

SENATE BILL REPORT

ESHB 1831

As Reported by Senate Committee On:
Human Services, Mental Health & Housing, March 14, 2017

Title: An act relating to revising resource limitations for public assistance.

Brief Description: Revising resource limitations for public assistance.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Pettigrew, Macri, Santos, Ortiz-Self, Frame, Kagi, Fitzgibbon, Stanford, Ormsby and Pollet).

Brief History: Passed House: 3/07/17, 75-22.

Committee Activity: Human Services, Mental Health & Housing: 3/14/17 [DP-WM, w/oRec].

Brief Summary of Bill

- Revises exemptions relating to personal assets and the receipt of public assistance.

SENATE COMMITTEE ON HUMAN SERVICES, MENTAL HEALTH & HOUSING

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators O'Ban, Chair; Miloscia, Vice Chair; Darneille, Ranking Minority Member; Carlyle, Hunt and Walsh.

Minority Report: That it be referred without recommendation.

Signed by Senator Padden.

Staff: Alison Mendiola (786-7444)

Background: The Department of Social and Health Services' Economic Services Administration (ESA) administers a number of public assistance programs, including services, medical care, cash grants, and food assistance. Eligibility to receive public assistance is generally determined by examining an applicant's family size, disability status, income, and in some cases the resources or assets available to an applicant.

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.

Asset Exemptions and Limitations. A combination of state and federal laws govern whether and how resources are counted when determining eligibility for assistance. State law for receipt of public assistance defines resources as tangible and intangible assets owned by or available to an applicant, which can be applied toward meeting the applicant's need either directly or by conversion into cash or its equivalent. Resources exempted when determining eligibility for assistance include the following:

- a home being lived in;
- household furnishing and personal effects;
- a vehicle with an equity value of \$5,000 or less;
- a vehicle necessary to transport a physically disabled household member; and
- all other resources not to exceed \$1,000—or for recipients of Temporary Assistance for Needy Families (TANF), up to \$3,000 in combined savings accounts.

In addition to these expressly exempted resources, the ESA may exempt additional resources or income necessary to restore the applicant to independence, reduce the need for public assistance, or aid in rehabilitating the applicant or a dependent of the applicant.

If an applicant for public assistance possesses or has access to resources in excess of the ceiling value of exempted resources, as determined by law or rule, the excess value is counted when determining the applicant's need for assistance. The applicant's non-exempt resources may make the applicant ineligible to receive assistance.

States' Authority and Variability Regarding Resource Limits. States have authority to determine some policies related to families receiving public assistance. For TANF, states can eliminate asset limits altogether. Eight states, namely Alabama, Colorado, Hawaii, Illinois, Louisiana, Maryland, Ohio and Virginia, have eliminated all asset limits for TANF recipients.

Summary of Bill: Resources exempted when determining eligibility for public assistance are revised to include the following:

- one motor vehicle, other than a motor home, with an equity value of up to \$10,000; and
- all other resources up to \$6,000 or other limit set by the DSHS consistent with federal requirements.

Appropriation: None.

Fiscal Note: Available.

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: No public hearing was held.

Persons Testifying: N/A.

Persons Signed In To Testify But Not Testifying: N/A.