
HOUSE BILL 1045

State of Washington

68th Legislature

2023 Regular Session

By Representatives Berry, Peterson, Ryu, Simmons, Goodman, Bateman, Reed, Ramel, Pollet, Street, Senn, Doglio, Macri, Mena, Wylie, Gregerson, and Ormsby

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1 AN ACT Relating to creating the evergreen basic income pilot
2 program; amending RCW 74.04.005, 43.216.1368, 43.185C.220, and
3 26.19.071; reenacting and amending RCW 10.101.010; adding a new
4 section to chapter 43.216 RCW; adding a new chapter to Title 74 RCW;
5 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. The 2021 "Labor Market and Economic
10 Report" produced by the Washington state employment security
11 department paints a grim picture: Corporate profits increased by over
12 500 percent from 2000 to 2021 while everyday Washington residents
13 filed more unemployment claims than ever with the onset of the
14 COVID-19 pandemic.

15 The legislature further finds that 22 percent of Washington's
16 adult population has a disability, and more than a quarter of a
17 million of Washington residents have impairments related to mobility,
18 cognition, dressing, and bathing that may prohibit participation in
19 the workforce. A 2021 report generated by the centers for disease
20 control and prevention about disability in Washington state urged

1 that "everyone can play a role in supporting more inclusive state
2 programs to help people with, or at risk for, disabilities."

3 The legislature also finds that certain major life transitions or
4 conditions are associated with high economic instability, including
5 being pregnant or a parent of a young child; experiencing
6 homelessness; being an immigrant, refugee, or asylee; exiting from
7 the foster care system, the juvenile justice system, or the criminal
8 justice system; exiting a relationship or living situation due to
9 domestic violence; or having a disability or behavioral health
10 disorder. These priority populations disproportionately experience
11 poverty.

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

17 Therefore, the legislature declares that all Washington
18 households deserve basic financial security and that it is the goal
19 of the state to ensure economic sustainability for all families. In
20 1997, the state legislature created WorkFirst, Washington's temporary
21 assistance for needy families program, to aid the state's struggling
22 families. Then in 2009, it created the working families' tax credit
23 to provide additional assistance to Washington residents and then
24 funded the program in 2021. These measures were taken because direct
25 cash assistance is a proven way to support people and households
26 struggling to cover essential expenses.

27 The department of social and health services recently completed a
28 basic income feasibility study pointing strongly to the conclusion
29 that Washington residents excluded from social and economic well-
30 being would benefit from a statewide basic income program. The
31 legislature finds that a direct cash assistance program with no
32 restrictions or requirements for recipients would help Washington
33 residents struggling under the weight of unprecedented income
34 inequalities.

35 NEW SECTION. **Sec. 2.** The definitions in this section apply
36 throughout this chapter unless the context clearly requires
37 otherwise.

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

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

3 (3) "Disability" has the same meaning as "disabled" in RCW
4 74.62.030(1)(a)(iii)(C).

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

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

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

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

15 (8)(a) "Resident" means a person who currently lives in
16 Washington and:

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

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

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

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

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

26 (2) No later than July 1, 2024, the department shall begin
27 providing 24 monthly payments to participants who:

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

29 (b) Are a resident of Washington state;

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

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

34 (i) Currently pregnant;

35 (ii) Parent of at least one child under the age of five;

36 (iii) Homelessness;

37 (iv) Immigrant, refugee, or asylee;

38 (v) Exiting from the foster care system, the juvenile justice
39 system, or the criminal justice system;

1 (vi) Exiting a relationship or living situation due to domestic
2 violence as defined in RCW 7.105.010;

3 (vii) Disability; or

4 (viii) Behavioral health disorder as defined in RCW 71.05.020;

5 (e) Meet the eligibility requirements as established by the board
6 of directors; and

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

8 (3) The board may modify eligibility requirements only if it will
9 expand eligibility, provide more equitable participant representation
10 in the pilot program, or respond to emergent trends or needs. Any
11 changes to the eligibility requirements may only be made with public
12 feedback.

13 (4) The monthly payment for pilot participants must be equal to
14 100 percent of the fair market rent in the county in which the
15 participant lives at the time of application. Payment options must be
16 available to both banked and unbanked participants.

17 (5) No more than 7,500 eligible participants may be selected for
18 the pilot program. If the number of qualified applicants exceeds
19 7,500, participants shall be randomly selected from the pool of
20 qualified applicants while complying with the statewide distribution
21 requirements in section 5 of this act.

22 (6) Qualified applicants in excess of the limit in subsection (5)
23 of this section may serve in a control group for data collection
24 purposes. Control group participants will be compensated at a rate of
25 \$25 per hour up to a maximum of \$250 per person.

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

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

37 (9) The department shall provide funding to tribal entities and
38 community-based organizations that serve and are substantially
39 governed by marginalized populations to pay the costs associated with
40 program outreach, assistance completing applications, and related

1 activities that directly support the goal of encouraging application
2 and participation by people of color. The department shall contract
3 with a third-party vendor to process and approve applications.

4 (10) The pilot program shall offer participants ongoing benefit
5 counseling that includes an analysis of whether and how any other
6 public benefits may be impacted and ensures informed consent.

7 (11) The pilot program shall reimburse any pilot participant for
8 the loss of other public benefits due to participation in the pilot.

9 (12) The pilot program shall develop easy, efficient, and clearly
10 communicated reenrollment plans for participants to immediately
11 reenroll in any benefits lost due to participation in the evergreen
12 basic income pilot program.

13 NEW SECTION. **Sec. 4.** (1) A board of directors is established as
14 a collaboration of the state, tribal nations, and community partners
15 to administer the evergreen basic income pilot program. The board is
16 responsible for:

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

19 (b) Establishing policies for all phases of the pilot, including
20 design, development, outreach, eligibility, enrollment, and data
21 collection and use;

22 (c) Coordinating with the pilot program's management and
23 administrative team, regional directors, evaluation team, and
24 community partners for the operation, coordination, and evaluation of
25 the pilot program;

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

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

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

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

35 (2) The board of directors must consist of at least 17 members
36 appointed by the secretary of the department of social and health
37 services as follows:

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

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

4 (c) One representative of a federally recognized tribe whose
5 reservation is largely urban; and

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

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

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

14 (a) The Salish region comprised of Clallam and Jefferson
15 counties, the reservations of the Hoh, Jamestown S'Klallam, Lower
16 Elwha Klallam, Makah, and Quileute tribes, and the portion of the
17 Quinault Indian Nation that is located within the borders of
18 Jefferson county;

19 (b) The Thurston-Mason region comprised of Kitsap, Mason, and
20 Thurston counties, the reservations of the Nisqually, Port Gamble
21 S'Klallam, Skokomish, Squaxin Island, and Suquamish tribes, and the
22 portion of the Confederated Tribes of the Chehalis Reservation that
23 is located within the borders of Thurston county;

24 (c) The great rivers region comprised of Cowlitz, Grays Harbor,
25 Lewis, Pacific, and Wahkiakum counties, the reservations of the
26 Cowlitz and Shoalwater Bay tribes, and the portions of the
27 Confederated Tribes of the Chehalis Reservation and the Quinault
28 Indian Nation that are located within the borders of Grays Harbor
29 county;

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

34 (e) The southwest region comprised of Clark, Klickitat, and
35 Skamania counties and the portions of the Confederated Tribes and
36 Bands of the Yakama Nation and Cowlitz Indian Tribe located within
37 the boundaries of Clark and Klickitat counties;

1 (f) The King and Pierce region comprised of King and Pierce
2 counties and the reservations of the Muckleshoot, Puyallup, and
3 Snoqualmie tribes;

4 (g) The north central region comprised of Chelan, Douglas, Grant,
5 and Okanogan counties and the portion of the Confederated Tribes of
6 the Colville Reservation located within the boundaries of Okanogan
7 county;

8 (h) The greater Columbia region comprised of Asotin, Benton,
9 Columbia, Franklin, Garfield, Kittitas, Walla Walla, Whitman, and
10 Yakima counties and the portion of the Confederated Tribes and Bands
11 of the Yakama Nation located within the boundaries of Yakima county;
12 and

13 (i) The Spokane region comprised of Adams, Ferry, Lincoln, Pend
14 Oreille, Stevens, and Spokane counties, the reservations of the
15 Kalispel and Spokane tribes, and the portion of the Confederated
16 Tribes of the Colville Reservation located within the boundaries of
17 Ferry county.

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

21 NEW SECTION. **Sec. 6.** (1) The department may collect data on a
22 voluntary basis from participants in the pilot program and control
23 group. Data collected may include age, race, ethnicity, geographic
24 location, and the life transition or condition the participant is
25 experiencing. The department may not collect data or request
26 information or proof regarding a person's immigration status,
27 citizenship status, or place of birth except as allowed under section
28 3 of this act. The department may offer incentives to participants
29 that encourage completion of any surveys or evaluations. Participants
30 must have access to any of their individual data collected, and the
31 entity collecting the data shall anonymize the data before sharing it
32 with a third party unless the participant consents to their identity
33 being shared.

34 (2) By December 1, 2026, and in compliance with RCW 43.01.036,
35 the department shall submit a report to the legislature and the
36 governor that evaluates the pilot program and makes recommendations
37 for an ongoing basic income program, including the appropriate amount
38 of basic income and length of assistance to be provided. The
39 evaluation shall:

1 (a) Include a cost-benefit analysis;

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

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

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

9 NEW SECTION. **Sec. 7.** (1) As allowable by federal and state law,
10 state agencies will minimize, to the greatest extent possible, the
11 impact of cash assistance provided under the pilot program on public
12 assistance eligibility and benefit amounts including, but not limited
13 to:

14 (a) Other cash assistance programs, including the temporary
15 assistance for needy families program, the state family assistance
16 program, and the refugee cash assistance program;

17 (b) Food assistance programs, including the basic food program,
18 the food assistance program, the free and reduced-price lunch
19 program, the women, infants, and children program, and the food
20 distribution program on Indian reservations;

21 (c) Child care subsidies, including the working connections child
22 care program as provided for in RCW 43.216.136; the early childhood
23 education and assistance program as provided for in RCW 43.216.510;
24 and head start and tribal head start programs;

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

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

31 (f) Medical assistance programs, including medicaid; and

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

34 (2) By December 1, 2024, state agencies shall complete any
35 actions required to comply with this section, which may include rule
36 making, coordinating with federal regulatory agencies, and proposing
37 changes to existing state law, and provide a summary of their
38 analysis and actions to the department.

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

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

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

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

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

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

13 (5) "Department" means the department of social and health
14 services.

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

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

18 (8) "Federal aid assistance" means the specific categories of
19 assistance for which provision is made in any federal law existing or
20 hereafter passed by which payments are made from the federal
21 government to the state in aid or in respect to payment by the state
22 for public assistance rendered to any category of needy persons for
23 which provision for federal funds or aid may from time to time be
24 made, or a federally administered needs-based program.

25 (9) "Income" means:

26 (a) All appreciable gains in real or personal property (cash or
27 kind) or other assets, which are received by or become available for
28 use and enjoyment by an applicant or recipient during the month of
29 application or after applying for or receiving public assistance. The
30 department may by rule and regulation exempt income received by an
31 applicant for or recipient of public assistance which can be used by
32 him or her to decrease his or her need for public assistance or to
33 aid in rehabilitating him or her or his or her dependents, but such
34 exemption shall not, unless otherwise provided in this title, exceed
35 the exemptions of resources granted under this chapter to an
36 applicant for public assistance. In addition, for cash assistance the
37 department may disregard income pursuant to RCW 74.08A.230 and
38 74.12.350. Furthermore, any cash assistance a person receives from
39 the evergreen basic income pilot program as provided for in section 3
40 of this act or any guaranteed basic income program operated by a

1 government or private entity may not be considered in determining a
2 person's initial or ongoing eligibility for public assistance.

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

8 (10) "Need" means the difference between the applicant's or
9 recipient's standards of assistance for himself or herself and the
10 dependent members of his or her family, as measured by the standards
11 of the department, and value of all nonexempt resources and nonexempt
12 income received by or available to the applicant or recipient and the
13 dependent members of his or her family.

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

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

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

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

30 (b) Household furnishings and personal effects;

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

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

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

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

5 (g) If an applicant for or recipient of public assistance
6 possesses property and belongings in excess of the ceiling value,
7 such value shall be used in determining the need of the applicant or
8 recipient, except that: (i) The department may exempt resources or
9 income when the income and resources are determined necessary to the
10 applicant's or recipient's restoration to independence, to decrease
11 the need for public assistance, or to aid in rehabilitating the
12 applicant or recipient or a dependent of the applicant or recipient;
13 and (ii) the department may provide grant assistance for a period not
14 to exceed nine months from the date the agreement is signed pursuant
15 to this section to persons who are otherwise ineligible because of
16 excess real property owned by such persons when they are making a
17 good faith effort to dispose of that property if:

18 (A) The applicant or recipient signs an agreement to repay the
19 lesser of the amount of aid received or the net proceeds of such
20 sale;

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

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

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

31 (14) "Secretary" means the secretary of social and health
32 services.

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

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

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

1 (ii) Filed or are preparing to file an application with the
2 appropriate federal agency for status pursuant to 8 U.S.C. Sec.
3 1101(a)(15)(U), as it existed on January 1, 2020; or

4 (iii) Been harmed by either any violation of chapter 9A.40 or
5 9.68A RCW, or both, or by substantially similar crimes under federal
6 law or the laws of any other state, and who:

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

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

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

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

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

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

23 (17) For purposes of determining eligibility for public
24 assistance and participation levels in the cost of medical care, the
25 department shall exempt restitution payments made to people of
26 Japanese and Aleut ancestry pursuant to the Civil Liberties Act of
27 1988 and the Aleutian and Pribilof Island Restitution Act passed by
28 congress, P.L. 100-383, including all income and resources derived
29 therefrom.

30 (18) In the construction of words and phrases used in this title,
31 the singular number shall include the plural, the masculine gender
32 shall include both the feminine and neuter genders, and the present
33 tense shall include the past and future tenses, unless the context
34 thereof shall clearly indicate to the contrary.

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

37 For the early childhood education and assistance program, the
38 department may not consider any cash assistance a person receives
39 from the evergreen basic income pilot program as provided for in

1 section 3 of this act or any guaranteed basic income program operated
2 by a government or private entity in determining family income or a
3 child's eligibility.

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

6 (1) It is the intent of the legislature to increase working
7 families' access to affordable, high quality child care and to
8 support the expansion of the workforce to support businesses and the
9 statewide economy.

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

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

17 (b) The household meets all other program eligibility
18 requirements.

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

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

26 (b) The household meets all other program eligibility
27 requirements.

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

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

36 (b) The household meets all other program eligibility
37 requirements.

1 (5) (a) Beginning October 1, 2021, through June 30, 2023, the
 2 department must calculate a monthly copayment according to the
 3 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

13 (b) Beginning July 1, 2023, the department must calculate a
 14 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

24 (c) Beginning July 1, 2025, the department must calculate a
 25 maximum monthly copayment of \$215 for households with incomes above
 26 60 percent and at or below 75 percent of the state median income.

27 (d) Subject to the availability of amounts appropriated for this
 28 specific purpose, the department shall adopt a copayment model for
 29 households with annual incomes above 75 percent of the state median
 30 income and at or below 85 percent of the state median income. The
 31 model must calculate a copayment for each household that is no
 32 greater than seven percent of the household's countable income within
 33 this income range.

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

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

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

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

11 (1) The department shall distribute funds for the essential needs
12 and housing support program established under this section in a
13 manner consistent with the requirements of this section and the
14 biennial operating budget. The first distribution of funds must be
15 completed by September 1, 2011. Essential needs or housing support is
16 only for persons found eligible for such services under RCW 74.04.805
17 and is not considered an entitlement.

18 (2) The department shall distribute funds appropriated for the
19 essential needs and housing support program in the form of grants to
20 designated essential needs support and housing support entities
21 within each county. The department shall not distribute any funds
22 until it approves the expenditure plan submitted by the designated
23 essential needs support and housing support entities. The amount of
24 funds to be distributed pursuant to this section shall be designated
25 in the biennial operating budget. For the sole purpose of meeting the
26 initial distribution of funds date, the department may distribute
27 partial funds upon the department's approval of a preliminary
28 expenditure plan. The department shall not distribute the remaining
29 funds until it has approved a final expenditure plan.

30 (3) (a) During the 2011-2013 biennium, in awarding housing support
31 that is not funded through the contingency fund in this subsection,
32 the designated housing support entity shall provide housing support
33 to clients who are homeless persons as defined in RCW 43.185C.010. As
34 provided in the biennial operating budget for the 2011-2013 biennium,
35 a contingency fund shall be used solely for those clients who are at
36 substantial risk of losing stable housing or at substantial risk of
37 losing one of the other services defined in RCW 74.62.010(6). For
38 purposes of this chapter, "substantial risk" means the client has
39 provided documentation that he or she will lose his or her housing

1 within the next thirty days or that the services will be discontinued
2 within the next thirty days.

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

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

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

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

24 (c) Within a county, if the department directly awards separate
25 grants to the designated housing support entity and the designated
26 essential needs support entity, the department shall determine the
27 amount allocated for essential needs support as directed in the
28 biennial operating budget.

29 (5)(a) Essential needs and housing support entities must use
30 funds distributed under this section as flexibly as is practicable to
31 provide essential needs items and housing support to recipients of
32 the essential needs and housing support program, subject to the
33 requirements of this section.

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

37 (c) The department may move funds between entities or between
38 counties to reflect actual caseload changes. In doing so, the
39 department must: (i) Develop a process for reviewing the caseload of
40 designated essential needs and housing support entities, and for

1 redistributing grant funds from those entities experiencing reduced
2 actual caseloads to those with increased actual caseloads; and (ii)
3 inform all designated entities of the redistribution process. Savings
4 resulting from program caseload attrition from the essential needs
5 and housing support program shall not result in increased per-client
6 expenditures.

7 (d) Essential needs and housing support entities must partner
8 with other public and private organizations to maximize the
9 beneficial impact of funds distributed under this section, and should
10 attempt to leverage other sources of public and private funds to
11 serve essential needs and housing support recipients. Funds
12 appropriated in the operating budget for essential needs and housing
13 support must be used only to serve persons eligible to receive
14 services under that program.

15 (6) The department shall use no more than five percent of the
16 funds for administration of the essential needs and housing support
17 program. Each essential needs and housing support entity shall use no
18 more than seven percent of the funds for administrative expenses.

19 (7) The department shall:

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

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

24 (c) In collaboration with the department of social and health
25 services, submit a report annually to the relevant policy and fiscal
26 committees of the legislature. A preliminary report shall be
27 submitted by December 31, 2011, and must include (c)(i), (iii), and
28 (v) of this subsection. Annual reports must be submitted beginning
29 December 1, 2012, and must include:

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

32 (ii) The amount of funds used by the department to administer the
33 program;

34 (iii) Information on the housing status of essential needs and
35 housing support recipients served by housing support entities, and
36 individuals who have requested housing support but did not receive
37 housing support;

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

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

3 (d) Review the data submitted by the designated entities, and
4 make recommendations for program improvements and administrative
5 efficiencies. The department has the authority to designate
6 alternative entities as necessary due to performance or other
7 significant issues. Such change must only be made after consultation
8 with the department of social and health services and the impacted
9 entity.

10 (8) The department, counties, and essential needs and housing
11 support entities are not civilly or criminally liable and may not
12 have any penalty or cause of action of any nature arise against them
13 related to decisions regarding: (a) The provision or lack of
14 provision of housing or essential needs support; or (b) the type of
15 housing arrangement supported with funds allocated under this
16 section, when the decision was made in good faith and in the
17 performance of the powers and duties under this section. However,
18 this section does not prohibit legal actions against the department,
19 county, or essential needs or housing support entity to enforce
20 contractual duties or obligations.

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

24 (a) Any cash assistance a person receives from the evergreen
25 basic income pilot program under section 3 of this act or any
26 guaranteed basic income program operated by a government or private
27 entity may not be considered in determining a person's initial or
28 ongoing eligibility for the essential needs and housing support
29 program.

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

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

36 The following definitions shall be applied in connection with
37 this chapter:

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

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

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

10 (b) "Income" means salary, wages, interest, dividends, and other
11 earnings which are reportable for federal income tax purposes, and
12 cash payments such as reimbursements received from pensions,
13 annuities, social security, and public assistance programs. It
14 includes any contribution received from any family member or other
15 person who is domiciled in the same residence as the defendant and
16 who is helping to defray the defendant's basic living costs.

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

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

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

27 (a) Receiving one of the following types of public assistance:
28 Temporary assistance for needy families, aged, blind, or disabled
29 assistance benefits, medical care services under RCW 74.09.035,
30 pregnant women assistance benefits, poverty-related veterans'
31 benefits, food stamps or food stamp benefits transferred
32 electronically, refugee resettlement benefits, medicaid, ((~~or~~))
33 supplemental security income, or cash assistance from the evergreen
34 basic income pilot program as provided for in section 3 of this act;
35 or

36 (b) Involuntarily committed to a public mental health facility;
37 or

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

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

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

9 **Sec. 13.** RCW 26.19.071 and 2020 c 227 s 2 are each amended to
10 read as follows:

11 (1) **Consideration of all income.** All income and resources of each
12 parent's household shall be disclosed and considered by the court
13 when the court determines the child support obligation of each
14 parent. Only the income of the parents of the children whose support
15 is at issue shall be calculated for purposes of calculating the basic
16 support obligation. Income and resources of any other person shall
17 not be included in calculating the basic support obligation.

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

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

- 25 (a) Salaries;
- 26 (b) Wages;
- 27 (c) Commissions;
- 28 (d) Deferred compensation;
- 29 (e) Overtime, except as excluded for income in subsection (4)
- 30 (~~(i)~~) (j) of this section;
- 31 (f) Contract-related benefits;
- 32 (g) Income from second jobs, except as excluded for income in
- 33 subsection (4) (~~(i)~~) (j) of this section;
- 34 (h) Dividends;
- 35 (i) Interest;
- 36 (j) Trust income;
- 37 (k) Severance pay;
- 38 (l) Annuities;
- 39 (m) Capital gains;

- 1 (n) Pension retirement benefits;
- 2 (o) Workers' compensation;
- 3 (p) Unemployment benefits;
- 4 (q) Maintenance actually received;
- 5 (r) Bonuses;
- 6 (s) Social security benefits;
- 7 (t) Disability insurance benefits; and
- 8 (u) Income from self-employment, rent, royalties, contracts,
- 9 proprietorship of a business, or joint ownership of a partnership or
- 10 closely held corporation.

11 (4) **Income sources excluded from gross monthly income.** The

12 following income and resources shall be disclosed but shall not be

13 included in gross income:

- 14 (a) Income of a new spouse or new domestic partner or income of
- 15 other adults in the household;
- 16 (b) Child support received from other relationships;
- 17 (c) Gifts and prizes;
- 18 (d) Temporary assistance for needy families;
- 19 (e) Supplemental security income;
- 20 (f) Aged, blind, or disabled assistance benefits;
- 21 (g) Pregnant women assistance benefits;
- 22 (h) Food stamps; (~~and~~)
- 23 (i) Cash assistance from the evergreen basic income pilot program
- 24 as provided for in section 3 of this act; and

25 (j) Overtime or income from second jobs beyond forty hours per

26 week averaged over a twelve-month period worked to provide for a

27 current family's needs, to retire past relationship debts, or to

28 retire child support debt, when the court finds the income will cease

29 when the party has paid off his or her debts.

30 Receipt of income and resources from temporary assistance for

31 needy families, supplemental security income, aged, blind, or

32 disabled assistance benefits, and food stamps shall not be a reason

33 to deviate from the standard calculation.

34 (5) **Determination of net income.** The following expenses shall be

35 disclosed and deducted from gross monthly income to calculate net

36 monthly income:

- 37 (a) Federal and state income taxes;
- 38 (b) Federal insurance contributions act deductions;
- 39 (c) Mandatory pension plan payments;
- 40 (d) Mandatory union or professional dues;

1 (e) State industrial insurance premiums;

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

3 (g) Up to five thousand dollars per year in voluntary retirement
4 contributions actually made if the contributions show a pattern of
5 contributions during the one-year period preceding the action
6 establishing the child support order unless there is a determination
7 that the contributions were made for the purpose of reducing child
8 support; and

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

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

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

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

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

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

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

1 (iv) Earnings of thirty-two hours per week at minimum wage in the
2 jurisdiction where the parent resides if the parent is on or recently
3 coming off temporary assistance for needy families or recently coming
4 off aged, blind, or disabled assistance benefits, pregnant women
5 assistance benefits, essential needs and housing support,
6 supplemental security income, or disability, has recently been
7 released from incarceration, or is a recent high school graduate.
8 Imputation of earnings at thirty-two hours per week under this
9 subsection is a rebuttable presumption;

10 (v) Full-time earnings at minimum wage in the jurisdiction where
11 the parent resides if the parent has a recent history of minimum wage
12 earnings, has never been employed and has no earnings history, or has
13 no significant earnings history;

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

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

27 NEW SECTION. **Sec. 14.** If any part of this act is found to be in
28 conflict with federal requirements that are a prescribed condition to
29 the allocation of federal funds to the state, the conflicting part of
30 this act is inoperative solely to the extent of the conflict and with
31 respect to the agencies directly affected, and this finding does not
32 affect the operation of the remainder of this act in its application
33 to the agencies concerned. Rules adopted under this act must meet
34 federal requirements that are a necessary condition to the receipt of
35 federal funds by the state.

1 NEW SECTION. **Sec. 15.** Sections 2 through 7 and 14 of this act
2 constitute a new chapter in Title 74 RCW.

--- **END** ---