

It is hereby moved that **THE NORTHWEST COUNCIL OPPOSES I-2117 AND ITS DETRIMENTAL EFFECTS ON WASHINGTON'S UNION WORKFORCE, TRANSPORTATION BUDGET, AND SPEEA MEMBERSHIP AND RETIREES.**

Prior to council action (voting) to determine a legislative or public affairs position, the Northwest Council's Legislative & Public Affairs Committee shall investigate and produce both pro and con statements and a majority committee recommendation.

Passage or adoption of any legislative or public issue proposal shall be by published ballot and require a majority vote of all Council Members present.

April 27, 2024  
NW24-010

To: Northwest Council Representatives  
From: Northwest Council's Legislative & Public Affairs Committee  
Subject: **PRE-SUBMITTED NEW BUSINESS:** Opposition to I-2124: Opting out of the WA Cares Act

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### **Background**

The Northwest Council's Legislative & Public Affairs Committee recommends the NW Council pass a motion in opposition to Initiative 2124 (I-2124), one of three Washington state initiatives spearheaded by hedge fund millionaire Brian Heywood and state Senator Jim Walsh. This measure aims to eliminate funding for the state's elder care program. Heywood and Walsh have alleged that the state's program, WA Cares, is a scam orchestrated by "union bosses." Additionally, the initiative has garnered support from the WA Bankers Association, the BIAW, the WA Retail Association, and other wealthy fund managers.

**WA Cares (Washington's elder care program):** WA Cares provides \$36,500 in benefits, adjusted for inflation, to any working Washingtonian, regardless of gender, race, age, or pre-existing conditions. Individuals contribute to the WA Cares fund only while actively employed. Upon retirement, they cease contributions but retain eligibility for benefits. The program covers a wider range of needs compared to private long-term care insurance, including home modifications, medical equipment, family caregiving, and professional home care. Despite initial challenges during its rollout, significant improvements have been made by the legislature, such as extending the "opt-out" window, ensuring near-retirees receive pro-rated benefits, and allowing beneficiaries who relocate out of state to retain their benefits.

During the initial rollout, Boeing offered a private insurance program to SPEEA members, providing them with an alternative to opt out of the state program. While some chose this option, others, especially those nearing retirement, opted to remain in the state program.

**Impact on Elder Care:** If I-2124 is passed, 85% of working Washingtonians will lose their long-term care benefits, forcing them to either pay out of pocket for care, deplete their savings to qualify for Medicaid, or rely on for-profit insurance companies known for delaying or denying coverage, gender-based pricing disparities, and steep premium increases, even for retirees.

**Impact on Workers:** Apart from being a crucial component of the state's strategy for better supporting our aging population, the WA Cares program represents a significant investment in a unionized workforce that historically faced under compensation, lacked healthcare coverage, and had no retirement plan. Since unionizing two decades ago, care workers have made strides in securing these benefits. WA Cares is designed with worker dignity in mind allowing for the continued growth of this much needed workforce.

**Impact on State Budget:** The program stands out nationally for its proactive approach to addressing the impending "silver tsunami." Without dedicated long-term care resources, future state budgets will struggle to meet the escalating demand for these services, potentially diverting funds from essential programs such as housing, public safety, higher education, economic development, and state parks.

**No on I-2124 Supporters:** I-2124 is opposed by a growing coalition of leaders and organizations, including the Martin Luther King County Labor Council, SEIU 925, Puget Sound Advocates for Retirement Action, Casa Latina, MS Society, Physicians for Social Responsibility, AFT Washington, UFCW 3000, and SEIU 775.

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