

SENATE BILL REPORT

SB 5600

As of February 21, 2013

Title: An act relating to the definition of work activity for the purposes of the WorkFirst program.

Brief Description: Concerning the definition of work activity for the purposes of the WorkFirst program.

Sponsors: Senators Hargrove, Darneille, Kohl-Welles, Hasegawa, Kline, McAuliffe, Frockt, Harper, Billig and Shin.

Brief History:

Committee Activity: Human Services & Corrections: 2/19/13.

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Staff: Shani Bauer (786-7468)

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 operate in accordance with the following purposes set forth in federal law:

- provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- encourage the formation and maintenance of two-parent families.

Washington's TANF program is called WorkFirst, and is administered by the Department of Social and Health Services (DSHS). Under WorkFirst, eligible adults receive various forms of assistance while they participate in activities that will help them connect to the workforce. The federal statutes require a certain participation rate for adults receiving TANF benefits; states may be penalized if they fail to meet the required participation rate.

Federal statute defines both the activity as well as the length of time that a WorkFirst participant may spend on that activity. These definitions are also codified in state law. A

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work activity includes unsubsidized and subsidized paid employment, internships, on-the-job training, job search and job readiness assistance, vocational educational training, education, and other activities.

Vocational education counts toward the federal TANF work participation rate for a maximum of 12 months in the student's lifetime. An additional 12 months will not count toward the federal work participation rate. Additionally, federal rules state that in counting individuals in the state's work participation rate, not more than 30 percent each month may be engaged in vocational educational training.

Summary of Bill: Under state law, the time period a WorkFirst participant may participate in vocational educational training is extended to 24 months.

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: Increasing parents' access to more education and training is one of the most effective strategies in helping parents to move out of poverty and become self-supporting. Of TANF parents, 38 percent do not have a high school diploma and only 15 percent have any education beyond high school. Expanding vocational education will ensure that TANF parents have the skills necessary to be competitive in the job market. The median income of workers with less than a high school diploma is \$20,200 per year while the median income of workers with an associate level degree or higher is \$38,600. Increasing the time period in vocational education will maximize the state's benefit in its investment. We know from research that people with extended education earn substantially more. Many vocational education programs require prerequisites which take longer to complete. It is also challenging for parents to attend school while working part time.

Persons Testifying: PRO: Kate Baber, Marcy Bowers, Statewide Poverty Action Network; Rick Krauss, State Board of Community and Technical Colleges.