



2018 Supplemental Budget Proposal Comparison

Throughout the 2018 legislative session, the Governor, House of Representatives, and Senate will each propose a supplemental budget. Although the legislature passed an operating budget for the 2017-2019 biennium during the last legislative session, the supplemental budget is necessary because of emergent priorities and unanticipated costs that have arisen since the passage of the operating budget. After each branch of government introduces a budget proposal, the House Appropriations committee and Senate Ways & Means committee hold hearings on these proposals and ultimately pass a negotiated budget. Throughout the legislative session, the Statewide Poverty Action Network will provide an overview of the budget proposals that impact our legislative priorities.

BASIC NEEDS

Temporary Assistance for Needy Families (TANF) assists parents with incomes so low they cannot meet basic needs for themselves and their dependent children. The program provides cash support, childcare, job training, and other support services as parents transition to employment. The current TANF cash grant is \$613 for a family of four, or 31 percent of the Federal Poverty Line. Over the last twenty years the value of the TANF cash grant has eroded more than 40 percent. The erosion of the cash grant coupled with policy changes that have made it harder to access and remain on TANF have driven our state’s caseload to its lowest point ever (less than 27,000 families) despite persistent poverty and a deep poverty rate that is double that of twenty years ago. As the caseload has declined due to restrictive policy, hundreds of millions of dollars have been swept out of the TANF program to the state General Fund in the last decade.

State Family Assistance provides a cash assistance program comparable to TANF to documented immigrant families with children who have resided in the U.S. less than five years and do not yet qualify for the federal TANF program.

Governor’s budget	House budget	Senate budget	FINAL BUDGET
Maintains current benefits and service levels.	<p>Allocates \$10.57 million to fund an eight percent increase in the TANF cash grant. This allocation, combined with a 2.5 percent increase passed by the legislature in 2017, would increase the maximum cash grant for a family of four from \$613 to \$678. This level of funding restores and exceeds the 15 percent cut made to the TANF grant during the Great Recession.</p> <p>Allocates \$438,000 to provide changes to resource limits for people accessing public assistance program,</p>	<p>Allocates \$7.53 million to fund a 5.6 percent increase in the TANF cash grant. This allocation, combined with a 2.5 percent increase passed by the legislature in 2017, would increase the maximum cash grant for a family of four from \$613 to \$664, fully restoring the 15 percent cut made to TANF during the Great Recession.</p> <p>Removes \$5.37 million from WorkFirst partner contracts for client support services, and reinvests \$2.61 million of these resources back into WorkFirst specifically for interpreters,</p>	<p>Allocates \$8.98 million to fund a 6.8 percent increase in the TANF cash grant. This allocation combined with a 2.5 percent increase passed by the legislature in 2017, will increase the maximum cash grant for a family of four from \$613 to \$671. This level of funding fully restores and exceeds the 15 percent cut made the TANF grant during the Great Recession.</p> <p>Allocates \$438,000 to increase resource limits for people accessing public assistance programs, including TANF, consistent with House Bill</p>



2018 Supplemental Budget Proposal Comparison

	<p>including TANF, consistent with House Bill 1831. This would raise the resource limit for liquid assets from \$1,000 to \$6,000 and raise the allowable value of a car from \$5,000 to \$10,000.</p> <p>Removes \$3.78 million from WorkFirst partner contracts for client support services that is deemed an under spend, and reinvests \$1.44 million of these resources back into WorkFirst specifically for interpreters, transportation, and other support.</p>	<p>transportation, and other support.</p>	<p>1831. This would raise the resource limit for liquid assets (savings) from \$1,000 to \$6,000 and raise the allowable value of a car from \$5,000 to \$10,000.</p> <p>Removes \$7.24 million from WorkFirst partner contracts for client support services that is deemed an underspend, and reinvests \$1.22 million of these resources back into WorkFirst specifically for interpreters, transportation, and other support.</p>
--	---	---	---

The **Working Connection Child Care (WCCC)** program provides subsidized child care to low-income families whose incomes are below 200 percent of the federal poverty level. WCCC is a critical support that helps low-income parents access and afford child care so they can enter and make gains in the workforce.

Governor's budget	House budget	Senate budget	FINAL BUDGET
Maintains current investment.	Maintains current investment.	Maintains current investment.	Maintains current investment.

The **Aged, Blind and Disabled (ABD)** program provides a \$197 monthly cash grant to low-income elderly and disabled adults who are waiting to transfer to the federal Supplemental Security Income program. A small number of disabled and elderly immigrants who are not eligible for the federal Supplemental Security Income and Social Security programs also receive assistance through the ABD program. Recipients use their grant to pay for housing and meet their basic needs.

Governor's budget	House budget	Senate budget	FINAL BUDGET
Maintains current investment.	Maintains current investment.	Maintains current investment.	Maintains current investment.



2018 Supplemental Budget Proposal Comparison

The **Housing and Essential Needs (HEN)** program provides assistance with housing and essential needs, such as health and hygiene products, to very low-income adults who have a disability that temporarily prevents them from working.

Governor's budget	House budget	Senate budget	FINAL BUDGET
Maintains current investment.	Maintains current investment. Additionally, allocates \$31,000 to the Dept. of Commerce and \$59,000 to the Dept. of Social and Health Services to implement House Bill 2667, which would allow people who are homeless and either participating in substance use disorder treatment or receiving Aged, Blind or Disabled (ABD) assistance to be eligible for a HEN referral.	Maintains current investment.	Maintains current investment. Additionally, allocates \$31,000 to the Dept. of Commerce and \$59,000 to the Dept. of Social and Health Services to implement House Bill 2667, which would allow people who are homeless and either participating in substance use disorder treatment or receiving Aged, Blind or Disabled (ABD) assistance to be eligible for a HEN referral.

The **Housing Trust Fund (HTF)** is the main source of funding for affordable housing in our state. This housing makes it possible for people living on low incomes to afford housing and still have enough money to cover other basic needs. Investments in the HTF have created thousands of jobs and have generated millions in state and local tax revenues.

Governor's budget	House budget	Senate budget	FINAL BUDGET
Adds \$106.77 million to build and preserve affordable housing. <i>For the first time ever, the legislature did not pass a Capital Budget in 2017. This allocation is for the two-year capital budget.</i>	<i>Because legislators negotiated and passed a two-year Capital Budget in January, their supplemental budget proposals are very limited and will not include any increase to the HTF beyond what was passed in January.</i>	<i>Because legislators negotiated and passed a two-year Capital Budget in January, their supplemental budget proposals are very limited and will not include any increase to the HTF beyond what was passed in January.</i>	Adds \$106.7 million to build and preserve affordable housing. <i>For the first time ever, the legislature did not pass a Capital Budget in 2017. This allocation is for the two-year capital budget, passed in January 2018.</i>



2018 Supplemental Budget Proposal Comparison

The **State Food Assistance** program helps immigrant families and individuals avoid hunger by providing subsidies to help purchase food. Immigrants are not eligible for the federal Supplemental Nutrition Assistance Program (SNAP – formerly called Food Stamps) until they have been in the U.S. for five years.

Governor’s budget	House budget	Senate budget	FINAL BUDGET
Maintains current investment.	Maintains current investment.	Maintains current investment.	Maintains current investment.

HEALTH CARE

Under federal health care reform, the Affordable Care Act, states had the option to expand Medicaid. By choosing to adopt the Medicaid expansion in 2013, our state is now working to provide healthcare to all Washingtonians with incomes below 138 percent of the federal poverty level. Since expansion, a record number of Washingtonians have signed up for this critical health care program. With the current U.S. Congress abandoning efforts to repeal the Affordable Care Act, the threat to the continuation of the Medicaid expansion has subsided.

Medicaid’s Adult Dental coverage is an optional Medicaid program that had been eliminated for nearly all adult Medicaid recipients in recent years. In 2013, the legislature restored funding to Adult Dental, which ensured that the people who are newly eligible for Medicaid under the expansion could also access adult dental coverage at no cost to the state. Unfortunately, there are still many adults going without the care they need, including disabled, senior immigrants.

Governor’s budget	House budget	Senate budget	FINAL BUDGET
\$15.34 million is provided to build dental clinic capacity to improve dental access in rural and underserved locations. The allocation will fund 21 dental and community health clinic projects that increase access to dental care and residency.	Maintains current investment.	Maintains current investment.	<p>The Operating Budget maintains current investment.</p> <p>The 2017-19 Capital Budget and 2018 Supplemental Budget, however, provide \$16.5 million to fund 21 dental and community health clinic projects and two dental residency projects that improve dental access in rural and underserved areas of the state.</p>



2018 Supplemental Budget Proposal Comparison

The **Apple Health for Kids** program provides health care for children from families earning up to 318 percent of the Federal Poverty Level, regardless of citizenship status.

Governor's budget	House budget	Senate budget	FINAL BUDGET
<p>Maintains current investment.</p> <p>However, because Congress has not reauthorized State Children's Health Insurance (SCHIP) funding in 2017, health insurance funding for more than 840,000 Washington kids could be in jeopardy.</p> <p>Poverty Action will continue to monitor and advocate for this issue at the federal level.</p>	<p>Maintains current investment.</p> <p>Since the Governor released his proposed budget in December, Congress has passed an extension of SCHIP, alleviating our previous concerns about funding for Apple Health for Kids.</p>	<p>Maintains current investment.</p> <p>Since the Governor released his proposed budget in December, Congress has passed an extension of SCHIP, alleviating our previous concerns about funding for Apple Health for Kids.</p>	<p>Maintains current investment.</p> <p>Since the Governor released his proposed budget in December, Congress has passed an extension of SCHIP, alleviating our previous concerns about funding for Apple Health for Kids.</p>

REVENUE

In Washington state, people with the lowest incomes pay up to eight times the amount of their personal income in taxes than those in the top one percent of income earners. Poverty Action is committed to increasing revenue for basic education and essential health and human services investments and ensuring those investments are equitable and require the wealthiest Washingtonians to pay their fair share of taxes.

Governor's budget	House budget	Senate budget	FINAL BUDGET
<p>The Governor proposal includes \$1.5 billion in new revenue. This includes taking \$950 million from the state's rainy day fund, and using a one-time accounting gimmick for education funding to save the state money in the short-term.</p>	<p>Proposes a capital gains tax that would be paid by the wealthiest 2 percent of Washington residents to be allocated to mitigate future increases in property taxes beyond 2020.</p> <p>Reduces the state property tax rate from the current rate of \$2.70/\$1,000</p>	<p>No new major revenue is introduced.</p> <p>Furthermore, the proposal reduces the state property tax rate from \$2.70/\$1,000 of assessed value to \$2.39/\$1,000 resulting in a net loss of \$400 million in state revenue through</p>	<p>No new major revenue is introduced.</p> <p>Furthermore, the proposal reduces the state property tax rate from \$2.70/\$1,000 of assessed value to \$2.40/\$1,000 resulting in a net loss of nearly \$390 million in state revenue</p>



2018 Supplemental Budget Proposal Comparison

<p>The Governor also released a carbon tax proposal that would generate \$726 million in 2020 and \$3.3 billion over the next four years. Revenue generated from this proposal would be used, in part, to replenish the depleted rainy day funds.</p>	<p>of assessed value to \$2.365/\$1000 in 2019 and \$2.30/\$1,000 in 2020, resulting in \$995.8 million less in revenue for the state. To account for this loss, the proposal transfers the amount equal to the revenue loss from the state property tax reduction from the state's rainy day/emergency fund (Budget Stabilization Account).</p>	<p>2021.</p> <p>To pay for this tax cut, the proposal draws down reserves from the state's rainy day/emergency fund (Budget Stabilization Account).</p>	<p>through 2021.</p> <p>To pay for this tax cut, the final budget largely draws down reserves from the state's rainy day/emergency fund (Budget Stabilization Account).</p>
--	--	---	---