S-0316.1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SENATE BILL 5241**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**State of Washington 67th Legislature 2021 Regular Session**

**By** Senators Dhingra, Nguyen, Darneille, Das, Hasegawa, Hunt, Keiser, Liias, Nobles, Saldaña, Stanford, and Wilson, C.

AN ACT Relating to promoting economic inclusion for people experiencing poverty; adding new sections to chapter 43.31 RCW; and creating a new section.

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

NEW SECTION. **Sec.**  The legislature declares that economic inclusion shall be a top priority of Washington state's economic recovery. The legislature finds that the novel coronavirus has had a disproportionate effect upon at-risk communities. The legislature recognizes that for communities to thrive and remain vibrant, that recovery needs to be inclusive of people who are furthest away from opportunity and disproportionally more likely to experience economic hardship. The legislature acknowledges that stand-alone human service programs meet a pressing need but can be difficult to access for those lacking the resources to do so. The legislature recognizes that barriers to access can delay reentry into the workforce and career development. The legislature finds that leveraging or supporting the integration of existing benefits and services whenever possible will help people access the benefits they need to help them move out of poverty, without creating another duplicative system. The legislature finds that incorporating people with lived experience into systems development can help improve meaningful access to state programs. The legislature, therefore, intends to help facilitate an inclusive economic recovery by creating an economic inclusion grant program to provide greater access to resources for those in need.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

The definitions in this section apply throughout this act unless the context clearly requires otherwise.

(1) "Department" means the department of commerce.

(2) "Low-income individual" means a person whose household income is equal to or less than the self-sufficiency standard for their household as determined by the University of Washington's self-sufficiency calculator.

(3) "Rural counties" has the same meaning as provided for in RCW 82.14.370.

(4) "Steering committee" means the poverty reduction work group steering committee created in response to a directive of the governor, dated November 6, 2017.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

(1) The department, in consultation with the department of social and health services, the employment security department, and the steering committee, shall make and oversee the implementation of local economic inclusion grants available to local communities to promote equity, economic inclusion, and a stable financial foundation for people experiencing poverty, with a particular focus on people of color and people in rural counties, primarily through better coordination of existing programs and resources. The purpose of these grants is to empower and incentivize local communities to coordinate existing poverty reduction resources and benefits to make them easier to access, get them to the people who need them, and work as a coordinated system, to help more people move out of poverty and be included in Washington's economic success.

(2) Subject to the availability of funds appropriated for this specific purpose, local economic inclusion grants shall be made available in communities throughout all regions of the state, including rural counties and urban communities for the purpose as described in subsection (1) of this section, with an emphasis on economically distressed communities as defined by the department.

(3) Recipients of a local economic inclusion grant shall:

(a) Coordinate existing poverty reduction resources and benefits to make them easier to access, get them to the people who need them, and work as a coordinated system, to help more people move out of poverty and be included in Washington's economic success;

(b) Identify both the federal regulations that prevent better local coordination and the needs for additional state or federal funding for continuous improvement of the poverty reduction system in future years;

(c) Develop a local leadership coalition or use an existing local partnership that must include people experiencing poverty, people of color, homelessness programs, and representatives of the workforce development council, community service offices, medicaid, accountable communities of health, and associate development organizations, and may include other members;

(d) Identify a fiscal agent and lead coordinator that is either an associate development council, workforce development council, or other organization with demonstrated capacity to fulfill the responsibilities and requirements of the fiscal agent, as defined by the department;

(e) Work with people experiencing poverty to ensure they have access to multiple benefits to help them meet their basic needs, in alignment with local care coordination efforts, and when ready, develop individualized career plans leading to a self-sufficiency wage, which must be at least 200 percent of the federal poverty level, or the higher level established by the self-sufficiency standard;

(f) Provide streamlined access to local partners who can pay for education or training elements of a person's individualized career plan using federal Pell grants, the Washington college grant, or other resources;

(g) Provide streamlined access to local partners who can make monthly payments to the low-income person while in training, using existing resources such as work study payments, work experience payments, needs-related payments, or other financial aid or workforce development resources, as identified locally, and in consultation with technical assistance provided by the department. Such payments must work to maximize the total benefits available to the individual. To the extent possible under federal law, such payments must be structured so they do not reduce other benefits; including but not limited to the supplemental nutritional assistance program, temporary assistance for needy families, special supplemental nutrition program for women, infants, and children, medicaid, workforce innovation and opportunity act supportive services, or other financial and health benefits, and may be comparable to payments received by trade adjustment assistance or Montgomery GI beneficiaries; in order to provide stability during training and education;

(h) Develop a local coordination team that works to ensure easier access to all state and local government services, and identifies staff to be care and benefits navigators. These may be existing coordinators and navigators if solutions are already in place for the community to build upon rather than duplicate. The care and benefit navigators must provide convenient one-stop access to benefits available to people experiencing poverty. At a minimum, it shall be encouraged that people served by the economic inclusion grants apply for and, if eligible, receive supplemental nutritional assistance program, temporary assistance for needy families, medicaid, workforce innovation and opportunity act supportive services, or other financial and health benefits, as deemed eligible and appropriate for each person. To the extent allowable under federal law, access to benefits may not be conditioned upon seeking employment nor limited to people pursuing individual career plans, and benefits must be available to people experiencing poverty who are in need of financial stability whether or not they are pursuing career plans;

(i) Ensure equitable access to state and local government services for people with disabilities, which may include equipment and technology purchases;

(j) Both identify where federal barriers hinder efforts to coordinate benefits for customers, and elevate those issues to the department. The department, in consultation with the department of social and health services, the employment security department, and the steering committee shall apply for federal waivers and propose federal law changes to make the authorizing environment better support coordinated service delivery across programs;

(k) Ensure options for career development, English language learners, and other services for both parents in two-parent families, including child care if desired by the family; and

(l) Coordinate with similar federally funded or federally driven service coordination efforts as appropriate.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

In managing the economic inclusion grants, the department shall consult with the steering committee. Members of the steering committee must be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060, as well as child care and other expenses as needed for each day a steering committee member attends meetings to provide consultative assistance to the agencies managing the economic inclusion grants; for up to 12 meetings per calendar year.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

(1) The office of financial management shall develop a revolving fund model for economic inclusion grants, in consultation with the department, the department of social and health services, the employment security department, and the steering committee; for consideration by the legislature during the 2022 legislative session. The model must:

(a) Estimate the costs avoided by the state when a person moves out of poverty and into self-sufficiency;

(b) Ensure costs avoided are reinvested to move more households out of poverty; and

(c) Expand capacity over time to move more people out of poverty each year.

(2) Eighty percent of the estimated state costs avoided shall be reinvested into a revolving fund reserved for economic inclusion grants for each person moving into employment above 200 percent of the federal poverty level, or training for an occupation with starting wages above 200 percent of the federal poverty level.

(3) By November 15, 2021, and in compliance with RCW 43.01.036, the office of financial management must submit a report to the appropriate committees of the legislature that includes information regarding the development of a fund model for economic inclusion grants, and any recommended legislative changes to the appropriate committees of the legislature.

NEW SECTION. **Sec.**  A new section is added to chapter 43.31 RCW to read as follows:

(1) The department, in consultation with the department of social and health services, the employment security department, and the steering committee, shall apply for federal waivers to remove federal barriers to coordinating service delivery across multiple programs, where possible. Where waivers are not possible, the department shall develop a comprehensive list of federal rules and or policies that are creating barriers.

(2) The department of social and health services, in consultation with the department, employment security department, the steering committee, and other stakeholders, shall further develop measures and indicators of equitable and inclusive economic recovery already underway in the department of social and health services technical advisory group on inclusive economic recovery, and apply those measures as needed to help promote economic recovery that is racially equitable and fully inclusive of people experiencing poverty, people of color, people in rural counties, people with disabilities, and other key demographics that have historically been left behind in economic recovery.

(3) In the event an applicant has not submitted adequate documentation to participate within three months after grant announcement, the agencies may redistribute the unclaimed funding to other participating local areas.

(4) By November 15, 2021, and annually thereafter, and in compliance with RCW 43.01.036, the department, in consultation with the department of social and health services, the employment security department, and the steering committee shall report to the governor and the appropriate committees of the legislature, which shall include the legislative-executive work-first poverty reduction oversight task force. The annual report must include progress reports, measures of equitable and inclusive economic recovery, and model legislative language to further expand economic inclusion, reduce poverty, and increase coordinated service delivery across programs and agencies.

**--- END ---**