

WABC's Need to Know

Week of March 4, 2019

In the Legislature:

Last Friday was the deadline for bills with a fiscal impact to be voted out of committee. Any legislation that advanced is now either in the Rules Committee, where it must be voted out of in order to be considered by the full “house of origin” (aka, the Senate or House), or it’s already eligible for a vote by the full “house of origin”. All bills must pass their respective “house of origin” by March 13th, so legislators will be busy for the next 10 days debating legislation on the floor. Below is the status of important asset-building related legislation still moving through the process:

◆ **Children's Educational Savings Accounts heard in both House & Senate** ([SHB 1592](#) and [SSB 5704](#))

These two bills would establish Children’s Educational Savings Accounts for all Washington kindergarteners in a public school who qualify for free or reduced lunch. The accounts would be seeded with an initial \$100, and could be used for higher education purposes (tuition, books, etc.).

Status: *Neither of these bills passed out of their respective fiscal committees by last week’s deadline. However, we have at least one Senate leader who is willing to continue pursuing funding CSA’s through the budget process. Stay tuned for where you can weigh in and help.*

◆ **Poised for a Vote! Providing Student Loan Debt Relief** ([SB 5774](#))

This bill, introduced by Senator Liias (who has been a longtime champion on student loan debt relief issues), would establish a student loan refinancing program, and would put in place borrower protections, among of things.

Status: SB 5774 passed the Senate Ways & Means Committee on 3/1, and is currently in the Senate Rules committee.

◆ **Passed the House! Eliminating Zombie Debt** ([HB 1730](#))

Representative Whalen recently introduced this bill to end the practice of “zombie debt”, which re-starts the statute of limitations when a consumer unwittingly responds affirmatively to a collector regarding the debt.

Status: HB 1730 passed the full House of Representatives by a vote of 94-0 on 3/1. The bill now advances to the Senate for consideration.

◆ **Still Moving Forward: Ending deceptive “Pocket Service” debt collection practices** ([HB 1066](#) / [SB 5034](#))

This legislation, requested by the Attorney General, ends the current practice which allows debt collectors to serve a person with a lawsuit for an outstanding debt without filing suit in court. As a result, folks are prevented from verifying the suit is real, because when they call the court about the summons, the court has no actual record of it. This has led to people assuming the summons isn't legitimate, and therefore failing to respond. As a result, debt collectors are able to obtain default judgments, leading to bank account and wage garnishments as well as property liens.

Status: HB 1066 has already passed the full House, and was heard in Senate Law & Justice Committee on 2/25. SB 5034 is currently in the Senate Rules Committee, where it needs to pass in order to come up for a vote before the full Senate.

BONUS: Check out this [great segment by KIRO TV's Jesse Jones on Pocket Service Debt](#)

◆ **Please Contact Legislators! Updating Standards of Need for Economic Assistance (TANF) Programs** ([HB 1603](#) & [SB 5684](#))

This bill makes changes to the eligibility requirements of TANF recipients, including eliminating the mandatory orientation requirement, making revisions to the requirement that TANF recipients must seek work, and exempting certain households from the five-year eligibility requirements due to hardships. It also directs DSHS to update its comprehensive living costs analysis.

Status: SB 5684 did not pass Ways & means before the deadline. However, the companion bill, HB 1603 passed the House Appropriations Committee on 2/28 and is currently in the Rules Committee, waiting to be voted out for consideration before the full House. **Please use [this online link](#) below to urge legislators to pass this bill out of Rules!**

◆ **Lowering interest on consumer debt** ([SHB 1602](#))

Representative Reeves bill would reduce the statutory interest rate on all consumer from 12% to the federal reserve rate plus two percent; additionally, it would and lower the amount of wages that can be garnished on all consumer debt.

Status: HB 1602 passed the full House on 3/1 by a vote of 72-22, and has now advanced to the Senate for consideration. However, we've learned that the one of the largest debt collectors in the country, Encore, has hired a contract lobbyist to oppose this bill moving forward. So expect a big fight over the coming weeks, and please stay tuned for updates on how you can help.

◆ **Progress! Regulating medical debt collection** ([SHB 1531](#))

Legislation to drastically curb abuses in medical debt collection has been introduced by Representative Jinkins. This bill would heavily restrict prejudgment interest, reduce post-judgment interest and the amount of wages that can be garnished, as well as require information about charity care, prohibit collection if a charity care application is pending, and eliminate bench warrants for medical debt, among other provisions.

Status: SHB 1531 passed the full House on 3/1 by a vote of 90-4. It now advances for consideration by the full Senate. *Note: the Senate version of this bill, SB 5520, is not expected to advance any further.*

◆ **Expanding and Funding the Working Families Tax Credit** ([HB 1527](#) and [SB 5810](#))

This legislation would allow low and moderate income families to receive a credit on their sales tax paid to state and local governments. This is a much-needed source of funding for low-income earners, similar to the federal EITC, which could provide economic relief to thousands of working families struggling to make ends meet.

Status: SB 5810 was heard in the Senate Ways & Means Committee on 2/21. HB 1527 is currently in the House Finance Committee. Both bills are expected to be part of the larger budget negotiations.

◆ **Your help needed! Expanding property tax exemptions for veterans, disabled persons and seniors** ([HB 1181](#) & [SB 5160](#))

This bill raises the income thresholds for property tax exemptions for veterans, disabled persons and seniors. This critical legislation would help to counter rising housing costs and assist vulnerable populations in staying in their primary residences.

Status: SB 5160 was voted out of the Senate Ways & Means on 2/26 and is now in the Rules Committee. HB 1181 was voted out of the House Finance Committee on 2/25 and is now in the Rules Committee. Please use these links to contact legislators and ask them to bring these important bills up for a vote:

[Comment online about HB 1181](#)

[Comment online about SB 5160](#)

Events & Trainings:

◆ **If you're in the South Puget Sound Region: Financial Coaching Clinic**

The Lower Columbia CAP and The Prosperity Agenda have teamed up to offer a financial coaching clinic:

March 5-7, 2019 from 9:30 – 11:30am

Financial Independence Center, 1526 Commerce Ave, Longview, WA

Cost: \$625.00 per person, coaching certification upon completion

Reserve your spot now by calling 360-425-3430 x 215 or email Liz Mynnti

@ lizm@lowercolumbiacap.org

◆ **FREE Student Loan Counseling Workshop in Tacoma**

March 9, 2019 from 1:30 – 3:30pm

Tacoma Public Library, 215 S. 56th Street, Tacoma, WA 98408

This free event is hosted by the Student Loan Workgroup, convened by the Washington Attorney General's office. For more information, please contact Tony Leahy at tony@centsprogram.org

◆ **Free Workshop: Amplify the Impact of Financial Capability with Money Mindset Cards**

Join the King County Financial Empowerment Network for a free workshop to experience first-hand The Prosperity Agenda's Money Mindset cards. The set of 30 activity cards were designed for any level of financial knowledge and will make it easy for you to facilitate a dialogue about money, financial values, and personal motivations. The cards are great for groups or 1:1 coaching! Cards will be available to purchase.

Wednesday, March 13, 2019 11:30 – 2:00pm

King County Housing Authority, 700 Andover Park West, Snoqualmie Room, Tukwila

RSVP to LydiaAD@kcha.org

◆ **New Date! Investing in Women, Investing in our Economy: Advancing Gender Wealth Equity**

The Asset Funders Network invites you to a workshop to discuss the dimensions of gender wealth divides, what they are and why they matter. This discussion will activate opportunities to help close wealth divides by digging into the details of recently enacted legislation as well as current proposals moving forward. The event features Amy Castro Baker, author of *"On Shaky Ground: Stabilizing the Financial Security of Single Women"*

March 22, 2019 from 9:30 – 11:30 a.m.

El Centro de la Raza, 2524 16th Avenue S, Seattle, Washington 98144

Check out the background information and [sign up to attend](#)

Resources & Tools:

- ◆ [Great article](#) by our partners, the Credit Builders Alliance about how reporting on-time rent payments provide an opportunity to increase credit scores.

◆ **On-Line Financial Education presented by State Treasurer's Office**

The Washington State Treasurer's Office has partnered by Everfi to create on-line financial education modules. These are FREE, easy to access modules covering topics such as Money Basics, Loans & Payments, Paying for College and Retirement savings. You can access these modules here: [State Treasurer's Financial Education Tools](#)

- ◆ **Financial Coaching Pilot Program for micro- and small-business owners:** [American Financial Solutions](#) will begin a pilot program for micro and small business owners (SBO). The goal of their Small Business Owner (SBO) program is to provide financial coaching and counseling to help owners be successful and confident in growing and maintaining their businesses. Coaching aids owners in assessing growth readiness and areas of potential improvement. Additionally, the program offers the tools to help SBOs develop the financial management skills necessary for a successful business.

Contact Becky House 888-282-5949 ext. 1114 for more information.