

ESSB 5998 - H AMD TO H AMD (H-3714.1/26) **2107**

By Representative Burnett

NOT ADOPTED 02/28/2026

1 On page 168, line 8, increase the general fund-state appropriation
2 for fiscal year 2027 by \$1,000,000

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4 On page 168, line 12, correct the total.

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6 On page 170, after line 3, insert the following:

7 "(7)(a) \$1,000,000 of the general fund-state appropriation for
8 fiscal year 2027 is provided solely for the office of fraud and
9 accountability to audit any child care providers who:

10 (i) Receive state subsidy for the child care subsidy programs
11 created under chapter 43.216; and

12 (ii) Receive a monthly payment from the department of children,
13 youth, and families in excess of two times the amount of the monthly
14 reimbursement rate for infants, adjusted for the provider's subsidy
15 region, multiplied by the licensed capacity of the provider.

16 (b) The office must conduct a lookback of the previous 24 months
17 and audit each child care provider that meets the criteria described
18 in subsection (a) of this subsection (7).

19 (c) The office must submit a report of its audit findings to the
20 office of the governor and the appropriate committees of the
21 legislature by June 30, 2027."

EFFECT:

- Requires the DSHS Office of Fraud and Accountability (OFA) to conduct an audit of any child care provider who receives a Working Connections Child Care (WCCC) program monthly subsidy payment from DCYF that is over twice the amount of what the provider would receive if serving the most expensive age group in their subsidy rate region at the specific provider's licensed capacity.

- Requires the OFA to conduct a 24-month lookback and audit each provider that meets the above criteria.
- Requires the OFA to submit a report on the audit results to the Office of the Governor and the Legislature by June 30, 2027.

FISCAL IMPACT:

Increases General Fund - State by \$1,000,000.

FOUR-YEAR OUTLOOK EXPENDITURE EFFECT:

Increases Near General Fund-State by \$1,000,000.

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