

SENATE BILL REPORT

SB 6181

As Reported by Senate Committee On:
Human Services & Corrections, January 28, 2014

Title: An act relating to child care.

Brief Description: Concerning child care subsidies and child support enforcement services.

Sponsors: Senators Braun, Angel, Bailey, Rivers, Becker and Honeyford.

Brief History:

Committee Activity: Human Services & Corrections: 1/21/14, 1/28/14 [DPS, DNP].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: That Substitute Senate Bill No. 6181 be substituted therefor, and the substitute bill do pass.

Signed by Senators O'Ban, Chair; Pearson, Vice Chair; Darneille, Ranking Member; Hargrove.

Minority Report: Do not pass.

Signed by Senator Padden.

Staff: Joan Miller (786-7784)

Background: Several state child care subsidy programs are available to help eligible families pay for child care costs. The most common program is Working Connections Child Care (WCCC), which provides state-subsidized child care to eligible households with parents who are working or participating in a work activity approved by the Department of Social and Health Services (DSHS). Eligibility is determined by the household's income and the number of people in the family. Child care costs for each household are determined on a sliding scale.

Other programs provide child care subsidies for eligible families who are homeless or seasonal agricultural workers, or through specific DSHS programs.

There is no condition of eligibility for any of these programs that requires the recipient to assist DSHS in collecting child support or otherwise seek child support services from DSHS.

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.

Summary of Bill (Recommended Substitute): The Department of Early Learning (DEL) must establish and implement policies to train staff on child care subsidy fraud, including methods to detect suspected child care subsidy fraud, DEL's procedures for reporting suspected child care subsidy fraud to the Office of Fraud and Accountability (OFA), and OFA's procedures for reporting child care subsidy fraud anonymously.

EFFECT OF CHANGES MADE BY HUMAN SERVICES & CORRECTIONS COMMITTEE (Recommended Substitute): The requirement that recipients receiving a child care subsidy or a WCCC subsidy seek child support enforcement services, unless there is good cause not to do so, is removed. DEL must train staff on how to detect child care subsidy fraud and how to report allegations to OFA, including how to do so anonymously.

Appropriation: None.

Fiscal Note: Requested on February 10, 2014.

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: PRO: It is reasonable to take prudent measures to collect child support when subsidized child care services are provided. The current law creates a loophole where fraud may occur. Instead of making formal child support payments, payments will be made in cash under the table so that the family will qualify for a program that they would not otherwise. Women should want to collect child support. Before the requirement to seek child support was repealed by law, the testifiers reviewed the good cause exemption every time an application was taken. The recipients are not accountable for saying who the absent parents are. Women either did not want to identify the father or the father was living in the home, and they were not reporting his income.

CON: The Legislature has looked at this issue before, and small changes resulted in serious disenfranchisement. It is very rare that women receive WCCC and child support. Rather, most women have a child support order, which is never received. Research and evaluation is needed to move forward with this legislation based on the negative consequences previously observed. Fraud is not seen on the ground. The process is complex, and women were told that they would need to seek enforcement and provide an address, even if they were domestic violence (DV) victims.

OTHER: For victims of DV, collecting child support can be dangerous. For example, it can reveal the location of women in hiding. There are concerns with implementation of this bill, particularly ensuring that workers have appropriate training in DV and in identifying good cause. Child support cases should not be automatically opened. This policy was tried a couple of years ago, and it did not save money. It just erected front-end access barriers for low-income women. The law already has existing mechanisms for dealing with fraud.

Persons Testifying: PRO: Senator John Braun, prime sponsor; Patti Stoumbaugh, Valerie Hughes, citizens.

CON: Lonnie Todd, Service Employees International Union 925; Melanie Smith, Welfare Advocates Group.

OTHER: Traci Underwood, WA State Coalition Against DV.