

HOUSE BILL REPORT

HB 2585

As Reported by House Committee On:
Early Learning & Human Services

Title: An act relating to income eligibility for temporary assistance for needy families benefits for a child.

Brief Description: Concerning income eligibility for temporary assistance for needy families benefits for a child.

Sponsors: Representatives Walsh and Pettigrew; by request of Department of Social and Health Services.

Brief History:

Committee Activity:

Early Learning & Human Services: 2/3/14 [DP].

Brief Summary of Bill

- Allows the Department of Social and Health Services to exempt 50 percent of a caregivers unearned income when determining Temporary Assistance for Needy Families eligibility and benefit standards for a child who is not a foster child.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: Do pass. Signed by 12 members: Representatives Kagi, Chair; Freeman, Vice Chair; Walsh, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Fagan, Goodman, MacEwen, Ortiz-Self, Roberts, Sawyer, Young and Zeiger.

Staff: Luke Wickham (786-7146).

Background:

In 2011 the Legislature directed the Department of Social and Health Services (DSHS) to establish income eligibility rules for nonparental caregivers receiving a child-only Temporary Assistance for Needy Families (TANF) grant. A caregiver with an income above 300 percent of the federal poverty level is not eligible for child-only TANF benefits for a child residing

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with a caregiver who is not a foster child. In 2012, 300 percent of the federal poverty level for a family of three was \$58,590.

The DSHS only counts 50 percent of an individual's gross earned income to determine eligibility and benefit level. The stated purpose for this exemption is to encourage recipients to work.

Summary of Bill:

The DSHS may exempt 50 percent of a caregiver's unearned income when determining TANF eligibility and benefit standards for a child, who is not a foster child, who is residing with a caregiver other than his or her parents. Unearned income is defined as income received from a source other than employment or self-employment.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) It is important to promote instead of prevent family placements, and this bill accomplishes that. This bill will improve housing options for relative and kinship caregivers. Stable housing is a critical platform for children to receive proper support and educational outcomes. There was a caseload drop after the decision to means test caregivers. One of the side benefits of having children on a child-only TANF program is that there are additional benefits beyond the TANF benefit such as eligibility for the Free and Reduced Lunch program. The DSHS was not given the same ability to exempt unearned income for child-only TANF cases. This bill corrects the unequal treatment of earned and unearned income. This bill will affect caregivers positively. A caregiver who receives some retirement benefits would be able to receive a full grant instead of possibly not being eligible for any assistance. The cost to the state will be less than \$300,000 per year. If a child is not able to reside with relatives, that same child could be placed in foster care or reside in another placement that could be much more expensive than the cost of exempting unearned income.

(Opposed) None.

Persons Testifying: Representative Walsh, prime sponsor; Kate Baber, Washington Low Income Housing Alliance; Laurie Lippold, Partners for Our Children; and David Stillman, Department of Social and Health Services, Economic Services.

Persons Signed In To Testify But Not Testifying: None.