

H.790 Expanding the Earned Income Disregard and Eliminating the Asset Test

Current Earned Income Disregard = 200% + 25%

Current Asset Test = \$2,000

Proposed bill – H.790	Additional Cost to the state
Expand Earned Income Disregard:	
100% for 1st 6 mos, 75% mos 7-9, 50% mos 10-12	\$1,564,236
Eliminate the asset test	\$441,000
Total	\$2,005,236

Alternatives	
Earned Income Disregard	
\$200 + 50%	\$835,536
\$300 + 25%	\$541,632
\$300 + 50%	\$1,198,140
\$400 + 25%	\$1,021,500

Increase the asset test to \$5,000 \$138,000

Increase the asset test to \$10,000 \$252,000

**An estimate of five cases in the past fiscal year have closed Reach Up for being over the asset test and 65 cases were denied Reach up for being over the asset test.