

---

SECOND SUBSTITUTE SENATE BILL 6241

---

State of Washington

56th Legislature

2000 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Fairley, Kohl-Welles, Brown, Shin, Kline, Fraser, Prentice, McAuliffe, Patterson, Eide, Rasmussen and Costa)

Read first time 02/08/2000.

1 AN ACT Relating to establishing performance measures and the  
2 setting of goals for earnings gains, job retention, access to benefits  
3 that support work and customer service for the WorkFirst program;  
4 adding new sections to chapter 74.08A RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** LEGISLATIVE INTENT AND FINDINGS. The  
7 legislature finds that the implementation of the Washington WorkFirst  
8 temporary assistance for needy families act has resulted in a  
9 substantial reduction in single-parent and two-parent family caseloads.  
10 The legislature also finds that many of the WorkFirst participants who  
11 have found unsubsidized paid employment are working in jobs that result  
12 in family incomes that are close to or below the federal poverty line.  
13 The legislature also finds that families who are living at or close to  
14 the federal poverty line have a higher risk of returning to public  
15 assistance and face many challenges in helping their children succeed  
16 in school and prepare for the jobs of the future. The legislature also  
17 finds that many families who should be receiving supportive benefits  
18 such as medicaid, child care, and food stamps are not receiving them.

1 It is the intent of the legislature to ensure that the WorkFirst  
2 program leads to substantial increases in hourly wages and quarterly  
3 earnings, and high levels of job retention. The legislature  
4 acknowledges that receipt of food stamps, medicaid, and child care  
5 benefits provide wage supports that can raise families' standard of  
6 living and prevent families from returning to cash assistance because  
7 they need health care, child care, or are hungry.

8 It is the intent of the legislature to adopt performance measures  
9 and goals for increases in hourly wages, quarterly earnings, job  
10 retention, and access to benefits that support work for WorkFirst  
11 participants who have entered unsubsidized paid employment. It is also  
12 the intent of the legislature to direct the department of social and  
13 health services to establish and meet customer service measures and  
14 goals for the WorkFirst program. These measures shall be used to  
15 assess the effectiveness of the WorkFirst program in promoting a rising  
16 standard of living, stable employment, and career advancement for  
17 WorkFirst participants who enter unsubsidized paid employment. It is  
18 the intent of the legislature that the program's performance in  
19 achieving these goals shall be published and made available to the  
20 legislature and the general public on a quarterly basis.

21 The legislature recognizes that many families who are working need  
22 supportive services such as medicaid, child care, and food stamps, and  
23 that the current structure of service delivery often requires families  
24 to miss work in order to get those services. Because one of the goals  
25 of the WorkFirst program is to support working families, the  
26 legislature intends for changes to be made in customer service and  
27 service delivery to ensure that working families can get services  
28 without missing work or jeopardizing their employment.

29 NEW SECTION. **Sec. 2.** REPORTS, AND PROGRAM GOALS AND PERFORMANCE  
30 MEASURES FOR EARNINGS GAINS. (1) The department of social and health  
31 services shall report the starting wages of all WorkFirst participants  
32 who have found unsubsidized paid employment on a quarterly basis.

33 (2) The legislature establishes the following median earnings gains  
34 goals for all WorkFirst participants who find unsubsidized paid  
35 employment:

- 36 (a) Five percent median earnings gain six months after employment;
- 37 (b) Fifteen percent median earnings gain one year after employment;
- 38 (c) Twenty percent median earnings gain two years after employment;

1 (d) Twenty-five percent median earnings gain three years after  
2 employment;

3 (e) Ten percent median earnings gain between the first and second  
4 year of employment; and

5 (f) Five percent median earnings gain between the second and third  
6 years of employment.

7 (3) The goals under subsection (2) of this section shall include  
8 both hourly wages and quarterly earnings and shall be measured and  
9 reported in the following manner:

10 (a) All WorkFirst participants who have found unsubsidized paid  
11 employment shall be included in the measurement of earnings gains. All  
12 of the wages used in these measures shall be adjusted for inflation  
13 using the federal consumer price index in order to ensure that the  
14 state is accurately assessing the inflation adjusted wage and earnings  
15 gains for former WorkFirst participants. The hours worked and  
16 quarterly earnings used to measure earnings gains and job retention  
17 shall be based on the wage files collected and maintained by the  
18 employment security department.

19 (b)(i) The hourly wage rate at employment is defined as the  
20 quarterly earnings for the first full calendar quarter after finding  
21 unsubsidized paid employment divided by the number of hours worked in  
22 that quarter.

23 (ii) The hourly wage rate at six months after employment is defined  
24 as the quarterly earnings in the third full calendar quarter after  
25 finding unsubsidized paid employment divided by the number of hours  
26 worked in that quarter.

27 (iii) The hourly wage rate at one year after employment is defined  
28 as the quarterly earnings in the fifth full calendar quarter after  
29 finding unsubsidized paid employment divided by the number of hours  
30 worked in that quarter.

31 (iv) The hourly wage rate at two years after employment is defined  
32 as the quarterly earnings in the ninth full calendar quarter after  
33 finding unsubsidized paid employment divided by the number of hours  
34 worked in that quarter.

35 (v) The hourly wage rate at three years after employment is defined  
36 as the quarterly earnings in the thirteenth full calendar quarter after  
37 finding unsubsidized paid employment divided by the number of hours  
38 worked in that quarter.

1 (c)(i) The quarterly earnings at employment are defined as the  
2 quarterly earnings in the first full calendar quarter after finding  
3 unsubsidized paid employment.

4 (ii) The quarterly earnings six months after employment are defined  
5 as the quarterly earnings in the third full calendar quarter after  
6 finding unsubsidized paid employment.

7 (iii) The quarterly earnings one year after employment are defined  
8 as the quarterly earnings in the fifth full calendar quarter after  
9 finding unsubsidized paid employment.

10 (iv) The quarterly earnings two years after employment are defined  
11 as the quarterly earnings in the ninth full calendar quarter after  
12 finding unsubsidized paid employment.

13 (v) The quarterly earnings three years after finding unsubsidized  
14 paid employment are defined as the quarterly earnings in the thirteenth  
15 full calendar quarter after finding unsubsidized paid employment.

16 (d) The percentage hourly wage gains or losses shall be calculated  
17 by dividing the:

18 (i) Hourly wage rate six months after employment by the hourly wage  
19 rate at employment;

20 (ii) Hourly wage rate one year after employment by the hourly wage  
21 rate at employment;

22 (iii) Hourly wage rate two years after employment by the hourly  
23 wage rate at employment;

24 (iv) Hourly wage rate three years after employment by the hourly  
25 wage rate at employment;

26 (v) Hourly wage rate two years after employment by the hourly wage  
27 rate at one year after employment; and

28 (vi) Hourly wage rate at three years after employment by the hourly  
29 wage rate two years after employment.

30 (e) The percentage quarterly wage gains or losses shall be  
31 calculated by dividing the:

32 (i) Quarterly earnings six months after employment by the quarterly  
33 earnings at employment;

34 (ii) Quarterly earnings one year after employment by the quarterly  
35 earnings at employment;

36 (iii) Quarterly earnings two years after employment by the  
37 quarterly earnings at employment;

38 (iv) Quarterly earnings three years after employment by the  
39 quarterly earnings at employment;

1 (v) Quarterly earnings two years after employment by the quarterly  
2 earnings at one year after employment; and

3 (vi) Quarterly earnings three years after employment by the  
4 quarterly earnings two years after employment.

5 (f) The median earnings gains for all hourly wages and quarterly  
6 earnings measures are defined as the midpoint of the distribution of  
7 the percentage earnings gains for all WorkFirst participants who found  
8 unsubsidized paid employment. This definition applies to both hourly  
9 wages and quarterly earnings gains.

10 (g) Participants for whom no earnings are reported in the third,  
11 fifth, ninth, or thirteenth quarters shall be excluded from the measure  
12 for that particular quarter. For example, if a participant has  
13 earnings in the first quarter but none in the fifth quarter, they will  
14 be excluded from the measure for the fifth quarter. The participant  
15 would still be included in the measures for subsequent quarters, the  
16 ninth or thirteenth during which they report earnings.

17 NEW SECTION. **Sec. 3.** PROGRAM GOALS AND PERFORMANCE MEASURES FOR  
18 JOB RETENTION. (1) The legislature establishes the following full-time  
19 and half-time employment and job retention goals for all WorkFirst  
20 participants who find unsubsidized paid employment:

21 (a) Sixty percent are working full-time one year after finding  
22 unsubsidized paid employment;

23 (b) Sixty-five percent are working full-time two years after  
24 finding unsubsidized paid employment;

25 (c) Seventy percent are working full-time three years after finding  
26 unsubsidized paid employment;

27 (d) Seventy percent are working at least half-time one year after  
28 finding unsubsidized paid employment;

29 (e) Seventy-five percent are working at least half-time two years  
30 after finding unsubsidized paid employment; and

31 (f) Eighty percent are working at least half-time three years after  
32 finding unsubsidized paid employment.

33 (2) It is the intent of the legislature that the reports mandated  
34 in this act shall include all WorkFirst participants who have entered  
35 unsubsidized paid employment since the start of the WorkFirst program  
36 in July 1997.

37 (a) The employment security department shall publish on a quarterly  
38 basis a report that details the performance of the WorkFirst program in

1 meeting the program goals of wage progression and job retention. These  
2 reports shall be submitted to the appropriate legislative committees  
3 and made available to the public each quarter. Given the legislature's  
4 goal of encouraging substantial increases in earnings and job  
5 retention, the department shall develop reports that track the  
6 performance of participants back to the start of the program in July  
7 1997. These quarterly reports shall document the performance of each  
8 group of WorkFirst participants who enter unsubsidized paid employment  
9 based on the first quarter that they found unsubsidized paid employment  
10 after entering the WorkFirst program. For example, the WorkFirst  
11 participants who found employment in the third quarter of 1997 shall  
12 have their performance tracked over a three-year period. Each  
13 subsequent group of participants who found employment in the following  
14 quarters shall be tracked separately. Each quarterly report shall  
15 report separately on each group of participants who found unsubsidized  
16 paid employment in separate quarters.

17 (b) The employment security department shall submit its first  
18 report to the legislature by September 2, 2000. This initial report  
19 shall include earnings and job retention information on all WorkFirst  
20 participants who found unsubsidized paid employment since the start of  
21 the program in July 1997 through December 31, 1999.

22 (c) The department shall submit additional reports to the  
23 legislature on a quarterly basis on October 1st, January 1st, April  
24 1st, and July 1st of each year using the methodology outlined in this  
25 act. Each report shall add new groups of WorkFirst participants who  
26 find unsubsidized paid employment in subsequent quarters.

27 (3) Definitions of full-time and half-time work are as follows:

28 (a) Working full time is defined as unsubsidized paid employment at  
29 least thirty-five hours per week and shall be determined by dividing  
30 the number of hours worked in the relevant calendar quarter by thirteen  
31 weeks. Working full time is also defined as attending school for nine  
32 or more credit hours or attending school for three or more credit hours  
33 and working part time.

34 (b) For the purposes of this section, working half time is defined  
35 as unsubsidized paid employment and/or job training at least twenty  
36 hours per week, or attending school for three or more credit hours, and  
37 shall be determined by dividing the number of hours worked in the  
38 relevant calendar quarter by thirteen weeks.

1 (c) Working full time or half time and working one, two, or three  
2 years after finding unsubsidized paid employment shall be measured in  
3 the fifth, ninth, and thirteenth full calendar quarters, respectively,  
4 after the WorkFirst participant entered unsubsidized paid employment.

5 (d) Attending school is defined only as participating in education  
6 and training provided by state-funded community and technical colleges.  
7 Student attendance data will be provided to the employment security  
8 department from the state board for community and technical colleges.

9 (e) All WorkFirst participants who enter unsubsidized paid  
10 employment shall be counted in the measures of working full time and  
11 working half time.

12 NEW SECTION. **Sec. 4.** ACCESS TO BENEFITS THAT SUPPORT WORK. (1)  
13 For the purposes of this section, the term "access to benefits ratio"  
14 means the number of families who leave the temporary assistance for  
15 needy families program or participate in the temporary assistance for  
16 needy families cash diversion program in a given quarter who, at the  
17 end of the following quarter, are receiving a work support benefit or  
18 are not in need of that benefit, as determined in subsection (2) of  
19 this section, divided by the total number of families who leave  
20 temporary assistance for needy families or participate in the temporary  
21 assistance for needy families cash diversion program in a given  
22 quarter.

23 (2) Work support benefits are defined as: Food stamps; health  
24 insurance through medicaid or other state or federal coverage; and  
25 child care assistance. A family shall be determined to be not in need  
26 of food stamps if they are ineligible due to income, resources, or  
27 categorical eligibility requirements. A family shall be determined to  
28 be not in need of health insurance through medicaid or other state or  
29 federal coverage if they have other health coverage. A family shall be  
30 determined to be not in need of child care assistance if they are  
31 ineligible due to income, resources, or categorical eligibility  
32 requirements, or if they have a plan for adequate child care  
33 appropriate to the age of the child.

34 (3) The legislature establishes the goal of a ninety-five percent  
35 access to benefits ratio for each of the three work support benefits.  
36 The department shall report to the legislature on a quarterly basis and  
37 make available to the public the access to benefits ratio for each work  
38 support benefit. The first report shall be submitted to the

1 legislature and made available to the general public by February 1,  
2 2001, for families leaving assistance during the first quarter of  
3 fiscal year 2001.

4 (4) The department shall establish baseline access to benefits  
5 ratios as the average of the access to benefits ratios for the four  
6 quarters in fiscal year 2001. In subsequent fiscal years, the  
7 department shall achieve the goal established in subsection (3) of this  
8 section or shall achieve a ten percentage point improvement in the  
9 average annual access to benefits ratios for the prior fiscal year.

10 (5) If the department does not achieve the requirements of  
11 subsection (4) of this section for a fiscal year, it shall implement  
12 procedural changes within its available resources to achieve the  
13 requirements.

14 (6) If the department does not achieve the requirements of  
15 subsection (4) of this section for two consecutive fiscal years, it  
16 shall implement an informed consent procedure for all families leaving  
17 temporary assistance for needy families or who participate in temporary  
18 assistance for needy families cash diversion program. The informed  
19 consent procedure shall ensure that case files contain documented  
20 evidence of ineligibility status for substantive reasons that do not  
21 include the case termination code "other" or the case file must include  
22 written documentation that the client has declined the work support  
23 benefit.

24 NEW SECTION. **Sec. 5.** In order to assess the degree to which  
25 eligible families continue to access work support benefits more than  
26 six months after leaving temporary assistance for needy families, the  
27 office of financial management shall update and expand the Washington  
28 population survey to obtain information about former temporary  
29 assistance for needy families recipients and other low-income families  
30 and their use of state subsidized health insurance, food stamps, child  
31 care subsidies, and the earned income tax credit. The office of  
32 financial management shall prepare a report every two years for the  
33 legislature and general public using information about family size and  
34 income that compares the number of families predicted to be eligible  
35 based on gross family income for each of these four benefits to the  
36 number of families actually using each of the four benefits. The  
37 report shall also identify factors affecting use of benefits such as



1 racial categories, geographic regions, citizen status, and immigration  
2 history.

3 NEW SECTION. **Sec. 6.** CUSTOMER SERVICE PERFORMANCE MEASURES. The  
4 department shall convene a working group that includes stakeholders and  
5 recipients of public assistance to establish basic customer service  
6 performance measures and goals. The customer service measures and  
7 goals will seek to make support for working families a priority.  
8 Customer service measures shall include, but are not limited to: Hours  
9 of operation that allow working families to get services without  
10 missing work; streamlining requirements to make it easier for working  
11 families to begin and continue using supportive benefits; wait times;  
12 access to benefits that support work; access to job training and  
13 education; access to apprenticeships and preapprenticeship training  
14 programs; access to postemployment and job retention services; access  
15 to information about the earned income tax credit; and access to  
16 services for families with limited literacy or English skills, and  
17 families with special needs.

18 The department shall report to the legislature by January 2001 and  
19 make available to the public the establishment of customer service  
20 measures and goals, the process for agreeing on those measures and  
21 goals, and departmental action to assure the goals are being met. The  
22 department shall make a written report to the legislature on the  
23 ongoing attainment of customer service goals twice per year.

24 NEW SECTION. **Sec. 7.** Captions used in this act are not any part  
25 of the law.

26 NEW SECTION. **Sec. 8.** Sections 2 through 6 of this act are each  
27 added to chapter 74.08A RCW.

--- END ---