

SENATE BILL REPORT

SB 5225

As of February 20, 2023

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: Senators Wilson, C., Conway, Frame, Hasegawa, Hunt, Keiser, Lovelett, Nguyen, Salomon, Shewmake, Stanford and Valdez.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/25/23, 2/01/23 [DPS-WM, DNP].

Ways & Means: 2/20/23.

Brief Summary of First Substitute Bill

- Expands Working Connections Child Care (WCCC) eligibility to include child care employees who have incomes up to 85 percent of the state median income and waives their 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 who in the last six months have a parent or guardian participating in a specialty or therapeutic court.
- Prohibits DCYF from considering the immigration status of a WCCC applicant or consumer's child when determining eligibility.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: That Substitute Senate Bill No. 5225 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wellman, Chair; Nobles, Vice Chair; Wilson, C., Vice Chair; Hunt, Mullet and Pedersen.

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.

Minority Report: Do not pass.

Signed by Senators Hawkins, Ranking Member; Dozier and McCune.

Staff: Ailey Kato (786-7434)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Joshua Hinman (786-7281)

Background: Working Connections Child Care. The Working Connections Child Care (WCCC) program is a federally and state-funded program that provides child care subsidies to families, and is administered by the Department of Children, Youth, and Families (DCYF). Families may be eligible for child care subsidies if they have a household income at or below 60 percent of the state median income (SMI) and have one or more children younger than 13, or younger than 19 with a verified special need or are under court supervision. As of October 1, 2022, 60 percent of the state median income is \$4,274 maximum monthly income for a family of three.

To be eligible for WCCC, the parent or guardian must meet certain eligibility requirements including being employed, self-employed, or in approved work or education activities. Children must be a U.S. citizen, a U.S. national, a qualified alien, or a nonqualified alien who meets the Washington State residency requirements and legally reside in the state.

The family is responsible for making a co-payment to the child care provider based on the family's countable income, which are established in state law.

In 2021, WCCC eligibility was expanded by phasing in higher income thresholds and lower copayments.

Authorizations for WCCC subsidies are effective for 12 months.

Therapeutic Courts. State law defines specialty courts and therapeutic courts to mean a court utilizing a program structured to achieve both a reduction in recidivism and an increase in the likelihood of rehabilitation, or to reduce child abuse and neglect, out-of-home placements of children, termination of parental rights, and substance abuse and mental health symptoms among parents or guardians and their children through continuous and intense judicially supervised treatment, and the appropriate use of services, sanctions, and incentives.

Summary of Bill (First Substitute): Child Care Employees. A family is eligible for WCCC when the household's annual income is at or below 85 percent of SMI adjusted for family size and:

- the child is less than 13, or less than 19 with a special need;
- the applicant or consumer is employed in a licensed child care center or family home provider; and

- the household meets all other program eligibility requirements.

DCYF must waive the copayment to the extent allowable under federal law; otherwise, a maximum of a \$15 copayment.

Therapeutic Court Participants. DCYF must establish and implement policies to allow WCCC eligibility for families with children who in the last six months have a parent or guardian participating in a specialty court or therapeutic court. These parents or guardians do not have to keep participating in these courts to maintain 12-month authorization for WCCC.

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

These WCCC eligibility provisions take effect October 1, 2023.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (First Substitute):

- Prohibits DCYF from considering the immigration status of any applicant or consumer's child when determining WCCC eligibility instead of limiting to an applicant or consumer enrolled in certain educational programs.
- Updates the intent section accordingly.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on Original Bill (Early Learning & K-12 Education): *The committee recommended a different version of the bill than what was heard.* PRO: Child care is one of the most urgent and pressing issues that the Legislature should address to help recover from the pandemic. This bill aims to increase access to child care to individuals working in child care, families going through the therapeutic courts system, and parents pursuing higher education that cannot access these services due to their immigration status. The child care workforce is in crisis. Access to subsidies will enable child care workers to stay in the field and attract new employees. Parents should be able to be in the same classroom as their child and receive subsidy. Parents pursuing higher education, who are not eligible due to their child's immigration status are experiencing difficulties in completing their education because of the high cost of child care. For these parents, having access to child care would help them complete their degree, leading to better

job opportunities to support themselves and their families. This bill should be expanded so all children regardless of immigration status could potentially be eligible for WCCC, which is already the case for higher education tuition assistance. Half of all college students experience some form of basic needs insecurity. The bill should be expanded to include students in bachelor and graduate degree programs. This bill takes strategic steps to address the child care crisis.

Persons Testifying (Early Learning & K-12 Education): PRO: Senator Claire Wilson, Prime Sponsor; Colleen Condon, Lilac City ELC; Joel Anderson, University of Washington Graduate and Professional Student Senate; Delora Morgan Chelsea; Reshonna Reynolds, MomsRising; Eli Goss, OneAmerica; Nancy Cruz, Community For Our College; xochilt lopez, Community For Our College; Jessica Tollenaar Cafferty, King County; Pamela Munizza, AFT Washington Clover Park Vocation Local 3913; Emily Murphy, Child Care Aware of Washington.

Persons Signed In To Testify But Not Testifying (Early Learning & K-12 Education):
No one.

Staff Summary of Public Testimony (Ways & Means): PRO: Huge support, as the child care industry is in crisis. Workforce, recruitment, and retention are big issues. Offering WCCC to employees will be a huge benefit. Testifier has childcare staff who are unable to return to work following the birth of a child due to an inability to afford childcare.

Testifier is a part of a provider network with eleven locations, which has a current capacity of 250 children versus over 900 prior to the pandemic. The providers are staffed very thin, with 32 staff across 11 locations. Until child care is properly funded, they cannot meet capacity. There is also a need to modify the rule that prohibits teachers from working in the same place as their child attends.

Testifier has five children and has made sacrifices for school and family. Getting a degree will open up career opportunities for a better job down the line. Child care support will provide her with more opportunity to attend her classes in person.

Testifier has 3 children and has difficulty finding child care. Many of her friends and fellow students have the same issue. People need childcare so they can go to school and have a better future.

Strong support for this bill because the childcare workforce is in full blown crisis. Ten percent of the workforce is never coming back. Key policies identified to reduce turnover and help recruitment is to hire people who need childcare themselves. WCCC should be operationalized for this and also extend to undocumented and therapeutic/specialty court families. Testifier's organization operates a program that helps these populations find childcare. We need to help these kids connect with high quality early learning programs.

There are over 11,000 undocumented children potentially eligible. Not all will be eligible, yet this is higher than the fiscal note estimate of 80 to 270.

This bill is a top priority because it brings equity to undocumented and to therapeutic court families. This will be transformative for childcare employees. Providers cite staffing as a reason for serving less than capacity, or closing. The Fair Start for Kids Act was a historic investment and this bill will help the state to fully realize the potential of that act.

Testifier is grateful for higher education tuition assistance offered regardless of immigration status because it removes a barrier to enrollment and completion of college programs. The state should extend that assistance with a WCCC subsidy. Undocumented workers are at a higher risk of needing WCCC subsidy. Current rule requires children to have certain immigration status, but WCCC should be expanded to all, regardless of status.

Persons Testifying (Ways & Means): PRO: Colleen Condon, Washington Childcare Center Association; Susan Brown, Washington Childcare Center Association; Berta Corona, communities for our colleges; Xochilt lopez, communities for our college; Ryan Pricco, Child Care Aware of WA; Kristin Wiggins, OneAmerica; Maggie Humphreys, MomsRising & MamásConPoder; Sargun Handa, ASWWU President.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.