
**Early Learning & Children's Services
Committee**

HB 1754

Brief Description: Concerning continuity of child care.

Sponsors: Representatives Pettigrew, Walsh, Goodman, Kagi, Roberts, Priest, Dunshee, Sullivan, Appleton, Green, Kenney, Morrell, Nelson and Ormsby.

Brief Summary of Bill

- Makes legislative findings and declares intent to promote continuity of care for children in lower-income families.
- Directs changes to take effect in Fiscal Years 2010 and 2012 revising the eligibility determination and co-pay calculation processes for the Working Connections Child Care program.

Hearing Date: 2/6/09

Staff: Sydney Forrester (786-7120)

Background:

Early Childhood Education and Assistance Program and Head Start Program

The Early Childhood Education and Assistance Program (ECEAP) and Head Start are comprehensive preschool programs providing free services and support to eligible children from lower-income households and their families. The goal of both programs is to help ensure all Washington children enter kindergarten ready to succeed. The programs include:

- early learning preschool;
- family support and parent involvement; and
- child health coordination and nutrition.

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.

Across the state there are approximately 8200 ECEAP enrollment slots and about 9700 Head Start enrollment slots. Eligibility for both programs is based on family income.

Working Connections Child Care Program

The Working Connections Child Care program (WCCC) provides child care subsidies to child care providers serving working families with incomes at or below 200 percent of the federal poverty level. In addition to low-income working families, WCCC subsidies also may be paid to providers on behalf of:

- families eligible for WorkFirst and receiving Temporary Assistance for Needy Families (TANF) who are enrolled in approved job search or training activities; and
- parents under age 22, not on TANF, and enrolled in high school or a General Education Development (GED) program.

Subsidies from the WCCC program can help pay for various types of child care selected by parents, including:

1. licensed child care centers;
2. licensed or certified family child care homes;
3. relatives who provide care in their own homes; and
4. adults who come to the family's home to provide care.

Parents on whose behalf WCCC subsidies are being paid to child care providers also are responsible for a co-payment. The amount of the co-pay is calculated on a sliding scale and depends on the family's size and countable income. The minimum co-pay is \$15.

Some early learning and child care programs in Washington include a full-day instructional and care program that is funded by a mix of ECEAP or Head Start funding for part of the day, supplemented with a WCCC subsidy for the remainder of the day. Under these arrangements, the child's schedule of care is more like many parents' typical work day schedules.

Eligibility Determinations

The Economic Services Administration (ESA) within the Department of Social and Health Services (DSHS) has responsibility for verifying families' eligibility to receive WCCC subsidies. Determinations are based on verification of employment or other eligible activities as well as family income.

Eligibility determinations for WCCC subsidies are effective for a period of three or six months, after which a reauthorization process is conducted to determine continued eligibility. Preliminary data indicates that approximately 80-85 percent of reauthorizations reflect no change in the family's situation.

Changes that can result in a family becoming ineligible for subsidies include: an increase in income; the loss of a job or a temporary lay-off; not keeping current with the obligation to make the monthly co-payment to the provider; not providing notice of changes in the family's circumstances within the time frames required; or not providing all documentation requested at the time of the reauthorization. When a parent loses eligibility for WCCC subsidies, it may result in their child being unable to continue attending a full-day program funded with a mix of ECEAP or Head Start dollars, even though the child is still eligible to attend the ECEAP or Head Start program. In other cases, the loss of WCCC eligibility results in the child being completely

removed from his or her early learning or child care program. If eligibility is reinstated, for example when a parent who lost a job secures a new job, the ability for the child to return to the program may depend on whether the enrollment slot has already been filled.

Child Absence Days

Under WCCC program rules, a provider may receive a subsidy for a child who does not attend his or her early learning or child care program due to illness for a total of five days per month. For child absence days beyond the five-day limit, the provider receives no WCCC payment for the child's enrollment slot.

Provisions for the administration of WCCC exist almost entirely in rules adopted by the DSHS and the Department of Early Learning.

Summary of Bill:

Beginning in the next biennium, a number of revisions to the WCCC program eligibility determinations, co-pay calculations, and reauthorization processes are phased in. In Fiscal Year 2010, the number of child absence days for which a provider may receive a subsidy on behalf of a child enrolled but unable to attend due to illness, is increased from five days to 10 days per month. Also beginning in Fiscal Year 2010, for families with children enrolled in an ECEAP or Head Start program, the eligibility determination shall be valid for twelve months, and the maximum amount of a family's monthly co-pay shall be not more than 10 percent of the family's monthly gross income. Beginning in Fiscal Year 2012, for all other families receiving WCCC subsidies, the 12-month eligibility determination, and the 10 percent cap on monthly co-pay amounts also will take effect.

Reauthorizations for WCCC eligibility will be conducted every 12 months unless the family reports a change in circumstances requiring a reauthorization sooner.

Appropriation: None.

Fiscal Note: Requested on January 30, 2009.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.