

FINAL BILL REPORT

2SHB 1447

C 418 L 23

Synopsis as Enacted

Brief Description: Strengthening the ability of assistance programs to meet foundational needs of children, adults, and families.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Peterson, Gregerson, Berry, Taylor, Simmons, Ortiz-Self, Ryu, Reed, Kloba, Doglio, Ormsby, Thai, Fosse, Pollet, Macri, Alvarado and Leavitt).

House Committee on Human Services, Youth, & Early Learning

House Committee on Appropriations

Senate Committee on Human Services

Senate Committee on Ways & Means

Background:

Temporary Assistance for Needy Families and Related Programs.

The Temporary Assistance for Needy Families (TANF) program is a federally funded program that provides cash assistance to parents or caregivers with children and pregnant individuals to help meet foundational needs. Persons who are caring for a relative's child, are legal guardians, or who are acting in the place of a parent, are also able to apply for TANF benefits on behalf of the child in their care. A "child-only" case is a TANF case in which no adult is included in the benefit calculation. To be eligible for TANF benefits, a person must meet certain income and resource limits and meet citizenship criteria.

The State Family Assistance (SFA) program provides state-funded cash assistance for legal immigrant families, students ages 19 to 20, and pregnant individuals who are ineligible to receive TANF benefits. The Refugee Cash Assistance (RCA) program provides up to 12 months of cash assistance for newly arrived single and married adults who are ineligible for TANF benefits.

WorkFirst. In general, adult TANF and SFA recipients must participate in one or more WorkFirst activities that are identified in the recipient's individual responsibility plan.

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These activities may include paid and unpaid employment-based training programs, career development, community service, work skills assessment and job hunting training, and vocational training programs. WorkFirst participants may receive additional services such as child support collection, food assistance, and subsidized childcare.

If a TANF recipient refuses to engage in WorkFirst activities without good cause, the family's grant is reduced and must be terminated after 12 months of continuous noncompliance. Good cause reasons to not participate in WorkFirst activities include situations where the recipient is a parent or relative caregiver and does not have day care coverage that would enable the person to participate, or is a parent of a child under age 2.

Time Limit Extensions. Federal rules limit the length of time an adult may receive TANF benefits to a cumulative total of five years. Time limit extensions (TLEs) may be offered to families on the basis of hardship, as defined by the state, or in instances of family violence. States can extend federal TANF assistance beyond the five-year limit for up to 20 percent of the average monthly caseload.

Statute and rules adopted by the Department of Social and Health Services (DSHS) identify certain circumstances in which a person is eligible for a hardship TLE. The DSHS also adopted emergency rules to expand the TLE criteria to apply to families experiencing hardships during the COVID-19 public health emergency. Until June 30, 2023, any active TANF recipient is eligible for a hardship TLE.

There is a requirement that policies related to qualification for a TLE must be similar among TANF households including an adult recipient and child-only cases.

Earned Income Disregard. In addition to their monthly payment, a family may earn and keep one half of its earnings during every month it is eligible to receive TANF benefits. Additionally, in calculating a household's gross earnings, the DSHS must disregard the earnings of a minor child who is a full-time student, or a part-time student carrying at least half the normal school load and working fewer than 35 hours per week. However, a family is ineligible for TANF benefits if its monthly gross earned income exceeds the maximum earned income level for household size as set by the DSHS. Currently, the maximum earned income level is \$834 for one person, and \$1,542 for a family of four.

Other Cash Assistance Programs.

The Aged, Blind, or Disabled (ABD) cash assistance program provides cash assistance, a referral to the Essential Needs and Housing (HEN) program, and help accessing federal disability benefits to eligible low-income adults who are age 65 or older, blind, or determined likely to meet federal Supplemental Security Income criteria.

The Pregnant Women Assistance (PWA) program provides cash assistance and a referral to the HEN program to pregnant individuals who are in need based on current income and resource standards for TANF benefits, but are ineligible for a reason other than a failure to

cooperate with TANF program rules.

The HEN program provides funding to local governments and homeless service providers to help individuals referred to the program with time-limited rent assistance, services connected to housing stability, and limited essential needs items, such as personal hygiene and transportation. Persons are eligible for a referral to the program when they are eligible for the PWA program or the ABD program or are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of 90 days, and meet certain citizenship criteria and resource limitations.

In order to be eligible for ABD, PWA, or HEN benefits, a person must be ineligible for federal aid assistance, other than basic food benefits and medical assistance.

Resource Exemptions for Program Eligibility.

A person's resources are taken into account when determining the person's eligibility for various cash assistance programs, such as the TANF, SFA, HEN, ABD, and PWA programs. A resource includes any asset owned by or available to the applicant at the time of the application. If resources exceed a certain amount, the person does not qualify for assistance. However, an applicant may retain certain resources and not be ineligible for assistance because of having the resource. Exempt resources include, but are not limited to:

- a home that an applicant, recipient, or their dependents live in;
- household furnishings and personal effects;
- one motor vehicle, other than a motor home, used and useful, with a value of up to \$10,000;
- a motor vehicle necessary to transport a household member with a physical disability;
- and
- all other resources not to exceed \$6,000.

Summary:

Resources that are exempt for purposes of determining assistance program eligibility are expanded to include: (1) the entire value of one vehicle, rather than a vehicle up to a value of \$10,000; (2) retirement funds, pension plans, and retirement accounts; (3) and all other resources up to a value of \$12,000, rather than up to \$6,000.

The 60-month time limit for the TANF program is removed as it applies to child-only cases. The requirement that policies related to qualification for a time limit extension must be similar among TANF households including an adult recipient and child-only cases is also removed.

A family receiving TANF benefits may earn and keep the first \$500 of the family's earnings in addition to one half of the family's remaining earnings during each month of eligibility. The DSHS rules establishing an earned income exemption for purposes ABD assistance and medical care services must match the earned income disregard provisions established for

TANF.

The list of those who qualify as having "good cause" for failure to participate in WorkFirst program components is expanded to include recipients of TANF benefits who are experiencing a hardship as defined in agency rule.

Votes on Final Passage:

House	58	38	
Senate	31	17	(Senate amended)
House			(House refused to concur/asked Senate to recede)
Senate	31	18	(Senate receded/amended)
House	62	36	(House concurred)

Effective: July 23, 2023

February 1, 2024 (Section 1)

July 1, 2023 (Section 2)

January 1, 2024 (Section 3)

August 1, 2024 (Section 5)