

Washington State Reaches Agreement with Child Care Union

February 2007

On November 13, 2006, family child care providers, represented by the Service Employees International Union (SEIU) Local 925, reached an agreement with the state of Washington on a contract that will benefit over 10,000 providers, 6,000 of whom are exempt from licensing. The contract includes subsidy rate increases of 10% spread over two years and totaling \$45.5 million. In addition, the contract includes over \$750,000 in training subsidies, a commitment to establish an affordable health insurance plan, and more. The contract would go into effect July 1, 2007 for a two-year term.

Currently, licensed providers caring for subsidized children receive between \$19 and \$31 for a full day of care, depending on the county and age of the child. For many, this translates into less than minimum wage. The state currently pays license-exempt providers \$2.06 per hour for the first child and \$1.03 per hour for every subsequent child.

The contract is included in the Governor's budget and is subject to approval by the 2007 Washington State Legislature. Family child care providers in the state are optimistic that the dollars included in the contract will be approved.

"Providers do this work because we love children and want them to have a good start on life," said Sandra VanDoren, a family child care provider and member of the union bargaining team. "We joined together because it had become so difficult for providers to keep delivering affordable, quality child care. This contract will help us make sure kids in our communities get the care they need."

Contract Terms

The contract covers providers who care for subsidized children. This includes 6,000 license-exempt providers and 4,000 of the 6,000 licensed providers. Here are some of the highlights of the contract:

- Licensed providers will receive a 7% increase in the subsidy payment in 2007 for caring for low-income families and a 3% increase in 2008.
- License-exempt providers will receive the same rate (\$2.06 per hour) for all children cared for from the same family. Previously, the state paid \$1.03 for the second child. These rates will rise 4% in 2007 and 3% in 2008. This represents the first increase in pay for these providers since 1999.
- Licensed providers who care for at least four subsidized families will be eligible for individual health insurance beginning in 2008. The contract allocates \$5 million for a health insurance fund that will serve an estimated 900 providers.

- \$450,000 will be set aside to assist licensed providers with training costs, and another \$300,000 will be set aside for license-exempt providers (including a \$250 incentive bonus to become licensed).
- Licensed providers will receive subsidy rate bonuses as incentives to care for infants and to provide care during non-standard hours.
- All license-exempt providers will be eligible to participate in the Child and Adult Care Food Program.
- If a state quality rating system is approved by the legislature, the state will commit up to \$400,000 for licensed providers who achieve various levels of quality.
- The contract establishes a new grievance procedure to resolve subsidy payment disputes. In addition, the state agrees not to try to collect overpayments to providers if they were the result of parent fraud.
- The union and providers cannot strike or picket the state during the two-year term of the contract.
- Providers who receive subsidy payments from the state may leave a provider without giving a two-week notice. If this happens, the state will not pay for this notice period and the provider cannot require the parent to pay.

To see a copy of the entire contract, [click here](#).

Union Dues

Union membership is voluntary. If providers who care for subsidized children want to join SEIU, they will pay 2% of the state's portion of the subsidy payment for union dues. With a rise in subsidy rates for licensed providers of 7% for the first year of the contract (including a higher parent copayment), this will result in a net increase of more than 5% in subsidy payments to the provider in the first year and a net increase of more than 8% by the second year. License-exempt providers who care for subsidized children and want to join the union will see a net increase of more than 2% the first year and a net increase of more than 5% by the second year.

Any provider who is caring for subsidized children and does not want to join the union will have their subsidy payment reduced by less than 2% to cover the union costs associated with negotiating the state contract. The exact amount of this "fair share" fee has not yet been determined by the state. Providers who do not wish to join the union and are required to pay this "fair share" fee will still receive net higher subsidy payments as a result of the new contract.

Providers who are not caring for subsidized families can voluntarily join the union and pay union dues (\$35 a month). The amount of union dues was approved by a vote of providers in the state. All providers who voluntarily join the union will have voting rights in union activities and will participate in any additional benefits the union achieves.

One significant result of the partnership between child care associations and SEIU was an agreement that SEIU would pay the association dues of a provider who served only private-pay parents and had paid union dues for three consecutive months.

Background

There were two major issues that drove family child care providers in Washington to consider unionizing: state licensing rules and low child care subsidy rates. Previous efforts by family child care associations and other child care advocates had failed to achieve the changes that childcare providers felt were needed.

Two state family child care associations (Washington State Family Child Care Association and the Eastern Washington Family Child Care Association) took the initiative and began talking with representatives from SEIU, the American Federation of State County and Municipal Employees (AFSCME) and the American Federation of Teachers.

In the end, the two associations chose to work with SEIU, and in April 2004 they signed a Collaboration Agreement. The Agreement states that they "will work together to improve the lives of family child care providers while ensuring the delivery of quality care in a family home setting. The members of the collaboration recognize that providers need a strong unified voice to ensure protection of their rights as workers while maintaining control of their businesses."

The 2004 Agreement spelled out the mutual goals and separate roles of each party. The role of the associations was to support and mentor providers, conduct training, offer insurance and other benefits, and communicate with its members. The role of SEIU was to organize members to become politically involved and collectively bargain a union contract with the state. The two associations and the union each chose two representatives who served on an executive body to coordinate their activities.

[Note: Since the original Agreement, the union and the association have developed a strong working relationship such that the Agreement is no longer necessary. As a result, the 2004 Agreement is no longer in effect.]

A unique aspect of the history of union activity in the state of Washington is that the local family child care providers first approached the union about organizing providers into a union. In most other states, the several unions involved in organizing providers were the ones taking the initiative to approach providers about unionizing.

The reason why the two provider associations initially wanted to sign a formal agreement with SEIU was because they were afraid that without it, the union would dominate their organizations. Some providers were concerned that the union "was going to tell us what to do," according to Donna Horne, president of the Washington State Family Child Care Association. "We signed the partnership agreement because we wanted it abundantly clear we were equal partners. We wanted all our decisions to be unanimous. By setting things out beforehand it facilitated that effort." For example, when the union representatives first started door-knocking to promote the union, there were some objections by providers that they were "too pushy." As a result of these complaints, the union agreed that providers would conduct any future door-knocking.

Bargaining Process

Providers and representatives of SEIU worked together to get the state's governor to recognize the ability of providers to unionize and negotiate a contract with the state. Providers voted to create a union and began bargaining with the state in the summer of 2006. The bargaining team was made up of 24 family child care providers (elected by their local regions) and three representatives from SEIU. During the course of the bargaining with the state, these representatives met regularly with providers from their region to discuss and vote on what positions to take in the negotiations. The three union representatives served the role as facilitators and did research.

Sandra VanDoren, president of the Eastern Washington Family Child Care Association, said that providers in the state were well-informed throughout the bargaining process. "Providers made all the decisions," said VanDoren. After the contract terms were announced, over 90% of the providers who voted approved the contract.

As a result of the collaborative work with SEIU, both family child care associations have seen the number of their members increase substantially. "Providers are now learning about the associations for the first time through the activities of the union," said Horne.

Providers in Washington joined together with SEIU to increase their political power to influence state policies affecting the child care field. The initial legislation also gives providers the ability to meet with state officials to discuss making changes in the licensing rules.

For further information about the situation in Washington, contact Karen Hart, SEIU Local 925, at 206-322-3010, or Donna Horne, President, Washington State Family Child Care Association, at 888-866-2555 or dauna@aol.com.