HOUSE BILL REPORT E2SHB 1783

As Amended by the Senate

Title: An act relating to creating the Washington state office of equity.

Brief Description: Creating the Washington state office of equity.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Gregerson, Morgan, Ryu, Lovick, Valdez, Ramos, Thai, Reeves, Slatter, Lekanoff, Peterson, Macri, Entenman, Pettigrew, Bergquist, Callan, Stonier, Orwall, Hudgins, Riccelli, Mead, Senn, Santos, Chapman, Walen, Kloba, Doglio, Tarleton, Pollet, Dolan, Davis, Jinkins, Wylie, Shewmake, Pellicciotti, Fey, Stanford, Sells, Morris, Kilduff, Leavitt, Appleton, Tharinger, Ormsby, Frame and Robinson).

Brief History:

Committee Activity:

State Government & Tribal Relations: 2/6/19, 2/13/19 [DPS]; Appropriations: 2/26/19, 2/28/19 [DP2S(w/o sub SGOV)].

Floor Activity:

Passed House: 1/20/20, 56-41.

Senate Amended.

Passed Senate: 3/5/20, 28-21.

Brief Summary of Engrossed Second Substitute Bill

- Establishes the Washington State Office of Equity (Equity Office).
- Creates a Community Advisory Board to advise the Equity Office on its priorities and timelines.
- Requires the Equity Office to submit a report to the Legislature and Governor every two years.
- Requires state agencies to: apply an equity lens to agency decision-making; designate a diversity, equity, and inclusion liaison; develop plans for diversity, equity, and inclusion and for language access; and collaborate with the Equity Office to develop performance measures.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL RELATIONS

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

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Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Gregerson, Chair; Pellicciotti, Vice Chair; Appleton, Dolan and Hudgins.

Minority Report: Do not pass. Signed by 3 members: Representatives Walsh, Ranking Minority Member; Goehner, Assistant Ranking Minority Member; Smith.

Minority Report: Without recommendation. Signed by 1 member: Representative Mosbrucker.

Staff: Carrington Skinner (786-7192).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on State Government & Tribal Relations. Signed by 19 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Cody, Dolan, Fitzgibbon, Hansen, Hudgins, Jinkins, Macri, Pettigrew, Pollet, Ryu, Senn, Springer, Stanford, Sullivan, Tarleton and Tharinger.

Minority Report: Do not pass. Signed by 13 members: Representatives Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Dye, Hoff, Kraft, Mosbrucker, Schmick, Steele, Sutherland and Ybarra.

Staff: Jessica Van Horne (786-7288).

Background:

Various state agencies, including the Governor's Interagency Coordinating Council on Health Disparities (Council), have undertaken efforts to promote equity and reduce disparities statewide. In January 2018 the Council issued a state policy action plan related to its work to eliminate health inequities by race/ethnicity and gender. As part of that plan, the Council recommended that the Governor issue a policy to create a comprehensive initiative to promote equity in state government. The Council recommended that the initiative include actions such as collecting disaggregated data to raise awareness of inequities and ensuring diverse communities have a voice in state government decisions.

A proviso in the 2019-2021 biennial operating budget directed the Council to convene and staff an Office of Equity Task Force (Task Force) that would develop a proposal for the creation of the Washington State Office of Equity (Equity Office). The Task Force is composed of representatives from:

- the Council;
- the Governor's Office of Indian Affairs:
- the Commission on African American Affairs;
- the Commission on Asian Pacific American Affairs;
- the Commission on Hispanic Affairs;
- the Office of Minority and Women's Business Enterprises;

- the Washington State Women's Commission;
- the Human Rights Commission; and
- the disability community appointed by the Chair of the Governor's Committee on Disability Issues and Employment.

In addition, the Task Force includes two Representatives appointed by the Speaker of the House of Representatives and two Senators appointed by the President of the Senate. The Governor also appoints three members to the Task Force, including representatives from the Office of the Governor, the Office of Financial Management's (OFM) Diversity, Equity, and Inclusion Council, and the Lesbian, Gay, Bisexual, Transgender, and Queer community.

The Task Force has held multiple public meetings and public forums in different locations across the state as part of its work to develop recommendations on the general structure and roles for the Equity Office. The Task Force will continue to meet in 2020 to develop additional recommendations and is required to produce a final report by July 1, 2020.

Summary of Engrossed Second Substitute Bill:

Washington State Office of Equity Established.

The Equity Office is established on July 1, 2020, within the Office of the Governor, to promote access to equitable opportunities and resources that reduce disparities and improve outcomes statewide across state government. The work of the Equity Office must be guided by principles of equity as set forth in the bill.

The Governor is required to appoint a Director to administer the Equity Office (Director). The Director must employ and supervise staff and oversee the administration and programs of the Equity Office in accordance with guiding principles.

Duties of the Washington State Office of Equity.

The Equity Office is required to facilitate state policy and systems change to promote equitable policies, practices, and outcomes through:

- assisting agencies in applying an equity lens to agency decision-making through various means;
- promoting community outreach and engagement by staffing a Community Advisory Board and collaborating with specified state agencies;
- collaborating with OFM and Department of Enterprise Services to develop policies and provide technical assistance and training for agencies on maintaining a diverse, inclusive, and culturally sensitive workforce;
- collaborating with Results Washington and agencies to establish certain standards for data, create performance measures, and develop an online performance dashboard;
- collaborating with OFM to track disparities in public employment;
- coordinating with the Office of Privacy and Data Protection to address cybersecurity and data protection, including limited data requests to protect the data of vulnerable populations; and
- promoting accountability through agency performance reports and rules establishing enforcement mechanisms.

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The Equity Office must submit a report to the Legislature and Governor by July 1, 2022, and every two years thereafter, that includes a summary of the Equity Office's work, as well as an overview of agency compliance and an equity analysis of the makeup of the Community of Advisory Board (Board). The Equity Office and its Director must consider recommendations submitted by the Task Force when carrying out its duties.

Powers of the Washington State Office of Equity.

Among other powers, the Equity Office may:

- provide technical assistance to agencies;
- conduct research projects and policy analyses;
- develop policy positions and legislative initiatives; and
- adopt rules to implement the policy and purpose of the chapter.

Community Advisory Board.

The Board is created to advise the Equity Office on its priorities and timelines and provide guidance on standards and performance measures. The Director appoints members to the Board. Members of the Board are entitled to compensation and reimbursement for travel expenses.

Responsibilities of State Agencies.

All state agencies are required to:

- designate diversity, equity, and inclusion liaisons;
- apply an equity lens to assess existing and proposed policies, service delivery, programs, practices, and budget decisions;
- develop and submit diversity, equity, and inclusion plans;
- develop written language access policies and plans;
- collaborate with the Equity Office to establish performance measures;
- provide data and information to the Equity Office as requested; and
- submit a response to the Equity Office's report on agency performance

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment:

- requires the Equity Office to report to the Governor and Legislature every year beginning in 2022, rather than every two years;
- specifies that the work of the Equity Office must complement and not supplant the work of statutory commissions;
- provides that the appointment of the Equity Office Director is subject to the consent of the Senate;
- removes general rulemaking authority of the Equity Office;
- <u>authorizes the Equity Office to contract with commissions or other entities with expertise, rather than collaborate with specific commissions, to identify policy and system barriers to engagement with communities;</u>
- requires the Equity Office to collaborate with the Office of Financial Management, rather than Results Washington, on certain data collection and performance metrics issues;

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- requires the Equity Office to establish procedures to hold agencies accountable which may include performance reviews, and removes the ability of the Equity Office to develop, by rule, accountability and enforcement mechanisms;
- requires the Equity Office to consider project cost, similar projects, and alternatives for research projects it conducts;
- requires the Director and Equity Office to review final recommendations of the Equity Office Task Force and report to the Governor and Legislature any additional recommendations;
- removes language prohibiting the Equity Office from requesting personally identifiable information of respondents other than race and ethnicity information;
- provides that the Equity Office Director may collaborate with certain offices and commissions to find diverse representation for the Community Advisory Board; and
- authorizes the Equity Office to consider ways to promote investment in diversity, equity, and inclusion projects, and provide a forum where diversity, equity, and inclusion issues can be reviewed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 3, relating to the establishment of the Equity Office, which takes effect July 1, 2020.

Staff Summary of Public Testimony (State Government & Tribal Relations):

(In support) There was a health impact report in 2007 that said a person's zip code determines how long they will live. Health disparities involve many areas across sectors including access to food, healthcare, and education, to name a few. Many agencies are doing work around equity, but the Equity Office would help to provide coordination and a mechanism for collaboration between agencies and across sectors. The fact that so many agencies are doing work in this area shows that the state wants to do this work; it is just not being done in a coordinated way. A coordinated statewide effort can make a real impact and will allow agencies to learn from one another. It is necessary to ground equity work in shared language and frameworks.

The bill recognizes that agencies cannot do this work alone, and that consultation with impacted communities is needed to make a difference. The Equity Office will be able to improve community outreach and engagement in a more meaningful way, and can help to provide education on how barriers affect certain communities.

(Opposed) None.

(Other) There are certain barriers that are not specifically called out in the bill, but are important to note, including discrimination based on age, gender, and disability. Many in this state believe that age is a determining factor in not getting further in employment, or even being turned down for a position. For example, 20 percent of the population are age 65 years or older, and the majority of these individuals lack a retirement plan. These individuals are

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then driven back into the workforce for economic survival, but they face difficulties in getting hired because of age discrimination.

Staff Summary of Public Testimony (Appropriations):

(In support) This bill will help agencies serve all Washington residents in an equitable manner. The task force will help identify ways state agencies can change or improve their practices to promote equitable access to public services. This bill could improve outcomes in areas like education, housing, employment, health, and public assistance eligibility.

(Opposed) None.

Persons Testifying (State Government & Tribal Relations): (In support) Representative Gregerson, prime sponsor; RaShelle Davis, Office of the Governor; Christy Hoff, Governor's Interagency Council on Health Disparities; Esperanza Borboa, Eastside Legal Assistance Program; Jennifer Werdell, JustLead Washington; and Jim Bamberger, Office of Civil Legal Aid.

(Other) Fred Yancy, Washington State School Retirees' Association.

Persons Testifying (Appropriations): Alex Hur, OneAmerica.

Persons Signed In To Testify But Not Testifying (State Government & Tribal Relations): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.

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