

# HOUSE BILL REPORT

## HB 2446

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

**Title:** An act relating to the working connections child care program.

**Brief Description:** Extending the eligibility period for the working connections child care program.

**Sponsors:** Representatives Kagi, Roberts, Ormsby and Kenney.

**Brief History:**

**Committee Activity:**

Early Learning & Human Services: 1/20/12, 1/24/12 [DP];

Health & Human Services Appropriations & Oversight: 1/31/12, 2/2/12 [DPS].

**Brief Summary of Substitute Bill**

- Changes the eligibility period for Working Connections Child Care from six months to 12 months (effective July 1, 2012).

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### HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

**Majority Report:** Do pass. Signed by 6 members: Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Dickerson, Goodman and Orwall.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Hope, Assistant Ranking Minority Member; Johnson and Overstreet.

**Staff:** Megan Palchak (786-7120).

**Background:**

Working Connections Child Care (WCCC) is a subsidized child care program designed to promote stability and quality care for children from low-income households while their parents are at work or engaged in WorkFirst participation requirements. The Department of

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*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.*

Early Learning (DEL) sets WCCC policy and the Department of Social and Health Services (DSHS) provides WCCC eligibility determinations.

In 2010 the Legislature passed Engrossed Second Substitute House Bill 3141 (E2SHB 3141), an act relating to redesigning the delivery of Temporary Assistance for Needy Families, which involved reforming components of the WCCC. Under E2SHB 3141, beginning in fiscal year 2011, families with children enrolled in Early Childhood Education Assistance Program (ECEAP), Head Start, or Early Head Start were authorized for a 12-month period unless a change in circumstances required an eligibility to end earlier than 12-months. The E2SHB 3141 also required the DEL and the DSHS to issue a report to the Legislature by September 2011 that would include: (a) an analysis of the impact of the 12-month authorization on the stability of child care, program costs, and administrative savings; and (b) recommendations for expanding the application of the 12-month authorization period to additional populations of families that receive WCCC.

In 2011 the Legislature passed Engrossed Substitute Senate Bill 5921 (ESSB 5921), requiring a six-month eligibility period for WCCC applicants other than families enrolled in ECEAP, Head Start, or Early Head Start. This population of applicants is currently required to recertify income eligibility every six months. However, the six-month certification provision applies only if enrollments are capped. The ESSB 5921 also required WCCC applicants to seek child support enforcement services from the DSHS, Division of Child Support as a condition of receiving subsidized child care. However, if the DSHS finds an applicant has good cause to not cooperate, then he or she is exempt from the child support requirement.

In August 2011 the legislative report required under E2SHB 3141 concluded that the 12-month eligibility period:

- increased the stability of child care;
- either had no impact on program costs or had a role in reducing program costs per family and per child; and
- there is little difference between the costs for administering the six-month program versus the 12-month program, except that six-month authorizations require additional staff time to reprocess applications.

The report included recommendations to:

- continue to offer the 12-month extended eligibility WCCC program to eligible families;
- increase awareness of the 12-month extended eligibility WCCC program among families and child care programs;
- find ways to reduce the burden of the application process; and
- find ways to do more to help families and child care programs with the eligibility process.

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### **Summary of Bill:**

Beginning in fiscal year 2013, authorizations for WCCC subsidy are effective for a 12-month period, unless a change in circumstances necessitates reauthorization sooner. Provisions

regarding the six-month authorization period and the 2011 legislative report studying the 12-month eligibility are repealed.

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**Appropriation:** None.

**Fiscal Note:** Preliminary fiscal note available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Eligibility periods for subsidized childcare have been a legislative concern for some time. The six-month eligibility period results in more paper work processing than a 12-month authorization. Given imperfections in paper work processing, some parents get lost in the system. This leads to disrupted quality care for the child and perhaps employment for the parent. These disruptions are significant since most families engaged in the Working Connections program are already facing some sort of instability. Continuity of care supports healthy childhood development. The vast majority of parents who reapply every six months have not experienced a change in circumstances that would change their eligibility status. Six-month reauthorization is largely an unnecessary formality. A 12-month authorization will help streamline paper work processing at the Department of Social and Health Services. Streamlining public administration processes such as this saves taxpayer dollars. Finally, the results of the study mandated by the Legislature clearly indicate that a longer eligibility period for subsidized childcare is warranted.

(Opposed) None.

**Persons Testifying:** Representative Kagi, prime sponsor; John Bancroft, Puget Sound Educational Service District; Natasha Fecteau; Marie Keller; Kylee Allen; Joel Ryan, Washington State Association of Head Start and the Early Childhood Education and Assistance Program; and Lori Pittman.

**Persons Signed In To Testify But Not Testifying:** None.

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**HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES APPROPRIATIONS & OVERSIGHT**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Dickerson, Chair; Appleton, Vice Chair; Johnson, Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Cody, Green, Kagi, Pettigrew and Walsh.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Harris and Overstreet.

**Staff:** Melissa Palmer (786-7388).

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

The substitute bill provides an effective date of July 1, 2012.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect on July 1, 2012.

**Staff Summary of Public Testimony:**

(In support) A 12-month authorization saves money related to administering child care authorizations, which are currently set at six months for most families. Families sometimes lose child care in the reauthorization process. People will still have to report changes that would impact eligibility during the 12-month period. If a family fails to report a change, it is incumbent upon the family to repay the overpayment. There are several other states around the country that have moved to 12-month authorizations.

The Department of Early Learning (DEL) study showed that a 12-month authorization period increased stability. Additionally, the study did not show increased costs, but in fact showed a savings. Families would decrease the number of times they would need to interact with the DEL. The biggest concern is that the state would continue to pay for families who are no longer eligible, however other states have adopted this policy and have not experienced increased costs. The requirement that a family self-report meaningful changes addresses this concern. This policy offers a rare opportunity to do what is best for children and save money. The federal government is encouraging states to move to a 12-month authorization period.

(Opposed) None.

**Persons Testifying:** Representative Kagi, prime sponsor; Lonnie Johns-Brown, Washington Association for the Education of Young Children; and Katy Warren, Washington State Head Start Association, Early Childhood Education and Assistance Program.

**Persons Signed In To Testify But Not Testifying:** None.