SENATE BILL REPORT
SB 6394

As of February 11, 2014

Title: An act relating to income eligibility for temporary assistance for needy families benefits for a child.

Brief Description: Concerning income eligibility for temporary assistance for needy families benefits for a child.

Sponsors: Senator Darneille; by request of Department of Social and Health Services.

Brief History:
Committee Activity: Human Services & Corrections: 2/04/14, 2/05/14 [DP-WM, w/oRec].
Ways & Means: 2/10/14.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass and be referred to Committee on Ways & Means.
Signed by Senators O'Ban, Chair; Pearson, Vice Chair; Darneille, Ranking Member; Hargrove.

Minority Report: That it be referred without recommendation.
Signed by Senator Padden.

Staff: Joan Miller (786-7784)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Breann Boggs (786-7433)

Background: Temporary Assistance for Needy Families (TANF) is a federal block grant established under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. States use TANF block grants to operate their own programs. State programs differ, but they operate in accordance to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives, and to end the dependence of needy parents on government benefits by promoting job preparation and work.

In 2011 the Legislature directed the Department of Social and Health Services (DSHS) to establish income eligibility rules for non-parental caregivers receiving a child-only TANF

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grant. A caregiver with an income above 300 percent of the poverty level is not eligible for child-only TANF benefits for a child who is not a foster child. Three hundred percent of the federal poverty level for a family of three was $58,590 in 2012.

DSHS counts only 50 percent of an individual's gross earned income to determine eligibility and benefit level. The stated purpose for this exemption is to encourage recipients to work.

Summary of Bill: DSHS may exempt 50 percent of a caregiver's unearned income when determining TANF eligibility and benefits standards for a child who is not a foster child, and who is residing with a caregiver other than the child's parents.

Unearned income is defined as income received from a source other than employment or self employment.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony (Human Services & Corrections): PRO: The Economic Services Administration (ESA) supports this legislation. In our view, this bill creates greater parity for non-parental caregivers who have unearned incomes. The vast majority of these caregivers are grandparents, aunts, uncles, or other relatives, and ESA is asking for the amendment to the statute to allow us to provide a 50 percent unearned income disregard to these families. A helpful example would be a single grandmother caring for her grandchild. If she currently receives $3,000 per month in retirement benefits, then she would be eligible for a reduced grant of $183. If that same caregiver was working and earning $3,000 per month, then she would get the full grant of $305. This bill would ensure that the grandparent who stepped up to care for the child will get the full benefit of the TANF grant. Because many caregivers live on a fixed income, this bill would reduce the burden on many families. Many of the individuals I work with are caregivers who receive the child-only TANF grant. Some of the children lost their grants several years ago when the caregiver's income was considered when determining the child's eligibility. Because the TANF grant is also used to determine eligibility for many other programs, these families lost much more than the small amount of financial aid they received from the grant itself. Children no longer qualified for free breakfast or lunch at school, had sports participation fees waived, or qualified for college-bound scholarships.

This bill is simply a tweak to current policy adopted in 2011. The child-only TANF population is different from the family TANF population. We are not trying to encourage work or transition parents into jobs because this is a population of grandparents, aunts, and uncles who typically no longer work. Therefore, it is their fixed income that needs to be treated differently. In the child welfare system, there is a policy that if the child is not in the home, we should look for a relative to care for the child. We have a lot of children in this state placed with relatives, and not just through Children's Administration. There are over

40,000 children in this state being raised by their grandparents or other relatives. They do not all get licensed, and child-only TANF has been one of the supports for them. This bill would address the current inequity that non-parental caregivers face.

Persons Testifying (Human Services & Corrections): PRO: David Stillman, DSHS Assistant Secretary; Lynn Urvina, Kinship Navigator Family Education & Support Services; Robin Zukoski, Columbia Legal Services; Laurie Lippold, Partners for Our Children.

Staff Summary of Public Testimony (Ways & Means): PRO: DSHS Economic Services Administration requested this legislation. The impacted families are kinship care providers who provide care for children that might otherwise go to the child welfare system. The bill puts families on a level playing field. It addresses inequality by treating income and unearned income the same. This bill changes an unintended consequence from 2011 legislation that implemented means testing for kinship care providers.

Persons Testifying (Ways & Means): PRO: Robin Zukoski, Columbia Legal Services; Laurie Lippold, Partners for Our Children; David Stillman, DSHS Economic Services Administration.