

# 25-27 Early Learning Draft Decision Package Concepts



Washington State Department of  
**CHILDREN, YOUTH & FAMILIES**

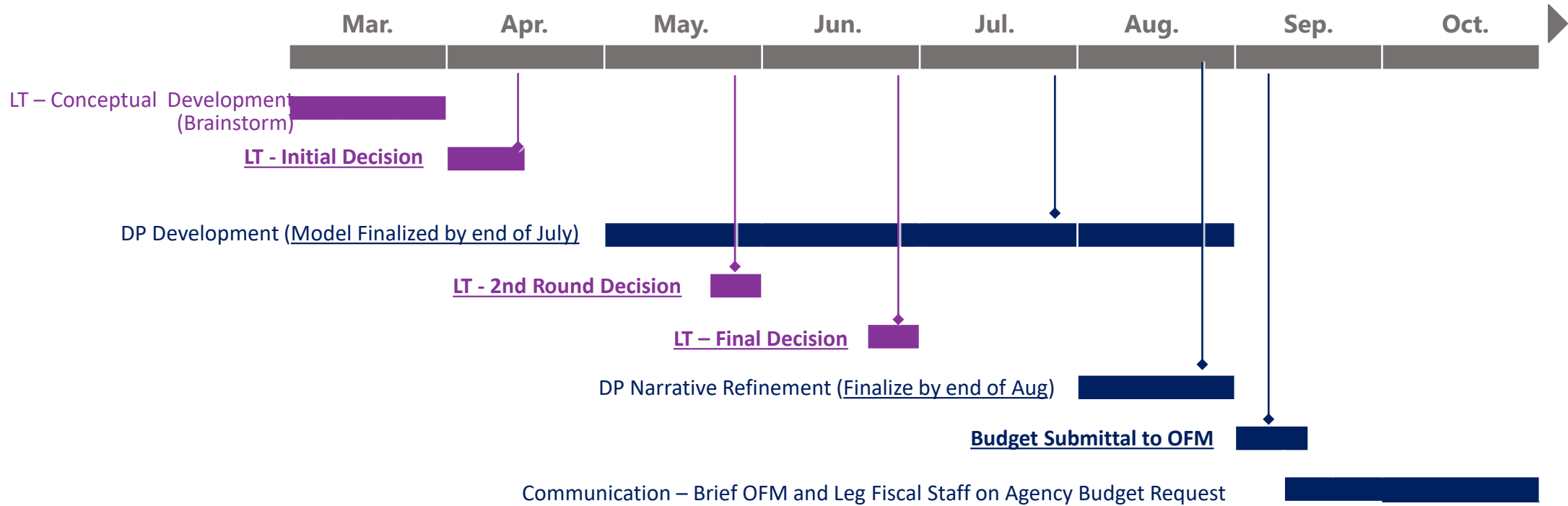


# Purpose of our time:

- Share the agency Decision Package / Agency Request Legislation process
- Share draft decision package concepts and connections to the Fair Start for Kids Act (FSKA) or Temporary Licensing Subcommittee (TLS) recommendations\*
  - Items connected to FSKA or TLS recommendation will include an \*



# Proposed Decision Package and Agency Request Legislation Timeline for 2025–27 Biennial Session





## Our Strategic Outcomes:

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- 80 percent of Washington children ready for Kindergarten
- High-quality early learning available and affordable to all in Washington

Eliminate racial disproportionality and advancing racial equity in early education

# The Why

- Child care is essential to Washington's economy, self-sufficiency, child outcomes
- Increase dosage and meet ECEAP entitlement to support kindergarten readiness
- Increase access to high quality care by expanding child care subsidy eligibility to 75% SMI
- Move from rates based on the market to the cost of quality care
  - Expand subsidy participation and support a living for a workforce that is disproportionately women of diverse racial and ethnic backgrounds
- Policies move child care subsidy closer to the private market, continuity of payment and care
  - Implement new CCDF rules and onsite monitoring recommendations
- Transitioning child welfare child care to Working Connections Child Care – provide continuity of care and access to high quality early learning for children in out of home placement through permanency



# Fair Start for Kids Act (FSKA) - RCW 43.216.749 and 43.216.1368

## Child care subsidy rates—Use of cost model.

(1) It is the intent of the legislature to systemically increase child care subsidy rates over time until rates are equal to the full cost of providing high quality child care.

(2) Beginning July 1, 2021, child care subsidy base rates must achieve the 85th percentile of market for licensed or certified child care providers. The state and the exclusive representative for family child care providers must enter into bargaining over the implementation of the subsidy rate increase under this subsection.

**(3)(a) The department shall build upon the work of the child care collaborative task force to develop and implement a child care cost estimate model and use the completed child care cost model to recommend subsidy rates at levels that are sufficient to compensate licensed or certified child care providers for the full costs of providing high quality child care. The department shall consider:**

**(i) Adjusting rates to reflect cost of living such as area median income, cost of living by zip code, and grouping by categories such as rural, suburban, or urban; and**

**(ii) Incorporating the rate model for nonstandard child care hours developed under section 306, chapter 199, Laws of 2021.**

(b) The department shall build upon the work of the child care collaborative task force to evaluate options to support access to affordable health care insurance coverage for licensed or certified child care providers.

(4) This section does not interfere with, impede, or in any way diminish the right of family child care providers to bargain collectively with the state through the exclusive bargaining representatives as provided for under RCW [41.56.028](#).

## Child care subsidy eligibility — expanded eligibility

(1) It is the intent of the legislature to increase working families' access to affordable, high quality child care and to support the expansion of the workforce to support businesses and the statewide economy.

(2) Beginning October 1, 2021, a family is eligible for working connections child care when the household's annual income is at or below 60 percent of the state median income adjusted for family size and:

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

(b) The household meets all other program eligibility requirements.

**(3) Beginning July 1, 2025, a family is eligible for working connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size and:**

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

**(b) The household meets all other program eligibility requirements.**

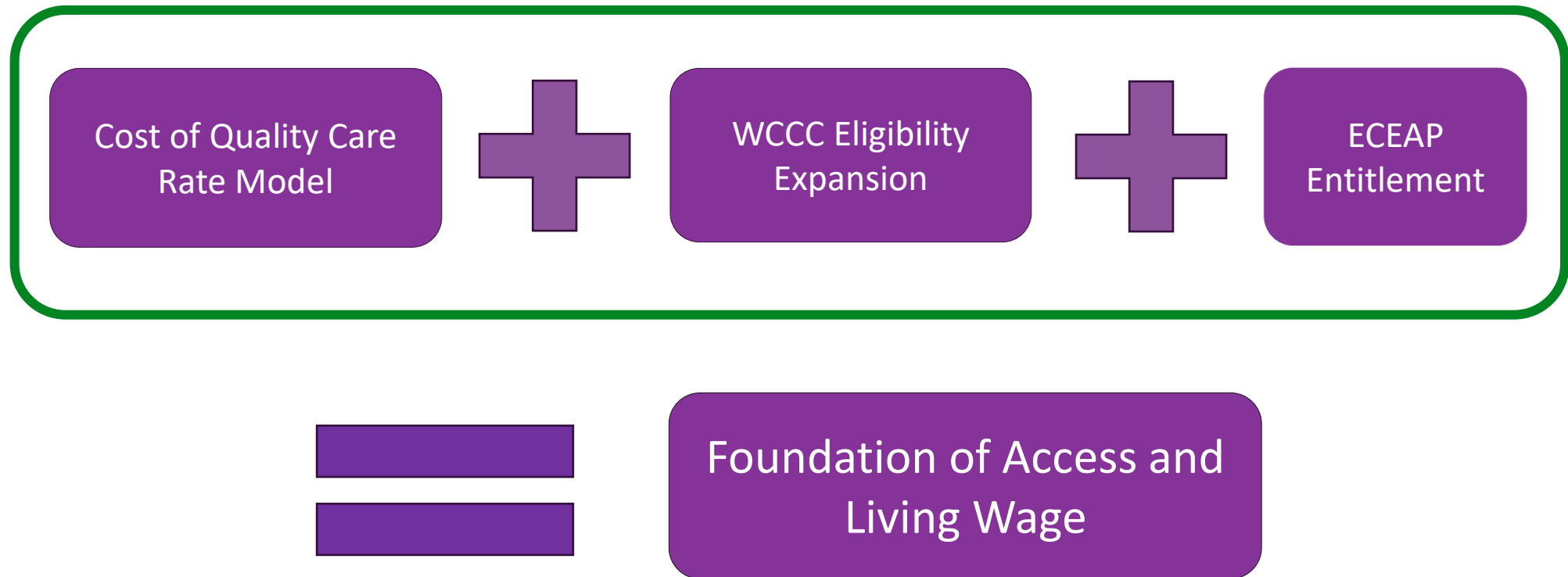
(4) Beginning July 1, 2027, and subject to the availability of amounts appropriated for this specific purpose, a family is eligible for working connections child care when the household's annual income is above 75 percent of the state median income and is at or below 85 percent of the state median income adjusted for family size and:

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

(b) The household meets all other program eligibility requirements.



# Adding it All Up for 2025-27 and beyond



**Early  
Learning  
Draft  
Decision  
Package  
Concepts  
for 2025-27**

ECEAP Entitlement\*

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WCCC Eligibility Expansion\*

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Cost of Quality Care Model\*

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CCDF Updated Regulations\*

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Child Welfare Child Care

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Child Care Complaint Unit\*



# 2025-27 Early Learning Draft Decision Package Concepts

- Working Connections Child Care Eligibility Expansion to 75 percent\* SMI (ELAC FSKA) – family of three is \$6,321 per month - \$75,852
  - ~9,500 families which is about 16,150 additional children
- Establish a second-tier eligibility to 80% SMI
  - This includes establishing a new copay tier for the 75-85% SMI income bracket at no more than 7% of the two-person income at 75% SMI.\*\*
    - \$350 per month is 6.8% of the gross monthly income.
  - Second-tier eligibility:
    - Is required under CCDF when income eligibility is less than 85% SMI.
    - Allows families to have some income growth and retain child care at reapplication.
    - Currently second-tier eligibility is to 65% SMI with a \$215 copayment.



# 2025-27 Early Learning Draft Decision Package Concepts

- ECEAP Entitlement\* – Slots, rates, and supports to meet entitlement
  - Add approximately 4,443\* slots to reach entitlement by 2026-27. Funding for conversion of part day slots to school day and working day slots, sustainable slot rates, quality supports, and provider scholarships.
    - Quality supports will support child outcomes through curricula, assessment, and increased capacity for technical assistance
- Cost of Quality Child Care Rates\* – Personnel, Non-personnel, Quality Enhancements
  - DCYF partnered with the Early Educator Design Team to make recommendations on the cost model used to develop rates.
  - Approximately ~1,600 licensed center and ~2,400 licensed family home providers will receive rate increases based on November payment data as of April 2024\*.
    - Could reach approximately 30,000 families and 51,000 children initially. The number of families and providers will continue to increase as subsidy eligibility expands.



# 2025-27 Early Learning Draft Decision Package Concepts

- Child Care Development Fund Federal Compliance\*
  - Enrollment based pay, and prospective provider subsidy payment
  - ECE services through grants and contracts for underserved geographic areas, infants and toddlers, and children with disabilities
  - 12-month eligibility – children added during eligibility period
- Child Welfare/Child Care – Merge child welfare subsidy with WCCC
  - Provide continuity of care and access to high quality early learning for children in out of home placement through permanency



# 2025 Decision Package Child Care Compliance/Complaint Unit

**Strategic Priority:** Improve quality and intention of our practice, improve quality and availability of provider services, align with division and program goals

- Intake investigations require a different skill, it is prohibitive to the work to switch between work and prohibit timely monitoring and impacts a licensors capacity to provide technical assistance to providers.
- LD has had a steady increase in CPS and non-CPS investigations in CC facilities as well as an increase in the complexity of the investigations.
- The investigation process is confusing and difficult for providers. “The lack of partnership and communication throughout the investigation process leads to mistrust, creates barriers for new providers, and pushes current providers out of the field.” (ELAC)
- The current workload of licensing staff is at a maximum and licensed providers are increasing; to meet required monitoring and investigation deadlines with the current workload is impacting quality service.



# Complaint/Compliance Unit

## Why do we think this will work?

- Streamline investigative processes
- Streamline workload and systems and create consistent practice
- Improve provider experience

## How will we measure success?

- Increased timely monitoring visits
- Decrease number of complaints
- Timely complaint completion
- Provider satisfaction survey



# Q/A



# Thank you!

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