

1 1197-S.E AMS WM S3282.1

2 **ESHB 1197** - S COMM AMD TO HHS COMM AMD (S-3076.1/93)
3 By Committee on Ways & Means

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5 On page 1, at the beginning of the amendment, strike the entire
6 amendment and title amendment and insert the following:

7 "**ESHB 1197** - S COMM AMD
8 By Committee on Ways & Means

9

10 Strike everything after the enacting clause and insert the
11 following:

12 "NEW SECTION. **Sec. 1.** The legislature finds that:

13 (1) Public assistance is intended to be a temporary financial
14 relief program, recognizing that families can be confronted with a
15 financial crisis at any time in life. Successful public assistance
16 programs depend on the availability of adequate resources to assist
17 individuals deemed eligible for the benefits of such a program. In
18 this way, eligible families are given sufficient assistance to reenter
19 productive employment in a minimal time period.

20 (2) The current public assistance system requires a reduction in
21 grant standards when income is received. In most cases, family income
22 is limited to levels substantially below the standard of need. This is
23 a strong disincentive to work. To remove this disincentive, the
24 legislature intends to allow families to retain a greater percentage of
25 income before it results in the reduction or termination of benefits;

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

31 (4) State welfare-to-work programs, which move individuals from
32 dependence to economic independence, must be operated cooperatively and
33 collaboratively between state agencies and programs. They also must
34 include public assistance recipients as active partners in self-
35 sufficiency planning activities. Participants in economic independence

1 programs and services will benefit from the concepts of personal
2 empowerment, self-motivation, and self-esteem;

3 (5) Many barriers to economic independence are found in federal
4 statutes and rules, and provide states with limited options for
5 restructuring existing programs in order to create incentives for
6 employment over continued dependence;

7 (6) The legislature finds that the personal and societal costs of
8 teenage childbearing are substantial. Teen parents are less likely to
9 finish high school and more likely to depend upon public assistance
10 than women who delay childbearing until adulthood; and

11 (7) The legislature intends that an effort be made to ensure that
12 each teenage parent who is a public assistance recipient live in a
13 setting that increases the likelihood that the teen parent will
14 complete high school and achieve economic independence.

15 NEW SECTION. **Sec. 2.** For purposes of determining the amount of
16 grant payments to recipients of aid to families with dependent
17 children, all countable nonexempt earned income shall be subtracted
18 from an amount equal to fifty-five percent of the need standard. The
19 department shall adopt rules necessary to implement the intent of this
20 section.

21 NEW SECTION. **Sec. 3.** The department shall amend the state plan to
22 eliminate the one hundred hour work rule for recipients of aid to
23 families with dependent children-employable. The department shall seek
24 federal approval for the amendment to the state plan and report on
25 federal action to the appropriate standing committees of the
26 legislature by December 1, 1993.

27 NEW SECTION. **Sec. 4.** The department shall initiate a pilot
28 project using electronic benefit transfer technology for the food
29 stamp, aid to families with dependent children, and women, infant, and
30 children programs. The department shall report to the appropriate
31 standing committees of the legislature on the project implementation
32 status by December 1, 1994.

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

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

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

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

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

10 (4) "Director" or "secretary" means the secretary of social and
11 health services.

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

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

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

24 (ii) Meet one of the following conditions:

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

31 (B) Under twenty years of age and ineligible for aid to families
32 with dependent children solely due to federal age requirements, and are
33 full-time students reasonably expected to complete a program of
34 secondary school or the equivalent level of vocational or technical
35 training before the end of the month in which the person reaches age
36 twenty. Reasonably expected to complete a program of secondary school
37 or the equivalent level of vocational or technical training means
38 maintaining a grade point average equal to or greater than a 2.5. For
39 purposes of determining payment amount, the student is considered a

1 member of the aid to families with dependent children household of
2 which the student would be a member but for the federal age
3 requirement. In determining eligibility, earnings of a full-time
4 student shall be disregarded, in accordance with department standards,
5 notwithstanding the earnings limitation imposed by RCW 74.04.266;

6 (C) Subject to chapter 165, Laws of 1992, incapacitated from
7 gainful employment by reason of bodily or mental infirmity that will
8 likely continue for a minimum of ninety days as determined by the
9 department(~~(-)~~); or

10 ~~((C))~~ (D) Persons who are unemployable due to alcohol or drug
11 addiction are not eligible for general assistance. Persons receiving
12 general assistance on July 26, 1987, or becoming eligible for such
13 assistance thereafter, due to an alcohol or drug-related incapacity,
14 shall be referred to appropriate assessment, treatment, shelter, or
15 supplemental security income referral services as authorized under
16 chapter 74.50 RCW. Referrals shall be made at the time of application
17 or at the time of eligibility review. Alcoholic and drug addicted
18 clients who are receiving general assistance on July 26, 1987, may
19 remain on general assistance if they otherwise retain their eligibility
20 until they are assessed for services under chapter 74.50 RCW.
21 Subsection (6)(a)(ii)~~((B))~~(C) of this section shall not be construed
22 to prohibit the department from granting general assistance benefits to
23 alcoholics and drug addicts who are incapacitated due to other physical
24 or mental conditions that meet the eligibility criteria for the general
25 assistance program;

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

29 (iv) Have furnished the department their social security account
30 number. If the social security account number cannot be furnished
31 because it has not been issued or is not known, an application for a
32 number shall be made prior to authorization of assistance, and the
33 social security number shall be provided to the department upon
34 receipt.

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

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

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

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

22 (i) First failure: One week;

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

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

25 (d) Persons found eligible for general assistance based on
26 incapacity from gainful employment may, if otherwise eligible, receive
27 general assistance pending application for federal supplemental
28 security income benefits. Any general assistance that is subsequently
29 duplicated by the person's receipt of supplemental security income for
30 the same period shall be considered a debt due the state and shall by
31 operation of law be subject to recovery through all available legal
32 remedies.

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

37 (f) The process implementing the medical criteria shall involve
38 consideration of opinions of the treating or consulting physicians or
39 health care professionals regarding incapacity, and any eligibility

1 decision which rejects uncontroverted medical opinion must set forth
2 clear and convincing reasons for doing so.

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

19 (h) Students with earnings shall not be eligible for the essential
20 persons program unless the earnings are disregarded.

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

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

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

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

36 (a) A home, which is defined as real property owned and used by an
37 applicant or recipient as a place of residence, together with a
38 reasonable amount of property surrounding and contiguous thereto, which
39 is used by and useful to the applicant. Whenever a recipient shall

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

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

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

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

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

26 (f) If an applicant for or recipient of public assistance possesses
27 property and belongings in excess of the ceiling value, such value
28 shall be used in determining the need of the applicant or recipient,
29 except that: (i) The department may exempt resources or income when
30 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 department may provide grant assistance for a period not to exceed nine
35 months from the date the agreement is signed pursuant to this section
36 to persons who are otherwise ineligible because of excess real property
37 owned by such persons when they are making a good faith effort to
38 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
31 assistance, but consistent with federal requirements. In formulating
32 rules and regulations pursuant to this chapter, the department shall
33 define income and resources and the availability thereof, consistent
34 with federal requirements. All resources and income not specifically
35 exempted, and any income or other economic benefit derived from the use
36 of, or appreciation in value of, exempt resources, shall be considered
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.

6 (12) "Need"«The difference between the applicant's or recipient's
7 standards of assistance for himself and the dependent members of his
8 family, as measured by the standards of the department, and value of
9 all nonexempt resources and nonexempt income received by or available
10 to the applicant or recipient and the dependent members of his family.

11 (13) For purposes of determining eligibility for public assistance
12 and participation levels in the cost of medical care, the department
13 shall exempt restitution payments made to people of Japanese and Aleut
14 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian
15 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,
16 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.

22 NEW SECTION. **Sec. 6.** A new section is added to chapter 74.04 RCW
23 to read as follows:

24 The department shall amend the state plan to include an aid to
25 families with dependent children essential persons program that would,
26 to the extent permitted under federal law, allow eighteen to twenty
27 year old students to be eligible for federal aid to families with
28 dependent children matching grants.

29 **Sec. 7.** RCW 74.25.020 and 1992 c 165 s 3 are each amended to read
30 as follows:

31 (1) The department of social and health services is authorized to
32 contract with public and private employment and training agencies and
33 other public service entities to provide services prescribed or allowed
34 under the federal social security act, as amended, to carry out the
35 purposes of the jobs training program. The department of social and
36 health services has sole authority and responsibility to carry out the
37 job opportunities and basic skills training program. No contracting

1 entity shall have the authority to review, change, or disapprove any
2 administrative decision, or otherwise substitute its judgment for that
3 of the department of social and health services as to the application
4 of policies and rules adopted by the department of social and health
5 services.

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

19 (3) The department of social and health services shall adopt rules
20 under chapter 34.05 RCW establishing criteria constituting
21 circumstances of good cause for an individual failing or refusing to
22 participate in an assigned program component, or failing or refusing to
23 accept or retain employment. These criteria shall include, but not be
24 limited to, the following circumstances: (a) If the individual is a
25 parent or other relative personally providing care for a child under
26 age six years, and the employment would require the individual to work
27 more than twenty hours per week; (b) if child care, or day care for an
28 incapacitated individual living in the same home as a dependent child,
29 is necessary for an individual to participate or continue participation
30 in the program or accept employment, and such care is not available,
31 and the department of social and health services fails to provide such
32 care; (c) the employment would result in the family of the participant
33 experiencing a net loss of cash income; or (d) circumstances that are
34 beyond the control of the individual's household, either on a short-
35 term or on an ongoing basis.

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

1 NEW SECTION. **Sec. 8.** The department may provide grants to
2 community action agencies or other local nonprofit organizations to
3 provide job opportunities and basic skills training program
4 participants with transitional support services, one-to-one assistance,
5 and job retention services.

6 NEW SECTION. **Sec. 9.** The department of social and health services
7 shall design a program for implementation involving recipients of aid
8 to families with dependent children. A goal of this program is to
9 develop a system that segments the aid to families with dependent
10 children recipient population and identifies subgroups, matches
11 services to the needs of the subgroup, and prioritizes available
12 services. The department shall specify the services to be offered in
13 each population segment. The general focus of the services offered
14 shall be on job training, work force preparedness, and job retention.

15 The program shall be designed for state-wide implementation on July
16 1, 1994. A proposal for implementation may include phasing certain
17 components over time or geographic area. The department shall submit
18 this program to the appropriate committees of the senate and house of
19 representatives by December 1, 1993.

20 NEW SECTION. **Sec. 10.** A new section is added to chapter 74.12 RCW
21 to read as follows:

22 (1) As part of the orientation and assessment conducted pursuant to
23 RCW 74.25.020, the department shall assist the family of the recipient
24 in determining, in the following order of priority, the most
25 appropriate living situation that will best ensure the safety and well-
26 being for each recipient of aid to families with dependent children who
27 is receiving those benefits as a head of household and is under age
28 eighteen. Appropriate living situations may include, but are not
29 limited to:

- 30 (a) The parent's home;
- 31 (b) The home of a relative;
- 32 (c) A group living situation with adult supervision and guidance;
- 33 (d) Living independently; and
- 34 (e) Payment of the recipient's grant to another as provided in RCW
35 74.12.250.

36 (2) In conducting the assessment, the department shall consider all
37 relevant factors, including but not limited to:

- 1 (a) Whether the recipient is enrolled in and attending school;
2 (b) Whether the recipient is employed;
3 (c) The situation in the home of the recipient's parents, including
4 but not limited to, whether there is substance abuse or domestic
5 violence in the home and the adequacy of the dwelling; and
6 (d) Whether there is a history of physical, emotional, or sexual
7 abuse of the recipient by a person living in or frequenting the
8 recipient's parents' home.

9 (3) If, as a result of the assessment, the department becomes aware
10 of a recipient's need for other services that will help the recipient
11 complete high school or achieve economic independence, and be an
12 effective parent, the department shall make every effort to link the
13 recipient with the services, including parenting classes.

14 NEW SECTION. Sec. 11. A new section is added to chapter 74.04 RCW
15 to read as follows:

16 In determining food stamp eligibility, the department shall exclude
17 as income the child support exempted by 42 U.S.C. Sec. 602(a)(8)(vi) or
18 657 (b).

19 NEW SECTION. Sec. 12. By October 1, 1993, the department shall
20 request the governor to seek congressional and federal agency action on
21 any federal legislation or federal regulation that may be necessary to
22 implement chapter 74.-- RCW (sections 2 through 4, 8, and 12 of this
23 act), and any other section of chapter . . . , Laws of 1993 (this act)
24 that may require a federal waiver.

25 NEW SECTION. Sec. 13. Sections 2 through 4, 8, and 12 of this act
26 shall constitute a new chapter in Title 74 RCW.

27 NEW SECTION. Sec. 14. Section 2 of this act shall take effect
28 July 1, 1994, if specific funding for the purposes of section 2 of this
29 act, referencing section 2 of this act by bill and section number, is
30 provided by July 1, 1994, in the omnibus appropriations act. If
31 specific funding is not so provided, section 2 of this act shall be
32 null and void.

33 NEW SECTION. Sec. 15. Section 3 of this act shall take effect
34 July 1, 1993, if specific funding for the purposes of section 3 of this

1 act, referencing section 3 of this act by bill and section number, is
2 provided by July 1, 1993, in the omnibus appropriations act. If
3 specific funding is not so provided, section 3 of this act shall be
4 null and void.

5 NEW SECTION. **Sec. 16.** Section 4 of this act shall take effect
6 July 1, 1993, if specific funding for the purposes of section 4 of this
7 act, referencing section 4 of this act by bill and section number, is
8 provided by July 1, 1993, in the omnibus appropriations act. If
9 specific funding is not so provided, section 4 of this act shall be
10 null and void.

11 NEW SECTION. **Sec. 17.** Section 5 of this act shall take effect
12 July 1, 1993, if specific funding for the purposes of section 5 of this
13 act, referencing section 5 of this act by bill and section number, is
14 provided by July 1, 1993, in the omnibus appropriations act. If
15 specific funding is not so provided, section 5 of this act shall be
16 null and void.

17 NEW SECTION. **Sec. 18.** Section 11 of this act shall take effect
18 July 1, 1994, if specific funding for the purposes of section 11 of
19 this act, referencing section 11 of this act by bill and section
20 number, is provided by July 1, 1994, in the omnibus appropriations act.
21 If specific funding is not so provided, section 11 of this act shall be
22 null and void.

23 NEW SECTION. **Sec. 19.** This act is necessary for the immediate
24 preservation of the public peace, health, or safety, or support of the
25 state government and its existing public institutions."

26 **ESHB 1197** - S COMM AMD
27 By Committee on Ways & Means

28

29 On page 1, line 1 of the title, after "assistance;" strike the
30 remainder of the title and insert "amending RCW 74.25.020; reenacting
31 and amending RCW 74.04.005; adding new sections to chapter 74.04 RCW;

1 adding a new section to chapter 74.12 RCW; adding a new chapter to
2 Title 74 RCW; creating new sections; providing effective dates; and
3 declaring an emergency."

--- END ---