

SENATE BILL REPORT

SB 6135

As of January 30, 2024

Title: An act relating to programs for eligible recipients of temporary assistance to needy families.

Brief Description: Concerning programs for eligible recipients of temporary assistance to needy families. [**Revised for 1st Substitute:** Concerning programs for eligible recipients of temporary assistance for needy families.]

Sponsors: Senators Wilson, C., Hasegawa, Kuderer, Randall and Saldaña.

Brief History:

Committee Activity: Human Services: 1/22/24, 1/25/24 [DPS-WM, DNP, w/oRec].
Ways & Means: 2/02/24.

Brief Summary of First Substitute Bill

- Directs the Department of Social and Health Services (DSHS) to reinstate the Transitional Work Expense Bonus to clients voluntarily exiting Temporary Assistance to Needy Families (TANF) or State Family Assistance, by March 1, 2026, subject to appropriations.
- Directs DSHS to increase Post-TANF Support Services from 3 months to 12 months, by September 1, 2024.

SENATE COMMITTEE ON HUMAN SERVICES

Majority Report: That Substitute Senate Bill No. 6135 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wilson, C., Chair; Kauffman, Vice Chair; Frame and Nguyen.

Minority Report: Do not pass.

Signed by Senator Boehnke, Ranking Member.

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.

Minority Report: That it be referred without recommendation.

Signed by Senators Warnick and Wilson, J..

Staff: Alison Mendiola (786-7488)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Josh Hinman (786-7281)

Background: The Economic Services Administration of the Department of Social and Health Services (DSHS) provides assistance with cash, food, child support, disability determination, support for transitioning to employment, and other services to over 1.7 million individuals in Washington State.

Temporary Assistance to Needy Families (TANF) provides cash assistance to parents and caregivers with children and pregnant individuals to bolster their ability to meet their foundational needs. Persons who are caring for a relative's child, are legal guardians or who are acting in the place of a parent, are also able to apply for TANF benefits on behalf of these children.

State Family Assistance (SFA) provides state-funded cash assistance for legal immigrant families, students ages 19 to 20, and pregnant individuals who are ineligible to receive TANF.

Transitional Work Expense Bonus. The Transitional Work Expense Bonus began March 2002, offering a one-time bonus option for employed TANF clients with low cash grants who voluntarily exited TANF. The bonus was paid to cover work expenses and allowed clients to save months of TANF eligibility to use for times of greater need. It provided a maximum of \$1,000 in support services. The program ended February 2003.

At TANF's inception in 1997 post-TANF Support Services offered families who exited TANF and were employed at least 20 hours a week assistance with items needed to help the parent stay employed and bridge some of the effects that occur when TANF benefits end. Support services included expenses like car repairs, gas, work clothing, and tools, for up to 12 months after the TANF grant ended. In July 2003 these supports were limited to six months post-TANF. In October 2010 all post-TANF support services were eliminated. This program has been re-implemented for three months post-TANF with a requirement that parents work at least 15 hours per week.

Summary of Bill (First Substitute): By March 1, 2026, DSHS is to provide a \$2,000 Transitional Work Expense Bonus to clients voluntarily exiting the TANF program.

To be eligible for this bonus, a client must:

- receive a TANF or SFA of \$200 or less per month;

- voluntarily stop receiving their temporary assistance for needy families or state family assistance grant;
- have never received a transitional work expense bonus before; and
- include an adult recipient of TANF

Subject to amounts appropriated for this specific purpose, the \$2,000 bonus may be adjusted every two years according to an inflationary increase. The inflationary increase must be calculated by applying generally recognized inflation indices consistent with those under RCW 74.04.770.

By September 1, 2024, DSHS is to adopt rules as necessary to increase Post-TANF Support Services from 3 months to 12 months for former recipients working 20 hours or more a week, with access to support services needed to assist with job retention. The rules must require that services are to be provided through electronic benefit transfer cards when feasible.

EFFECT OF CHANGES MADE BY HUMAN SERVICES COMMITTEE (First Substitute):

Transitional bonus implemented by March 1, 2026. Strikes inflation adjustment language and adds language consistent with DSHS current practice. The household must include an adult recipient of TANF.

Regarding post-TANF services: clarifies former recipient must be working 20 hours per week and support services may be provided by EBT when feasible.

Technical corrections.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 26, 2024.

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

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

Staff Summary of Public Testimony on Original Bill (Human Services): *The committee recommended a different version of the bill than what was heard.* PRO: The system is designed to keep families where they are. During the great recession, many safety nets and programs were cut or eliminated. For example, there was a program for those leaving TANF to get resources while they transitioned off benefits. If you have no savings or generational wealth and something happens like your car breaks down, this puts you right back into the situation you were in. These two programs help mitigate the cliff effects of no longer

receiving TANF and advances poverty reduction strategies. People have described that transitioning off TANF without support is like getting off a boat before it's reached shore.

OTHER: Requesting some changes to the implementation timeline.

Persons Testifying (Human Services): PRO: Senator Claire Wilson, Prime Sponsor; Lianna Kressin, Statewide Poverty Action Network.

OTHER: Babs Roberts, Department of Social and Health Services, Economic Services Administration.

Persons Signed In To Testify But Not Testifying (Human Services): No one.