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**SENATE BILL 6098**

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**State of Washington**

**52nd Legislature**

**1992 Regular Session**

**By** Senators Roach, L. Smith, Gaspard and Newhouse

Read first time 01/15/92. Referred to Committee on Children & Family Services.

1 AN ACT Relating to students receiving public assistance; amending  
2 RCW 74.04.005; creating new sections; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that an educated  
5 work force is a key to competitiveness in America, and that state  
6 policies should not force potential graduates to become dropouts.  
7 Since the basic education act provides all students under twenty-one  
8 years of age access to the state's educational programs, it is in the  
9 state's interest that students who are attending secondary school full  
10 time and demonstrating progress toward earning a diploma should  
11 continue to be eligible to receive public assistance benefits. The  
12 legislature therefore establishes a pilot program to demonstrate  
13 improved school completion rates among this population.

1       **Sec. 2.** RCW 74.04.005 and 1991 sp.s. c 10 s 1 are each amended to  
2 read as follows:

3       For the purposes of this title, unless the context indicates  
4 otherwise, the following definitions shall apply:

5       (1) "Public assistance" or "assistance"--Public aid to persons in  
6 need thereof for any cause, including services, medical care,  
7 assistance grants, disbursing orders, work relief, general assistance  
8 and federal-aid assistance.

9       (2) "Department"--The department of social and health services.

10       (3) "County or local office"--The administrative office for one or  
11 more counties or designated service areas.

12       (4) "Director" or "secretary" means the secretary of social and  
13 health services.

14       (5) "Federal-aid assistance"--The specific categories of assistance  
15 for which provision is made in any federal law existing or hereafter  
16 passed by which payments are made from the federal government to the  
17 state in aid or in respect to payment by the state for public  
18 assistance rendered to any category of needy persons for which  
19 provision for federal funds or aid may from time to time be made, or a  
20 federally administered needs-based program.

21       (6)(a) "General assistance"--Aid to persons in need who are:

22       (i) (~~Are~~) Not eligible to receive federal-aid assistance, other  
23 than food stamps and medical assistance; however, an individual who  
24 refuses or fails to cooperate in obtaining federal-aid assistance,  
25 without good cause, is not eligible for general assistance;

26       (ii) (~~Are either:~~) (A) Pregnant: PROVIDED, That need is based on  
27 the current income and resource requirements of the federal aid to  
28 families with dependent children program: PROVIDED FURTHER, That  
29 during any period in which an aid for dependent children employable  
30 program is not in operation, only those pregnant women who are

1 categorically eligible for medicaid are eligible for general  
2 assistance; or

3 (B) Children attending school in Pierce county, residing in the  
4 home of a court-appointed legal guardian who are: (I) Under the age of  
5 eighteen, or (II) under twenty-one years of age and full-time students  
6 demonstrating progress toward completion of a program of secondary  
7 school, or the equivalent level of vocational or technical training,  
8 before the end of the month in which they reach age twenty-one.  
9 Eligibility, except the requirement to live with a relative of  
10 specified degree, shall be based on the current requirements of the  
11 federal aid to families with dependent children program, and need shall  
12 be based on the current income and resource requirements of the federal  
13 aid to families with dependent children program. Assistance shall be  
14 provided on behalf of the child or children only;

15 (C) Residing in Pierce county, under twenty-one years of age, and  
16 ineligible for aid to families with dependent children solely due to  
17 federal age requirements, and are full-time students demonstrating  
18 progress toward completion of a program of secondary school or the  
19 equivalent level of vocational or technical training before the end of  
20 the month in which the person reaches twenty-one. For purposes of  
21 determining payment amount, the student shall be considered a member of  
22 the aid to families with dependent children household of which the  
23 student would be a member but for the federal age requirement. The  
24 financial assistance shall also include a portion to meet the needs of  
25 the student's needy caretaker relative if the needs are not otherwise  
26 considered in an aid to families with dependent children or family  
27 independence program grant provided to the household; or

28 (D) Incapacitated from gainful employment by reason of bodily or  
29 mental infirmity that will likely continue for a minimum of ninety days  
30 as determined by the department. Persons who are unemployable due to

1 alcohol or drug addiction are not eligible for general assistance.  
2 Persons receiving general assistance on July 26, 1987, or becoming  
3 eligible for such assistance thereafter, due to an alcohol or drug-  
4 related incapacity, shall be referred to appropriate assessment,  
5 treatment, shelter, or supplemental security income referral services  
6 as authorized under chapter 74.50 RCW. Referrals shall be made at the  
7 time of application or at the time of eligibility review. Alcoholic  
8 and drug addicted clients who are receiving general assistance on July  
9 26, 1987, may remain on general assistance if they otherwise retain  
10 their eligibility until they are assessed for services under chapter  
11 74.50 RCW. This subsection (6)(a)(ii)((+B)) (D) shall not be  
12 construed to prohibit the department from granting general assistance  
13 benefits to alcoholics and drug addicts who are incapacitated due to  
14 other physical or mental conditions that meet the eligibility criteria  
15 for the general assistance program;

16 (iii) Are citizens or aliens lawfully admitted for permanent  
17 residence or otherwise residing in the United States under color of  
18 law; and

19 (iv) Have furnished the department their social security account  
20 number. If the social security account number cannot be furnished  
21 because it has not been issued or is not known, an application for a  
22 number shall be made prior to authorization of assistance, and the  
23 social security number shall be provided to the department upon  
24 receipt.

25 (b) Notwithstanding the provisions of subsection (6)(a)(i), (ii),  
26 and (c) of this section, general assistance shall be provided to the  
27 following recipients of federal-aid assistance:

28 (i) Recipients of supplemental security income whose need, as  
29 defined in this section, is not met by such supplemental security  
30 income grant because of separation from a spouse; or

1       (ii) (~~To the extent authorized by the legislature in the biennial~~  
2 ~~appropriations act, to~~) Recipients of aid to families with dependent  
3 children whose needs are not being met because of a temporary reduction  
4 in monthly income below the entitled benefit payment level caused by  
5 loss or reduction of wages or unemployment compensation benefits or  
6 some other unforeseen circumstances. The amount of general assistance  
7 authorized shall not exceed the difference between the entitled benefit  
8 payment level and the amount of income actually received.

9       (c) General assistance shall be provided only to persons who are  
10 not members of assistance units receiving federal aid assistance,  
11 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,  
12 and will accept available services which can reasonably be expected to  
13 enable the person to work or reduce the need for assistance unless  
14 there is good cause to refuse. Failure to accept such services shall  
15 result in termination until the person agrees to cooperate in accepting  
16 such services and subject to the following maximum periods of  
17 ineligibility after reapplication:

18       (i) First failure: One week;

19       (ii) Second failure within six months: One month;

20       (iii) Third and subsequent failure within one year: Two months.

21       (d) The department shall adopt by rule medical criteria for general  
22 assistance eligibility to ensure that eligibility decisions are  
23 consistent with statutory requirements and are based on clear,  
24 objective medical information.

25       (e) The process implementing the medical criteria shall involve  
26 consideration of opinions of the treating or consulting physicians or  
27 health care professionals regarding incapacity, and any eligibility  
28 decision which rejects uncontroverted medical opinion must set forth  
29 clear and convincing reasons for doing so.

1 (f) Recipients of general assistance based upon a finding of  
2 incapacity from gainful employment who remain otherwise eligible shall  
3 not have their benefits terminated absent a clear showing of material  
4 improvement in their medical or mental condition or specific error in  
5 the prior determination that found the recipient eligible by reason of  
6 incapacitation. Recipients of general assistance based upon pregnancy  
7 who relinquish their child for adoption, remain otherwise eligible, and  
8 are not eligible to receive benefits under the federal aid to families  
9 with dependent children program shall not have their benefits  
10 terminated until the end of the month in which the period of six weeks  
11 following the birth of the recipient's child falls. Recipients of the  
12 federal aid to families with dependent children program who lose their  
13 eligibility solely because of the birth and relinquishment of the  
14 qualifying child may receive general assistance through the end of the  
15 month in which the period of six weeks following the birth of the child  
16 falls.

17 (7) "Applicant"--Any person who has made a request, or on behalf of  
18 whom a request has been made, to any county or local office for  
19 assistance.

20 (8) "Recipient"--Any person receiving assistance and in addition  
21 those dependents whose needs are included in the recipient's  
22 assistance.

23 (9) "Standards of assistance"--The level of income required by an  
24 applicant or recipient to maintain a level of living specified by the  
25 department.

26 (10) "Resource"--Any asset, tangible or intangible, owned by or  
27 available to the applicant at the time of application, which can be  
28 applied toward meeting the applicant's need, either directly or by  
29 conversion into money or its equivalent: PROVIDED, That an applicant

1 may retain the following described resources and not be ineligible for  
2 public assistance because of such resources.

3 (a) A home, which is defined as real property owned and used by an  
4 applicant or recipient as a place of residence, together with a  
5 reasonable amount of property surrounding and contiguous thereto, which  
6 is used by and useful to the applicant. Whenever a recipient shall  
7 cease to use such property for residential purposes, either for himself  
8 or his dependents, the property shall be considered as a resource which  
9 can be made available to meet need, and if the recipient or his  
10 dependents absent themselves from the home for a period of ninety  
11 consecutive days such absence, unless due to hospitalization or health  
12 reasons or a natural disaster, shall raise a rebuttable presumption of  
13 abandonment: PROVIDED, That if in the opinion of three physicians the  
14 recipient will be unable to return to the home during his lifetime, and  
15 the home is not occupied by a spouse or dependent children or disabled  
16 sons or daughters, such property shall be considered as a resource  
17 which can be made available to meet need.

18 (b) Household furnishings and personal effects and other personal  
19 property having great sentimental value to the applicant or recipient,  
20 as limited by the department consistent with limitations on resources  
21 and exemptions for federal aid assistance.

22 (c) A motor vehicle, other than a motor home, used and useful  
23 having an equity value not to exceed one thousand five hundred dollars.

24 (d) All other resources, including any excess of values exempted,  
25 not to exceed one thousand dollars or other limit as set by the  
26 department, to be consistent with limitations on resources and  
27 exemptions necessary for federal aid assistance.

28 (e) Applicants for or recipients of general assistance may retain  
29 the following described resources in addition to exemption for a motor

1 vehicle or home and not be ineligible for public assistance because of  
2 such resources:

3 (i) Household furnishings, personal effects, and other personal  
4 property having great sentimental value to the applicant or recipient;

5 (ii) Term and burial insurance for use of the applicant or  
6 recipient;

7 (iii) Life insurance having a cash surrender value not exceeding  
8 one thousand five hundred dollars; and

9 (iv) Cash, marketable securities, and any excess of values above  
10 one thousand five hundred dollars equity in a vehicle and above one  
11 thousand five hundred dollars in cash surrender value of life  
12 insurance, not exceeding one thousand five hundred dollars for a single  
13 person or two thousand two hundred fifty dollars for a family unit of  
14 two or more. The one thousand dollar limit in subsection (10)(d) of  
15 this section does not apply to recipients of or applicants for general  
16 assistance.

17 (f) If an applicant for or recipient of public assistance possesses  
18 property and belongings in excess of the ceiling value, such value  
19 shall be used in determining the need of the applicant or recipient,  
20 except that: (i) The department may exempt resources or income when  
21 the income and resources are determined necessary to the applicant's or  
22 recipient's restoration to independence, to decrease the need for  
23 public assistance, or to aid in rehabilitating the applicant or  
24 recipient or a dependent of the applicant or recipient; and (ii) the  
25 department may provide grant assistance for a period not to exceed nine  
26 months from the date the agreement is signed pursuant to this section  
27 to persons who are otherwise ineligible because of excess real property  
28 owned by such persons when they are making a good faith effort to  
29 dispose of that property: PROVIDED, That:

1 (A) The applicant or recipient signs an agreement to repay the  
2 lesser of the amount of aid received or the net proceeds of such sale;

3 (B) If the owner of the excess property ceases to make good faith  
4 efforts to sell the property, the entire amount of assistance may  
5 become an overpayment and a debt due the state and may be recovered  
6 pursuant to RCW 43.20B.630;

7 (C) Applicants and recipients are advised of their right to a fair  
8 hearing and afforded the opportunity to challenge a decision that good  
9 faith efforts to sell have ceased, prior to assessment of an  
10 overpayment under this section; and

11 (D) At the time assistance is authorized, the department files a  
12 lien without a sum certain on the specific property.

13 (11) "Income"--(a) All appreciable gains in real or personal  
14 property (cash or kind) or other assets, which are received by or  
15 become available for use and enjoyment by an applicant or recipient  
16 during the month of application or after applying for or receiving  
17 public assistance. The department may by rule and regulation exempt  
18 income received by an applicant for or recipient of public assistance  
19 which can be used by him to decrease his need for public assistance or  
20 to aid in rehabilitating him or his dependents, but such exemption  
21 shall not, unless otherwise provided in this title, exceed the  
22 exemptions of resources granted under this chapter to an applicant for  
23 public assistance. In determining the amount of assistance to which an  
24 applicant or recipient of aid to families with dependent children is  
25 entitled, the department is hereby authorized to disregard as a  
26 resource or income the earned income exemptions consistent with federal  
27 requirements. The department may permit the above exemption of  
28 earnings of a child to be retained by such child to cover the cost of  
29 special future identifiable needs even though the total exceeds the  
30 exemptions or resources granted to applicants and recipients of public

1 assistance, but consistent with federal requirements. In formulating  
2 rules and regulations pursuant to this chapter, the department shall  
3 define income and resources and the availability thereof, consistent  
4 with federal requirements. All resources and income not specifically  
5 exempted, and any income or other economic benefit derived from the use  
6 of, or appreciation in value of, exempt resources, shall be considered  
7 in determining the need of an applicant or recipient of public  
8 assistance.

9 (b) If, under applicable federal requirements, the state has the  
10 option of considering property in the form of lump sum compensatory  
11 awards or related settlements received by an applicant or recipient as  
12 income or as a resource, the department shall consider such property to  
13 be a resource.

14 (12) "Need"--The difference between the applicant's or recipient's  
15 standards of assistance for himself and the dependent members of his  
16 family, as measured by the standards of the department, and value of  
17 all nonexempt resources and nonexempt income received by or available  
18 to the applicant or recipient and the dependent members of his family.

19 (13) For purposes of determining eligibility for public assistance  
20 and participation levels in the cost of medical care, the department  
21 shall exempt restitution payments made to people of Japanese and Aleut  
22 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian  
23 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,  
24 including all income and resources derived therefrom.

25 (14) In the construction of words and phrases used in this title,  
26 the singular number shall include the plural, the masculine gender  
27 shall include both the feminine and neuter genders and the present  
28 tense shall include the past and future tenses, unless the context  
29 thereof shall clearly indicate to the contrary.

1        NEW SECTION.    **Sec. 3.**        The superintendent of public instruction  
2 and the secretary of the department of social and health services shall  
3 report to the legislature by December 1, 1996, on the effectiveness of  
4 the pilot program to extend public assistance benefits to students  
5 under RCW 74.04.005, including numbers of students who achieve  
6 secondary school completion, and tracking of those students served by  
7 the pilot program who do not complete secondary school.

8        NEW SECTION.    **Sec. 4.**        Section 2 of this act shall expire July  
9 1, 1996.