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## ENGROSSED SECOND SUBSTITUTE HOUSE BILL 3141

## State of Washington 61st Legislature 2010 Regular Session

By House Ways & Means (originally sponsored by Representatives Kagi, Pettigrew, Seaquist, Kenney, and Ormsby)

READ FIRST TIME 02/09/10.

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- AN ACT Relating to redesigning the delivery of temporary assistance for needy families; amending RCW 74.08A.285 and 74.08A.320; adding new
- 3 sections to chapter 74.08A RCW; adding a new section to chapter 43.215
- 4 RCW; creating a new section; and repealing RCW 74.08A.200.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 74.08A RCW 7 to read as follows:
  - (1) The legislature finds that the goal of the Washington WorkFirst program is economic self-sufficiency for families through unsubsidized employment. The legislature also finds that matching available resources with families' needs and developing a comprehensive plan assists families in attaining lasting self-sufficiency through employment.
    - (2) The legislature also finds that the primary purposes of the temporary assistance for needy families program are: (a) To help job ready participants secure gainful employment; (b) to assist parents to prepare for and obtain sustainable employment that will lift the family out of poverty and lead to economic self-sufficiency; and (c) to

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- provide basic income assistance and support to parents who are disabled or otherwise exempt from work activity requirements under federal law.
- (3) The legislature further finds that parents who have adequate job skills and experiences should be referred to job search activities that will lead to employment.
- (4) The legislature also finds that completion of appropriate educational and training programs is necessary for some families to achieve economic self-sufficiency through employment because research demonstrates that without adequate levels of education or training, job search activities alone have no measurable impact on a family's ability to become and remain economically self-sufficient.
- (5) The legislature further finds that while many families have been successful in permanently leaving the program of temporary assistance for needy families, statistics indicate that families continue to return to the program in the absence of adequate education and training.
- (6) In order to provide work opportunities for parents with significant barriers to employment, the legislature intends to build upon the successes of the community jobs program and to provide subsidized employment opportunities to parents who are unable to find employment after earnest efforts at job search or education and training activities.
- (7) The legislature recognizes the vital importance of early childhood development and the significant developmental risks presented for children living in low-income households, particularly during critical developmental stages. Therefore, the legislature intends to reform components of Washington's subsidized childcare program by redesigning the eligibility determination process to promote: (a) Stability for children and (b) predictability for parents who are either working or preparing and searching for work and the childcare providers who are serving low-income families.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.215 RCW to read as follows:
- 34 (1) The department shall establish and implement policies in the 35 working connections child care program to promote stability and quality 36 of care for children from low-income households. Policies for the 37 expenditure of funds constituting the working connections child care

program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.

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- (2) Beginning in fiscal year 2011, for families with children enrolled in an early childhood education and assistance program, a head start program, or an early head start program, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months.
- 10 (3) The department, in consultation with the department of social 11 and health services, shall report to the legislature by September 1, 12 2011, with:
- 13 (a) An analysis of the impact of the twelve-month authorization 14 period on the stability of child care, program costs, and 15 administrative savings; and
- 16 (b) Recommendations for expanding the application of the twelve-17 month authorization period to additional populations of children in 18 care.
- 19 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 74.08A RCW 20 to read as follows:
- The Washington WorkFirst subcabinet, in consultation with the governor, shall:
  - (1) Reevaluate the structure and policies of the WorkFirst program in the context of legislative intent expressed in section 1 of this act, and in consideration of the relevant research relating to family economic self-sufficiency and the completion of training and education programs shown to be correlated with increased earnings and career growth;
  - (2) Develop a proposal for redesigning the state's use of temporary assistance for needy families funds in a manner that makes optimum use of all funds available in the state to promote more families moving out of poverty to sustainable self-sufficiency. The subcabinet must report the proposal to the appropriate committees of the legislature by December 1, 2010. The proposal must include the following elements:
- 35 (a) A process for conducting a reassessment for persons who have 36 been unable to achieve sustainable self-sufficiency through employment 37 after receiving WorkFirst assistance for fifty-four months. The

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- reassessment must be designed to determine if referral to community jobs or other services, including education and training opportunities, is appropriate or necessary to assist the person in attaining selfsufficiency for the family;
  - (b) A plan for referring persons who have been unsuccessful in finding sustainable employment to the community jobs program or other wage-subsidized employment program established under RCW 74.08A.320. Referrals should complement other activities that might be identified in a reassessment under (a) of this subsection; and
  - (c) A schedule for the development and implementation of three pathways to family self-sufficiency that will guide case management and engage parents early in developing a comprehensive plan to achieve self-sufficiency while addressing families' current basic needs. The pathways must address appropriate referrals for:
  - (i) Persons who have: (A) Marketable job skills, adequate education, or experience and attachment to the job force, (B) transportation, (C) safe child care arrangements in place, and (D) no unaddressed barriers to employment;
  - (ii) Persons who have: (A) Few or no marketable job skills, (B) little experience or attachment to the job force, (C) no high school diploma or equivalent, or (D) a need to complete adult basic education or other activities to remove barriers to employment; and
  - (iii) Persons who are: (A) Incapacitated and unemployable, (B) caring for a child with a disability, or (C) the primary caregiver for a family member with a disability; and
  - (3)(a) Adopt the goal of increasing the percentage of households receiving temporary assistance for needy families that move into the middle-income bracket or higher, and delineate specific program strategies within the proposal required in subsection (2) of this section to reach that goal.
  - (b) The proposal developed under subsection (2) of this section shall also include an estimate by the office of financial management, in consultation with other state agencies, of the percentage of Washington residents with incomes in the middle-income bracket or higher, and the percentage of WorkFirst clients who have historically moved into the middle-income bracket or higher. The office of financial management shall continue, by December 1 of every year

thereafter, to estimate and report the percentage of Washington residents with incomes in the middle-income bracket or higher to the governor and the appropriate committees of the legislature.

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- (c) For purposes of this section, "middle-income bracket" means family incomes between two hundred and five hundred percent of the 2009 federal poverty level, as determined by the United States department of health and human services for a family of four, adjusted annually for inflation.
- 9 **Sec. 4.** RCW 74.08A.285 and 2003 c 383 s 3 are each amended to read 10 as follows:

11 The WorkFirst program operated by the department to meet the 12 federal work requirements specified in P.L. 104-193 shall contain a job search component. The component shall consist of instruction on how to 13 secure a job and assisted job search activities to locate and retain 14 15 employment. Nonexempt recipients of temporary assistance for needy 16 families shall participate in an initial job search for no more than 17 twelve consecutive weeks, when appropriate, given the recipient's marketable job skills, attachment to the labor force, and level of 18 education or training. Each recipient shall receive a work skills 19 20 assessment upon referral to the job search program. The work skills 21 assessment shall include but not be limited to education, employment 22 history, employment strengths, and job skills. The recipient's ability 23 to obtain employment will be reviewed periodically thereafter and, if 24 it is clear at any time that further participation in a job search will not be productive, the department shall assess the recipient pursuant 25 26 to RCW 74.08A.260. The department shall refer recipients unable to find employment through the initial job search period to ((work)) 27 activities that will develop their skills or knowledge to make them 28 29 more employable, including additional job search and job readiness 30 assistance.

**Sec. 5.** RCW 74.08A.320 and 1997 c 58 s 325 are each amended to read as follows:

The department shall establish a wage subsidy program to be known as the community jobs program for recipients of temporary assistance for needy families who have barriers to employment, lack experience and attachment to the job force, or have been unsuccessful in securing

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employment leading to family self-sufficiency. The department shall 1 2 give preference in job placements to private sector employers that have agreed to participate in the wage subsidy program. The department 3 shall identify characteristics of employers who can meet the employment 4 5 goals stated in RCW 74.08A.410. The department shall use these characteristics in identifying which employers may participate in the 6 7 program. The department shall adopt rules for the participation of recipients of temporary assistance for needy families in the wage 8 9 subsidy program. Participants in the program established under this 10 section may not be employed if: (1) The employer has terminated the employment of any current employee or otherwise caused an involuntary 11 12 reduction of its workforce in order to fill the vacancy so created with 13 the participant; or (2) the participant displaces or partially 14 displaces current employees. Employers providing positions created under this section shall meet the requirements of chapter 49.46 RCW. 15 This section shall not diminish or result in the infringement of 16 obligations or rights under chapters 41.06, 41.56, and 49.36 RCW and 17 the national labor relations act, 29 U.S.C. Ch. 7. The department 18 shall establish such local and statewide advisory boards, including 19 business and labor representatives, as it deems appropriate to assist 20 21 in the implementation of the wage subsidy program. Once the recipient 22 is hired, the wage subsidy shall be authorized for up to nine months.

NEW SECTION. Sec. 6. RCW 74.08A.200 (Intent--Washington WorkFirst) and 1997 c 58 s 301 are each repealed.

NEW SECTION. Sec. 7. It is the intent of the legislature that this act be implemented within the funding appropriated in the 2009-11 biennial budget. No additional appropriations will be provided for its implementation.

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