

SENATE BILL REPORT

HB 2585

As Reported by Senate Committee On:
Human Services & Corrections, February 27, 2014

Title: An act relating to income eligibility for temporary assistance for needy families benefits for a child.

Brief Description: Concerning income eligibility for temporary assistance for needy families benefits for a child.

Sponsors: Representatives Walsh and Pettigrew; by request of Department of Social and Health Services.

Brief History: Passed House: 2/17/14, 97-0.

Committee Activity: Human Services & Corrections: 2/24/14, 2/27/14 [DP-WM].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators O'Ban, Chair; Pearson, Vice Chair; Darneille, Ranking Member; Hargrove and Padden.

Staff: Joan Miller (786-7784)

Background: Temporary Assistance for Needy Families (TANF) is a federal block grant established under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. States use TANF block grants to operate their own programs. State programs differ, but they operate in accordance to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives, and to end the dependence of needy parents on government benefits by promoting job preparation and work.

In 2011 the Legislature directed the Department of Social and Health Services (DSHS) to establish income eligibility rules for non-parental caregivers receiving a child-only TANF grant. A caregiver with an income above 300 percent of the poverty level is not eligible for child-only TANF benefits for a child who is not a foster child. Three hundred percent of the federal poverty level for a family of three was \$58,590 in 2012.

DSHS counts only 50 percent of an individual's gross earned income to determine eligibility and benefit level. The stated purpose for this exemption is to encourage recipients to work.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: DSHS may exempt 50 percent of a caregiver's unearned income when determining TANF eligibility and benefit standards for a child who is not a foster child, and who resides with a caregiver other than the child's parents.

Unearned income is defined as income received from a source other than employment or self employment.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: DSHS requested this legislation, probably to avoid a lot of duplicative effort in determining income eligibility for child-only TANF. We do not want to disincentivize family placements, but when we put financial restraints on grandparents and other relative caregivers as result of taking a child into their homes, that is exactly what happens. We think it is a good idea to not count Social Security benefits and retirement. If these folks were not stepping up to the plate, these children would be put into the foster care system, and the cost would be much greater. This bill is a way to encourage family placement and not lose that available pool of individuals who can care for these children while they are on TANF. This bill creates greater parity for non-parental caregivers, grandparents, aunts, and uncles who step up to offer care for these children, possibly in lieu of foster care. We know that this choice is more beneficial to children and less costly. The Senate version of this bill passed out of Ways and Means almost unanimously, and the policy is fantastic for kinship caregivers.

Persons Testifying: PRO: Representative Walsh, prime sponsor; David Stillman, DSHS, Economic Services Administration; Robin Zukoski, Columbia Legal Services; Laurie Lippold, Partners for Our Children.