

HOUSE BILL REPORT

HB 2415

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

Title: An act relating to expanding economic assistance for individuals who are eligible for temporary assistance for needy families.

Brief Description: Expanding economic assistance for individuals who are eligible for temporary assistance for needy families.

Sponsors: Representatives Cortes, Ramel and Pollet.

Brief History:

Committee Activity:

Human Services, Youth, & Early Learning: 1/30/24, 1/31/24 [DP].

Brief Summary of Bill

- Increases the maximum amount of Diversion Cash Assistance that eligible individuals can receive from \$1,500 to \$2,000.

HOUSE COMMITTEE ON HUMAN SERVICES, YOUTH, & EARLY LEARNING

Majority Report: Do pass. Signed by 10 members: Representatives Senn, Chair; Cortes, Vice Chair; Rule, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan, Dent, Goodman, Ortiz-Self and Taylor.

Minority Report: Without recommendation. Signed by 1 member: Representative Walsh.

Staff: Luke Wickham (786-7146).

Background:

Diversion Cash Assistance.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The Diversion Cash Assistance program (DCA) is designed to provide brief, emergency assistance for families in crisis whose income and assets would otherwise qualify them for Temporary Assistance for Needy Families (TANF). The DCA is an alternative to the TANF program.

To be eligible for DCA benefits, families must meet the same income and resource requirements for TANF and must demonstrate that they expect to have income and resources to meet their long-term needs. Families who receive this assistance are expected to not need TANF assistance for the next 12 months. The monthly income limit for a family of four is \$771, and applicants can have up to \$12,000 in liquid resources.

A family receiving DCA benefits:

- is only eligible for only one thirty-day period per year;
- must repay a pro-rated portion of the grant if it receives TANF benefits before one year; and
- will not use any of its sixty-month lifetime limit for TANF benefits.

The DCA may include cash or vouchers in payment for:

- child care;
- housing;
- transportation;
- food;
- medical costs for the recipient's immediate family; or
- employment-related expenses which are needed to keep or obtain paid unsubsidized employment.

The DCA is available once in each 12-month period and may not exceed \$1,500.

Summary of Bill:

The maximum amount of DCA benefits that eligible individuals can receive is increased from \$1,500 to \$2,000.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on January 1, 2025.

Staff Summary of Public Testimony:

(In support) This little bill will have a big impact on Washington families. It increases the maximum amount of DCA benefits from \$1,500 to \$2,000. By increasing this amount, families will receive a short-term boost to remain self-sufficient when for example, they are in the middle of a job transition. The Department of Social and Health Services (DSHS) is able to make this adjustment using current resources.

The DSHS has supported 44 families with DCA and could support up to 140 households per month. Even if the number of households needing this assistance doubles, the DSHS would still be able to cover this increase along with the increase in the maximum amount allowed using existing resources.

The DCA is an alternative to the TANF program for families that need temporary emergent help. Often families are eligible for the DCA when they are experiencing a gap in employment, have a new job offer in hand, but just need that little bit of help to get over that bump. This increase will help families effectively receive short-term help without requiring ongoing assistance. Increasing the maximum assistance payment to \$2,000 bolsters the program's ability to help families resolve those short-term financial crisis and emergencies and avoid the need to seek more permanent assistance from the program.

Persons Testifying: Representative Julio Cortes, prime sponsor; and Babs Roberts, Department of Social and Health Services, Economic Services Administration.

Persons Signed In To Testify But Not Testifying: None.