

SENATE BILL REPORT

2ESSB 5157

As Passed Senate, June 20, 2013

Title: An act relating to child care.

Brief Description: Regulating child care subsidies.) (REVISED FOR SECOND ENGROSSED: Concerning child care subsidy fraud.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Carrell, Pearson, Schoesler, Hill and Fain).

Brief History:

Committee Activity: Human Services & Corrections: 1/21/13, 2/05/13 [DPS, w/oRec].
Passed Senate: 3/05/13, 49-0.

Second Special Session: Passed Senate: 6/20/13, 48-0.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 5157 be substituted therefor, and the substitute bill do pass.

Signed by Senators Pearson, Vice Chair; Darneille, Ranking Member; Hargrove and Carrell.

Minority Report: That it be referred without recommendation.

Signed by Senator Padden.

Staff: Shani Bauer (786-7468)

Background: Most persons providing child care must be licensed by the Department of Early Learning (DEL). The following are exempt from licensing:

- any blood relative;
- a stepfather, stepmother, stepbrother, or stepsister;
- an adoptive parent or their natural or legally adopted children, and other relatives of the adoptive parents;
- spouses of the persons previously mentioned;
- legal guardians of the child;
- persons who care for a neighbor or friend's child where the person provides care for periods of less than 24 hours and does not conduct such activity on an ongoing basis;

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.

- parents who, on a mutually cooperative basis, exchange care of one another's children;
- nursery schools or kindergartens engaged primarily in educational work with preschool children where no child is enrolled for more than 4 hours per day;
- schools that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school age children, and do not accept custody of children;
- seasonal camps of 3 months or less engaged primarily in recreational or educational activities;
- facilities providing care for periods of less than 24 hours when a parent or legal guardian remains on the premises to participate in non-employment activities or employment up to 2 hours per day when the facility also operates a licensed child care program at the same facility in another location or at another facility;
- an agency operated by local, state, federal or tribal government;
- an agency operated on a federal military reservation; or
- an agency that offers early learning and support services.

The Working Connections Child Care (WCCC) provides state-subsidized child care to eligible persons. It is not a condition of eligibility that the recipient assist the Department of Social and Health Services (DSHS) in collecting child support or otherwise seek child support services from DSHS.

Summary of Second Engrossed Substitute Bill: DEL must refer all incidents of suspected child care subsidy fraud to the DSHS Office of Fraud and Accountability for appropriate investigation and action. "Fraud" means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or herself or some other person. Nothing in these provisions prevent DEL and DSHS from establishing and collecting overpayments consistent with federal regulations or seeking other remedies that may be legally available.

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 on Original Bill: CON: The family, friend, and neighbor child care provisions allow the provision of care without having to open a business to do so. This is especially important when caring for children with special needs. As a retired child therapist watches her two grandchildren, she provides care that one of her grandchildren, who has special needs, would not have otherwise gotten in another kind of child care. She does not want to become a licensed child care provider and small business owner; she just wants to provide care to her grandkids.

OTHER: Families who receive WCCC subsidy may choose from a variety of child care, licensed child care centers or family child care homes, or license exempt providers. Families may choose license-exempt providers for a number of reasons including the following:

- existing bonds of love and trust with a family member, friend, or neighbor;
- shared language, culture, and values;
- a better match for their child and family when the child has special needs; or
- greater flexibility to meet non-traditional work hours.

The federal Child Care and Development Fund grant requires states to allow parental choice of child care providers. This bill would place some limitations on a parents' choice at one year.

Persons Testifying: CON: Susan Bauers, Lani Todd, SEIU 925.

OTHER: Amy Blondin, DEL.