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SENATE BILL 6441

State of Washington 65th Legislature 2018 Regular Session

By Senators Billig, Wellman, Zeiger, Keiser, Saldaña, and Walsh Read first time 01/17/18. Referred to Committee on Early Learning & K-12 Education.

AN ACT Relating to transferring all aspects of working connections child care and seasonal child care service delivery to the department of children, youth, and families, based on the recommendations required to be reported to the legislature pursuant to section 103, chapter 6, Laws of 2017 3rd sp. sess.; amending RCW 43.216.139, 43.216.141, 74.08A.341, and 43.216.135; creating new sections; and providing an effective date.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. (1) The legislature recognizes that child care subsidy programs include the working connections child care program and the seasonal child care program. Child care subsidy programs provide children with stable, nurturing, and enriching activities while parents are supported in stable employment that contributes to financial independence. The legislature acknowledges that the department of early learning develops subsidized child care policy and conducts quality assurance for provider payments and the department of social and health services is responsible for other aspects of service delivery. The legislature intends for these child care subsidy programs to be thoughtfully integrated into the department of children, youth, and families while maintaining a

p. 1 SB 6441

delivery system that continues to support families and providers with consistent, accurate, and effective services.

- (2) The legislature finds that the department of children, youth, and families submitted a report according to section 103, chapter 6, Laws of 2017 3rd sp. sess. with recommendations for effectively transferring working connections child care eligibility into the department of children, youth, and families by July 1, 2019. The legislature intends for the transfer of all aspects of service delivery of child care subsidy programs from the department of social and health services to the department of children, youth, and families to follow the recommendations of that report.
- NEW SECTION. Sec. 2. (1) All powers, duties, and functions of the department of social and health services pertaining to the working connections child care and seasonal child care programs are transferred to the department of children, youth, and families. All references to the secretary or the department of social and health services in the Revised Code of Washington mean the secretary or the department of children, youth, and families when referring to the working connections child care program and seasonal child care program functions transferred in this section.
 - (2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of social and health services pertaining to the powers, duties, and functions transferred must be delivered to the custody of the department of children, youth, and families. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of social and health services in carrying out the powers, duties, and functions transferred must be made available to the department of children, youth, and families. All funds, credits, or other assets held in connection with the powers, duties, and functions transferred are assigned to the department of children, youth, and families.
 - (b) Any appropriations made to the department of social and health services for carrying out the powers, duties, and functions transferred are, on the effective date of this section, transferred and credited to the department of children, youth, and families.
 - (c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of

p. 2 SB 6441

the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

- (3) All employees of the department of social and health services engaged in performing the powers, duties, and working connections child care program and seasonal child care program functions transferred are transferred to the jurisdiction of the department of children, youth, and families. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of children, youth, and families to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.
- (4) All rules and all pending business before the department of social and health services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of children, youth, and families. All existing contracts and obligations remain in full force and shall be performed by the department of children, youth, and families.
- (5) The transfer of the powers, duties, functions, and personnel of the department of social and health services does not affect the validity of any act performed before the effective date of this section.
- (6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.
- (7) All classified employees of the department of social and health services assigned to the department of children, youth, and families under this section whose positions are within an existing bargaining unit description at the department of children, youth, and families must become a part of the existing bargaining unit at the department of children, youth, and families and are considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

p. 3 SB 6441

1 **Sec. 3.** RCW 43.216.139 and 2015 3rd sp.s. c 7 s 7 are each 2 amended to read as follows:

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Beginning July 1, 2016, or earlier if a different date is provided in the omnibus appropriations act, when an applicant or recipient applies for or receives working connections child care benefits, the applicant or recipient is required to notify the department ((of social and health services)), within five days, of any change in providers.

- 9 **Sec. 4.** RCW 43.216.141 and 2013 c 337 s 1 are each amended to 10 read as follows:
 - (1) The standards and guidelines described in this section are intended for the guidance of the department ((and the department of social and health services)). They are not intended to, do not, and may not be relied upon to create a right or benefit, substantive or procedural, enforceable at law by a party in litigation with the state.
- 17 (2) When providing services to parents applying for or receiving 18 working connections child care benefits, the department must provide 19 training to departmental employees on professionalism.
- 20 (3) When providing services to parents applying for or receiving 21 working connections child care benefits, the department ((of social 22 and health services)) has the following responsibilities:
- 23 (a) To return all calls from parents receiving working 24 connections child care benefits within two business days of receiving 25 the call;
 - (b) To develop a process by which parents receiving working connections child care benefits can submit required forms and information electronically by June 30, 2015;
- 29 (c) To notify providers and parents ten days before the loss of 30 working connections child care benefits; and
- 31 (d) To provide parents with a document that explains in detail 32 and in easily understood language what services they are eligible 33 for, how they can appeal an adverse decision, and the parents' 34 responsibilities in obtaining and maintaining eligibility for working 35 connections child care.
- 36 **Sec. 5.** RCW 74.08A.341 and 2012 c 217 s 1 are each amended to 37 read as follows:

p. 4 SB 6441

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.210 through 74.08A.330, 43.330.145, ((43.215.545)) 43.216.710, and 74.25.040, and chapter 74.12 RCW within the following constraints:

- (1) The program shall be operated within amounts appropriated by the legislature and consistent with policy established by the legislature to achieve self-sufficiency through work and the following additional outcomes:
- 9 (a) Recipients' economic status is improving through wage 10 progression, job retention, and educational advancement;
 - (b) Recipients' status regarding housing stability, medical and behavioral health, and job readiness is improving;
 - (c) The well-being of children whose caretaker is receiving benefits on their behalf is improving with respect to child welfare and educational achievement.
 - (2)(a) The department shall create a budget structure that allows for more transparent tracking of program spending. The budget structure shall outline spending for the following: Temporary assistance for needy family grants, ((working connections child care,)) WorkFirst activities, and administration of the program.
 - (b) Each biennium, the department shall establish a biennial spending plan, using the budget structure created in (a) of this subsection, for this program and submit the plan to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force no later than July 1st of every odd-numbered year, beginning on July 1, 2013. The department shall update the legislative fiscal committees and the task force on the spending plan if modifications are made to the plan previously submitted to the legislature and the task force for that biennium.
 - (c) The department also shall provide expenditure reports to the fiscal committees of the legislature and the legislative-executive WorkFirst oversight task force beginning September 1, 2012, and on a quarterly basis thereafter. If the department determines, based upon quarterly expenditure reports, that expenditures will exceed funding at the end of the fiscal year, the department shall take those actions necessary to ensure that services provided under this chapter are available only to the extent of and consistent with appropriations in the operating budget and policy established by the legislature following notification provided in (b) of this subsection.

p. 5 SB 6441

(3) No more than fifteen percent of the temporary assistance for needy families block grant, the federal child care funds, and qualifying state expenditures may be spent for administrative purposes. For purposes of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193.

- 8 (4) The department shall expend funds appropriated for work 9 activities, as defined in RCW 74.08A.250, or for other services 10 provided to WorkFirst recipients, as authorized under RCW 74.08A.290.
- **Sec. 6.** RCW 43.216.135 and 2017 3rd sp.s. c 9 s 2 are each 12 amended to read as follows:
 - (1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures ((defined in RCW 74.08A.410)) established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.
 - (2) As recommended by Public Law 113-186, authorizations for the working connections child care subsidy shall be effective for twelve months beginning July 1, 2016, unless an earlier date is provided in the omnibus appropriations act.
 - (3) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:
 - (a) Enroll in the early achievers program by August 1, 2016;
- 31 (b) Complete level 2 activities in the early achievers program by 32 August 1, 2017; and
- 33 (c) Rate at a level 3 or higher in the early achievers program by
 34 December 31, 2019. If a child care provider rates below a level 3 by
 35 December 31, 2019, the provider must complete remedial activities
 36 with the department, and rate at a level 3 or higher no later than
 37 June 30, 2020.
- 38 (4) Effective July 1, 2016, a new child care provider serving 39 nonschool-age children and receiving state subsidy payments must

p. 6 SB 6441

complete the following activities to be eligible to receive a state subsidy under this section:

- (a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;
- (b) Complete level 2 activities in the early achievers program within twelve months of enrollment; and
- (c) Rate at a level 3 or higher in the early achievers program within thirty months of enrollment. If a child care provider rates below a level 3 within thirty months from enrollment into the early achievers program, the provider must complete remedial activities with the department, and rate at a level 3 or higher within six months of beginning remedial activities.
- (5) If a child care provider does not rate at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section.
- (6) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.
- (7) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.
- (8) The department shall account for a child care copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.
- (9)(a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:
 - $((\frac{a}{a}))$ (i) In the last six months have:
- $((\frac{1}{2}))$ (A) Received child protective services as defined and 32 used by chapters 26.44 and 74.13 RCW;
- $((\frac{(ii)}{)})$ (B) Received child welfare services as defined and used 34 by chapter 74.13 RCW; or
- ((((iii)))) (C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;
- $((\frac{b}{b}))$ (ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and
- (((c))) (iii) Are residing with a biological parent or guardian.

p. 7 SB 6441

((\(\frac{(10)}{10}\))) (b) Children who are eligible for working connections child care pursuant to this subsection ((\(\frac{(9)}{0}\) of this section)) do not have to keep receiving services ((through the department of social and health services)) identified in this subsection to maintain twelve-month authorization. The department of social and health services' involvement with the family referred for working connections child care ends when the family's child protective services, child welfare services, or family assessment response case is closed.

10 <u>NEW SECTION.</u> **Sec. 7.** This act takes effect July 1, 2019.

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p. 8 SB 6441