

HOUSE BILL REPORT

HB 2798

As Reported By House Committee On:
Human Services
Appropriations

Title: An act relating to public assistance reform.

Brief Description: Making major changes to the welfare system.

Sponsors: Representatives Sommers, Thibaudeau, Cooke, Peery, Silver, Dorn, R. Meyers, Talcott, Valle, Carlson, Dunshee, Linville, Rust, Ballasiotes, Sehlin, Jacobsen, Foreman, Wolfe, Wineberry, Mastin, G. Fisher, Grant, Campbell, Brough, L. Thomas, B. Thomas, Lisk, McMorris, Chandler, Wood, Schoesler, Sheldon, Rayburn, Kremen, Brumsickle, Holm, Roland, Pruitt, Jones, Flemming, Horn, Kessler, Long, Shin, Moak, Finkbeiner, Quall, Conway, Springer, Tate, Mielke and Johanson.

Brief History:

Reported by House Committee on:
Human Services, February 3, 1994, DPS;
Appropriations, February 7, 1994, DP2S.

HOUSE COMMITTEE ON HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Leonard, Chair; Thibaudeau, Vice Chair; Cooke, Ranking Minority Member; Talcott, Assistant Ranking Minority Member; Brown; Caver; Karahalios; Patterson and Wolfe.

Minority Report: Do not pass. Signed by 2 members: Representatives Lisk and Padden.

Staff: Dave Knutson (786-7146).

Background: Teen pregnancies, inadequate emphasis on job placement, and long term receipt of income assistance grants are barriers to achieving economic independence.

Summary of Substitute Bill: When people apply for, or are reassessed through the Aid To Families With Dependent Children Program, they will receive family planning information and assistance from the Department of Social and

Health Services or a contracted agency. The Department of Social and Health Services will train financial and social work staff to communicate the transitional nature of aid to families with dependent children; actively refer people to the Job Opportunities and Basic Skills Program; provide family planning information and assistance, in consultation with the Department of Health; work cooperatively with recipients of self sufficiency plans; and improve the functioning of local offices. The Office of Superintendent of Public Instruction will provide grants to school districts for media campaigns that encourage individuals to delay sexual activity, pregnancy, and childbearing until they are prepared to support their children and that encourages sexual abstinence before marriage. The department is authorized, pending federal approval, to pay Job Opportunities Basic Skills Program participants a cash grant combining the aid to families with dependent children and food stamp benefit. The department will aggressively seek to maximize federal funds to the Job Opportunities and Basic Skills Program. The department will administer a community work experience program. Recipients of Aid to Families with Dependent Children may volunteer in child care facilities if they are not participating in an education or work training program. The department will determine the appropriate living situation for recipients of Aid to Families with Dependent Children who are under the age of 18. The department will establish a supported employment program for recipients of Aid to Families with Dependent Children. Support enforcement will attempt to determine the identity of the noncustodial parent at the time of child's birth. The Office of Support Enforcement will notify consumer reporting agencies of all child support obligations. The Institute for Public Policy will determine the feasibility of a child assurance system. Information on the earned income credit will be distributed throughout the state. The department is required to notify consumer credit organizations of a parent's support payment.

Substitute Bill Compared to Original Bill: Provisions were removed from the bill that: 1) Required nonexempt recipients of Aid to Families with Dependent Children who are under 20 or have received assistance for 36 of the preceding 60 months to actively participate in the Job Opportunities and Basic Skills Program. Individuals would have been required to participate in an assigned program component, or failing or refusing to accept or retain employment, if his or her child is over six months of age. 2) Applicants for Aid to Families with Dependent Children under the age of 18 who are unmarried and are not living in a place maintained by the applicant's parent or guardian, or other adult relative as their own home, or other supportive living arrangement would have been ineligible to receive

assistance. If the applicant established that the physical and emotional health or safety of the applicant and his or her child would be jeopardized, the department was authorized to waive the living requirement. 3) The current statutory requirement that the Department of Social and Health Services assess teenage recipients of Aid to Families with Dependent Children and determine the most appropriate living situation would have been repealed. 4) Applicants who increase their family size while on assistance would not have their assistance increased. The monthly Aid to Families with Dependent Children grant would have been reduced by 10 percent after 48 months in a 60 month period, and an additional 10 percent every 12 months thereafter. 5) The Department of Social and Health Services would have been required to make every effort to determine the identity of the noncustodial parent. 6) Grandparents would have been held financially liable for the maintenance of their grandchild if their child is under age 18 and unable to maintain the infant. The department was required to notify consumer credit organizations if a parent's support payment was past due.

Fiscal Note: Requested January 26, 1994.

Appropriation: Specific appropriations are made to the Department of Social and Health Services and the Evergreen State College, and unspecified appropriations are made to the Department of Social and Health Services and Superintendent of Public Instruction.

Effective Date of Substitute Bill: Sections 11, 12 and 14 of the bill take effect July 1, 1994. The remainder of the bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Incentives for teenagers to go on welfare should be removed, long term recipients of public assistance should have their grants reduced as an incentive to work.

Testimony Against: Punitive measures against poor people should not be increased.

Witnesses: Representative Ebersole, Speaker of the House (pro); and Representative Sommers (pro); Liz Schott, Evergreen Legal Services (con); Dayna Micone (con); Cheryl Sabin (con); Ned Dolejsi, Washington State Catholic Conference (con); Barbara Pool (pro); Valera Fetterman (pro); Kathy Morefield, Fair Budget Action Campaign (con).

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 26 members: Representatives Sommers, Chair; Valle, Vice Chair; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Foreman; Jacobsen; Lemmon; Leonard; Linville; H. Myers; Peery; Rust; Sehlin; Sheahan; Stevens; Talcott; Wang; Wineberry and Wolfe.

Staff: Beth Redfield (786-7130).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Human Services:

The exemption for JOBS participation if caring for a child is changed so that the child must be less than one year old. The reasons for which a participant may, for good cause, refuse a job do not include specific references to enabling long-term self-sufficiency. A minor parent is presumed ineligible for assistance if living independently unless DSHS determines that an alternative living arrangement would be inappropriate. Includes a provision reducing benefits after a recipient has been on public assistance for 48 months. Exemptions include if a recipient is caring for a child less than two years old, there is no job offer or if participating in unpaid volunteer work. The provisions requiring DSHS to distribute information on the Earned Income Tax Credit, a feasibility study of child support assurance and appropriations are deleted.

Fiscal Note: Available.

Effective Date: Sections 6, 7, and 11 of the bill take effect July 1, 1995. Sections 12 and 13 take effect July 1, 1996. The remainder of the bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Recipients have a work ethic, they just need opportunity. Education is very important in enabling recipients to get off public assistance and stay off. We need to be supportive of culture change at DSHS, to have more coordination between Income Assistance and Children and Family Services, and involve recipients in developing their independence plan. The exemption from JOBS participation if caring for a child age three or less is consistent with federal law and more realistic given cost and availability of infant day care.

Testimony Against: If a recipient takes any job offered, she will be back on welfare soon. This recycling will cost more in the long run. The SPI program of student-produced media campaigns excludes abortion alternatives or abstinence-based programs. The adult living situation

required of minor recipients could include a boyfriend.
This situation should be approved by a parent.

Witnesses: (In favor) Barb McGinn and Valera Fetterman, private citizens; Kathy Morefield, Fair Budget Action Campaign; Laurie Lippold, The Children's Alliance; Lonnie Johns-Brown, NOW/NASW; (opposed) and Priscilla Martens, The Capitol Project.