

SENATE BILL REPORT

SB 6296

As Reported By Senate Committee On:
Higher Education, February 4, 2000
Ways & Means, February 28, 2000

Title: An act relating to increasing access to education for recipients of temporary assistance for needy families.

Brief Description: Creating the independence through college for achievers in need program.

Sponsors: Senators Kohl-Welles, Jacobsen, Shin, Thibaudeau, Bauer, Fairley, Patterson, B. Sheldon, McAuliffe and Winsley.

Brief History:

Committee Activity: Higher Education: 1/24/2000, 2/4/2000 [DPS-WM].
Ways & Means: 2/28/2000 [DPS (HIE), DNP].

SENATE COMMITTEE ON HIGHER EDUCATION

Majority Report: That Substitute Senate Bill No. 6296 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Bauer, Finkbeiner, Horn, Jacobsen, McAuliffe, Sheahan and B. Sheldon.

Staff: Joanne Conrad (786-7472); Jean Six (786-7423)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6296 as recommended by Committee on Higher Education be substituted therefor, and the substitute bill do pass.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Kline, Kohl-Welles, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Wojahn.

Minority Report: Do not pass.

Signed by Senators Honeyford, McDonald, Rossi and Zarelli.

Staff: Brian Sims (786-7431)

Background: When the federal government enacted the Personal Responsibility and Work Opportunity Reconciliation Act of 1995 (PRWORA, or welfare reform act), it limited the types of work activities allowable for welfare recipients. While states were permitted to use state funds for any antipoverty program they wanted to, they were limited in the approvable use of federal welfare block grant money. In the case of post-secondary education, the federal act allowed up to 12 months of vocational education. Progress toward

a two-year degree at a community college, or a baccalaureate degree was not an allowable Temporary Assistance for Needy Families (TANF) work activity, and federal block grant funds were not supposed to be used to fund progress toward degree completion.

In 1999, the federal government produced final TANF regulations. Various legal interpretations of these regulations appear to allow states an expanded scope of TANF work activities for which TANF funding may be used, including assistance for post-secondary education.

Numerous studies demonstrate a relationship between educational attainment and economic well-being. Data shows that graduation from college significantly increases the probability of higher lifetime earnings. In addition, studies indicate that college completion decreases the chances of a graduate's children needing public assistance in the future. There is indication that college attendance reduces social costs by improving health status, increasing tax revenue, increasing savings rates and reducing welfare dependence and crime.

Summary of Substitute Bill: The Independence through College for Achievers in Need (I-CAN) program provides TANF benefits, including child care, food stamps, medical assistance, cash grants and limited tuition assistance for up to 600 welfare recipients (approximately 1 percent of recent caseload). I-CAN participants attend an institution of higher learning for up to four years, each month of which counts against their 60-month lifetime limit on TANF. Qualifying recipients must be admitted to a college, must make satisfactory progress towards completion, as part of their Individual Responsibility Plan and must have already been in TANF job search for 12 months.

The Department of Social and Health Services (DSHS) determines that the educational program goals of I-CAN participants are in fields likely to create a high probability of employment. DSHS, working with public and private entities, also provides career planning and counseling services for participants, from existing sources.

DSHS contracts for an outcome study of I-CAN participants, to track degree completion, wage progression, drop-out rate, and TANF recidivism, and reports on barriers and enhancements to success experienced by the participants.

The statutory list of allowable TANF work activities is expanded to include participation in the I-CAN program, but is not broadened to include ad hoc higher educational pursuits on the part of individual TANF recipients who are not I-CAN participants.

Funding for the I-CAN program is from TANF surplus, or TANF maintenance of effort funds, or the general fund, or a combination of these sources.

Substitute Bill Compared to Original Bill: Recipients must be in TANF job search for 12 months, prior to I-CAN acceptance. Existing counseling services will be used.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This approach to TANF training for self-sufficiency will significantly help the capped number of recipients for whom college is the best option. Single parenting is difficult. I-CAN- will allow parents to finish college, take care of their children while financial independence will speed up, and quality of recipient's educational experience will improve.

Testimony Against: None.

Testified: PRO: Senator Jeanne Kohl-Wells, prime sponsor; Genevieve Parrish, Washington Student Lobby; Mike Mastin, Department of Social and Health Services; Carrie Day, Enca Quimby, Evergreen Parents Resource Network; Allison Morrell, Monica Peabody, Welfare Rights Organizing Coalition; Laurie Lippold, Children's Home Society; Sarah Fleming Merten, Washington Association of Churches; Seth Dawson, Common Ground for Children; Martha Lindley, Central Washington University; Lonnie Johns-Brown, WA Assn. of Churches; Ginnie DeForest, American Assn. of University Women; Savannah Christiana Spalding, Welfare Rights Organizing Coalition; Carolyn Busch, Governor's Office/OFM.