SECOND SUBSTITUTE SENATE BILL 5241

State of Washington 67th Legislature 2021 Regular Session

By Senate Ways & Means (originally sponsored by Senators Dhingra, Nguyen, Darneille, Das, Hasegawa, Hunt, Keiser, Liias, Nobles, Saldaña, Stanford, and Wilson, C.)

READ FIRST TIME 02/22/21.

- AN ACT Relating to promoting economic inclusion for people experiencing poverty; adding new sections to chapter 43.31 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. The legislature declares that economic NEW SECTION. 6 inclusion shall be a top priority of Washington state's economic 7 recovery. The legislature finds that the novel coronavirus has had a 8 disproportionate effect upon at-risk communities. The legislature 9 recognizes that for communities to thrive and remain vibrant, that 10 recovery needs to be inclusive of people who are furthest away from 11 opportunity and disproportionally more likely to experience economic 12 hardship. The legislature acknowledges that stand-alone human service 13 programs meet a pressing need but can be difficult to access for 14 those lacking the resources to do so. The legislature recognizes that 15 barriers to access can delay reentry into the workforce and career 16 development. The legislature finds that leveraging or supporting the 17 integration of existing benefits and services whenever possible will 18 help people access the benefits they need to help them move out of 19 poverty, without creating another duplicative system. The legislature 20 finds that incorporating people with lived experience into systems 21 development can help improve meaningful access to state programs. The

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- 1 legislature, therefore, intends to help facilitate an inclusive
- 2 economic recovery by creating an economic inclusion grant program to
- 3 provide greater access to resources for those in need.
- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.31
- 5 RCW to read as follows:

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- The definitions in this section apply throughout this act unless the context clearly requires otherwise.
- 8 (1) "Department" means the department of commerce.
- 9 (2) "People experiencing poverty" means households whose income 10 are at or below 200 percent of the federal poverty level.
- 11 (3) "Rural counties" has the same meaning as provided for in RCW 82.14.370.
- 13 (4) "Self-sufficiency" means a level of household income that is 14 equal to or more than the self-sufficiency standard for a household 15 as determined by the University of Washington's self-sufficiency 16 calculator.
- 17 (5) "Steering committee" means the poverty reduction work group 18 steering committee created in response to a directive of the 19 governor, dated November 6, 2017.
- NEW SECTION. Sec. 3. A new section is added to chapter 43.31 RCW to read as follows:
- (1) The department, in consultation with the department of social 22 23 and health services, the employment security department, the department of children, youth, and families, the health care 24 authority, and the steering committee, shall make and oversee the 25 26 implementation of local economic inclusion grants available to local 27 communities to promote equity, economic inclusion, and a stable financial foundation for people experiencing poverty, with a 28 29 particular focus on people of color and people in rural counties, 30 primarily through better coordination of existing programs and resources. The purpose of these grants is to empower and incentivize 31 local communities to coordinate existing poverty reduction resources 32 and benefits to make them easier to access, get them to the people 33 who need them, and work as a coordinated system, to help more people 34 move out of poverty and be included in Washington's economic success. 35
 - (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,

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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, the health care authority community service offices, 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

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1 must work to maximize the total benefits available to the individual. To the extent possible under federal law, such payments must be 2 3 structured so they do not reduce other benefits; including but not limited to the supplemental nutritional assistance program, temporary 4 assistance for needy families, special supplemental nutrition program 5 6 for women, infants, and children, medicaid, workforce innovation and 7 opportunity act supportive services, or other financial and health benefits, and may be comparable to payments received by trade 8 adjustment assistance or Montgomery GI beneficiaries; in order to 9 provide stability during training and education; 10

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- (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, the department of children, youth, and families, the health care authority, and the steering committee may apply for federal waivers and propose federal law changes to make the authorizing environment better support coordinated service delivery across programs;

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- 1 (k) Ensure options for career development, English language 2 learners, and other services for both parents in two-parent families, 3 including child care if desired by the family; and
- 4 (1) Coordinate with similar federally funded or federally driven 5 service coordination efforts as appropriate.
- 6 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 43.31 7 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. 5. 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, the department of children, youth, and families, the health care authority, and the steering committee, shall develop a comprehensive list of federal waivers to remove federal barriers to coordinating service delivery across multiple programs. Where waivers are not possible, the department shall develop a comprehensive list of federal rules and or policies that are creating barriers and include this information. Information developed in this section shall be included in the annual report as provided for in subsection (4) of this section.
- (2) The department of social and health services, in consultation with the department, employment security department, the department of children, youth, and families, the health care authority, 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

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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, the department of children, youth, and families, the health care authority, 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, an estimate of costs avoided by the state when a person moves out of poverty and into self-sufficiency, 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.

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