SHB 1197 - H AMD TO H AMD H2253.2 000302 FAILED 03-17-93 By Representatives Mielke

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. I. The legislature finds that:

- (1) Public assistance is intended to be a temporary financial relief program, recognizing that families can be confronted with a financial crisis at any time in life. Successful public assistance programs depend on the availability of adequate resources to assist individuals deemed eligible for the benefits of such a program. In this way, eligible families are given sufficient assistance to reenter productive employment in a minimal time period. When eligibility for public assistance is not clearly defined or enforced, resources are consumed for purposes other than what the public intends and the result is a shortage of resources for eligible recipients;
- (2) The current public assistance system requires a reduction in grant standards when income is received. In most cases, family income is limited to levels below the standard of need. Work involvement, a crucial factor in the individual's ability to return to the work force, can result in the same reduction or elimination of benefits. To remove this disincentive, the legislature intends to assist families by incorporating work experience with private employers without an immediate reduction or termination of benefits;
- (3) Employment, job search, training, and educational services provided to employable recipients of public assistance are effective tools in achieving economic self-sufficiency. Support services that are targeted at the specific needs of the individual offer the best hope of 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 1 2 cooperatively and collaboratively between state agencies 3 programs. Public assistance recipients shall be 4 participants in the programs and will benefit from the concepts of 5 personal empowerment, responsibility, self-motivation, and self-6 esteem;
 - (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; and
 - (6) Public assistance should promote the formation of healthy families, reward work effort, and promote personal responsibility to include education, parental responsibility, job training, community enhancement activity, and gainful employment.
 - NEW SECTION. Sec. II. A new section is added to chapter 74.12 RCW to read as follows:
 - (1) As part of the orientation and assessment conducted pursuant to RCW 74.25.020, the department shall determine the most appropriate living situation for each recipient of aid to families with dependent children who is receiving those benefits as a head of household and is under age eighteen. Appropriate living situations may include, but are not limited to:
 - (a) The parent's home;

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- (b) The home of a relative;
- (c) A group living situation with adult supervision and quidance;
 - (d) Living independently; and
- 28 (e) Payment of the recipient's grant to another as provided in RCW 74.12.250.
 - (2) In conducting the assessment, the department shall consider all relevant factors, including but not limited to:
 - (a) Whether the recipient is enrolled in and attending school;
 - (b) Whether the recipient is employed;
- 34 (c) The situation in the home of the recipient's parents, 35 including but not limited to, whether there is substance abuse or

domestic violence in the home and the adequacy of the dwelling;

- (d) Whether there is a history of physical, emotional, or sexual abuse of the recipient by a person living in or frequenting the recipient's parents' home; and
- (e) The financial history of the recipient to include timely payments by the recipient of housing and utility payments, and other financial obligations. The department shall also determine the need, if any, for an alternative payee.
- (3) If, as a result of the assessment, the department becomes aware of a recipient's need for other services that will help the recipient complete high school or achieve economic independence, the department shall make every effort to link the recipient with the services.
- 14 (4) Failure of the teenage recipient to comply with the 15 department's determination shall result in termination from the 16 programs.
- NEW SECTION. **Sec. III.** A new section is added to chapter 74.04 RCW to read as follows:

The department shall study the feasibility of using electronic benefit transfer technology for the food stamp, aid to families with dependent children, and women, infant, and children programs. The department shall report to the appropriate standing committees of the legislature by December 1, 1994.

NEW SECTION. **Sec. IV.** A new section is added to chapter 74.04 RCW to read as follows:

The department may replace food stamps with the cash equivalent for individuals eligible to receive food assistance upon receipt of all necessary statutory and administrative changes from congress, the food and nutrition service, and the department of health and human services.

- NEW SECTION. **Sec. V.** A new section is added to chapter 74.04 RCW to read as follows:
- The department shall amend the state plan to eliminate the one

1 hundred hour work rule for recipients of aid to families with

dependent children-employable and seek all necessary federal

3 approval.

NEW SECTION. Sec. VI. A new section is added to chapter 74.04 RCW to read as follows:

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.

Sec. VII. RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are each reenacted and amended to read as follows:

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

- (1) "Public assistance" or "assistance" « Temporary public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, general assistance and federal-aid assistance.
 - (2) "Department" « The department of social and health services.
- (3) "County or local office" « The administrative office for one or more counties or designated service areas.
- (4) "Director" or "secretary" means the secretary of social and health services.
- (5) "Federal-aid assistance" The specific categories of temporary assistance for which provision is made in any federal law existing or hereafter passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.
 - (6)(a) "General assistance" «Aid to persons in need who:
- (i) Are not eligible to receive federal-aid assistance, other than food stamps and medical assistance; however, an individual who refuses or fails to cooperate in obtaining federal-aid assistance,

without good cause, is not eligible for general assistance;

(ii) Meet one of the following conditions:

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- (A) Pregnant: PROVIDED, That need is based on the current income and resource requirements of the federal aid to families with dependent children program((: PROVIDED FURTHER, That)). During any period in which an aid for dependent children employable program is not in operation, only those pregnant women who are categorically eligible for medicaid are eligible for general assistance; or
- (B) Subject to chapter 165, Laws of 1992, incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days as determined by the department.
- (C) Persons who are unemployable due to alcohol or drug addiction are not eligible for general assistance. 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) 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;
- (iii) Are citizens or aliens lawfully admitted for permanent residence or otherwise residing in the United States under color of 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.

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- (b) Notwithstanding the provisions of subsection (6)(a)(i),(ii), and (c) of this section, general assistance shall be provided to the 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.
- (c) General assistance shall be provided only to persons who members of assistance units receiving federal assistance, except as provided in subsection (6)(a)(ii)(A) and (b) of this section, and will accept available services which can reasonably be expected to enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall result in termination until the person agrees to cooperate in accepting such services and subject the following maximum periods of ineligibility after reapplication:
 - (i) First failure: One week;
 - (ii) Second failure within six months: One month;
- (iii) Third and subsequent failure within one year: Two months.
- (d) Persons found eligible for general assistance based on incapacity from gainful employment may, if otherwise eligible, receive general assistance pending application for federal supplemental security income benefits. Any general assistance that

is subsequently 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 operation of law be subject to recovery through all available legal remedies.

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- (e) The department shall adopt by rule medical criteria for general assistance eligibility to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information.
- (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.
- (g) Recipients of general assistance based upon a finding of incapacity from gainful employment who remain otherwise eligible shall not have their benefits terminated absent a clear showing of material improvement in their medical or mental condition or specific error in the prior determination that found the recipient eligible by reason of incapacitation. Recipients of general assistance based upon pregnancy who relinquish their child for adoption, remain otherwise eligible, and are not eligible to receive benefits under the federal aid to families with dependent children program shall not have their benefits 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 federal aid to families with dependent children program who lose their eligibility solely because of the birth and relinquishment of the qualifying child may receive general assistance through the end of the month in which the period of six weeks following the birth of the child falls.
- (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 <u>temporary</u> assistance.
- (8) "Recipient" «Any person receiving temporary assistance and in addition those dependents whose needs are included in the recipient's 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.

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

department shall also allow recipients of aid to families with dependent children to exempt savings accounts with balances up to an additional one thousand five hundred dollars.

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- (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.
- (f) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to need for public assistance, the or rehabilitating the applicant or recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property owned by such persons when they are making a good faith effort to dispose of that property: PROVIDED, That:
- (A) The applicant or recipient signs an agreement to repay the lesser of the amount of aid received or the net proceeds of such sale;
- (B) If the owner of the excess property ceases to make good faith efforts to sell the property, the entire amount of assistance may become an overpayment and a debt due the state and may be recovered pursuant to RCW 43.20B.630;
- (C) Applicants and recipients are advised of their right to a fair hearing and afforded the opportunity to challenge a decision that good faith efforts to sell have ceased, prior to assessment of an overpayment under this section; and
- (D) At the time assistance is authorized, the department files a lien without a sum certain on the specific property.
- (11) "Income" (a) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or

become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving public assistance. The department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him to decrease his need for public assistance or to aid in rehabilitating him or his dependents, but such exemption shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance. In determining the amount of assistance to which an applicant or recipient of aid to families with dependent children is entitled, the department is hereby authorized to disregard as a resource or income the earned income exemptions consistent with federal requirements. The department may permit the above exemption of earnings of a child to be retained by such child to cover the cost of special future identifiable needs even though the total exceeds the exemptions or resources granted to applicants and recipients of public assistance, but consistent with federal requirements. In formulating rules and regulations pursuant to this chapter, the department shall define income and resources and the availability thereof, consistent with federal requirements. All resources and income not specifically exempted, and any income or other economic benefit derived from the use of, or appreciation in value of, exempt resources, shall be considered in determining the need of an applicant or recipient of public assistance.

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

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

NEW SECTION. Sec. VIII. A new section is added to chapter 74.04 RCW to read as follows:

The department is directed to immediately institute the following policy changes state-wide:

- (1) In order to receive aid to families with dependent children benefits, both parents of each child to be covered by the program must be listed on the application for benefits.
- (2) Minors must have a protective payee designated to receive their welfare funds. Whenever possible, protective payees shall be a responsible, immediate adult family member. Protective payees shall have a duty to make sure housing and utility costs are paid in a timely manner. Where an adequate protective payee cannot be found, the department shall assume the protective payee function.
- (3) As a condition of receiving benefits, parents are ultimately responsible and shall be held accountable for their children's school attendance from kindergarten through sixth grade. If a student violates the state's truancy laws during a specified school quarter, the financial grant shall be reduced by a minimum of ten percent for sixty days. The department shall establish penalties, sanctions, or termination of benefits for additional violations. The superintendent of public instruction and secretary of social and health services shall establish a process for the sharing of information pertaining to student attendance records.

(4) Authorized postsecondary education shall be limited to a vocational degree or certificate program only.

- (5) Restore all FTE's to the fraud early detection unit and place an emphasis on either filling or expanding, or both, all field investigator positions. The department shall enter into the aid to families with dependent children optional fraud program and seek the maximum federal assistance for the programs.
- (6) There shall be no additional monetary assistance for children conceived after entry into the aid to families with dependent children or JOBS programs. The department is directed to provide information to recipients regarding all birth control or family planning that is provided by the state.
- (7) New residents of the state shall receive for the first six months of residence the same level of benefits granted to them by their previous state of residence or they will receive Washington's grant level, whichever is lower.
- (8) The department is directed to develop a data collection system that will allow for improved data on recipients' migration and recidivism. The department shall collect better information pertaining to the characteristics of those who have received benefits for more than five cumulative years and shall not limit data collection for individuals to a five year-period.
- (9) There shall no longer be a self-prescribed disability exemption for individuals or those claiming care for a dependent spouse. Medical evidence must be provided proving that a disability requiring attendant care exists.

NEW SECTION. Sec. IX. A new section is added to chapter 74.12 RCW to read as follows:

The department of social and health services is directed to develop an aid to families with dependent children-unemployable and aid to families with dependent children-employable program based on these parameters:

- (1) At the point of application to receive public assistance benefits an applicant shall:
 - (a) Participate in an extensive interview that will be used to

determine work and educational history. The level of services needed will also be determined at this time;

- (b) Participate in the development of a program that will expedite the process of the applicant gaining economic selfsufficiency;
- (c) Enter into a formal contract, that will be binding for six months, that will explain all of the recipient's rights and responsibilities. Compliance with this contract will be a condition for the receipt of benefits;
- (d) Provide the name of both parents of the child or children. The applicant must comply with this subsection as a condition for the receipt of benefits; and
- (e) Attend an orientation where all program services as well as individual responsibilities shall be explained. Attendance shall serve as a prerequisite for the initial receipt of benefits.
- (2) There shall be four levels of need that the department shall build personal programs on:
 - (a) Most job-ready;
 - (b) Moderately job-ready;
 - (c) Least job-ready; and
- 21 (d) Exempt.

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(3) For those individuals meeting the most job-ready criteria, there shall be an initial period of sixty days in which recipients will receive fifty percent of the standard grant level. Recipients shall receive an additional fifty percent of the standard grant level in exchange for a set number of hours per week of community service to be determined by rule by the department. Individuals shall then enter into a job search program that will last for ninety days. If at the end of ninety days they are unable to find employment, individuals shall enter into an assisted work program in cooperation with the private sector modeled after federal work study programs. Once benefits have been received for a cumulative of seventeen months, individuals shall then perform community service for a set number of hours based on a formula to be developed by rule by the department as a condition for the receipt of benefits.

(4) For those individuals meeting the moderately job-ready criteria, there shall be an initial period of sixty days in which recipients shall receive fifty percent of the standard grant level. Recipients shall receive an additional fifty percent of the standard grant level in exchange for a set number of hours per week of community service to be determined by rule by the department. Individuals shall then enter into a job search program for ninety If at the end of ninety days they are unable to find employment, individuals shall be eligible for up to twenty-four months of postsecondary education limited to a vocational degree or certificate. If at the end of twenty-four months they are unable to find employment, individuals shall enter into an assisted work program in cooperation with the private sector modeled after federal work study programs. Once benefits have been received for a cumulative of forty-one months, individuals shall perform community service for a set number of hours based on a formula to be developed by rule by the department as a condition for the receipt of benefits.

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For those individuals meeting the least job-ready criteria, there shall be an initial period of sixty days in which recipients shall receive fifty percent of the standard grant level. Recipients shall receive an additional fifty percent of the standard grant level in exchange for a set number of hours per week of community service to be determined by rule by the department. Individuals shall then enter into a basic education program for a period that is deemed necessary to provide them with the equivalent of a high school education. At the end of this time, individuals shall enter into an assisted work program in cooperation with the private sector modeled after federal work study programs for a period up to twelve months. Should individuals remain unemployed at the conclusion of the twelve-month period, they shall be eligible for up to twenty-four months of postsecondary training limited to a vocational degree or certificate only. At the end of the vocational training, the recipient shall enter into a jobsearch program for up to three months. Once benefits have been received for a cumulative of fifty-three months, individuals shall

then perform community service for a set number of hours based on a formula to be developed by rule by the department as a condition for the receipt of benefits.

- (6) For those individuals meeting the exempt criteria, no program participation shall be required, except that individuals must perform community service for a set number of hours based on a formula to be developed by rule by the department, as a condition for the receipt of benefits.
- (7) A recipient with a child less than six months of age, a recipient who is responsible for providing attendant care for disabled family member, or a recipient who is disabled shall be exempt from the participation requirements of the program created in this section.
- NEW SECTION. **Sec. X.** A new section is added to chapter 74.04 RCW to read as follows:

The department of social and health services shall develop a plan to implement section 4 of this act as a pilot project to include approximately twenty thousand participants. The department shall report its recommendations to the legislature by January 30, 1994, and be prepared to implement its recommendations beginning January 1, 1995.

NEW SECTION. Sec. XI. A new section is added to chapter 74.04 RCW to read as follows:

The department shall develop a pilot project to provide child care for those individuals receiving education, training, or providing community service as part of the program created under section 4 of this act. Child care facilities should be located on or near community and technical college or vocational school campuses. Care should be given primarily by recipients fulfilling a community service requirement and receiving the benefits of the program set up under section 4 of this act.

<u>NEW SECTION.</u> **Sec. XII.** This act is necessary for the immediate preservation of the public peace, health, or safety, or

- 1 support of the state government and its existing public
- 2 institutions, and shall take effect immediately."

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