

SENATE BILL REPORT

HB 2415

As of February 15, 2024

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: Passed House: 2/8/24, 92-5.

Committee Activity: Human Services: 2/15/24.

Brief Summary of Bill

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

SENATE COMMITTEE ON HUMAN SERVICES

Staff: Alison Mendiola (786-7488)

Background: 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.

A family receiving DCA benefits:

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- is eligible for only one 30-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 60-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.

In state fiscal year 2022, there was an average of 36 diversion assistance cases per month and in state fiscal year 2023, an average of 43 diversion assistance cases per month.

Summary of Bill: Effective January 1, 2025, the maximum amount of DCA benefits that eligible individuals can receive is increased from \$1,500 to \$2,000.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: January 1, 2025.

Staff Summary of Public Testimony: PRO: Diversion assistance is an alternative to TANF, providing a month of assistance that fills in a short term gap usually due to an employment gap or a job offer. This helps divert a family from going on TANF and helps with short-term immediate needs. This can help a household avoid taking a payday loan, meets an emergent need and avoids long-term assistance.

Persons Testifying: PRO: Representative Julio Cortes, Prime Sponsor; Babs Roberts, Department of Social and Health Services, Economic Services Administration; Alex Hur, Statewide Poverty Action Network.

Persons Signed In To Testify But Not Testifying: No one.