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HOUSE BILL 1593

State of Washington

69th Legislature

2025 Regular Session

By Representative Reeves

- AN ACT Relating to creating the children's social equity land trust; amending RCW 79.02.010; reenacting and amending RCW 79.64.110; adding a new section to chapter 43.31 RCW; and adding a new chapter to Title 79 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 NEW SECTION. Sec. 1. (1) The legislature finds that access to 7 affordable child care increases economic growth and labor force participation because too many working parents are forced to reduce 8 their hours, decline promotional opportunities, or 9 leave the 10 workforce completely due to a lack of affordable and appropriate 11 child care. This has, and continues to, disproportionately impact 12 working-age mothers and contributes to the gender pay gap. legislature recognizes that high quality, inclusive child care can 13 14 reduce the opportunity gap for low-income children and black, 15 indigenous, and children of color while consistently improving 16 outcomes for all children both inside and outside of the classroom.
 - (2) The legislature acknowledges that in 2019, the Washington state child care collaborative task force found that 49 percent of parents in the state found it difficult or very difficult to find, afford, and keep child care. The lack of child care was projected to cost the state \$2,080,000,000 in the direct cost of turnover and

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missed work due to child care issues, with a total estimate of \$6,500,000,000 in direct and opportunity costs due to employee child care issues. The legislature further finds that for over the past decade, the trend has been in the wrong direction, between 2010 and 2023, the state has seen a decrease of 2,000 family child care providers and 300 centers, contributing to an increase in child care deserts statewide. Child care deserts are most often in communities that struggle with health and economic disparities. Not having access to affordable child care is a further detriment that perpetuates cycles of poverty and inequities.

(3) The legislature further finds that sustainably managed forests enhance carbon sequestration and reduce the amount of atmospheric carbon dioxide. Sustainably managed forests can also provide a stream of revenue to support new and existing child care resources in the areas of greatest need in the state.

- (4) Accordingly, the legislature intends to create a permanent children's social equity land trust that will utilize the trust management expertise of the department of natural resources to deliver much needed revenue for child care programs while prioritizing funding for child care deserts to assist families with access to child care where the need is greatest.
- NEW SECTION. Sec. 2. (1) The department is authorized to locate and acquire by gift or by purchase forested lands suitable to manage for the purpose of revenue production. Acquisition by purchase of these lands must be at no more than fair market value. In acquiring lands pursuant to this section, the department may acquire only forested lands at risk of conversion to nonforested uses. Any lands purchased pursuant to this section must be located so as to be able to be economically administered for commercial forestry.
- (2) Lands acquired pursuant to this section must be held in trust for the benefit of the families in need of child care access, in child care deserts and overburdened communities, and revenue derived from these lands must be expended to provide child care grants authorized under section 6 of this act.
- (3) The department shall manage, care for, and protect these lands for the purpose of revenue generation for child care grants to be awarded by the department of commerce under section 6 of this act.
- (4) To the extent consistent with the requirements of this chapter, the department shall manage lands acquired pursuant to this

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section in compliance with policies established by the board and with the procedures that govern the department's management of other forested lands.

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- (5) To the extent consistent with the requirements of this chapter, the department may manage the lands acquired pursuant to this section in the same manner that it manages other state lands with regard to leasing, contracting, licensing, permitting, and granting easements and rights-of-way.
- (6) With the approval of the board, the department may sell lands acquired pursuant to this section in the same manner as other state lands. Any revenue derived from any sale of lands acquired pursuant to this section shall be deposited in the child care trust account created in section 3 of this act.
- (7) The department may sell valuable materials from these lands in the same manner and purposes as the department is authorized to sell valuable materials from other state lands.
- (8) Following the deduction provided in RCW 79.64.110, revenue generated from activities on these lands, including the revenue derived from the sale of timber or other valuable materials from lands acquired pursuant to this section must be deposited in the child care trust account created in section 3 of this act.
- NEW SECTION. Sec. 3. The child care trust account is created in the state treasury. Subject to the deduction identified in RCW 79.64.110, revenue generated from activities on these lands, including revenue derived from the management of lands described in section 2 of this act, must be deposited into the account. Moneys in the account may be spent only after appropriation and may be used only for the grant program authorized in section 6 of this act.
- 29 NEW SECTION. Sec. 4. Revenue derived from all leases, sales, 30 contracts, licenses, permits, easements, and rights-of-way, on lands acquired pursuant to section 2 of this act are subject to the 31 deduction in RCW 79.64.110 to cover the costs incurred by the 32 department in carrying out the purposes of this chapter. In the event 33 34 that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received 35 subject to this section are the net proceeds from the contract 36 harvesting sale. 37

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1 **Sec. 5.** RCW 79.64.110 and 2023 c 475 s 944 and 2023 c 383 s 8 2 are each reenacted and amended to read as follows:

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- (1) Any moneys derived from the lease of state forestlands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, except as provided in RCW 79.64.130, or the appraised value of these resources when transferred to a public agency under RCW 79.22.060, must be distributed as follows:
- (a) For state forestlands acquired through RCW 79.22.040 or by exchange or as replacement for lands acquired through RCW 79.22.040:
- (i) The expense incurred by the state for administration, reforestation, and protection, not to exceed 25 percent, which rate of percentage shall be determined by the board, must be returned to the forest development account created in RCW 79.64.100. During the 2017-2019, 2019-2021, 2021-2023, and 2023-2025 fiscal biennia, the board may increase the 25 percent limitation up to 27 percent.
- (ii) Any balance remaining must be paid to the county in which the land is located or, if the land acquired under RCW 79.22.040 was exchanged, transferred, or disposed, payment must be made to the county from which the land was exchanged, transferred, or disposed. For counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are to be paid, distributed, and prorated to the various funds in the same manner as general taxes are paid and distributed during the year of payment. However, a county may in its discretion pay, distribute, and prorate payments made under this subsection of moneys derived from state forestlands acquired by exchange or as replacement lands, for lands acquired through RCW 79.22.040, in the same manner as general taxes are paid and distributed during the year of payment for the former state forestlands that were subject to the exchange.
- (iii) Any balance remaining, paid to a county with a population of less than 16,000, must first be applied to the reduction of any indebtedness existing in the current expense fund of the county during the year of payment.
- (iv) With regard to moneys remaining under this subsection (1)(a), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute

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funds to the counties four times per month, with no more than 10 days between each payment date.

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- (b) For state forestlands acquired through RCW 79.22.010 or by exchange or as replacement lands for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:
- (i) Fifty percent shall be placed in the forest development account.
- (ii) Fifty percent shall be prorated and distributed to the state 8 general fund, to be dedicated for the benefit of the public schools, 9 to the county in which the land is located or, for counties 10 11 participating in a land pool created under RCW 79.22.140, to each 12 participating county proportionate to its contribution of asset value to the land pool as determined by the board, and according to the 13 relative proportions of tax levies of all taxing districts in the 14 county. The portion to be distributed to the state general fund shall 15 16 be based on the regular school levy rate under RCW 84.52.065 (1) and 17 (2) and the levy rate for any school district enrichment levies. With regard to the portion to be distributed to the counties, the 18 department shall certify to the state treasurer the amounts to be 19 distributed within seven working days of receipt of the money. The 20 state treasurer shall distribute funds to the counties four times per 21 22 month, with no more than 10 days between each payment date. The money distributed to the county must be paid, distributed, and prorated to 23 24 the various other funds in the same manner as general taxes are paid 25 and distributed during the year of payment.
 - (c) For state forestlands acquired under chapter 79.--- RCW (the new chapter created in section 8 of this act) or by exchange or as replacement lands for lands acquired under chapter 79.--- RCW (the new chapter created in section 8 of this act):
- 30 <u>(i) 30 percent must be placed in the forest development account</u> 31 <u>created in RCW 79.64.100; and</u>
- (ii) 70 percent must be placed in the child care trust account
 created in section 3 of this act.
- 34 (2) A school district may transfer amounts deposited in its debt 35 service fund pursuant to this section into its capital projects fund 36 as authorized in RCW 28A.320.330.
- NEW SECTION. Sec. 6. A new section is added to chapter 43.31 RCW to read as follows:

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- (1) Subject to the availability of amounts appropriated for this specific purpose, the department of commerce shall establish a grant program to retain and expand child care in child care deserts and overburdened communities. Grants may be used for one-time costs associated with the opening of a child care site, including program costs, for providers who are newly licensed or are in the process of becoming licensed, or for supporting established child care sites that are in jeopardy of closure due to financial reasons.
- 9 (2) In awarding grants, the department of commerce must 10 prioritize applications in a manner that supports racial equity 11 across the state and must also prioritize applications that include 12 funding for one or more of the following purposes:
- 13 (a) Personnel costs, including compensation, benefits, health 14 care premium pay, or paid leave;
 - (b) Rent or mortgage payments;

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- (c) Copayment or tuition waivers for families receiving care, including refunds or credits to families who are not attending but are paying tuition in order to maintain a child's spot in the facility;
 - (d) Child care for historically disadvantaged populations;
 - (e) Child care during nonstandard hours and periods of the year;
- 22 (f) Outreach to families who may have stopped attending due to 23 cost; and
 - (g) Mental health supports for children and employees.
- 25 (3) In addition to other indicators identified by the department of commerce, the department may use the child care industry insights dashboard from the child care industry assessment as a tool to identify areas in which additional investments are needed in order to expand existing child care capacity to meet family demand and reduce child care deserts.
- 31 **Sec. 7.** RCW 79.02.010 and 2018 c 258 s 1 are each amended to 32 read as follows:
- The definitions in this section apply throughout this title unless the context clearly requires otherwise.
- 35 (1) "Aquatic lands" means all state-owned tidelands, shorelands, 36 harbor areas, and the beds of navigable waters as defined in RCW 37 79.105.060 that are administered by the department.
 - (2) "Board" means the board of natural resources.

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- 1 (3) "Child care desert" means a zip code identified by the
 2 department of children, youth, and families as an extreme child care
 3 access desert.
 - (4) "Commissioner" means the commissioner of public lands.

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- 5 (((4))) (5) "Community and technical college forest reserve lands" means lands managed under RCW 79.02.420.
- 7 $((\frac{(5)}{(5)}))$ <u>(6)</u> "Community forest trust lands" means those lands acquired and managed under the provisions of chapter 79.155 RCW.
- 9 $((\frac{(+6)}{(+6)}))$ "Department" means the department of natural 10 resources.
- (((7))) <u>(8)</u>(a) "Forest biomass" means the by-products of: Current forest management activities; current forest protection treatments prescribed or permitted under chapter 76.04 RCW; or the by-products of forest health treatment prescribed or permitted under chapter 76.06 RCW.
 - (b) "Forest biomass" does not include wood pieces that have been treated with chemical preservatives such as: Creosote, pentachlorophenol, or copper-chrome-arsenic; wood from existing old growth forests; wood required to be left on-site under chapter 76.09 RCW, the state forest practices act; and implementing rules, and other legal and contractual requirements; or municipal solid waste.
 - ((+8+)) (9) "Good neighbor agreement" means an agreement entered into between the state and the United States forest service or United States bureau of land management to conduct forestland, watershed, and rangeland restoration activities on federal lands, as originally authorized by the 2014 farm bill (P.L. 113-79).
 - ((+9)) (10) "Improvements" means anything considered a fixture in law placed upon or attached to lands administered by the department that has changed the value of the lands or any changes in the previous condition of the fixtures that changes the value of the lands.
- 32 $((\frac{(10)}{(10)}))$ "Land bank lands" means lands acquired under RCW 33 79.19.020.
- $((\frac{(11)}{)})$ <u>(12) "Overburdened communities" has the same meaning as</u> in RCW 70A.02.010.
- 36 <u>(13)</u> "Person" means an individual, partnership, corporation, 37 association, organization, cooperative, public or municipal 38 corporation, or agency of a federal, state, or local governmental 39 unit, however designated.

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- 1 (((12))) <u>(14)</u> "Public lands" means lands of the state of 2 Washington administered by the department including but not limited 3 to state lands, state forestlands, lands included in a state 4 forestland pool, and aquatic lands.
- 5 (((13))) (15) "State forestland pool" or "land pool" means state forestlands acquired and managed under RCW 79.22.140.
- 7 $((\frac{14}{1}))$ (16) "State forestlands" means lands acquired under RCW 79.22.010, 79.22.040, and 79.22.020.
- 9 $((\frac{15}{15}))$ (17) "State lands" includes:
- 10 (a) School lands, that is, lands held in trust for the support of the common schools;
- 12 (b) University lands, that is, lands held in trust for university 13 purposes;
- 14 (c) Agricultural college lands, that is, lands held in trust for 15 the use and support of agricultural colleges;
- 16 (d) Scientific school lands, that is, lands held in trust for the 17 establishment and maintenance of a scientific school;
 - (e) Normal school lands, that is, lands held in trust for state normal schools;
- 20 (f) Capitol building lands, that is, lands held in trust for the 21 purpose of erecting public buildings at the state capital for 22 legislative, executive, and judicial purposes;
- 23 (g) Institutional lands, that is, lands held in trust for state charitable, educational, penal, and reformatory institutions; ((and))
- 25 (h) Land bank, escheat, donations, and all other lands, except 26 aquatic lands, administered by the department that are not devoted to 27 or reserved for a particular use by law; and
- 28 <u>(i) Lands held in the child care trust established in chapter</u> 29 79.--- RCW (the new chapter created in section 8 of this act).
- 30 $((\frac{(16)}{(16)}))$ <u>(18)</u> "Valuable materials" means any product or material
- 31 on the lands, such as forest products, forage or agricultural crops,
- 32 stone, gravel, sand, peat, and all other materials of value except:
- 33 (a) Mineral, coal, petroleum, and gas as provided for under chapter
- 34 79.14 RCW; and (b) forest biomass as provided for under chapter
- 35 79.150 RCW.

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36 <u>NEW SECTION.</u> **Sec. 8.** Sections 1 through 4 of this act 37 constitute a new chapter in Title 79 RCW.

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