



CHILDREN'S ALLIANCE

The 2002 Washington State Legislative Session ***The impact on children and families***



From the very first day of the 2002 session it was clear that Legislators had two enormous challenges - solving the state's transportation problems and finding some way of solving the huge budget deficit.

The terrorist attacks of September 11th hit Washington's economy with severe force for two principal reasons- the state's employment base and tax structure. Due to the huge drop in air travel caused by the attacks, the Boeing Company increased the number of scheduled lay-offs and by December Washington had the second highest rate of unemployment in the country. The second reason for the deficit is the extreme volatility of Washington's tax base. Since Washington does not have an income tax, the state relies heavily on two revenue streams- the sales tax and the Business and Occupation (B&O) tax. These taxes quickly reflect any downturn in consumer spending and business slow downs. By late fall 2001 the prediction was that revenue would be reduced by \$850m. This was the first biennium in forty years in which the State would take in less revenue than in the preceding biennium.

In addition to the fiscal disaster produced by the economic downturn, the situation was compounded by the State's obligation to increase spending on education due to two initiatives passed by the people, I732, the teacher's pay increase, and I728, class size reduction. By January the state was looking at a \$1.6 billion problem.

This summary is an assessment of how Washington's children fared during the supplemental legislative session, which adjourned on time on March 15, 2002. The following review examines the Legislators' actions regarding bills and budget items impacting children.

1. How did the Children's Alliance's Agenda fare?

For human services advocates, it was clear from the outset that this session would focus on defending human service funding in the budget; no new program ideas would be entertained. The Children's Alliance focused its activities on saving three key program areas: health, prevention services that keep children out of the juvenile justice and child welfare systems, and nutrition.

<p>Health: Preserving Medical Interpreter Services</p>	<p>Background <i>Washington has historically been a leader in providing language interpretation services for non-English speaking patients on Medicaid. The Governor's budget completely eliminated payment for these services, cutting \$9m in medical assistance and shifting the costs of these mandated services to providers. This change threatened to reduce access to medical care for everyone on Medicaid, as providers would likely stop accepting Medicaid patients due to these new costs.</i></p> <p>What Happened The final budget did not eliminate medical interpreter services. The Legislature has however reorganized interpretation services across all departments in DSHS; setting up a brokerage model that they anticipate will save substantial costs (\$2.5m), while maintaining access.</p>
<p>Prevention: Maintaining the State's Commitment to Prevention Programs for Families</p>	<p>Background <i>The Governor eliminated funding for a series of early intervention and prevention programs in his budget. These programs included Juvenile Violence Prevention Grants, Continuum of Care and Early Intervention Programs, the Alternative Response System, Family Reconciliation Services, the Family Policy Council and Community Networks, and the Readiness to Learn Programs. These are proven programs which save the state money in the long run, by assisting families in crisis and preventing their involvement with the child welfare and juvenile justice systems.</i></p> <p>What Happened The final budget restored all prevention programming with the exception of Family Reconciliation Services (FRS). FRS sustained a 35% cut in its budget, which will likely eliminate FRS II services. FRSII provides free family counseling to families with adolescents who are in crisis to keep them in the home.</p>
<p>Nutrition: Saving the Woman's Infants and Children's Nutrition (WIC) Program</p>	<p>Background <i>The Supplemental Nutrition Program for Women, Infants and Children (WIC) provides healthy food, nutrition counseling and health education to pregnant and parenting women and their young children. WIC benefits half of all babies born in Washington. The Governor's budget cut WIC in three ways- reducing nutritional services/administration funding by \$423,000, eliminating the WIC Farmers Market Nutrition Program by \$263,000 and eliminating support to county public health departments by \$12million.</i></p> <p>What Happened The Farmer's Market funding was restored and support for public health departments was continued until July of 2003. The cut to nutrition services/administration funding was in the final budget. These funds support the personnel costs of the staff who see the family and "administer" the food checks. Legislators hope that this funding will be replaced by uncertain future increases in federal funding.</p>

2. Were bills passed that will be good for children?

There were very few new policy initiatives started and completed this session due to the extreme demands of the fiscal situation, the small majorities commanded by the party in power in both chambers, and the customary time constraints.

Health and Safety

Anti-bullying Bill	SHB 1444 This legislation aims to reduce the incidence of bullying, intimidation and harassment in public schools. It requires school districts to develop policies to address these problems.
Family Leave Bill	ESHB 2675 This bill allows workers to use their sick leave or other paid time off to care for sick children (under 18 or older and disabled), spouses, parents or parents in law or grandparents.
Drug Sentencing Reform Bill	2SHB 2338 This bill revises sentences for non-violent drug offenders with the intention to use the savings created by shorter sentences to increase access to substance abuse treatment for offenders. Research shows that court supervised treatment is more effective in reducing recidivism than imprisonment alone. Research also shows that substance abuse and mental illness are the two major reasons why children end up in the child welfare system.
Unemployment Insurance/ Domestic Violence Bill	HB 1248 This legislation provides unemployment insurance benefits to people who must leave their employment in order to protect themselves or family members from domestic violence or stalking. It provides that a person under these circumstances has left employment for "good cause." Employers are not financially penalized.
Abandoned Baby Task Force	E SSB 5264 The Department of Social and Health Services must form a task force to determine how to implement this legislation which encourages parents who might abandon a baby to leave it in a safe place, in order to increase these babies' chances of survival. Parents and the hospital or fire station personnel who receive the baby are provided immunity from criminal persecution.

Welfare Reform

Expanding the infant exemption to 12 months	ESHB 1144 This bill revises welfare reform legislation to allow mothers on Temporary Assistance for Needy Families (TANF) to be exempt from the TANF work requirement for 12 months after giving birth. It requires them to engage in some parenting or work related activities for up to 20 hours a week.
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Housing

Low-Income Housing	SHB 2060 This bill will produce \$12 million annually for statewide and local low-income housing production through levying a \$10 surcharge on certain documents recorded at county auditors offices. Some of this new money is earmarked to support youth shelters and the emergency shelter assistance program.
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Child Welfare

Relative Caregiver Program	SHB 1397 This bill recognizes the success of placing children in foster care with their relatives and the positive outcomes these placements can produce. It creates a working group to explore how these placements can best be supported.
Education Stability for Foster Children	SB 6709 This bill sets up a work group to explore ways of maintaining a consistent educational environment for children removed from their homes by Child Protective Services. Efforts will be made to explore what can be done to keep them in their original school when safe and appropriate. It also sets up a pilot program in two districts to try new trial strategies as funding allows.
Children's System of Care	ESHB 2574 This bill establishes a demonstration project for a children's system of care in Clark and King Counties for possible future statewide expansion. This system of care will take a collaborative and coordinated approach to delivering mental health, drug and alcohol and developmental disability services, juvenile justice, child welfare and special education services. The bill also identifies goals and evaluation criteria for this effort.
Maintaining Sibling Relationships in Child Dependency Cases	ESSB 6702 This bill seeks to ensure that DSHS take into consideration the need to keep siblings together when families are broken up by Child Protective Services. If this is not possible, relationships will be maintained through regular visits, and courts may order visitation if necessary. DSHS must take this into account when pursuing a social study for purposes of placement.

Juvenile Justice/Corrections

Segregation of Offenders	SHB 2380 This bill allows a youthful offender in an adult correctional facility who has reached the age of 18 to remain in the separate housing unit for offenders under 18, if the offender's needs would be better met, and if the program or housing environment will not be substantially affected.
Children/Sex Offenders	HB 2379 This bill makes it a fourth degree misdemeanor for a parent or person entrusted with the care of a child to knowingly leave that child in the care of a registered sex offender.
Criminal Neglect	HB 2382 This legislation adds a criminal sanction to the act of neglect, which up to now was a civil offense. Persons who create an imminent and substantial risk of bodily injury to a child or dependent person, or cause bodily injury or mental distress by withholding basic necessities of life, can be found guilty of criminal mistreatment in the 4 th degree.

3. Were bills that would have been bad for children defeated?

Narrow majorities in both chambers meant that very little controversial legislation was introduced this session which was harmful to children. However a couple of bills were introduced which concerned advocates and are likely to be introduced again in the next biennium.

<p>Changing the Age of Consent for Treatment</p>	<p>HB 2371 This bill would have changed the age of consent for minors receiving chemical dependency and 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 following established protocol. It would also adversely impact access to treatment for children who did not want to seek their parent’s consent.</p>
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<p>Drug Affected Babies</p>	<p>SB 5416 The intent of this bill was to reduce the harmful effects of substance use on babies who are born drug-affected. It required screening of pregnant or lactating women by their primary care providers. Though the intent was admirable, advocates opposed this bill as it would deter mothers with high risk pregnancies from seeking prenatal care as they might be concerned about receiving mandated screening. This would adversely affect the positive health outcomes for these infants.</p>
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4. Were any bad bills for children passed?

The desperate budget situation did mean that several cost savings bills were introduced which will have negative impact for children. Among them, the one described below is of most concern to The Children’s Alliance.

<p>Reduce Medical Care for Immigrants</p>	<p>SSB 6833 Under current federal law, immigrants who cannot prove they are residing in Washington legally or those who have entered legally in the last five years are not eligible for Medicaid. The state has always provided a Medicaid look-alike program for these legally residing adults and legal and undocumented children who are in families under 115% of the federal poverty level (\$20,297 for a family of four). This bill removed these 25,000 people from this health insurance program. 23,000 of these individuals are children.</p>
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5. Were budget decisions made that will be good for children?

NB As of writing, 3/16/02, the Governor has not yet signed the budget bill so all the details outlined below are provisional.

The legislature struggled to solve the challenge created by the budget deficit. While advocates pressed for closing tax loopholes and finding new progressive revenue sources, legislators were resistant to pursue these avenues, given the recession and the perceived hostility to new taxes in the electorate.

At the final hour, a significant but controversial source of new revenue was found through "securitizing" future tobacco settlement income. \$450m will be raised by issuing bonds that will provide immediate income in return for selling future income to bond holders. 25% of future income from the settlement was bonded in this way. In a scenario similar to past years, the Legislature found a gimmick to bail out the state's economy for this biennium, but will return to face much more severe problems next year. Other sources of new revenue were found through increasing gambling (\$24m), and closing some small loop holes (\$29m). There was also a major transfer from the State's emergency reserve fund to round out the revenue solutions found (\$325m).

Once this "new" revenue was found, the budget battle revolved around distributing the cuts that still had to be made across program areas. In comparison to the House budget, the Senate budget took larger cuts to k-12 education and higher education than to human services, and the final budget came close to this high water mark.

Towing the Line

Success for children and families this year might be measured by programs saved rather than steps forward. As noted above, very little new policy was 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 final budget cut \$180 million in DSHS services.

The following programs were under threat at one time but were not cut in the final budget:

Intensive Family Preservation Services	No Cut
Alternative Response Services (ARS)	No Cut
Public Health Nurse Program	No Cut
Continuum of Care	No Cut
Community Networks/Family Policy Council	No Cut
Parent Trust Programs	No Cut
HOPE bed Reduction	No Cut
Responsible Living Skills Bed Reduction	No Cut
Special Children's Health Insurance Program (SCHIP)	No Cut
Medically Indigent Program	No Cut
MAA "Cost Containment"	No Cut
The Juvenile Violence Prevention Grant	No Cut
Truancy Petitions	No Cut
I695 Public Health Backfill	No Cut
WIC Farmer's Market Nutrition Program	No Cut
Readiness To Learn	No Cut
Secure Crisis Residential Centers	No Cut
Youth Shelter Funding	No Cut
Emergency Shelter Funding	No Cut
Emergency Food Assistance Program	No Cut
Civil Indigent Legal Representation	No Cut

The following programs were cut in the final budget document ESSB 6387:

The 2001-20003 Supplemental Operating Budget
PROGRAM CUT (WITH DOLLAR SAVINGS)

ESSB 6387
General Fund-
State Dollars

Remove Legal Immigrants from state only Medicaid plan	(\$8,925,000)
Remove Undocumented Children from state only Medicaid plan	(\$12,123,000)
Reduce Home Support Specialists	(\$625,000)
Family Reconciliation Services II (FRS II) (35% reduction)	(\$1,686,000)
Therapeutic Child Development Child Care (35% reduction)	(\$2,007,000)
Eliminate AmeriCorps Mentoring/Harborview Parent program	(\$406,000)
Eliminate Child Placing Agency Expansion	(\$694,000)
Reduce Vendor Rate Change to 1.5%	(\$1,395,000)
Eliminate Second Year of Foster Parent Rate Increase	(\$921,000)
Reduce Pediatric Interim Care	(\$161,000)
Reduce Interpreter Services in Medical Assistance	(\$728,000)
General Assistance -Unemployable Program "Efficiencies"	(\$5,400,000)
Eliminate State SSI Supplement	(\$24,500,000)
Reduce Treatment ASC	(\$1,036,000)
Freeze Case Manager Hiring in Developmental Disabilities Div.	(\$3,267,000)
Reduce Professional Services in Developmental Disabilities Div.	(\$357,000)
Reduce Professional Service Contracts in DD Div	(\$500,000)
ECEAP Admin Funding Reduction	(\$838,000)
HeadStart State Match Reduction	(\$235,000)
Community Services Block Grant Reduction	(\$673,000)
Reduce Nutrition Services and Admin in WIC	(\$423,016)
Reduce Children's Hospital Contract	(\$182,000)
Reduce Funding for Northwest Family Center	(\$174,000)
Eliminate Infant Friendly Certification	(\$83,000)
Reduce Food Stamps for Immigrants	(\$1,600,000)

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

Questions about this summary? Would you like a presentation for your agency or group? Contact Paul Barry, Legislative Director, at (206) 324-0340 x15 or e-mail paul@childrensalliance.org.