

HOUSE BILL REPORT

HB 1566

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

Title: An act relating to the definition of work activity for the purposes of the WorkFirst program.

Brief Description: Concerning the definition of work activity for the purposes of the WorkFirst program.

Sponsors: Representatives Pellicciotti, McDonald, Stambaugh, Gregerson, Ortiz-Self, Peterson, Riccelli, Stanford, Stonier, Kilduff, Holy, Ormsby, Haler, Bergquist and Dolan.

Brief History:

Committee Activity:

Early Learning & Human Services: 2/3/17, 2/7/17 [DPS];
Appropriations: 2/21/17 [DPS(ELHS)].

Brief Summary of Substitute Bill

- Extends the limit on vocational education training under WorkFirst from 12 months to 24 months.
- Requires the Joint Legislative Audit Review Committee to review the impact of the extended vocational training time and report to the Legislature by December 1, 2025.

HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Kagi, Chair; Senn, Vice Chair; Dent, Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Frame, Goodman, Griffey, Kilduff, Klippert, Lovick, Muri and Ortiz-Self.

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

Staff: Dawn Eychaner (786-7135).

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

Background:

WorkFirst Program.

Temporary Assistance for Needy Families (TANF) is a federal block grant that provides temporary cash assistance, subsidized childcare, and work programs for families. WorkFirst is Washington's TANF program. With limited exceptions, adult recipients of TANF benefits must participate in one or more WorkFirst activities. These activities may include paid and unpaid employment based training programs, career development, community service, work skills assessment and job hunting training, and up to 12 months of participation in vocational training programs.

Federal law requires states to meet a work participation rate for adult TANF recipients. States not meeting the work participation rate may be subject to penalty. For the purposes of calculating the state's work participation rate, individuals participating in work activities may receive up to 12 months of vocational education training.

Joint Legislative Audit and Review Committee.

The Joint Legislative Audit and Review Committee (JLARC) consists of 16 legislative members and employs the legislative auditor. The JLARC conducts performance audits, program evaluations, special studies, and sunset reviews.

Summary of Substitute Bill:

A WorkFirst participant may participate in up to 24 months of vocational education training.

The JLARC must review the impact of extending the vocational training limit and report to the Legislature by December 1, 2025. The JLARC review must include:

- an analysis of the increase in the number of participants that qualify for TANF due to the extension; and
- a comparison of employment and earnings outcomes for individuals who qualified due to extended training time compared to other TANF participants.

Substitute Bill Compared to Original Bill:

The JLARC report must be submitted to the Legislature by December 1, 2025.

Appropriation: None.

Fiscal Note: Requested on January 23, 2017.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Extending vocational education will help our state refocus on job advancement and wage progression. The current law requires parents participating in vocational education under WorkFirst to undertake additional work activities in order to continue qualifying for TANF. Sometimes parents must drop out of school to meet the required TANF work activities. This bill will result in families spending less time on TANF and ensure that they can obtain good paying jobs. In the next several years, the state will create more than 54,000 new jobs requiring a postsecondary credentials but will not have the needed workforce to fill those jobs. The majority of WorkFirst students are not college-ready and must often complete basic education requirements.

(Opposed) None.

Persons Testifying: Representative Pellicciotti, prime sponsor; David Hlebain, Statewide Poverty Action Network; Kristina Jorgensen; Julie Watts, Washington State Budget and Policy Center; Michael Althaus, Columbia Legal Services; and Erin Frasier, State Board of Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Early Learning & Human Services be substituted therefor and the substitute bill do pass. Signed by 27 members: Representatives Ormsby, Chair; Robinson, Vice Chair; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Caldier, Cody, Fitzgibbon, Haler, Hansen, Hudgins, Jinkins, Kagi, Lytton, Manweller, Nealey, Pettigrew, Pollet, Sawyer, Schmick, Senn, Springer, Stanford, Sullivan, Tharinger, Volz and Wilcox.

Minority Report: Do not pass. Signed by 6 members: Representatives Chandler, Ranking Minority Member; Buys, Condotta, Harris, Taylor and Vick.

Staff: Kelci Karl-Robinson (786-7116).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Early Learning & Human Services:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) We think this is the right move for Washington's economy and the well-being of Washington families and communities. Current statute only allows 12 months of vocational education to count towards work requirements. At month 13, students must participate in 20 to 30 hours a week of work activity in order to continue vocational education along with taking care of their children. Extending the vocational education timeframe will increase the likelihood that Temporary Assistance for Needy Families (TANF) recipients will reach the education tipping point. A study from the Department of Social and Health Services released in April 2016 found that those who complete their degrees are more likely to have higher wages. Higher paying jobs help people on the path to self-sufficiency, which is a goal of the program. Supporting students by allowing them to focus full-time on education will greatly influence their ability to secure a family wage job and exit TANF services for good. The TANF clients do not enter college ready and take longer than 12 months to complete their degree. Students are required to work at the beginning of their degree in order to allow them to have their vocational education count towards the end of their degree completion, which impacts retention and completion. This bill would increase retention and degree completion. Over 90 percent of WorkFirst students in vocational education programs are not being funded with TANF dollars.

(Opposed) None.

Persons Testifying: Michael Althaus, Columbia Legal Services; and Erin Frasier, State Board for Community and Technical Colleges.

Persons Signed In To Testify But Not Testifying: None.