

# SENATE BILL REPORT

## 2SHB 1671

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As of March 19, 2013

**Title:** An act relating to child care reform.

**Brief Description:** Concerning child care reform.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Farrell, Walsh, Kagi, Green, Sullivan, Jinkins, Pettigrew, Hunt, Ormsby, Stonier, Fitzgibbon, Goodman, Cody, Morrell, Maxwell, Appleton, Wylie, Orwall, Reykdal, Freeman, Riccelli, Fey, Tarleton, Ryu, Pollet, Bergquist and Santos).

**Brief History:** Passed House: 3/06/13, 55-42.

**Committee Activity:** Human Services & Corrections: 3/19/13.

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### SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

**Staff:** Shani Bauer (786-7468)

**Background:** The Working Connections Child Care Program (WCCC) provides subsidies to child care providers serving families at or below 200 percent of the federal poverty line. Subsidy payments go directly to child care providers. Families make a co-payment to receive child care while they work or receive training for work. Co-pays for WCCC are currently \$15 for families with income between 0 and 82 percent of the federal poverty line; \$65 for income between 82 and 137.5 percent of the federal poverty line; and \$65 plus a multiplier of one-half for every dollar of income over 137.5 percent of the federal poverty line. A person receiving WCCC while receiving training for work is generally limited to basic education or vocational training.

The Department of Early Learning (DEL) has the authority to establish and implement policies in WCCC. The Department of Social and Health Services (DSHS) has the responsibility for verifying a family's eligibility to receive WCCC subsidies.

In 2007, the Legislature required DEL to establish a voluntary quality rating and improvement system applicable to licensed or certified child care centers and homes, and early education programs. In response, DEL worked with the University of Washington to develop the Early Achievers program. Early Achievers establishes a common set of expectations and standards that define, measure, and improve the quality of early learning settings. All WCCC providers have the option of participating in Early Achievers.

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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.*

In 2010, the Legislature required DEL to coordinate with DSHS and contract with an independent consultant to evaluate and recommend the optimum system for the eligibility determination process. The evaluation was to include an analysis of lean management processes that, if adopted, could improve the cost effectiveness and delivery of eligibility determination. The Aclara Group delivered its report to DEL on October 31, 2012.

**Summary of Bill:** Early Achievers is defined as a program that improves the quality of early learning programs and that supports and rewards providers for participation. The program is designed to accomplish several goals including providing parents with information about quality child care and early education programs, improving early learning throughout the state, and increasing school readiness for children. All licensed and certified child care programs are eligible to participate, but participation is voluntary.

DEL must establish and implement policies in WCCC to promote stability and quality of care for children from low-income households. Policies must be consistent with outcome measures currently defined in statute and standards outlined in this section.

Standards and guidelines for providing services to parents and providers are outlined for DEL and DSHS, including timeframes for returning phone calls, development of a process for the electronic submission of forms, and professionalism training for employees. DEL must convene a Parent and Provider Oversight Board to listen to issues raised by consumers and recommend policy changes.

The Legislature finds that the recommendations in the Aclara Group report will result in streamlining the child care system to improve access and customer service and should be followed. By December 1, 2013, DEL and DSHS must:

- eliminate the current custody and visitation policy, and design a flexible subsidy system;
- create broad authorization categories to account for minor changes in parents' work schedules;
- establish rules to specify that parents who receive WCCC and participate in at least 110 hours of approved work or related activities are eligible for full-time child care activities;
- improve early learning programs throughout the state;
- increase school readiness for children;
- close the disparity between segments of the population with regard to access to quality care; and
- establish a uniform set of expectations and standards that define, measure, and improve the quality of the early learning environment.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This is a reform bill for a very important program to improve accountability. Recent cuts to the WCCC program have resulted in barriers to enrollment. WCCC is accessed by 15,000 families and there are currently 8000 unfilled slots in the caseload. Only 14 percent of applications are processed accurately. This bill helps to streamline the program to improve accuracy, efficiency, and responsiveness. This should also ensure that billing is conducted more accurately. Adequate child care is important for parents trying to get a job. The Early Achievers program improves the child care system by providing parents with resources and giving providers a consistent rating system that is easy to understand.

**Persons Testifying:** PRO: Representative Farrell, prime sponsor; Lani Todd, Service Employees International Union 925; Ryan Pricco, Child Care Aware, Early Learning Action Alliance.