

## 2014 SUPPLEMENTAL BUDGET

### VEHICLE ASSET LIMIT

Request	FY14	FY15	13-15
FTE	0.0	0.0	0.0
GF-State	0	\$1,433,000	\$1,433,000
<b>Total</b>	<b>0</b>	<b>\$1,433,000</b>	<b>\$1,433,000</b>

#### DECISION PACKAGE SUMMARY

The Economic Services Administration (ESA) requests increased funding of \$1,485,000 GF-State for a caseload increase in the Temporary Assistance for Needy Families (TANF); the Aged, Blind and Disabled (ABD), and the Refugee Cash Assistance (RCA) programs. The caseload increase is expected to result from implementing a change in rules allowing households to have one car with no maximum equity value. By funding this request, families on these assistance programs will be allowed to own a vehicle of sufficient quality to support work and other self-sufficiency enhancing activities.

#### PROBLEM STATEMENT

RCW 74.04 requires ESA to determine eligibility for individuals who apply for the TANF program. The department designates resources that an applicant may exclude when applying for public assistance. Current rules allow families and individuals to exempt one vehicle with an equity value of up to \$5,000. The value of the vehicle exemption has been in place since 1997. Based on a 5 percent inflation rate, compounded over the 15 years, a \$5,000 vehicle in 1997 would cost over \$10,300 today. In general, asset limits create a trade-off between immediate need and long-term self-sufficiency thereby undermining program goals.

#### PROPOSED SOLUTION

ESA proposes exempting one vehicle of any value in determining applicant income for the TANF, ABD, and RCA programs. The value of any additional vehicle would be counted against the cash asset limits. Owning a vehicle of sufficient quality may promote work and other self-sufficiency enhancing activities by providing reliable transportation. ESA estimates the following caseload impacts:

#### TANF

134 cases per month in FY15,  
234 cases per month in FY16,  
257 cases per month in FY17,  
263 cases per month in FY18 and beyond.

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### TANF VEHICLE ASSET LIMIT

Since this bill will increase the TANF caseload there will be a corresponding indeterminate but small impact to child support recoveries.

For each TANF case, there will be an additional half hour of staff time related to the proposed legislation. The following is the FTE and staff related costs impact:

.5 FTE, \$52,000 FY 15,  
.8 FTE, \$78,000 FY 16,  
.9 FTE, \$80,000 FY 17,  
1.0 FTE, \$88,000 FY 18 and beyond.

#### ABD

60 cases per month in FY15 and beyond.

#### RCA

Federal rules (45 CFR 400.66) require states to use the same income and resource limits for RCA as are used for the TANF program. This proposal is expected to have little impact on the RCA caseload due to the limited resources of arriving refugees and the eight month time limit on the RCA grant.

#### EXPECTED RESULTS

To help the most vulnerable people become independent and self-sufficient by providing reliable transportation to support work and other self-sufficiency enhancing activities.

This decision package supports the Results Washington goal to:

- Help the most vulnerable people become independent and self-sufficient.

#### STAKEHOLDER IMPACT

No stakeholder concerns are expected.