

HOUSE BILL REPORT

HB 3157

As Passed House:
February 13, 2006

Title: An act relating to financial literacy and asset building.

Brief Description: Requiring that TANF recipients be given information on available programs for financial literacy.

Sponsors: By Representatives Darneille, Haler, Morrell, Dickerson, Pettigrew, Simpson, Hudgins and Santos.

Brief History:

Committee Activity:

Children & Family Services: 1/30/06, 2/1/06 [DP].

Floor Activity:

Passed House: 2/13/06, 98-0.

Brief Summary of Bill

- Requires the Department of Social and Health Services to provide information and encourage Temporary Assistance for Needy Families recipients to learn about asset building and participate in programs to assist low-income persons in developing personal assets.

HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

Majority Report: Do pass. Signed by 9 members: Representatives Kagi, Chair; Roberts, Vice Chair; Walsh, Ranking Minority Member; Hinkle, Assistant Ranking Minority Member; Darneille, Dickerson, Dunn, Haler and Pettigrew.

Staff: Sonja Hallum (786-7092).

Background:

Temporary Assistance for Needy Families (TANF) provides temporary cash and medical help for families in need. Some families participate in the WorkFirst Program. WorkFirst was initiated to help low-income families become self-sufficient by providing training and support services necessary for parents to get a job, keep a job and advance in their careers.

The training and support services currently provided to TANF recipients does not currently require that the TANF recipients be provided with financial literacy information.

Summary of Bill:

The Department of Social and Health Services (DSHS) is required to encourage recipients of Temporary Assistance for Needy Families (TANF) to learn about asset building and participate in programs to assist low-income persons in developing personal assets.

The DSHS must provide its regional offices, recipients of TANF, and any contractors providing job search, training, or placement services with notification of programs available in the state for financial literacy, individual development accounts, assistance with federal income tax information and the availability of tax credits, and other resources to assist with asset building.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Fewer than 2 percent of working families at TANF levels have savings accounts. This bill deals with asset building and financial literacy. The Department believes they can do this with little effort and no funding. The reality is that at the rate of funding these people get they can barely get by, let alone build assets. The religious community is in support of this bill. We want to encourage building assets because it is a means for a client to get out of the circle of poverty.

Testimony Against: None.

Persons Testifying: Representative Darneille, prime sponsor; Deb Marley, Department of Social and Health Services; and Paul Benz, Lutheran Public Policy and Washington Association of Churches.

Persons Signed In To Testify But Not Testifying: None.