

# HOUSE BILL REPORT

## HB 1831

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**As Reported by House Committee On:**  
Early Learning & Human Services

**Title:** An act relating to revising resource limitations for public assistance.

**Brief Description:** Revising resource limitations for public assistance.

**Sponsors:** Representatives Pettigrew, Macri, Santos, Ortiz-Self, Frame, Kagi, Fitzgibbon, Stanford, Ormsby and Pollet.

**Brief History:**

**Committee Activity:**

Early Learning & Human Services: 2/14/17, 2/17/17 [DP].

**Brief Summary of Bill**

- Revises exemptions for personal resources used in determining eligibility for public assistance.

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### HOUSE COMMITTEE ON EARLY LEARNING & HUMAN SERVICES

**Majority Report:** Do pass. Signed by 10 members: Representatives Kagi, Chair; Senn, Vice Chair; Dent, Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Frame, Goodman, Kilduff, Lovick, Muri and Ortiz-Self.

**Minority Report:** Without recommendation. Signed by 2 members: Representatives Griffey and McCaslin.

**Minority Report:** Do not pass. Signed by 1 member: Representative Klippert.

**Staff:** Dawn Eychaner (786-7135).

**Background:**

The Department of Social and Health Services (DSHS) Economic Services Administration administers a number of state and federally funded public assistance programs, including medical and food assistance, cash assistance, and other services. Eligibility for public

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assistance is generally determined based on a combination of factors for a household, including disability status, income, and resources or assets available to the applicant.

Resources available to an applicant for public assistance may be considered assets that can be applied toward meeting that person's need. The DSHS may adopt rules exempting certain resources from being counted as assets. Exempt resources must include, but are not limited to:

- a home that the applicant or his or her dependent is living in;
- household furnishings and personal effects;
- a motor vehicle, other than a motor home, with an equity value of no more than \$5,000;
- a motor vehicle necessary to transport a household member with a physical disability; and
- all other resources not to exceed \$1,000 or, for recipients of Temporary Assistance for Needy Families (TANF), up to \$3,000 in combined savings accounts.

In addition, the DSHS may exempt resources or income that are determined necessary to the applicant's restoration to independence, to reduce the need for public assistance, or to aid in rehabilitating the applicant or a dependent of the applicant. In some cases, an applicant's nonexempt resources may reduce the assistance received or make the applicant ineligible to receive assistance.

States have the authority to determine some policies related to individuals and families receiving federal public assistance. For example, states can eliminate asset limits altogether for certain programs such as TANF.

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### **Summary of Bill:**

The exempt resources counted when determining eligibility for public assistance are revised as follows:

- a motor vehicle, other than a motor home, is exempt regardless of the value if the vehicle is used for transportation for the individual or a member of the individual's family; and
- all other resources are exempt up to any limit set by the DSHS consistent with federal requirements.

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**Appropriation:** None.

**Fiscal Note:** Requested on February 7, 2017.

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

**Staff Summary of Public Testimony:**

(In support) The DSHS asset limit is not very helpful for families. These days, if you have a car worth \$5,000 you'll spend more time repairing it than being able to use it for transportation. Since the mid-1990s, applicants for public benefits have been subject to the \$5,000 vehicle equity limit and resource limit of \$1,000. Raising the vehicle equity limit is long overdue. As a result of the limit, TANF applicants are often faced with a false choice between reliable transportation and getting the benefits they need. A parent with a car is more likely to be able to retain a job. The cash asset limit is onerous for public benefits applicants, and any savings for a low- or moderate-income family can negatively impact benefits, sending a mixed signal to TANF applicants about the importance of savings. Completely exempting vehicles, like so many other states have done, will help people get back on their feet. This could result in lower administrative costs for public benefits programs. A recent study found there were no statistically significant increases in caseloads as a result of exempting vehicles, and any small increase in caseload was offset by administrative cost savings.

(Opposed) None.

**Persons Testifying:** Representative Pettigrew, prime sponsor; Michael Althaus, Columbia Legal Services; Alex Hur, Statewide Poverty Action Network; and Julie Watts, Washington Budget and Policy Center.

**Persons Signed In To Testify But Not Testifying:** None.