
SENATE BILL 6196

State of Washington**68th Legislature****2024 Regular Session****By** Senators Kauffman, C. Wilson, Frame, Nguyen, and Keiser

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, 2026, 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, 2027, 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, 2024, 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 2023 c 418 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, that is used and
5 useful;
- 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) Retirement funds, pension plans, and retirement accounts;
- 10 (f) All other resources, including any excess of values exempted,
11 not to exceed \$12,000 or other limit as set by the department, to be
12 consistent with limitations on resources and exemptions necessary for
13 federal aid assistance;
- 14 (g) Applicants for or recipients of benefits under RCW 74.62.030
15 and 43.185C.220 shall have their eligibility based on resource
16 limitations consistent with the temporary assistance for needy
17 families program rules adopted by the department; and
- 18 (h) If an applicant for or recipient of public assistance
19 possesses property and belongings in excess of the ceiling value,
20 such value shall be used in determining the need of the applicant or
21 recipient, except that: (i) The department may exempt resources or
22 income when the income and resources are determined necessary to the
23 applicant's or recipient's restoration to independence, to decrease
24 the need for public assistance, or to aid in rehabilitating the
25 applicant or recipient or a dependent of the applicant or recipient;
26 and (ii) the department may provide grant assistance for a period not
27 to exceed nine months from the date the agreement is signed pursuant
28 to this section to persons who are otherwise ineligible because of
29 excess real property owned by such persons when they are making a
30 good faith effort to dispose of that property if:
- 31 (A) The applicant or recipient signs an agreement to repay the
32 lesser of the amount of aid received or the net proceeds of such
33 sale;
- 34 (B) If the owner of the excess property ceases to make good faith
35 efforts to sell the property, the entire amount of assistance may
36 become an overpayment and a debt due the state and may be recovered
37 pursuant to RCW 43.20B.630;
- 38 (C) Applicants and recipients are advised of their right to a
39 fair hearing and afforded the opportunity to challenge a decision

1 that good faith efforts to sell have ceased, prior to assessment of
2 an overpayment under this section; and

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

5 (14) "Secretary" means the secretary of social and health
6 services.

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

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

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

15 (ii) Filed or are preparing to file an application with the
16 appropriate federal agency for status pursuant to 8 U.S.C. Sec.
17 1101(a)(15)(U), as it existed on January 1, 2020; or

18 (iii) Been harmed by either any violation of chapter 9A.40 or
19 9.68A RCW, or both, or by substantially similar crimes under federal
20 law or the laws of any other state, and who:

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

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

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

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

28 (B) When the victim is under 21 years of age, a victim's parents
29 and unmarried siblings under the age of 18.

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

37 (17) For purposes of determining eligibility for public
38 assistance and participation levels in the cost of medical care, the
39 department shall exempt restitution payments made to people of
40 Japanese and Aleut ancestry pursuant to the Civil Liberties Act of

1 1988 and the Aleutian and Pribilof Island Restitution Act passed by
2 congress, P.L. 100-383, including all income and resources derived
3 therefrom.

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

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

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

17 **Sec. 10.** RCW 43.216.1368 and 2023 c 222 s 4 are each amended to
18 read as follows:

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

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

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

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

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

36 (a) The child receiving care is: (i) Less than 13 years of age;
37 or (ii) less than 19 years of age and has a verified special need
38 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) This section does not apply to households eligible for the
16 working connections child care program under RCW 43.216.145 and
17 43.216.1364.

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

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

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

33 (2) The department shall distribute funds appropriated for the
34 essential needs and housing support program in the form of grants to
35 designated essential needs support and housing support entities
36 within each county. The department shall not distribute any funds
37 until it approves the expenditure plan submitted by the designated
38 essential needs support and housing support entities. The amount of
39 funds to be distributed pursuant to this section shall be designated

1 in the biennial operating budget. For the sole purpose of meeting the
2 initial distribution of funds date, the department may distribute
3 partial funds upon the department's approval of a preliminary
4 expenditure plan. The department shall not distribute the remaining
5 funds until it has approved a final expenditure plan.

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

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

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

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

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

39 (c) Within a county, if the department directly awards separate
40 grants to the designated housing support entity and the designated

1 essential needs support entity, the department shall determine the
2 amount allocated for essential needs support as directed in the
3 biennial operating budget.

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

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

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

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

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

34 (7) The department shall:

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

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

39 (c) In collaboration with the department of social and health
40 services, submit a report annually to the relevant policy and fiscal

1 committees of the legislature. A preliminary report shall be
2 submitted by December 31, 2011, and must include (c)(i), (iii), and
3 (v) of this subsection. Annual reports must be submitted beginning
4 December 1, 2012, and must include:

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

7 (ii) The amount of funds used by the department to administer the
8 program;

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

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

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

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

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

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

38 (a) Any cash assistance a person receives from the evergreen
39 basic income pilot program under section 3 of this act or any
40 guaranteed basic income program operated by a government or private

1 entity may not be considered in determining a person's initial or
2 ongoing eligibility for the essential needs and housing support
3 program.

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

8 **Sec. 12.** RCW 74.04.805 and 2023 c 289 s 1 are each amended to
9 read as follows:

10 (1) The department is responsible for determining eligibility for
11 referral for essential needs and housing support under RCW
12 43.185C.220. Persons eligible for a referral are persons who:

13 (a) Have been determined to be eligible for the aged, blind, or
14 disabled assistance program under RCW 74.62.030 or the pregnant women
15 assistance program under RCW 74.62.030, or are incapacitated from
16 gainful employment by reason of bodily or mental infirmity that will
17 likely continue for a minimum of 90 days. The standard for incapacity
18 in this subsection, as evidenced by the 90-day duration standard, is
19 not intended to be as stringent as federal supplemental security
20 income disability standards;

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

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

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

32 (d)(i) Have countable income as described in RCW 74.04.005 that
33 meets the standard established by the department, which shall not
34 exceed 100 percent of the federal poverty level; or

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

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

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

3 (2) Recipients of pregnant women assistance program benefits who
4 meet other eligibility requirements in this section are eligible for
5 referral for essential needs and housing support services, within
6 funds appropriated for the department of commerce, for 24 consecutive
7 months from the date the department determines pregnant women
8 assistance program eligibility.

9 (3) The following persons are not eligible for a referral for
10 essential needs and housing support:

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

13 (b) Persons who refuse or fail without good cause to participate
14 in substance use treatment if an assessment by a certified substance
15 use disorder professional indicates a need for such treatment. Good
16 cause must be found to exist when a person's physical or mental
17 condition, as determined by the department, prevents the person from
18 participating in substance use treatment, when needed outpatient
19 treatment is not available to the person in the county of their
20 residence, when needed inpatient treatment is not available in a
21 location that is reasonably accessible for the person, or when the
22 person is a parent or other relative personally providing care for a
23 minor child or an incapacitated individual living in the same home as
24 the person, and child care or day care would be necessary for the
25 person to participate in substance use disorder treatment, and such
26 care is not available; and

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

33 (4) Participants in the evergreen basic income pilot program as
34 provided for in section 3 of this act are eligible for a referral for
35 essential needs and housing support regardless of whether or not they
36 meet other eligibility requirements in this section. The department
37 shall coordinate with the department of commerce to ensure that
38 participants in the evergreen basic income pilot program have access
39 to benefits through the essential needs and housing support program.

1 (5) For purposes of determining whether a person is incapacitated
2 from gainful employment under subsection (1) of this section:

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

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

12 ~~((+5))~~ (6) For purposes of reviewing a person's continuing
13 eligibility and in order to remain eligible for the program, persons
14 who have been found to have an incapacity from gainful employment
15 must demonstrate that there has been no material improvement in their
16 medical or mental health condition. The department may discontinue
17 benefits when there was specific error in the prior determination
18 that found the person eligible by reason of incapacitation.

19 ~~((+6))~~ (7) The department must review the cases of all persons
20 who have received benefits under the essential needs and housing
21 support program for twelve consecutive months, and at least annually
22 after the first review, to determine whether they are eligible for
23 the aged, blind, or disabled assistance program.

24 ~~((+7))~~ (8) The department shall share client data for
25 individuals eligible for essential needs and housing support with the
26 department of commerce and designated essential needs and housing
27 support entities as required under RCW 43.185C.230.

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

30 The following definitions shall be applied in connection with
31 this chapter:

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

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

38 (a) "Liquid assets" means cash, savings accounts, bank accounts,
39 stocks, bonds, certificates of deposit, equity in real estate, and

1 equity in motor vehicles. A motor vehicle necessary to maintain
2 employment and having a market value not greater than three thousand
3 dollars shall not be considered a liquid asset.

4 (b) "Income" means salary, wages, interest, dividends, and other
5 earnings which are reportable for federal income tax purposes, and
6 cash payments such as reimbursements received from pensions,
7 annuities, social security, and public assistance programs. It
8 includes any contribution received from any family member or other
9 person who is domiciled in the same residence as the defendant and
10 who is helping to defray the defendant's basic living costs. It does
11 not include any cash assistance a person receives from the evergreen
12 basic income pilot program under section 3 of this act or any
13 guaranteed basic income program operated by a government or private
14 entity.

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

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

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

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

34 (b) Involuntarily committed to a public mental health facility;
35 or

36 (c) Receiving an annual income, after taxes, of one hundred
37 twenty-five percent or less of the current federally established
38 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. 14.** 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 **Sec. 15.** RCW 70.170.060 and 2022 c 197 s 2 are each amended to
28 read as follows:

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

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

34 (b) A significant reduction in the proportion of individuals
35 admitted for inpatient hospital services for which payment is, or is
36 likely to be, less than the anticipated charges for or costs of such
37 services; or

38 (c) The refusal to admit patients who would be expected to
39 require unusually costly or prolonged treatment for reasons other

1 than those related to the appropriateness of the care available at
2 the hospital.

3 (2) No hospital shall adopt or maintain practices or policies
4 which would deny access to emergency care based on ability to pay. No
5 hospital which maintains an emergency department shall transfer a
6 patient with an emergency medical condition or who is in active labor
7 unless the transfer is performed at the request of the patient or is
8 due to the limited medical resources of the transferring hospital.
9 Hospitals must follow reasonable procedures in making transfers to
10 other hospitals including confirmation of acceptance of the transfer
11 by the receiving hospital.

12 (3) The department shall develop definitions by rule, as
13 appropriate, for subsection (1) of this section and, with reference
14 to federal requirements, subsection (2) of this section. The
15 department shall monitor hospital compliance with subsections (1) and
16 (2) of this section. The department shall report individual instances
17 of possible noncompliance to the state attorney general or the
18 appropriate federal agency.

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

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

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

28 (5) For the purpose of providing charity care, each hospital
29 shall develop, implement, and maintain a policy which shall enable
30 indigent persons access to charity care. The policy shall include
31 procedures for identifying patients who may be eligible for health
32 care coverage through medical assistance programs under chapter 74.09
33 RCW or the Washington health benefit exchange and actively assisting
34 patients to apply for any available coverage. If a hospital
35 determines that a patient or their guarantor is qualified for
36 retroactive health care coverage through the medical assistance
37 programs under chapter 74.09 RCW, a hospital shall assist the patient
38 or guarantor with applying for such coverage. If a hospital
39 determines that a patient or their guarantor qualifies for
40 retroactive health care coverage through the medical assistance

1 programs under chapter 74.09 RCW, a hospital is not obligated to
2 provide charity care under this section to any patient or their
3 guarantor if the patient or their guarantor fails to make reasonable
4 efforts to cooperate with the hospital's efforts to assist them in
5 applying for such coverage. Hospitals may not impose application
6 procedures for charity care or for assistance with retroactive
7 coverage applications which place an unreasonable burden upon the
8 patient or guarantor, taking into account any physical, mental,
9 intellectual, or sensory deficiencies, or language barriers which may
10 hinder the responsible party's capability of complying with
11 application procedures. It is an unreasonable burden to require a
12 patient to apply for any state or federal program where the patient
13 is obviously or categorically ineligible or has been deemed
14 ineligible in the prior 12 months.

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

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

26 (ii) All patients and their guarantors whose income is between
27 301 and 350 percent of the federal poverty level, adjusted for family
28 size, shall be entitled to a 75 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 (iii) All patients and their guarantors whose income is between
33 351 and 400 percent of the federal poverty level, adjusted for family
34 size, shall be entitled to a 50 percent discount for the full amount
35 of the patient responsibility portion of their hospital charges,
36 which may be reduced by amounts reasonably related to assets
37 considered pursuant to (c) of this subsection.

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

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

5 (ii) All patients and their guarantors whose income is between
6 201 and 250 percent of the federal poverty level, adjusted for family
7 size, shall be entitled to a 75 percent discount for the full amount
8 of the patient responsibility portion of their hospital charges,
9 which may be reduced by amounts reasonably related to assets
10 considered pursuant to (c) of this subsection; and

11 (iii) All patients and their guarantors whose income is between
12 251 and 300 percent of the federal poverty level, adjusted for family
13 size, shall be entitled to a 50 percent discount for the full amount
14 of the patient responsibility portion of their hospital charges,
15 which may be reduced by amounts reasonably related to assets
16 considered pursuant to (c) of this subsection.

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

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

23 (A) The first \$5,000 of monetary assets for an individual or
24 \$8,000 of monetary assets for a family of two, and \$1,500 of monetary
25 assets for each additional family member. The value of any asset that
26 has a penalty for early withdrawal shall be the value of the asset
27 after the penalty has been paid;

28 (B) Any equity in a primary residence;

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

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

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

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

35 (iii) In considering assets, a hospital may not impose procedures
36 which place an unreasonable burden on the responsible party.
37 Information requests from the hospital to the responsible party for
38 the verification of assets shall be limited to that which is
39 reasonably necessary and readily available to substantiate the
40 responsible party's qualification for charity sponsorship and may not

1 be used to discourage application for such sponsorship. Only those
2 facts relevant to eligibility may be verified and duplicate forms of
3 verification may not be demanded.

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

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

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

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

16 (6) Hospitals may not consider money received under the evergreen
17 basic income pilot program under section 3 of this act as income and
18 may not consider a patient's eligibility to receive money under the
19 evergreen basic income pilot program as an asset when determining a
20 patient's eligibility for charity care.

21 (7) Each hospital shall post and prominently display notice of
22 charity care availability. Notice must be posted in all languages
23 spoken by more than ten percent of the population of the hospital
24 service area. Notice must be displayed in at least the following
25 locations:

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

27 (b) Emergency departments, if any; and

28 (c) Financial service or billing areas where accessible to
29 patients.

30 ((+7)) (8) Current versions of the hospital's charity care
31 policy, a plain language summary of the hospital's charity care
32 policy, and the hospital's charity care application form must be
33 available on the hospital's website. The summary and application form
34 must be available in all languages spoken by more than ten percent of
35 the population of the hospital service area.

36 ((+8)) (9)(a) All hospital billing statements and other written
37 communications concerning billing or collection of a hospital bill by
38 a hospital must include the following or a substantially similar
39 statement prominently displayed on the first page of the statement in

1 both English and the second most spoken language in the hospital's
2 service area:

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

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

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

17 ~~((10))~~ (11) Each hospital shall make every reasonable effort to
18 determine:

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

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

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

33 ~~((11))~~ (12) At the hospital's discretion, a hospital may
34 consider applications for charity care at any time, including any
35 time there is a change in a patient's financial circumstances.

36 ~~((12))~~ (13) The department shall monitor the distribution of
37 charity care among hospitals, with reference to factors such as
38 relative need for charity care in hospital service areas and trends
39 in private and public health coverage. The department shall prepare
40 reports that identify any problems in distribution which are in

1 contradiction of the intent of this chapter. The report shall include
2 an assessment of the effects of the provisions of this chapter on
3 access to hospital and health care services, as well as an evaluation
4 of the contribution of all purchasers of care to hospital charity
5 care.

6 ~~((13))~~ (14) The department shall issue a report on the subjects
7 addressed in this section at least annually, with the first report
8 due on July 1, 1990.

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

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

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