pursuits, gain additional educational credentials, and improve the quality of the facilities that they staff. Child care providers cannot afford higher education on their own. Scholarship opportunities improve teacher quality which impacts children's learning. The direct support for child care centers enable centers to become high quality. The Early Start Act will lead to improved educational outcomes for all children. The Early Start Act would improve student outcomes in K-12. It will ensure that taxpayers only pay for quality care while also supporting providers. The Early Start Act streamlines the process that parents have to go through to maintain eligibility for child care. The 12-month

authorization provisions gives children stability. There are some concerns around requiring a full-day option for ECEAP providers by fiscal year 2018. Also the 10,000 slot rate for full-day ECEAP is insufficient. Early learning instructors need to be paid more. The number of hours a child is exposed to quality early learning and teacher interaction are also important and drive positive child outcomes.

(Opposed) None.

(Other) It is too early to make the Early Achievers program mandatory. This will have an adverse impact on rural areas. Providers feel more support and flexibility is needed. Early Achievers does not fully account for the needs of family home providers.

Persons Testifying: (In support) Representative Kagi, prime sponsor; Jennifer Jennings-Shaffer, Children's Alliance and Early Learning Action Alliance; Miho Wright, Catholic Community Services; Joel Ryan, Washington State Association of Headstart and Early Childhood Education and Assistance Program; Chuck Spoor, City of Raymond Police Department; and Steve Leahy, Ready Nation.

(Other) Lani Todd, Service Employees International Union 925.

Persons Signed In To Testify But Not Testifying: None.