



CHILDREN'S ALLIANCE

## 2003 Washington State Legislative Session Impact on children and families

June 2003



The 2003 Washington state legislative session maintained support for children and families in some areas and took major steps backward in others. With unemployment at an all time high, strong anti-immigrant sentiment among some policymakers and the state economy in the slumps, legislators resisted raising new revenue to pay for what children and families need. The Children's Alliance feels strongly that new revenue options such as closing tax loopholes and ending the sales tax exemption on candy and gum should have been implemented.

In the end, legislators' reluctance will result in an estimated 20,000 newly uninsured children as a result of new children's health premiums. It opens children's health care to new funding threats and signifies a turning point in our state's role as a national leader in children's health insurance.

Children's health premiums will be levied on families making as little as \$18,401 for a family of four. Washington is one of only seven states who will impose premiums at this very low-income level, and the amount of premiums levied on these families *will be the harshest in the nation*. Budget writers are counting on children to drop off health insurance in order to balance the budget.

Although many programs such as prenatal care, child abuse prevention and the Ombudsman for Families and Children were protected, it's hard to characterize their maintenance as progress.

Significant steps were made in building a statewide movement to limit the sale of junk food in public schools. Two bills were drafted and legislative champions were identified. Although the bills failed, efforts are already underway to strategize for next year.

Public health funding for the Supplemental Nutrition Program for Women, Infants and Children (WIC) was maintained as was the public health backfill spending that was originally gutted by Initiative 695. Prevention programs were spared and a new group of more than twenty organizations formed to defend early investments that prevent family crises such as child abuse, juvenile violence and substance abuse.

The attack on immigrant communities continued with the proposed elimination of prenatal care for 12,000 undocumented women. Fortunately, this drastic cut was avoided due to the Governor's leadership. Immigrant communities have already been hit very hard by the cuts to children's health care that left 14,000 poor children newly uninsured last year.

# 1. How did the Children’s Alliance Legislative Agenda fare?

After a public agenda setting process, the Children’s Alliance adopted six priorities for the 2003 Legislative session. The following is an update on how each fared.

<p><b>Revenue: Finding New Revenue, Not Cuts</b></p>	<p><b>Background</b> With the state facing a \$2.6 billion deficit, it was clear from the outset that without new revenue, programs for children and families would be threatened. The Children’s Alliance joined a broad coalition of children, human services, education, and other advocates to call on legislators and the governor to raise new revenue.</p> <p><b>What Happened</b> The Governor’s budget and the Senate budget did not include new revenue. Instead, these budgets relied on drastic cuts to health and human services to balance their budgets. The House passed a budget with \$320 million in new revenue such as increases in the alcohol tax and a tax on candy and gum but could not get the Senate to approve the new revenue. The final budget has no new revenue, but increases fees on nursing homes and other fee increases.</p>
<p><b>Children’s Health: Protect Ten Years of Progress</b></p>	<p><b>Background</b> For ten years Washington has been a leader in children’s health care—understanding that preventive care is always less expensive than emergency room care. But as legislators have been desperate to reduce health care spending, children and families have begun to suffer. The slide began last year when thousands of immigrant children and parents lost their health insurance as they were “transferred” to a program that doesn’t work for them. This year the Senate proposed to rollback children’s health eligibility, the House and Senate both proposed premiums for children on Medicaid, and the Senate eliminated prenatal care for immigrant women.</p> <p><b>What Happened</b></p> <ul style="list-style-type: none"> <li>• Eligibility: Health insurance eligibility for children up to 250% FPL was retained.</li> <li>• Premiums: Washington will become one of eight states to impose premiums for medical coverage on Medicaid children who live at 150% or below the federal poverty level (“FPL”). The monthly premiums will range from \$15-25 per month and apply to children who live between 100-250% of FPL. This is estimated by the legislature to result in the loss of health care coverage for 20,000 children. This drop-off is not unintended, as legislators banked on the drop-off to provide the \$33 million state savings, not the premium collection itself.</li> <li>• Prenatal coverage for immigrant women: Coverage was funded—but in large part due to federal funding whose stability is questionable. Total funding was maintained but state funding for prenatal coverage was reduced from \$46 million to \$20 million. There will be no increase in state funding if the federal funding is lost and the program may<sup>1</sup> have to be cut to be administered within the limits of state funding.</li> <li>• Immigrant children: Immigrant children not eligible for Medicaid will continue to be enrolled into Basic Health under the current managed enrollment policies.</li> </ul>

<sup>1</sup> Premiums and all other budget items are based on the Governor’s signature of the budget that the legislature passed without changes. The Governor could veto any spending item or section of the budget.

<p><b>Public Health: Keep Moms and Babies Healthy and Fed</b></p>	<p><b>Background</b> The Special Supplemental Nutrition Program for Women, Infants and Children (WIC) provides pregnant and post partum women, infants and children with coupons for nutritious food, nutrition education and health referrals. It also provides clients in some counties with vouchers for fresh fruit and vegetables through the WIC Farmers Market Nutrition Program. Public health funds that support local WIC clinics were at risk.</p> <p><b>What Happened</b> The Governor and the Senate included “backfill” public health funding at the current spending level of \$48 million per biennium. The House included funding for only one year at \$24 million. State WIC funds and the WIC Farmers' Market Nutrition Program (“FMNP”) were included at current spending levels in all three proposed budgets. In the final budget, public health funding was included at the current spending level of \$48 million for the biennium. However, this is not considered to be stable, long-term funding for public health. During the session, SB 5920 and companion bill HB 2070 were introduced that would have asked voters statewide to raise property taxes 25 cents per \$1,000 assessed value to pay for public health. SB 5920 died in the Senate Ways &amp; Means Committee and HB 2070 died in the House Finance Committee. State WIC and WIC FMNP funding were included in the final budget at current spending levels.</p>
<p><b>School Nutrition: Increase Access to Healthy Foods in Our Schools</b></p>	<p><b>Background</b> In the past twenty years, the number of overweight children nationwide has doubled. Increased consumption of foods high in sugar and fat is a leading cause of the childhood obesity epidemic. Every day in our schools, children are surrounded by candy, soda, and junk food that through aggressive marketing encourages unhealthy consumption. In recognition of the life threatening health risks posed by obesity, the Children’s Alliance worked to pass legislation requiring that foods sold in school meet nutritional guidelines to provide a healthy educational environment and encourage a lifetime of healthy eating.</p> <p><b>What happened</b> Two bills were introduced to address this issue. SB 5436 required that all foods served in schools meet nutritional guidelines consistent with the Dietary Guidelines for Americans. Despite widespread community support, these bills were strongly resisted by soft drink, vending machine, and business interests. The Senate bill was not voted out of the Education committee and died. HB 1866 directed the Office of the Superintendent of Public Instruction (“OSPI”) to develop a model nutritional integrity policy that local school boards could adopt. While the bill was voted out of the Health care committee it was not voted out of the Appropriations committee and died. The language of the bill was later included in the House budget as a proviso, but was removed from the final budget at the insistence of the Senate. OSPI has indicated that they will still develop a model policy that local school boards can adopt.</p>
<p><b>Prevent Juvenile Crime and Child Abuse</b></p>	<p><b>Background</b> Many programs that prevent problems like child abuse, drug abuse and juvenile crime were at risk of elimination. These programs prevent family crises and are also among the best long-term human investments our state can make, largely because they save money through prevention rather than treatment. Key prevention programs were immediately at risk as the Governor eliminated the Washington Council on the Prevention of Child Abuse and Neglect and the Office of Family and Children’s Ombudsman in his budget.</p> <p><b>What Happened</b> Prevention and early intervention programs were preserved at their current funding levels, the Washington Council for the Prevention of Child Abuse and Neglect and the Office of Family and Children’s Ombudsman were saved from elimination. Critical staff in the Children’s Administration was also maintained. The Children’s Alliance worked with other members of the prevention community through</p>

	<p>the "Prevention Pays" workgroup on legislation that required that prevention programs that received state funding have measurable outcomes and goals. This bill, HB 1841 passed the House and the Senate and was vetoed by the Governor because of an amendment added by the Senate. But in essence he adopted the heart of the bill by directing DSHS to develop criteria for funding prevention and early intervention services.</p>
<p><b>Child Care: Support Working Families</b></p>	<p><b>Background</b> In order to be self-supporting parents need to find and keep jobs that pay well. Without affordable child care, low-income parents can't work. A \$50 million cut last year destroyed the opportunity for many parents to keep jobs that supported their families. The Children's Alliance was concerned that the legislature would make additional cuts this year.</p> <p><b>What Happened</b> There were no new cuts to child care or the Early Childhood Education and Assistance Program in the budget. With the recent rise in the welfare caseload, however, child care funding remains in peril.</p>

## 2. Bills the Children's Alliance supported that passed:

### Health and Safety

<b>Violent Video Games</b>	<b>ESHB 1009</b> This bill makes it a misdemeanor for retailers to sell or rent to a minor video games that depict violence against a public law enforcement officer.
<b>Children's Mental Health</b>	<b>SSHB 1784</b> This bill improves coordination of children's mental health services by improving collaboration among programs, collecting reliable and accurate data, and by identifying effective approaches used in school districts that are providing coordinated services.
<b>Lead Based Paint</b>	<b>ESSB 5586</b> This legislation accesses federal funding for the training of inspectors and risk assessors to protect the public from the dangers of lead paint.
<b>Notification to Parents of Mental Health Treatment Options</b>	<b>HB 1612</b> This bill requires evaluation and treatment facilities to notify parents of all statutorily available treatment options to every parent or guardian of a minor child when the parent or guardian seeks to have his or her minor child treated at an evaluation and treatment facility.

### Welfare Reform

<b>Job Assessments for Welfare Recipients</b>	<b>HB 1980</b> This bill provides that recipients of TANF (Temporary Assistance to Needy Families) be assessed at the earliest opportunity to determine employment potential and the need for other services.
<b>Educational Assistance Grant Program for Students with Dependents</b>	<b>ESHB 1277</b> This bill, the "Gaining Independence" bill, establishes an educational assistance grant program for financially needy students with dependents that will be funded through gifts, grants, or endowments from private sources. No state funds were appropriated for the grant program.

### Child Welfare

<b>Kinship Caregivers</b>	<b>SHB 1233</b> This bill recognizes the need to provide additional support services for relative caregivers of children who would otherwise be in foster care. This bill establishes pilot projects to assist caregivers in understanding and navigating the system of services for children in foster care.
<b>Educational Attainment for Foster Children</b>	<b>SHB 1058</b> This bill recognizes the importance of educational stability for foster children. The bill recommends the recruitment of foster homes in school districts with high rates of foster care placements, and development, and dissemination of information and materials regarding challenges faced by children in foster care.

<b>Public Access to Dependency Hearings</b>	<b>ESB 5379</b> This bill opens public dependency hearings to the public. Either party, or the child’s attorney, may move to close the hearing. No video recording of the hearing may be televised, broadcast, or further disseminated.
<b>Maintaining Sibling Relationships in Child Dependency Cases</b>	<b>ESSB 5779</b> This bill seeks to ensure that DSHS considers the best interests of the child with regard to sibling relationships when it comes to placement. Relationships will be maintained through regular visits, and courts may order visitation if in the best interests of the child.

### **Juvenile Justice**

<b>Additional Sentencing Alternatives for Juvenile Offenders</b>	<b>ESSB 5903</b> This bill provides alternatives for judges when sentencing juvenile offenders. Judges may now use their discretion to provide treatment within the local community.
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### **Education**

<b>In-state Tuition for Immigrants</b>	<b>EHB 1079</b> This bill expands the definition of resident student for higher education purposes. Students who live in the state three years prior to receiving a high school diploma or equivalent are eligible for in-state tuition at public colleges and universities in Washington.
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### **3. Bills the Children’s Alliance supported that failed:**

<b>Mental Health Parity</b>	<b>SHB 1828</b> This bill would have provided equivalent coverage for mental health and physical health issues which means that mental health coverage be delivered under the same terms and conditions as medical and surgical services. The bill died in the House Appropriations committee.
<b>Requiring Performance Audits for Tax Loopholes</b>	<b>ESHB 1869</b> This bill would have created a citizen commission to evaluate tax loopholes every six years to determine whether they are achieving their intended goal such as creating new jobs or stimulating the economy. The bill passed the House but died in the Senate Ways and Means committee.
<b>Children’s Environmental Health and Protection Council</b>	<b>HB 1412, SB 5060</b> These bills would have created a Children’s Environmental Health and Protection Advisory Council recognizing that higher rates of poverty place children from minority communities at greater risk than adults for exposure to possible illness from environmental hazards. HB 1412 died in the House Fisheries, Ecology and Parks committee. SB 5060 died in the Senate Health and Long-Term Care committee.

## 4. Bills the Children’s Alliance Opposed that Failed:

<b>Changing the Age of Consent for Mental Health Treatment</b>	<b>SHB 1320</b> This bill would have changed the age of consent for minors receiving mental health treatment from thirteen to sixteen years old. Child advocates opposed this bill because it would have made it possible for parents to involuntarily commit children to in-patient treatment without due process. It would also have restricted access to treatment for children who could not obtain parental consent. The final bill was amended to address our concerns but died after failing to be called for a vote on the House floor.
<b>Access to Health Insurance for Employers and Employees</b>	<b>SSB 5521, HB 1871</b> This bill would have allowed small businesses to purchase insurance plans providing employees with less coverage, no mental health services, no prenatal diagnoses of some congenital disorders, optional mammograms, and non neurodevelopmental therapies. These changes would have left working families with lower quality health insurance. SSB 5521 passed the Senate and died in the House. HB 1871 died in the House Health Care Committee.

## 5. Looking ahead:

As economic recovery remains slow for Washington, without new revenue the state budget outlook is not likely to improve next year. Programs that impact children and families are likely to be at risk again. As legislators often look to programs whose spending has outpaced other programs it is likely that children’s health care will be especially vulnerable. We must be vigilant to ensure that services to children protected.

### *Towing the Line*

Success for children and families this year might be measured by programs saved rather than steps forward. As noted above, few new policies were introduced this year that required a fiscal appropriation due to the severe budget crisis. Below is a list of programs at one time listed for elimination or reduction, but later saved, as well as programs that were cut.

*The following is how the Children’s Budget Coalition priorities fared:*

Intensive Family Preservation Services	No Cut
Alternative Response System	No Cut
Community Networks/Family Policy Council	No Cut
State Children’s Health Insurance Program (SCHIP)	No Cut
The Juvenile Violence Prevention Grant	No Cut
Family Reconciliation Services	No Cut
Medicaid Therapeutic Childcare	No Cut
Secured Crisis Residential Centers	No Cut
Crisis Residential Centers	No Cut
Behavioral Rehabilitation Services	No Cut
Early Childhood Education and Assistance Program	No Cut

CASA	No Cut
WIC Farmer's Market Nutrition Program	No Cut
School Stability for Foster Children	No funding
Respite Program Development	No funding
Support for Kinship Caregivers	No funding
Community Services Facilities Account	\$5.9 million
State Naturalization Program	\$2.87 million
Housing Trust Program	\$80 million

*The following programs were cut in the final budget:*

**The 2003-20005 Operating Budget**  
PROGRAM CUT (WITH DOLLAR SAVINGS)

**ESSB 5404**  
General Fund-  
State Dollars in  
millions

HOPE Beds	Unclear—based on utilization
Immigrant Prenatal Care	(\$37.8)
Children's Health Care Premiums	(\$32.9)
Restructuring Basic Health Plan	(\$158.8)
Eliminating Medically Indigent Program	(\$105.1)
Reducing Adult Dental Coverage	(\$11.7)
Limit Managed Care Rate Increases	(\$49.7)
Shifting Disability Proof for General Assistance Clients (GAU)	(\$13.7)
Increased Eligibility Determination in Medicaid	(\$23.2)

***For complete copies of any of the legislation detailed in the above report contact the Legislative Bill Room at (360) 786-7573 or go to: <http://www.leg.wa.gov/wsladm/bills.cfm>***

Questions about this summary? Would you like a presentation for your agency or group? Contact Delight Roberts at (206) 324-0340 x15, or [delight@childrensalliance.org](mailto:delight@childrensalliance.org).