
SENATE BILL 5241

State of Washington

67th Legislature

2021 Regular Session

By Senators Dhingra, Nguyen, Darneille, Das, Hasegawa, Hunt, Keiser, Llias, Nobles, Saldaña, Stanford, and Wilson, C.

Read first time 01/15/21. Referred to Committee on Human Services, Reentry & Rehabilitation.

1 AN ACT Relating to promoting economic inclusion for people
2 experiencing poverty; adding new sections to chapter 43.31 RCW; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature declares that economic
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 disproportionately 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

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 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.31
5 RCW to read as follows:

6 The definitions in this section apply throughout this act unless
7 the context clearly requires otherwise.

8 (1) "Department" means the department of commerce.

9 (2) "Low-income individual" means a person whose household income
10 is equal to or less than the self-sufficiency standard for their
11 household as determined by the University of Washington's self-
12 sufficiency calculator.

13 (3) "Rural counties" has the same meaning as provided for in RCW
14 82.14.370.

15 (4) "Steering committee" means the poverty reduction work group
16 steering committee created in response to a directive of the
17 governor, dated November 6, 2017.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.31
19 RCW to read as follows:

20 (1) The department, in consultation with the department of social
21 and health services, the employment security department, and the
22 steering committee, shall make and oversee the implementation of
23 local economic inclusion grants available to local communities to
24 promote equity, economic inclusion, and a stable financial foundation
25 for people experiencing poverty, with a particular focus on people of
26 color and people in rural counties, primarily through better
27 coordination of existing programs and resources. The purpose of these
28 grants is to empower and incentivize local communities to coordinate
29 existing poverty reduction resources and benefits to make them easier
30 to access, get them to the people who need them, and work as a
31 coordinated system, to help more people move out of poverty and be
32 included in Washington's economic success.

33 (2) Subject to the availability of funds appropriated for this
34 specific purpose, local economic inclusion grants shall be made
35 available in communities throughout all regions of the state,
36 including rural counties and urban communities for the purpose as
37 described in subsection (1) of this section, with an emphasis on
38 economically distressed communities as defined by the department.

1 (3) Recipients of a local economic inclusion grant shall:

2 (a) Coordinate existing poverty reduction resources and benefits
3 to make them easier to access, get them to the people who need them,
4 and work as a coordinated system, to help more people move out of
5 poverty and be included in Washington's economic success;

6 (b) Identify both the federal regulations that prevent better
7 local coordination and the needs for additional state or federal
8 funding for continuous improvement of the poverty reduction system in
9 future years;

10 (c) Develop a local leadership coalition or use an existing local
11 partnership that must include people experiencing poverty, people of
12 color, homelessness programs, and representatives of the workforce
13 development council, community service offices, medicaid, accountable
14 communities of health, and associate development organizations, and
15 may include other members;

16 (d) Identify a fiscal agent and lead coordinator that is either
17 an associate development council, workforce development council, or
18 other organization with demonstrated capacity to fulfill the
19 responsibilities and requirements of the fiscal agent, as defined by
20 the department;

21 (e) Work with people experiencing poverty to ensure they have
22 access to multiple benefits to help them meet their basic needs, in
23 alignment with local care coordination efforts, and when ready,
24 develop individualized career plans leading to a self-sufficiency
25 wage, which must be at least 200 percent of the federal poverty
26 level, or the higher level established by the self-sufficiency
27 standard;

28 (f) Provide streamlined access to local partners who can pay for
29 education or training elements of a person's individualized career
30 plan using federal Pell grants, the Washington college grant, or
31 other resources;

32 (g) Provide streamlined access to local partners who can make
33 monthly payments to the low-income person while in training, using
34 existing resources such as work study payments, work experience
35 payments, needs-related payments, or other financial aid or workforce
36 development resources, as identified locally, and in consultation
37 with technical assistance provided by the department. Such payments
38 must work to maximize the total benefits available to the individual.
39 To the extent possible under federal law, such payments must be
40 structured so they do not reduce other benefits; including but not

1 limited to the supplemental nutritional assistance program, temporary
2 assistance for needy families, special supplemental nutrition program
3 for women, infants, and children, medicaid, workforce innovation and
4 opportunity act supportive services, or other financial and health
5 benefits, and may be comparable to payments received by trade
6 adjustment assistance or Montgomery GI beneficiaries; in order to
7 provide stability during training and education;

8 (h) Develop a local coordination team that works to ensure easier
9 access to all state and local government services, and identifies
10 staff to be care and benefits navigators. These may be existing
11 coordinators and navigators if solutions are already in place for the
12 community to build upon rather than duplicate. The care and benefit
13 navigators must provide convenient one-stop access to benefits
14 available to people experiencing poverty. At a minimum, it shall be
15 encouraged that people served by the economic inclusion grants apply
16 for and, if eligible, receive supplemental nutritional assistance
17 program, temporary assistance for needy families, medicaid, workforce
18 innovation and opportunity act supportive services, or other
19 financial and health benefits, as deemed eligible and appropriate for
20 each person. To the extent allowable under federal law, access to
21 benefits may not be conditioned upon seeking employment nor limited
22 to people pursuing individual career plans, and benefits must be
23 available to people experiencing poverty who are in need of financial
24 stability whether or not they are pursuing career plans;

25 (i) Ensure equitable access to state and local government
26 services for people with disabilities, which may include equipment
27 and technology purchases;

28 (j) Both identify where federal barriers hinder efforts to
29 coordinate benefits for customers, and elevate those issues to the
30 department. The department, in consultation with the department of
31 social and health services, the employment security department, and
32 the steering committee shall apply for federal waivers and propose
33 federal law changes to make the authorizing environment better
34 support coordinated service delivery across programs;

35 (k) Ensure options for career development, English language
36 learners, and other services for both parents in two-parent families,
37 including child care if desired by the family; and

38 (l) Coordinate with similar federally funded or federally driven
39 service coordination efforts as appropriate.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.31
2 RCW to read as follows:

3 In managing the economic inclusion grants, the department shall
4 consult with the steering committee. Members of the steering
5 committee must be reimbursed for travel expenses as provided in RCW
6 43.03.050 and 43.03.060, as well as child care and other expenses as
7 needed for each day a steering committee member attends meetings to
8 provide consultative assistance to the agencies managing the economic
9 inclusion grants; for up to 12 meetings per calendar year.

10 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.31
11 RCW to read as follows:

12 (1) The office of financial management shall develop a revolving
13 fund model for economic inclusion grants, in consultation with the
14 department, the department of social and health services, the
15 employment security department, and the steering committee; for
16 consideration by the legislature during the 2022 legislative session.
17 The model must:

18 (a) Estimate the costs avoided by the state when a person moves
19 out of poverty and into self-sufficiency;

20 (b) Ensure costs avoided are reinvested to move more households
21 out of poverty; and

22 (c) Expand capacity over time to move more people out of poverty
23 each year.

24 (2) Eighty percent of the estimated state costs avoided shall be
25 reinvested into a revolving fund reserved for economic inclusion
26 grants for each person moving into employment above 200 percent of
27 the federal poverty level, or training for an occupation with
28 starting wages above 200 percent of the federal poverty level.

29 (3) By November 15, 2021, and in compliance with RCW 43.01.036,
30 the office of financial management must submit a report to the
31 appropriate committees of the legislature that includes information
32 regarding the development of a fund model for economic inclusion
33 grants, and any recommended legislative changes to the appropriate
34 committees of the legislature.

35 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.31
36 RCW to read as follows:

37 (1) The department, in consultation with the department of social
38 and health services, the employment security department, and the

1 steering committee, shall apply for federal waivers to remove federal
2 barriers to coordinating service delivery across multiple programs,
3 where possible. Where waivers are not possible, the department shall
4 develop a comprehensive list of federal rules and or policies that
5 are creating barriers.

6 (2) The department of social and health services, in consultation
7 with the department, employment security department, the steering
8 committee, and other stakeholders, shall further develop measures and
9 indicators of equitable and inclusive economic recovery already
10 underway in the department of social and health services technical
11 advisory group on inclusive economic recovery, and apply those
12 measures as needed to help promote economic recovery that is racially
13 equitable and fully inclusive of people experiencing poverty, people
14 of color, people in rural counties, people with disabilities, and
15 other key demographics that have historically been left behind in
16 economic recovery.

17 (3) In the event an applicant has not submitted adequate
18 documentation to participate within three months after grant
19 announcement, the agencies may redistribute the unclaimed funding to
20 other participating local areas.

21 (4) By November 15, 2021, and annually thereafter, and in
22 compliance with RCW 43.01.036, the department, in consultation with
23 the department of social and health services, the employment security
24 department, and the steering committee shall report to the governor
25 and the appropriate committees of the legislature, which shall
26 include the legislative-executive work-first poverty reduction
27 oversight task force. The annual report must include progress
28 reports, measures of equitable and inclusive economic recovery, and
29 model legislative language to further expand economic inclusion,
30 reduce poverty, and increase coordinated service delivery across
31 programs and agencies.

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