

---

## Housing, Human Services & Veterans Committee

---

### HB 2009

**Brief Description:** Creating the evergreen basic income trust.

**Sponsors:** Representatives Berry, Peterson, Ramel, Ryu, Macri, Bateman, Hackney, Ormsby, Frame and Pollet.

#### Brief Summary of Bill

- Establishes the Evergreen Basic Income Trust program (Trust) within the Department of Social and Health Services (DSHS).
- Requires the DSHS to provide monthly cash assistance under the Trust to qualified Washington residents.

**Hearing Date:** 2/1/22

**Staff:** Serena Dolly (786-7150).

#### **Background:**

##### Poverty Reduction Work Group and Steering Committee.

The Poverty Reduction Work Group (Work Group) was established by the Governor in 2017 and is co-led by the State departments of Commerce, Employment Security, and Social and Health Services. A 22-member steering committee (Steering Committee) sets priorities and direction for the development of strategies and recommendations. The Work Group was tasked with developing a strategic plan to reduce poverty, improve communities, and make needed progress related to housing, health integration, employment, and education. In January 2020, the Steering Committee published a Ten-Year Plan to Dismantle Poverty in Washington.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

### Fair Market Rents.

The United States Department of Housing and Urban Development (HUD) establishes Fair Market Rents (FMR). The HUD uses a combination of surveys, including United States Census Data, to establish FMRs on an annual basis. The FMRs are established at the 40th percentile of gross monthly rents in a jurisdiction, which in rural areas often consist of only one county but in urban areas includes a cluster of counties. In Washington, FMRs for a two-bedroom home currently range from \$783 to \$1,940.

### Home Income Limits.

The Home Investment Partnerships Program (HOME) provides formula grants to states and localities to fund a wide range of activities including building, buying, or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. The HUD conducts an annual calculation of median family income, with adjustments based on location and family size, to determine eligibility for the HOME program. In 2021, 50 percent of area median income, as determined by HUD's adjusted HOME income limits for one person in Washington, ranged from \$24,750 to \$40,500, depending on the location.

### **Summary of Bill:**

The Evergreen Basic Income Trust (Trust) is created within the Department of Social and Health Services (DSHS). Beginning January 1, 2023, the DSHS must provide monthly cash assistance equal to the FMR for a two-bedroom home in the zip code in which the eligible individual resides, or a substantially similar amount as determined by the DSHS, for 36 months.

To be eligible for cash assistance under the Trust, an individual must be:

- at least 18 years old;
- a resident of Washington;
- have reported gross income that does not exceed 50 percent of area median income, as determined by the HUD's adjusted HOME income limits or a substantially similar amount determined by the DSHS; and
- have submitted an application to the DSHS.

The DSHS must make an eligibility determination within 45 days of receiving a complete application.

Cash assistance provided by the Trust may not impact eligibility for other income or means tested programs including, the Basic Food Program, the Aged, Blind, or Disabled Cash Assistance Program, the Essential Needs and Housing Support Program, Temporary Assistance for Needy Families, indigent defense services, the Working Connections Child Care Program, and the Early Childhood Education and Assistance Program.

The DSHS must:

- prioritize outreach and enrollment efforts to the lowest income households and other

populations, such as young adults who have aged out of foster care, young adults experiencing homelessness, and adults who were formerly incarcerated;

- work with and provide financial support for community-based organizations to support outreach and enrollment, especially to people experiencing homelessness, rural communities, and immigrant and refugee communities;
- prioritize 12-month continuous eligibility, automatic enrollment whenever possible, and integration with other public benefits; and
- track information on who is receiving cash assistance by age, ethnicity, gender, household size, housing status, and race.

The DSHS must consult with the Work Group and Steering Committee for feedback on equitable and effective implementation of the Trust, including the enrollment forms, community-based outreach efforts, appeals process, and program evaluation.

By November 1, 2023, the DSHS must submit a report to the Legislature that includes outcomes of the cash assistance under the Trust, including information on who is being served by age, ethnicity, gender, household size, housing status, race, and other metrics developed in collaboration with the Work Group and Steering Committee.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.