

HOUSE BILL REPORT

E2SHB 1831

As Passed Legislature

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

Brief Description: Revising resource limitations for public assistance.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Pettigrew, Macri, Santos, Ortiz-Self, Frame, Kagi, Fitzgibbon, Stanford, Ormsby and Pollet).

Brief History:

Committee Activity:

Early Learning and Human Services: 2/14/17, 2/17/17 [DP];

Appropriations: 2/23/17, 2/24/17 [DPS], 1/17/18, 1/18/18 [DP2S].

Floor Activity:

Passed House: 3/7/17, 75-22.

Passed House: 2/7/18, 84-14.

Passed Senate: 3/2/18, 36-12.

Passed Legislature.

Brief Summary of Engrossed Second Substitute Bill

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

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 24 members: Representatives Ormsby, Chair; Robinson, Vice Chair; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Caldier, Cody, Fitzgibbon, Graves, Hansen, Harris, Hudgins, Jinkins, Kagi, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan, Tharinger, Volz and Wilcox.

Minority Report: Do not pass. Signed by 7 members: Representatives Chandler, Ranking Minority Member; Buys, Condotta, Haler, Manweller, Schmick and Taylor.

Minority Report: Without recommendation. Signed by 1 member: Representative Vick.

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.

Staff: Kelci Karl-Robinson (786-7116).

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 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.

Summary of Engrossed Second Substitute Bill:

Resources exempted when determining eligibility for public assistance are revised to include:

- one motor vehicle, other than a motor home, with an equity value of up to \$10,000; and
- all other resources up to \$6,000 or other limit set by the DSHS consistent with federal requirements.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect February 1, 2019. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) This bill prevents short, episodic financial emergencies from turning into long-term poverty. Resources, like a car or modest savings, are critical to regaining financial independence. Access to a reliable car helps people escape a domestic violence situation, attend medical appointments, job interviews, and training programs. It is a lengthy process to be approved for public benefits. If families have a better way than TANF, they will pursue other alternatives. Families are more likely to return to the program if they are not able to maintain modest savings. Raising asset limits will bolster economic security and lessen churn on and off the caseload. We request reinvesting the \$12 million in underspending in the TANF program to this policy change. The state now serves half the number of families in deep poverty than it served in 2008.

(Opposed) None.

Persons Testifying: Representative Pettigrew, prime sponsor; Kate Baber, Washington Low Income Housing Alliance; and David Hlebain and Alex Hur, Statewide Poverty Action Network.

Persons Signed In To Testify But Not Testifying: None.