

SENATE BILL REPORT

E4SHB 1481

As Reported By Senate Committee On:
Health & Long-Term Care, February 20, 1996
Ways & Means, February 23, 1996

Title: An act relating to public assistance, including a requirement that caretakers under the aid to families with dependent children program enter into contracts with the state and including additional provisions governing public assistance eligibility and benefits.

Brief Description: Requiring AFDC contracts and making additional changes in public assistance laws.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Cooke, Lambert, Mielke, Van Luven, Elliot, Schoesler, D. Schmidt, Sherstad, Huff, Buck, Clements, McMorris, Johnson, Blanton, Hickel, Boldt, Backlund, Mulliken, Robertson, Goldsmith, L. Thomas, McMahan, Talcott, Cairnes, Thompson, Beeksma, Benton, Foreman, Sehlin, Sheahan and Mitchell).

Brief History:

Committee Activity: Health & Long-Term Care: 2/16/96, 2/20/96 [DPA].
Ways & Means: 2/23/96 [DPA].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Fairley, Franklin, Thibaudeau, Winsley and Wood.

Staff: Joanne Conrad (786-7472)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Drew, Fraser, Hargrove, Quigley, Sheldon, Snyder, Spanel, Sutherland, Winsley and Wojahn.

Staff: Susan Lucas (786-7715)

Background: After more than 30 years and trillions of dollars spent in a nationwide "War on Poverty," caseloads remain high and many persons find themselves unable to permanently exit public assistance. Many poor children grow up to enter a lifetime cycle of poverty. Social costs continue to escalate due to conditions of poverty, especially in single parent homes.

Many recipients, policymakers and taxpayers express frustration with welfare in its current form, and the federal government is now encouraging states to become "laboratories" of welfare reform. New approaches are being designed throughout the country.

Summary of Amended Bill: The importance of work and accountability is emphasized.

The Department of Social and Health Services (DSHS) assesses applicants for and recipients of public assistance to determine their recent work experience and rate of pay. Based upon this information, recipients are placed into target groups.

The Job Ready Target Group comprises persons over 18 years with recent work experience that paid at least \$6.50 per hour, as well as AFDC-E recipients. This group seeks work, without being subject to additional requirements, for six months, after which they are placed in the Job Preparation Target Group if unsuccessful in obtaining employment.

The Job Preparation Target Group comprises persons over 18 who do not qualify for either the Job Ready or Teen Parent Target Groups. These individuals contract with DSHS to participate in one of the welfare to work programs, as a condition of benefit receipt.

Welfare-to-work programs are established for participants, who enter into an "employment development contract of mutual responsibility," and are reviewed for progress every six months.

Two primary welfare-to-work programs are established:

1. The existing Job Opportunities and Basic Skills program is made mandatory, for statewide access by participants.
2. The Tax Incentive program establishes training plans of up to two years for recipients, subsidized by the state through a graduated system of tax credits, and capped at a total of \$4.3 million for the rest of the current biennium, then \$15 million per biennium in the future.

Another option for recipients is community volunteer work, wherein each recipient locates and reports on volunteer community service, with random compliance checks by DSHS.

The Teen Parent Target Group requires unmarried recipients under 18 years to progress toward completion of high school or GED and to live in a specified adult-supervised setting, which can include the home of a parent or adult relative, or if the home is abusive or neglectful, a "supportive living arrangement supervised by an adult," with first preference to an approved group home. The need for a protective payee is presumed.

Teen parent group homes are created as a living situation for those under 18 with abusive or neglectful home environments. Abusive parents are referred for criminal prosecution. Public benefits are pooled for the benefit of the teens and their children. Teens are given parenting and nutrition classes, tutored, and given money management and anger management classes, as well as treatment for alcohol, tobacco and substance abuse. Teen residents may be subject to house rules, including no unsupervised male visits, curfew, and shared child care.

Rights and responsibilities of all public assistance recipients include the requirement that after two years in a program, and up to six months additional job search, benefits are reduced by 20 percent each six months. However, benefits may not exceed a lifetime limit of five years, for persons over 18. Requirements of participation are tolled for illness and disability, including disability caused by domestic violence, or for lack of child care and disabilities classified as learning disabilities. Requirements do not apply to adult relatives of specified degree in "child only" assistance households. Benefits are extended for two years if the recipient participates in a community volunteer experience or for six months, if the average 52-week statewide unemployment rate is 8 percent or more. Persons are not required to participate in some requirements if they have a child under three, or under other specified conditions. Transitional child care and medical benefits are provided. Upon exhaustion of transitional medical benefits, individuals receive coverage under the Basic Health Plan at no cost for an additional year.

The crime of predatory nonsupport is created. If an obligor fails to pay support for a second or subsequent child born on public assistance to a person under 18, the violation is a gross misdemeanor or a class C felony.

Child support enforcement is enhanced by revocation of state licensure (driver's and professional licenses) for parents in arrears on ordered support. Custodial parents who do not comply with visitation orders are also subject to license suspension. In cases of nonpayment of support, obligors either arrange and make payment, perform community service or are subject to criminal penalties. Their names may also be printed in the newspaper and they may also be selected for a child support enforcement publicity campaign that would print and distribute posters of their photos, identities and the amounts in arrears.

Transitional child care is provided for recipients leaving assistance, and employment child care is provided, within available funds, for low-income workers' families.

Employment child care is available, with a copayment, to families with gross income at or below 38 percent of the state median, adjusted for family size.

Infants born to minor children are the financial responsibility of the parents of the minor, i.e., the infant's grandparents, under certain circumstances.

Entitlement to public assistance is eliminated.

Extensive studies are required for welfare-to-work programs.

Amended Bill Compared to Original Bill: Provisions of E4SHB 1481 are replaced with provisions of E3SSB 6062. An outcome study of the effects of time-limited welfare benefits is required, creating a Welfare Policy Committee for oversight. Legal entitlement to welfare for those meeting eligibility standards is restored.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Welfare burdens taxpayers and it is improper to do charity with public funds. Welfare is unfair to working poor.

Testimony Against: Nine percent grant reduction, time limited benefits, and family cap are too punitive and unworkable and may endanger children.

Testified: Representative Suzette Cooke, prime sponsor; Mark McDermott, DSHS; Bob Harrington, American Fathers Alliance; Jamaica Filon, WA Families; Peg Mazon, Children's Home Society; Richard Rhine, Org. for Family Advocacy; Kathleen Russell, WA Assn. of Churches; Ned Dolejsi, WA Catholic Conference; Dan Comsia, Lutheran Public Policy Office; Pari Johnson; Carla Farro; Yvette Warbonnet, Columbia Legal Services; Kevin Murray, MD, Medalia Family Medical Center.