CERTIFICATION OF ENROLLMENT

ENGROSSED THIRD SUBSTITUTE HOUSE BILL 1482

Chapter 126, Laws of 2018

65th Legislature 2018 Regular Session

LEGISLATIVE-EXECUTIVE WORKFIRST POVERTY REDUCTION OVERSIGHT TASK FORCE

EFFECTIVE DATE: June 7, 2018

Passed by the House February 13, 2018 CERTIFICATE Yeas 69 Nays 29 I, Bernard Dean, Chief Clerk of the House of Representatives of the FRANK CHOPP State of Washington, do hereby certify that the attached is Speaker of the House of Representatives ENGROSSED THIRD SUBSTITUTE HOUSE BILL 1482 as passed by House of Representatives and the Senate on Passed by the Senate March 2, 2018 the dates hereon set forth. Yeas 41 Nays 7 BERNARD DEAN CYRUS HABIB Chief Clerk President of the Senate Approved March 21, 2018 11:16 AM FILED March 23, 2018 Secretary of State

State of Washington

JAY INSLEE

Governor of the State of Washington

ENGROSSED THIRD SUBSTITUTE HOUSE BILL 1482

Passed Legislature - 2018 Regular Session

State of Washington 65th Legislature 2018 Regular Session

By House Early Learning & Human Services (originally sponsored by Representatives Sawyer, Kagi, Stambaugh, Caldier, Robinson, Springer, Hargrove, Tarleton, Ormsby, Doglio, and Stanford)

READ FIRST TIME 01/23/18.

- 1 AN ACT Relating to establishing the legislative-executive
- 2 WorkFirst poverty reduction oversight task force; amending RCW
- 3 74.08A.260 and 74.08A.341; adding new sections to chapter 74.08A RCW;
- 4 and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that
- 7 intergenerational poverty, which passes from parents to children,
- 8 should be distinguished from situational poverty, which occurs after
- 9 an event like losing employment. Intergenerational poverty can affect
- 10 the lives of many future children and generations without the
- 11 development of specific strategies to stop this cycle.
- 12 The legislature finds that it is necessary to bring together
- 13 state agencies and other stakeholders for the purposes of policy and
- 14 program development to address intergenerational poverty and to
- 15 develop specific strategies to provide families the support they need
- 16 to overcome a history of poverty.
- 17 The legislature finds that the legislative-executive WorkFirst
- 18 oversight task force has recommended that its scope be modified to
- 19 include poverty reduction in order to provide a renewed focus on the
- 20 underlying causes of intergenerational poverty in Washington.
- 21 Therefore, the legislature intends to create a legislative-executive

- 1 WorkFirst poverty reduction oversight task force and ar
- 2 intergenerational poverty advisory committee in order to lay the
- 3 groundwork in Washington for advancing intergenerational prosperity
- 4 and reducing poverty.
- 5 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 74.08A
- 6 RCW to read as follows:
- 7 The definitions in this section apply throughout this act unless
- 8 the context clearly requires otherwise.
- 9 (1) "Advisory committee" means the intergenerational poverty
- 10 advisory committee.
- 11 (2) "Cycle of poverty" or "poverty cycle" means the set of
- 12 factors or events by which the long-term poverty of a person is
- 13 likely to continue and be experienced by each child of the person
- 14 when the child becomes an adult unless there is outside intervention.
- 15 (3) "Department" means the department of social and health 16 services.
- 17 (4) "Intergenerational poverty" means poverty in which two or
- 18 more successive generations of a family continue in the cycle of
- 19 poverty and governmental dependence, and is not situational poverty.
- 20 (5) "Partner agency" means an executive branch agency represented
- 21 by a voting or nonvoting member of the task force.
- 22 (6) "Secretary" means the secretary of the department of social
- 23 and health services.
- 24 (7) "Task force" means the legislative-executive WorkFirst
- 25 poverty reduction oversight task force.
- NEW SECTION. Sec. 3. A new section is added to chapter 74.08A
- 27 RCW to read as follows:
- 28 (1)(a) A legislative-executive WorkFirst poverty reduction
- 29 oversight task force is established, with voting members as provided
- 30 in this subsection. Task force membership shall include diverse,
- 31 statewide representation and its membership shall reflect regional,
- 32 racial, and cultural diversity to adequately represent the needs of
- 33 all children and families in the state.
- 34 (i) The president of the senate shall appoint two members from
- 35 each of the two largest caucuses of the senate.
- 36 (ii) The speaker of the house of representatives shall appoint
- 37 two members from each of the two largest caucuses of the house of
- 38 representatives.

- (iii) The governor shall appoint eight members representing the following agencies: The department of social and health services; the department of children, youth, and families; the department of commerce; the employment security department; the office of the superintendent of public instruction; the department of health; the department of corrections; and the state board for community and technical colleges.
- 8 (b) The task force shall choose its cochairs, one from among the 9 legislative members and one from among the executive branch members. 10 The secretary of the department of social and health services shall 11 convene the initial meeting of the task force.
- 12 (2) The governor shall appoint five nonvoting members to the task 13 force representing the:
 - (a) Commission on African-American affairs;
 - (b) State commission on Hispanic affairs;
 - (c) State commission on Asian Pacific American affairs;
 - (d) Governor's office of Indian affairs; and
 - (e) Office of financial management.
 - (3) The cochairs of the intergenerational poverty advisory committee created in section 4 of this act shall serve as nonvoting members of the task force.
 - (4) The task force shall:

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- (a) Oversee the partner agencies' operation of the WorkFirst program and temporary assistance for needy families program to ensure that the programs are achieving desired outcomes for their clients;
- (b) Determine evidence-based outcome measures for the WorkFirst program, including measures related to equitably serving the needs of historically underrepresented populations, such as English language learners, immigrants, refugees, and other diverse communities;
- 30 (c) Develop accountability measures for WorkFirst recipients and 31 the state agencies responsible for their progress toward self-32 sufficiency;
 - (d) Collaborate with the advisory committee created in section 4 of this act to develop and monitor strategies to prevent and address adverse childhood experiences and reduce intergenerational poverty;
- (e) Seek input on best practices for poverty reduction from service providers, community-based organizations, legislators, state agencies, stakeholders, the business community, and subject matter experts;

(f) Collaborate with partner agencies and the advisory committee to analyze available data and information regarding intergenerational poverty in the state, with a primary focus on data and information regarding children who are at risk of continuing the cycle of poverty and welfare dependency unless outside intervention occurs; and

- (g) Recommend policy actions to the governor and the legislature to effectively reduce intergenerational poverty and promote and encourage self-sufficiency.
- (5)(a) The task force shall direct the department of social and health services to develop a five-year plan to reduce intergenerational poverty and promote self-sufficiency, subject to oversight and approval by the task force. Upon approval by the task force, the department must submit the plan to the governor and the appropriate committees of the legislature by December 1, 2019.
- 15 (b) The task force shall review the five-year plan by December 1, 16 2024, and shall direct the department to update the plan as 17 determined necessary by the task force.
 - (6) The partner agencies must provide the task force with regular reports on:
 - (a) The partner agencies' progress toward meeting the outcome and performance measures established under this section;
 - (b) Caseload trends and program expenditures, and the impact of those trends and expenditures on client services, including services to historically underrepresented populations; and
 - (c) The characteristics of families who have been unsuccessful on the temporary assistance for needy families program and have lost their benefits either through sanction or the sixty-month time limit.
 - (7) Staff support for the task force, including administration of task force meetings, must be provided by the state agency members of the task force. Additional staff support for legislative members of the task force must be provided by senate committee services and the house of representatives office of program research.
 - (8) During its tenure, the state agency members of the task force shall respond in a timely manner to data requests from the cochairs.
 - (9) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

- NEW SECTION. **Sec. 4.** A new section is added to chapter 74.08A RCW to read as follows:
- 3 (1) To assist the task force established in section 3 of this 4 act, there is created the intergenerational poverty advisory 5 committee.
- 6 (2) The advisory committee must include diverse, statewide 7 representation from public, nonprofit, and for-profit entities. The 8 committee membership must reflect regional, racial, and cultural 9 diversity to adequately represent the needs of all children and 10 families in the state.
- 11 (3) Members of the advisory committee are appointed by the 12 secretary, with the approval of the task force.
 - (4) The advisory committee must include representatives from:
 - (a) Advocacy groups that focus on childhood poverty issues;
- 15 (b) Advocacy groups that focus on education and early childhood 16 education issues;
- 17 (c) Academic experts in childhood poverty, education, or early childhood education issues;
- 19 (d) Faith-based organizations that address childhood poverty, 20 education, or early childhood education issues;
- 21 (e) Tribal governments;

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- 22 (f) Families impacted by poverty;
- 23 (g) Local government representatives that address childhood 24 poverty or education issues;
 - (h) The business community;
 - (i) A subject matter expert in infant mental health;
- 27 (j) The department of children, youth, and families; and
- 28 (k) The department.
- (5) Each member of the advisory committee is appointed for a four-year term unless a member is appointed to complete an unexpired term. The secretary may adjust the length of term at the time of appointment or reappointment so that approximately one-half of the advisory committee is appointed every two years.
 - (6) The secretary may remove an advisory committee member:
- 35 (a) If the member is unable or unwilling to carry out the 36 member's assigned responsibilities; or
 - (b) For good cause.
- 38 (7) If a vacancy occurs in the advisory committee membership for 39 any reason, a replacement may be appointed for the unexpired term.

- 1 (8) The advisory committee shall choose cochairs from among its 2 membership. The secretary shall convene the initial meeting of the 3 advisory committee.
 - (9) A majority of the advisory committee constitutes a quorum of the advisory committee at any meeting and the action of the majority of members present is the action of the advisory committee.
 - (10) The advisory committee shall:

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- 8 (a) Meet quarterly at the request of the task force cochairs or 9 the cochairs of the advisory committee;
 - (b) Make recommendations to the task force on how the task force and the state can effectively address the needs of children affected by intergenerational poverty and achieve the purposes and duties of the task force as described in section 3 of this act;
- 14 (c) Ensure that the advisory committee's recommendations to the 15 task force are supported by verifiable data; and
 - (d) Gather input from diverse communities about the impact of intergenerational poverty on outcomes such as education, health care, employment, involvement in the child welfare system, and other related areas.
 - (11) The department shall provide staff support to the advisory committee and shall endeavor to accommodate the participation needs of its members. Accommodations may include considering the location and time of committee meetings, making options available for remote participation by members, and convening meetings of the committee in locations with proximity to available child care whenever feasible.
- 26 (12) Members of the advisory committee may receive reimbursement 27 for travel expenses in accordance with RCW 43.03.050 and 43.03.060.
- 28 **Sec. 5.** RCW 74.08A.260 and 2017 3rd sp.s. c 21 s 1 are each 29 amended to read as follows:
 - (1) Each recipient shall be assessed after determination of program eligibility and before referral to job search. Assessments shall be based upon factors that are critical to obtaining employment, including but not limited to education, availability of child care, history of family violence, history of substance abuse, and other factors that affect the ability to obtain employment. Assessments may be performed by the department or by a contracted entity. The assessment shall be based on a uniform, consistent, transferable format that will be accepted by all agencies and organizations serving the recipient.

(2) Based on the assessment, an individual responsibility plan shall be prepared that: (a) Sets forth an employment goal and a plan for maximizing the recipient's success at meeting the employment goal; (b) considers WorkFirst educational and training programs from which the recipient could benefit; (c) contains the obligation of the recipient to participate in the program by complying with the plan; (d) moves the recipient into full-time WorkFirst activities as quickly as possible; and (e) describes the services available to the recipient either during or after WorkFirst to enable the recipient to obtain and keep employment and to advance in the workplace and increase the recipient's wage earning potential over time.

- (3) Recipients who are not engaged in work and work activities, and do not qualify for a good cause exemption under RCW 74.08A.270, shall engage in self-directed service as provided in RCW 74.08A.330.
- (4) If a recipient refuses to engage in work and work activities required by the department, the family's grant shall be reduced by the recipient's share, and may, if the department determines it appropriate, be terminated.
- (5) The department may waive the penalties required under subsection (4) of this section, subject to a finding that the recipient refused to engage in work for good cause provided in RCW 74.08A.270.
- (6) In consultation with the recipient, the department or contractor shall place the recipient into a work activity that is available in the local area where the recipient resides.
- (7) Assessments conducted under this section shall include a consideration of the potential benefit to the recipient of engaging in financial literacy activities. The department shall consider the options for financial literacy activities available in the community, including information and resources available through the financial education public-private partnership created under RCW 28A.300.450. The department may authorize up to ten hours of financial literacy activities as a core activity or an optional activity under WorkFirst.
- $(8)((\frac{1}{4}))$ Subsections (2) through (6) of this section are suspended for a recipient who is a parent or other relative personally providing care for a child under the age of two years. This suspension applies to both one and two parent families. However, both parents in a two-parent family cannot use the suspension during

the same month. Nothing in this subsection shall prevent a recipient from participating in the WorkFirst program on a voluntary basis.

(((b)(i) The period of suspension of work activities under this subsection provides an opportunity for the legislative and executive branches to oversee redesign of the WorkFirst program. To realize this opportunity, both during the period of suspension and following reinstatement of work activity requirements as redesign is being implemented, a legislative-executive WorkFirst oversight task force is established, with members as provided in this subsection (8)(b).

(ii) The president of the senate shall appoint two members from each of the two largest caucuses of the senate.

(iii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(iv) The governor shall appoint members representing the department of social and health services, the department of early learning, the department of commerce, the employment security department, the office of financial management, and the state board for community and technical colleges.

(v) The task force shall choose cochairs, one from among the legislative members and one from among the executive branch members. The legislative members shall convene the initial meeting of the task force.

(c) The task force shall:

(i) Oversee the partner agencies' implementation of the redesign of the WorkFirst program and operation of the temporary assistance for needy families program to ensure that the programs are achieving desired outcomes for their clients;

(ii) Determine evidence-based outcome measures for the WorkFirst program, including measures related to equitably serving the needs of historically underrepresented populations, such as English language learners, immigrants, refugees, and other diverse communities;

(iii) Develop accountability measures for WorkFirst recipients and the state agencies responsible for their progress toward self-sufficiency;

(iv) Make recommendations to the governor and the legislature regarding:

38 (A) Policies to improve the effectiveness of the WorkFirst 39 program over time; (B) Early identification of those recipients most likely to experience long stays on the program and strategies to improve their ability to achieve progress toward self-sufficiency; and

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- (C) Necessary changes to the program, including taking into account federal changes to the temporary assistance for needy families program.
- (d) The partner agencies must provide the task force with regular reports on:
- 9 (i) The partner agencies' progress toward meeting the outcome and performance measures established under (c) of this subsection;
- (ii) Caseload trends and program expenditures, and the impact of those trends and expenditures on client services, including services to historically underrepresented populations; and
 - (iii) The characteristics of families who have been unsuccessful on the program and have lost their benefits either through sanction or the sixty-month time limit.
 - (e) Staff support for the task force must be provided by senate committee services, the house of representatives office of program research, and the state agency members of the task force.
- 20 (f) The task force shall meet on a quarterly basis beginning
 21 September 2011, or as determined necessary by the task force
 22 cochairs.
- 23 (g) During its tenure, the state agency members of the task force 24 shall respond in a timely manner to data requests from the 25 cochairs.))
- 26 **Sec. 6.** RCW 74.08A.341 and 2012 c 217 s 1 are each amended to 27 read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.210 through 74.08A.330, 43.330.145, ((43.215.545)) 43.216.710, and 74.25.040, and chapter 74.12 RCW within the following constraints:

- (1) The program shall be operated within amounts appropriated by the legislature and consistent with policy established by the legislature to achieve self-sufficiency through work and the following additional outcomes:
- 36 (a) Recipients' economic status is improving through wage 37 progression, job retention, and educational advancement;
- 38 (b) Recipients' status regarding housing stability, medical and 39 behavioral health, and job readiness is improving;

1 (c) The well-being of children whose caretaker is receiving 2 benefits on their behalf is improving with respect to child welfare 3 and educational achievement.

- (2)(a) The department shall create a budget structure that allows for more transparent tracking of program spending. The budget structure shall outline spending for the following: Temporary assistance for needy family grants, working connections child care, WorkFirst activities and administration of the program.
- (b) Each biennium, the department shall establish a biennial spending plan, using the budget structure created in (a) of this subsection, for this program and submit the plan to the legislative fiscal committees and the legislative-executive WorkFirst poverty reduction oversight task force no later than July 1st of every odd-numbered year, beginning on July 1, 2013. The department shall update the legislative fiscal committees and the task force on the spending plan if modifications are made to the plan previously submitted to the legislature and the task force for that biennium.
- (c) The department also shall provide expenditure reports to the fiscal committees of the legislature and the legislative-executive WorkFirst poverty reduction oversight task force beginning September 1, 2012, and on a quarterly basis thereafter. If the department determines, based upon quarterly expenditure reports, that expenditures will exceed funding at the end of the fiscal year, the department shall take those actions necessary to ensure that services provided under this chapter are available only to the extent of and consistent with appropriations in the operating budget and policy established by the legislature following notification provided in (b) of this subsection.
- (3) No more than fifteen percent of the temporary assistance for needy families block grant, the federal child care funds, and qualifying state expenditures may be spent for administrative purposes. For purposes of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193.
- 36 (4) The department shall expend funds appropriated for work 37 activities, as defined in RCW 74.08A.250, or for other services 38 provided to WorkFirst recipients, as authorized under RCW 74.08A.290.

Passed by the House February 13, 2018. Passed by the Senate March 2, 2018.

Approved by the Governor March 21, 2018. Filed in Office of Secretary of State March 23, 2018.

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