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**SUBSTITUTE HOUSE BILL 1045**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** House Human Services, Youth, & Early Learning (originally sponsored by Representatives Berry, Peterson, Ryu, Simmons, Goodman, Bateman, Reed, Ramel, Pollet, Street, Senn, Doglio, Macri, Mena, Wylie, Gregerson, and Ormsby)

1 AN ACT Relating to creating the evergreen basic income pilot  
2 program; amending RCW 74.04.005, 43.216.1368, 43.185C.220, 74.04.805,  
3 26.19.071, and 70.170.060; reenacting and amending RCW 10.101.010;  
4 adding a new section to chapter 43.216 RCW; adding a new chapter to  
5 Title 74 RCW; and creating a new section.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that economic  
8 inequality continues to widen the gap between the top few earners and  
9 working and low-income families, and between white Washingtonians and  
10 Washingtonians of color. The 2021 "Labor Market and Economic Report"  
11 produced by the Washington state employment security department  
12 paints a grim picture: Corporate profits increased by over 500  
13 percent from 2000 to 2021. While everyday Washington residents filed  
14 more unemployment claims than ever with the onset of the COVID-19  
15 pandemic, corporate profits in Washington grew by 23 percent between  
16 2020 and 2021. The average monthly wage for black Washington workers  
17 in 2021 was 76.9 percent of what it was for Washington workers  
18 generally. Average pay for Asian Pacific Islanders in 2021 was 69.2  
19 percent of the average for Washington workers generally; for Latino  
20 or Hispanic workers, the figure was 68.3 percent. In 2021, women  
21 workers in Washington made 65.7 percent of men's income. A guaranteed

1 basic income would help Washingtonians struggling under the weight of  
2 historical inequities and present-day disparities.

3 The legislature further finds that 22 percent of Washington's  
4 adult population has a disability, and more than a quarter of a  
5 million of Washington residents have impairments related to mobility,  
6 cognition, dressing, and bathing that may prohibit participation in  
7 the workforce. A 2021 report generated by the centers for disease  
8 control and prevention about disability in Washington state urged  
9 that "everyone can play a role in supporting more inclusive state  
10 programs to help people with, or at risk for, disabilities."

11 The legislature also finds that certain major life transitions or  
12 conditions are associated with high economic instability, including  
13 being pregnant or a parent of a young child; experiencing  
14 homelessness; being an immigrant, refugee, or asylee; exiting from  
15 the foster care system, the juvenile justice system, or the criminal  
16 justice system; exiting a relationship or living situation due to  
17 domestic violence; or having a disability or behavioral health  
18 disorder. These priority populations disproportionately experience  
19 poverty.

20 The legislature further finds that climate change will spread  
21 disease faster than in the past, creating a new normal where  
22 interruption of the labor market, quarantines, and mass-disabling  
23 events like those seen during the COVID-19 pandemic become more  
24 common place.

25 Therefore, the legislature declares that all Washington  
26 households deserve basic financial security and that it is the goal  
27 of the state to ensure economic sustainability for all families. In  
28 1997, the state legislature created WorkFirst, Washington's temporary  
29 assistance for needy families program, to aid the state's struggling  
30 families. Then in 2009, it created the working families' tax credit  
31 to provide additional assistance to Washington residents and then  
32 funded the program in 2021. These measures were taken because direct  
33 cash assistance is a proven way to support people and households  
34 struggling to cover essential expenses.

35 The department of social and health services recently completed a  
36 basic income feasibility study pointing strongly to the conclusion  
37 that Washington residents excluded from social and economic well-  
38 being would benefit from a statewide basic income program. The  
39 legislature finds that a direct cash assistance program with no  
40 restrictions or requirements for how recipients use the funds would

1 help Washington residents struggling under the weight of  
2 unprecedented income inequalities.

3 NEW SECTION. **Sec. 2.** The definitions in this section apply  
4 throughout this chapter unless the context clearly requires  
5 otherwise.

6 (1) "Board" or "board of directors" means the board of directors  
7 established in section 4 of this act.

8 (2) "Department" means the department of social and health  
9 services.

10 (3) "Disability" has the same meaning as "disabled" in RCW  
11 74.62.030(1)(a)(iii)(C).

12 (4) "Fair market rent" means the fair market rents for a two-  
13 bedroom dwelling unit as published by the United States department of  
14 housing and urban development.

15 (5) "Federal poverty level" means the federal poverty guidelines  
16 updated periodically in the federal register by the United States  
17 department of health and human services.

18 (6) "Homelessness" means without a fixed, regular, and adequate  
19 nighttime residence.

20 (7) "Pilot" or "pilot program" means the evergreen basic income  
21 pilot program established under section 3 of this act.

22 (8)(a) "Resident" means a person who currently lives in  
23 Washington and:

24 (i) Intends to reside in the state, including persons without a  
25 fixed address;

26 (ii) Entered the state looking for a job; or

27 (iii) Entered the state with a job commitment.

28 (b) A person does not need to live in the state for a specific  
29 period of time prior to meeting the requirements in this subsection  
30 before being considered a resident.

31 NEW SECTION. **Sec. 3.** (1) The evergreen basic income pilot  
32 program is established within the department.

33 (2) No later than January 1, 2025, the department shall begin  
34 providing 24 monthly payments to participants who:

35 (a) Are at least 18 years of age or an emancipated minor;

36 (b) Are a resident of Washington state;

37 (c) Have reported gross income that does not exceed 200 percent  
38 of the federal poverty level;

1 (d) Are experiencing at least one of the following major life  
2 transitions or conditions associated with high economic instability:

3 (i) Are currently pregnant;

4 (ii) Are the parent of at least one child under the age of five;

5 (iii) Are experiencing homelessness;

6 (iv) Are an immigrant, refugee, or asylee;

7 (v) Are exiting from the foster care system;

8 (vi) Are exiting the juvenile justice system, or the criminal  
9 justice system and are referred by a law enforcement entity, the  
10 department of corrections, or the department of children, youth, and  
11 families;

12 (vii) Are exiting a relationship or living situation due to  
13 domestic violence as defined in RCW 7.105.010;

14 (viii) Have a disability; or

15 (ix) Have a behavioral health disorder as defined in RCW  
16 71.05.020;

17 (e) Meet the eligibility requirements as established by the board  
18 of directors; and

19 (f) Are selected for participation in the pilot program.

20 (3) The board may modify eligibility requirements only if it will  
21 expand eligibility, provide more equitable participant representation  
22 in the pilot program, or respond to emergent trends or needs. Any  
23 changes to the eligibility requirements may only be made with public  
24 feedback.

25 (4) The monthly payment for pilot participants must be equal to  
26 100 percent of the fair market rent in the county in which the  
27 participant lives at the time of application. Payment options must be  
28 available to both banked and unbanked participants.

29 (5) No more than 7,500 eligible participants may be selected for  
30 the pilot program. If the number of qualified applicants exceeds  
31 7,500, participants shall be drawn using a stratified random sample  
32 from the pool of qualified applicants, using strata to align  
33 participants per region with the share of people living in poverty in  
34 Washington state that reside in that region. Additional strata based  
35 on eligibility criteria for the pilot program may be used to  
36 facilitate subgroup analysis in the pilot program evaluation, if  
37 recommended by the department and contracted evaluator entity or  
38 entities.

39 (6) Qualified applicants in excess of the limit in subsection (5)  
40 of this section may serve in a control group for data collection

1 purposes. Control group participants will be compensated at a rate of  
2 \$25 per hour up to a maximum of \$250 per person.

3 (7) The board of directors shall establish a simple and low-  
4 barrier application process that allows for self-attestation of  
5 income and life transition or condition. The application must be  
6 available in multiple languages and formats, including paper, online,  
7 and in-person assistance.

8 (8) The board of directors may not exclude participation in the  
9 pilot program due to, or request information regarding, a person's  
10 immigration status, citizenship status, or place of birth, except  
11 that an applicant qualifying for the pilot program based on  
12 subsection (2)(d)(iv) of this section may be required to indicate on  
13 the application that the applicant meets the criteria.

14 (9) The department shall provide funding to tribal entities and  
15 community-based organizations that serve and are substantially  
16 governed by marginalized populations to pay the costs associated with  
17 program outreach, assistance completing applications, and related  
18 activities that directly support the goal of encouraging application  
19 and participation by people of color.

20 (10) The department shall contract with a third-party vendor to  
21 process and approve applications and provide all aspects of  
22 operations, including: Eligibility determination, enrollment, cash  
23 dispersion, administration of control group participant compensation,  
24 and reimbursement of public benefits lost due to participation in the  
25 pilot program. The third-party vendor shall share administrative data  
26 on pilot program operations with the contracted evaluator entity or  
27 entities to support the program evaluation.

28 (11) The pilot program shall offer participants ongoing benefit  
29 counseling that includes an analysis of whether and how any other  
30 public benefits may be impacted and ensures informed consent.

31 (12) The pilot program shall reimburse any pilot participant for  
32 the loss of other public benefits due to participation in the pilot.

33 (13) The pilot program shall develop easy, efficient, and clearly  
34 communicated reenrollment plans for participants to immediately  
35 reenroll in any benefits lost due to participation in the evergreen  
36 basic income pilot program.

37 NEW SECTION. **Sec. 4.** (1) A board of directors is established as  
38 a collaboration of the state, tribal nations, and community partners

1 to administer the evergreen basic income pilot program. The board is  
2 responsible for:

3 (a) Providing strategic direction, oversight, and accountability  
4 of the evergreen basic income pilot program;

5 (b) Establishing policies for all phases of the pilot, including  
6 design, development, outreach, eligibility, enrollment, and data  
7 collection and use;

8 (c) Coordinating with the pilot program's management and  
9 administrative team, regional directors, evaluation team, and  
10 community partners for the operation, coordination, and evaluation of  
11 the pilot program;

12 (d) Providing financial and other support to the network of  
13 community-based organizations that possess the knowledge and  
14 expertise to best serve their residents;

15 (e) Upholding a targeted universalism approach and ensuring  
16 benefits reach the priority populations;

17 (f) Managing public and private resources to maximize the impact  
18 of a basic income benefit for recipients; and

19 (g) Reviewing and approving the final report required under  
20 section 6(2) of this act.

21 (2) The board of directors must consist of at least 18 members  
22 appointed by the secretary of the department of social and health  
23 services as follows:

24 (a) Two representatives of the department of social and health  
25 services, one of whom must be a tribal liaison for the department;

26 (b) At least one representative of a federally recognized tribe  
27 from each of the four regions established by the department's office  
28 of Indian policy;

29 (c) One representative of a federally recognized tribe whose  
30 reservation is largely urban;

31 (d) One representative of a federally recognized tribe whose  
32 reservation is largely rural; and

33 (e) Ten representatives from community-based organizations, with  
34 at least one representative from each of the priority populations  
35 identified in section 3(2)(d) of this act.

36 (3) The board of directors must select a chair from among its  
37 members.

1        NEW SECTION.    **Sec. 5.**    (1) To ensure statewide distribution of  
2 participants in the pilot program, each of the following regions must  
3 be allotted a maximum number of eligible participants:

4        (a) The Salish region comprised of Clallam and Jefferson  
5 counties, the reservations of the Hoh, Jamestown S'Klallam, Lower  
6 Elwha Klallam, Makah, and Quileute tribes, and the portion of the  
7 Quinault Indian Nation that is located within the borders of  
8 Jefferson county;

9        (b) The Thurston-Mason region comprised of Kitsap, Mason, and  
10 Thurston counties, the reservations of the Nisqually, Port Gamble  
11 S'Klallam, Skokomish, Squaxin Island, and Suquamish tribes, and the  
12 portion of the Confederated Tribes of the Chehalis Reservation that  
13 is located within the borders of Thurston county;

14        (c) The great rivers region comprised of Cowlitz, Grays Harbor,  
15 Lewis, Pacific, and Wahkiakum counties, the reservations of the  
16 Cowlitz and Shoalwater Bay tribes, and the portions of the  
17 Confederated Tribes of the Chehalis Reservation and the Quinault  
18 Indian Nation that are located within the borders of Grays Harbor  
19 county;

20        (d) The north sound region comprised of Island, San Juan, Skagit,  
21 Snohomish, and Whatcom counties and the reservations of the Lummi,  
22 Nooksack, Samish, Sauk-Suiattle, Stillaguamish, Swinomish, Tulalip,  
23 and Upper Skagit tribes;

24        (e) The southwest region comprised of Clark, Klickitat, and  
25 Skamania counties and the portions of the Confederated Tribes and  
26 Bands of the Yakama Nation and Cowlitz Indian Tribe located within  
27 the boundaries of Clark and Klickitat counties;

28        (f) The King and Pierce region comprised of King and Pierce  
29 counties and the reservations of the Muckleshoot, Puyallup, and  
30 Snoqualmie tribes;

31        (g) The north central region comprised of Chelan, Douglas, Grant,  
32 and Okanogan counties and the portion of the Confederated Tribes of  
33 the Colville Reservation located within the boundaries of Okanogan  
34 county;

35        (h) The greater Columbia region comprised of Asotin, Benton,  
36 Columbia, Franklin, Garfield, Kittitas, Walla Walla, Whitman, and  
37 Yakima counties and the portion of the Confederated Tribes and Bands  
38 of the Yakama Nation located within the boundaries of Yakima county;  
39 and

1 (i) The Spokane region comprised of Adams, Ferry, Lincoln, Pend  
2 Oreille, Stevens, and Spokane counties, the reservations of the  
3 Kalispel and Spokane tribes, and the portion of the Confederated  
4 Tribes of the Colville Reservation located within the boundaries of  
5 Ferry county.

6 (2) The maximum number of eligible participants per region is to  
7 be determined according to the share of people living in poverty in  
8 Washington state that reside in that region.

9 NEW SECTION. **Sec. 6.** (1) The department must collect data  
10 directly from participants in the pilot program and control group.  
11 Data collected may include such topics as: Age, gender, race,  
12 ethnicity, geographic location, life transitions or conditions the  
13 participant is experiencing, household composition, health,  
14 education, caregiving, work participation, income, assets, household  
15 spending, power and autonomy, belonging, mobility, and economic  
16 success. The department may not collect data or request information  
17 or proof regarding a person's immigration status, citizenship status,  
18 or place of birth except as allowed under section 3 of this act.  
19 Participants and control group members must have access to any of  
20 their individual data collected. Directly collected data shall be  
21 used for program monitoring and evaluation purposes by the department  
22 and contracted evaluator entities. Directly collected data must be  
23 anonymized before sharing with any additional noncontracted entities  
24 unless the participant consents to their identity being shared.

25 (2) By December 1, 2026, and in compliance with RCW 43.01.036,  
26 the department shall submit a report to the legislature and the  
27 governor that evaluates the pilot program and makes recommendations  
28 for an ongoing basic income program, including the appropriate amount  
29 of basic income and length of assistance to be provided. The  
30 evaluation shall:

31 (a) Include a cost-benefit analysis;

32 (b) Align with research justice principles and recognize that all  
33 forms of knowledge, including cultural, spiritual, experiential, and  
34 mainstream, have equal value;

35 (c) Evaluate the well-being change for participants in the pilot  
36 program compared to their peers, including economic well-being,  
37 power, autonomy, sense of belonging, and mobility; and

38 (d) Be developed with input from community partners.



1 (3) The department shall contract with a third-party organization  
2 to design and implement the program evaluation, with consultation  
3 from the department, including the research and data analysis  
4 division, and the board of directors established in section 4 of this  
5 act. This contracted evaluator shall be responsible for: Evaluation  
6 design; directly collecting data from participants and control group  
7 members as described in subsection (1) of this section; analyzing  
8 administrative and supplemental data; performing cost-benefit  
9 analyses; soliciting and incorporating input from community partners;  
10 and preparing the report as described in subsection (2) of this  
11 section. The department shall also subcontract with the department's  
12 research and evaluation division for consultation on data and  
13 evaluation. Areas of consultation may include: Data quality  
14 monitoring; identifying prioritized populations as identified in  
15 section 3(2)(d) of this act; evaluation design; and use of  
16 administrative data for program evaluation. Both the third-party  
17 evaluator and the department's research and data analysis division  
18 are considered contracted evaluator entities as referenced in this  
19 chapter.

20 NEW SECTION. **Sec. 7.** (1) As allowable by federal and state law,  
21 state agencies shall minimize, to the greatest extent possible, the  
22 impact of cash assistance provided under the pilot program on public  
23 assistance eligibility and benefit amounts including, but not limited  
24 to:

25 (a) Other cash assistance programs, including the temporary  
26 assistance for needy families program, the state family assistance  
27 program, and the refugee cash assistance program;

28 (b) Food assistance programs, including the basic food program,  
29 the food assistance program, the free and reduced-price lunch  
30 program, the women, infants, and children program, and the food  
31 distribution program on Indian reservations;

32 (c) Child care subsidies, including the working connections child  
33 care program as provided for in RCW 43.216.136; the early childhood  
34 education and assistance program as provided for in RCW 43.216.510;  
35 and head start and tribal head start programs;

36 (d) Assistance programs administered by the department of  
37 commerce, including the low-income heating and electric assistance  
38 program and the essential needs and housing support program as  
39 provided for in RCW 43.185C.220;

1 (e) Disability benefits, including the aged, blind, or disabled  
2 assistance program as provided for in RCW 74.62.030;

3 (f) Medical assistance programs, including medicaid and  
4 eligibility for hospital charity care; and

5 (g) Legal assistance programs, including indigent defense  
6 services, as provided for in chapter 10.101 RCW.

7 (2) By December 1, 2023, state agencies shall complete any  
8 actions required to comply with this section, which may include rule  
9 making, coordinating with federal regulatory agencies, and proposing  
10 changes to existing state law, and provide a summary of their  
11 analysis and actions to the department.

12 **Sec. 8.** RCW 74.04.005 and 2020 c 136 s 1 are each amended to  
13 read as follows:

14 For the purposes of this title, unless the context indicates  
15 otherwise, the following definitions shall apply:

16 (1) "Aged, blind, or disabled assistance program" means the  
17 program established under RCW 74.62.030.

18 (2) "Applicant" means any person who has made a request, or on  
19 behalf of whom a request has been made, to any county or local office  
20 for assistance.

21 (3) "Authority" means the health care authority.

22 (4) "County or local office" means the administrative office for  
23 one or more counties or designated service areas.

24 (5) "Department" means the department of social and health  
25 services.

26 (6) "Director" means the director of the health care authority.

27 (7) "Essential needs and housing support program" means the  
28 program established in RCW 43.185C.220.

29 (8) "Federal aid assistance" means the specific categories of  
30 assistance for which provision is made in any federal law existing or  
31 hereafter passed by which payments are made from the federal  
32 government to the state in aid or in respect to payment by the state  
33 for public assistance rendered to any category of needy persons for  
34 which provision for federal funds or aid may from time to time be  
35 made, or a federally administered needs-based program.

36 (9) "Income" means:

37 (a) All appreciable gains in real or personal property (cash or  
38 kind) or other assets, which are received by or become available for  
39 use and enjoyment by an applicant or recipient during the month of

1 application or after applying for or receiving public assistance. The  
2 department may by rule and regulation exempt income received by an  
3 applicant for or recipient of public assistance which can be used by  
4 him or her to decrease his or her need for public assistance or to  
5 aid in rehabilitating him or her or his or her dependents, but such  
6 exemption shall not, unless otherwise provided in this title, exceed  
7 the exemptions of resources granted under this chapter to an  
8 applicant for public assistance. In addition, for cash assistance the  
9 department may disregard income pursuant to RCW 74.08A.230 and  
10 74.12.350. Furthermore, any cash assistance a person receives from  
11 the evergreen basic income pilot program as provided for in section 3  
12 of this act or any guaranteed basic income program operated by a  
13 government or private entity may not be considered in determining a  
14 person's initial or ongoing eligibility for public assistance.

15 (b) If, under applicable federal requirements, the state has the  
16 option of considering property in the form of lump sum compensatory  
17 awards or related settlements received by an applicant or recipient  
18 as income or as a resource, the department shall consider such  
19 property to be a resource.

20 (10) "Need" means the difference between the applicant's or  
21 recipient's standards of assistance for himself or herself and the  
22 dependent members of his or her family, as measured by the standards  
23 of the department, and value of all nonexempt resources and nonexempt  
24 income received by or available to the applicant or recipient and the  
25 dependent members of his or her family.

26 (11) "Public assistance" or "assistance" means public aid to  
27 persons in need thereof for any cause, including services, medical  
28 care, assistance grants, disbursing orders, work relief, benefits  
29 under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

30 (12) "Recipient" means any person receiving assistance and in  
31 addition those dependents whose needs are included in the recipient's  
32 assistance.

33 (13) "Resource" means any asset, tangible or intangible, owned by  
34 or available to the applicant at the time of application, which can  
35 be applied toward meeting the applicant's need, either directly or by  
36 conversion into money or its equivalent. The department may by rule  
37 designate resources that an applicant may retain and not be  
38 ineligible for public assistance because of such resources. Exempt  
39 resources shall include, but are not limited to:

1 (a) A home that an applicant, recipient, or their dependents is  
2 living in, including the surrounding property;

3 (b) Household furnishings and personal effects;

4 (c) One motor vehicle, other than a motor home, used and useful  
5 having an equity value not to exceed ten thousand dollars;

6 (d) A motor vehicle necessary to transport a household member  
7 with a physical disability. This exclusion is limited to one vehicle  
8 per person with a physical disability;

9 (e) All other resources, including any excess of values exempted,  
10 not to exceed six thousand dollars or other limit as set by the  
11 department, to be consistent with limitations on resources and  
12 exemptions necessary for federal aid assistance;

13 (f) Applicants for or recipients of benefits under RCW 74.62.030  
14 and 43.185C.220 shall have their eligibility based on resource  
15 limitations consistent with the temporary assistance for needy  
16 families program rules adopted by the department; and

17 (g) If an applicant for or recipient of public assistance  
18 possesses property and belongings in excess of the ceiling value,  
19 such value shall be used in determining the need of the applicant or  
20 recipient, except that: (i) The department may exempt resources or  
21 income when the income and resources are determined necessary to the  
22 applicant's or recipient's restoration to independence, to decrease  
23 the need for public assistance, or to aid in rehabilitating the  
24 applicant or recipient or a dependent of the applicant or recipient;  
25 and (ii) the department may provide grant assistance for a period not  
26 to exceed nine months from the date the agreement is signed pursuant  
27 to this section to persons who are otherwise ineligible because of  
28 excess real property owned by such persons when they are making a  
29 good faith effort to dispose of that property if:

30 (A) The applicant or recipient signs an agreement to repay the  
31 lesser of the amount of aid received or the net proceeds of such  
32 sale;

33 (B) If the owner of the excess property ceases to make good faith  
34 efforts to sell the property, the entire amount of assistance may  
35 become an overpayment and a debt due the state and may be recovered  
36 pursuant to RCW 43.20B.630;

37 (C) Applicants and recipients are advised of their right to a  
38 fair hearing and afforded the opportunity to challenge a decision  
39 that good faith efforts to sell have ceased, prior to assessment of  
40 an overpayment under this section; and

1 (D) At the time assistance is authorized, the department files a  
2 lien without a sum certain on the specific property.

3 (14) "Secretary" means the secretary of social and health  
4 services.

5 (15) "Standards of assistance" means the level of income required  
6 by an applicant or recipient to maintain a level of living specified  
7 by the department.

8 (16)(a) "Victim of human trafficking" means a noncitizen and any  
9 qualifying family members who have:

10 (i) Filed or are preparing to file an application for T  
11 nonimmigrant status with the appropriate federal agency pursuant to 8  
12 U.S.C. Sec. 1101(a)(15)(T), as it existed on January 1, 2020;

13 (ii) Filed or are preparing to file an application with the  
14 appropriate federal agency for status pursuant to 8 U.S.C. Sec.  
15 1101(a)(15)(U), as it existed on January 1, 2020; or

16 (iii) Been harmed by either any violation of chapter 9A.40 or  
17 9.68A RCW, or both, or by substantially similar crimes under federal  
18 law or the laws of any other state, and who:

19 (A) Are otherwise taking steps to meet the conditions for federal  
20 benefits eligibility under 22 U.S.C. Sec. 7105, as it existed on  
21 January 1, 2020; or

22 (B) Have filed or are preparing to file an application with the  
23 appropriate federal agency for status under 8 U.S.C. Sec. 1158.

24 (b)(i) "Qualifying family member" means:

25 (A) A victim's spouse and children; and

26 (B) When the victim is under twenty-one years of age, a victim's  
27 parents and unmarried siblings under the age of eighteen.

28 (ii) "Qualifying family member" does not include a family member  
29 who has been charged with or convicted of attempt, conspiracy,  
30 solicitation, or commission of any crime referenced in this  
31 subsection or described under 8 U.S.C. Sec. 1101(a)(15)(T) or (U) as  
32 either existed on January 1, 2020, when the crime is against a spouse  
33 who is a victim of human trafficking or against the child of a victim  
34 of human trafficking.

35 (17) For purposes of determining eligibility for public  
36 assistance and participation levels in the cost of medical care, the  
37 department shall exempt restitution payments made to people of  
38 Japanese and Aleut ancestry pursuant to the Civil Liberties Act of  
39 1988 and the Aleutian and Pribilof Island Restitution Act passed by

1 congress, P.L. 100-383, including all income and resources derived  
2 therefrom.

3 (18) In the construction of words and phrases used in this title,  
4 the singular number shall include the plural, the masculine gender  
5 shall include both the feminine and neuter genders, and the present  
6 tense shall include the past and future tenses, unless the context  
7 thereof shall clearly indicate to the contrary.

8 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.216  
9 RCW to read as follows:

10 For the early childhood education and assistance program, the  
11 department may not consider any cash assistance a person receives  
12 from the evergreen basic income pilot program as provided for in  
13 section 3 of this act or any guaranteed basic income program operated  
14 by a government or private entity in determining family income or a  
15 child's eligibility.

16 **Sec. 10.** RCW 43.216.1368 and 2022 c 297 s 959 are each amended  
17 to read as follows:

18 (1) It is the intent of the legislature to increase working  
19 families' access to affordable, high quality child care and to  
20 support the expansion of the workforce to support businesses and the  
21 statewide economy.

22 (2) Beginning October 1, 2021, a family is eligible for working  
23 connections child care when the household's annual income is at or  
24 below 60 percent of the state median income adjusted for family size  
25 and:

26 (a) The child receiving care is: (i) Less than 13 years of age;  
27 or (ii) less than 19 years of age and has a verified special need  
28 according to department rule or is under court supervision; and

29 (b) The household meets all other program eligibility  
30 requirements.

31 (3) Beginning July 1, 2025, a family is eligible for working  
32 connections child care when the household's annual income is above 60  
33 percent and at or below 75 percent of the state median income  
34 adjusted for family size and:

35 (a) The child receiving care is: (i) Less than 13 years of age;  
36 or (ii) less than 19 years of age and has a verified special need  
37 according to department rule or is under court supervision; and

1 (b) The household meets all other program eligibility  
2 requirements.

3 (4) Beginning July 1, 2027, and subject to the availability of  
4 amounts appropriated for this specific purpose, a family is eligible  
5 for working connections child care when the household's annual income  
6 is above 75 percent of the state median income and is at or below 85  
7 percent of the state median income adjusted for family size and:

8 (a) The child receiving care is: (i) Less than 13 years of age;  
9 or (ii) less than 19 years of age and has a verified special need  
10 according to department rule or is under court supervision; and

11 (b) The household meets all other program eligibility  
12 requirements.

13 (5) (a) Beginning October 1, 2021, through June 30, 2023, the  
14 department must calculate a monthly copayment according to the  
15 following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$115 until December 31, 2021, and \$90 beginning January 1, 2022
Above 50 percent and at or below 60 percent of the state median income	\$115

25 (b) Beginning July 1, 2023, the department must calculate a  
26 monthly copayment according to the following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$90
Above 50 percent and at or below 60 percent of the state median income	\$165

1 (c) Beginning July 1, 2025, the department must calculate a  
2 maximum monthly copayment of \$215 for households with incomes above  
3 60 percent and at or below 75 percent of the state median income.

4 (d) Subject to the availability of amounts appropriated for this  
5 specific purpose, the department shall adopt a copayment model for  
6 households with annual incomes above 75 percent of the state median  
7 income and at or below 85 percent of the state median income. The  
8 model must calculate a copayment for each household that is no  
9 greater than seven percent of the household's countable income within  
10 this income range.

11 (e) The department may adjust the copayment schedule to comply  
12 with federal law.

13 (6) The department must adopt rules to implement this section,  
14 including an income phase-out eligibility period.

15 (7) For the working connections child care program, the  
16 department may not consider any cash assistance a person receives  
17 from the evergreen basic income pilot program as provided for in  
18 section 3 of this act or any guaranteed basic income program operated  
19 by a government or private entity in determining a person's initial  
20 or ongoing eligibility or copayment.

21 **Sec. 11.** RCW 43.185C.220 and 2015 c 128 s 5 are each amended to  
22 read as follows:

23 (1) The department shall distribute funds for the essential needs  
24 and housing support program established under this section in a  
25 manner consistent with the requirements of this section and the  
26 biennial operating budget. The first distribution of funds must be  
27 completed by September 1, 2011. Essential needs or housing support is  
28 only for persons found eligible for such services under RCW 74.04.805  
29 and is not considered an entitlement.

30 (2) The department shall distribute funds appropriated for the  
31 essential needs and housing support program in the form of grants to  
32 designated essential needs support and housing support entities  
33 within each county. The department shall not distribute any funds  
34 until it approves the expenditure plan submitted by the designated  
35 essential needs support and housing support entities. The amount of  
36 funds to be distributed pursuant to this section shall be designated  
37 in the biennial operating budget. For the sole purpose of meeting the  
38 initial distribution of funds date, the department may distribute  
39 partial funds upon the department's approval of a preliminary



1 expenditure plan. The department shall not distribute the remaining  
2 funds until it has approved a final expenditure plan.

3 (3) (a) During the 2011-2013 biennium, in awarding housing support  
4 that is not funded through the contingency fund in this subsection,  
5 the designated housing support entity shall provide housing support  
6 to clients who are homeless persons as defined in RCW 43.185C.010. As  
7 provided in the biennial operating budget for the 2011-2013 biennium,  
8 a contingency fund shall be used solely for those clients who are at  
9 substantial risk of losing stable housing or at substantial risk of  
10 losing one of the other services defined in RCW 74.62.010(6). For  
11 purposes of this chapter, "substantial risk" means the client has  
12 provided documentation that he or she will lose his or her housing  
13 within the next thirty days or that the services will be discontinued  
14 within the next thirty days.

15 (b) After July 1, 2013, the designated housing support entity  
16 shall give first priority to clients who are homeless persons as  
17 defined in RCW 43.185C.010 and second priority to clients who would  
18 be at substantial risk of losing stable housing without housing  
19 support.

20 (4) For each county, the department shall designate an essential  
21 needs support entity and a housing support entity that will begin  
22 providing these supports to medical care services program recipients  
23 on November 1, 2011. Essential needs and housing support entities are  
24 not required to provide assistance to every person referred to the  
25 local entity or who meets the priority standards in subsection (3) of  
26 this section.

27 (a) Each designated entity must be a local government or  
28 community-based organization, and may administer the funding for  
29 essential needs support, housing support, or both. Designated  
30 entities have the authority to subcontract with qualified entities.  
31 Upon request, and the approval of the department, two or more  
32 counties may combine resources to more effectively deliver services.

33 (b) The department's designation process must include a review of  
34 proficiency in managing housing or human services programs when  
35 designating housing support entities.

36 (c) Within a county, if the department directly awards separate  
37 grants to the designated housing support entity and the designated  
38 essential needs support entity, the department shall determine the  
39 amount allocated for essential needs support as directed in the  
40 biennial operating budget.

1 (5) (a) Essential needs and housing support entities must use  
2 funds distributed under this section as flexibly as is practicable to  
3 provide essential needs items and housing support to recipients of  
4 the essential needs and housing support program, subject to the  
5 requirements of this section.

6 (b) Benefits provided under the essential needs and housing  
7 support program shall not be provided to recipients in the form of  
8 cash assistance.

9 (c) The department may move funds between entities or between  
10 counties to reflect actual caseload changes. In doing so, the  
11 department must: (i) Develop a process for reviewing the caseload of  
12 designated essential needs and housing support entities, and for  
13 redistributing grant funds from those entities experiencing reduced  
14 actual caseloads to those with increased actual caseloads; and (ii)  
15 inform all designated entities of the redistribution process. Savings  
16 resulting from program caseload attrition from the essential needs  
17 and housing support program shall not result in increased per-client  
18 expenditures.

19 (d) Essential needs and housing support entities must partner  
20 with other public and private organizations to maximize the  
21 beneficial impact of funds distributed under this section, and should  
22 attempt to leverage other sources of public and private funds to  
23 serve essential needs and housing support recipients. Funds  
24 appropriated in the operating budget for essential needs and housing  
25 support must be used only to serve persons eligible to receive  
26 services under that program.

27 (6) The department shall use no more than five percent of the  
28 funds for administration of the essential needs and housing support  
29 program. Each essential needs and housing support entity shall use no  
30 more than seven percent of the funds for administrative expenses.

31 (7) The department shall:

32 (a) Require housing support entities to enter data into the  
33 homeless client management information system;

34 (b) Require essential needs support entities to report on  
35 services provided under this section;

36 (c) In collaboration with the department of social and health  
37 services, submit a report annually to the relevant policy and fiscal  
38 committees of the legislature. A preliminary report shall be  
39 submitted by December 31, 2011, and must include (c) (i), (iii), and

1 (v) of this subsection. Annual reports must be submitted beginning  
2 December 1, 2012, and must include:

3 (i) A description of the actions the department has taken to  
4 achieve the objectives of chapter 36, Laws of 2011 1st sp. sess.;

5 (ii) The amount of funds used by the department to administer the  
6 program;

7 (iii) Information on the housing status of essential needs and  
8 housing support recipients served by housing support entities, and  
9 individuals who have requested housing support but did not receive  
10 housing support;

11 (iv) Grantee expenditure data related to administration and  
12 services provided under this section; and

13 (v) Efforts made to partner with other entities and leverage  
14 sources or public and private funds;

15 (d) Review the data submitted by the designated entities, and  
16 make recommendations for program improvements and administrative  
17 efficiencies. The department has the authority to designate  
18 alternative entities as necessary due to performance or other  
19 significant issues. Such change must only be made after consultation  
20 with the department of social and health services and the impacted  
21 entity.

22 (8) The department, counties, and essential needs and housing  
23 support entities are not civilly or criminally liable and may not  
24 have any penalty or cause of action of any nature arise against them  
25 related to decisions regarding: (a) The provision or lack of  
26 provision of housing or essential needs support; or (b) the type of  
27 housing arrangement supported with funds allocated under this  
28 section, when the decision was made in good faith and in the  
29 performance of the powers and duties under this section. However,  
30 this section does not prohibit legal actions against the department,  
31 county, or essential needs or housing support entity to enforce  
32 contractual duties or obligations.

33 (9) Participants in the evergreen basic income pilot program, as  
34 provided for in section 3 of this act, are eligible for assistance  
35 through the essential needs and housing support program.

36 (a) Any cash assistance a person receives from the evergreen  
37 basic income pilot program under section 3 of this act or any  
38 guaranteed basic income program operated by a government or private  
39 entity may not be considered in determining a person's initial or

1 ongoing eligibility for the essential needs and housing support  
2 program.

3 (b) The department shall coordinate with the department of social  
4 and health services to ensure that participants in the evergreen  
5 basic income pilot program have access to benefits through the  
6 essential needs and housing support program.

7 **Sec. 12.** RCW 74.04.805 and 2022 c 208 s 1 are each amended to  
8 read as follows:

9 (1) The department is responsible for determining eligibility for  
10 referral for essential needs and housing support under RCW  
11 43.185C.220. Persons eligible are persons who:

12 (a) Have been determined to be eligible for the pregnant women  
13 assistance program under RCW 74.62.030 or are incapacitated from  
14 gainful employment by reason of bodily or mental infirmity that will  
15 likely continue for a minimum of ninety days. The standard for  
16 incapacity in this subsection, as evidenced by the ninety-day  
17 duration standard, is not intended to be as stringent as federal  
18 supplemental security income disability standards;

19 (b) Are citizens or aliens lawfully admitted for permanent  
20 residence or otherwise residing in the United States under color of  
21 law, or are victims of human trafficking as defined in RCW 74.04.005;

22 (c)(i) Have furnished the department with their social security  
23 number. If the social security number cannot be furnished because it  
24 has not been issued or is not known, an application for a number must  
25 be made prior to authorization of benefits, and the social security  
26 number must be provided to the department upon receipt;

27 (ii) This requirement does not apply to victims of human  
28 trafficking as defined in RCW 74.04.005 if they have not been issued  
29 a social security number;

30 (d)(i) Have countable income as described in RCW 74.04.005 at or  
31 below four hundred twenty-eight dollars for a married couple or at or  
32 below three hundred thirty-nine dollars for a single individual; or

33 (ii) Have income that meets the standard established by the  
34 department, who are eligible for the pregnant women assistance  
35 program;

36 (e) Do not have countable resources in excess of those described  
37 in RCW 74.04.005; and

38 (f) Are not eligible for federal aid assistance, other than basic  
39 food benefits transferred electronically and medical assistance.

1 (2) Recipients of aged, blind, or disabled assistance program  
2 benefits who meet other eligibility requirements in this section are  
3 eligible for a referral for essential needs and housing support  
4 services within funds appropriated for the department of commerce.

5 (3) Recipients of pregnant women assistance program benefits who  
6 meet other eligibility requirements in this section are eligible for  
7 referral for essential needs and housing support services, within  
8 funds appropriated for the department of commerce, for twenty-four  
9 consecutive months from the date the department determines pregnant  
10 women assistance program eligibility.

11 (4) Participants in the evergreen basic income pilot program as  
12 provided for in section 3 of this act are eligible for a referral for  
13 essential needs and housing support regardless of whether or not they  
14 meet other eligibility requirements in this section. The department  
15 shall coordinate with the department of commerce to ensure that  
16 participants in the evergreen basic income pilot program have access  
17 to benefits through the essential needs and housing support program.

18 (5) The following persons are not eligible for a referral for  
19 essential needs and housing support:

20 (a) Persons who refuse or fail to cooperate in obtaining federal  
21 aid assistance, without good cause;

22 (b) Persons who refuse or fail without good cause to participate  
23 in substance use treatment if an assessment by a certified substance  
24 use disorder professional indicates a need for such treatment. Good  
25 cause must be found to exist when a person's physical or mental  
26 condition, as determined by the department, prevents the person from  
27 participating in substance use treatment, when needed outpatient  
28 treatment is not available to the person in the county of their  
29 residence or when needed inpatient treatment is not available in a  
30 location that is reasonably accessible for the person; and

31 (c) Persons who are fleeing to avoid prosecution of, or to avoid  
32 custody or confinement for conviction of, a felony, or an attempt to  
33 commit a felony, under the laws of the state of Washington or the  
34 place from which the person flees; or who are violating a condition  
35 of probation, community supervision, or parole imposed under federal  
36 or state law for a felony or gross misdemeanor conviction.

37 ~~((5))~~ (6) For purposes of determining whether a person is  
38 incapacitated from gainful employment under subsection (1) of this  
39 section:

1 (a) The department shall adopt by rule medical criteria for  
2 incapacity determinations to ensure that eligibility decisions are  
3 consistent with statutory requirements and are based on clear,  
4 objective medical information; and

5 (b) The process implementing the medical criteria must involve  
6 consideration of opinions of the treating or consulting physicians or  
7 health care professionals regarding incapacity, and any eligibility  
8 decision which rejects uncontroverted medical opinion must set forth  
9 clear and convincing reasons for doing so.

10 ~~((+6))~~ (7) For purposes of reviewing a person's continuing  
11 eligibility and in order to remain eligible for the program, persons  
12 who have been found to have an incapacity from gainful employment  
13 must demonstrate that there has been no material improvement in their  
14 medical or mental health condition. The department may discontinue  
15 benefits when there was specific error in the prior determination  
16 that found the person eligible by reason of incapacitation.

17 ~~((+7))~~ (8) The department must review the cases of all persons  
18 who have received benefits under the essential needs and housing  
19 support program for twelve consecutive months, and at least annually  
20 after the first review, to determine whether they are eligible for  
21 the aged, blind, or disabled assistance program.

22 **Sec. 13.** RCW 10.101.010 and 2011 1st sp.s. c 36 s 12 are each  
23 reenacted and amended to read as follows:

24 The following definitions shall be applied in connection with  
25 this chapter:

26 (1) "Anticipated cost of counsel" means the cost of retaining  
27 private counsel for representation on the matter before the court.

28 (2) "Available funds" means liquid assets and disposable net  
29 monthly income calculated after provision is made for bail  
30 obligations. For the purpose of determining available funds, the  
31 following definitions shall apply:

32 (a) "Liquid assets" means cash, savings accounts, bank accounts,  
33 stocks, bonds, certificates of deposit, equity in real estate, and  
34 equity in motor vehicles. A motor vehicle necessary to maintain  
35 employment and having a market value not greater than three thousand  
36 dollars shall not be considered a liquid asset.

37 (b) "Income" means salary, wages, interest, dividends, and other  
38 earnings which are reportable for federal income tax purposes, and  
39 cash payments such as reimbursements received from pensions,

1 annuities, social security, and public assistance programs. It  
2 includes any contribution received from any family member or other  
3 person who is domiciled in the same residence as the defendant and  
4 who is helping to defray the defendant's basic living costs. It does  
5 not include any cash assistance a person receives from the evergreen  
6 basic income pilot program under section 3 of this act or any  
7 guaranteed basic income program operated by a government or private  
8 entity.

9 (c) "Disposable net monthly income" means the income remaining  
10 each month after deducting federal, state, or local income taxes,  
11 social security taxes, contributory retirement, union dues, and basic  
12 living costs.

13 (d) "Basic living costs" means the average monthly amount spent  
14 by the defendant for reasonable payments toward living costs, such as  
15 shelter, food, utilities, health care, transportation, clothing, loan  
16 payments, support payments, and court-imposed obligations.

17 (3) "Indigent" means a person who, at any stage of a court  
18 proceeding, is:

19 (a) Receiving one of the following types of public assistance:  
20 Temporary assistance for needy families, aged, blind, or disabled  
21 assistance benefits, medical care services under RCW 74.09.035,  
22 pregnant women assistance benefits, poverty-related veterans'  
23 benefits, food stamps or food stamp benefits transferred  
24 electronically, refugee resettlement benefits, medicaid, ((~~or~~))  
25 supplemental security income, or cash assistance from the evergreen  
26 basic income pilot program as provided for in section 3 of this act;  
27 or

28 (b) Involuntarily committed to a public mental health facility;  
29 or

30 (c) Receiving an annual income, after taxes, of one hundred  
31 twenty-five percent or less of the current federally established  
32 poverty level; or

33 (d) Unable to pay the anticipated cost of counsel for the matter  
34 before the court because his or her available funds are insufficient  
35 to pay any amount for the retention of counsel.

36 (4) "Indigent and able to contribute" means a person who, at any  
37 stage of a court proceeding, is unable to pay the anticipated cost of  
38 counsel for the matter before the court because his or her available  
39 funds are less than the anticipated cost of counsel but sufficient  
40 for the person to pay a portion of that cost.

1       **Sec. 14.** RCW 26.19.071 and 2020 c 227 s 2 are each amended to  
2 read as follows:

3       (1) **Consideration of all income.** All income and resources of each  
4 parent's household shall be disclosed and considered by the court  
5 when the court determines the child support obligation of each  
6 parent. Only the income of the parents of the children whose support  
7 is at issue shall be calculated for purposes of calculating the basic  
8 support obligation. Income and resources of any other person shall  
9 not be included in calculating the basic support obligation.

10       (2) **Verification of income.** Tax returns for the preceding two  
11 years and current paystubs shall be provided to verify income and  
12 deductions. Other sufficient verification shall be required for  
13 income and deductions which do not appear on tax returns or paystubs.

14       (3) **Income sources included in gross monthly income.** Except as  
15 specifically excluded in subsection (4) of this section, monthly  
16 gross income shall include income from any source, including:

- 17       (a) Salaries;
- 18       (b) Wages;
- 19       (c) Commissions;
- 20       (d) Deferred compensation;
- 21       (e) Overtime, except as excluded for income in subsection (4)
- 22       (~~(i)~~) (j) of this section;
- 23       (f) Contract-related benefits;
- 24       (g) Income from second jobs, except as excluded for income in
- 25       subsection (4) (~~(i)~~) (j) of this section;
- 26       (h) Dividends;
- 27       (i) Interest;
- 28       (j) Trust income;
- 29       (k) Severance pay;
- 30       (l) Annuities;
- 31       (m) Capital gains;
- 32       (n) Pension retirement benefits;
- 33       (o) Workers' compensation;
- 34       (p) Unemployment benefits;
- 35       (q) Maintenance actually received;
- 36       (r) Bonuses;
- 37       (s) Social security benefits;
- 38       (t) Disability insurance benefits; and



1 (u) Income from self-employment, rent, royalties, contracts,  
2 proprietorship of a business, or joint ownership of a partnership or  
3 closely held corporation.

4 (4) **Income sources excluded from gross monthly income.** The  
5 following income and resources shall be disclosed but shall not be  
6 included in gross income:

7 (a) Income of a new spouse or new domestic partner or income of  
8 other adults in the household;

9 (b) Child support received from other relationships;

10 (c) Gifts and prizes;

11 (d) Temporary assistance for needy families;

12 (e) Supplemental security income;

13 (f) Aged, blind, or disabled assistance benefits;

14 (g) Pregnant women assistance benefits;

15 (h) Food stamps; (~~and~~)

16 (i) Cash assistance from the evergreen basic income pilot program  
17 as provided for in section 3 of this act; and

18 (j) Overtime or income from second jobs beyond forty hours per  
19 week averaged over a twelve-month period worked to provide for a  
20 current family's needs, to retire past relationship debts, or to  
21 retire child support debt, when the court finds the income will cease  
22 when the party has paid off his or her debts.

23 Receipt of income and resources from temporary assistance for  
24 needy families, supplemental security income, aged, blind, or  
25 disabled assistance benefits, and food stamps shall not be a reason  
26 to deviate from the standard calculation.

27 (5) **Determination of net income.** The following expenses shall be  
28 disclosed and deducted from gross monthly income to calculate net  
29 monthly income:

30 (a) Federal and state income taxes;

31 (b) Federal insurance contributions act deductions;

32 (c) Mandatory pension plan payments;

33 (d) Mandatory union or professional dues;

34 (e) State industrial insurance premiums;

35 (f) Court-ordered maintenance to the extent actually paid;

36 (g) Up to five thousand dollars per year in voluntary retirement  
37 contributions actually made if the contributions show a pattern of  
38 contributions during the one-year period preceding the action  
39 establishing the child support order unless there is a determination

1 that the contributions were made for the purpose of reducing child  
2 support; and

3 (h) Normal business expenses and self-employment taxes for self-  
4 employed persons. Justification shall be required for any business  
5 expense deduction about which there is disagreement.

6 Items deducted from gross income under this subsection shall not  
7 be a reason to deviate from the standard calculation.

8 (6) **Imputation of income.** The court shall impute income to a  
9 parent when the parent is voluntarily unemployed or voluntarily  
10 underemployed. The court shall determine whether the parent is  
11 voluntarily underemployed or voluntarily unemployed based upon that  
12 parent's assets, residence, employment and earnings history, job  
13 skills, educational attainment, literacy, health, age, criminal  
14 record, dependency court obligations, and other employment barriers,  
15 record of seeking work, the local job market, the availability of  
16 employers willing to hire the parent, the prevailing earnings level  
17 in the local community, or any other relevant factors. A court shall  
18 not impute income to a parent who is gainfully employed on a full-  
19 time basis, unless the court finds that the parent is voluntarily  
20 underemployed and finds that the parent is purposely underemployed to  
21 reduce the parent's child support obligation. Income shall not be  
22 imputed for an unemployable parent. Income shall not be imputed to a  
23 parent to the extent the parent is unemployed or significantly  
24 underemployed due to the parent's efforts to comply with court-  
25 ordered reunification efforts under chapter 13.34 RCW or under a  
26 voluntary placement agreement with an agency supervising the child.

27 (a) Except as provided in (b) of this subsection, in the absence  
28 of records of a parent's actual earnings, the court shall impute a  
29 parent's income in the following order of priority:

30 (i) Full-time earnings at the current rate of pay;

31 (ii) Full-time earnings at the historical rate of pay based on  
32 reliable information, such as employment security department data;

33 (iii) Full-time earnings at a past rate of pay where information  
34 is incomplete or sporadic;

35 (iv) Earnings of thirty-two hours per week at minimum wage in the  
36 jurisdiction where the parent resides if the parent is on or recently  
37 coming off temporary assistance for needy families or recently coming  
38 off aged, blind, or disabled assistance benefits, pregnant women  
39 assistance benefits, essential needs and housing support,  
40 supplemental security income, or disability, has recently been

1 released from incarceration, or is a recent high school graduate.  
2 Imputation of earnings at thirty-two hours per week under this  
3 subsection is a rebuttable presumption;

4 (v) Full-time earnings at minimum wage in the jurisdiction where  
5 the parent resides if the parent has a recent history of minimum wage  
6 earnings, has never been employed and has no earnings history, or has  
7 no significant earnings history;

8 (vi) Median net monthly income of year-round full-time workers as  
9 derived from the United States bureau of census, current population  
10 reports, or such replacement report as published by the bureau of  
11 census.

12 (b) When a parent is currently enrolled in high school full-time,  
13 the court shall consider the totality of the circumstances of both  
14 parents when determining whether each parent is voluntarily  
15 unemployed or voluntarily underemployed. If a parent who is currently  
16 enrolled in high school is determined to be voluntarily unemployed or  
17 voluntarily underemployed, the court shall impute income at earnings  
18 of twenty hours per week at minimum wage in the jurisdiction where  
19 that parent resides. Imputation of earnings at twenty hours per week  
20 under this subsection is a rebuttable presumption.

21 **Sec. 15.** RCW 70.170.060 and 2022 c 197 s 2 are each amended to  
22 read as follows:

23 (1) No hospital or its medical staff shall adopt or maintain  
24 admission practices or policies which result in:

25 (a) A significant reduction in the proportion of patients who  
26 have no third-party coverage and who are unable to pay for hospital  
27 services;

28 (b) A significant reduction in the proportion of individuals  
29 admitted for inpatient hospital services for which payment is, or is  
30 likely to be, less than the anticipated charges for or costs of such  
31 services; or

32 (c) The refusal to admit patients who would be expected to  
33 require unusually costly or prolonged treatment for reasons other  
34 than those related to the appropriateness of the care available at  
35 the hospital.

36 (2) No hospital shall adopt or maintain practices or policies  
37 which would deny access to emergency care based on ability to pay. No  
38 hospital which maintains an emergency department shall transfer a  
39 patient with an emergency medical condition or who is in active labor

1 unless the transfer is performed at the request of the patient or is  
2 due to the limited medical resources of the transferring hospital.  
3 Hospitals must follow reasonable procedures in making transfers to  
4 other hospitals including confirmation of acceptance of the transfer  
5 by the receiving hospital.

6 (3) The department shall develop definitions by rule, as  
7 appropriate, for subsection (1) of this section and, with reference  
8 to federal requirements, subsection (2) of this section. The  
9 department shall monitor hospital compliance with subsections (1) and  
10 (2) of this section. The department shall report individual instances  
11 of possible noncompliance to the state attorney general or the  
12 appropriate federal agency.

13 (4) The department shall establish and maintain by rule,  
14 consistent with the definition of charity care in RCW 70.170.020, the  
15 following:

16 (a) Uniform procedures, data requirements, and criteria for  
17 identifying patients receiving charity care; and

18 (b) A definition of residual bad debt including reasonable and  
19 uniform standards for collection procedures to be used in efforts to  
20 collect the unpaid portions of hospital charges that are the  
21 patient's responsibility.

22 (5) For the purpose of providing charity care, each hospital  
23 shall develop, implement, and maintain a policy which shall enable  
24 indigent persons access to charity care. The policy shall include  
25 procedures for identifying patients who may be eligible for health  
26 care coverage through medical assistance programs under chapter 74.09  
27 RCW or the Washington health benefit exchange and actively assisting  
28 patients to apply for any available coverage. If a hospital  
29 determines that a patient or their guarantor is qualified for  
30 retroactive health care coverage through the medical assistance  
31 programs under chapter 74.09 RCW, a hospital shall assist the patient  
32 or guarantor with applying for such coverage. If a hospital  
33 determines that a patient or their guarantor qualifies for  
34 retroactive health care coverage through the medical assistance  
35 programs under chapter 74.09 RCW, a hospital is not obligated to  
36 provide charity care under this section to any patient or their  
37 guarantor if the patient or their guarantor fails to make reasonable  
38 efforts to cooperate with the hospital's efforts to assist them in  
39 applying for such coverage. Hospitals may not impose application  
40 procedures for charity care or for assistance with retroactive

1 coverage applications which place an unreasonable burden upon the  
2 patient or guarantor, taking into account any physical, mental,  
3 intellectual, or sensory deficiencies, or language barriers which may  
4 hinder the responsible party's capability of complying with  
5 application procedures. It is an unreasonable burden to require a  
6 patient to apply for any state or federal program where the patient  
7 is obviously or categorically ineligible or has been deemed  
8 ineligible in the prior 12 months.

9 (a) At a minimum, a hospital owned or operated by a health system  
10 that owns or operates three or more acute hospitals licensed under  
11 chapter 70.41 RCW, an acute care hospital with over 300 licensed beds  
12 located in the most populous county in Washington, or an acute care  
13 hospital with over 200 licensed beds located in a county with at  
14 least 450,000 residents and located on Washington's southern border  
15 shall grant charity care per the following guidelines:

16 (i) All patients and their guarantors whose income is not more  
17 than 300 percent of the federal poverty level, adjusted for family  
18 size, shall be deemed charity care patients for the full amount of  
19 the patient responsibility portion of their hospital charges;

20 (ii) All patients and their guarantors whose income is between  
21 301 and 350 percent of the federal poverty level, adjusted for family  
22 size, shall be entitled to a 75 percent discount for the full amount  
23 of the patient responsibility portion of their hospital charges,  
24 which may be reduced by amounts reasonably related to assets  
25 considered pursuant to (c) of this subsection;

26 (iii) All patients and their guarantors whose income is between  
27 351 and 400 percent of the federal poverty level, adjusted for family  
28 size, shall be entitled to a 50 percent discount for the full amount  
29 of the patient responsibility portion of their hospital charges,  
30 which may be reduced by amounts reasonably related to assets  
31 considered pursuant to (c) of this subsection.

32 (b) At a minimum, a hospital not subject to (a) of this  
33 subsection shall grant charity care per the following guidelines:

34 (i) All patients and their guarantors whose income is not more  
35 than 200 percent of the federal poverty level, adjusted for family  
36 size, shall be deemed charity care patients for the full amount of  
37 the patient responsibility portion of their hospital charges;

38 (ii) All patients and their guarantors whose income is between  
39 201 and 250 percent of the federal poverty level, adjusted for family  
40 size, shall be entitled to a 75 percent discount for the full amount

1 of the patient responsibility portion of their hospital charges,  
2 which may be reduced by amounts reasonably related to assets  
3 considered pursuant to (c) of this subsection; and

4 (iii) All patients and their guarantors whose income is between  
5 251 and 300 percent of the federal poverty level, adjusted for family  
6 size, shall be entitled to a 50 percent discount for the full amount  
7 of the patient responsibility portion of their hospital charges,  
8 which may be reduced by amounts reasonably related to assets  
9 considered pursuant to (c) of this subsection.

10 (c)(i) If a hospital considers the existence, availability, and  
11 value of assets in order to reduce the discount extended, it must  
12 establish and make publicly available a policy on asset  
13 considerations and corresponding discount reductions.

14 (ii) If a hospital considers assets, the following types of  
15 assets shall be excluded from consideration:

16 (A) The first \$5,000 of monetary assets for an individual or  
17 \$8,000 of monetary assets for a family of two, and \$1,500 of monetary  
18 assets for each additional family member. The value of any asset that  
19 has a penalty for early withdrawal shall be the value of the asset  
20 after the penalty has been paid;

21 (B) Any equity in a primary residence;

22 (C) Retirement plans other than 401(k) plans;

23 (D) One motor vehicle and a second motor vehicle if it is  
24 necessary for employment or medical purposes;

25 (E) Any prepaid burial contract or burial plot; and

26 (F) Any life insurance policy with a face value of \$10,000 or  
27 less.

28 (iii) In considering assets, a hospital may not impose procedures  
29 which place an unreasonable burden on the responsible party.  
30 Information requests from the hospital to the responsible party for  
31 the verification of assets shall be limited to that which is  
32 reasonably necessary and readily available to substantiate the  
33 responsible party's qualification for charity sponsorship and may not  
34 be used to discourage application for such sponsorship. Only those  
35 facts relevant to eligibility may be verified and duplicate forms of  
36 verification may not be demanded.

37 (A) In considering monetary assets, one current account statement  
38 shall be considered sufficient for a hospital to verify a patient's  
39 assets.

1 (B) In the event that no documentation for an asset is available,  
2 a hospital shall rely upon a written and signed statement from the  
3 responsible party.

4 (iv) Asset information obtained by the hospital in evaluating a  
5 patient for charity care eligibility shall not be used for collection  
6 activities.

7 (v) Nothing in this section prevents a hospital from considering  
8 assets as required by the centers for medicare and medicaid services  
9 related to medicare cost reporting.

10 (6) Hospitals may not consider money received under the evergreen  
11 basic income pilot program under section 3 of this act as income and  
12 may not consider a patient's eligibility to receive money under the  
13 evergreen basic income pilot program as an asset when determining a  
14 patient's eligibility for charity care.

15 (7) Each hospital shall post and prominently display notice of  
16 charity care availability. Notice must be posted in all languages  
17 spoken by more than ten percent of the population of the hospital  
18 service area. Notice must be displayed in at least the following  
19 locations:

20 (a) Areas where patients are admitted or registered;

21 (b) Emergency departments, if any; and

22 (c) Financial service or billing areas where accessible to  
23 patients.

24 ~~((7))~~ (8) Current versions of the hospital's charity care  
25 policy, a plain language summary of the hospital's charity care  
26 policy, and the hospital's charity care application form must be  
27 available on the hospital's website. The summary and application form  
28 must be available in all languages spoken by more than ten percent of  
29 the population of the hospital service area.

30 ~~((8))~~ (9)(a) All hospital billing statements and other written  
31 communications concerning billing or collection of a hospital bill by  
32 a hospital must include the following or a substantially similar  
33 statement prominently displayed on the first page of the statement in  
34 both English and the second most spoken language in the hospital's  
35 service area:

36 You may qualify for free care or a discount on your hospital  
37 bill, whether or not you have insurance. Please contact our  
38 financial assistance office at [website] and [phone number].

1 (b) Nothing in (a) of this subsection requires any hospital to  
2 alter any preprinted hospital billing statements existing as of  
3 October 1, 2018.

4 (~~(9)~~) (10) Hospital obligations under federal and state laws to  
5 provide meaningful access for limited English proficiency and non-  
6 English-speaking patients apply to information regarding billing and  
7 charity care. Hospitals shall develop standardized training programs  
8 on the hospital's charity care policy and use of interpreter  
9 services, and provide regular training for appropriate staff,  
10 including the relevant and appropriate staff who perform functions  
11 relating to registration, admissions, or billing.

12 (~~(10)~~) (11) Each hospital shall make every reasonable effort to  
13 determine:

14 (a) The existence or nonexistence of private or public  
15 sponsorship which might cover in full or part the charges for care  
16 rendered by the hospital to a patient;

17 (b) The annual family income of the patient as classified under  
18 federal poverty income guidelines as of the time the health care  
19 services were provided, or at the time of application for charity  
20 care if the application is made within two years of the time of  
21 service, the patient has been making good faith efforts towards  
22 payment of health care services rendered, and the patient  
23 demonstrates eligibility for charity care; and

24 (c) The eligibility of the patient for charity care as defined in  
25 this chapter and in accordance with hospital policy. An initial  
26 determination of sponsorship status shall precede collection efforts  
27 directed at the patient.

28 (~~(11)~~) (12) At the hospital's discretion, a hospital may  
29 consider applications for charity care at any time, including any  
30 time there is a change in a patient's financial circumstances.

31 (~~(12)~~) (13) The department shall monitor the distribution of  
32 charity care among hospitals, with reference to factors such as  
33 relative need for charity care in hospital service areas and trends  
34 in private and public health coverage. The department shall prepare  
35 reports that identify any problems in distribution which are in  
36 contradiction of the intent of this chapter. The report shall include  
37 an assessment of the effects of the provisions of this chapter on  
38 access to hospital and health care services, as well as an evaluation  
39 of the contribution of all purchasers of care to hospital charity  
40 care.



1        (~~(13)~~) (14) The department shall issue a report on the subjects  
2 addressed in this section at least annually, with the first report  
3 due on July 1, 1990.

4        NEW SECTION.    **Sec. 16.** If any part of this act is found to be in  
5 conflict with federal requirements that are a prescribed condition to  
6 the allocation of federal funds to the state, the conflicting part of  
7 this act is inoperative solely to the extent of the conflict and with  
8 respect to the agencies directly affected, and this finding does not  
9 affect the operation of the remainder of this act in its application  
10 to the agencies concerned. Rules adopted under this act must meet  
11 federal requirements that are a necessary condition to the receipt of  
12 federal funds by the state.

13        NEW SECTION.    **Sec. 17.** Sections 2 through 7 and 16 of this act  
14 constitute a new chapter in Title 74 RCW.

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