

SENATE BILL REPORT

HB 3157

As Reported By Senate Committee On:
Human Services & Corrections, February 23, 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: Representatives Darneille, Haler, Morrell, Dickerson, Pettigrew, Simpson, Hudgins and Santos.

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

Committee Activity: Human Services & Corrections: 2/21/06, 2/23/06 [DP].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass.

Signed by Senators Hargrove, Chair; Regala, Vice Chair; Stevens, Ranking Minority Member; Brandland, Carrell, McAuliffe and Thibaudeau.

Staff: Indu Thomas (786-7536)

Background: The Temporary Assistance for Needy Families (TANF) Program was created by the Welfare Reform Law of 1996. TANF became effective July 1, 1997, and replaced the Aid to Families with Dependent Children (AFDC) and the Job Opportunities and Basic Skills Training (JOBS) programs. TANF provides assistance and work opportunities to needy families by granting states the federal funds and flexibility to develop and implement their own welfare programs. TANF recipients in Washington participate in the WorkFirst program. Under WorkFirst, cash assistance is limited to a maximum of 60 months in a person's lifetime. During that time, the person must be involved in the WorkFirst program and working or actively looking for a job. Benefits may be extended beyond five years for parents who continue to abide by the rules and seek work

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.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill requires that information regarding asset building and financial literacy be provided to TANF recipients. The Department of Social and Health Services supports this bill and reports that there will be no fiscal impact to implement its provisions.

Testimony Against: None.

Who Testified: PRO: Representative Darneille.