

Dept of Social and Health Services

Program 060 - Economic Services Administration

2021-23 First Supplemental Budget Session

Policy Level - PG - Poverty Reduction Omnibus (TAG)

Agency Recommendation Summary

The Department of Social and Health Services (DSHS) Economic Services Administration (ESA) is requesting \$630,000 GF-State to sustain an emerging public-private collaboration to define, measure, and build accountability toward a just and equitable future in partnership with the Poverty Reduction Work Group (PRWG), Washington Recovery Group, Results Washington, and Office of Equity. The funding will support 4.0 FTEs to execute the Interagency Technical Advisory Group on Defining & Measuring a Just & Equitable Future project ("TAG"), which includes recommendations to improve measures and tracking of economic recovery, and elevate the expertise and influence of people and communities historically excluded from social and economic well-being in state policy, program, and funding decisions.

Fiscal Summary

Fiscal Summary Dollars in Thousands	Fiscal Years		Biennial	Fiscal Years		Biennial	
	2022	2023	2021-23	2024	2025	2023-25	
Staffing							
FTEs	0.0	4.0	2.0	4.0	4.0	4.0	
Operating Expenditures							
Fund 001 - 1	\$0	\$630	\$630	\$613	\$613	\$1,226	
Total Expenditures	\$0	\$630	\$630	\$613	\$613	\$1,226	

Decision Package Description

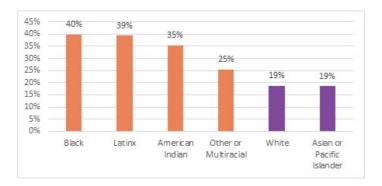
PROBLEM STATEMENT:

Problem. The social, health, and economic consequences of COVID-19 exacerbated existing racial, social, and geographic inequality, resulting in an uneven and unjust recovery. Historically, traditional measures of economic recovery mask inequality in social and economic well-being, leading to harmful narratives and insufficient investment in equitable social, economic, and health outcomes. A new vision for equitable economic recovery is needed, as well as a new approach to defining, measuring, and building accountability toward a just and equitable future.

Data. Pre-pandemic, health and economic well-being data demonstrated stark differences of the burden of poverty. As demonstrated below with the data from the University of Washington's Self-Sufficiency Standard and the U.S. Census Bureau's Household Pulse Surveys, one can easily see that disproportionate impacts of poverty on race and geography. The impacts of the pandemic have been widespread yet hardships continue to be prevalent with Blacks, Latinos, and other people of color.

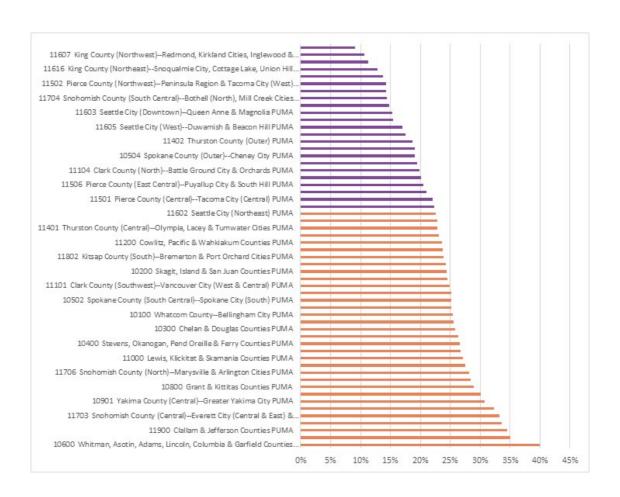
Black, Latinx, and Indigenous Washingtonians Carried an Undue Burden of Poverty Before the Pandemic

Percent of Households with Incomes Below the Self-Sufficiency Standard by Race & Ethnicity, 2020

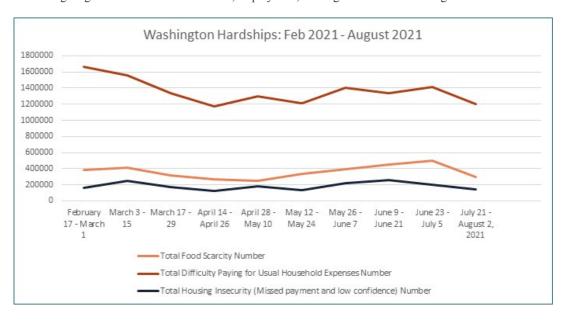


Rural Communities Carried an Undue Burden of Poverty Before the Pandemic

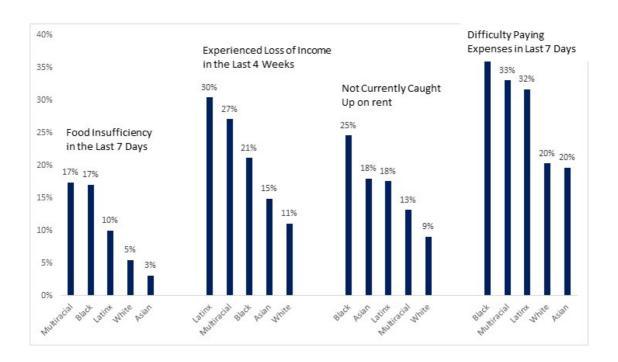
Percent of Households with Incomes Below the Self-Sufficiency Standard by Public Use Microdata Area, WA 2020



PULSE data to show lingering effects of COVID-19 on food, employment, housing from Feb. 2021 - August 2021

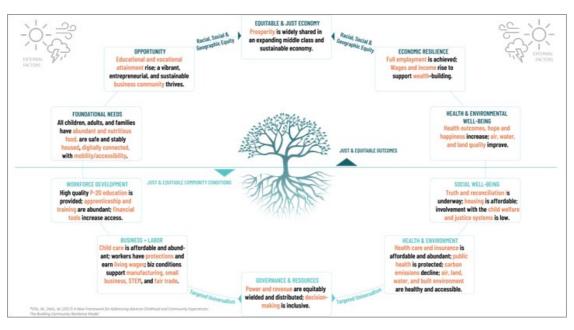


Pulse Data from Week 34 in 2021 showcasing Washington Hardships broken down by race:



Considerable evidence demonstrates that reducing poverty would yield improvements in health, economic outcomes, education, and other long-lasting benefits to Washingtonians. Traditional economic recovery data mask considerable inequality in recoveries and the overall health of the economy, leading to harmful narratives and insufficient investment in equitable social, economic, and health outcomes. A new vision for equitable economic recovery is needed to improve well-being for all Washingtonians, as well as a measurement framework and data to guide the state toward a more just and equitable future. The below visual is a draft of what it could look for a Just and Equitable Future for Washingtonians.

Visual for a Just and Equitable Future



Purpose. The purpose of this body of work is threefold:

• To offer a shared vision and definition for what an "equitable economic recovery" and "just and equitable future" means as a point of departure for collaboration and discussion.

- To create state accountability toward shared vision by proposing a process to measure, track, and publicize progress with decision makers.
- To ensure the expertise and solutions of people and communities historically excluded from recoveries and economic well-being are elevated in policy, program, and funding decisions.

Alignment with DSHS values, mission, and goals. The requested resources are aligned with DSHS's strategic goal to provide a pathway out of poverty and become healthier, as well as Strategy #2 in the *Blueprint for a Just & Equitable Future: Washington's 10-Year Plan to Dismantle Poverty.*

PROPOSED SOLUTION:

DSHS is requesting \$630,000 and 4.0 FTEs to support the public-private collaboration responsible for this work, along with statistical analysis and data visualization software licenses. Specifically:

- Engagement Coordinator
- Project Manager
- Data Scientist
- Data Analytics & Visualization Specialist

EXPECTED RESULTS:

Specific Outcomes. The work of this support and collaboration will bring greater meaning to data-driven decision-making, and create a new, scalable model for the inclusion of community expertise and solutions in state policy, program, and funding decisions. Anticipated outcomes include:

- Execution of Strategy #2 in the 10-Year Plan
- Improved trust between government leaders and people and communities historically excluded from economic well-being;
- A culture that supports interagency collaboration on policy, program, and funding decisions;
- Higher quality, integrated cross-system service delivery; and
- Improved client experience and well-being outcomes among people served.

State residents & populations served. The 1.75 million children and adults living below 200 percent of the federal poverty level in Washington State, many of which are served annually by ESA programs.

Alternatives. This is an interagency collaboration stemming from the Poverty Reduction Work Group and is an existing project with Results WA Goal 2.1. While there are existing models of how to elevate the expertise of people with lived experience in decision-making, no other effort is working to institutionalize the practice in the way this project seeks to.

Consequences of not funding this request. State will lack the resources needed to fully execute its commitment to Strategy #2 in the 10-Year Plan and the Results WA Goal 2.1 project.

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Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

Seed funding from the Kresge Foundation's <u>NextGen Initiative</u> and Robert Wood Johnson Foundation's <u>Learning and Action in Policy and Partnerships</u> is underwriting Phase I of the proposed work, which is supporting the capacity of people and communities historically excluded from social and economic well-being to participate and guide the project. Funding from this request would support the government resources needed to fully execute the work.

Detailed Assumptions and Calculations:

See 060 - PL - PG - Poverty Reduction Omnibus (TAG).xlsx

Workforce Assumptions:

See 060 - PL - PG - Poverty Reduction Omnibus (TAG).xlsx

How is your proposal impacting equity in the state?

This request favorably impacts service access and economic equity by requiring an equity lens on programmatic and fiscal decision-making, data-driven service delivery, and outcome measures related to economic recovery in the post COVID-19 era. Without intentional investments to build an inclusive, equitable economic recovery, deeply rooted demographic and geographic inequalities that existed prior to COVID-19 will intensify and put an unprecedented number of Washingtonians at risk of poverty and its intergenerational consequences. DSHS-ESA recently co-lead Governor Inslee's Poverty Reduction Workgroup and the creation of a 10-Year Plan to Reduce Poverty & Inequality in Washington State. This plan serves as a blueprint for how to rebuild our economy in a more equitable and inclusive way.

As an outgrowth of PRWG's work, DSHS convened a technical work group to create a definition of "equitable economic recovery" that moves beyond traditional markers of recovery (e.g., aggregate unemployment rates, expansion of national/state GDP) toward a more inclusive definition and measure that includes concepts of just and equitable employment, economic inclusion, and no racial and geographic inequality. The intention of this effort is to hold the state accountable to targeted, sufficient, and sustained investments in an equitable economic recovery from COVID-19 and long-term, inclusive and robust economic growth.

Strategic and Performance Outcomes

Strategic Framework:

GOVERNOR'S RESULT WASHINGTON GOALS:

Goal 4: Healthy & Safe Communities - Support People - Stability and Self-Sufficiency - 3.1 Percent of adults and children above Federal Poverty Level - Comparison Washington State and U.S.

ESA 1.2 - Implement the ESA-involved recommendations in the Poverty Reduction Work Group (PRWG) 10-year action plan.

This is directly aligned with the Results WA 2.1 goal and Strategy 2 within the PRWG 10-year plan.

- PRWG 10-Year Plan
- LEWPRO 5-Year Plan
- DSHS Strategic Plan
- ESA 2025 Goal
- Results WA 2.1

Performance Meas	Incremental Uncremental Changes 2022	Incremental Changes 2023	Incremental Changes 2024	Incremental Changes 2025
001310 - Number of indiving achieving employment ou	()	0	0	0

Performance Outcomes:

Specific Outcomes. The work of this support and collaboration will bring greater meaning to data-driven decision-making and create a new, scalable model for the inclusion of community expertise and solutions in state policy, program, and funding decisions. Anticipated outcomes include:

- Execution of Strategy #2 in the 10-Year Plan
- Improved trust between government leaders and people and communities historically excluded from economic well-being;
- A culture that supports interagency collaboration on policy, program, and funding decisions;
- Higher quality, integrated cross-system service delivery; and
- Improved client experience and well-being outcomes among people served.

Other Collateral Connections

Puget Sound Recovery:

Not applicable

State Workforce Impacts:

Not applicable

Intergovernmental:

Reducing poverty will impact all tribal, regional, county and city governments. We anticipate broad support, and opposition may only stem from community members not selected to be on the community caucus. However, nonprofit leaders/consultants facilitate this process instead of government leaders.

Impacts to other state agencies have already been noted starting with the intentionality around shared purpose with the Poverty Reduction Work Group. For instance, last fall, a Request for Information (RFI) was issued to each agency around opportunities and challenges with the new Federal Interagency Council on Economic Mobility. Due to the work of the PRWG, six agencies coordinated on one response via Governor Jay Inslee's Office instead of having six different responses from each agency.

The coordinating efforts of the PRWG incubated the TAG effort as multiple agencies and had been discussing how to work with community as the state recovered from the racial reckoning of 2020 and the impacts of COVID-19. The state's racial and ethnic commissions partnered in that effort and continue to partner in the efforts with TAG.

Tribes: Working with the tribes and via sovereign government to sovereign government, our aim is to impact the economy by partnering with tribes on poverty reduction efforts, similar to the PRWG efforts. Data has shown that other countries have seen significant declines in poverty which coincided with sustained economic growth. In the country of Chile, good public policies led to growth, which improved socioeconomic outcomes for the whole population. [1] Culturally appropriate good policies benefit the entire state, and will help to restrict unbalanced growth, social turmoil, and a lack of progress for indigenous peoples and minorities.

Regional, County and/or City: Poverty can centralize to specific counties, zip codes or neighborhoods. Targeted place-based efforts are critical to undoing institutional harm to mitigate long-term effects of generational poverty. A toolkit is attached within the 10-year plan to help local areas or municipalities use what's most appropriate for their efforts when it comes to equitable recovery efforts. The team will also share various strategies regions/cities are employing to track progress to date on efforts such that regions/cities can see what others are doing to act in the best interests of their communities as Washington strives to make our state one where each family can live and thrive.

[1] Indigenous Peoples: The Issue of Poverty and the Importance of Good Policy (worldbank.org)

Legal or Administrative Mandates:

This work stemmed from the work of the Poverty Reduction Work Group and the Steering Committee model. It aligns with Strategy 2 in the 10-year plan and the TAG effort has interagency involvement as well as state nonprofit leadership at the table.

Stakeholder Response:

Non-governmental stakeholders are not directly affected by this work, although they are engaged in the Results WA Goal 2.1 project that would benefit from these additional resources. Funding from the Robert Wood Johnson Foundation and Kresge Foundation is underwriting the community capacity needed to shape the Results WA 2.1 project, and Statewide Poverty Action Network and Front & Centered are the NGOs leading the community engagement work.

Changes from Current Law:

Not applicable

State Facilities Impacts:

These resources would fund 4.0 additional FTEs in DSHS to conduct work related to the TAG proposal.

Reference Documents

060 - PL - PG - Poverty Reduction Omnibus (TAG).xlsx

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure Dollars in Thousands	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
Obj. A	\$0	\$419	\$419	\$419	\$419	\$838
Obj. B	\$0	\$134	\$134	\$134	\$134	\$268
Obj. C	\$0	\$32	\$32	\$16	\$16	\$32
Obj. E	\$0	\$26	\$26	\$26	\$26	\$52
Obj. G	\$0	\$1	\$1	\$1	\$1	\$2
Obj. P	\$0	\$2	\$2	\$2	\$2	\$4
Obj. T	\$0	\$16	\$16	\$15	\$15	\$30

Agency Contact Information

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