

HOUSE BILL REPORT

ESHB 2121

As Passed House:
March 3, 2017

Title: An act relating to income eligibility for temporary assistance for needy families benefits for a child who lives with a nonparent caregiver.

Brief Description: Repealing income eligibility for temporary assistance for needy families benefits for a child who lives with a nonparent caregiver.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Pettigrew, Tarleton and Macri).

Brief History:

Committee Activity:

Appropriations: 2/22/17, 2/23/17 [DPS].

Floor Activity:

Passed House: 3/3/17, 84-13.

Brief Summary of Engrossed Substitute Bill

- Increases the income-eligibility requirements for nonparental caregivers receiving child-only Temporary Assistance for Needy Families grants from 300 percent to 400 percent of the federal poverty level.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 19 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Stokesbary, Assistant Ranking Minority Member; Bergquist, Caldier, Cody, Fitzgibbon, Hansen, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Senn, Springer, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 11 members: Representatives Chandler, Ranking Minority Member; Buys, Condotta, Haler, Harris, Manweller, Schmick, Taylor, Vick, Volz and Wilcox.

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.

Minority Report: Without recommendation. Signed by 2 members: Representatives MacEwen, Assistant Ranking Minority Member; Nealey.

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

Background:

Temporary Assistance for Needy Families (TANF) is a federal block grant that provides temporary cash assistance, subsidized childcare, and work programs for families.

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:

- to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- to 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
- to encourage the formation and maintenance of two-parent families.

In 2011 legislation was enacted that required the Department of Social and Health Services (DSHS) to establish income eligibility rules for nonparental caregivers receiving a TANF grant on behalf of a child, other than a foster child, who is living with the caregiver. A caregiver with an income above 300 percent of the federal poverty level (FPL) is not eligible for child-only TANF benefits. Three hundred percent of the FPL for a family of three was \$60,480 in 2016. The DSHS counts only 50 percent of an individual's gross earned income to determine eligibility and benefit levels for TANF. Nonparental caregivers with incomes above 200 percent but less than 300 percent of the FPL may receive a reduced TANF grant according to a sliding scale.

Summary of Engrossed Substitute Bill:

The income-eligibility requirements for child-only TANF grants for nonparental caregivers is increased from from 300 percent to 400 percent of the FPL.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on November 1, 2017. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) Many relatives raising children were negatively impacted when means-testing for child-only TANF was implemented. Means-testing for child-only TANF was a response to financial challenges not necessarily a policy decision.

Children living with grandparents and other relatives experience more positive outcomes than those placed in the foster care system and it costs the state less. Children receiving TANF grants or living in foster homes are automatically eligible for programs such as Head Start, free school lunches, fee waivers for high school sports, and college bound scholarships. The Washington State Institute for Public Policy found that financial concerns are a primary concern for kinship caregivers. Eliminating means-testing will support those who are stepping forward and taking care of their relative children.

(Opposed) None.

Persons Testifying: Lynn Urvina, Family Education and Support Services; and Laurie Lippold, Partners for Our Children.

Persons Signed In To Testify But Not Testifying: None.