

2 **ESHB 1197** - S COMM AMD

3 By Committee on Health & Human Services

4 ADOPTED - SUPERSEDED BY WM AMEND (S3282.1) - 4/16/93

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 requires a reduction in  
16 grant standards when income is received. In most cases, family income  
17 is limited to levels substantially below the standard of need. This is  
18 a strong disincentive to work. To remove this disincentive, the  
19 legislature intends to allow families to retain a greater percentage of  
20 income before it results in the reduction or termination of benefits;

21 (3) Employment, training, and education services provided to  
22 employable recipients of public assistance are effective tools in  
23 achieving economic self-sufficiency. Support services that are  
24 targeted to the specific needs of the individual offer the best hope of  
25 achieving economic self-sufficiency in a cost-effective manner;

26 (4) State welfare-to-work programs, which move individuals from  
27 dependence to economic independence, must be operated cooperatively and  
28 collaboratively between state agencies and programs. They also must  
29 include public assistance recipients as active partners in self-  
30 sufficiency planning activities. Participants in economic independence  
31 programs and services will benefit from the concepts of personal  
32 empowerment, self-motivation, and self-esteem; and

33 (5) Many barriers to economic independence are found in federal  
34 statutes and rules, and provide states with limited options for  
35 restructuring existing programs in order to create incentives for  
36 employment over continued dependence.

1        NEW SECTION.    **Sec. 2.** For purposes of determining the amount of  
2 grant payments to recipients of aid to families with dependent  
3 children, all countable nonexempt earned income shall be subtracted  
4 from an amount equal to one hundred percent of the need standard. The  
5 department shall adopt rules necessary to implement the intent of this  
6 section.

7        NEW SECTION.    **Sec. 3.** The department shall amend the state plan to  
8 eliminate the one hundred hour work rule for recipients of aid to  
9 families with dependent children-employable. The department shall seek  
10 federal approval for the amendment to the state plan and report on  
11 federal action to the appropriate standing committees of the  
12 legislature by December 1, 1993.

13        NEW SECTION.    **Sec. 4.** The department shall initiate a pilot  
14 project using electronic benefit transfer technology for the food  
15 stamp, aid to families with dependent children, and women, infant, and  
16 children programs. The department shall report to the appropriate  
17 standing committees of the legislature on the project implementation  
18 status by December 1, 1994.

19        **Sec. 5.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are  
20 each reenacted and amended to read as follows:

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

23        (1) "Public assistance" or "assistance"«Public aid to persons in  
24 need thereof for any cause, including services, medical care,  
25 assistance grants, disbursing orders, work relief, general assistance  
26 and federal-aid assistance.

27        (2) "Department"«The department of social and health services.

28        (3) "County or local office"«The administrative office for one or  
29 more counties or designated service areas.

30        (4) "Director" or "secretary" means the secretary of social and  
31 health services.

32        (5) "Federal-aid assistance"«The specific categories of assistance  
33 for which provision is made in any federal law existing or hereafter  
34 passed by which payments are made from the federal government to the  
35 state in aid or in respect to payment by the state for public  
36 assistance rendered to any category of needy persons for which

1 provision for federal funds or aid may from time to time be made, or a  
2 federally administered needs-based program.

3 (6)(a) "General assistance"«Aid to persons in need who:

4 (i) Are not eligible to receive federal-aid assistance, other than  
5 food stamps and medical assistance; however, an individual who refuses  
6 or fails to cooperate in obtaining federal-aid assistance, without good  
7 cause, is not eligible for general assistance;

8 (ii) Meet one of the following conditions:

9 (A) Pregnant: PROVIDED, That need is based on the current income  
10 and resource requirements of the federal aid to families with dependent  
11 children program: PROVIDED FURTHER, That during any period in which an  
12 aid for dependent children employable program is not in operation, only  
13 those pregnant women who are categorically eligible for medicaid are  
14 eligible for general assistance; ((or))

15 (B) Under twenty years of age and ineligible for aid to families  
16 with dependent children solely due to federal age requirements, and are  
17 full-time students reasonably expected to complete a program of  
18 secondary school or the equivalent level of vocational or technical  
19 training before the end of the month in which the person reaches age  
20 twenty. Reasonably expected to complete a program of secondary school  
21 or the equivalent level of vocational or technical training means  
22 maintaining a grade point average equal to or greater than a 2.5. For  
23 purposes of determining payment amount, the student is considered a  
24 member of the aid to families with dependent children household of  
25 which the student would be a member but for the federal age  
26 requirement. In determining eligibility, earnings of a full-time  
27 student shall be disregarded, in accordance with department standards,  
28 notwithstanding the earnings limitation imposed by RCW 74.04.266;

29 (C) Subject to chapter 165, Laws of 1992, incapacitated from  
30 gainful employment by reason of bodily or mental infirmity that will  
31 likely continue for a minimum of ninety days as determined by the  
32 department((or)); or

33 ((or)) (D) Persons who are unemployable due to alcohol or drug  
34 addiction are not eligible for general assistance. Persons receiving  
35 general assistance on July 26, 1987, or becoming eligible for such  
36 assistance thereafter, due to an alcohol or drug-related incapacity,  
37 shall be referred to appropriate assessment, treatment, shelter, or  
38 supplemental security income referral services as authorized under  
39 chapter 74.50 RCW. Referrals shall be made at the time of application

1 or at the time of eligibility review. Alcoholic and drug addicted  
2 clients who are receiving general assistance on July 26, 1987, may  
3 remain on general assistance if they otherwise retain their eligibility  
4 until they are assessed for services under chapter 74.50 RCW.  
5 Subsection (6)(a)(ii)((+B+))(C) of this section shall not be construed  
6 to prohibit the department from granting general assistance benefits to  
7 alcoholics and drug addicts who are incapacitated due to other physical  
8 or mental conditions that meet the eligibility criteria for the general  
9 assistance program;

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

13 (iv) Have furnished the department their social security account  
14 number. If the social security account number cannot be furnished  
15 because it has not been issued or is not known, an application for a  
16 number shall be made prior to authorization of assistance, and the  
17 social security number shall be provided to the department upon  
18 receipt.

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

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

25 (ii) ~~((To the extent authorized by the legislature in the biennial  
26 appropriations act, to))~~ Recipients of aid to families with dependent  
27 children whose needs are not being met because of a temporary reduction  
28 in monthly income below the entitled benefit payment level caused by  
29 loss or reduction of wages or unemployment compensation benefits or  
30 some other unforeseen circumstances. The amount of general assistance  
31 authorized shall not exceed the difference between the entitled benefit  
32 payment level and the amount of income actually received. Payment  
33 shall be made within fifteen days of the request.

34 (c) General assistance shall be provided only to persons who are  
35 not members of assistance units receiving federal aid assistance,  
36 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,  
37 and will accept available services which can reasonably be expected to  
38 enable the person to work or reduce the need for assistance unless  
39 there is good cause to refuse. Failure to accept such services shall

1 result in termination until the person agrees to cooperate in accepting  
2 such services and subject to the following maximum periods of  
3 ineligibility after reapplication:

4 (i) First failure: One week;

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

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

7 (d) Persons found eligible for general assistance based on  
8 incapacity from gainful employment may, if otherwise eligible, receive  
9 general assistance pending application for federal supplemental  
10 security income benefits. Any general assistance that is subsequently  
11 duplicated by the person's receipt of supplemental security income for  
12 the same period shall be considered a debt due the state and shall by  
13 operation of law be subject to recovery through all available legal  
14 remedies.

15 (e) The department shall adopt by rule medical criteria for general  
16 assistance eligibility to ensure that eligibility decisions are  
17 consistent with statutory requirements and are based on clear,  
18 objective medical information.

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

24 (g) Recipients of general assistance based upon a finding of  
25 incapacity from gainful employment who remain otherwise eligible shall  
26 not have their benefits terminated absent a clear showing of material  
27 improvement in their medical or mental condition or specific error in  
28 the prior determination that found the recipient eligible by reason of  
29 incapacitation. Recipients of general assistance based upon pregnancy  
30 who relinquish their child for adoption, remain otherwise eligible, and  
31 are not eligible to receive benefits under the federal aid to families  
32 with dependent children program shall not have their benefits  
33 terminated until the end of the month in which the period of six weeks  
34 following the birth of the recipient's child falls. Recipients of the  
35 federal aid to families with dependent children program who lose their  
36 eligibility solely because of the birth and relinquishment of the  
37 qualifying child may receive general assistance through the end of the  
38 month in which the period of six weeks following the birth of the child  
39 falls.

1 (7) "Applicant"«Any person who has made a request, or on behalf of  
2 whom a request has been made, to any county or local office for  
3 assistance.

4 (8) "Recipient"«Any person receiving assistance and in addition  
5 those dependents whose needs are included in the recipient's  
6 assistance.

7 (9) "Standards of assistance"«The level of income required by an  
8 applicant or recipient to maintain a level of living specified by the  
9 department.

10 (10) "Resource"«Any asset, tangible or intangible, owned by or  
11 available to the applicant at the time of application, which can be  
12 applied toward meeting the applicant's need, either directly or by  
13 conversion into money or its equivalent: PROVIDED, That an applicant  
14 may retain the following described resources and not be ineligible for  
15 public assistance because of such resources.

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

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

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

37 (d) All other resources, including any excess of values exempted,  
38 not to exceed one thousand dollars or other limit as set by the

1 department, to be consistent with limitations on resources and  
2 exemptions necessary for federal aid assistance.

3 (e) Applicants for or recipients of general assistance shall have  
4 their eligibility based on resource limitations consistent with the aid  
5 to families with dependent children program rules adopted by the  
6 department.

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

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

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

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

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

32 (11) "Income"«(a) All appreciable gains in real or personal  
33 property (cash or kind) or other assets, which are received by or  
34 become available for use and enjoyment by an applicant or recipient  
35 during the month of application or after applying for or receiving  
36 public assistance. The department may by rule and regulation exempt  
37 income received by an applicant for or recipient of public assistance  
38 which can be used by him to decrease his need for public assistance or  
39 to aid in rehabilitating him or his dependents, but such exemption

1 shall not, unless otherwise provided in this title, exceed the  
2 exemptions of resources granted under this chapter to an applicant for  
3 public assistance. In determining the amount of assistance to which an  
4 applicant or recipient of aid to families with dependent children is  
5 entitled, the department is hereby authorized to disregard as a  
6 resource or income the earned income exemptions consistent with federal  
7 requirements. The department may permit the above exemption of  
8 earnings of a child to be retained by such child to cover the cost of  
9 special future identifiable needs even though the total exceeds the  
10 exemptions or resources granted to applicants and recipients of public  
11 assistance, but consistent with federal requirements. In formulating  
12 rules and regulations pursuant to this chapter, the department shall  
13 define income and resources and the availability thereof, consistent  
14 with federal requirements. All resources and income not specifically  
15 exempted, and any income or other economic benefit derived from the use  
16 of, or appreciation in value of, exempt resources, shall be considered  
17 in determining the need of an applicant or recipient of public  
18 assistance.

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

24 (12) "Need"«The difference between the applicant's or recipient's  
25 standards of assistance for himself and the dependent members of his  
26 family, as measured by the standards of the department, and value of  
27 all nonexempt resources and nonexempt income received by or available  
28 to the applicant or recipient and the dependent members of his family.

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

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



1       **Sec. 6.** RCW 74.25.020 and 1992 c 165 s 3 are each amended to read  
2 as follows:

3       (1) The department of social and health services is authorized to  
4 contract with public and private employment and training agencies and  
5 other public service entities to provide services prescribed or allowed  
6 under the federal social security act, as amended, to carry out the  
7 purposes of the jobs training program. The department of social and  
8 health services has sole authority and responsibility to carry out the  
9 job opportunities and basic skills training program. No contracting  
10 entity shall have the authority to review, change, or disapprove any  
11 administrative decision, or otherwise substitute its judgment for that  
12 of the department of social and health services as to the application  
13 of policies and rules adopted by the department of social and health  
14 services.

15       (2) To the extent feasible under federal law, the department of  
16 social and health services and all entities contracting with it shall  
17 give first priority of service to individuals volunteering for program  
18 participation(~~(: PROVIDED, That the department shall require nonexempt~~  
19 ~~parents under age twenty four to actively participate in orientation,~~  
20 ~~assessment, and either education, vocational training, or employment~~  
21 ~~programs. At least one nonexempt parent in the aid to families with~~  
22 ~~dependent children employable program shall actively participate in~~  
23 ~~orientation, assessment, and either job search, education, training, or~~  
24 ~~employment. Social services shall be offered to participants in~~  
25 ~~accordance with federal law. The department shall adopt appropriate~~  
26 ~~sanctions to ensure compliance with the requirements and policies of~~  
27 ~~this chapter)).~~

28       (3) The department of social and health services shall adopt rules  
29 under chapter 34.05 RCW establishing criteria constituting  
30 circumstances of good cause for an individual failing or refusing to  
31 participate in an assigned program component, or failing or refusing to  
32 accept or retain employment. These criteria shall include, but not be  
33 limited to, the following circumstances: (a) If the individual is a  
34 parent or other relative personally providing care for a child under  
35 age six years, and the employment would require the individual to work  
36 more than twenty hours per week; (b) if child care, or day care for an  
37 incapacitated individual living in the same home as a dependent child,  
38 is necessary for an individual to participate or continue participation  
39 in the program or accept employment, and such care is not available,

1 and the department of social and health services fails to provide such  
2 care; (c) the employment would result in the family of the participant  
3 experiencing a net loss of cash income; or (d) circumstances that are  
4 beyond the control of the individual's household, either on a short-  
5 term or on an ongoing basis.

6 (4) The department of social and health services shall adopt rules  
7 under chapter 34.05 RCW as necessary to effectuate the intent and  
8 purpose of this chapter.

9 NEW SECTION. **Sec. 7.** The department may provide grants to  
10 community action agencies or other local nonprofit organizations to  
11 provide job opportunities and basic skills training program  
12 participants with transitional support services, one-to-one assistance,  
13 and job retention services.

14 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.04 RCW  
15 to read as follows:

16 Minors who are head of a household receiving aid to families with  
17 dependent children benefits as the head of a household may have a  
18 protective payee designated to receive their welfare funds. Whenever  
19 possible, protective payees shall be a responsible, immediate adult  
20 family member. Protective payees shall have a duty to make sure  
21 housing and utility costs are paid in a timely manner. Where an  
22 adequate protective payee cannot be found, the department shall assume  
23 the protective payee function.

24 NEW SECTION. **Sec. 9.** A new section is added to chapter 74.04 RCW  
25 to read as follows:

26 In determining food stamp eligibility, the department shall exclude  
27 as income the child support exempted by 42 U.S.C. Sec. 602(a)(8)(vi) or  
28 657 (b).

29 NEW SECTION. **Sec. 10.** By October 1, 1993, the department shall  
30 request the governor to seek congressional and federal agency action on  
31 any federal legislation or federal regulation that may be necessary to  
32 implement chapter 74.-- RCW (sections 2 through 4, 7, and 10 of this  
33 act), and any other section of chapter . . . , Laws of 1993 (this act)  
34 that may require a federal waiver.

1        NEW SECTION.   **Sec. 11.**   Sections 2 through 4, 7, and 10 of this act  
2 shall constitute a new chapter in Title 74 RCW."

3   **ESHB 1197**   - S COMM AMD  
4        By Committee on Health & Human Services

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6        On page 1, line 1 of the title, after "assistance;" strike the  
7 remainder of the title and insert "amending RCW 74.25.020; reenacting  
8 and amending RCW 74.04.005; adding new sections to chapter 74.04 RCW;  
9 adding a new chapter to Title 74 RCW; and creating a new section."

--- END ---