

HOUSE BILL REPORT

2SSB 5225

As Reported by House Committee On:
Human Services, Youth, & Early Learning
Appropriations

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

Brief Description: Increasing access to the working connections child care program.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Wilson, C., Conway, Frame, Hasegawa, Hunt, Keiser, Lovelett, Nguyen, Salomon, Shewmake, Stanford and Valdez).

Brief History:

Committee Activity:

Human Services, Youth, & Early Learning: 3/14/23, 3/17/23 [DP];
Appropriations: 4/1/23, 4/4/23 [DP].

Brief Summary of Second Substitute Bill

- Expands Working Connections Child Care (WCCC) eligibility to include child care employees with a household income of up to 85 percent of the state median income, and waives the associated copayment to the extent allowable.
- Directs the Department of Children, Youth, and Families (DCYF) to establish and implement policies to allow WCCC eligibility for families with children whose parent or guardian was a party or victim in a specialty or therapeutic court case within the last six months.
- Prohibits the DCYF from considering the immigration status of a WCCC applicant or consumer's child when determining eligibility.

HOUSE COMMITTEE ON HUMAN SERVICES, YOUTH, & EARLY LEARNING

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass. Signed by 7 members: Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Callan, Goodman, Ortiz-Self and Rule.

Minority Report: Do not pass. Signed by 3 members: Representatives Eslick, Ranking Minority Member; Dent and Walsh.

Minority Report: Without recommendation. Signed by 1 member: Representative Couture, Assistant Ranking Minority Member.

Staff: Omeara Harrington (786-7136).

Background:

Working Connections Child Care.

Working Connections Child Care (WCCC) is a federally and state-funded program administered by the Department of Children, Youth, and Families (DCYF) that provides subsidies for child care to families with incomes at or below 60 percent of the state median income (SMI), adjusted for family size, and when the household meets other eligibility requirements. Beginning July 1, 2025, a family is eligible for WCCC program benefits when the household's annual income is above 60 percent and at or below 75 percent of the SMI, adjusted for family size, and beginning July 1, 2027, if funds are appropriated, when the household's annual income is up to 85 percent of the SMI, adjusted for family size.

Through the WCCC program, the state pays part of the cost of child care when a parent is working or participating in approved work-related activities. Depending on income, families may be required to pay a monthly copayment to their provider. Copayments are calculated as follows:

Household income:	Maximum copayment:
At or below 20 percent of the SMI	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the SMI	\$65
Above 36 percent and at or below 50 percent of the SMI	\$90
Above 50 percent and at or below 60 percent of the SMI	\$115 (\$165 beginning July 1, 2023)

In addition to income eligibility, a family must meet certain additional criteria in order to qualify for the WCCC program. Among other factors, an applicant or consumer must be participating in qualifying employment or another approved activity, and must have parental control of one or more eligible children. To be eligible, a child must be: (1) younger than 13 years old, or younger than 19 years old and have a verified special need or be under

court supervision; and (2) a United States citizen or national, a qualified alien, or a nonqualified alien who meets state residency requirements.

The DCYF is required to maintain policies to allow WCCC eligibility for families who in the last six months have received certain child welfare services. Additionally, the DCYF may not require an applicant or consumer to meet work requirements as a condition of receiving WCCC program benefits when the recipient is a full-time student of a community, technical, or tribal college, and enrolled in a vocational education program that leads to a degree or certificate in a specific occupation, an associate degree program, or a registered apprenticeship program. Subject to appropriations, the DCYF may also waive work requirements for full-time students who are enrolled in a bachelor's degree or applied baccalaureate degree program.

Therapeutic Courts.

"Specialty courts" and "therapeutic courts" remove a defendant's or respondent's case from the traditional criminal or civil court process and instead utilize programs structured to reduce criminal recidivism and increase rehabilitation, or to reduce child abuse and neglect, out-of-home placements, termination of parental rights, and behavioral health symptoms, through the use of judicially supervised treatment and the appropriate use of services, sanctions, and incentives. Therapeutic courts include, but are not limited to, adult and juvenile drug courts, family dependency and family drug courts, mental health courts, impaired driving courts, truancy courts, veterans' courts, and domestic violence courts.

Summary of Bill:

The following changes are made relating to eligibility for the WCCC program, effective October 1, 2023.

Working Connections Child Care Eligibility for Child Care Employees.

Employees of licensed child care centers or family home providers are eligible for WCCC benefits when:

- the employee's household income is at or below 85 percent of the SMI level, adjusted for family size;
- the child receiving care is younger than 13 years old, or younger than 19 years old and has a verified special need or is under court supervision; and
- the employee's household meets all other program eligibility requirements.

To the extent allowable under federal law, the DCYF must waive the copayment for qualifying employees of licensed child care centers and family home providers, and otherwise must apply a maximum copay of \$15.

Working Connections Child Care Eligibility for Families of Therapeutic or Specialty Court Participants.

The DCYF must establish and implement policies to allow eligibility for the WCCC program for families with children that include a parent or guardian who, in the last six months, was a participant in a specialty or therapeutic court or who was a listed victim in a case before a specialty or therapeutic court, and have been referred for child care as part of the court's proceedings.

Determination of Child Eligibility for Working Connections Child Care.

The DCYF may not consider the immigration status of an applicant or consumer's child when determining eligibility for WCCC benefits.

Appropriation: None.

Fiscal Note: Requested on February 24, 2023.

Effective Date: The bill contains multiple effective dates. Please see the bill.

Staff Summary of Public Testimony:

(In support) The cost of child care exceeds what families can afford. The WCCC program helps reduce the cost and the burden on families, and it supports the youngest learners. The Fair Start for Kids Act, which passed in 2021, was landmark legislation, but it could not reach all families. These changes to the WCCC program will increase access to more families. It is essential that people who have children and require child care can access that care. Child care allows parents to optimize their time and retain employment while their children are safely supervised.

The bill will address workforce shortages by supporting child care employees. It is difficult to make a living wage in the child care industry. Many child care providers who have their own children have to leave the workforce because they cannot afford the high cost of child care. These circumstances are contributing to the staffing shortages that are currently affecting child care programs. Understaffing is leading to limited enrollment, and child care waitlists can be years long. It is vitally important to recruit and retain teachers in this industry that is rapidly shrinking. A provision should be added to address a current rule that does not allow child care workers to receive a subsidy when they work in the same center their child attends.

Supporting families while a parent is participating in a therapeutic court is important, as it will provide stable and consistent child care while the parent works their way through the therapeutic court program. This provision addresses a critical gap in services for a vulnerable population. Parents should not have to choose between leaving children with unrelated and potentially unsafe adults and not going to treatment. Participation in therapeutic court is greatly beneficial to families and breaks the intergenerational cycle of criminal justice system involvement.

The bill will also help support those who do not qualify for the WCCC program because of immigration status, which is currently a major barrier. This change would increase access to 275 families. The vast majority of these families have employment that would make them eligible if citizenship was not considered. This change is a step toward education and workforce equity for undocumented community members. Investment in child care for immigrant children is an investment in the future.

(Opposed) None.

Persons Testifying: Senator Claire Wilson, prime sponsor; Noemi Correa, Heritage; Angelita Cervantes, Community for Our Colleges; Kristin Wiggins, OneAmerica; Reshonna Reynolds, MomsRising and Pathwaves Washington; Christina Felisiano, Child Care Resources; Christina Mason, Washington Association of Drug Courts; and Susan Brown.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 21 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Berg, Chopp, Davis, Fitzgibbon, Hansen, Harris, Lekanoff, Pollet, Riccelli, Ryu, Sandlin, Senn, Simmons, Slatter, Springer, Stonier and Tharinger.

Minority Report: Do not pass. Signed by 3 members: Representatives Dye, Rude and Schmick.

Minority Report: Without recommendation. Signed by 7 members: Representatives Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; Chandler, Connors, Couture and Steele.

Staff: Jordan Clarke (786-7123).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Human Services, Youth, & Early Learning:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains multiple effective dates. Please see the bill.

Staff Summary of Public Testimony:

(In support) It is particularly important to expand eligibility for the Working Connections Child Care (WCCC) program for undocumented children and their families. The state has a student aid system that provides a workaround for undocumented populations, but it is hard for this population to get child care. Many of these families are not eligible for subsidies if their children are undocumented. The source of the prohibition against noncitizen children is at the federal level, and part of the WCCC program funding comes from the federal Child Care and Development Block Grant. The grant does not include subsidies for families with undocumented children as an allowable use of funds, so please use state dollars to fund this bill so that families with undocumented children will be eligible and receive subsidized funding through the program.

This bill offers another opportunity to expand access to child care for undocumented families. Utilization of the WCCC by these families will be fiscally manageable for the state for a variety of reasons. The Department of Children, Youth, and Families requires submittal of a W-2 form to determine income eligibility for the program, and many immigrant workers do not have W-2 forms and will remain ineligible. Government programs also see lower participation from residents who are undocumented due to stigma. Washington has led the nation in ensuring that all young people, regardless of their immigration status, have access to education through the kindergarten through grade 12 system and are eligible for financial aid. However, undocumented children are still excluded from the state's child care program. This bill will expand equity and access to child care for all families.

The early learning community is in strong support of this bill and it is a top priority this year because it brings equity to the early learning system for undocumented families and for families navigating therapeutic courts. It also extends the child care subsidy to child care providers, the very people who have built the state's child care infrastructure. Right now there are not enough child care providers to match the demand for the WCCC program, and this bill could help increase child care employees and providers. Lack of staffing is often the reason given by providers for closing or needing to reduce capacity. This bill makes strategic investments by offering a powerful recruitment and retention tool for the child care industry.

(Opposed) None.

Persons Testifying: Maggie Humphreys, MomsRising and MamásConPoder; Eli Goss, OneAmerica; and William Daley, Communities for Our Colleges.

Persons Signed In To Testify But Not Testifying: None.