

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5752 E S SB AMH ELHS H2082.1	<b>Title:</b> Child care & early dev.
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## Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Children, Youth, and Families	0	0	(1,738,000)	0	0	0	0	0	0
Department of Children, Youth, and Families	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>(1,738,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI	No fiscal impact					
Local Gov. Other						
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Children, Youth, and Families	(4.9)	(357,868,000)	(375,956,000)	(377,694,000)	(7.3)	(620,728,000)	(638,816,000)	(638,816,000)	(7.3)	105,952,000	87,864,000	87,864,000
Department of Children, Youth, and Families	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
<b>Total \$</b>	<b>(4.9)</b>	<b>(357,868,000)</b>	<b>(375,956,000)</b>	<b>(377,694,000)</b>	<b>(7.3)</b>	<b>(620,728,000)</b>	<b>(638,816,000)</b>	<b>(638,816,000)</b>	<b>(7.3)</b>	<b>105,952,000</b>	<b>87,864,000</b>	<b>87,864,000</b>

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	No fiscal impact								
Local Gov. Other									
Local Gov. Total									

## Estimated Capital Budget Breakout

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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5752 E S SB AMI ELHS H2082.1	<b>Title:</b> Child care & early dev.	<b>Agency:</b> 300-Department of Social and Health Services
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## Part I: Estimates

☒ **No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

<b>Legislative Contact:</b> Jordan Clarke	<b>Phone:</b> 360-786-7123	<b>Date:</b> 04/01/2025
<b>Agency Preparation:</b> Seth Nathan	<b>Phone:</b> 360-902-0001	<b>Date:</b> 04/11/2025
<b>Agency Approval:</b> Dan Winkley	<b>Phone:</b> 360-902-8236	<b>Date:</b> 04/11/2025
<b>OFM Review:</b> Anna Minor	<b>Phone:</b> (360) 790-2951	<b>Date:</b> 04/15/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill relates to modifying child care and early childhood development programs, including Working Connections Child Care (WCCC) and the Early Childhood Education and Assistance Program (ECEAP) eligibility requirements, effective July 1, 2025.

Compared to the prior version, this bill introduces multiple changes to WCCC eligibility, though none are anticipated to result in any additional impacts to Department of Social and Health Services (DSHS) caseload or workload.

The DSHS Economic Services Administration (ESA) anticipates eligibility changes to WCCC may impact workload for the Division of Child Support (DCS) daycare reimbursement team, though the work is already part of standard operations and any caseload impact would be able to be absorbed within existing resources. No fiscal impact is anticipated.

The DSHS Technology Innovation Administration (TIA) estimates implementation of Sections 13 and 14 of this bill would require significant changes to the DSHS Barcode eligibility system. Barcode staff hours vary by initiative, and the costs associated with the use of Barcode resources will be charged following the existing Service Level Agreements between the Department of Children, Youth, and Families (DCYF), therefore ESA anticipates no fiscal impact to DSHS.

Due to time needed to identify business needs for automation changes, develop business solutions, conduct testing, and make programming changes, TIA would not be able to feasibly implement Sections 13 and 14 changes by the July 1, 2025 effective date. TIA estimates the required Barcode changes would be able to be implemented by March 2026.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

### IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

## Part V: New Rule Making Required

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 5752 E S SB AMI ELHS H2082.1	<b>Title:</b> Child care & early dev.	<b>Agency:</b> 307-Department of Children, Youth, and Families
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-Federal 001-2	(1,744,000)	6,000	(1,738,000)		
<b>Total \$</b>	(1,744,000)	6,000	(1,738,000)		

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	(4.9)	(4.9)	(4.9)	(7.3)	(7.3)
<b>Account</b>					
General Fund-State 001-1	(60,857,000)	(297,011,000)	(357,868,000)	(620,728,000)	105,952,000
General Fund-Federal 001-2	(1,744,000)	6,000	(1,738,000)	0	0
Education Legacy Trust Account-State 08A-1	(9,044,000)	(9,044,000)	(18,088,000)	(18,088,000)	(18,088,000)
<b>Total \$</b>	(71,645,000)	(306,049,000)	(377,694,000)	(638,816,000)	87,864,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact: Jordan Clarke	Phone: 360-786-7123	Date: 04/01/2025
Agency Preparation: Ashley McEntyre	Phone: 2533064501	Date: 04/17/2025
Agency Approval: Crystal Lester	Phone: 360-628-3960	Date: 04/17/2025
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 04/18/2025

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Engrossed Substitute Senate Bill 5752 S.E. AMH ELHS H2082.1 reinstates expanded Working Connections Child Care Eligibility to persons in a state registered apprenticeship program, removes provisions adopting a new copay schedule for Working Connections Child Care, creates a pilot to increase access to school age only child care programs, and modifies effective dates.

Section 5(8) is amended to restores the previously struck reference to RCW 43.216.810 regarding expanded eligibility for persons in their first year of a state registered apprenticeship.

Section 6 of the previous version, regarding tiered copay tables, is removed.

Section 7(2) of the previous version, regarding changes to the copay schedule, is removed.

Section 8 of the pervious version, regarding elimination of participation in a state registered apprenticeship program as an approved activity, is removed.

Section 15(1) requires DCYF to partner with a school district and a metropolitan park district to conduct a pilot to increase access to school-age-only child care programs.

Section 15(2) gives parameters for the pilot site.

Section 15(3) states that the pilot must operate in at least three school buildings that had a licensed school-age-only child care site in operation during the 2024-25 school year.

Section 15(4)(a) states that the pilot must explore and test the feasibility and impact of licensing all child-friendly areas in school buildings.

Section 15(4)(b) states that the pilot must explore and test methods for streamlining access to WCCC so that the school district, the park district, and their child care partners can expand access for families.

Section 15(4)(c) Identify processes, systems, administrative laws, and statutes, that may need to be added, modified, or eliminated in order to support the objectives identified in (a) and (b) of this subsection.

Section 15(5) states that by July 1, 2028, DCYF must submit a report regarding the pilot to the legislature that includes the pilot's successes and challenges, any recommended changes to regulatory requirements, and the pilot's outcomes for child care program staff, school staff, and students.

Section 15(6) states that this section expires July 1, 2029.

Section 19(1) changes the effective date of Sections 204 through 206 of 2021 c 199 s 604 from July 1, 2026, to July 1, 2025

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Engrossed Substitute Senate Bill 5752 makes changes to eligibility factors for the Early Childhood Assistance Education Program (ECEAP), removes the repeal of Birth-to-three ECEAP, adds rule requirements for prospective payment, amends requirements for the market rate study, and removes language regarding 12-month authorization.

Section 2(4)(c) is amended to remove the repeal of birth-to-three ECEAP as an eligibility factor for ECEAP in the definition of “eligible child”.

Section 2(4)(e) is removed, which removes the following as an eligibility factor for ECEAP in the definition of “eligible child” effective August 1, 2030: “Is a member of an assistance unit that is eligible for or is receiving basic food benefits under the federal supplemental nutrition assistance program or the state food assistance program.”

Section 3(1) strikes “within resources available under the federal preschool development birth to five grant award received in December 2018,” and adds, “subject to the availability of amounts appropriated for this specific purpose” for the B-3 ECEAP pilot project.

Section 3(5) strikes “until November 1, 2024, to be eligible for the birth to three early childhood education and assistance program, a child’s family income must be at or below one hundred thirty percent of the federal poverty level and the child must be under thirty-six months old.”

Section 3(5)(b) adds, “Enrollment of children in the birth to three early childhood education and assistance program is as space is available and subject to the availability of amounts appropriated for this specific purpose.”

Section 4(4)(b) adds, “Enrollment of children in the birth to three early childhood education and assistance program is as space is available and subject to the availability of amounts appropriated for this specific purpose.”

Section 12(1)(b) strikes “Is a member of an assistance unit that is eligible for or is receiving basic food benefits under the federal supplemental nutrition assistance program or the state food assistance program,” as an eligibility factor for expanded ECEAP enrollment effective July 1, 2026, through August 1, 2030.

Section 12(2)(c) strikes “Eligible for services under part C of the federal individuals with disabilities education act but not eligible for services under part B of the federal individuals with disabilities education act,” as a prioritization factor that must be included in DCYF rule for expanded ECEAP enrollment effective July 1, 2026, through August 1, 2030.

Section 13(1) requires DCYF to adopt a rule that “requires prospective payment to child care providers who accept child care subsidies to occur when child care is expected to begin.”

Section 13(2) requires DCYF to adopt a rule that “prohibits child care providers who accept child care subsidies from claiming a prospective payment when a child has not attended at least one day within the authorization period in the previous month.”

Section 14 adds a new section to chapter 43.216 RCW under the subchapter “subsidized child care” to read as follows: “By June 1st of every even-numbered year, the department shall publish a cost of quality child care and market rate study and submit the study to the relevant committees of the legislature in compliance with RCW 43.01.036.”

Section 15(2) strikes: (a) A household's 12-month authorization begins on the date that child care is expected to begin; and (b) If a newly eligible household does not begin care within 12 months of being determined eligible by the department, the household must reapply in order to qualify for subsidy.

Section 15(4) strikes “For purposes of this section, ‘authorization’ means a transaction created by the department that allows a child care provider to claim payment for care. The department may adjust an authorization based on a household's eligibility status.”

Section 20(1) changes the effective date of Sections 204 and 205 of 2021 c 199 s 604 from July 1, 2026, to July 1, 2025.



Section 20(2) states that Sections 206 and 403 of 2021 c 199 s 604 take effect July 1, 2026.

Section 21(2) states that Section 4 of 2024 c 225 takes effect July 1, 2025.

Section 22(1) states that Section 3 of 2024 c 225 expires July 1, 2025.

## **II. B - Cash receipts Impact**

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

The Department of Children, Youth and Families estimates a revenue loss of \$1,750,000 in FY26. DCYF receives federal grant funding from the Child Care and Development Fund, a block grant that provides funding to support child care subsidies for families and funds to improve child care quality. Implementation of this bill could result in the loss of federal reimbursement for programs that are repealed or reduced.

Title IV-E, the federal reimbursement is 13 percent. The agency estimates eligible reimbursements of \$12,000. (for most back office staff).

## **II. C - Expenditures**

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

Indeterminate. This bill pushes out the Early Childhood Education Assistance Program (ECEAP) entitlement and income eligibility expansion for Working Connection Child Care, as well as making some provider supports subject to appropriation, including Birth to Three (ECEAP), and categorical eligibility for child care employees. The agency is unable to determine if the subject to appropriation language will result in the repeal of identified provider supports. Costs detailed below are for illustrative purposes.

The removal of provisions of a new copay schedule and reinstatement of current law copay schedule with this amendment removes savings in the prior version of the bill in the amount of -\$8,079,000 in FY26 and -\$12,057,000 in FY27.

The reinstatement of current law for apprenticeships with this amendment removes savings in the prior version of the bill in the amount of -\$167,000 in FY26 and -\$310,000 in FY27.

The Department of Children, Youth and Families estimates cost savings of -\$377,694,000 (\$357,868,000 GF-S) and 4.9 FTEs in the 2025-27 Biennial budget.

### **Section 1(2)**

Total Cost savings is (\$154,535,000) in FY27.

This section of the bill pushes out the Early Childhood Education Assistance (ECEAP) program entitlement from the 2026-2027 school year to the 2030-2031 school year. Implementation of this bill will result in a decreased caseload beginning FY26.

DCYF does not have base funding to reach ECEAP entitlement in FY2027. Included in this cost estimate is the 2025-27 Governor's proposed budget maintenance level funding step is in the base funding, updated to account for February 2025 Forecasted caseloads. DCYF assumes receiving maintenance level funding of \$154,535,000 in FY27 to fund ECEAP Entitlement.

Implementation of this bill would result in annual cost savings of -\$154,535,000 beginning in FY27.

This fiscal note assumes the reduction of 6,940 school day slots in FY27 and the addition of 7,054 school day slots in FY31. This slot type is used for illustrative purposes only. Reducing/adding part day slots would save less/cost less, while working day slots would save more/cost more.

DCYF will submit a future decision package to request funding for a phased-in approach to meet ECEAP Entitlement in the 2030-31 school year.

### Section 3

Total Cost savings are (\$4,627,000) annually.

This section of the bill makes funding for the birth to three ECEAP program subject to amounts appropriated.

Current base funding for the birth to three ECEAP program is \$4,627,000 annually. This funding supports 1.0 IT App Developer Journey and 1.0 IT Business Analyst Journey, with a total annual staffing cost of \$289,000.

178 slots are funded at the Working Day rate of \$23,645 for a total slot cost of \$4,284,000. The remaining \$54,000 is contracted for Quality Supports.

### Section 5(3)

Total Cost savings are (\$51,770,000) in FY26 and (\$121,343,000) in FY27.

This section of the bill would push out income expansion to 75% of State Median Income (SMI) for the Working Connections Child Care (WCCC) program beginning July 1, 2029, and expansion to 85% SMI, subject to appropriations, beginning July 1, 2031. Current law expands eligibility to 75% SMI beginning July 1, 2025. The February 2025 Forecast assumes a 48-month ramp-up with a “jump-start” 30-month rate for the first 12 months to reach 75% SMI, adding 20,756 household months in FY26 and 48,697 household months in FY27.

DCYF does not have base funding to reach income expansion to 75% SMI in FY2026. Included in this cost estimate is the 2025-27 Governor’s proposed budget maintenance level funding step is in the base funding, updated to account for February 2025 Forecast caseloads. DCYF assumes receiving maintenance level funding of \$51,770,000 in FY26 and \$121,343,000 in FY27 to expand WCCC to 75% SMI.

Implementation of this bill would result in cost savings of -\$51,770,000 in FY26 and -\$121,343,000 in FY27.

This fiscal note assumes costs to expand to 75% SMI would begin July 1, 2029, and costs shown are for illustrative purposes only. DCYF does not know what WCCC rates will be in the 2030-2031 biennium.

DCYF will submit a future decision package to request funding for income expansion to 75% SMI.

### Section 7

Total Cost savings are (\$2,448,000) annually.

This section of the bill makes Trauma Informed Care supports subject to appropriation. DCYF does not know how the legislature may scale these supports.

Current base funding for Trauma Informed Care supports is \$2,448,000 annually.

2.0 FTEs and \$257,000 annually.

-1.0 Management Analyst 5

-1.0 Management Analyst 4

## PROFESSIONAL SERVICE CONTRACTS:

\$114,000 annually is contracted to support provider training.

\$2,077,000 is used to support providers through direct payments. Of this amount, the Collective Bargaining Agreement (CBA) with Service Employees International Union (SEIU) 925, representing licensed family homes, provides \$450,000 in direct payments and supports annually. Trauma-Informed Care training is contracted with multiple culturally responsive training organizations.

### Section 8

Total Cost savings are (\$4,353,000) annually.

This section of the bill makes Infant and Early Mental Health Consultation (IEMHC) supports subject to appropriation. DCYF does not know how the legislature may scale these supports.

Current base funding for IEMHC supports is \$4,353,000 annually.

1.3 FTE and \$159,000 annually.

-1.3 Management Analyst 4

## PROFESSIONAL SERVICE CONTRACTS:

\$4,194,000 is contracted with culturally responsive training organizations for supports to providers.

### Section 9

Total Cost savings are (\$3,200,000) annually.

This section of the bill makes Dual Language Rate Enhancements subject to appropriation. DCYF does not know how the legislature may scale these supports.

Current base funding for Dual Language Rate Enhancements are \$3,200,000 annually.

2.0 FTEs and \$217,000 annually.

-2.0 Management Analyst 3's

## PROFESSIONAL SERVICE CONTRACTS:

\$54,000 annually is contracted to support provider training.

\$2,929,000 is used to support providers through direct payments. Of this amount, the CBA with SEIU 925, representing licensed family homes, provides \$300,000 in direct payments and supports annually.

### Section 11

Total Costs are Indeterminate.

This section of the bill requires DCYF to implement rules that prohibit child care providers who accept child care subsidies from claiming a prospective payment when a child has not attended at least one day within the authorization period in the previous month. DCYF is unable to implement this as DCYF will not be aware of non-attendance until after the first day of the following month due to data system limitations, at which time payment will have already been made for the current period.

## Section 12

Total Costs are \$220,000 biennially.

This section of the bill requires DCYF to conduct a Cost of Quality Child Care and Market Rate Study every other year, instead of once every three years. DCYF assumes the cost of the market rate survey will increase by \$220,000 in FY26 and be ongoing every even year.

## Section 13

Total Cost savings are (\$5,958,000).

This section of the bill removes language that determines the 12-month authorization for families begins on the date that the child is expected to begin care. Repealing this language will result in DCYF no longer being in compliance with Child Care Development Fund (CCDF) federal requirements. As outlined in (42 U.S.C. 9858c(c)(2)(N)), a child must receive a 12 month authorization and receive 12 months of child care services; in some cases, it can take a family one or months to find a child care provider. This amendment would require that a family's authorization period begin at the time of eligibility determination, which could result in a family receiving less than 12 months of child care services.

This section of the bill would require significant changes to the Department of Social and Health Services (DSHS) data system Barcode. Barcode updates are assumed to take 12-18 months before DCYF would be able to implement. The timeline for this and other Barcode changes is based on the total number of changes currently in progress and those added during the session. A manual workaround is not possible, as this will require significant data system changes to implement. Cost savings below are for illustrative purposes only and would not be achieved until after Barcode updates are complete.

DCYF data shows that approximately 4,594 households have two or more months between eligibility determination and enrollment. DCYF assumes Barcode updates would be complete and this section of the bill could be implemented October 2027. This would result in a 9 month phase out, resulting in achieving 32% of the savings in FY27 and total cost savings in FY28 and beyond.

DCYF assumes cost savings of -\$5,958,000 (4,594 households X \$2,058.48 per cap X 2 months X 32%) in FY27.

Timeline constraints for data system updates would result in the loss of -\$10,213,0000 savings in FY26 and -\$12,956,000 savings in FY27.

## Section 14

Total Cost savings are (\$5,335,000) in FY26 and (\$9,879,000) in FY27.

This section of the bill repeals categorical eligibility for applicants who are employees of child care providers.

As of November 2024, DCYF data shows 1,708 paid cases in which the applicant is an employee of a child care provider. Of those cases, 308 cases are above 60% SMI and would no longer be eligible for WCCC. The monthly per capita cost is assumed to be \$2,085.45, and the average copay is \$65. Because these applicants do not have to pay a copay, the total assumed monthly cost is \$2,150.48. DCYF assumes a 12-month ramp down period achieving approximately 54% of anticipated savings in the first fiscal year.

The annual assumed cost savings in FY26 is -\$4,292,000 (\$2,150.48 X 308 cases X 12 months X 54%) and -\$7,948,000 (\$2,150.48 X 308 cases X 12 months) in FY27.

The remaining 1,580 cases would be eligible but would no longer have a zero copay. DCYF assumes the average copay for this group would be \$101.84. DCYF assumes a 12-month ramp down period achieving approximately 54% of anticipated savings in the first fiscal year.

The annual assumed cost savings in FY26 is -\$1,043,000 (\$101.48 copay X 1,580 cases X 12 months X 54%) and -\$1,931,000 (\$101.84 copay X 1,580 cases X 12 months) in FY27.

## Section 15

2 FTE and Indeterminate funding.

2.0 FTE and \$602,000 in the 25-27 Biennium

- 2.0 Management Analyst 4, one-time

This section requires DCYF to partner with a school district and metropolitan park district to complete a school-age-only child care access pilot study and submit a report to the legislature by July 1, 2028. The partner site must be willing to provide up to \$300,000 in funding to support the work of the partnership. DCYF is unable to determine how much fund the partner site is able to contribute to the pilot, and as such, is unable to determine the department's contribution.

A Management Analyst 4 in the Licensing Division will explore and test the feasibility and impact of licensing all child-friendly areas in school buildings and identify any needed process, regulatory, or system modifications as it relates to licensing school age programs.

A Management Analyst 4 in the Early Learning Division will support the identification, evaluation, and implementation of improved access to Working Connections Child Care to support increased access for families. They will collaborate with licensing on group facilitation and communication, while serving as the primary contact for subsidy related tasks, including procedure development.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	(60,857,000)	(297,011,000)	(357,868,000)	(620,728,000)	105,952,000
001-2	General Fund	Federal	(1,744,000)	6,000	(1,738,000)	0	0
08A-1	Education Legacy Trust Account	State	(9,044,000)	(9,044,000)	(18,088,000)	(18,088,000)	(18,088,000)
<b>Total \$</b>			(71,645,000)	(306,049,000)	(377,694,000)	(638,816,000)	87,864,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	(4.9)	(4.9)	(4.9)	(7.3)	(7.3)
A-Salaries and Wages	(491,000)	(491,000)	(982,000)	(1,338,000)	(1,338,000)
B-Employee Benefits	(164,000)	(164,000)	(328,000)	(448,000)	(448,000)
C-Professional Service Contracts	(388,000)	(168,000)	(556,000)	(556,000)	(556,000)
E-Goods and Other Services	(8,000)	(8,000)	(16,000)	(22,000)	(22,000)
G-Travel	(13,000)	(13,000)	(26,000)	(36,000)	(36,000)
J-Capital Outlays	14,000		14,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	(70,643,000)	(305,253,000)	(375,896,000)	(636,416,000)	90,264,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	48,000	48,000	96,000		
9-					
<b>Total \$</b>	(71,645,000)	(306,049,000)	(377,694,000)	(638,816,000)	87,864,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

**III. C - Operating FTE Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Agency Admin		0.4	0.4	0.4		
IT App Dev Journey	107,160	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
IT Business Analyst Journey	107,160	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Management Analyst 3	76,607	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Management Analyst 4	88,804	(0.3)	(0.3)	(0.3)	(2.3)	(2.3)
Management Analyst 5	98,040	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
<b>Total FTEs</b>		(4.9)	(4.9)	(4.9)	(7.3)	(7.3)

**III. D - Expenditures By Program (optional)**

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Early Learning (030)	(71,693,000)	(306,097,000)	(377,790,000)	(319,298,000)	87,864,000
Program Support (090)	48,000	48,000	96,000		
<b>Total \$</b>	(71,645,000)	(306,049,000)	(377,694,000)	(319,298,000)	87,864,000

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

110-15-0005, 110-15-0075, 110-15-0082, 110-15-0095, 110-15-0109, 110-15-3555, 110-15-3640, 110-425-0030, 110-425-0080, 110-425-0083, 110-425-0085, 110-425-0087

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5752 E S SB AMI ELHS H2082.1	<b>Title:</b> Child care & early dev.	<b>Agency:</b> SDF-School District Fiscal Note - SPI
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## Part I: Estimates

☒ **No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

<b>Legislative Contact:</b> Jordan Clarke	<b>Phone:</b> 360-786-7123	<b>Date:</b> 04/01/2025
<b>Agency Preparation:</b> Cindy Jendryka-Wirkkala	<b>Phone:</b> 3607256292	<b>Date:</b> 04/03/2025
<b>Agency Approval:</b> Amy Kollar	<b>Phone:</b> 360 725-6420	<b>Date:</b> 04/03/2025
<b>OFM Review:</b> Shea Hamilton	<b>Phone:</b> (360) 229-4774	<b>Date:</b> 04/03/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Changes compared to ESSB 5752

Section 5(8) is amended to include RCW 43.216.810.

Former New Section 6, which included monthly copayment schedules, is removed.

Former New Section 7(2) is removed.

Former Section 8 is removed.

New Section 15 is added and informs that the Department of Children, Youth, and Families (DCYF) must partner with a school district and a metropolitan park district to conduct a pilot to increase access to school-age-only childcare programs. The park district of the partner site must be willing to provide up to \$300,000 in funding to support the work of the partnership.

Former New Section 16(1) and (3) are removed.

Section 19 informs that Sections 204 through 206 of this act take effect July 1, 2025. Section 403 of this act takes effect July 1, 2026.

Summary 5752 ESSB AMH ELHS H2082.1

Section 1 amends the date for the full implementation of Early Childhood Education and Assistance Program (ECEAP) from 2026-27 to 2030-2031.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

There is no impact to cash receipts.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Existing law directs DCYF to collaborate with school districts, community-based providers, and ESDs to offer ECEAP programs. There is no new work for districts. OSPI assumes no fiscal impact.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE



**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*  
NONE

**III. D - Expenditures By Program (optional)**  
NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**  
NONE

**IV. B - Expenditures by Object Or Purpose**  
NONE

**IV. C - Capital Budget Breakout**  
*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*  
NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*  
  
NONE

There is no capital budget impact.

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*