

HOUSE BILL REPORT

HB 1436

*As Reported By House Committee on:
Human Services*

Title: An act relating to public assistance.

Brief Description: Establishing grant standards for income assistance programs as a percentage of the standard of need.

Sponsor(s): Representatives Moyer, Leonard, P. Johnson, Brough, Winsley, Dellwo, Wood, Morris, Forner, Spanel, Mitchell, Franklin, Paris, Heavey, Betrozoff, Ferguson, Nelson, Holland, Roland, Bowman, Rasmussen, Beck, Belcher, Cole, Cantwell, Zellinsky, H. Myers, Basich, R. Johnson, Jacobsen, Peery, Phillips, Van Luven, Wang, Wineberry, Hine, Anderson, Prentice, Pruitt, Brekke, Kremen, Hargrove, Ogden, R. Fisher, Sheldon, Ebersole, R. King, Scott, Fraser and Miller.

Brief History:

Reported by House Committee on:
Human Services, February 6, 1991, DP.

**HOUSE COMMITTEE ON
HUMAN SERVICES**

Majority Report: *Do pass.* Signed by 10 members: Representatives Leonard, Chair; Riley, Vice Chair; Winsley, Ranking Minority Member; Tate, Assistant Ranking Minority Member; Anderson; Beck; Hargrove; Hochstatter; R. King; and H. Myers.

Staff: David Knutson (786-7146).

Background: The federal government requires every state which participates in the aid to families with dependent children program, to establish a standard of need which must be updated annually. Each state can then determine the amount of benefits eligible people will receive. Over the past decade, aid payments to eligible people have declined as a percentage of the standard of need. Many high school students do not graduate until after their 19th birthday. If they are receiving aid to families with dependent children payments, the payments end at age 18. This may force some students to quit school and go to work.

Children who live with court appointed guardians are not currently eligible to receive aid to families with dependent children payments. Recipients of aid to families with dependent children receive grant payments based on the income they earned two months earlier. If a recipient's income decreases, they currently do not receive a full grant payment for two months.

The current state welfare system requires a reduction in grant standards when income is received. In some cases, family income is limited to levels below the standard of need. This is a strong disincentive to work.

Summary of Bill: Grant payment will be set as a percentage of the standard of need. The grant payment will be not less than 60 percent of the standard of need by June 30, 1993. It will increase to not less than 65 percent of the standard of need by June 30, 1995.

By June 30, 1996, it will increase to not less than 70 percent of the standard of need. By June 30, 2009, the grant payment will equal 100 percent of the standard of need. After June 30, 2009, the maximum rateable reduction which may be imposed on all income assistance grant programs will be 15 percent.

Income assistance payments to high school students are continued up to age 20. Children who live with court appointed guardians who are eligible for aid to families with dependent children will receive a grant payment. A recipient of aid to families with dependent children who experiences a loss of income will have his or her grant payment adjusted without waiting two months. When recipients of income assistance payments receive additional income, their payment will not be reduced until the payment plus the income exceed one hundred fifteen percent of the grant standard.

Fiscal Note: Requested February 1, 1991.

Effective Date: Sections 1,2, and 4 through 8 will take effect immediately. Section 3 will take effect on July 1, 2009.

Testimony For: Aid payments to poor people have not kept up with inflation. Children are particularly hard hit by extremely low family income. Some poor parents on public assistance are forced to steal food from grocery stores in order to feed their children.

Extreme poverty for young children will cause a multitude of problems throughout their entire lives. If the Legislature does not address poverty as the root cause of many social problems, society will pay a high price in the education, social and health, and prison systems.

Testimony Against: Although the Department of Social and Health Services supports the concept of this legislation, funding is not included in the governor's budget.

Witnesses: Margaret Casey, Children's Budget Coalition; Tony Lee, Washington Association of Churches; Kay Thode, Fair Budget Action Campaign; Nancy Stephens, All Saints Church; Jane Christianson, Family Independence Plan participant; Gladys Burns, Fair Budget Action Campaign; Gloria Hays, a homeless individual and an Aid to Families with Dependent Children recipient; Sherry Doescher and Linda Major, Tacoma Headstart; Robin Zukoski, Evergreen Legal Services; Bernice Morehead, Department of Social and Health Services (against); and Elizabeth Butler, Debra Russell, Maria Durst, Rachel Stout, Judy Rusoum, Doris Nelson, Jean Coleman, Carol Donague, Washington Welfare Rights Organization.