



2013



# Policy Agenda

Statewide  
Poverty Action  
Network





# Dear Members & Friends,



January marks the beginning of a new year and a new legislative session. This time of year brings a sense of hope and excitement; people and families across Washington have made their New Year's resolutions and have renewed their aspirations for a bright and prosperous year. As the legislature convenes the 2013 Legislative Session, Poverty Action also remains hopeful, excited, and above all, resolute in our mission of economic justice.

And resolute we must stay. Our newly elected Governor and our state legislators are once again facing a series of critical choices that will impact the lives of millions of Washingtonians. This year alone, legislators will decide:

- How to fulfill the requirements of the State Supreme Court's McCleary school funding decision, while keeping our state's commitment to a safety net of services for our seniors, low-income families, people with disabilities, and children;
- How to implement federal health care reform, the Affordable Care Act, to ensure that everyone in our state can access health insurance;
- Whether they will protect Washington consumers from predatory debt products that have cropped up in the wake of the Great Recession;
- And how to build a more robust and stable revenue system that can meet the demands of a 21<sup>st</sup> century economy.

At Poverty Action, our hopes for the coming year are not any different from the hopes of many families across the state; they are the hopes for a budget and policies that reflect our collective values. We hope for safe and thriving communities, for jobs that pay fair wages and provide for the economic security of our families. We hope for the ability to see the doctor when we, or our children, are sick. We hope our children can succeed in school, regardless of race or family income. In short, we hope for progress and the opportunity for our state and our families to prosper.

In order to achieve these hopes and aspirations, Poverty Action activists and advocates must take action. The purpose of this booklet is to share what policies our 8,000 members across the state believe are essential to ensuring everyone in our state can reach economic security.

Help us strengthen our resolve and join us in our hopes for a better future for all families in Washington. By working together, we can ensure that all Washingtonians can meet their basic needs and have the opportunity to prosper.

Sincerely,

Marcy Bowers, Director



### **Our Mission:**

The Statewide Poverty Action Network builds grassroots power to end causes of poverty and create opportunities for everyone to prosper.

### **Our Vision:**

Poverty Action envisions a state where people of all income levels fully promote and participate in building the fabric of socially, politically, and economically just communities.

### **Criteria for Setting Public Policy Priorities:**

- This policy addresses systemic problems that contribute to poverty.
- This policy has broad support from people with low incomes.
- Organizing on this policy helps to build our base as a network.
- This policy has enough political traction to pass within 3-5 years.
- Poverty Action can play a leading role or have a unique voice on this issue and other organizations are not already leading on this issue.

Poverty Action's public policy agenda for the 2013 Legislative Session is a document of values, and reflects the priorities of our membership and board. Through listening sessions, board meetings, membership meetings and actions, this agenda reflects the collective values of our nearly 8,000 members for the coming year. These are issues on which Poverty Action plays a lead role. Staff will organize and mobilize our membership to take action on these issues through member summits and events, trainings, legislative alerts, rapid response phone conferences, media outreach, and through volunteer phone banks during the legislative session.



# Budgeting to Protect Washington's Future

Our communities thrive when all people can meet their basic needs and have opportunities to prosper. Our state has invested in our shared future by providing health care for kids, ensuring support for seniors and disabled adults, and increasing access to education.

However, the economic downturn brought by the Great Recession has resulted in lawmakers cutting nearly \$11 billion from the state's budget over the past several years. Now, our state is facing an additional \$2 billion revenue shortfall this biennium due to stagnant economic growth and our state's broken revenue system. These budget shortfalls threaten our quality of life, the future of our children, and our ability to fully recover from the recent economic crisis.

## Sufficient Revenue

During the worst economic downturn since the Great Depression, the needs of families have grown while the state has fewer resources to help them. As the national economic recovery continues to stagnate, our state budget shortfall has worsened as families face ongoing unemployment and economic hardship.

New, progressive sources of revenue are needed to maintain important services, create jobs and opportunities, protect our most vulnerable, and ensure a secure economic future for our state. It is time to be bold and creative, show leadership, and find a balanced budget solution, one that explores a variety of options, including raising revenue.

**Position:** 1) Create a progressive, steady revenue source that can support a healthy economy and meet the needs of our state, such as a capital gains tax. 2) Close corporate tax loopholes.



# Fair and Reasonable Consumer Protections

## Debt Settlement

People fall into debt for a variety of reasons, such as medical debt or unemployment; they should not be further penalized because they owe money. Debt settlement companies (or debt adjusters) charge people high fees to negotiate down debt on the consumers' behalf. The debt settlement model requires that Washington households stop paying their creditors. Because consumers are not paying their debts, they end up suffering reduced credit scores, escalation of collection actions by creditors, collection lawsuits, and even bankruptcy. This leaves the consumer in a worse financial situation because, on top of still owing the original debt, they now owe additional fees and penalties.

## Zombie Debt (also known as Time-Barred Debt)

Like a zombie coming back from the dead, old debt comes back to haunt consumers. Zombie debt occurs when companies sell their old debts for pennies on the dollar to third-party debt buyers. Debt buyers then try to collect on old debts or debts that have already been paid (and were sometimes never owed in the first place). Once a consumer makes a partial payment, the clock restarts on the statute of limitations. The burden of proof lands on consumers, many of whom do not have documentation to prove that the debt is not owed anymore or that they never owed it.

## Payday Lending

Payday lenders target low- to moderate-wage workers with loans that carry a typical APR, or annual interest rate, of over 390%. These loans are designed with terms borrowers usually cannot meet, forcing them into high-cost, long-term debt. An average payday loan borrower repays \$827 to borrow \$339. In 2009, Washington state passed its first law to rein in payday lenders, offering strong protections for payday loan borrowers. At a time when working families need every penny to meet their basic needs, these protections are critical in preventing borrowers from entering a cycle of high-cost debt.

**Position:** 1) Preserve current consumer protections. 2) Enact strong consumer protections to help Washington families avoid or lower their debt.



# Ensuring Dignity for All People

## Temporary Assistance for Needy Families (TANF)

Our state's TANF system helps struggling families with children reach economic security through employment. TANF provides cash assistance to parents and their dependent children who have incomes so low they are not able to meet their basic needs. People who qualify for TANF, also known as WorkFirst, engage in immediate job search and participate in work activities. As the economy recovers, TANF is more important than ever in helping people meet their basic needs, reach economic stability, and access opportunities to prosper.

**Position:** 1) Restore TANF cash grant amount by 15%, or back to the 2010 level. 2) Restore exemptions to the 60-month life time limit of TANF. 3) Preserve current level of funding for Working Connections Child Care. 4) Ensure that the WorkFirst system provides opportunities for families to move out of poverty and see a progression in their wages over time.

## Housing and Essential Needs (HEN) and Aged, Blind, and Disabled (ABD) Programs

We all hope that if something unexpected happens, we will have access to support and the opportunity for a decent quality of life. HEN, the former Disability Lifeline and General Assistance-Unemployable program, ensures that people who are temporarily unable to work due to a physical or mental disability can meet their basic needs. Recipients are not eligible for federal assistance, so to help them meet their basic needs, they receive housing assistance and essential needs, such as toothpaste and toilet paper, from the state.

ABD, the former Disability Lifeline and General Assistance-Expedited program, provides \$197 in cash assistance to disabled adults who are applying for federal Supplemental Security Income (SSI). This grant ensures disabled adults who are unable to work have resources to meet their basic needs while they are waiting to be approved for federal SSI. Once participants transfer to SSI, the state is reimbursed for the funds spent on the ABD grant.

**Position:** 1) Preserve and strengthen the HEN program by preserving the current funding level, extending HEN coverage to people with a chemical dependency disability, ensuring health care coverage will continue as our state implements federal health care reform, and by adding a small stipend to help pay for basic necessities. 2) Preserve and strengthen the ABD program, by increasing the grant amount and assisting ABD recipients transfer to SSI.



## Access to Healthcare

Access to affordable health care is critical for Washington families in order to ensure that both children and adults can be safe and healthy. However, hundreds of thousands of low-income working families in Washington are without basic health coverage. More and more, even those with health insurance are not secure--facing inadequate coverage, costs that are out of reach, or they are at risk of losing what they have. Under federal health care reform, our state has the opportunity to extend health care coverage to hundreds of thousands of uninsured people by expanding Medicaid and creating affordable coverage options in the new health insurance exchange beginning in 2014.

**Position:** 1) Fully implement the federal Medicaid expansion to extend health care coverage to nearly 400,000 low-income adults. 2) Restore funding for Medicaid Optional services and include these services in the Medicaid expansion. These services include adult dental care, maternity support services, medical interpreter services, and pharmaceutical coverage. 3) Preserve funding for the Apple Health for Kids health insurance program. 4) Adopt the Federal Basic Health Plan in order to ensure low- and moderate-income families can afford coverage in the new health insurance exchange. 5) Expand access to routine dental care by creating a mid-level dental provider. 6) Pass the Reproductive Parity Act to ensure all women have access to comprehensive reproductive health care.



# Creating Opportunities to Prosper

## Access to Higher Education and Training

Everyone dreams of a better future for themselves and the ones they love—a college degree, saving for a home, opening a small business. Arguably, that is what the American Dream is all about. Yet many people in our state are barred from that dream. They struggle in low-wage jobs, unable to afford to go back to school or to save a significant amount of money. According to the U.S. Census Bureau, in 2010 one in three adults had a high school diploma or less, severely limiting their earning potential in the workforce.

**Position:** 1) Continue to support funding and policies that increase access to higher education and training for people with lower incomes. 2) Maintain and expand funding for need-based financial aid and opportunity grants to help students with low incomes afford tuition, books, career counseling, childcare, and transportation. 3) Maintain and expand funding for the I-BEST program. 4) Improve student completion rates in vocational and technical programs by reforming basic education and developmental education programs at community colleges. 5) Improve access to high school degree equivalency (GED) programs.





## Addressing the Achievement Gap

All children in Washington should have an equal opportunity to access high quality early learning and K-12 education in order to reach their full potential. However, low-income students, students of color, and English language learners have systematically been denied equitable access to learning opportunities. This has resulted in an unacceptable achievement gap between students of color and their white counterparts. Closing the achievement gap for low-income students and students of color is critical to ensuring all students have an equal chance to get a good education and access opportunity.

**Position:** 1) Expand state Pre-K in a culturally competent, integrated delivery system. 2) Implement extended day learning and summer school opportunities, including enrichment activities. 3) Provide wrap-around support services, including guidance counseling, social services, mental health services, health care, financial assistance, dropout prevention and intervention, parental involvement, and mentoring. 4) Accelerate implementation of full-day kindergarten for all low-income schools. 5) Improve existing transitional bilingual programs, emphasizing dual language instruction.



# Racial Equity and Immigrant Justice

## Eliminating the Root Causes of Institutional Racism

Everyone should be able to live in a safe community where they can raise their families without fear of harassment or discrimination. Poverty Action is grounded in the understanding that racism perpetuates poverty, and that to end poverty we must eliminate racism. People of color are twice as likely to live in poverty than whites, and the median income of white households is nearly 50% higher than the median income of African American households in our state. Many of the barriers people of color face are a direct result of institutional racism, including housing discrimination, benefits denied to immigrants, and predatory lending.

**Position:** 1) Support policies that build an equitable, multicultural community with access and power for all. 2) Oppose any legislation that would disproportionately impact people unfairly based on race or ethnicity. This includes punitive gang bills, which would legalize racial profiling, or driver's license bills that seek to make eligibility for a driver's license dependent on citizenship status.





## Immigrant and Refugee Justice

Washington's immigrant and refugee communities are a vital part of our state's culture and economy. Immigrants are our neighbors, our family members, and our friends. Yet, they are bearing a disproportionate burden as lawmakers struggle with ongoing budget cuts. Many services that support immigrants and refugees in our state have been deeply cut during the Great Recession and continue to be under threat of complete elimination.

**Position:** 1) Preserve funding for State Family Assistance, which provides cash assistance to low-income immigrant families with children who do not yet qualify for the federal TANF program. 2) Restore funding for the State Food Assistance program, which helps immigrant families purchase food. 3) Preserve funding for the Limited English Proficiency Pathways program that provides English as a Second Language (ESL) instruction and employment services to immigrants and refugees. 4) Preserve funding for Naturalization Services, which assists over 4,400 immigrants in becoming U.S. citizens annually.



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