

HOUSE BILL 2280

State of Washington 55th Legislature 1997 Regular Session

By Representatives Bush, Koster, D. Sommers, Backlund, Boldt, Mielke, McMorris, Thompson, Lambert and Dunn

Read first time 04/14/97. Referred to Committee on Children & Family Services.

1 AN ACT Relating to implementing the federal personal responsibility
2 and work opportunity reconciliation act of 1996; amending RCW
3 74.08.025, 74.08.340, 74.09.510, 74.09.800, 74.08.331, 28A.630.876,
4 74.04.050, 41.06.380, 74.12A.020, 74.13.0903, 74.25.040, 74.12.255,
5 74.04.0052, 13.34.160, 74.12.250, 74.12.410, 50.13.060, and 74.04.062;
6 reenacting and amending RCW 74.04.005; adding new sections to chapter
7 74.12 RCW; adding new sections to chapter 74.04 RCW; adding a new
8 section to chapter 28A.630 RCW; adding a new section to chapter 43.30
9 RCW; adding a new section to chapter 43.330 RCW; adding a new section
10 to chapter 44.28 RCW; adding a new section to chapter 43.20A RCW;
11 adding a new chapter to Title 74 RCW; creating new sections; repealing
12 RCW 74.12.420, 74.12.425, 74.04.660, 74.25.010, 74.25.020, 74.25.030,
13 74.25.900, 74.25.901, 74.08.120, and 74.08.125; providing an effective
14 date; and providing for submission of this act to a vote of the people.

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

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10 NEW SECTION. **Sec. 1.** LEGISLATIVE INTENT AND FINDINGS. The
11 legislature finds that the federal personal responsibility and work
12 opportunity reconciliation act of 1996 presents both opportunities and
13 challenges for the states as they develop methods of moving families in
14 poverty from welfare to work. The legislature further finds that,
15 although many of the goals of the federal act coincide with Washington
16 state's vision for enabling families to achieve eventual economic self-
17 sufficiency through private, unsubsidized employment, the treatment of
18 legal immigrants under the federal act does not reflect Washington's
19 commitment to those legal immigrants within Washington's borders who
20 have played by the rules, and who live in our communities and
21 participate in the American way of life, providing economic and
22 cultural enrichment to Washington state's population.

23 The legislature finds that at least one-third of public assistance
24 recipients have experience in the work force and sufficient training to
25 enable them to obtain unsubsidized employment. The legislature intends
26 to put a priority on finding jobs, which may include on-the-job
27 training, for this group of public assistance recipients. The
28 legislature intends that state agencies involved in welfare reform
29 shall reorganize to accomplish this priority. The legislature intends
30 that state agencies solicit from businesses information about job
31 opportunities and make the information available to public assistance
32 recipients.

1 The legislature intends that legal immigrants who obey the laws of
2 Washington, and who were granted permission to immigrate by the federal
3 government, should be treated as equitably as possible under the
4 state's enactment and implementation of public assistance programs.

5 The legislature finds that Washington state's goals in implementing
6 the federal act include promoting the American values of work,
7 education, and responsibility, including responsible childbearing and
8 dedication by both parents to protecting, supporting, and bringing up
9 children to become responsible, productive Americans. This has been
10 the goal and the dream of generations of Americans, whether native born
11 or naturalized citizens.

12 The legislature finds that it is necessary, to enable people to
13 leave welfare, to encourage a new alliance of state and local
14 government, business, churches, nonprofit organizations, and
15 individuals to dedicate themselves, within the letter and the spirit of
16 the law, to helping families in poverty overcome barriers, obtain
17 support, direction, and encouragement, and become contributors to the
18 American way of life.

19 The legislature finds that, in pursuance of these goals, it is also
20 necessary to establish policy that recognizes our moral imperative to
21 protect children when their parents or other adults in a child's life
22 are unable or unwilling to do so, and to continue our commitment to the
23 elderly, frail, and vulnerable for whom work is not an option.

24 The legislature reaffirms its commitment to provide medical
25 services to eligible legal immigrants under the children's health
26 program established under RCW 74.09.405. The legislature affirms its
27 commitment to provide the benefits of the maternity care access program
28 under RCW 74.09.800 to documented and undocumented immigrants who
29 qualify.

30 The legislature finds that family structure and relationships are
31 critical to the long-term success and economic self-sufficiency of
32 recipients of temporary assistance for needy families and their
33 children. The department and its employees shall communicate clearly
34 to recipients of temporary assistance for needy families the importance
35 of healthy and safe marriages and family relationships.

36 NEW SECTION. **Sec. 2.** SHORT TITLE. This act may be known and
37 cited as the Washington WorkFirst temporary assistance for needy
38 families act.

I. GENERAL PROVISIONS

Sec. 101. RCW 74.08.025 and 1981 1st ex.s. c 6 s 9 are each amended to read as follows:

(1) Public assistance (~~shall~~) may be awarded to any applicant:

~~((1))~~ (a) Who is in need and otherwise meets the eligibility requirements of department assistance programs; and

~~((2))~~ (b) Who has not made a voluntary assignment of property or cash for the purpose of qualifying for an assistance grant; and

~~((3))~~ (c) Who is not an inmate of a public institution except as a patient in a medical institution or except as an inmate in a public institution who could qualify for federal aid assistance: PROVIDED, That the assistance paid by the department to recipients in nursing homes, or receiving nursing home care, may cover the cost of clothing and incidentals and general maintenance exclusive of medical care and health services. The department may pay a grant to cover the cost of clothing and personal incidentals in public or private medical institutions and institutions for tuberculosis. The department shall allow recipients in nursing homes to retain, in addition to the grant to cover the cost of clothing and incidentals, wages received for work as a part of a training or rehabilitative program designed to prepare the recipient for less restrictive placement to the extent permitted under Title XIX of the federal social security act.

(2) Any person otherwise qualified for temporary assistance for needy families under this title who has resided in the state of Washington for fewer than twelve consecutive months immediately preceding application for assistance is limited to the benefit level in the state in which the person resided immediately before Washington, using the eligibility rules and other definitions established under this chapter, that was obtainable on the date of application in Washington state, if the benefit level of the prior state is lower than the level provided to similarly situated applicants in Washington state. The benefit level under this subsection shall be in effect for the first twelve months a recipient is on temporary assistance for needy families in Washington state.

(3) Any person otherwise qualified for temporary assistance for needy families who is assessed through the state alcohol and substance abuse program as drug or alcohol-dependent and requiring treatment to

1 become employable shall be required by the department to participate in
2 a drug or alcohol treatment program as a condition of benefit receipt.

3 (4) In order to be eligible for temporary assistance for needy
4 families and food stamp program benefits, any applicant with a felony
5 conviction after August 21, 1996, involving drug use or possession,
6 must: (a) Have been assessed as chemically dependent by a chemical
7 dependency program approved under chapter 70.96A RCW and be
8 participating in or have completed a coordinated rehabilitation plan
9 consisting of chemical dependency treatment and vocational services;
10 and (b) have not been convicted of a felony involving drug use or
11 possession in the three years prior to the most current conviction.

12 (5) If an additional child is born after ten months from the date
13 of application, the benefit increase shall be limited to fifty percent
14 of the full amount for that child. The birth of subsequent additional
15 children does not entitle the recipient to any additional financial
16 assistance.

17 **Sec. 102.** RCW 74.08.340 and 1959 c 26 s 74.08.340 are each amended
18 to read as follows:

19 All assistance granted under this title shall be deemed to be
20 granted and to be held subject to the provisions of any amending or
21 repealing act that may hereafter be enacted, and no recipient shall
22 have any claim for compensation, or otherwise, by reason of his
23 assistance being affected in any way by such amending or repealing act.
24 There is no legal entitlement to public assistance.

25 NEW SECTION. Sec. 103. TIME LIMITS. (1) A family that includes an
26 adult who has received temporary assistance for needy families for
27 sixty months after the effective date of this section shall be
28 ineligible for further temporary assistance for needy families
29 assistance.

30 (2) For the purposes of applying the rules of this section, the
31 department shall count any month in which an adult family member
32 received a temporary assistance for needy families cash assistance
33 grant unless the assistance was provided when the family member was a
34 minor child and not the head of the household or married to the head of
35 the household.

36 (3) The department shall refer recipients who require specialized
37 assistance to appropriate department programs, crime victims' programs

1 through the department of community, trade, and economic development,
2 or the crime victims' compensation program of the department of labor
3 and industries.

4 (4) The department may exempt a recipient and the recipient's
5 family from the application of subsection (1) of this section by reason
6 of hardship or if the recipient meets the family violence options of
7 section 402(A)(7) of Title IVA of the federal social security act as
8 amended by P.L. 104-193. The number of recipients and their families
9 exempted from subsection (1) of this section for a fiscal year shall
10 not exceed twenty percent of the average monthly number of recipients
11 and their families to which assistance is provided under the temporary
12 assistance for needy families program.

13 (5) The department shall not exempt a recipient and his or her
14 family from the application of subsection (1) of this section until
15 after the recipient has received fifty-two months of assistance under
16 this chapter.

17 NEW SECTION. **Sec. 104.** ELECTRONIC BENEFIT TRANSFER. By October
18 2002, the department shall develop and implement an electronic benefit
19 transfer system to be used for the delivery of public assistance
20 benefits, including without limitation, food assistance.

21 The department shall comply with P.L. 104-193, and shall cooperate
22 with relevant federal agencies in the design and implementation of the
23 electronic benefit transfer system.

24 NEW SECTION. **Sec. 105.** The following acts or parts of acts are
25 each repealed:

- 26 (1) RCW 74.12.420 and 1994 c 299 s 9;
27 (2) RCW 74.12.425 and 1994 c 299 s 10; and
28 (3) RCW 74.04.660 and 1994 c 296 s 1, 1993 c 63 s 1, 1989 c 11 s
29 26, 1985 c 335 s 3, & 1981 1st ex.s. c 6 s 6.

30 NEW SECTION. **Sec. 106.** (1) The department shall allow religiously
31 affiliated organizations to provide services to families receiving
32 temporary assistance for needy families on the same basis as any other
33 nongovernmental provider, without impairing the religious character of
34 such organizations, and without diminishing the religious freedom of
35 beneficiaries of assistance funded under chapter 74.12 RCW.

1 (2) The department shall adopt rules implementing this section, and
2 the applicable sections of P.L. 104-193 related to services provided by
3 charitable, religious, or private organizations.

4 NEW SECTION. **Sec. 107.** A new section is added to chapter 74.12
5 RCW to read as follows:

6 The department shall (1) provide eligible Indian tribes ongoing,
7 meaningful opportunities to participate in the development, oversight,
8 and operation of the state temporary assistance for needy families
9 program; (2) certify annually that it is providing equitable access to
10 the state temporary assistance for needy families program to Indian
11 people whose tribe is not administering a tribal temporary assistance
12 for needy families program; (3) coordinate and cooperate with eligible
13 Indian tribes that elect to operate a tribal temporary assistance for
14 needy families program as provided for in P.L. 104-193; (4) upon
15 approval by the secretary of the federal department of health and human
16 services of a tribal temporary assistance for needy families program,
17 transfer a fair and equitable amount of the state maintenance of effort
18 funds to the eligible Indian tribe; and (5) establish rules related to
19 the operation of this section and section 108 of this act, covering, at
20 a minimum, appropriate uses of state maintenance of effort funds and
21 annual reports on program operations. The legislature shall specify
22 the amount of state maintenance of effort funds to be transferred in
23 the biennial appropriations act.

24 NEW SECTION. **Sec. 108.** A new section is added to chapter 74.12
25 RCW to read as follows:

26 An eligible Indian tribe exercising its authority under P.L.
27 104-193 to operate a tribal temporary assistance for needy families
28 program shall operate the program on a state fiscal year basis. If a
29 tribe decides to cancel a tribal temporary assistance for needy
30 families program, it shall notify the department no later than ninety
31 days prior to the start of the state fiscal year.

32 NEW SECTION. **Sec. 109.** A new section is added to chapter 74.12
33 RCW to read as follows:

34 WRITTEN MATERIAL. All forms, letters, and documents sent to
35 recipients of assistance shall be easy to read and comprehend. The
36 department shall ensure that all forms, letters, and documents covered

1 by this section shall be written at an eighth grade comprehension
2 level.

3 NEW SECTION. **Sec. 110.** A new section is added to chapter 74.12
4 RCW to read as follows:

5 FOOD STAMP WORK REQUIREMENTS. Single adults without dependents
6 between eighteen and fifty years of age shall comply with federal food
7 stamp work requirements as a condition of eligibility. The department
8 may exempt any counties or subcounty areas from the federal food stamp
9 work requirements in P.L. 104-193, unless the department receives
10 written evidence of official action by a county or subcounty governing
11 entity, taken after noticed consideration, that indicates that a county
12 or subcounty area chooses not to use an exemption to the federal food
13 stamp work requirements.

14 **II. IMMIGRANT PROTECTION**

15 **Sec. 201.** RCW 74.09.510 and 1991 sp.s. c 8 s 8 are each amended to
16 read as follows:

17 Medical assistance may be provided in accordance with eligibility
18 requirements established by the department (~~(of social and health~~
19 ~~services))), as defined in the social security Title XIX state plan for
20 mandatory categorically needy persons and: (1) Individuals who would
21 be eligible for cash assistance except for their institutional status;
22 (2) individuals who are under twenty-one years of age, who would be
23 eligible for (~~(aid to families with dependent children))~~ temporary
24 assistance for needy families, but do not qualify as dependent children
25 and who are in (a) foster care, (b) subsidized adoption, (c) a nursing
26 facility or an intermediate care facility for the mentally retarded, or
27 (d) inpatient psychiatric facilities; (3) the aged, blind, and disabled
28 who: (a) Receive only a state supplement, or (b) would not be eligible
29 for cash assistance if they were not institutionalized; (4)
30 categorically eligible individuals who (~~(would be eligible for but~~
31 ~~choose not to receive cash assistance))~~ meet the income and resource
32 requirements of the cash assistance programs; (5) individuals who are
33 enrolled in managed health care systems, who have otherwise lost
34 eligibility for medical assistance, but who have not completed a
35 current six-month enrollment in a managed health care system, and who
36 are eligible for federal financial participation under Title XIX of the~~

1 social security act; (6) children and pregnant women allowed by federal
2 statute for whom funding is appropriated; (~~and~~) (7) other individuals
3 eligible for medical services under RCW 74.09.035 and 74.09.700 for
4 whom federal financial participation is available under Title XIX of
5 the social security act; and (8) persons allowed by section 1931 of the
6 social security act for whom funding is appropriated.

7 NEW SECTION. **Sec. 202.** IMMIGRANTS--ELIGIBILITY. It is the intent
8 of the legislature that all legal immigrants who resided in the United
9 States before August 22, 1996, retain eligibility for assistance
10 programs the same as or similar to those from which they lost benefits
11 as a result of P.L. 104-193. The legislature also intends that
12 sponsors' incomes continue to be deemed for these individuals in the
13 same manner it was addressed prior to August 22, 1996.

14 Accordingly, the state shall exercise its option under P.L. 104-193
15 to continue services to legal immigrants under temporary assistance for
16 needy families, medicaid, and social services block grant programs.
17 Legal immigrants who lose benefits under the supplemental security
18 income program as a result of P.L. 104-193 are immediately eligible to
19 apply for benefits under the state's general assistance-unemployable
20 program. The department shall redetermine income and resource
21 eligibility at least annually, in accordance with existing state
22 policy. It is the policy of the legislature to distinguish between
23 legal immigrants living in the United States prior to August 22, 1996,
24 and those who immigrated on or after the enactment of P.L. 104-193.
25 The postenactment legal immigrants are subject to a five-year benefit
26 exclusion for means-tested public assistance programs and are subject
27 to the sponsor-deeming provisions of section 206 of this act, which
28 shall be strictly construed in favor of benefit denial.

29 NEW SECTION. **Sec. 203.** INCOME AVERAGING--BENEFIT DETERMINATION.
30 In the case of applicants for temporary assistance for needy families
31 whose principal source of earned income is seasonal employment, the
32 department shall determine eligibility and benefit levels by
33 retrospectively considering the applicant's earned income for the
34 twelve-month period immediately preceding the application for
35 assistance. The earned income shall be prorated on an annual basis,
36 and the prorated amount used for eligibility and benefit determination
37 in the prospective month. Assistance shall be denied until the

1 applicant's prorated prior twelve months of income equals a monthly
2 amount at or below the eligibility level. The intent of the
3 legislature is to ensure that persons with seasonal earned income that,
4 if prorated on an annual basis, would have exceeded the level
5 qualifying them for assistance will be denied assistance until such
6 time as they qualify on a prorated basis.

7 NEW SECTION. **Sec. 204.** NATURALIZATION FACILITATION. The
8 department shall make an affirmative effort to identify and proactively
9 contact legal immigrants receiving public assistance to facilitate
10 their applications for naturalization. The department shall obtain a
11 complete list of legal immigrants in Washington who are receiving
12 correspondence regarding their eligibility from the social security
13 administration. The department shall inform immigrants regarding how
14 citizenship may be attained. In order to facilitate the citizenship
15 process, the department shall coordinate and contract, to the extent
16 necessary, with existing public and private resources and shall, within
17 available funds, ensure that those immigrants who qualify to apply for
18 naturalization are referred to or otherwise offered classes. The
19 department shall assist eligible immigrants in obtaining appropriate
20 test exemptions, and other exemptions in the naturalization process, to
21 the extent permitted under federal law. The department shall report
22 annually by December 15th to the legislature regarding the progress and
23 barriers of the immigrant naturalization facilitation effort. It is
24 the intent of the legislature that persons receiving naturalization
25 assistance be facilitated in obtaining citizenship within two years of
26 their eligibility to apply.

27 NEW SECTION. **Sec. 205.** SPONSOR DEEMING. (1) Except as provided
28 in subsection (5) of this section, qualified aliens and aliens
29 permanently residing under color of law who are recipients of public
30 assistance under this title as of August 22, 1996, shall have their
31 eligibility for assistance redetermined.

32 (2) Qualified aliens who enter the United States of America after
33 August 22, 1996, are ineligible to receive public assistance under this
34 title for a period of five years, except as provided in subsection (6)
35 of this section. Following their period of ineligibility, their
36 eligibility for public assistance shall be determined as provided for
37 in this section.

1 (3) In determining the eligibility and the amount of benefits of a
2 qualified alien or an alien permanently residing under color of law for
3 public assistance under this title, the income and resources of the
4 alien shall be deemed to include the income and resources of any person
5 and his or her spouse who executed an affidavit of support pursuant to
6 section 213A of the federal immigration and naturalization act on
7 behalf of the alien. The deeming provisions of this subsection shall
8 be waived if the sponsor dies or is permanently incapacitated during
9 the period the affidavit of support is valid.

10 (4) As used in this section, "qualified alien" has the meaning
11 provided it in P.L. 104-193.

12 (5)(a) Qualified aliens specified under sections 403, 412, and 552
13 (e) and (f), subtitle B, Title IV, of P.L. 104-193 and in P.L. 104-208,
14 are exempt from this section.

15 (b) Qualified aliens who served in the armed forces of an allied
16 country, or were employed by an agency of the federal government,
17 during a military conflict between the United States of America and a
18 military adversary are exempt from the provisions of this section.

19 (c) Qualified aliens who are victims of domestic violence and
20 petition for legal status under the federal violence against women act
21 are exempt from the provisions of this section.

22 (d) Until January 1, 1999, a qualified alien whose sponsor dies or
23 is permanently incapacitated is exempt from this section.

24 (6) Subsection (2) of this section does not apply to the following
25 state benefits:

26 (a) Assistance described in P.L. 104-193 sections 403(c)(H) through
27 (K), 411(b)(1), 421(b), and P.L. 104-208;

28 (b) Short-term, noncash, in-kind emergency disaster relief;

29 (c) Programs comparable to assistance or benefits under the federal
30 national school lunch act;

31 (d) Programs comparable to assistance or benefits under the federal
32 child nutrition act of 1966;

33 (e) Public health assistance for immunizations with respect to
34 immunizable diseases and for testing and treatment of symptoms of
35 communicable diseases whether or not the symptoms are caused by a
36 communicable disease;

37 (f) Payments for foster care and adoption assistance;

1 (g) Programs, services, or assistance where eligibility is not
2 determined by employees of the department of social and health
3 services;

4 (h) Programs, services, or assistance such as meals from a soup
5 kitchen, crisis counseling and intervention, and short-term shelter,
6 specified by the attorney general, after consultation with appropriate
7 agencies and departments, that:

8 (i) Deliver in-kind services at the community level, including
9 through public or private nonprofit agencies;

10 (ii) Do not condition the provision of assistance, the amount of
11 assistance provided, or the cost of assistance provided on the
12 individual recipient's income or resources; and

13 (iii) Are necessary for the protection of life or safety.

14 NEW SECTION. **Sec. 206.** A new section is added to chapter 74.04
15 RCW to read as follows:

16 FOOD ASSISTANCE. (1) The department may establish a food
17 assistance program for persons whose immigrant status meets the
18 eligibility requirements of the federal food stamp program as of August
19 21, 1996, but who are no longer eligible solely due to their immigrant
20 status under P.L. 104-193.

21 (2) The rules for the state food assistance program shall follow
22 exactly the rules of the federal food stamp program except for the
23 provisions pertaining to immigrant status under P.L. 104-193.

24 (3) The benefit under the state food assistance program shall be
25 established by the legislature in the biennial operating budget.

26 (4) The department may enter into a contract with the United States
27 department of agriculture to use the existing federal food stamp
28 program coupon system for the purposes of administering the state food
29 assistance program.

30 (5) In the event the department is unable to enter into a contract
31 with the United States department of agriculture, the department may
32 issue vouchers to eligible households for the purchase of eligible
33 foods at participating retailers.

34 **Sec. 207.** RCW 74.09.800 and 1993 c 407 s 10 are each amended to
35 read as follows:

1 The department shall, consistent with the state budget act, develop
2 a maternity care access program designed to ensure healthy birth
3 outcomes as follows:

4 (1) Provide maternity care services to low-income pregnant women
5 and health care services to children in poverty to the maximum extent
6 allowable under the medical assistance program, Title XIX of the
7 federal social security act;

8 (2) Provide maternity care services to low-income women who are not
9 eligible to receive such services under the medical assistance program,
10 Title XIX of the federal social security act;

11 (3) By January 1, 1990, have the following procedures in place to
12 improve access to maternity care services and eligibility
13 determinations for pregnant women applying for maternity care services
14 under the medical assistance program, Title XIX of the federal social
15 security act:

16 (a) Use of a shortened and simplified application form;

17 (b) Outstationing department staff to make eligibility
18 determinations;

19 (c) Establishing local plans at the county and regional level,
20 coordinated by the department; and

21 (d) Conducting an interview for the purpose of determining medical
22 assistance eligibility within five working days of the date of an
23 application by a pregnant woman and making an eligibility determination
24 within fifteen working days of the date of application by a pregnant
25 woman;

26 (4) Establish a maternity care case management system that shall
27 assist at-risk eligible persons with obtaining medical assistance
28 benefits and receiving maternity care services, including
29 transportation and child care services;

30 (5) Within available resources, establish appropriate reimbursement
31 levels for maternity care providers;

32 (6) Implement a broad-based public education program that stresses
33 the importance of obtaining maternity care early during pregnancy;

34 (7) Refer persons eligible for maternity care services under the
35 program established by this section to persons, agencies, or
36 organizations with maternity care service practices that primarily
37 emphasize healthy birth outcomes;

38 (8) Provide family planning services including information about
39 the synthetic progestin capsule implant form of contraception, for

1 twelve months immediately following a pregnancy to women who were
2 eligible for medical assistance under the maternity care access program
3 during that pregnancy or who were eligible only for emergency labor and
4 delivery services during that pregnancy; and

5 (9) Within available resources, provide family planning services to
6 women who meet the financial eligibility requirements for services
7 under subsections (1) and (2) of this section.

8 The legislature reaffirms its commitment to provide health care
9 services under this section to eligible immigrants.

10 **III. WASHINGTON WORKFIRST PROGRAM**

11 NEW SECTION. **Sec. 301.** It is the intent of the legislature that
12 all applicants to the Washington WorkFirst program shall be focused on
13 obtaining paid, unsubsidized employment. The focus of the Washington
14 WorkFirst program shall be work for all recipients.

15 NEW SECTION. **Sec. 302.** DIVERSION ASSISTANCE. (1) In order to
16 prevent some families from developing dependency on temporary
17 assistance for needy families, the department shall make available to
18 qualifying applicants a diversion program designed to provide brief,
19 emergency assistance for families in crisis whose income and assets
20 would otherwise qualify them for temporary assistance for needy
21 families.

22 (2) Diversion assistance may include cash or vouchers in payment
23 for the following needs:

24 (a) Child care;

25 (b) Housing assistance;

26 (c) Transportation-related expenses;

27 (d) Food;

28 (e) Medical costs for the recipient's immediate family;

29 (f) Employment-related expenses which are necessary to keep or
30 obtain paid unsubsidized employment.

31 (3) Diversion assistance is available once in each twelve-month
32 period for each adult applicant. Recipients of diversion assistance
33 are not included in the temporary assistance for needy families
34 program.

35 (4) Diversion assistance may not exceed one thousand five hundred
36 dollars for each instance.

1 (5) To be eligible for diversion assistance, a family must
2 otherwise be eligible for temporary assistance for needy families.

3 (6) Families ineligible for temporary assistance for needy families
4 or general assistance due to sanction, noncompliance, the lump sum
5 income rule, or any other reason are not eligible for diversion
6 assistance.

7 (7) Families must provide evidence showing that a bona fide need
8 exists according to subsection (2) of this section in order to be
9 eligible for diversion assistance.

10 An adult applicant may receive diversion assistance of any type no
11 more than once per twelve-month period. If the recipient of diversion
12 assistance is placed on the temporary assistance for needy families
13 program within twelve months of receiving diversion assistance, the
14 prorated dollar value of the assistance shall be treated as a loan from
15 the state, and recovered by deduction from the recipient's cash grant.

16 **Sec. 303.** RCW 74.08.331 and 1992 c 7 s 59 are each amended to read
17 as follows:

18 Any person who by means of a willfully false statement, or
19 representation, or impersonation, or a willful failure to reveal any
20 material fact, condition or circumstance affecting eligibility ((of
21 ~~for~~)) or need for assistance, including medical care, surplus
22 commodities and food stamps, as required by law, or a willful failure
23 to promptly notify the county office in writing as required by law or
24 any change in status in respect to resources, or income, or need, or
25 family composition, money contribution and other support, from whatever
26 source derived, including unemployment insurance, or any other change
27 in circumstances affecting the person's eligibility or need for
28 assistance, or other fraudulent device, obtains, or attempts to obtain,
29 or aids or abets any person to obtain any public assistance to which
30 the person is not entitled or greater public assistance than that to
31 which he or she is justly entitled shall be guilty of grand larceny and
32 upon conviction thereof shall be punished by imprisonment in a state
33 correctional facility for not more than fifteen years.

34 Any person who by means of a willfully false statement or
35 representation or by impersonation or other fraudulent device aids or
36 abets in buying, selling, or in any other way disposing of the real
37 property of a recipient of public assistance without the consent of the
38 secretary shall be guilty of a gross misdemeanor and upon conviction

1 thereof shall be punished by imprisonment for not more than one year in
2 the county jail or a fine of not to exceed one thousand dollars or by
3 both.

4 NEW SECTION. **Sec. 304.** A new section is added to chapter 28A.630
5 RCW to read as follows:

6 SCHOOL-TO-WORK TRANSITIONS. (1) The legislature finds that
7 students who do not prepare for postsecondary education, training, and
8 employment are more likely to become dependent on state assistance
9 programs than those who do make such preparation and that long-term
10 employment and earning outcomes for youth can be significantly improved
11 through school-to-work transition efforts, particularly through work-
12 based learning experiences. The legislature intends that every effort
13 be made to involve all youth in preparation for postsecondary
14 education, training, and employment, including out-of-school youth.

15 (2) Washington is engaged in developing school-to-work transitions
16 for all youth, which involves preparation for postsecondary education,
17 training, and employment and requires outreach to out-of-school youth.
18 All school-to-work transition projects in the state, therefore, whether
19 funded by state or federal funds, shall contain an outreach component
20 directed toward school-age youth not currently enrolled in school and
21 demonstrate the involvement of all in-school youth in preparation for
22 postsecondary education or training or employment. At the time a
23 school-to-work grant is made, the superintendent of public instruction
24 shall withhold twenty percent of the grant award and release the funds
25 upon a showing that the project has satisfactorily included outreach to
26 out-of-school youth and progress in involving students not
27 traditionally engaged in preparation for postsecondary education,
28 training, or employment.

29 (3) The office of the superintendent of public instruction shall
30 provide technical assistance to ensure that school districts establish
31 and operate outreach efforts under this section, and to include out-of-
32 school youth in school-to-work efforts within available funds.

33 **Sec. 305.** RCW 28A.630.876 and 1993 c 335 s 8 are each amended to
34 read as follows:

35 (1) The superintendent of public instruction shall report to the
36 education committees of the legislature and committees of the
37 legislature handling economic development and social welfare issues on

1 the progress of the schools for the school-to-work transitions program
2 by December 15 of each odd-numbered year.

3 (2) Each school district selected to participate in the ((~~academic~~
4 ~~and vocational integration development~~)) school-to-work transitions
5 program shall submit an annual report to the superintendent of public
6 instruction on the progress of the project as a condition of receipt of
7 continued funding.

8 NEW SECTION. Sec. 306. A new section is added to chapter 43.30
9 RCW to read as follows:

10 JOBS FOR THE ENVIRONMENT PROGRAMS. In any jobs for the environment
11 program designed to train and employ displaced natural resource workers
12 and operated by the department of natural resources, recipients of
13 temporary assistance for needy families from natural resource areas who
14 are engaged in work search activities are eligible for training and
15 employment on the same basis as displaced natural resource workers
16 within available funds.

17 NEW SECTION. Sec. 307. INDIVIDUAL DEVELOPMENT ACCOUNTS. The
18 department shall carry out a program to fund individual development
19 accounts established by recipients eligible for assistance under the
20 temporary assistance for needy families program.

21 (1) An individual development account may be established by or on
22 behalf of a recipient eligible for assistance provided under the
23 temporary assistance for needy families program operated under this
24 title for the purpose of enabling the recipient to accumulate funds for
25 a qualified purpose described in subsection (2) of this section.

26 (2) A qualified purpose as described in this subsection is one or
27 more of the following, as provided by the qualified entity providing
28 assistance to the individual:

29 (a) Postsecondary expenses paid from an individual development
30 account directly to an eligible educational institution;

31 (b) Qualified acquisition costs with respect to a qualified
32 principal residence for a qualified first-time home buyer, if paid from
33 an individual development account directly to the persons to whom the
34 amounts are due;

35 (c) Amounts paid from an individual development account directly to
36 a business capitalization account which is established in a federally

1 insured financial institution and is restricted to use solely for
2 qualified business capitalization expenses.

3 (3) A recipient may only contribute to an individual development
4 account such amounts as are derived from earned income, as defined in
5 section 911(d)(2) of the internal revenue code of 1986.

6 (4) The department shall establish rules to ensure funds held in an
7 individual development account are only withdrawn for a qualified
8 purpose as provided in this section.

9 (5) An individual development account established under this
10 section shall be a trust created or organized in the United States and
11 funded through periodic contributions by the establishing recipient and
12 matched by or through a qualified entity for a qualified purpose as
13 provided in this section.

14 (6) For the purpose of determining eligibility for any assistance
15 provided under this title, all funds in an individual development
16 account under this section shall be disregarded for such purpose with
17 respect to any period during which such individual maintains or makes
18 contributions into such an account.

19 (7) The department shall adopt rules authorizing the use of
20 organizations using microcredit and microenterprise approaches to
21 assisting low-income families to become financially self-sufficient.

22 (8) The department shall adopt rules implementing the use of
23 individual development accounts by recipients of temporary assistance
24 for needy families.

25 (9) For the purposes of this section, "eligible educational
26 institution," "postsecondary educational expenses," "qualified
27 acquisition costs," "qualified business," "qualified business
28 capitalization expenses," "qualified expenditures," "qualified
29 first-time home buyer," "date of acquisition," "qualified plan," and
30 "qualified principal residence" include the meanings provided for them
31 in P.L. 104-193.

32 NEW SECTION. **Sec. 308.** EARNINGS DISREGARDS AND EARNED INCOME
33 CUTOFFS. (1) In addition to their monthly benefit payment, a family
34 may earn and keep one-half of its earnings during every month it is
35 eligible to receive assistance under this section.

36 (2) In no event may a family be eligible for temporary assistance
37 for needy families if its monthly gross earned income exceeds the
38 maximum earned income level as set by the department. In calculating

1 a household's gross earnings, the department shall disregard the
2 earnings of a minor child who is:

3 (a) A full-time student; or

4 (b) A part-time student carrying at least half the normal school
5 load and working fewer than thirty-five hours per week.

6 **Sec. 309.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are
7 each reenacted and amended to read as follows:

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

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

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

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

17 (4) "Director" or "secretary" means the secretary of social and
18 health services.

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

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

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

31 (ii) Meet one of the following conditions:

32 (A) Pregnant: PROVIDED, That need is based on the current income
33 and resource requirements of the federal ~~((aid to families with
34 dependent children))~~ temporary assistance for needy families program(~~(÷
35 PROVIDED FURTHER, That during any period in which an aid for dependent
36 children employable program is not in operation, only those pregnant
37 women who are categorically eligible for medicaid are eligible for
38 general assistance))~~); or

1 (B) Subject to chapter 165, Laws of 1992, incapacitated from
2 gainful employment by reason of bodily or mental infirmity that will
3 likely continue for a minimum of ninety days as determined by the
4 department.

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

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

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

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

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

36 (ii) To the extent authorized by the legislature in the biennial
37 appropriations act, to recipients of (~~aid to families with dependent~~
38 ~~children~~) temporary assistance for needy families whose needs are not
39 being met because of a temporary reduction in monthly income below the

1 entitled benefit payment level caused by loss or reduction of wages or
2 unemployment compensation benefits or some other unforeseen
3 circumstances. The amount of general assistance authorized shall not
4 exceed the difference between the entitled benefit payment level and
5 the amount of income actually received.

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

15 (i) First failure: One week;

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

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

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

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

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

35 (g) Recipients of general assistance based upon a finding of
36 incapacity from gainful employment who remain otherwise eligible shall
37 not have their benefits terminated absent a clear showing of material
38 improvement in their medical or mental condition or specific error in
39 the prior determination that found the recipient eligible by reason of

1 incapacitation. Recipients of general assistance based upon pregnancy
2 who relinquish their child for adoption, remain otherwise eligible, and
3 are not eligible to receive benefits under the federal (~~aid to~~
4 ~~families with dependent children~~) temporary assistance for needy
5 families program shall not have their benefits terminated until the end
6 of the month in which the period of six weeks following the birth of
7 the recipient's child falls. Recipients of the federal (~~aid to~~
8 ~~families with dependent children~~) temporary assistance for needy
9 families program who lose their eligibility solely because of the birth
10 and relinquishment of the qualifying child may receive general
11 assistance through the end of the month in which the period of six
12 weeks following the birth of the child falls.

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

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

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

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

28 (a) A home, which is defined as real property owned and used by an
29 applicant or recipient as a place of residence, together with a
30 reasonable amount of property surrounding and contiguous thereto, which
31 is used by and useful to the applicant. Whenever a recipient shall
32 cease to use such property for residential purposes, either for himself
33 or his dependents, the property shall be considered as a resource which
34 can be made available to meet need, and if the recipient or his
35 dependents absent themselves from the home for a period of ninety
36 consecutive days such absence, unless due to hospitalization or health
37 reasons or a natural disaster, shall raise a rebuttable presumption of
38 abandonment: PROVIDED, That if in the opinion of three physicians the
39 recipient will be unable to return to the home during his lifetime, and

1 the home is not occupied by a spouse or dependent children or disabled
2 sons or daughters, such property shall be considered as a resource
3 which can be made available to meet need.

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

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

11 (d) A motor vehicle necessary to transport a physically disabled
12 household member. This exclusion is limited to one vehicle per
13 physically disabled person.

14 (e) All other resources, including any excess of values exempted,
15 not to exceed one thousand dollars or other limit as set by the
16 department, to be consistent with limitations on resources and
17 exemptions necessary for federal aid assistance. The department shall
18 also allow recipients of temporary assistance for needy families to
19 exempt savings accounts with combined balances of up to an additional
20 three thousand dollars.

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

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

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

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

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

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

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

37 (b) If, under applicable federal requirements, the state has the
38 option of considering property in the form of lump sum compensatory
39 awards or related settlements received by an applicant or recipient as

1 income or as a resource, the department shall consider such property to
2 be a resource.

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

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

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

19 NEW SECTION. **Sec. 310.** NONCUSTODIAL PARENTS IN WORK PROGRAMS.
20 The department may provide Washington WorkFirst activities or make
21 cross-referrals to existing programs to qualifying noncustodial parents
22 of children receiving temporary assistance for needy families who are
23 unable to meet their child support obligations. Services authorized
24 under this section shall be provided within available funds.

25 NEW SECTION. **Sec. 311.** DEFINITIONS. Unless the context clearly
26 requires otherwise, as used in this chapter, "work activity" means:

- 27 (1) Unsubsidized paid employment in the private or public sector;
28 (2) Subsidized paid employment in the private or public sector;
29 (3) Work experience, including work associated with the
30 refurbishing of publicly assisted housing, if sufficient paid
31 employment is not available;
32 (4) On-the-job training;
33 (5) Job search and job readiness assistance;
34 (6) Community service programs;
35 (7) Vocational educational training, not to exceed twelve months
36 with respect to any individual;
37 (8) Job skills training directly related to employment;

1 (9) Education directly related to employment, in the case of a
2 recipient who has not received a high school diploma or a GED;

3 (10) Satisfactory attendance at secondary school or in a course of
4 study leading to a GED, in the case of a recipient who has not
5 completed secondary school or received such a certificate;

6 (11) The provision of child care services to an individual who is
7 participating in a community service program; and

8 (12) Services required by the recipient under RCW 74.08.025(3) and
9 74.--.---(3) (section 103(3) of this act) to become employable.

10 NEW SECTION. Sec. 312. JOB SEARCH OR WORK ACTIVITY. (1) There is
11 established in the department the Washington WorkFirst program. The
12 department shall administer the program consistent with the temporary
13 assistance for needy families provisions of P.L. 104-193. In operating
14 the WorkFirst program the department shall meet the minimum work
15 participation rates specified in federal law, and shall require
16 recipients of assistance to engage in job search and work activities as
17 an ongoing condition of eligibility.

18 (2) Upon application to the temporary assistance for needy families
19 program, each recipient shall be placed in the job search component.
20 For recipients who have been approved for assistance before the
21 effective date of this section, the job search component shall be
22 completed no later than one hundred eighty days after the effective
23 date of this section.

24 (3) The Washington WorkFirst program shall include a job search
25 component in which each nonexempt recipient of temporary assistance for
26 needy families shall participate. The job search component may not
27 last more than four weeks for each recipient. Each recipient shall be
28 required to attend job search component activities at least thirty-six
29 hours per week. Failure to participate in the job search component
30 shall result in sanctions under section 313 of this act. The job
31 search component shall serve as the assessment tool to comply with
32 federal law. If a recipient fails to find paid employment during the
33 job search component, the department may refer the recipient to those
34 work activities that are directly related to improving the recipient's
35 employability.

36 (4) As used in this section, "job search component" means an
37 activity in which nonexempt recipients engage each weekday upon
38 entering the Washington WorkFirst program. The component shall provide

1 at least three hours per weekday of classroom instruction on how to
2 secure a job and at least three hours per weekday of individual job
3 search activities.

4 NEW SECTION. **Sec. 313.** PLACEMENT INTO WORK ACTIVITY. Recipients
5 who have not obtained paid, unsubsidized employment by the end of the
6 job search component authorized in section 312 of this act shall be
7 referred to a work activity.

8 (1) Each recipient shall be assessed immediately upon completion of
9 the job search component. Assessments shall be based upon factors that
10 are critical to obtaining employment, including but not limited to
11 education, employment strengths, and employment history. Assessments
12 may be performed by the department or by a contracted entity. The
13 assessment shall be based on a uniform, consistent, transferable format
14 that will be accepted by all agencies and organizations serving the
15 recipient. Based on the assessment, an individual responsibility plan
16 shall be prepared that: (a) Sets forth an employment goal and a plan
17 for moving the recipient immediately into employment; (b) contains the
18 obligation of the recipient to become and remain employed; (c) moves
19 the recipient into whatever employment the recipient is capable of
20 handling as quickly as possible; and (d) describes the services
21 available to the recipient to enable the recipient to obtain and keep
22 employment.

23 (2) Recipients who are not engaged in work and work activities, and
24 do not qualify for a good cause exemption under section 314 of this
25 act, shall engage in self-directed service as provided in section 326
26 of this act.

27 (3) If a recipient refuses to engage in work and work activities
28 required by the department, the family's grant shall be reduced by the
29 recipient's share, and may, if the department determines it
30 appropriate, be terminated.

31 (4) The department may waive the penalties required under
32 subsection (3) of this section, subject to a finding that the recipient
33 refused to engage in work for good cause provided in section 314 of
34 this act.

35 (5) In implementing this section, the department shall assign the
36 highest priority to the most employable clients, including adults in
37 two-parent families and parents in single-parent families that include

1 older preschool or school age children to be engaged in work
2 activities.

3 (6) In consultation with the recipient, the department or
4 contractor shall place the recipient into a work activity that is
5 available in the local area where the recipient resides.

6 NEW SECTION. **Sec. 314.** GOOD CAUSE. Good cause reasons for
7 failure to participate in WorkFirst program components include: (1)
8 Situations where the recipient is a parent or other relative personally
9 providing care for a child under the age of six years, and formal or
10 informal child care, or day care for an incapacitated individual living
11 in the same home as a dependent child, is necessary for an individual
12 to participate or continue participation in the program or accept
13 employment, and such care is not available, and the department fails to
14 provide such care; or (2) until June 30, 1999, if the recipient is a
15 parent with a child under the age of one year. A parent may only
16 receive this exemption for a total of twelve months, which may be
17 consecutive or nonconsecutive; or (3) after June 30, 1999, if the
18 recipient is a parent with a child under three months of age.

19 NEW SECTION. **Sec. 315.** WORKFIRST--GOALS--CONTRACTS--SERVICE
20 AREAS--PLANS. (1) The legislature finds that moving those eligible for
21 assistance to self-sustaining employment is a goal of the WorkFirst
22 program. It is the intent of WorkFirst to aid a participant's progress
23 to self-sufficiency by allowing flexibility within the state-wide
24 program to reflect community resources, the local characteristics of
25 the labor market, and the composition of the caseload. Program success
26 will be enhanced through effective coordination at regional and local
27 levels, involving employers, labor representatives, educators,
28 community leaders, local governments, and social service providers.

29 (2) The department, through its regional offices, shall collaborate
30 with employers, recipients, frontline workers, educational
31 institutions, labor, private industry councils, the work force training
32 and education coordinating board, community rehabilitation employment
33 programs, employment and training agencies, local governments, the
34 employment security department, and community action agencies to
35 develop work programs that are effective and work in their communities.
36 For planning purposes, the department shall collect and make accessible
37 to regional offices successful work program models from around the

1 United States, including the employment partnership program,
2 apprenticeship programs, microcredit, microenterprise, self-employment,
3 and W-2 Wisconsin works. Work programs shall incorporate local
4 volunteer citizens in their planning and implementation phases to
5 ensure community relevance and success.

6 (3) To reduce administrative costs and to ensure equal state-wide
7 access to services, the department may develop contracts for state-wide
8 welfare-to-work services. These state-wide contracts shall support
9 regional flexibility and ensure that resources follow local labor
10 market opportunities and recipients' needs.

11 (4) The secretary shall establish WorkFirst service areas for
12 purposes of planning WorkFirst programs and for distributing WorkFirst
13 resources. Service areas shall reflect department regions.

14 (5) By July 31st of each odd-numbered year, a plan for the
15 WorkFirst program shall be developed for each region. The plan shall
16 be prepared in consultation with local and regional sources, adapting
17 the state-wide WorkFirst program to achieve maximum effect for the
18 participants and the communities within which they reside. Local
19 consultation shall include to the greatest extent possible input from
20 local and regional planning bodies for social services and work force
21 development. The regional and local administrator shall consult with
22 employers of various sizes, labor representatives, training and
23 education providers, program participants, economic development
24 organizations, community organizations, tribes, and local governments
25 in the preparation of the service area plan.

26 (6) The secretary has final authority in plan approval or
27 modification. Regional program implementation may deviate from the
28 state-wide program if specified in a service area plan, as approved by
29 the secretary.

30 NEW SECTION. **Sec. 316.** WORK PROGRAM CONTRACTS. (1) It is the
31 intent of the legislature that the department is authorized to engage
32 in competitive contracting using performance-based contracts to provide
33 all work activities authorized in chapter . . . , Laws of 1997 (this
34 act), including the job search component authorized in section 312 of
35 this act.

36 (2) The department may use competitive performance-based
37 contracting to select which vendors will participate in the WorkFirst
38 program. Performance-based contracts shall be awarded based on factors

1 that include but are not limited to the criteria listed in section 702
2 of this act, past performance of the contractor, demonstrated ability
3 to perform the contract effectively, financial strength of the
4 contractor, and merits of the proposal for services submitted by the
5 contractor. Contracts shall be made without regard to whether the
6 contractor is a public or private entity.

7 (3) The department may contract for an evaluation of the
8 competitive contracting practices and outcomes to be performed by an
9 independent entity with expertise in government privatization and
10 competitive strategies. The evaluation shall include quarterly
11 progress reports to the fiscal committees of the legislature and to the
12 governor, starting at the first quarter after the effective date of the
13 first competitive contract and ending two years after the effective
14 date of the first competitive contract.

15 (4) The department shall seek independent assistance in developing
16 contracting strategies to implement this section. Assistance may
17 include but is not limited to development of contract language, design
18 of requests for proposal, developing full cost information on
19 government services, evaluation of bids, and providing for equal
20 competition between private and public entities.

21 NEW SECTION. **Sec. 317.** PLACEMENT BONUSSES. In the case of service
22 providers that are not public agencies, initial placement bonuses of no
23 greater than five hundred dollars may be provided by the department for
24 service entities responsible for placing recipients in an unsubsidized
25 job for a minimum of twelve weeks, and the following additional bonuses
26 shall also be provided:

27 (1) A percent of the initial bonus if the job pays double the
28 minimum wage;

29 (2) A percent of the initial bonus if the job provides health care;

30 (3) A percent of the initial bonus if the job includes employer-
31 provided child care needed by the recipient; and

32 (4) A percent of the initial bonus if the recipient is continuously
33 employed for two years.

34 NEW SECTION. **Sec. 318.** No collective bargaining agreement may be
35 entered into, extended, or renewed after the effective date of this
36 section that prevents or restricts the authority of the department of

1 social and health services to exercise the powers granted under
2 sections 312 through 317 of this act and RCW 74.04.050.

3 **Sec. 319.** RCW 74.04.050 and 1981 1st ex.s. c 6 s 3 are each
4 amended to read as follows:

5 (1) The department shall serve as the single state agency to
6 administer public assistance. The department is hereby empowered and
7 authorized to cooperate in the administration of such federal laws,
8 consistent with the public assistance laws of this state, as may be
9 necessary to qualify for federal funds for:

10 ~~((1))~~ (a) Medical assistance;

11 ~~((2) Aid to dependent children))~~ (b) Temporary assistance for
12 needy families;

13 ~~((3))~~ (c) Child welfare services; and

14 ~~((4))~~ (d) Any other programs of public assistance for which
15 provision for federal grants or funds may from time to time be made.

16 (2) The state hereby accepts and assents to all the present
17 provisions of the federal law under which federal grants or funds,
18 goods, commodities and services are extended to the state for the
19 support of programs administered by the department, and to such
20 additional legislation as may subsequently be enacted as is not
21 inconsistent with the purposes of this title, authorizing public
22 welfare and assistance activities. The provisions of this title shall
23 be so administered as to conform with federal requirements with respect
24 to eligibility for the receipt of federal grants or funds.

25 The department shall periodically make application for federal
26 grants or funds and submit such plans, reports and data, as are
27 required by any act of congress as a condition precedent to the receipt
28 of federal funds for such assistance. The department shall make and
29 enforce such rules and regulations as shall be necessary to insure
30 compliance with the terms and conditions of such federal grants or
31 funds.

32 (3) The department may contract with public and private entities
33 for administrative services for the following programs and functions:

34 (a) Temporary assistance for needy families; (b) general assistance;
35 (c) refugee services; (d) facilitation of eligibility for federal
36 supplemental security income benefits; (e) medical assistance
37 eligibility; and (f) food stamps.

1 **Sec. 320.** RCW 41.06.380 and 1979 ex.s. c 46 s 2 are each amended
2 to read as follows:

3 (1) Nothing contained in this chapter shall prohibit any
4 department, as defined in RCW 41.06.020, from purchasing services by
5 contract with individuals or business entities if such services were
6 regularly purchased by valid contract by such department prior to April
7 23, 1979: PROVIDED, That no such contract may be executed or renewed
8 if it would have the effect of terminating classified employees or
9 classified employee positions existing at the time of the execution or
10 renewal of the contract.

11 (2) Nothing in this chapter shall be construed to prohibit the
12 department of social and health services from carrying out the
13 provisions of sections 312 through 318 of this act and RCW 74.04.050.

14 NEW SECTION. **Sec. 321.** FUNDING RESTRICTIONS. The department of
15 social and health services shall operate the Washington WorkFirst
16 program authorized under sections 301, 302, 307, 308, 310 through 318,
17 323 through 326, and 401 through 403 of this act, RCW 74.13.0903 and
18 74.25.040, and chapter 74.12 RCW within the following constraints:

19 (1) The full amount of the temporary assistance for needy families
20 block grant, plus qualifying state expenditures as appropriated in the
21 biennial operating budget, shall be appropriated to the department each
22 year in the biennial appropriations act to carry out the provisions of
23 the program authorized in sections 301, 302, 307, 308, 310 through 318,
24 323 through 326, and 401 through 403 of this act, RCW 74.13.0903 and
25 74.25.040, and chapter 74.12 RCW.

26 (2) The department may expend funds defined in subsection (1) of
27 this section in any manner that will effectively accomplish the outcome
28 measures defined in section 702 of this act. No more than fifteen
29 percent of the amount provided in subsection (1) of this section may be
30 spent for administrative purposes. For the purpose of this subsection,
31 "administrative purposes" does not include expenditures for information
32 technology and computerization needed for tracking and monitoring
33 required by P.L. 104-193. The department shall not increase grant
34 levels to recipients of the program authorized in sections 301, 302,
35 307, 308, 310 through 318, and 323 through 326 of this act and chapter
36 74.12 RCW.

37 (3) The department shall implement strategies that accomplish the
38 outcome measures identified in section 702 of this act that are within

1 the funding constraints in this section. Specifically, the department
2 shall implement strategies that will cause the number of cases in the
3 program authorized in sections 301, 302, 307, 308, 310 through 318, and
4 323 through 326 of this act and chapter 74.12 RCW to decrease by at
5 least fifteen percent during the 1997-99 biennium and by at least five
6 percent in the subsequent biennium. The department may transfer
7 appropriation authority between funding categories within the economic
8 services program in order to carry out the requirements of this
9 subsection.

10 (4) The department shall monitor expenditures against the
11 appropriation levels provided for in subsection (1) of this section.
12 The department shall quarterly make a determination as to whether
13 expenditure levels will exceed available funding and communicate its
14 finding to the legislature. If the determination indicates that
15 expenditures will exceed funding at the end of the fiscal year, the
16 department shall take all necessary actions to ensure that all services
17 provided under this chapter shall be made available only to the extent
18 of the availability and level of appropriation made by the legislature.

19 NEW SECTION. **Sec. 322.** The following acts or parts of acts are
20 each repealed:

- 21 (1) RCW 74.25.010 and 1994 c 299 s 6 & 1991 c 126 s 5;
- 22 (2) RCW 74.25.020 and 1993 c 312 s 7, 1992 c 165 s 3, & 1991 c 126
23 s 6;
- 24 (3) RCW 74.25.030 and 1991 c 126 s 7;
- 25 (4) RCW 74.25.900 and 1991 c 126 s 8; and
- 26 (5) RCW 74.25.901 and 1991 c 126 s 9.

27 NEW SECTION. **Sec. 323.** A new section is added to chapter 43.330
28 RCW to read as follows:

29 ENTREPRENEURIAL ASSISTANCE--DEPARTMENT OF COMMUNITY, TRADE, AND
30 ECONOMIC DEVELOPMENT. (1) The department shall ensure that none of its
31 rules or practices act to exclude recipients of temporary assistance
32 for needy families from any small business loan opportunities or
33 entrepreneurial assistance it makes available through its community
34 development block grant program or otherwise provides using state or
35 federal resources. The department shall encourage local administrators
36 of microlending programs using public funds to conduct outreach
37 activities to encourage recipients of temporary assistance for needy

1 families to explore self-employment as an option. The department shall
2 compile information on private and public sources of entrepreneurial
3 assistance and loans for start-up businesses and provide the department
4 of social and health services with the information for dissemination to
5 recipients of temporary assistance for needy families.

6 (2) The department shall, as part of its industrial recruitment
7 efforts, work with the work force training and education coordinating
8 board to identify the skill sets needed by companies locating in the
9 state. The department shall provide the department of social and
10 health services with the information about the companies' needs in
11 order that recipients of public assistance and service providers
12 assisting such recipients through training and placement programs may
13 be informed and respond accordingly. The department shall work with
14 the state board for community and technical colleges, the job skills
15 program, the employment security department, and other employment and
16 training programs to facilitate the inclusion of recipients of
17 temporary assistance for needy families in relevant training that would
18 make them good employees for recruited firms.

19 (3) The department shall perform the duties under this section
20 within available funds.

21 NEW SECTION. **Sec. 324.** JOB ASSISTANCE--DEPARTMENT OF SOCIAL AND
22 HEALTH SERVICES. The department shall:

23 (1) Notify recipients of temporary assistance for needy families
24 that self-employment is one method of leaving state assistance. The
25 department shall provide its regional offices, recipients of temporary
26 assistance for needy families, and any contractors providing job
27 search, training, or placement services notification of programs
28 available in the state for entrepreneurial training, technical
29 assistance, and loans available for start-up businesses;

30 (2) Provide recipients of temporary assistance for needy families
31 and service providers assisting such recipients through training and
32 placement programs with information it receives about the skills and
33 training required by firms locating in the state;

34 (3) Encourage recipients of temporary assistance for needy families
35 that are in need of basic skills to seek out programs that integrate
36 basic skills training with occupational training and workplace
37 experience.

1 NEW SECTION. **Sec. 325.** WAGE SUBSIDY PROGRAM. The department
2 shall establish a wage subsidy program for recipients of temporary
3 assistance for needy families. The department shall give preference in
4 job placements to private sector employers that have agreed to
5 participate in the wage subsidy program. The department shall identify
6 characteristics of employers who can meet the employment goals stated
7 in section 702 of this act. The department shall use these
8 characteristics in identifying which employers may participate in the
9 program. The department shall adopt rules for the participation of
10 recipients of temporary assistance for needy families in the wage
11 subsidy program. Participants in the program established under this
12 section may not be employed if: (1) The employer has terminated the
13 employment of any current employee or otherwise caused an involuntary
14 reduction of its work force in order to fill the vacancy so created
15 with the participant; or (2) the participant displaces or partially
16 displaces current employees. Employers providing positions created
17 under this section shall meet the requirements of chapter 49.46 RCW.
18 The department shall establish such local and state-wide advisory
19 boards, including business and labor representatives, as it deems
20 appropriate to assist in the implementation of the wage subsidy
21 program. Once the recipient is hired, the wage subsidy shall be
22 authorized for up to nine months.

23 NEW SECTION. **Sec. 326.** COMMUNITY SERVICE PROGRAM. The department
24 shall establish the community service program to provide the experience
25 of work for recipients of public assistance. The program is intended
26 to promote a strong work ethic for participating public assistance
27 recipients. Under this program, public assistance recipients are
28 required to volunteer to work for charitable nonprofit organizations
29 and public agencies, or engage in another activity designed to benefit
30 the recipient, the recipient's family, or the recipient's community, as
31 determined by the department on a case-by-case basis. Participants in
32 a community service or work experience program established by this
33 chapter are deemed employees for the purpose of chapter 49.17 RCW. The
34 cost of premiums under Title 51 RCW shall be paid for by the department
35 for participants in a community service or work experience program.
36 Participants in a community service or work experience program may not
37 be placed if: (1) An employer has terminated the employment of any
38 current employee or otherwise caused an involuntary reduction of its

1 work force in order to fill the vacancy so created with the
2 participant; or (2) the participant displaces or partially displaces
3 current employees.

4 **Sec. 327.** RCW 74.12A.020 and 1993 c 312 s 8 are each amended to
5 read as follows:

6 The department ((may)) shall provide grants to community action
7 agencies or other local nonprofit organizations to provide job
8 opportunities and basic skills training program participants with
9 transitional support services, one-to-one assistance, case management,
10 and job retention services.

11 NEW SECTION. **Sec. 328.** A new section is added to chapter 74.12
12 RCW to read as follows:

13 A grant provided under the temporary assistance for needy families
14 program shall be provided on a pro rata basis to the extent the
15 recipient complies with mandated work and work activity requirements.

16 NEW SECTION. **Sec. 329.** A new section is added to chapter 74.12
17 RCW to read as follows:

18 In determining eligibility for the temporary assistance for needy
19 families program of an assistance unit under this title, if a household
20 member is excluded from an assistance unit based on residency,
21 alienage, or citizenship of the household member, the department shall
22 allocate the full amount of the household's income to the assistance
23 unit without deducting an amount for the support of the household
24 member.

25 **IV. CHILD CARE**

26 NEW SECTION. **Sec. 401.** The legislature finds that informed choice
27 is consistent with individual responsibility and that parents should be
28 given a range of options for available child care while participating
29 in the program.

30 NEW SECTION. **Sec. 402.** CHILD CARE. (1) Within available funds,
31 the department shall administer a single, integrated child care program
32 which may serve families with incomes up to one hundred seventy-five
33 percent of the federal poverty level.

1 (2) All families participating in the child care program shall have
2 equal access to the child care of their choice. However, the child
3 care providers must comply with applicable licensing rules if they are
4 required by law to comply with those rules.

5 (3) The minimum copayment per family shall be at least ten dollars
6 per month. Child care shall be provided on a sliding scale but may not
7 be provided for any family whose income equals or exceeds one hundred
8 seventy-five percent of the federal poverty level adjusted for family
9 size on an annual income basis. For families with income between
10 seventy-four and one hundred percent of the federal poverty level
11 adjusted for family size, the monthly child care copayment shall be
12 thirty percent of earned income in excess of seventy-four percent of
13 federal poverty level adjusted for family size. For families with
14 income at or above one hundred percent of the federal poverty level
15 adjusted for family size, the copay shall be a minimum of one hundred
16 dollars per month. For families with income between one hundred one
17 and one hundred thirty percent of the federal poverty level adjusted
18 for family size, the monthly copay shall be twenty-nine percent of
19 earned income in excess of seventy-four percent of the federal poverty
20 level adjusted for family size. For families with income between one
21 hundred thirty-one and one hundred seventy-five percent of the federal
22 poverty level adjusted for family size, the copay shall be fifty
23 percent of earned income above one hundred percent of the federal
24 poverty level adjusted for family size.

25 (4) All compensable child care services authorized in this section
26 shall be paid for through vouchers. Vouchers shall be provided to
27 recipients and may only be used to purchase child care through the
28 program created in this section.

29 NEW SECTION. **Sec. 403.** (1) The legislature finds that to comply
30 with P.L. 104-193 section 407(e)(2), Washington is obligated to provide
31 appropriate and affordable child care for recipients of temporary
32 assistance for needy families. To comply with this federal requirement
33 and to avoid possible fiscal sanctions, the legislature intends to
34 determine what constitutes affordable, accessible child care in
35 Washington.

36 (2) The Washington institute for public policy shall conduct a
37 study of reasonable, affordable child care subsidy rates that are
38 realistic for low-income working families. The institute for public

1 policy shall review child care subsidy rates in use in other
2 jurisdictions and shall model the economic impact of child care subsidy
3 rates on low-income families. The institute for public policy shall
4 report its findings and recommendations to the legislature no later
5 than December 15, 1997.

6 **Sec. 404.** RCW 74.13.0903 and 1993 c 453 s 2 are each amended to
7 read as follows:

8 The office of child care policy is established to operate under the
9 authority of the department of social and health services. The duties
10 and responsibilities of the office include, but are not limited to, the
11 following, within appropriated funds:

12 (1) Staff and assist the child care coordinating committee in the
13 implementation of its duties under RCW 74.13.090;

14 (2) Work in conjunction with the state-wide child care resource and
15 referral network as well as local governments, nonprofit organizations,
16 businesses, and community child care advocates to create local child
17 care resource and referral organizations. These organizations may
18 carry out needs assessments, resource development, provider training,
19 technical assistance, and parent information and training;

20 (3) Actively seek public and private money for distribution as
21 grants to the state-wide child care resource and referral network and
22 to existing or potential local child care resource and referral
23 organizations;

24 (4) Adopt rules regarding the application for and distribution of
25 grants to local child care resource and referral organizations. The
26 rules shall, at a minimum, require an applicant to submit a plan for
27 achieving the following objectives:

28 (a) Provide parents with information about child care resources,
29 including location of services and subsidies;

30 (b) Carry out child care provider recruitment and training
31 programs, including training under RCW 74.25.040;

32 (c) Offer support services, such as parent and provider seminars,
33 toy-lending libraries, and substitute banks;

34 (d) Provide information for businesses regarding child care supply
35 and demand;

36 (e) Advocate for increased public and private sector resources
37 devoted to child care; ((and))

1 (f) Provide technical assistance to employers regarding employee
2 child care services; and

3 (g) Serve recipients of temporary assistance for needy families and
4 working parents with incomes at or below household incomes of one
5 hundred seventy-five percent of the federal poverty line;

6 (5) Provide staff support and technical assistance to the state-
7 wide child care resource and referral network and local child care
8 resource and referral organizations;

9 (6) Maintain a state-wide child care licensing data bank and work
10 with department of social and health services licensors to provide
11 information to local child care resource and referral organizations
12 about licensed child care providers in the state;

13 (7) Through the state-wide child care resource and referral network
14 and local resource and referral organizations, compile data about local
15 child care needs and availability for future planning and development;

16 (8) Coordinate with the state-wide child care resource and referral
17 network and local child care resource and referral organizations for
18 the provision of training and technical assistance to child care
19 providers; and

20 (9) Collect and assemble information regarding the availability of
21 insurance and of federal and other child care funding to assist state
22 and local agencies, businesses, and other child care providers in
23 offering child care services.

24 **Sec. 405.** RCW 74.25.040 and 1994 c 299 s 8 are each amended to
25 read as follows:

26 (1) Recipients of ((aid to families with dependent children))
27 temporary assistance for needy families who are ((not)) employed or
28 participating in ((an education or work training program)) a work
29 activity under section 312 of this act may volunteer ((to)) or work in
30 a licensed child care facility((, or other willing volunteer work
31 site)). Licensed child care facilities participating in this effort
32 shall provide care for the recipient's children and provide for the
33 development of positive child care skills.

34 (2) The department shall train two hundred fifty recipients of
35 temporary assistance for needy families to become family child care
36 providers or child care center teachers. The department shall offer
37 the training in rural and urban communities. The department shall

1 adopt rules to implement the child care training program in this
2 section.

3 (3) Recipients trained under this section shall provide child care
4 services to clients of the department for two years following the
5 completion of their child care training.

6 V. TEEN PARENTS

7 A. PERMISSIBLE LIVING SITUATIONS

8 **Sec. 501.** RCW 74.12.255 and 1994 c 299 s 33 are each amended to
9 read as follows:

10 (1) The department shall determine, after consideration of all
11 relevant factors and in consultation with the applicant, the most
12 appropriate living situation for applicants under eighteen years of
13 age, unmarried, and either pregnant or having a dependent child or
14 children in the applicant's care. An appropriate living situation~~((s))~~
15 shall include a place of residence that is maintained by the
16 applicant's parents, parent, legal guardian, or other adult relative as
17 their or his or her own home~~((, or other))~~ and that the department
18 finds would provide an appropriate supportive living arrangement
19 ~~((supervised by an adult where feasible and consistent with federal~~
20 ~~regulations under 45 C.F.R. chapter II, section 233.107))~~. It also
21 includes a living situation maintained by an agency that is licensed
22 under chapter 74.15 RCW that the department finds would provide an
23 appropriate supportive living arrangement. Grant assistance shall not
24 be provided under this chapter if the applicant does not reside in the
25 most appropriate living situation, as determined by the department.

26 (2) ~~((An applicant under eighteen years of age who is either~~
27 ~~pregnant or has a dependent child and is not living in a situation~~
28 ~~described in subsection (1) of this section shall be))~~ An unmarried
29 minor parent or pregnant minor applicant residing in the most
30 appropriate living situation, as provided under subsection (1) of this
31 section, is presumed to be unable to manage adequately the funds paid
32 to the minor or on behalf of the dependent child or children and,
33 unless the ~~((teenage custodial parent demonstrates otherwise))~~ minor
34 provides sufficient evidence to rebut the presumption, shall be subject
35 to the protective payee requirements provided for under RCW 74.12.250
36 and 74.08.280.

1 (3) The department shall consider any statements or opinions by
2 either parent of the (~~teen recipient~~) unmarried minor parent or
3 pregnant minor applicant as to an appropriate living situation for the
4 (~~teen~~) minor and his or her children, whether in the parental home or
5 other situation. If the parents or a parent of the (~~teen head of~~
6 ~~household applicant for assistance~~) minor request, they or he or she
7 shall be entitled to a hearing in juvenile court regarding (~~the~~
8 ~~fitness and suitability of their home as the top priority choice~~)
9 designation of the parental home or other relative placement as the
10 most appropriate living situation for the pregnant or parenting (~~teen~~
11 ~~applicant for assistance~~) minor.

12 The department shall provide the parents (~~shall have~~) or parent
13 with the opportunity to make a showing (~~based on the preponderance of~~
14 ~~the evidence~~) that the parental home, or home of the other relative
15 placement, is the most appropriate living situation. It shall be
16 presumed in any administrative or judicial proceeding conducted under
17 this subsection that the parental home or other relative placement
18 requested by the parents or parent is the most appropriate living
19 situation. This presumption is rebuttable.

20 (4) In cases in which the (~~head of household is under eighteen~~
21 ~~years of age~~) minor is unmarried (~~and requests~~
22 ~~information on adoption~~) the department shall, as part of the
23 determination of the appropriate living situation, make an affirmative
24 effort to provide current and positive information about adoption
25 including referral to community-based organizations for counseling and
26 provide information about the manner in which adoption works, its
27 benefits for unmarried, unemployed minor parents and their children,
28 and the meaning and availability of open adoption.

29 (5) For the purposes of this section, "most appropriate living
30 situation" shall not include a living situation including an adult male
31 who fathered the qualifying child and is found to meet the elements of
32 rape of a child as set forth in RCW 9A.44.079.

33 **Sec. 502.** RCW 74.04.0052 and 1994 c 299 s 34 are each amended to
34 read as follows:

35 (1) The department shall determine, after consideration of all
36 relevant factors and in consultation with the applicant, the most
37 appropriate living situation for applicants under eighteen years of
38 age, unmarried, and pregnant who are eligible for general assistance as

1 defined in RCW 74.04.005(6)(a)(ii)(A). An appropriate living
2 situation ~~((s))~~ shall include a place of residence that is maintained by
3 the applicant's parents, parent, legal guardian, or other adult
4 relative as their or his or her own home ~~((, or other))~~ and that the
5 department finds would provide an appropriate supportive living
6 arrangement ~~((supervised by an adult where feasible and consistent with~~
7 ~~federal regulations under 45 C.F.R. chapter II, section 233.107))~~. It
8 also includes a living situation maintained by an agency that is
9 licensed under chapter 74.15 RCW that the department finds would
10 provide an appropriate supportive living arrangement. Grant assistance
11 shall not be provided under this chapter if the applicant does not
12 reside in the most appropriate living situation, as determined by the
13 department.

14 (2) ~~((An applicant under eighteen years of age who is pregnant and~~
15 ~~is not living in a situation described in subsection (1) of this~~
16 ~~section shall be))~~ A pregnant minor residing in the most appropriate
17 living situation, as provided under subsection (1) of this section, is
18 presumed to be unable to manage adequately the funds paid to the minor
19 or on behalf of the dependent child or children and, unless the
20 ((teenage custodial parent demonstrates otherwise)) minor provides
21 sufficient evidence to rebut the presumption, shall be subject to the
22 protective payee requirements provided for under RCW 74.12.250 and
23 74.08.280.

24 (3) The department shall consider any statements or opinions by
25 either parent of the ~~((teen recipient))~~ unmarried minor parent or
26 pregnant minor applicant as to an appropriate living situation for the
27 ~~((teen))~~ minor, whether in the parental home or other situation. If
28 the parents or a parent of the ~~((teen head of household applicant for~~
29 ~~assistance))~~ minor request, they or he or she shall be entitled to a
30 hearing in juvenile court regarding ~~((the fitness and suitability of~~
31 ~~their home as the top priority choice))~~ designation of the parental
32 home or other relative placement as the most appropriate living
33 situation for the pregnant or parenting ~~((teen applicant for~~
34 ~~assistance))~~ minor.

35 The department shall provide the parents ~~((shall have))~~ or parent
36 with the opportunity to make a showing ~~((, based on the preponderance of~~
37 ~~the evidence,))~~ that the parental home, or home of the other relative
38 placement, is the most appropriate living situation. It shall be
39 presumed in any administrative or judicial proceeding conducted under

1 this subsection that the parental home or other relative placement
2 requested by the parents or parent is the most appropriate living
3 situation. This presumption is rebuttable.

4 (4) In cases in which the (~~head of household is under eighteen~~
5 ~~years of age,~~) minor is unmarried(~~(,)~~) and unemployed, (~~and requests~~
6 ~~information on adoption,~~) the department shall, as part of the
7 determination of the appropriate living situation, provide information
8 about adoption including referral to community-based organizations
9 (~~for~~) providing counseling.

10 (5) For the purposes of this section, "most appropriate living
11 situation" shall not include a living situation including an adult male
12 who fathered the qualifying child and is found to meet the elements of
13 rape of a child as set forth in RCW 9A.44.079.

14 NEW SECTION. Sec. 503. TEEN PARENT REQUIREMENTS. All applicants
15 under the age of eighteen years who are approved for assistance and,
16 within one hundred eighty days after the date of federal certification
17 of the Washington temporary assistance for needy families program, all
18 unmarried minor parents or pregnant minor applicants shall, as a
19 condition of receiving benefits, actively progress toward the
20 completion of a high school diploma or a GED.

21 **B. GRANDPARENT LIABILITY**

22 NEW SECTION. Sec. 504. UNMARRIED MINOR PARENT--ELIGIBILITY. The
23 unmarried minor parent and the minor's child shall be considered to be
24 part of the household of the minor's parents or parent for purposes of
25 determining eligibility for temporary assistance for needy families and
26 general assistance for pregnant women as defined in RCW
27 74.04.005(6)(a)(ii)(A); and as such, the income and resources of the
28 entire household are considered to be available to support the
29 unmarried minor and his or her child.

30 **Sec. 505.** RCW 13.34.160 and 1993 c 358 s 2 are each amended to
31 read as follows:

32 (1) In an action brought under this chapter, the court may inquire
33 into the ability of the parent or parents of the child to pay child
34 support and may enter an order of child support as set forth in chapter
35 26.19 RCW. The court may enforce the same by execution, or in any way

1 in which a court of equity may enforce its decrees. All child support
2 orders entered pursuant to this chapter shall be in compliance with the
3 provisions of RCW 26.23.050.

4 (2) For purposes of this section, if a dependent child's parent is
5 an unmarried minor parent or pregnant minor applicant, then the parent
6 or parents of the minor shall also be deemed a parent or parents of the
7 dependent child. However, liability for child support under this
8 subsection only exists if the parent or parents of the unmarried minor
9 parent or pregnant minor applicant are provided the opportunity for a
10 hearing on their ability to provide support. Any child support order
11 requiring such a parent or parents to provide support for the minor
12 parent's child may be effective only until the minor parent reaches
13 eighteen years of age.

14 **Sec. 506.** RCW 74.12.250 and 1963 c 228 s 21 are each amended to
15 read as follows:

16 If the department, after investigation, finds that any applicant
17 for assistance under this chapter or any recipient of funds under ((an
18 aid to families with dependent children grant)) this chapter would not
19 use, or is not utilizing, the grant adequately for the needs of ((the))
20 his or her child or children or would dissipate the grant or is
21 ((otherwise)) dissipating such grant, or would be or is unable to
22 manage adequately the funds paid on behalf of said child and that to
23 provide or continue ((said)) payments to ((him)) the applicant or
24 recipient would be contrary to the welfare of the child, the department
25 may make such payments to another individual who is interested in or
26 concerned with the welfare of such child and relative: PROVIDED, That
27 the department shall provide such counseling and other services as are
28 available and necessary to develop greater ability on the part of the
29 relative to manage funds in such manner as to protect the welfare of
30 the family. Periodic review of each case shall be made by the
31 department to determine if said relative is able to resume management
32 of the assistance grant. If after a reasonable period of time the
33 payments to the relative cannot be resumed, the department may request
34 the attorney general to file a petition in the superior court for the
35 appointment of a guardian for the child or children. Such petition
36 shall set forth the facts warranting such appointment. Notice of the
37 hearing on such petition shall be served upon the recipient and the
38 department not less than ten days before the date set for such hearing.

1 Such petition may be filed with the clerk of superior court and all
2 process issued and served without payment of costs. If upon the
3 hearing of such petition the court is satisfied that it is for the best
4 interest of the child or children, and all parties concerned, that a
5 guardian be appointed, he shall order the appointment, and may require
6 the guardian to render to the court a detailed itemized account of
7 expenditures of such assistance payments at such time as the court may
8 deem advisable.

9 It is the intention of this section that the guardianship herein
10 provided for shall be a special and limited guardianship solely for the
11 purpose of safeguarding the assistance grants made to dependent
12 children. Such guardianship shall terminate upon the termination of
13 such assistance grant, or sooner on order of the court, upon good cause
14 shown.

15 **VI. ILLEGITIMACY PREVENTION AND ABSTINENCE PROMOTION**

16 **Sec. 601.** RCW 74.12.410 and 1994 c 299 s 3 are each amended to
17 read as follows:

18 (1) At time of application or reassessment under this chapter the
19 department shall offer or contract for family planning information and
20 assistance, including alternatives to abortion, and any other available
21 locally based teen pregnancy prevention programs, to prospective and
22 current recipients of aid to families with dependent children.

23 (2) The department shall work in cooperation with the
24 superintendent of public instruction to reduce the rate of illegitimate
25 births and abortions in Washington state.

26 (3) The department of health shall maximize federal funding by
27 timely application for federal funds available under P.L. 104-193 and
28 Title V of the federal social security act, 42 U.S.C. 701 et seq., as
29 amended, for the establishment of qualifying abstinence education and
30 motivation programs. The department of health shall contract, by
31 competitive bid, with entities qualified to provide abstinence
32 education and motivation programs in the state.

33 (4) The department of health shall seek and accept local matching
34 funds to the maximum extent allowable from qualified abstinence
35 education and motivation programs.

36 (5)(a) For purposes of this section, "qualifying abstinence
37 education and motivation programs" are those bidders with experience in

1 the conduct of the types of abstinence education and motivation
2 programs set forth in Title V of the federal social security act, 42
3 U.S.C. Sec. 701 et seq., as amended.

4 (b) The application for federal funds, contracting for abstinence
5 education and motivation programs and performance of contracts under
6 this section are subject to review and oversight by a joint committee
7 of the legislature, composed of four legislative members, appointed by
8 each of the two caucuses in each house.

9 **VII. DEPARTMENT OF SOCIAL AND HEALTH SERVICES ACCOUNTABILITY**

10 NEW SECTION. Sec. 701. It is the intent of the legislature that
11 the Washington WorkFirst program focus on work and on personal
12 responsibility for recipients. The program shall be evaluated among
13 other evaluations, through a limited number of outcome measures
14 designed to hold each community service office and economic services
15 region accountable for program success.

16 NEW SECTION. Sec. 702. OUTCOME MEASURES. (1) The WorkFirst
17 program shall develop outcome measures for use in evaluating the
18 WorkFirst program authorized in chapter . . . , Laws of 1997 (this act),
19 which may include but are not limited to:

20 (a) Caseload reduction;
21 (b) Recidivism to caseload after two years;
22 (c) Job retention;
23 (d) Earnings;
24 (e) Reduction in average grant through increased recipient
25 earnings; and

26 (f) Placement of recipients into private sector, unsubsidized jobs.

27 (2) The department shall require that contractors for WorkFirst
28 services collect outcome measure information and report outcome
29 measures to the department regularly. The department shall develop
30 benchmarks that compare outcome measure information from all
31 contractors to provide a clear indication of the most effective
32 contractors. Benchmark information shall be published quarterly and
33 provided to the legislature, the governor, and all contractors for
34 WorkFirst services.

1 NEW SECTION. **Sec. 703.** EVALUATION. Every WorkFirst office,
2 region, contract, employee, and contractor shall be evaluated using the
3 criteria in section 702 of this act. The department shall award
4 contracts to the highest performing entities according to the criteria
5 in section 702 of this act. The department may provide for bonuses to
6 offices, regions, and employees with the best outcomes according to
7 measures in section 702 of this act.

8 NEW SECTION. **Sec. 704.** OUTCOME MEASURES--REPORT. The department
9 shall provide a report to the appropriate committees of the legislature
10 on achievement of the outcome measures by region and contract on an
11 annual basis, no later than January 15th of each year, beginning in
12 1999. The report shall include how the department is using the outcome
13 measure information obtained under section 702 of this act to manage
14 the WorkFirst program.

15 NEW SECTION. **Sec. 705.** A new section is added to chapter 44.28
16 RCW to read as follows:

17 WORKFIRST PROGRAM STUDY. (1) The joint legislative audit and
18 review committee shall conduct an evaluation of the effectiveness of
19 the WorkFirst program described in chapter . . . , Laws of 1997 (this
20 act), including the job opportunities and basic skills training program
21 and any approved private, county, or local government WorkFirst
22 program. The evaluation shall assess the success of the program in
23 assisting clients to become employed and to reduce their use of
24 temporary assistance for needy families. The study shall include but
25 not be limited to the following:

26 (a) An assessment of employment outcomes, including hourly wages,
27 hours worked, and total earnings, for clients;

28 (b) A comparison of temporary assistance for needy families
29 outcomes, including grant amounts and program exits, for clients; and

30 (c) An audit of the performance-based contract for each private
31 nonprofit contractor for job opportunities and basic skills training
32 program services. The joint legislative audit and review committee may
33 contract with the Washington institute for public policy for
34 appropriate portions of the evaluation required by this section.

35 (2) Administrative data shall be provided by the department of
36 social and health services, the employment security department, the
37 state board for community and technical colleges, local governments,

1 and private contractors. The department of social and health services
2 shall require contractors to provide administrative and outcome data
3 needed for this study as a condition of contract compliance.

4 NEW SECTION. **Sec. 706.** PATERNITY ESTABLISHMENT. In order to be
5 eligible for temporary assistance for needy families, applicants shall,
6 at the time of application for assistance, provide the names of both
7 parents of their child or children, whether born or unborn.

8 **VIII. MISCELLANEOUS**

9 NEW SECTION. **Sec. 801.** The following acts or parts of acts are
10 each repealed:

11 (1) RCW 74.08.120 and 1992 c 108 s 2, 1987 c 75 s 39, 1981 1st
12 ex.s. c 6 s 15, 1981 c 8 s 12, 1979 c 141 s 326, 1969 ex.s. c 259 s 1,
13 1969 ex.s. c 159 s 1, 1965 ex.s. c 102 s 1, & 1959 c 26 s 74.08.120;
14 and

15 (2) RCW 74.08.125 and 1993 c 22 s 1 & 1992 c 108 s 3.

16 NEW SECTION. **Sec. 802.** A new section is added to chapter 74.04
17 RCW to read as follows:

18 For the purpose of evaluating the effect of the defense of
19 equitable estoppel on the recovery of overpayments and the
20 administration of justice in public assistance cases, the department
21 shall report the following to the appropriate committees of the
22 legislature by December 1, 1997:

23 (1) The number of applicants and recipients of public assistance
24 who have raised the defense of equitable estoppel in an administrative
25 proceeding related to the collection of overpayments or the
26 determination of eligibility;

27 (2) The number of recipients or applicants of public assistance who
28 prevailed in an administrative proceeding related to the collection of
29 overpayments or the determination of eligibility due to the defense of
30 equitable estoppel;

31 (3) The amount, average amount, and percent of payments and
32 overpayments not collected due to the successful assertion of the
33 defense of equitable estoppel at an administrative proceeding related
34 to the collection of overpayments or the determination of eligibility;

1 (4) Any other information regarding the assertion of the defense of
2 equitable estoppel in administrative proceedings that the department
3 feels will assist in evaluation of the defense.

4 **Sec. 803.** RCW 50.13.060 and 1996 c 79 s 1 are each amended to read
5 as follows:

6 (1) Governmental agencies, including law enforcement agencies,
7 prosecuting agencies, and the executive branch, whether state, local,
8 or federal shall have access to information or records deemed private
9 and confidential under this chapter if the information or records are
10 needed by the agency for official purposes and:

11 (a) The agency submits an application in writing to the employment
12 security department for the records or information containing a
13 statement of the official purposes for which the information or records
14 are needed and specific identification of the records or information
15 sought from the department; and

16 (b) The director, commissioner, chief executive, or other official
17 of the agency has verified the need for the specific information in
18 writing either on the application or on a separate document; and

19 (c) The agency requesting access has served a copy of the
20 application for records or information on the individual or employing
21 unit whose records or information are sought and has provided the
22 department with proof of service. Service shall be made in a manner
23 which conforms to the civil rules for superior court. The requesting
24 agency shall include with the copy of the application a statement to
25 the effect that the individual or employing unit may contact the public
26 records officer of the employment security department to state any
27 objections to the release of the records or information. The
28 employment security department shall not act upon the application of
29 the requesting agency until at least five days after service on the
30 concerned individual or employing unit. The employment security
31 department shall consider any objections raised by the concerned
32 individual or employing unit in deciding whether the requesting agency
33 needs the information or records for official purposes.

34 (2) The requirements of subsections (1) and (~~(+8+)~~) (9) of this
35 section shall not apply to the state legislative branch. The state
36 legislature shall have access to information or records deemed private
37 and confidential under this chapter, if the legislature or a
38 legislative committee finds that the information or records are

1 necessary and for official purposes. If the employment security
2 department does not make information or records available as provided
3 in this subsection, the legislature may exercise its authority granted
4 by chapter 44.16 RCW.

5 (3) In cases of emergency the governmental agency requesting access
6 shall not be required to formally comply with the provisions of
7 subsection (1) of this section at the time of the request if the
8 procedures required by subsection (1) of this section are complied with
9 by the requesting agency following the receipt of any records or
10 information deemed private and confidential under this chapter. An
11 emergency is defined as a situation in which irreparable harm or damage
12 could occur if records or information are not released immediately.

13 (4) The requirements of subsection (1)(c) of this section shall not
14 apply to governmental agencies where the procedures would frustrate the
15 investigation of possible violations of criminal laws.

16 (5) Governmental agencies shall have access to certain records or
17 information, limited to such items as names, addresses, social security
18 numbers, and general information about benefit entitlement or employer
19 information possessed by the department, for comparison purposes with
20 records or information possessed by the requesting agency to detect
21 improper or fraudulent claims, or to determine potential tax liability
22 or employer compliance with registration and licensing requirements.
23 In those cases the governmental agency shall not be required to comply
24 with subsection (1)(c) of this section, but the requirements of the
25 remainder of subsection (1) must be satisfied.

26 (6) Governmental agencies may have access to certain records and
27 information, limited to employer information possessed by the
28 department for purposes authorized in chapter 50.38 RCW. Access to
29 these records and information is limited to only those individuals
30 conducting authorized statistical analysis, research, and evaluation
31 studies. Only in cases consistent with the purposes of chapter 50.38
32 RCW are government agencies not required to comply with subsection
33 (1)(c) of this section, but the requirements of the remainder of
34 subsection (1) of this section must be satisfied. Information provided
35 by the department and held to be private and confidential under state
36 or federal laws shall not be misused or released to unauthorized
37 parties subject to the sanctions in RCW 50.13.080.

38 (7) Disclosure to governmental agencies of information or records
39 obtained by the employment security department from the federal

1 government shall be governed by any applicable federal law or any
2 agreement between the federal government and the employment security
3 department where so required by federal law. When federal law does not
4 apply to the records or information state law shall control.

5 (8) For purposes of statistical analysis and evaluation of the
6 WorkFirst program or any successor state welfare program, the
7 department of social and health services, the office of financial
8 management, and other governmental entities with oversight or
9 evaluation responsibilities for the program shall have access to
10 employer wage information on clients in the program whose names and
11 social security numbers are provided to the department. The
12 information provided by the department may be used only for statistical
13 analysis, research, and evaluation purposes as provided in sections 702
14 and 703 of this act. The department of social and health services is
15 not required to comply with subsection (1)(c) of this section, but the
16 requirements of the remainder of subsection (1) of this section must be
17 satisfied.

18 (9) The disclosure of any records or information by a governmental
19 agency which has obtained the records or information under this section
20 is prohibited unless the disclosure is directly connected to the
21 official purpose for which the records or information were obtained.

22 ~~((+9))~~ (10) In conducting periodic salary or fringe benefit
23 studies pursuant to law, the department of personnel shall have access
24 to records of the employment security department as may be required for
25 such studies. For such purposes, the requirements of subsection (1)(c)
26 of this section need not apply.

27 NEW SECTION. Sec. 804. A new section is added to chapter 43.20A
28 RCW to read as follows:

29 (1) The department shall provide the employment security department
30 quarterly with the names and social security numbers of all clients in
31 the WorkFirst program and any successor state welfare program.

32 (2) The information provided by the employment security department
33 under RCW 50.13.060 for statistical analysis and welfare program
34 evaluation purposes may be used only for statistical analysis,
35 research, and evaluation purposes as provided in sections 702 and 703
36 of this act. Through individual matches with accessed employment
37 security department confidential employer wage files, only aggregate,
38 statistical, group level data shall be reported. Data sharing by the

1 employment security department may be extended to include the office of
2 financial management and other such governmental entities with
3 oversight responsibility for this program.

4 (3) The department and other agencies of state government shall
5 protect the privacy of confidential personal data supplied under RCW
6 50.13.060 consistent with federal law, chapter 50.13 RCW, and the terms
7 and conditions of a formal data-sharing agreement between the
8 employment security department and agencies of state government,
9 however the misuse or unauthorized use of confidential data supplied by
10 the employment security department is subject to the penalties in RCW
11 50.13.080.

12 **Sec. 805.** RCW 74.04.062 and 1973 c 152 s 2 are each amended to
13 read as follows:

14 Upon written request of a person who has been properly identified
15 as an officer of the law (~~((with a felony arrest warrant))~~) or a properly
16 identified United States immigration official (~~((with a warrant for an
17 illegal alien))~~) the department shall disclose to such officer the
18 current address and location of (~~((the person properly described in the
19 warrant))~~) a recipient of public welfare if the officer furnishes the
20 department with such person's name and social security account number
21 and satisfactorily demonstrates that such recipient is a fugitive, that
22 the location or apprehension of such fugitive is within the officer's
23 official duties, and that the request is made in the proper exercise of
24 those duties.

25 When the department becomes aware that a public assistance
26 recipient is the subject of an outstanding warrant, the department may
27 contact the appropriate law enforcement agency and, if the warrant is
28 valid, provide the law enforcement agency with the location of the
29 recipient.

30 NEW SECTION. **Sec. 806.** QUESTIONNAIRES. The department of social
31 and health services shall create a questionnaire, asking businesses for
32 information regarding available and upcoming job opportunities for
33 welfare recipients. The department of revenue shall include the
34 questionnaire in a regular quarterly mailing. The department of social
35 and health services shall receive responses and use the information to
36 develop work activities in the areas where jobs will be available.

1 NEW SECTION. **Sec. 807.** PART HEADINGS, CAPTIONS, AND TABLE OF
2 CONTENTS NOT LAW. Part headings, captions, and the table of contents
3 used in this act are not any part of the law.

4 NEW SECTION. **Sec. 808.** The governor and the department of social
5 and health services shall seek all necessary exemptions and waivers
6 from and amendments to federal statutes, rules, and regulations and
7 shall report to the appropriate committees in the house of
8 representatives and senate quarterly on the efforts to secure the
9 federal changes to permit full implementation of this act at the
10 earliest possible date.

11 NEW SECTION. **Sec. 809.** Sections 1, 2, 103, 104, 106, 202 through
12 205, 301, 302, 307, 308, 310 through 318, 321, 324 through 326, 402,
13 503, 504, 701 through 704, and 706 of this act constitute a new chapter
14 in Title 74 RCW.

15 NEW SECTION. **Sec. 810.** If any part of this act is found to be in
16 conflict with federal requirements that are a prescribed condition to
17 the allocation of federal funds to the state, the conflicting part of
18 this act is inoperative solely to the extent of the conflict and with
19 respect to the agencies directly affected, and this finding does not
20 affect the operation of the remainder of this act in its application to
21 the agencies concerned. The rules under this act shall meet federal
22 requirements that are a necessary condition to the receipt of federal
23 funds by the state. As used in this section, "allocation of federal
24 funds to the state" means the allocation of federal funds that are
25 appropriated by the legislature to the department of social and health
26 services and on which the department depends for carrying out any
27 provision of the operating budget applicable to it.

28 NEW SECTION. **Sec. 811.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 812.** Sections 701 through 704 of this act take
33 effect January 1, 1998.

1 NEW SECTION. **Sec. 813.** If specific funding for the purposes of
2 sections 404 and 405 of this act, referencing this act by bill or
3 chapter number and section numbers, is not provided by June 30, 1997,
4 in the omnibus appropriations act, sections 404 and 405 of this act are
5 null and void.

6 NEW SECTION. **Sec. 814.** This act shall be submitted to the people
7 for their adoption and ratification, or rejection, at a state-wide
8 special election to be held in June 1997 in this state as hereby
9 ordered by the legislature, in accordance with Article II, section 1 of
10 the state Constitution, as amended, and the laws adopted to facilitate
11 the operation thereof.

--- END ---