2 SHB 1197 - H AMD 000279 ADOPTED 03-17-93

By Representatives Leonard, Locke, Sommers

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- 5 Strike everything after the enacting clause and insert the 6 following:
- 7 "NEW SECTION. Sec. 1. The legislature finds that:
- 8 (1) Public assistance is intended to be a temporary financial 9 relief program, recognizing that families can be confronted with a 10 financial crisis at any time in life. Successful public assistance 11 programs depend on the availability of adequate resources to assist 12 individuals deemed eligible for the benefits of such a program. In 13 this way, eligible families are given sufficient assistance to reenter 14 productive employment in a minimal time period;
- 15 (2) The current public assistance system has strong disincentives 16 to work;
- 17 (3) Employment, training, and education services provided to
 18 employable recipients of public assistance are effective tools in
 19 achieving economic self-sufficiency. Support services that are
 20 targeted to the specific needs of the individual offer the best hope of
 21 achieving economic self-sufficiency in a cost-effective manner;
 - (4) State welfare-to-work programs, which move individuals from dependence to economic independence, must be operated cooperatively and collaboratively between state agencies and programs. They also must include public assistance recipients as active partners in self-sufficiency planning activities. Participants in economic independence programs and services will benefit from the concepts of personal empowerment, self-motivation, and self-esteem; and
- (5) Many barriers to economic independence are found in federal statutes and rules, and provide states with limited options for restructuring existing programs in order to create incentives for employment over continued dependence.
- NEW SECTION. Sec. 2. The department shall amend the state plan to eliminate the one hundred hour work rule for recipients of aid to

- 1 families with dependent children-employable and seek all necessary
- 2 federal approval.
- 3 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 74.12 RCW
- 4 to read as follows:
- 5 (1) As part of the orientation and assessment conducted pursuant to
- 6 RCW 74.25.020, the department shall determine the most appropriate
- 7 living situation for each recipient of aid to families with dependent
- 8 children who is receiving those benefits as a head of household and is
- 9 under age eighteen. Appropriate living situations may include, but are
- 10 not limited to:
- 11 (a) The parent's home;
- 12 (b) The home of a relative;
- 13 (c) A group living situation with adult supervision and guidance;
- 14 (d) Living independently; and
- 15 (e) Payment of the recipient's grant to another as provided in RCW
- 16 74.12.250.
- 17 (2) In conducting the assessment, the department shall consider all
- 18 relevant factors, including but not limited to:
- 19 (a) Whether the recipient is enrolled in and attending school;
- 20 (b) Whether the recipient is employed;
- 21 (c) The situation in the home of the recipient's parents, including
- 22 but not limited to, whether there is substance abuse or domestic
- 23 violence in the home and the adequacy of the dwelling; and
- 24 (d) Whether there is a history of physical, emotional, or sexual
- 25 abuse of the recipient by a person living in or frequenting the
- 26 recipient's parents' home.
- 27 (3) If, as a result of the assessment, the department becomes aware
- 28 of a recipient's need for other services that will help the recipient
- 29 complete high school or achieve economic independence, the department
- 30 shall make every effort to link the recipient with the services.
- 31 (4) Failure of the teenage recipient to comply with the
- 32 department's determination shall result in termination from the
- 33 programs.
- 34 <u>NEW SECTION.</u> **Sec. 4.** The department shall study the feasibility
- 35 of using electronic benefit transfer technology for the food stamp, aid
- 36 to families with dependent children, and women, infant, and children

- 1 programs. The department shall report to the appropriate standing
- 2 committees of the legislature by December 1, 1994.
- 3 <u>NEW SECTION.</u> **Sec. 5.** The department may replace food stamps with
- 4 the cash equivalent for individuals eligible to receive food assistance
- 5 upon receipt of all necessary statutory and administrative changes from
- 6 congress, the food and nutrition service, and the department of health
- 7 and human services.
- 8 Sec. 6. RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are 9 each reenacted and amended to read as follows:
- 10 For the purposes of this title, unless the context indicates 11 otherwise, the following definitions shall apply:
- 12 (1) "Public assistance" or "assistance" «Public aid to persons in 13 need thereof for any cause, including services, medical care,
- 14 assistance grants, disbursing orders, work relief, general assistance
- 15 and federal-aid assistance.
- 16 (2) "Department" «The department of social and health services.
- 17 (3) "County or local office" «The administrative office for one or 18 more counties or designated service areas.
- 19 (4) "Director" or "secretary" means the secretary of social and 20 health services.
- 21 (5) "Federal-aid assistance" «The specific categories of assistance
- 22 for which provision is made in any federal law existing or hereafter
- 23 passed by which payments are made from the federal government to the
- 24 state in aid or in respect to payment by the state for public
- 25 assistance rendered to any category of needy persons for which
- 26 provision for federal funds or aid may from time to time be made, or a
- 27 federally administered needs-based program.
- 28 (6)(a) "General assistance" «Aid to persons in need who:
- 29 (i) Are not eligible to receive federal-aid assistance, other than
- 30 food stamps and medical assistance; however, an individual who refuses
- 31 or fails to cooperate in obtaining federal-aid assistance, without good
- 32 cause, is not eligible for general assistance;
- 33 (ii) Meet one of the following conditions:
- 34 (A) Pregnant: PROVIDED, That need is based on the current income
- 35 and resource requirements of the federal aid to families with dependent
- 36 children program: PROVIDED FURTHER, That during any period in which an
- 37 aid for dependent children employable program is not in operation, only

1 those pregnant women who are categorically eligible for medicaid are 2 eligible for general assistance; ((or))

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- (B) Children residing in the home of a court-appointed legal guardian who are under the age of eighteen. Eligibility, except the requirement to live with a relative of specified degree, is based on the current requirements of the federal aid to families with dependent children program, and need is based on the current income and resource requirements of the federal aid to families with dependent children program. Assistance shall be provided on behalf of the child or children only;
- 11 (C) Subject to chapter 165, Laws of 1992, incapacitated from 12 gainful employment by reason of bodily or mental infirmity that will 13 likely continue for a minimum of ninety days as determined by the 14 department((\cdot, \cdot)); or
 - (((C))) Persons who are unemployable due to alcohol or drug addiction are not eligible for general assistance. Persons receiving general assistance on July 26, 1987, or becoming eligible for such assistance thereafter, due to an alcohol or drug-related incapacity, shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time of eligibility review. Alcoholic and drug addicted clients who are receiving general assistance on July 26, 1987, may remain on general assistance if they otherwise retain their eligibility until they are assessed for services under chapter 74.50 RCW. Subsection (6)(a)(ii)((B))(C) of this section shall not be construed to prohibit the department from granting general assistance benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the general assistance program;
- 31 (iii) Are citizens or aliens lawfully admitted for permanent 32 residence or otherwise residing in the United States under color of 33 law; and
- (iv) Have furnished the department their social security account number. If the social security account number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of assistance, and the social security number shall be provided to the department upon receipt.

- (b) Notwithstanding the provisions of subsection (6)(a)(i), (ii), 1 2 and (c) of this section, general assistance shall be provided to the 3 following recipients of federal-aid assistance:
 - (i) Recipients of supplemental security income whose need, as defined in this section, is not met by such supplemental security income grant because of separation from a spouse; or
 - (ii) To the extent authorized by the legislature in the biennial appropriations act, to recipients of aid to families with dependent children whose needs are not being met because of a temporary reduction in monthly income below the entitled benefit payment level caused by loss or reduction of wages or unemployment compensation benefits or some other unforeseen circumstances. The amount of general assistance authorized shall not exceed the difference between the entitled benefit payment level and the amount of income actually received.
- 15 (c) General assistance shall be provided only to persons who are 16 not members of assistance units receiving federal aid assistance, except as provided in subsection (6)(a)(ii)(A) and (b) of this section, 17 and will accept available services which can reasonably be expected to 18 19 enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall 20 result in termination until the person agrees to cooperate in accepting 22 such services and subject to the following maximum periods of ineligibility after reapplication: 23
 - (i) First failure: One week;

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- (ii) Second failure within six months: One month; 25
- 26 (iii) Third and subsequent failure within one year: Two months.
- (d) Persons found eligible for general assistance based on 27 28 incapacity from gainful employment may, if otherwise eligible, receive 29 general assistance pending application for federal supplemental 30 security income benefits. Any general assistance that is subsequently 31 duplicated by the person's receipt of supplemental security income for the same period shall be considered a debt due the state and shall by 32 operation of law be subject to recovery through all available legal 33 34 remedies.
- (e) The department shall adopt by rule medical criteria for general 35 assistance eligibility to ensure that eligibility decisions are 36 37 consistent with statutory requirements and are based on clear, objective medical information. 38

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

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- (g) Recipients of general assistance based upon a finding of 6 7 incapacity from gainful employment who remain otherwise eligible shall 8 not have their benefits terminated absent a clear showing of material 9 improvement in their medical or mental condition or specific error in 10 the prior determination that found the recipient eligible by reason of incapacitation. Recipients of general assistance based upon pregnancy 11 who relinquish their child for adoption, remain otherwise eligible, and 12 are not eligible to receive benefits under the federal aid to families 13 with dependent children program shall not have their benefits 14 15 terminated until the end of the month in which the period of six weeks following the birth of the recipient's child falls. Recipients of the 16 17 federal aid to families with dependent children program who lose their eligibility solely because of the birth and relinquishment of the 18 19 qualifying child may receive general assistance through the end of the 20 month in which the period of six weeks following the birth of the child falls. 21
- (7) "Applicant" Any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.
- 25 (8) "Recipient" Any person receiving assistance and in addition 26 those dependents whose needs are included in the recipient's 27 assistance.
- (9) "Standards of assistance" «The level of income required by an applicant or recipient to maintain a level of living specified by the department.
 - (10) "Resource" Any asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion into money or its equivalent: PROVIDED, That an applicant may retain the following described resources and not be ineligible for public assistance because of such resources.
- 37 (a) A home, which is defined as real property owned and used by an 38 applicant or recipient as a place of residence, together with a 39 reasonable amount of property surrounding and contiguous thereto, which

is used by and useful to the applicant. Whenever a recipient shall 1 2 cease to use such property for residential purposes, either for himself or his dependents, the property shall be considered as a resource which 3 4 can be made available to meet need, and if the recipient or his dependents absent themselves from the home for a period of ninety 5 consecutive days such absence, unless due to hospitalization or health 6 7 reasons or a natural disaster, shall raise a rebuttable presumption of 8 abandonment: PROVIDED, That if in the opinion of three physicians the 9 recipient will be unable to return to the home during his lifetime, and 10 the home is not occupied by a spouse or dependent children or disabled 11 sons or daughters, such property shall be considered as a resource 12 which can be made available to meet need.

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

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- 17 (c) A motor vehicle, other than a motor home, used and useful 18 having an equity value not to exceed one thousand five hundred dollars.
- (d) All other resources, including any excess of values exempted, not to exceed one thousand dollars or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance.
- (e) Applicants for or recipients of general assistance shall have their eligibility based on resource limitations consistent with the aid to families with dependent children program rules adopted by the department.
- 27 (f) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value 28 29 shall be used in determining the need of the applicant or recipient, 30 except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or 31 recipient's restoration to independence, to decrease the need for 32 public assistance, or to aid in rehabilitating the applicant or 33 recipient or a dependent of the applicant or recipient; and (ii) the 34 35 department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section 36 37 to persons who are otherwise ineligible because of excess real property owned by such persons when they are making a good faith effort to 38 39 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 property (cash or kind) or other assets, which are received by or 14 15 become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving 16 17 public assistance. The department may by rule and regulation exempt income received by an applicant for or recipient of public assistance 18 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 shall not, unless otherwise provided in this title, exceed the 21 22 exemptions of resources granted under this chapter to an applicant for public assistance. In determining the amount of assistance to which an 23 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 The department may permit the above exemption of 27 requirements. earnings of a child to be retained by such child to cover the cost of 28 29 special future identifiable needs even though the total exceeds the 30 exemptions or resources granted to applicants and recipients of public 31 assistance, but consistent with federal requirements. In formulating rules and regulations pursuant to this chapter, the department shall 32 define income and resources and the availability thereof, consistent 33 34 with federal requirements. All resources and income not specifically 35 exempted, and any income or other economic benefit derived from the use of, or appreciation in value of, exempt resources, shall be considered 36 37 in determining the need of an applicant or recipient of public 38 assistance.

1 (b) If, under applicable federal requirements, the state has the 2 option of considering property in the form of lump sum compensatory 3 awards or related settlements received by an applicant or recipient as 4 income or as a resource, the department shall consider such property to 5 be a resource.

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- (12) "Need" The difference between the applicant's or recipient's standards of assistance for himself and the dependent members of his family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his family.
- (13) For purposes of determining eligibility for public assistance and participation levels in the cost of medical care, the department shall exempt restitution payments made to people of Japanese and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian and Pribilof Island Restitution Act passed by congress, P.L. 100-383, including all income and resources derived therefrom.
- 17 (14) In the construction of words and phrases used in this title, 18 the singular number shall include the plural, the masculine gender 19 shall include both the feminine and neuter genders and the present 20 tense shall include the past and future tenses, unless the context 21 thereof shall clearly indicate to the contrary.
- NEW SECTION. Sec. 7. The department may provide grants to community action agencies or other local nonprofit organizations to provide job opportunities and basic skills training program participants with transitional support services, one-to-one assistance, and job retention services.
- NEW SECTION. Sec. 8. Services provided under the jobs opportunity and basic skills training program should contain the following principles:
- 30 (1) Families should be involved in planning and service delivery;
- 31 (2) Caseworkers will act as consultants and focus on building 32 family strengths;
- (3) Services should strengthen incentives for self-sufficiency andeconomic independence;
- 35 (4) Administration of the job opportunity and basic skills training 36 program services should be coordinated with other services to the 37 family;

- 1 (5) Services should be regionally, culturally, and ethnically 2 sensitive; and
- 3 (6) Services should be locally planned and involve coordinated 4 delivery at the local level.
- <u>NEW SECTION.</u> **Sec. 9.** The department of social and health services 5 shall design a program for implementation involving recipients of aid 6 7 to families with dependent children. A goal of this program is to develop a system that segments the aid to families with dependent 8 9 children recipient population and identifies subgroups, services to the needs of the subgroup, and prioritizes available 10 services. The department shall specify the services to be offered in 11 each population segment, and not all services shall be available to 12 each segment. The general focus of the services offered shall be on 13 14 job training, work force preparedness, and job retention.
- The program shall be designed for state-wide implementation on July 1, 1994. Any proposal for implementation may include phasing certain components over time or geographic area. The department shall submit this program to the legislative task force on welfare reform on October 1, 1993.
- NEW SECTION. Sec. 10. The department of social and health services shall consider the following in developing the program:
- (1) An employment incentive program that strengthens the ability of recipients to reach a level of self-sufficiency. Aid to families with dependent children grants may be used to supplement a program participant's wages;
- 26 (2) Development of a community work program for those persons who 27 are long-term recipients of aid to families with dependent children;
 - (3) Services that are limited in duration;

- 29 (4) Segmentation of the recipient population based on factors such 30 as work experience, education level, age of recipient, wage history, 31 child support history, and length of time the person has been an aid to 32 families with dependent children recipient;
- (5) Matching appropriate services to each segment of the recipient population. The criteria may include an array of services that targets high cost, intensive services to the least employable groups and low cost, less intensive services to the most employable groups;

- 1 (6) Use of contracts between recipients and the department that set 2 forth employability/self-sufficiency plans and sanctions for 3 noncompliance;
- 4 (7) Training and education services for absent parents that 5 increase their ability to support their children;
- 6 (8) The elimination of work disincentives for recipients of aid to 7 families with dependent children; and
- 8 (9) Appropriate education and training services designed to promote 9 economic self-sufficiency.
- NEW SECTION. Sec. 11. The president of the senate and speaker of 10 the house of representatives shall appoint a legislative welfare reform 11 task force. In addition to representatives of the four caucuses, the 12 president and speaker may appoint additional members representing 13 14 individuals and organizations with an expressed interest in welfare reform issues. The legislative task force on welfare reform shall (1) 15 participate in developing the implementation plan for chapter 74.-- RCW 16 (sections 2, 4, 5, and 7 through 10 of this act), (2) review the 17 18 implementation plan prepared by the department, and (3) develop legislation for consideration during the 1994 legislative session 19 implementing the plan. 20
- NEW SECTION. Sec. 12. Sections 2, 4, 5, and 7 through 10 of this act shall constitute a new chapter in Title 74 RCW."

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