

Rebuilding for a More Equitable Future: Priorities for Washington's 2021 Legislature



MARILYN WATKINS, EOI JAN 9, 2021
FOR AAUW EDMONDS SNOKING



Successes and Aspirations

- ❖ Paid Family & Medical Leave
- ❖ Equal Pay & Opportunity Act
- ❖ Childcare affordability & compensation
- ❖ Health care affordability and access
- ❖ Higher education access
- ❖ Fair and sufficient state revenue



Washington State Legislature

- Session begins January 11, 2021
- D majorities, increasing diversity: 57 to 41 in House, 28 to 21 in Senate
- 2021 priorities:
 - ✓ Budget – supplemental & biennial
 - ✓ COVID relief and recovery
 - ✓ Racial justice
 - ✓ Climate change



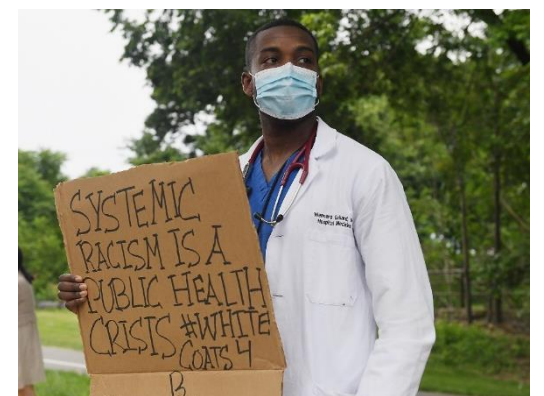
2021 Virtual session



- ❖ Legislators will hear and pass many fewer bills
- ❖ All committee meetings, hearings, and legislative debates will be streamed live on TVW and archived
- ❖ Written testimony can be submitted through leg.wa.gov, closing 24 hours after hearing
- ❖ Live testimony can be given via Zoom or phone – you must sign up at least 1 hour in advance
- ❖ **Link from leg.wa.gov or twv.org**

Washington economy and population grew rapidly 2010-Feb. 2020 – *but*:

- Top 1% experienced soaring wealth
- Top 20% enjoyed growing incomes
- **Majority struggled with skyrocketing costs for housing, health care, child care, higher education**
- **Racial inequality intensified**

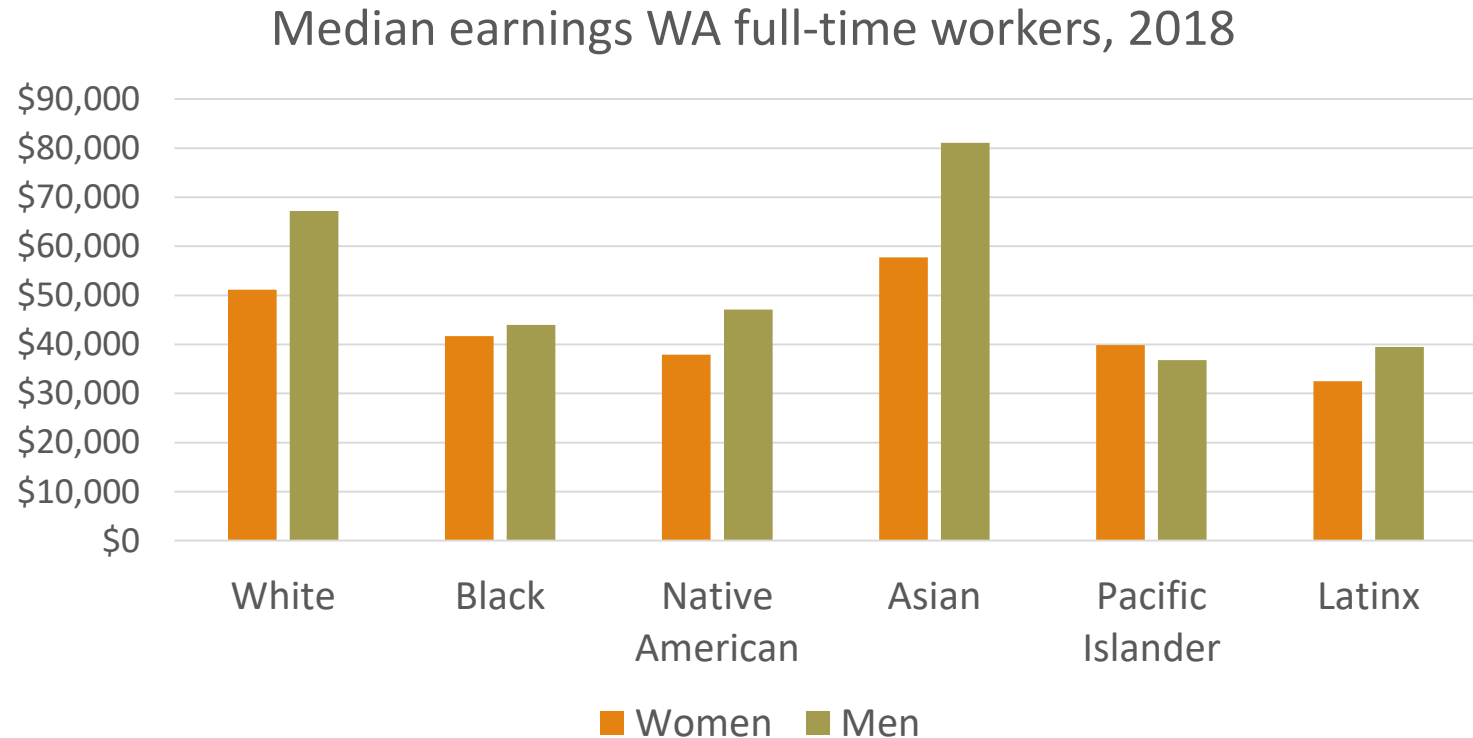


Wages reflect racial and gender inequity

Men make \$13,000 more annually than women for full-time work.

White & Asian women make more than men of other racial groups.

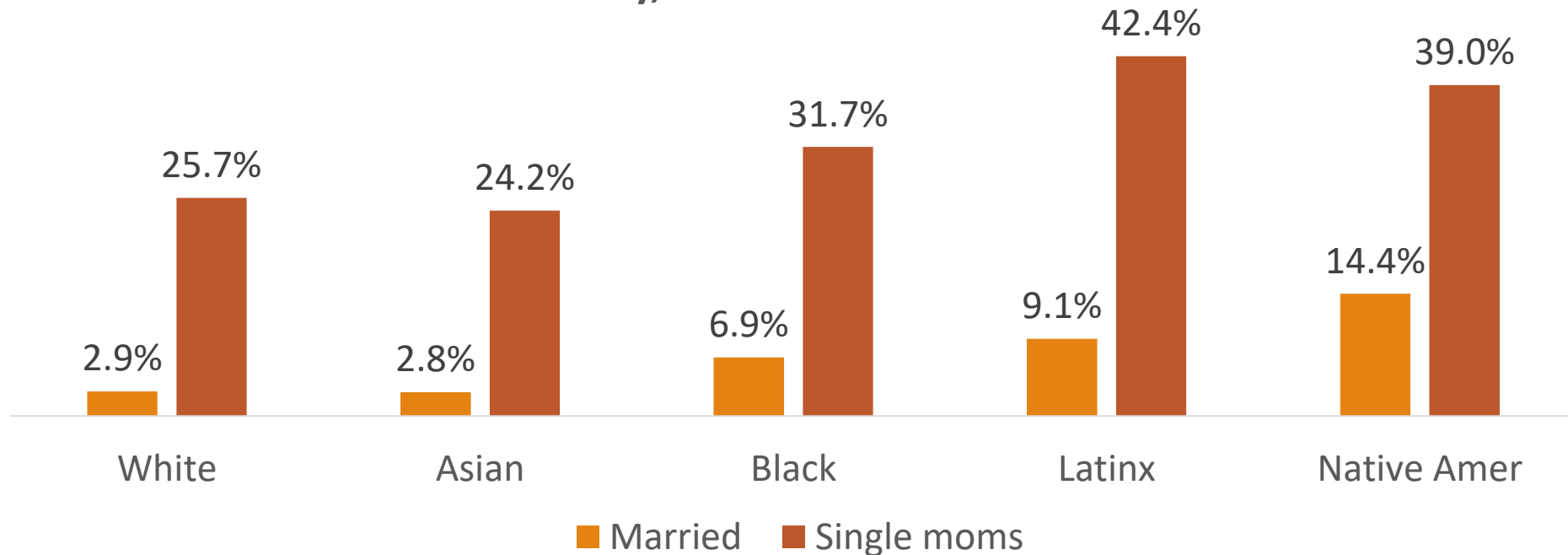
Median earnings mean half make less – some make much less, some much more.



Source: US Census Bureau, American Community Survey 2018

Single moms and kids at high risk of poverty before COVID

Families with Children in Poverty, WA 2019



Source: US Census Bureau, American Community Survey 2019

COVID recession has deepened divides

207,000 Washington families with children under 18 don't have enough to eat

2.7 million Washington workers have lost employment income since March

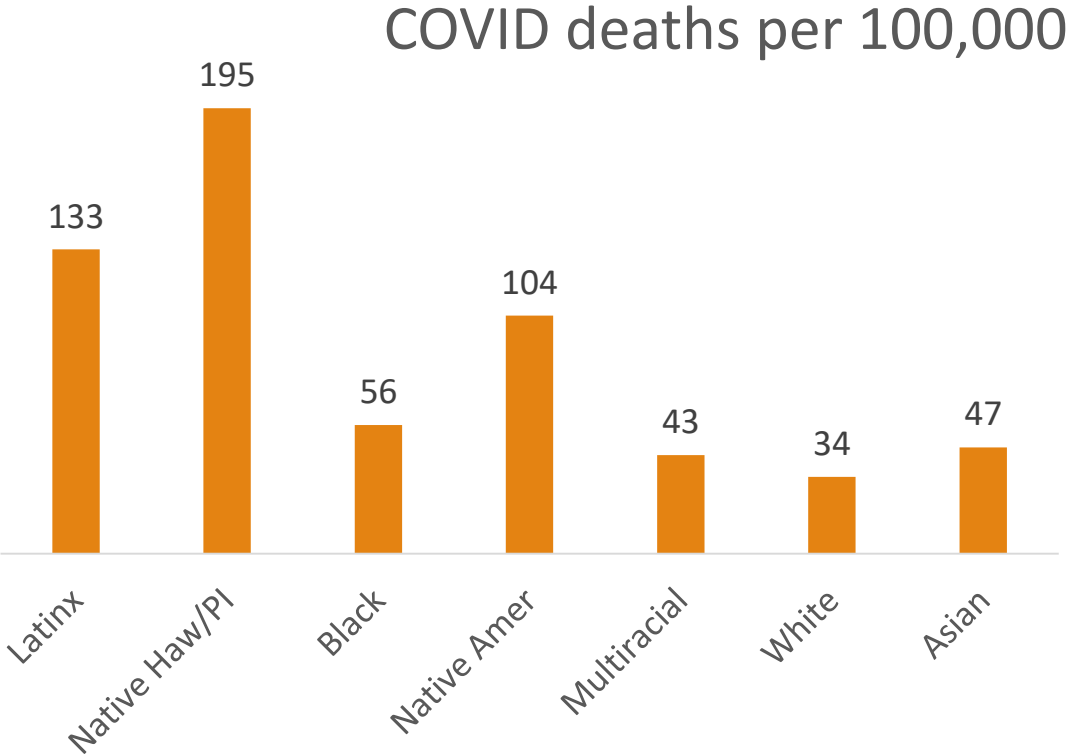
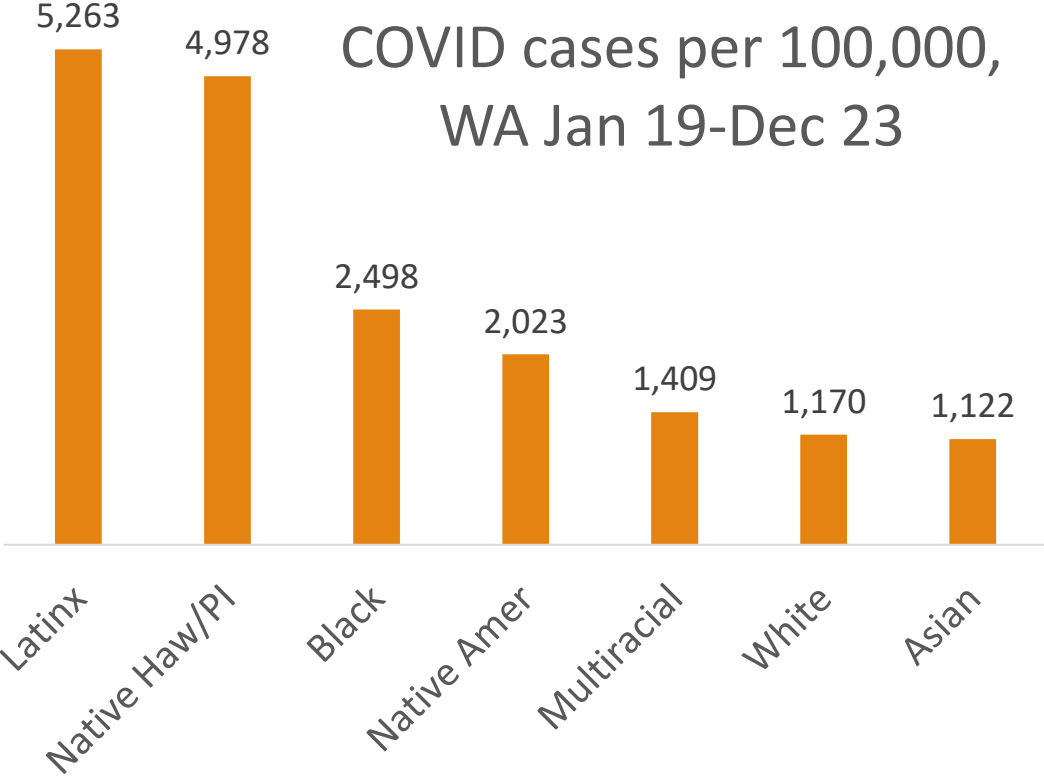
1.65 million expect to lose employment income

Top 1% continues to gain wealth

	Feb-Nov job change	Avg. Monthly Earnings
Clothing Retail	- 38%	\$1,986
Accommodations	- 37%	\$2,572
Arts & Rec	- 19%	\$2,870
Food Service	- 12%	\$2,042
Professional Services	+ 4%	\$8,734

Sources: US Census Pulse Survey and QWI; ESD historical jobs data, seasonally adjusted

COVID has exacerbated health disparities



Source: As of Dec 23, 2020: <https://www.doh.wa.gov/Portals/1/Documents/1600/coronavirus/data-tables/COVID-19MorbidityMortalityRaceEthnicityLanguageWAState.pdf>

State slashed budget in last recession.

Budget cuts 2009-11:

- reduced jobs and incomes, slowed economic recovery
- slashed public health & mental health services long term
- kept childcare and early learning chronically underfunded
- exacerbated racial, gender, and regional inequality
- deprived working families, small businesses, and public agencies of the resilience that would have put us in a much stronger position to respond to the COVID-19 pandemic

Paid Family & Medical Leave helped 170,000 in 2020 – but leaves some behind

HB 1073 --Priority equity improvements:

- Reduce qualifying threshold for workers impacted by COVID
- Provide job protection and health insurance for employees that have been working for 90 days
- Expand definition of family



We can build a more equitable, thriving economy post-COVID post-Trump if we:

- **Invest** in people and critical services
- **Prioritize** equitable access and outcomes across state programs and policies
- **Stay engaged**



We need major investments in health

➤ Steps toward achieving affordable and equitable health care:

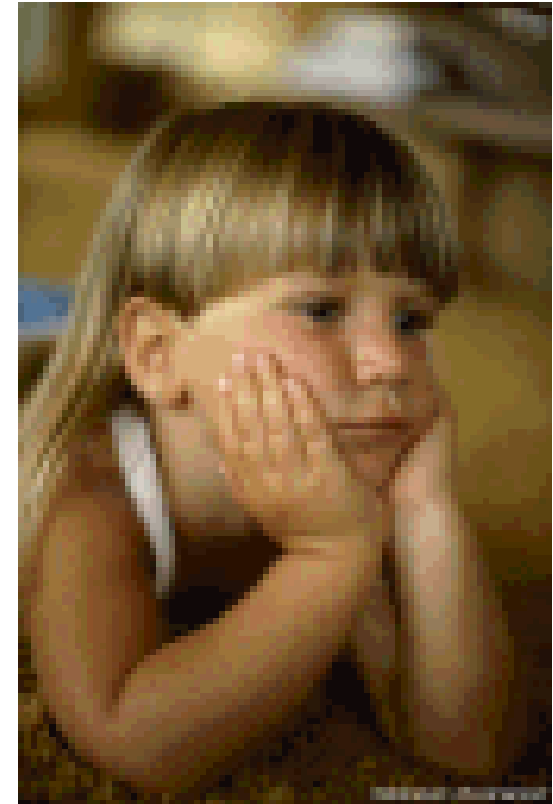
- Create Cascade Care subsidies for individual market
- Extend coverage for new mothers (SB 5068)
- Expand coverage for immigrants
- Invest in foundational public health
- Advance universal coverage



Child Care on brink before pandemic, now collapsing

Pre-COVID: Teachers & staff made poverty wages, yet care unaffordable for families. Now:

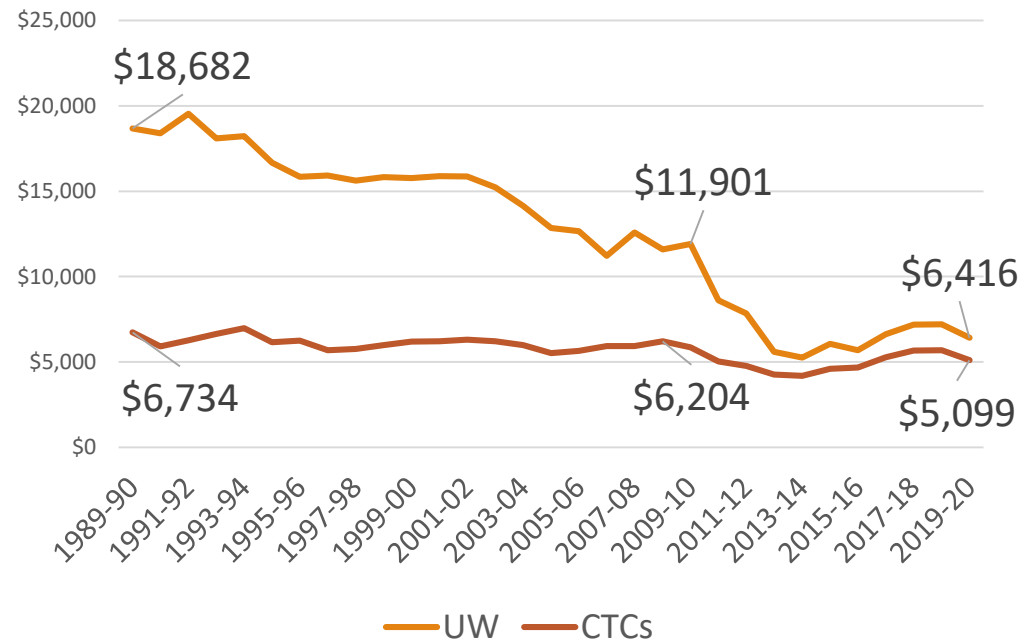
- 29% of workers in child care have been laid off
- 14% of centers, family homes, and school-aged-care programs have closed
- 17% of licensed slots have been lost
- 42% of all programs are in danger of permanent closure.
- COVID health mandates have increased costs of care



Higher education first in line for cuts in past recessions



State investment per FTE student in higher ed, WA 1989-2020, 2019 \$\$

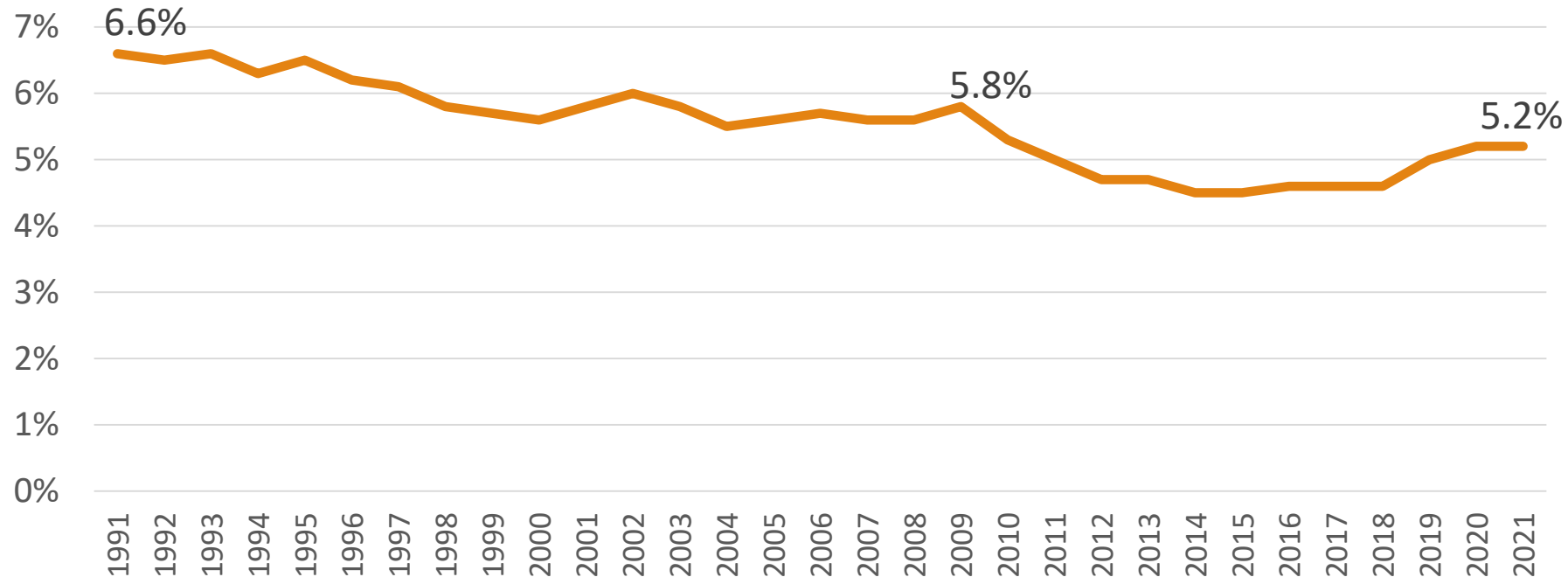


Investment can spur more equitable recovery, focused on:

- Equitable access for students across race, geography, 1st gen
- Staffing and resources to both educate students and help them achieve degrees

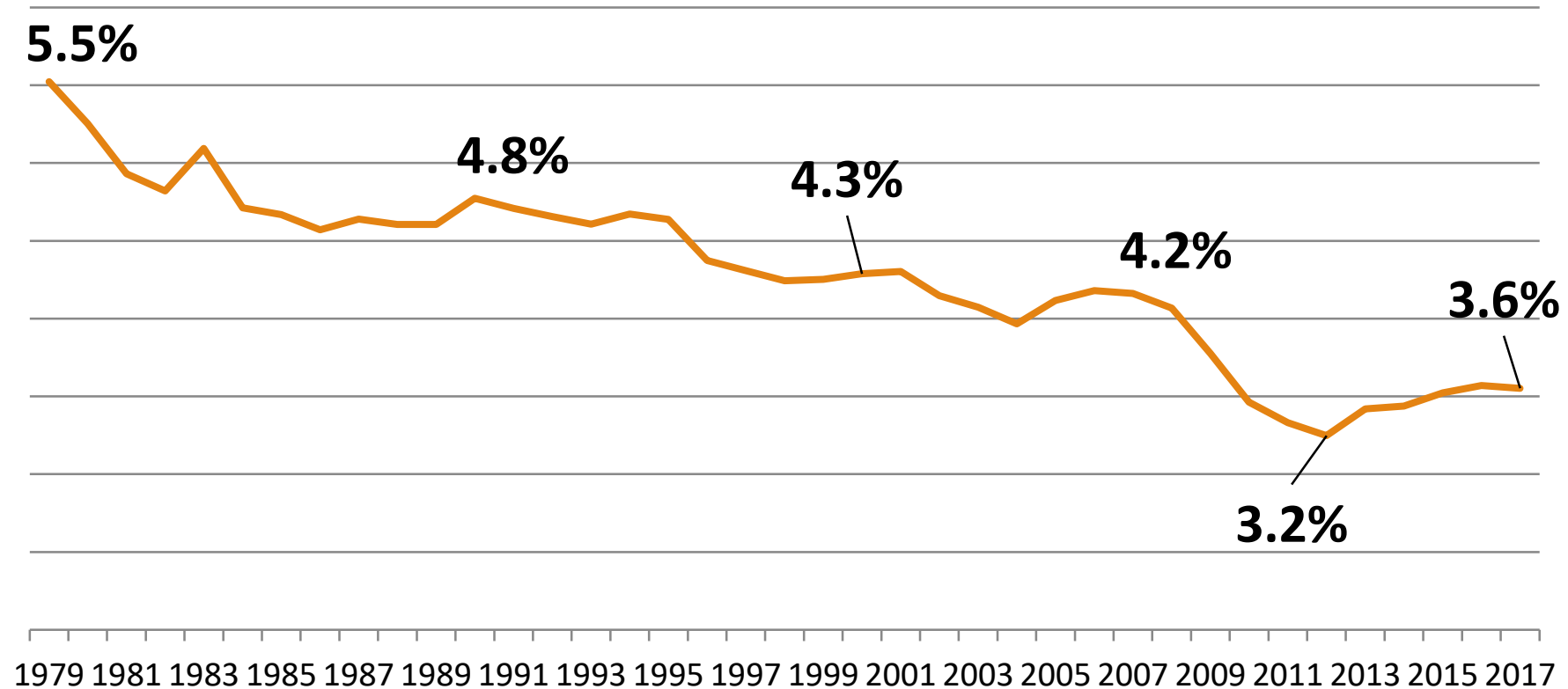
The budget challenge: Our state revenue system is inadequate even in good times

WA State General Fund as Share of State Personal Income, 1991-2021



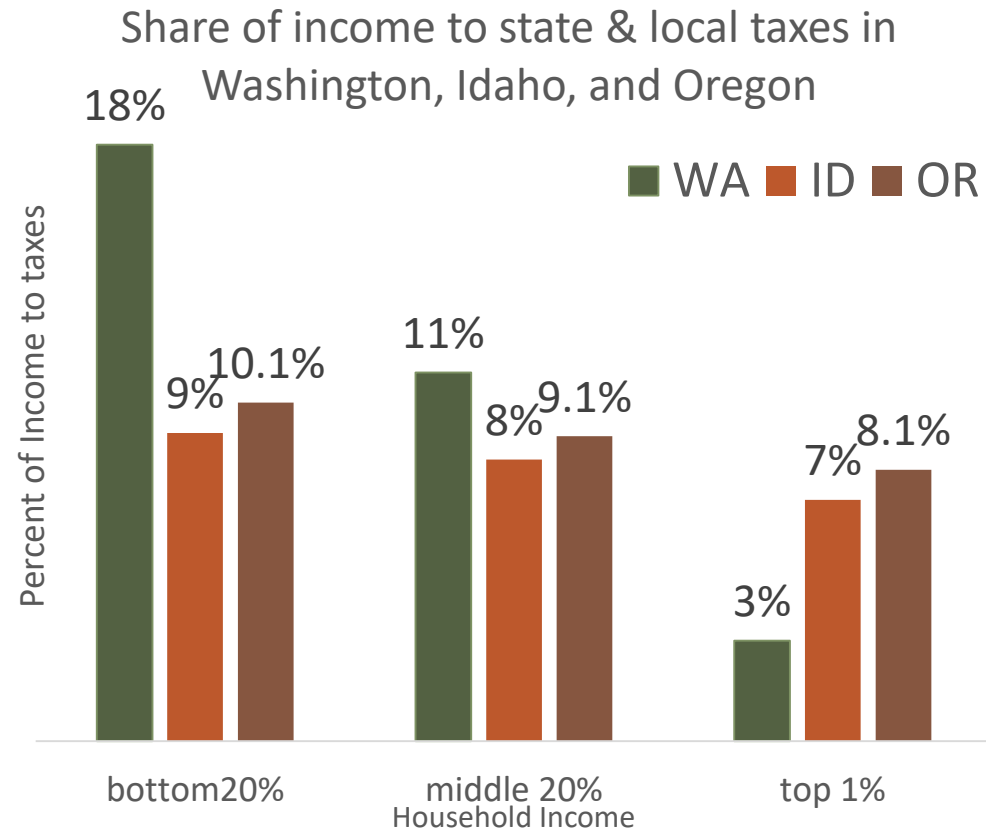
Source: EOI analysis of OFM and BEA data. 2020-21 based on House budget

Taxable Retail Sales as a % of State Personal Income, WA 1979-2017



Source: Washington Economic and Revenue Forecast Council data

Our tax system is unfair – and makes inequity worse



Source: Institute on Taxation and Economic Policy, "Who Pays," 2018

- The wealthy pay less taxes in WA than in other states
- But middle- and low-income people pay more
- Neighboring states far more equitable

Progressive new state revenue a MUST

Options include:

- Capital gains
- Corporate tax on high compensation
- Estate tax increase
- Close the global corporate loophole and fully fund College Grant program
- Close the financial income loophole for non-financial companies
- Wealth tax
- Tax on Income in Excess of \$1 million

Anyone can be an advocate

- Do more than just vote and get the right people elected
- Get informed
- Take action
- Share your experiences



Stay informed

- Sign up for EOI e-newsletter: opportunityinstitute.org
- Watch for and respond to action alerts
- Email any questions or requests:

Marilyn@opportunityinstitute.org

