

**ESSB 5157 - S AMD 363**  
By Senator Pearson

ADOPTED 06/20/2013

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that child care  
4 providers positively contribute to local communities by offering  
5 important services that support the well-being of children and their  
6 families. The legislature further recognizes that most child care  
7 providers make every effort to ensure that subsidy payments received  
8 are correct and align with agency rules. When a child care provider is  
9 found to have fraudulently accepted subsidy payments, however, it is  
10 the legislature's intent to prohibit such a provider from receiving  
11 future child care subsidy payments.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.215 RCW  
13 to read as follows:

14 (1) The department must refer all suspected incidents of child care  
15 subsidy fraud to the department of social and health services office of  
16 fraud and accountability for appropriate investigation and action.

17 (2) For the purposes of this section, "fraud" has the definition in  
18 RCW 74.04.004.

19 (3) This section does not limit or preclude the department or the  
20 department of social and health services from establishing and  
21 collecting overpayments consistent with federal regulation or seek  
22 other remedies that may be legally available, including but not limited  
23 to criminal investigation or prosecution."

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1        On page 1, line 1 of the title, after "care;" strike the remainder  
2 of the title and insert "adding a new section to chapter 43.215 RCW;  
3 and creating a new section."

EFFECT:     Requires the Department of Early Learning to refer all incidents of suspected child care subsidy fraud to the Department of Social and Health Services Office of Fraud and Accountability for appropriate investigation and action.

Establishes that the term "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.

Specifies that the Department of Early Learning and the Department of Social and Health Services may establish and collect overpayments consistent with federal regulations or seek other remedies that may be legally available.

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