

SENATE BILL REPORT

SB 6135

As of January 22, 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.

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

Brief History:

Committee Activity: Human Services: 1/22/24.

Brief Summary of 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 September 1, 2024, 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

Staff: Alison Mendiola (786-7488)

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

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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 cut. 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: By September 1, 2024, 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; and
- have never received a transitional work expense bonus before.

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 the rate of the increase in the inflationary adjustment index to the rate established in this section. Inflationary adjustment index means the implicit price deflator averaged for each fiscal year, using the official current base rate, compiled by the bureau of economic analysis.

By September 1, 2024, DSHS is to adopt rules as necessary to increase Post-TANF Support Services from 3 months to 12 months.

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 9, 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: 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: 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: No one.