

HOUSE BILL REPORT

HB 1635

As Amended by the Senate

Title: An act relating to income and resources reporting requirements under the public assistance program.

Brief Description: Revising reporting requirements for income and resources under the public assistance program.

Sponsors: By Representatives Pettigrew, Boldt, Kagi, Edwards and Kenney; by request of Department of Social and Health Services.

Brief History:

Committee Activity:

Children & Family Services: 2/17/03, 2/19/03 [DP].

Floor Activity:

Passed House: 3/11/03, 91-0.

Senate Amended.

Passed Senate: 4/16/03, 48-0.

Brief Summary of Bill
<ul style="list-style-type: none">Revises reporting requirements for income and resources for recipients of public assistance or food stamp benefits.

HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

Majority Report: Do pass. Signed by 9 members: Representatives Kagi, Chair; Darneille, Vice Chair; Boldt, Ranking Minority Member; Roach, Assistant Ranking Minority Member; Bailey, Dickerson, Miloscia, Pettigrew and Shabro.

Staff: Cynthia Forland (786-7152).

Background:

If an individual receives public assistance or food stamp benefits for which he or she is not eligible, or in an amount greater than that for which he or she is eligible, the portion of the payment to which the individual is not entitled is a recoverable debt due the state. A recipient of public assistance or food stamp benefits is required to notify the

Department of Social and Health Services (DSHS) within 20 days of the receipt or possession of all income or resources not previously declared to the DSHS. The DSHS is required to advise applicants for assistance that failure to report as required, failure to reveal resources or income, and false statements will result in recovery by the state of any overpayment and may result in criminal prosecution.

Under federal reauthorization of the food stamp program, enacted in 2002, states are granted greater flexibility with regard to income and resources limits and reporting requirements under the program. Changes to the program include the following:

- Providing states the option of excluding certain types of income and resources that are not counted under the state's Temporary Assistance for Needy Families (TANF) cash assistance or Medicaid programs;
- Allowing states to disregard reported changes in deductions during certification periods, except for changes associated with a new residence or earned income, until the next recertification; and
- Providing states the option of extending semi-annual reporting of changes to all households not exempt from periodic reporting.

Summary of Bill:

The requirement relating to notification of the DSHS by recipients of public assistance or food stamp benefits of the receipt or possession of income or resources is changed to allow the DSHS, by rule, to determine reporting requirements for countable income or resources. The rules must be consistent with federal law and regulations governing public assistance programs.

EFFECT OF SENATE AMENDMENT(S):

Current statute is no longer amended to provide that the DSHS may by rule determine reporting requirements for recipients of public assistance and/or food stamps or food stamp benefits transferred electronically to notify the DSHS of the receipt or possession of countable income or resources not previously declared to the DSHS. The rules must be consistent with federal law and regulations governing public assistance programs.

Instead, current statute is amended to provide that it is the duty of recipients, as provided in current statute, of cash benefits to notify the DSHS of changes to earned income as defined in current statute. It is the duty of recipients of cash benefits to notify the DSHS of changes to liquid resources as defined in current statute that would result in ineligibility for cash benefits. It is the duty of recipients of food benefits to report changes in income that result in ineligibility for food benefits. All recipients must report these changes by the 10th of the month following the month in which the change occurs. The DSHS is required to make a determination of eligibility within 10 days from the date

it receives the reported change from the recipient. The DSHS is required to adopt rules consistent with federal law and regulations for additional reporting requirements.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill would allow the DSHS to implement semi-annual reporting for all public assistance programs, which would create consistency and clarity and reduce administrative hassles. This change would ensure the ongoing support of working families who are receiving public assistance benefits. In addition, this change would provide the potential for drawing down more federal funds by increasing utilization of the food stamp program. An increase in caseload is possible, but that caseload will be easier and quicker to serve. Recipients would be required to report certain key changes that occur between semi-annual reports. This change is part of a national movement to address underutilization of the food stamp program. Other states have increased utilization and reduced error rates by making this change. The food stamp program has become more and more a program for the working poor. With that population, income fluctuations are a problem under the current reporting requirements.

Testimony Against: None.

Testified: John Atherton, Department of Social and Health Services; and Tony Lee, Fremont Public Association.