
**Children & Family Services
Committee**

SSB 6336

Brief Description: Requesting a federal exemption regarding the definition of income for public assistance.

Sponsors: Senate Committee on Human Services & Corrections (originally sponsored by Senators Haugen, Prentice, Fairley, Oke, Fraser, Swecker, Shin, Kline, Rockefeller, Eide, Kohl-Welles, Keiser, McAuliffe, Rasmussen, Franklin, Thibaudeau, Jacobsen, Brown and Sheldon).

Brief Summary of Substitute Bill

- Directs the Department of Social and Health Services to seek exemptions and waivers from federal laws and rules necessary to exclude military housing allowances from income when determining eligibility for food stamps and medical assistance.
- Requires an annual report to the Legislature regarding exemptions and waivers obtained.

Hearing Date: 2/22/06

Staff: Sydney Forrester (786-7120).

Background:

Use of Federal Public Assistance Moneys

Under federal law, each state develops a state plan regarding use of federal moneys for public assistance programs. The state plan is an agreement between the state and federal agencies and includes provisions governing how the state will determine eligibility for receipt of public assistance. The state plan may be modified when a state requests, and the federal agency grants, an exemption or waiver from federal laws or rules.

Under Washington's state plan, the Department of Social and Health Services (DSHS) adopts rules for determining what resources are counted as income for the purpose of eligibility for medical assistance and food benefits. Under those rules, money a person receives from other agencies and that is provided for reasons *other than* on-going living expenses is not counted as income. On-going living expenses, however, include expenses for shelter, and housing allowances currently are included in income determinations.

Military Basic Allowance for Housing (BAH)

Persons who serve in the military may receive a military basic allowance for housing (BAH) when use of government housing is not provided. The BAH was instituted following the privatization of military housing and is intended to assist members of the military who do not live in government housing with obtaining commercial housing.

BAH and Federal Laws and Regulations

Like the various other military allowances provided for specific needs, the BAH is not taxable under the Internal Revenue Code. The BAH also is not counted as income when determining a family's eligibility for federally-subsidized free and reduced priced meals for school children or when determining eligibility for benefits under the federal Women Infants and Children (WIC) program.

Summary of Bill:

The DSHS is directed to seek all exemptions and waivers from federal laws and regulations necessary to exempt military housing allowances or vouchers from income determinations for eligibility for food benefits and medical assistance programs. The DSHS must report annually to the Legislature regarding its efforts to obtain such exemptions and waivers.

Appropriation: None.

Fiscal Note: Requested.

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