

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2816

Chapter 52, Laws of 2018

65th Legislature
2018 Regular Session

WORKING CONNECTIONS CHILD CARE AND SEASONAL CHILD CARE SERVICE--
TRANSFER TO DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

EFFECTIVE DATE: July 1, 2019

Passed by the House February 19, 2018
Yeas 95 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 5, 2018
Yeas 48 Nays 1

CYRUS HABIB

President of the Senate

Approved March 13, 2018 11:00 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2816** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

March 13, 2018

**Secretary of State
State of Washington**

HOUSE BILL 2816

Passed Legislature - 2018 Regular Session

State of Washington

65th Legislature

2018 Regular Session

By Representatives Senn, Dent, Kagi, Muri, and Appleton

Read first time 01/17/18. Referred to Committee on Early Learning & Human Services.

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

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

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

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

3 (2) The legislature finds that the department of children, youth,
4 and families submitted a report according to section 103, chapter 6,
5 Laws of 2017 3rd sp. sess. with recommendations for effectively
6 transferring working connections child care eligibility into the
7 department of children, youth, and families by July 1, 2019. The
8 legislature intends for the transfer of all aspects of service
9 delivery of child care subsidy programs from the department of social
10 and health services to the department of children, youth, and
11 families to follow the recommendations of that report.

12 NEW SECTION. **Sec. 2.** (1) All powers, duties, and functions of
13 the department of social and health services pertaining to the
14 working connections child care and seasonal child care programs are
15 transferred to the department of children, youth, and families. All
16 references to the secretary or the department of social and health
17 services in the Revised Code of Washington mean the secretary or the
18 department of children, youth, and families when referring to the
19 working connections child care program and seasonal child care
20 program functions transferred in this section.

21 (2)(a) All reports, documents, surveys, books, records, files,
22 papers, or written material in the possession of the department of
23 social and health services pertaining to the powers, duties, and
24 functions transferred must be delivered to the custody of the
25 department of children, youth, and families. All cabinets, furniture,
26 office equipment, motor vehicles, and other tangible property
27 employed by the department of social and health services in carrying
28 out the powers, duties, and functions transferred must be made
29 available to the department of children, youth, and families. All
30 funds, credits, or other assets held in connection with the powers,
31 duties, and functions transferred are assigned to the department of
32 children, youth, and families.

33 (b) Any appropriations made to the department of social and
34 health services for carrying out the powers, duties, and functions
35 transferred are, on the effective date of this section, transferred
36 and credited to the department of children, youth, and families.

37 (c) Whenever any question arises as to the transfer of any
38 personnel, funds, books, documents, records, papers, files,
39 equipment, or other tangible property used or held in the exercise of

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

5 (3) All employees of the department of social and health services
6 engaged in performing the powers, duties, and working connections
7 child care program and seasonal child care program functions
8 transferred are transferred to the jurisdiction of the department of
9 children, youth, and families. All employees classified under chapter
10 41.06 RCW, the state civil service law, are assigned to the
11 department of children, youth, and families to perform their usual
12 duties upon the same terms as formerly, without any loss of rights,
13 subject to any action that may be appropriate thereafter in
14 accordance with the laws and rules governing state civil service.

15 (4) All rules and all pending business before the department of
16 social and health services pertaining to the powers, duties, and
17 functions transferred shall be continued and acted upon by the
18 department of children, youth, and families. All existing contracts
19 and obligations remain in full force and shall be performed by the
20 department of children, youth, and families.

21 (5) The transfer of the powers, duties, functions, and personnel
22 of the department of social and health services does not affect the
23 validity of any act performed before the effective date of this
24 section.

25 (6) If apportionments of budgeted funds are required because of
26 the transfers directed by this section, the director of financial
27 management shall certify the apportionments to the agencies affected,
28 the state auditor, and the state treasurer. Each of these shall make
29 the appropriate transfer and adjustments in funds and appropriation
30 accounts and equipment records in accordance with the certification.

31 (7) All classified employees of the department of social and
32 health services assigned to the department of children, youth, and
33 families under this section whose positions are within an existing
34 bargaining unit description at the department of children, youth, and
35 families must become a part of the existing bargaining unit at the
36 department of children, youth, and families and are considered an
37 appropriate inclusion or modification of the existing bargaining unit
38 under the provisions of chapter 41.80 RCW.

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

3 Beginning July 1, 2016, or earlier if a different date is
4 provided in the omnibus appropriations act, when an applicant or
5 recipient applies for or receives working connections child care
6 benefits, the applicant or recipient is required to notify the
7 department (~~(of social and health services)~~), within five days, of
8 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:

11 (1) The standards and guidelines described in this section are
12 intended for the guidance of the department (~~(and the department of~~
13 ~~social and health services)~~). They are not intended to, do not, and
14 may not be relied upon to create a right or benefit, substantive or
15 procedural, enforceable at law by a party in litigation with the
16 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;

26 (b) To develop a process by which parents receiving working
27 connections child care benefits can submit required forms and
28 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:

1 The department of social and health services shall operate the
2 Washington WorkFirst program authorized under RCW 74.08A.210 through
3 74.08A.330, 43.330.145, (~~43.215.545~~) 43.216.710, and 74.25.040, and
4 chapter 74.12 RCW within the following constraints:

5 (1) The program shall be operated within amounts appropriated by
6 the legislature and consistent with policy established by the
7 legislature to achieve self-sufficiency through work and the
8 following additional outcomes:

9 (a) Recipients' economic status is improving through wage
10 progression, job retention, and educational advancement;

11 (b) Recipients' status regarding housing stability, medical and
12 behavioral health, and job readiness is improving;

13 (c) The well-being of children whose caretaker is receiving
14 benefits on their behalf is improving with respect to child welfare
15 and educational achievement.

16 (2)(a) The department shall create a budget structure that allows
17 for more transparent tracking of program spending. The budget
18 structure shall outline spending for the following: Temporary
19 assistance for needy family grants, (~~working connections child~~
20 ~~care~~), WorkFirst activities, and administration of the program.

21 (b) Each biennium, the department shall establish a biennial
22 spending plan, using the budget structure created in (a) of this
23 subsection, for this program and submit the plan to the legislative
24 fiscal committees and the legislative-executive WorkFirst oversight
25 task force no later than July 1st of every odd-numbered year,
26 beginning on July 1, 2013. The department shall update the
27 legislative fiscal committees and the task force on the spending plan
28 if modifications are made to the plan previously submitted to the
29 legislature and the task force for that biennium.

30 (c) The department also shall provide expenditure reports to the
31 fiscal committees of the legislature and the legislative-executive
32 WorkFirst oversight task force beginning September 1, 2012, and on a
33 quarterly basis thereafter. If the department determines, based upon
34 quarterly expenditure reports, that expenditures will exceed funding
35 at the end of the fiscal year, the department shall take those
36 actions necessary to ensure that services provided under this chapter
37 are available only to the extent of and consistent with
38 appropriations in the operating budget and policy established by the
39 legislature following notification provided in (b) of this
40 subsection.

1 (3) No more than fifteen percent of the temporary assistance for
2 needy families block grant, the federal child care funds, and
3 qualifying state expenditures may be spent for administrative
4 purposes. For purposes of this subsection, "administrative purposes"
5 does not include expenditures for information technology and
6 computerization needed for tracking and monitoring required by P.L.
7 104-193.

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.

11 **Sec. 6.** RCW 43.216.135 and 2017 3rd sp.s. c 9 s 2 are each
12 amended to read as follows:

13 (1) The department shall establish and implement policies in the
14 working connections child care program to promote stability and
15 quality of care for children from low-income households. These
16 policies shall focus on supporting school readiness for young
17 learners. Policies for the expenditure of funds constituting the
18 working connections child care program must be consistent with the
19 outcome measures (~~defined in RCW 74.08A.410~~) established by the
20 department and the standards established in this section intended to
21 promote stability, quality, and continuity of early care and
22 education programming.

23 (2) As recommended by Public Law 113-186, authorizations for the
24 working connections child care subsidy shall be effective for twelve
25 months beginning July 1, 2016, unless an earlier date is provided in
26 the omnibus appropriations act.

27 (3) Existing child care providers serving nonschool-age children
28 and receiving state subsidy payments must complete the following
29 requirements to be eligible for a state subsidy under this section:

30 (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

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

3 (a) Enroll in the early achievers program within thirty days of
4 receiving the initial state subsidy payment;

5 (b) Complete level 2 activities in the early achievers program
6 within twelve months of enrollment; and

7 (c) Rate at a level 3 or higher in the early achievers program
8 within thirty months of enrollment. If a child care provider rates
9 below a level 3 within thirty months from enrollment into the early
10 achievers program, the provider must complete remedial activities
11 with the department, and rate at a level 3 or higher within six
12 months of beginning remedial activities.

13 (5) If a child care provider does not rate at a level 3 or higher
14 following the remedial period, the provider is no longer eligible to
15 receive state subsidy under this section.

16 (6) If a child care provider serving nonschool-age children and
17 receiving state subsidy payments has successfully completed all level
18 2 activities and is waiting to be rated by the deadline provided in
19 this section, the provider may continue to receive a state subsidy
20 pending the successful completion of the level 3 rating activity.

21 (7) The department shall implement tiered reimbursement for early
22 achievers program participants in the working connections child care
23 program rating at level 3, 4, or 5.

24 (8) The department shall account for a child care copayment
25 collected by the provider from the family for each contracted slot
26 and establish the copayment fee by rule.

27 (9)(a) The department shall establish and implement policies in
28 the working connections child care program to allow eligibility for
29 families with children who:

30 ((+a)) (i) In the last six months have:

31 ((+i)) (A) Received child protective services as defined and
32 used by chapters 26.44 and 74.13 RCW;

33 ((+ii)) (B) Received child welfare services as defined and used
34 by chapter 74.13 RCW; or

35 ((+iii)) (C) Received services through a family assessment
36 response as defined and used by chapter 26.44 RCW;

37 ((+b)) (ii) Have been referred for child care as part of the
38 family's case management as defined by RCW 74.13.020; and

39 ((+e)) (iii) Are residing with a biological parent or guardian.

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

10 NEW SECTION. **Sec. 7.** This act takes effect July 1, 2019.

Passed by the House February 19, 2018.

Passed by the Senate March 5, 2018.

Approved by the Governor March 13, 2018.

Filed in Office of Secretary of State March 13, 2018.

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