
SENATE BILL 5481

State of Washington

57th Legislature

2001 Regular Session

By Senators Fairley and Kohl-Welles

Read first time 01/24/2001. Referred to Committee on Human Services & Corrections.

1 AN ACT Relating to conformity with federal law regarding Title 74
2 RCW; amending RCW 6.26.060, 10.101.010, 26.19.071, 26.19.075,
3 26.23.035, 28C.04.420, 43.20B.310, 74.04.770, 74.08.025, 74.08.080,
4 74.08.335, 74.08A.010, 74.08A.210, 74.08A.220, 74.08A.230, 74.08A.260,
5 74.08A.270, 74.08A.275, 74.08A.285, 74.08A.310, 74.08A.320, 74.08A.330,
6 74.08A.340, 74.08A.380, 74.08A.400, 74.08A.410, 74.12.010, 74.12.030,
7 74.12.035, 74.12.250, 74.12.255, 74.12.260, 74.12.300, 74.12.330,
8 74.12.361, 74.12.400, 74.12.410, 74.12.450, 74.13.0903, and 74.25.040;
9 reenacting and amending RCW 74.09.522; and adding new sections to
10 chapter 74.08A RCW.

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

12 **Sec. 1.** RCW 6.26.060 and 1997 c 59 s 1 are each amended to read as
13 follows:

14 (1) When application is made for a prejudgment writ of garnishment,
15 the court shall issue the writ in substantially the form prescribed in
16 RCW 6.27.070 and 6.27.100 directing that the garnishee withhold an
17 amount as prescribed in RCW 6.27.090, but, except as provided in
18 subsection (2) of this section, the court shall issue the writ only
19 after prior notice to the defendant, given in the manner prescribed in

1 subsections (4) and (5) of this section, with an opportunity for a
2 prior hearing at which the plaintiff shall establish the probable
3 validity of the plaintiff's claim and that there is probable cause to
4 believe that the alleged ground for garnishment exists.

5 (2) Subject to subsection (3) of this section, the court shall
6 issue the writ without prior notice to the defendant and without an
7 opportunity for a prior hearing only if:

8 (a) A ground alleged in the plaintiff's affidavit is: (i) A ground
9 appearing in RCW 6.26.010(2)(c) if the writ is to be directed to an
10 employer for the purpose of garnishing the defendant's earnings; or
11 (ii) a ground appearing in RCW 6.25.030 (5) through (7) or in RCW
12 6.25.040(1) of the attachment chapter; or (iii) if garnishment is
13 necessary to permit the court to acquire jurisdiction over the action,
14 the ground alleged is one appearing in RCW 6.25.030 (1) through (4) or
15 in RCW 6.26.010(2) (a) or (b); and

16 (b) The court finds on the basis of specific facts, after an ex
17 parte hearing, that there is probable cause to believe the allegations
18 of the plaintiff's affidavit.

19 (3) If a writ is issued under subsection (2) of this section
20 without prior notice to the defendant, after service of the writ on the
21 garnishee, the defendant shall be entitled to prompt notice of the
22 garnishment and a right to an early hearing, if requested, at which the
23 plaintiff shall establish the probable validity of the claim sued on
24 and that there is probable cause to believe that the alleged ground for
25 garnishment exists.

26 (4) When notice and a hearing are required under this section,
27 notice may be given by a show cause order stating the date, time, and
28 place of the hearing. Notice required under this section shall be
29 jurisdictional and, except as provided for published notice in
30 subsection (5) of this section, notice required under this section
31 shall be served in the same manner as a summons in a civil action and
32 shall be served together with (a) a copy of plaintiff's affidavit and
33 a copy of the writ if already issued, and (b) a copy of the following
34 "Notice of Right to a Hearing" in substantially the following form or,
35 if defendant is an individual, a copy of the claim form and the "Notice
36 of Garnishment and of Your Rights" prescribed by RCW 6.27.140, in which
37 the following notice is substituted for the first paragraph of said
38 Notice:

1 NOTICE OF RIGHT TO HEARING

2 A writ of garnishment has been or will be issued by a
3 Washington court and has been or will be served on the
4 garnishee defendant. It will require the garnishee defendant
5 to withhold payment of money that may be due to you and to
6 withhold other property of yours that the garnishee may hold or
7 control until a lawsuit in which you are a defendant has been
8 decided by the court. Service of this notice of your rights is
9 required by law.

10 YOU HAVE A RIGHT TO A PROMPT HEARING. If notice of a hearing
11 date and time is not served with this notice, you have the
12 right to request the hearing. At the hearing, the plaintiff
13 must give evidence that there is probable cause to believe that
14 the statements in the enclosed affidavit are true and also that
15 the claim stated in the lawsuit is probably valid, or else the
16 garnishment will be released.

17 (5) If service of notice on the defendant must be effected by
18 publication, only the following notice need be published under the
19 caption of the case:

20 To, Defendant:

21 A writ of prejudgment garnishment has been issued in the above
22 captioned case, directed to as Garnishee Defendant,
23 commanding the Garnishee to withhold amounts due you or to
24 withhold any of your property in the Garnishee's possession or
25 control for application to any judgment that may be entered for
26 plaintiff in the case.

27 YOU HAVE A RIGHT TO ASK FOR A HEARING. At the hearing, the
28 plaintiff must give evidence that there is probable cause to
29 believe that the ground for garnishment alleged in an affidavit
30 filed with the court exists and also that the claim stated in
31 the lawsuit is probably valid, or else the garnishment will be
32 released.

1 If the defendant is an individual, the following paragraph shall be
2 added to the published notice:

3 YOU MAY ALSO HAVE A RIGHT TO HAVE THE GARNISHMENT RELEASED if
4 amounts or property withheld are exempt under federal or state
5 statutes, for example, bank accounts in which benefits such as
6 (~~Temporary Assistance for Needy Families~~) cash assistance, as
7 defined in section 12 of this act, Supplemental Security Income
8 (SSI), Social Security, United States pension, Unemployment
9 Compensation, or Veterans' benefits have been deposited or
10 certain personal property described in section 6.15.010 of the
11 Revised Code of Washington.

12 **Sec. 2.** RCW 10.101.010 and 1998 c 79 s 2 are each amended to read
13 as follows:

14 The following definitions shall be applied in connection with this
15 chapter:

16 (1) "Indigent" means a person who, at any stage of a court
17 proceeding, is:

18 (a) Receiving one of the following types of public assistance:
19 (~~Temporary assistance for needy families~~) Cash assistance, as defined
20 in section 12 of this act, general assistance, poverty-related
21 veterans' benefits, food stamps or food stamp benefits transferred
22 electronically, refugee resettlement benefits, medicaid, or
23 supplemental security income; or

24 (b) Involuntarily committed to a public mental health facility; or

25 (c) Receiving an annual income, after taxes, of one hundred twenty-
26 five percent or less of the current federally established poverty
27 level; or

28 (d) Unable to pay the anticipated cost of counsel for the matter
29 before the court because his or her available funds are insufficient to
30 pay any amount for the retention of counsel.

31 (2) "Indigent and able to contribute" means a person who, at any
32 stage of a court proceeding, is unable to pay the anticipated cost of
33 counsel for the matter before the court because his or her available
34 funds are less than the anticipated cost of counsel but sufficient for
35 the person to pay a portion of that cost.

36 (3) "Anticipated cost of counsel" means the cost of retaining
37 private counsel for representation on the matter before the court.

1 (4) "Available funds" means liquid assets and disposable net
2 monthly income calculated after provision is made for bail obligations.
3 For the purpose of determining available funds, the following
4 definitions shall apply:

5 (a) "Liquid assets" means cash, savings accounts, bank accounts,
6 stocks, bonds, certificates of deposit, equity in real estate, and
7 equity in motor vehicles. A motor vehicle necessary to maintain
8 employment and having a market value not greater than three thousand
9 dollars shall not be considered a liquid asset.

10 (b) "Income" means salary, wages, interest, dividends, and other
11 earnings which are reportable for federal income tax purposes, and cash
12 payments such as reimbursements received from pensions, annuities,
13 social security, and public assistance programs. It includes any
14 contribution received from any family member or other person who is
15 domiciled in the same residence as the defendant and who is helping to
16 defray the defendant's basic living costs.

17 (c) "Disposable net monthly income" means the income remaining each
18 month after deducting federal, state, or local income taxes, social
19 security taxes, contributory retirement, union dues, and basic living
20 costs.

21 (d) "Basic living costs" means the average monthly amount spent by
22 the defendant for reasonable payments toward living costs, such as
23 shelter, food, utilities, health care, transportation, clothing, loan
24 payments, support payments, and court-imposed obligations.

25 **Sec. 3.** RCW 26.19.071 and 1997 c 59 s 4 are each amended to read
26 as follows:

27 (1) **Consideration of all income.** All income and resources of each
28 parent's household shall be disclosed and considered by the court when
29 the court determines the child support obligation of each parent. Only
30 the income of the parents of the children whose support is at issue
31 shall be calculated for purposes of calculating the basic support
32 obligation. Income and resources of any other person shall not be
33 included in calculating the basic support obligation.

34 (2) **Verification of income.** Tax returns for the preceding two
35 years and current paystubs shall be provided to verify income and
36 deductions. Other sufficient verification shall be required for income
37 and deductions which do not appear on tax returns or paystubs.

1 (3) **Income sources included in gross monthly income.** Except as
2 specifically excluded in subsection (4) of this section, monthly gross
3 income shall include income from any source, including:

- 4 (a) Salaries;
- 5 (b) Wages;
- 6 (c) Commissions;
- 7 (d) Deferred compensation;
- 8 (e) Overtime;
- 9 (f) Contract-related benefits;
- 10 (g) Income from second jobs;
- 11 (h) Dividends;
- 12 (i) Interest;
- 13 (j) Trust income;
- 14 (k) Severance pay;
- 15 (l) Annuities;
- 16 (m) Capital gains;
- 17 (n) Pension retirement benefits;
- 18 (o) Workers' compensation;
- 19 (p) Unemployment benefits;
- 20 (q) Spousal maintenance actually received;
- 21 (r) Bonuses;
- 22 (s) Social security benefits; and
- 23 (t) Disability insurance benefits.

24 (4) **Income sources excluded from gross monthly income.** The
25 following income and resources shall be disclosed but shall not be
26 included in gross income:

- 27 (a) Income of a new spouse or income of other adults in the
28 household;
- 29 (b) Child support received from other relationships;
- 30 (c) Gifts and prizes;
- 31 (d) Temporary assistance for needy families, as defined in section
32 12 of this act;
- 33 (e) Supplemental security income;
- 34 (f) General assistance; and
- 35 (g) Food stamps.

36 Receipt of income and resources from temporary assistance for needy
37 families, as defined in section 12 of this act, supplemental security
38 income, general assistance, and food stamps shall not be a reason to
39 deviate from the standard calculation.

1 (5) **Determination of net income.** The following expenses shall be
2 disclosed and deducted from gross monthly income to calculate net
3 monthly income:

4 (a) Federal and state income taxes;

5 (b) Federal insurance contributions act deductions;

6 (c) Mandatory pension plan payments;

7 (d) Mandatory union or professional dues;

8 (e) State industrial insurance premiums;

9 (f) Court-ordered spousal maintenance to the extent actually paid;

10 (g) Up to two thousand dollars per year in voluntary pension
11 payments actually made if the contributions were made for the two tax
12 years preceding the earlier of the (i) tax year in which the parties
13 separated with intent to live separate and apart or (ii) tax year in
14 which the parties filed for dissolution; and

15 (h) Normal business expenses and self-employment taxes for self-
16 employed persons. Justification shall be required for any business
17 expense deduction about which there is disagreement.

18 Items deducted from gross income under this subsection shall not be
19 a reason to deviate from the standard calculation.

20 (6) **Imputation of income.** The court shall impute income to a
21 parent when the parent is voluntarily unemployed or voluntarily
22 underemployed. The court shall determine whether the parent is
23 voluntarily underemployed or voluntarily unemployed based upon that
24 parent's work history, education, health, and age, or any other
25 relevant factors. A court shall not impute income to a parent who is
26 gainfully employed on a full-time basis, unless the court finds that
27 the parent is voluntarily underemployed and finds that the parent is
28 purposely underemployed to reduce the parent's child support
29 obligation. Income shall not be imputed for an unemployable parent.
30 Income shall not be imputed to a parent to the extent the parent is
31 unemployed or significantly underemployed due to the parent's efforts
32 to comply with court-ordered reunification efforts under chapter 13.34
33 RCW or under a voluntary placement agreement with an agency supervising
34 the child. In the absence of information to the contrary, a parent's
35 imputed income shall be based on the median income of year-round full-
36 time workers as derived from the United States bureau of census,
37 current populations reports, or such replacement report as published by
38 the bureau of census.

1 **Sec. 4.** RCW 26.19.075 and 1997 c 59 s 5 are each amended to read
2 as follows:

3 (1) Reasons for deviation from the standard calculation include but
4 are not limited to the following:

5 (a) **Sources of income and tax planning.** The court may deviate from
6 the standard calculation after consideration of the following:

7 (i) Income of a new spouse if the parent who is married to the new
8 spouse is asking for a deviation based on any other reason. Income of
9 a new spouse is not, by itself, a sufficient reason for deviation;

10 (ii) Income of other adults in the household if the parent who is
11 living with the other adult is asking for a deviation based on any
12 other reason. Income of the other adults in the household is not, by
13 itself, a sufficient reason for deviation;

14 (iii) Child support actually received from other relationships;

15 (iv) Gifts;

16 (v) Prizes;

17 (vi) Possession of wealth, including but not limited to savings,
18 investments, real estate holdings and business interests, vehicles,
19 boats, pensions, bank accounts, insurance plans, or other assets;

20 (vii) Extraordinary income of a child; or

21 (viii) Tax planning considerations. A deviation for tax planning
22 may be granted only if the child would not receive a lesser economic
23 benefit due to the tax planning.

24 (b) **Nonrecurring income.** The court may deviate from the standard
25 calculation based on a finding that a particular source of income
26 included in the calculation of the basic support obligation is not a
27 recurring source of income. Depending on the circumstances,
28 nonrecurring income may include overtime, contract-related benefits,
29 bonuses, or income from second jobs. Deviations for nonrecurring
30 income shall be based on a review of the nonrecurring income received
31 in the previous two calendar years.

32 (c) **Debt and high expenses.** The court may deviate from the
33 standard calculation after consideration of the following expenses:

34 (i) Extraordinary debt not voluntarily incurred;

35 (ii) A significant disparity in the living costs of the parents due
36 to conditions beyond their control;

37 (iii) Special needs of disabled children;

38 (iv) Special medical, educational, or psychological needs of the
39 children; or

1 (v) Costs incurred or anticipated to be incurred by the parents in
2 compliance with court-ordered reunification efforts under chapter 13.34
3 RCW or under a voluntary placement agreement with an agency supervising
4 the child.

5 (d) **Residential schedule.** The court may deviate from the standard
6 calculation if the child spends a significant amount of time with the
7 parent who is obligated to make a support transfer payment. The court
8 may not deviate on that basis if the deviation will result in
9 insufficient funds in the household receiving the support to meet the
10 basic needs of the child or if the child is receiving (~~temporary~~
11 ~~assistance for needy families~~) cash assistance, as defined in section
12 12 of this act. When determining the amount of the deviation, the
13 court shall consider evidence concerning the increased expenses to a
14 parent making support transfer payments resulting from the significant
15 amount of time spent with that parent and shall consider the decreased
16 expenses, if any, to the party receiving the support resulting from the
17 significant amount of time the child spends with the parent making the
18 support transfer payment.

19 (e) **Children from other relationships.** The court may deviate from
20 the standard calculation when either or both of the parents before the
21 court have children from other relationships to whom the parent owes a
22 duty of support.

23 (i) The child support schedule shall be applied to the mother,
24 father, and children of the family before the court to determine the
25 presumptive amount of support.

26 (ii) Children from other relationships shall not be counted in the
27 number of children for purposes of determining the basic support
28 obligation and the standard calculation.

29 (iii) When considering a deviation from the standard calculation
30 for children from other relationships, the court may consider only
31 other children to whom the parent owes a duty of support. The court
32 may consider court-ordered payments of child support for children from
33 other relationships only to the extent that the support is actually
34 paid.

35 (iv) When the court has determined that either or both parents have
36 children from other relationships, deviations under this section shall
37 be based on consideration of the total circumstances of both
38 households. All child support obligations paid, received, and owed for
39 all children shall be disclosed and considered.

1 (2) All income and resources of the parties before the court, new
2 spouses, and other adults in the households shall be disclosed and
3 considered as provided in this section. The presumptive amount of
4 support shall be determined according to the child support schedule.
5 Unless specific reasons for deviation are set forth in the written
6 findings of fact and are supported by the evidence, the court shall
7 order each parent to pay the amount of support determined by using the
8 standard calculation.

9 (3) The court shall enter findings that specify reasons for any
10 deviation or any denial of a party's request for any deviation from the
11 standard calculation made by the court. The court shall not consider
12 reasons for deviation until the court determines the standard
13 calculation for each parent.

14 (4) When reasons exist for deviation, the court shall exercise
15 discretion in considering the extent to which the factors would affect
16 the support obligation.

17 (5) Agreement of the parties is not by itself adequate reason for
18 any deviations from the standard calculation.

19 **Sec. 5.** RCW 26.23.035 and 1997 c 58 s 933 are each amended to read
20 as follows:

21 (1) The department of social and health services shall adopt rules
22 for the distribution of support money collected by the division of
23 child support. These rules shall:

24 (a) Comply with Title IV-D of the federal social security act as
25 amended by the personal responsibility and work opportunity
26 reconciliation act of 1996;

27 (b) Direct the division of child support to distribute support
28 money within eight days of receipt, unless one of the following
29 circumstances, or similar circumstances specified in the rules,
30 prevents prompt distribution:

31 (i) The location of the custodial parent is unknown;

32 (ii) The support debt is in litigation;

33 (iii) The division of child support cannot identify the responsible
34 parent or the custodian;

35 (c) Provide for proportionate distribution of support payments if
36 the responsible parent owes a support obligation or a support debt for
37 two or more Title IV-D cases; and

1 (d) Authorize the distribution of support money, except money
2 collected under 42 U.S.C. Sec. 664, to satisfy a support debt owed to
3 the IV-D custodian before the debt owed to the state when the custodian
4 stops receiving ((a ~~public assistance grant~~)) cash assistance, as
5 defined in section 12 of this act.

6 (2) The division of child support may distribute support payments
7 to the payee under the support order or to another person who has
8 lawful physical custody of the child or custody with the payee's
9 consent. The payee may file an application for an adjudicative
10 proceeding to challenge distribution to such other person. Prior to
11 distributing support payments to any person other than the payee, the
12 registry shall:

13 (a) Obtain a written statement from the child's physical custodian,
14 under penalty of perjury, that the custodian has lawful custody of the
15 child or custody with the payee's consent;

16 (b) Mail to the responsible parent and to the payee at the payee's
17 last known address a copy of the physical custodian's statement and a
18 notice which states that support payments will be sent to the physical
19 custodian; and

20 (c) File a copy of the notice with the clerk of the court that
21 entered the original support order.

22 (3) If the Washington state support registry distributes a support
23 payment to a person in error, the registry may obtain restitution by
24 means of a set-off against future payments received on behalf of the
25 person receiving the erroneous payment, or may act according to RCW
26 74.20A.270 as deemed appropriate. Any set-off against future support
27 payments shall be limited to amounts collected on the support debt and
28 ten percent of amounts collected as current support.

29 (4) The division of child support shall ensure that the fifty
30 dollar pass through payment, as required by 42 U.S.C. Sec. 657 before
31 the adoption of P.L. 104-193, is terminated immediately upon July 27,
32 1997, and all rules to the contrary adopted before July 27, 1997, are
33 without force and effect.

34 **Sec. 6.** RCW 28C.04.420 and 1999 c 121 s 3 are each amended to read
35 as follows:

36 The college board may, subject to appropriation from the
37 legislature or from funds made available from any other public or
38 private source and pursuant to rules adopted by the college board with

1 the advice of the work force training customer advisory committee
2 established in RCW 28C.04.390, provide job skills grants to educational
3 institutions. The job skills grants shall be used exclusively for
4 programs which are consistent with the job skills program. The college
5 board shall work in collaboration with the work force training customer
6 advisory committee established in RCW 28C.04.390 to assure that:

7 (1) The program is within the scope of the job skills program under
8 this chapter and may reasonably be expected to succeed and thereby
9 increase employment within the state;

10 (2) Provision has been made to use any available alternative
11 funding from local, state, and federal sources;

12 (3) The job skills grant will only be used to cover the costs
13 associated with the program;

14 (4) The program will not unnecessarily duplicate existing programs
15 and could not be provided by another educational institution more
16 effectively or efficiently;

17 (5) The program involves an area of skills training and education
18 for which there is a demonstrable need;

19 (6) The applicant has made provisions for the use of existing
20 federal and state resources for student financial assistance;

21 (7) The job skills grant is essential to the success of the program
22 as the resources of the applicant are inadequate to attract the
23 technical assistance and financial support necessary for the program
24 from business and industry;

25 (8) The program represents a collaborative partnership between
26 business, industry, labor, educational institutions, and other
27 partners, as appropriate;

28 (9) The commitment of financial support from business and industry
29 shall be equal to or greater than the amount of the requested job
30 skills grant;

31 (10) Binding commitments have been made to the commission by the
32 applicant for adequate reporting of information and data regarding the
33 program to the commission, particularly information concerning the
34 recruitment and employment of trainees and students, and including a
35 requirement for an annual or other periodic audit of the books of the
36 applicant directly related to the program, and for such control on the
37 part of the commission as it considers prudent over the management of
38 the program, so as to protect the use of public funds, including, in
39 the discretion of the commission and without limitation, right of

1 access to financial and other records of the applicant directly related
2 to the programs; and

3 (11) A provision has been made by the applicant to work, in
4 cooperation with the employment security department, to identify and
5 screen potential trainees, and that provision has been made by the
6 applicant for the participation as trainees of low-income persons
7 including (~~temporary assistance for needy families~~) recipients of
8 temporary assistance for needy families, as defined in section 12 of
9 this act, dislocated workers, and persons from minority and
10 economically disadvantaged groups to participate in the program.

11 Beginning October 1, 1999, and every two years thereafter, the
12 college board shall provide the legislature and the governor with a
13 report describing the activities and outcomes of the state job skills
14 program.

15 **Sec. 7.** RCW 43.20B.310 and 1997 c 59 s 6 are each amended to read
16 as follows:

17 No payment may be collected by the department for residential care
18 if the collection will reduce the income as defined in RCW 74.04.005 of
19 the head of household and remaining dependents below one hundred
20 percent of the need standard for (~~temporary assistance for needy~~
21 ~~families~~) cash assistance, as defined in section 12 of this act.

22 **Sec. 8.** RCW 74.04.770 and 1997 c 59 s 11 are each amended to read
23 as follows:

24 The department shall establish consolidated standards of need each
25 fiscal year which may vary by geographical areas, program, and family
26 size, for (~~temporary assistance for needy families~~) cash assistance,
27 as defined in section 12 of this act, refugee assistance, supplemental
28 security income, and general assistance. Standards for (~~temporary~~
29 ~~assistance for needy families~~) cash assistance, as defined in section
30 12 of this act, refugee assistance, and general assistance shall be
31 based on studies of actual living costs and generally recognized
32 inflation indices and shall include reasonable allowances for shelter,
33 fuel, food, transportation, clothing, household maintenance and
34 operations, personal maintenance, and necessary incidentals. The
35 standard of need may take into account the economies of joint living
36 arrangements, but unless explicitly required by federal statute, there

1 shall not be proration of any portion of assistance grants unless the
2 amount of the grant standard is equal to the standard of need.

3 The department is authorized to establish rateable reductions and
4 grant maximums consistent with federal law.

5 Payment level will be equal to need or a lesser amount if rateable
6 reductions or grant maximums are imposed. In no case shall a recipient
7 of supplemental security income receive a state supplement less than
8 the minimum required by federal law.

9 The department may establish a separate standard for shelter
10 provided at no cost.

11 **Sec. 9.** RCW 74.08.025 and 1997 c 58 s 101 are each amended to read
12 as follows:

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

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

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

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

32 (2) Any person otherwise qualified for temporary assistance for
33 needy families under this title who has resided in the state of
34 Washington for fewer than twelve consecutive months immediately
35 preceding application for assistance is limited to the benefit level in
36 the state in which the person resided immediately before Washington,
37 using the eligibility rules and other definitions established under
38 this chapter, that was obtainable on the date of application in

1 Washington state, if the benefit level of the prior state is lower than
2 the level provided to similarly situated applicants in Washington
3 state. The benefit level under this subsection shall be in effect for
4 the first twelve months a recipient is on temporary assistance for
5 needy families in Washington state.

6 (3) Any person otherwise qualified for (~~temporary assistance for~~
7 ~~needy families~~) cash assistance, as defined in section 12 of this act,
8 who is assessed through the state alcohol and substance abuse program
9 as drug or alcohol-dependent and requiring treatment to become
10 employable shall be required by the department to participate in a drug
11 or alcohol treatment program as a condition of benefit receipt.

12 (4) In order to be eligible for (~~temporary assistance for needy~~
13 ~~families~~) cash assistance, as defined in section 12 of this act, and
14 food stamp program benefits, any applicant with a felony conviction
15 after August 21, 1996, involving drug use or possession, must: (a)
16 Have been assessed as chemically dependent by a chemical dependency
17 program approved under chapter 70.96A RCW and be participating in or
18 have completed a coordinated rehabilitation plan consisting of chemical
19 dependency treatment and vocational services; and (b) have not been
20 convicted of a felony involving drug use or possession in the three
21 years prior to the most current conviction.

22 **Sec. 10.** RCW 74.08.080 and 1998 c 79 s 15 are each amended to read
23 as follows:

24 (1)(a) A public assistance applicant or recipient who is aggrieved
25 by a decision of the department or an authorized agency of the
26 department has the right to an adjudicative proceeding. A current or
27 former recipient who is aggrieved by a department claim that he or she
28 owes a debt for an overpayment of assistance or food stamps or food
29 stamp benefits transferred electronically, or both, has the right to an
30 adjudicative proceeding.

31 (b) An applicant or recipient has no right to an adjudicative
32 proceeding when the sole basis for the department's decision is a state
33 or federal law that requires an assistance adjustment for a class of
34 recipients.

35 (2) The adjudicative proceeding is governed by the Administrative
36 Procedure Act, chapter 34.05 RCW, and this subsection.

1 (a) The applicant or recipient must file the application for an
2 adjudicative proceeding with the secretary within ninety days after
3 receiving notice of the aggrieving decision.

4 (b) The hearing shall be conducted at the local community services
5 office or other location in Washington convenient to the appellant.

6 (c) The appellant or his or her representative has the right to
7 inspect his or her department file and, upon request, to receive copies
8 of department documents relevant to the proceedings free of charge.

9 (d) The appellant has the right to a copy of the tape recording of
10 the hearing free of charge.

11 (e) The department is limited to recovering an overpayment arising
12 from assistance being continued pending the adjudicative proceeding to
13 the amount recoverable up to the sixtieth day after the secretary's
14 receipt of the application for an adjudicative proceeding.

15 (f) If the final adjudicative order is made in favor of the
16 appellant, assistance shall be paid from the date of denial of the
17 application for assistance or thirty days following the date of
18 application for ~~((temporary assistance for needy families))~~ cash
19 assistance, as defined in section 12 of this act, or forty-five days
20 after date of application for all other programs, whichever is sooner;
21 or in the case of a recipient, from the effective date of the local
22 community services office decision.

23 (g) This subsection applies only to an adjudicative proceeding in
24 which the appellant is an applicant for or recipient of medical
25 assistance or the limited casualty program for the medically needy and
26 the issue is his or her eligibility or ineligibility due to the
27 assignment or transfer of a resource. The burden is on the department
28 to prove by a preponderance of the evidence that the person knowingly
29 and willingly assigned or transferred the resource at less than market
30 value for the purpose of qualifying or continuing to qualify for
31 medical assistance or the limited casualty program for the medically
32 needy. If the prevailing party in the adjudicative proceeding is the
33 applicant or recipient, he or she is entitled to reasonable attorney's
34 fees.

35 (3) When a person files a petition for judicial review as provided
36 in RCW 34.05.514 of an adjudicative order entered in a public
37 assistance program, no filing fee shall be collected from the person
38 and no bond shall be required on any appeal. In the event that the
39 superior court, the court of appeals, or the supreme court renders a

1 decision in favor of the appellant, said appellant shall be entitled to
2 reasonable attorneys' fees and costs. If a decision of the court is
3 made in favor of the appellant, assistance shall be paid from date of
4 the denial of the application for assistance or thirty days after the
5 application for (~~temporary assistance for needy families~~) cash
6 assistance, as defined in section 12 of this act, or forty-five days
7 following the date of application, whichever is sooner; or in the case
8 of a recipient, from the effective date of the local community services
9 office decision.

10 **Sec. 11.** RCW 74.08.335 and 1997 c 59 s 13 are each amended to read
11 as follows:

12 (~~Temporary assistance for needy families~~) Cash assistance, as
13 defined in section 12 of this act, and general assistance shall not be
14 granted to any person who has made an assignment or transfer of
15 property for the purpose of rendering himself or herself eligible for
16 the assistance. There is a rebuttable presumption that a person who
17 has transferred or transfers any real or personal property or any
18 interest in property within two years of the date of application for
19 the assistance without receiving adequate monetary consideration
20 therefor, did so for the purpose of rendering himself or herself
21 eligible for the assistance. Any person who transfers property for the
22 purpose of rendering himself or herself eligible for assistance, or any
23 person who after becoming a recipient transfers any property or any
24 interest in property without the consent of the secretary, shall be
25 ineligible for assistance for a period of time during which the
26 reasonable value of the property so transferred would have been
27 adequate to meet the person's needs under normal conditions of living:
28 PROVIDED, That the secretary is hereby authorized to allow exceptions
29 in cases where undue hardship would result from a denial of assistance.

30 NEW SECTION. **Sec. 12.** A new section is added to chapter 74.08A
31 RCW to read as follows:

32 For the purposes of chapters 74.08 and 74.12 RCW and this chapter,
33 the following definitions apply:

34 (1) "Temporary assistance for needy families" means money payments,
35 services, remedial care, and other benefits with respect to a dependent
36 child or dependent children and the needy parent or relative with whom

1 the child lives. Temporary assistance for needy families includes cash
2 assistance and support services.

3 (2) "Cash assistance" means cash, payments, vouchers, and other
4 forms of benefits designed to meet a family's ongoing basic needs
5 including food, clothing, shelter, utilities, household goods, personal
6 care items, and general incidental expenses. It includes these
7 benefits even when they are conditioned on participation in work
8 experience, community service, or other work activity.

9 (3) "Support services" means services and benefits which are not
10 considered cash assistance, for current and former recipients of cash
11 assistance, and other low-income families. "Support services" include,
12 but are not limited to:

13 (a) Nonrecurrent, short-term benefits designed to deal with a
14 specific crisis situation, that are not intended to meet recurrent or
15 ongoing needs, and do not extend beyond four months;

16 (b) Work subsidies;

17 (c) Supportive services such as child care and transportation
18 provided to families who are employed;

19 (d) Refundable earned income tax credits;

20 (e) Contributions to, and distributions from, individual
21 development accounts;

22 (f) Services such as counseling, case management, peer support,
23 child care information and referral, transitional services, job
24 retention, job advancement, and other employment-related services that
25 do not provide basic income support; and

26 (g) Transportation benefits provided under a job access or reverse
27 commute project, to an individual who is not otherwise receiving cash
28 assistance, as defined in subsection (2) of this section.

29 **Sec. 13.** RCW 74.08A.010 and 1997 c 58 s 103 are each amended to
30 read as follows:

31 (1) A family that includes an adult who has received (~~temporary~~
32 ~~assistance for needy families~~) cash assistance for sixty months after
33 July 27, 1997, shall be ineligible for further (~~temporary assistance~~
34 ~~for needy families~~) cash assistance.

35 (2) For the purposes of applying the rules of this section, the
36 department shall count any month in which an adult family member
37 received (~~a temporary assistance for needy families~~) cash assistance
38 (~~grant~~) unless the assistance was provided when the family member was

1 a minor child and not the head of the household or married to the head
2 of the household.

3 (3) The department shall refer cash assistance recipients who
4 require specialized assistance to appropriate department programs,
5 crime victims' programs through the department of community, trade, and
6 economic development, or the crime victims' compensation program of the
7 department of labor and industries.

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

18 (5) The department shall not exempt a cash assistance recipient and
19 his or her family from the application of subsection (1) of this
20 section until after the cash assistance recipient has received fifty-
21 two months of assistance under this chapter.

22 **Sec. 14.** RCW 74.08A.210 and 1997 c 58 s 302 are each amended to
23 read as follows:

24 (1) In order to prevent some families from developing dependency on
25 (~~temporary assistance for needy families~~) cash assistance, the
26 department shall make available to qualifying applicants a diversion
27 program designed to provide brief, emergency assistance for families in
28 crisis whose income and assets would otherwise qualify them for
29 (~~temporary assistance for needy families~~) cash assistance.

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

32 (a) Child care;

33 (b) Housing assistance;

34 (c) Transportation-related expenses;

35 (d) Food;

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

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

1 (3) Diversion assistance is available once in each twelve-month
2 period for each adult applicant. Recipients of diversion assistance
3 are not (~~included in the temporary assistance for needy families~~
4 ~~program~~) considered recipients of cash assistance.

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

7 (5) To be eligible for diversion assistance, a family must
8 otherwise be eligible for (~~temporary assistance for needy families~~)
9 cash assistance.

10 (6) Families ineligible for (~~temporary assistance for needy~~
11 ~~families~~) cash assistance or general assistance due to sanction,
12 noncompliance, the lump sum income rule, or any other reason are not
13 eligible for diversion assistance.

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

17 An adult applicant may receive diversion assistance of any type no
18 more than once per twelve-month period. If the recipient of diversion
19 assistance is placed on (~~the temporary assistance for needy families~~
20 ~~program~~) cash assistance within twelve months of receiving diversion
21 assistance, the prorated dollar value of the assistance shall be
22 treated as a loan from the state, and recovered by deduction from the
23 recipient's cash grant.

24 **Sec. 15.** RCW 74.08A.220 and 1997 c 58 s 307 are each amended to
25 read as follows:

26 The department shall carry out a program to fund individual
27 development accounts established by (~~recipients~~) individuals eligible
28 for (~~assistance under the~~) temporary assistance for needy families
29 (~~program~~).

30 (1) An individual development account may be established by or on
31 behalf of (~~a recipient~~) an individual eligible for (~~assistance~~
32 ~~provided under the~~) temporary assistance for needy families (~~program~~
33 ~~operated under this title~~) for the purpose of enabling the
34 (~~recipient~~) individual to accumulate funds for a qualified purpose
35 described in subsection (2) of this section.

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

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

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

7 (c) Amounts paid from an individual development account directly to
8 a business capitalization account which is established in a federally
9 insured financial institution and is restricted to use solely for
10 qualified business capitalization expenses.

11 (3) (~~A recipient~~) An individual eligible for temporary assistance
12 for needy families may only contribute to an individual development
13 account such amounts as are derived from earned income, as defined in
14 section 911(d)(2) of the internal revenue code of 1986.

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

18 (5) An individual development account established under this
19 section shall be a trust created or organized in the United States and
20 funded through periodic contributions by the establishing (~~recipient~~)
21 individual eligible for temporary assistance for needy families and
22 matched by or through a qualified entity for a qualified purpose as
23 provided in this section.

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

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

32 (8) The department shall adopt rules implementing the use of
33 individual development accounts by (~~recipients of temporary assistance~~
34 ~~for needy families~~) individuals eligible for temporary assistance for
35 needy families.

36 (9) For the purposes of this section, "eligible educational
37 institution," "postsecondary educational expenses," "qualified
38 acquisition costs," "qualified business," "qualified business
39 capitalization expenses," "qualified expenditures," "qualified

1 first-time home buyer," "date of acquisition," "qualified plan," and
2 "qualified principal residence" include the meanings provided for them
3 in P.L. 104-193.

4 **Sec. 16.** RCW 74.08A.230 and 1997 c 58 s 308 are each amended to
5 read as follows:

6 (1) In addition to their monthly benefit payment, a family may earn
7 and keep one-half of its earnings during every month it is eligible to
8 receive cash assistance (~~((under this section))~~).

9 (2) In no event may a family be eligible for (~~temporary assistance~~
10 ~~for needy families~~) cash assistance if its monthly gross earned income
11 exceeds the maximum earned income level as set by the department. In
12 calculating a household's gross earnings, the department shall
13 disregard the earnings of a minor child who is:

14 (a) A full-time student; or

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

17 **Sec. 17.** RCW 74.08A.260 and 1997 c 58 s 313 are each amended to
18 read as follows:

19 Cash assistance recipients who have not obtained paid, unsubsidized
20 employment by the end of the job search component authorized in section
21 312 of this act shall be referred to a work activity.

22 (1) Each cash assistance recipient shall be assessed immediately
23 upon completion of the job search component. Assessments shall be
24 based upon factors that are critical to obtaining employment, including
25 but not limited to education, employment strengths, and employment
26 history. Assessments may be performed by the department or by a
27 contracted entity. The assessment shall be based on a uniform,
28 consistent, transferable format that will be accepted by all agencies
29 and organizations serving the recipient. Based on the assessment, an
30 individual responsibility plan shall be prepared that: (a) Sets forth
31 an employment goal and a plan for moving the recipient immediately into
32 employment; (b) contains the obligation of the recipient to become and
33 remain employed; (c) moves the recipient into whatever employment the
34 recipient is capable of handling as quickly as possible; and (d)
35 describes the services available to the recipient to enable the
36 recipient to obtain and keep employment.

1 (2) Cash assistance recipients who are not engaged in work and work
2 activities, and do not qualify for a good cause exemption under RCW
3 74.08A.270, shall engage in self-directed service as provided in RCW
4 74.08A.330.

5 (3) If a cash assistance recipient refuses to engage in work and
6 work activities required by the department, the family's grant shall be
7 reduced by the recipient's share, and may, if the department determines
8 it appropriate, be terminated.

9 (4) The department may waive the penalties required under
10 subsection (3) of this section, subject to a finding that the cash
11 assistance recipient refused to engage in work for good cause provided
12 in RCW 74.08A.270.

13 (5) In implementing this section, the department shall assign the
14 highest priority to the most employable clients, including adults in
15 two-parent families and parents in single-parent families that include
16 older preschool or school-age children to be engaged in work
17 activities.

18 (6) In consultation with the cash assistance recipient, the
19 department or contractor shall place the recipient into a work activity
20 that is available in the local area where the cash assistance recipient
21 resides.

22 **Sec. 18.** RCW 74.08A.270 and 1997 c 58 s 314 are each amended to
23 read as follows:

24 Good cause reasons for failure to participate in WorkFirst program
25 components include: (1) Situations where the cash assistance recipient
26 is a parent or other relative personally providing care for a child
27 under the age of six years, and formal or informal child care, or day
28 care for an incapacitated individual living in the same home as a
29 dependent child, is necessary for an individual to participate or
30 continue participation in the program or accept employment, and such
31 care is not available, and the department fails to provide such care;
32 or (2) until June 30, 1999, if the cash assistance recipient is a
33 parent with a child under the age of one year. A parent may only
34 receive this exemption for a total of twelve months, which may be
35 consecutive or nonconsecutive; or (3) after June 30, 1999, if the cash
36 assistance recipient is a parent with a child under three months of
37 age.

1 **Sec. 19.** RCW 74.08A.275 and 1999 c 340 s 1 are each amended to
2 read as follows:

3 Each (~~recipient~~) individual approved to receive (~~temporary~~
4 ~~assistance for needy families~~) cash assistance shall be subject to an
5 employability screening after determination of program eligibility and
6 before referral to job search. If the employability screening
7 determines the recipient is not employable, or meets the criteria
8 specified in RCW 74.08A.270 for a good cause exemption to work
9 requirements, the department shall defer the job search requirement
10 under RCW 74.08A.285 and refer the recipient immediately to the
11 assessment procedure required under RCW 74.08A.260.

12 **Sec. 20.** RCW 74.08A.285 and 1998 c 89 s 1 are each amended to read
13 as follows:

14 The WorkFirst program operated by the department to meet the
15 federal work requirements specified in P.L. 104-193 shall contain a job
16 search component. The component shall consist of instruction on how to
17 secure a job and assisted job search activities to locate and retain
18 employment. Nonexempt recipients of (~~temporary assistance for needy~~
19 ~~families~~) cash assistance shall participate in an initial job search
20 for no more than twelve consecutive weeks. The cash assistance
21 recipient's ability to obtain employment will be reviewed within the
22 first four weeks of job search and periodically thereafter and, if it
23 is clear at any time that further participation in a job search will
24 not be productive, the department shall assess the cash assistance
25 recipient pursuant to RCW 74.08A.260. The department shall refer cash
26 assistance recipients unable to find employment through the initial job
27 search period to work activities that will develop their skills or
28 knowledge to make them more employable, including additional job search
29 and job readiness assistance.

30 **Sec. 21.** RCW 74.08A.310 and 1997 c 58 s 324 are each amended to
31 read as follows:

32 The department shall:

33 (1) Notify recipients of (~~temporary assistance for needy~~
34 ~~families~~) cash assistance that self-employment is one method of
35 leaving state assistance. The department shall provide its regional
36 offices, recipients of (~~temporary assistance for needy families~~) cash
37 assistance, and any contractors providing job search, training, or

1 placement services notification of programs available in the state for
2 entrepreneurial training, technical assistance, and loans available for
3 start-up businesses;

4 (2) Provide recipients of (~~temporary assistance for needy~~
5 ~~families~~) cash assistance and service providers assisting such
6 recipients through training and placement programs with information it
7 receives about the skills and training required by firms locating in
8 the state;

9 (3) Encourage recipients of (~~temporary assistance for needy~~
10 ~~families~~) cash assistance that are in need of basic skills to seek out
11 programs that integrate basic skills training with occupational
12 training and workplace experience.

13 **Sec. 22.** RCW 74.08A.320 and 1997 c 58 s 325 are each amended to
14 read as follows:

15 The department shall establish a wage subsidy program for
16 (~~recipients of temporary assistance for needy families~~) individuals
17 eligible to receive cash assistance. The department shall give
18 preference in job placements to private sector employers that have
19 agreed to participate in the wage subsidy program. The department
20 shall identify characteristics of employers who can meet the employment
21 goals stated in RCW 74.08A.410. The department shall use these
22 characteristics in identifying which employers may participate in the
23 program. The department shall adopt rules for the participation of
24 recipients of temporary assistance for needy families in the wage
25 subsidy program. Participants in the program established under this
26 section may not be employed if: (1) The employer has terminated the
27 employment of any current employee or otherwise caused an involuntary
28 reduction of its work force in order to fill the vacancy so created
29 with the participant; or (2) the participant displaces or partially
30 displaces current employees. Employers providing positions created
31 under this section shall meet the requirements of chapter 49.46 RCW.
32 This section shall not diminish or result in the infringement of
33 obligations or rights under chapters 41.06, 41.56, and 49.36 RCW and
34 the national labor relations act, 29 U.S.C. Ch. 7. The department
35 shall establish such local and statewide advisory boards, including
36 business and labor representatives, as it deems appropriate to assist
37 in the implementation of the wage subsidy program. Once the recipient
38 is hired, the wage subsidy shall be authorized for up to nine months.

1 This section does not limit the duration of work subsidies the
2 department is authorized to provide under section 25 of this act.

3 **Sec. 23.** RCW 74.08A.330 and 1997 c 58 s 326 are each amended to
4 read as follows:

5 The department shall establish the community service program to
6 provide the experience of work for cash assistance recipients (~~of~~
7 ~~public assistance~~). The program is intended to promote a strong work
8 ethic for participating (~~public~~) cash assistance recipients. Under
9 this program, (~~public~~) cash assistance recipients are required to
10 volunteer to work for charitable nonprofit organizations and public
11 agencies, or engage in another activity designed to benefit the
12 recipient, the recipient's family, or the recipient's community, as
13 determined by the department on a case-by-case basis. Participants in
14 a community service or work experience program established by this
15 chapter are deemed employees for the purpose of chapter 49.17 RCW. The
16 cost of premiums under Title 51 RCW shall be paid for by the department
17 for participants in a community service or work experience program.
18 Participants in a community service or work experience program may not
19 be placed if: (1) An employer has terminated the employment of any
20 current employee or otherwise caused an involuntary reduction of its
21 work force in order to fill the vacancy so created with the
22 participant; or (2) the participant displaces or partially displaces
23 current employees.

24 **Sec. 24.** RCW 74.08A.340 and 1997 c 58 s 321 are each amended to
25 read as follows:

26 The department of social and health services shall operate the
27 Washington WorkFirst program authorized under RCW 74.08A.200 through
28 74.08A.330, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12 RCW
29 within the following constraints:

30 (1) The full amount of the temporary assistance for needy families
31 block grant, plus qualifying state expenditures as appropriated in the
32 biennial operating budget, shall be appropriated to the department each
33 year in the biennial appropriations act to carry out the provisions of
34 the program authorized in RCW 74.08A.200 through 74.08A.330, section 25
35 of this act, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12
36 RCW.

1 (2) The department may expend funds defined in subsection (1) of
2 this section in any manner that will effectively accomplish the outcome
3 measures defined in RCW 74.08A.410. No more than fifteen percent of
4 the amount provided in subsection (1) of this section may be spent for
5 administrative purposes. For the purpose of this subsection,
6 "administrative purposes" does not include expenditures for information
7 technology and computerization needed for tracking and monitoring
8 required by P.L. 104-193. The department shall not increase grant
9 levels to recipients of the program authorized in RCW 74.08A.200
10 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW.

11 (3) The department shall implement strategies that accomplish the
12 outcome measures identified in RCW 74.08A.410 that are within the
13 funding constraints in this section. Specifically, the department
14 shall implement strategies that will cause the number of cases in the
15 program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145
16 and chapter 74.12 RCW to decrease by at least fifteen percent during
17 the 1997-99 biennium and by at least five percent in the subsequent
18 biennium. The department may transfer appropriation authority between
19 funding categories within the economic services program in order to
20 carry out the requirements of this subsection.

21 (4) The department shall monitor expenditures against the
22 appropriation levels provided for in subsection (1) of this section.
23 The department shall quarterly make a determination as to whether
24 expenditure levels will exceed available funding and communicate its
25 finding to the legislature. If the determination indicates that
26 expenditures will exceed funding at the end of the fiscal year, the
27 department shall take all necessary actions to ensure that all services
28 provided under this chapter shall be made available only to the extent
29 of the availability and level of appropriation made by the legislature.

30 NEW SECTION. **Sec. 25.** A new section is added to chapter 74.08A
31 RCW to read as follows:

32 The department may establish eligibility standards for support
33 services, and may provide such services, as defined in section 12 of
34 this act, to the extent funds are available.

35 **Sec. 26.** RCW 74.08A.380 and 1997 c 58 s 503 are each amended to
36 read as follows:

1 All applicants under the age of eighteen years who are approved for
2 cash assistance and, within one hundred eighty days after the date of
3 federal certification of the Washington temporary assistance for needy
4 families program, all unmarried minor parents or pregnant minor
5 applicants shall, as a condition of receiving ((benefits)) cash
6 assistance, actively progress toward the completion of a high school
7 diploma or a GED.

8 **Sec. 27.** RCW 74.08A.400 and 1997 c 58 s 701 are each amended to
9 read as follows:

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

16 **Sec. 28.** RCW 74.08A.410 and 1997 c 58 s 702 are each amended to
17 read as follows:

18 (1) The WorkFirst program shall develop outcome measures for use in
19 evaluating the WorkFirst program authorized in chapter 58, Laws of
20 1997, which may include but are not limited to:

- 21 (a) Caseload reduction;
- 22 (b) Recidivism to cash assistance caseload after two years;
- 23 (c) Job retention;
- 24 (d) Earnings;
- 25 (e) Reduction in average cash assistance grant through increased
26 recipient earnings; and
- 27 (f) Placement of cash assistance recipients into private sector,
28 unsubsidized jobs.

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

1 **Sec. 29.** RCW 74.09.522 and 1997 c 59 s 15 and 1997 c 34 s 1 are
2 each reenacted and amended to read as follows:

3 (1) For the purposes of this section, "managed health care system"
4 means any health care organization, including health care providers,
5 insurers, health care service contractors, health maintenance
6 organizations, health insuring organizations, or any combination
7 thereof, that provides directly or by contract health care services
8 covered under RCW 74.09.520 and rendered by licensed providers, on a
9 prepaid capitated basis and that meets the requirements of section
10 1903(m)(1)(A) of Title XIX of the federal social security act or
11 federal demonstration waivers granted under section 1115(a) of Title XI
12 of the federal social security act.

13 (2) The department of social and health services shall enter into
14 agreements with managed health care systems to provide health care
15 services to recipients of (~~temporary assistance for needy families~~)
16 cash assistance, as defined in section 12 of this act, under the
17 following conditions:

18 (a) Agreements shall be made for at least thirty thousand
19 recipients statewide;

20 (b) Agreements in at least one county shall include enrollment of
21 all recipients of (~~temporary assistance for needy families~~) cash
22 assistance, as defined in section 12 of this act;

23 (c) To the extent that this provision is consistent with section
24 1903(m) of Title XIX of the federal social security act or federal
25 demonstration waivers granted under section 1115(a) of Title XI of the
26 federal social security act, recipients shall have a choice of systems
27 in which to enroll and shall have the right to terminate their
28 enrollment in a system: PROVIDED, That the department may limit
29 recipient termination of enrollment without cause to the first month of
30 a period of enrollment, which period shall not exceed twelve months:
31 AND PROVIDED FURTHER, That the department shall not restrict a
32 recipient's right to terminate enrollment in a system for good cause as
33 established by the department by rule;

34 (d) To the extent that this provision is consistent with section
35 1903(m) of Title XIX of the federal social security act, participating
36 managed health care systems shall not enroll a disproportionate number
37 of medical assistance recipients within the total numbers of persons
38 served by the managed health care systems, except as authorized by the

1 department under federal demonstration waivers granted under section
2 1115(a) of Title XI of the federal social security act;

3 (e) In negotiating with managed health care systems the department
4 shall adopt a uniform procedure to negotiate and enter into contractual
5 arrangements, including standards regarding the quality of services to
6 be provided; and financial integrity of the responding system;

7 (f) The department shall seek waivers from federal requirements as
8 necessary to implement this chapter;

9 (g) The department shall, wherever possible, enter into prepaid
10 capitation contracts that include inpatient care. However, if this is
11 not possible or feasible, the department may enter into prepaid
12 capitation contracts that do not include inpatient care;

13 (h) The department shall define those circumstances under which a
14 managed health care system is responsible for out-of-plan services and
15 assure that recipients shall not be charged for such services; and

16 (i) Nothing in this section prevents the department from entering
17 into similar agreements for other groups of people eligible to receive
18 services under this chapter.

19 (3) The department shall ensure that publicly supported community
20 health centers and providers in rural areas, who show serious intent
21 and apparent capability to participate as managed health care systems
22 are seriously considered as contractors. The department shall
23 coordinate its managed care activities with activities under chapter
24 70.47 RCW.

25 (4) The department shall work jointly with the state of Oregon and
26 other states in this geographical region in order to develop
27 recommendations to be presented to the appropriate federal agencies and
28 the United States congress for improving health care of the poor, while
29 controlling related costs.

30 (5) The legislature finds that competition in the managed health
31 care marketplace is enhanced, in the long term, by the existence of a
32 large number of managed health care system options for medicaid
33 clients. In a managed care delivery system, whose goal is to focus on
34 prevention, primary care, and improved enrollee health status,
35 continuity in care relationships is of substantial importance, and
36 disruption to clients and health care providers should be minimized.
37 To help ensure these goals are met, the following principles shall
38 guide the department in its healthy options managed health care
39 purchasing efforts:

1 (a) All managed health care systems should have an opportunity to
2 contract with the department to the extent that minimum contracting
3 requirements defined by the department are met, at payment rates that
4 enable the department to operate as far below appropriated spending
5 levels as possible, consistent with the principles established in this
6 section.

7 (b) Managed health care systems should compete for the award of
8 contracts and assignment of medicaid beneficiaries who do not
9 voluntarily select a contracting system, based upon:

10 (i) Demonstrated commitment to or experience in serving low-income
11 populations;

12 (ii) Quality of services provided to enrollees;

13 (iii) Accessibility, including appropriate utilization, of services
14 offered to enrollees;

15 (iv) Demonstrated capability to perform contracted services,
16 including ability to supply an adequate provider network;

17 (v) Payment rates; and

18 (vi) The ability to meet other specifically defined contract
19 requirements established by the department, including consideration of
20 past and current performance and participation in other state or
21 federal health programs as a contractor.

22 (c) Consideration should be given to using multiple year
23 contracting periods.

24 (d) Quality, accessibility, and demonstrated commitment to serving
25 low-income populations shall be given significant weight in the
26 contracting, evaluation, and assignment process.

27 (e) All contractors that are regulated health carriers must meet
28 state minimum net worth requirements as defined in applicable state
29 laws. The department shall adopt rules establishing the minimum net
30 worth requirements for contractors that are not regulated health
31 carriers. This subsection does not limit the authority of the
32 department to take action under a contract upon finding that a
33 contractor's financial status seriously jeopardizes the contractor's
34 ability to meet its contract obligations.

35 (f) Procedures for resolution of disputes between the department
36 and contract bidders or the department and contracting carriers related
37 to the award of, or failure to award, a managed care contract must be
38 clearly set out in the procurement document. In designing such
39 procedures, the department shall give strong consideration to the

1 negotiation and dispute resolution processes used by the Washington
2 state health care authority in its managed health care contracting
3 activities.

4 (6) The department may apply the principles set forth in subsection
5 (5) of this section to its managed health care purchasing efforts on
6 behalf of clients receiving supplemental security income benefits to
7 the extent appropriate.

8 **Sec. 30.** RCW 74.12.010 and 1999 c 120 s 1 are each amended to read
9 as follows:

10 For the purposes of the administration of temporary assistance for
11 needy families, the term "dependent child" means any child in need
12 under the age of eighteen years who is living with a relative as
13 specified under federal temporary assistance for needy families program
14 requirements, in a place of residence maintained by one or more of such
15 relatives as his or their homes. The term a "dependent child" shall,
16 notwithstanding the foregoing, also include a child who would meet such
17 requirements except for his removal from the home of a relative
18 specified above as a result of a judicial determination that
19 continuation therein would be contrary to the welfare of such child,
20 for whose placement and care the state department of social and health
21 services or the county office is responsible, and who has been placed
22 in a licensed or approved child care institution or foster home as a
23 result of such determination and who: (1) Was receiving an aid to
24 families with dependent children grant for the month in which court
25 proceedings leading to such determination were initiated; or (2) would
26 have received aid to families with dependent children for such month if
27 application had been made therefor; or (3) in the case of a child who
28 had been living with a specified relative within six months prior to
29 the month in which such proceedings were initiated, would have received
30 aid to families with dependent children for such month if in such month
31 he had been living with such a relative and application had been made
32 therefor, as authorized by the Social Security Act.

33 (~~("Temporary assistance for needy families" means money payments,~~
34 ~~services, and remedial care with respect to a dependent child or~~
35 ~~dependent children and the needy parent or relative with whom the child~~
36 ~~lives.))~~)

1 **Sec. 31.** RCW 74.12.030 and 1997 c 59 s 17 are each amended to read
2 as follows:

3 In addition to meeting the eligibility requirements of RCW
4 74.08.025, as now or hereafter amended, an applicant for temporary
5 assistance for needy families, as defined in section 12 of this act,
6 must be a needy child who is a resident of the state of Washington.

7 **Sec. 32.** RCW 74.12.035 and 1999 c 120 s 2 are each amended to read
8 as follows:

9 (1) Children over eighteen years of age and under nineteen years of
10 age who are full-time students reasonably expected to complete a
11 program of secondary school, or the equivalent level of vocational or
12 technical training, before reaching nineteen years of age are eligible
13 to receive temporary assistance for needy families, as defined in
14 section 12 of this act: PROVIDED HOWEVER, That if such students do not
15 successfully complete such program before reaching nineteen years of
16 age, the assistance rendered under this subsection during such period
17 shall not be a debt due the state.

18 (2) Children with disabilities who are eighteen years of age and
19 under twenty-one years of age and who are full-time students whose
20 education is being provided in accordance with RCW 28A.155.020 are
21 eligible to receive temporary assistance for needy families
22 (~~benefits~~), as defined in section 12 of this act.

23 (3) The department is authorized to grant exceptions to the
24 eligibility restrictions for children eighteen years of age and under
25 twenty-one years of age under subsections (1) and (2) of this section
26 only when it determines by reasonable, objective criteria that such
27 exceptions are likely to enable the children to complete their high
28 school education, general equivalency diploma or vocational education.

29 **Sec. 33.** RCW 74.12.250 and 1997 c 58 s 506 are each amended to
30 read as follows:

31 If the department, after investigation, finds that any applicant
32 for cash assistance, as defined in section 12 of this act, under this
33 chapter or any recipient of funds under this chapter would not use, or
34 is not utilizing, (~~the grant~~) cash assistance adequately for the
35 needs of his or her child or children or would dissipate the (~~grant~~)
36 assistance or is dissipating such (~~grant~~) assistance, or would be or
37 is unable to manage adequately the funds paid on behalf of said child

1 and that to provide or continue payments to the applicant or recipient
2 would be contrary to the welfare of the child, the department may make
3 such payments to another individual who is interested in or concerned
4 with the welfare of such child and relative: PROVIDED, That the
5 department shall provide such counseling and other services as are
6 available and necessary to develop greater ability on the part of the
7 relative to manage funds in such manner as to protect the welfare of
8 the family. Periodic review of each case shall be made by the
9 department to determine if said relative is able to resume management
10 of the cash assistance (~~(grant)~~) payments. If after a reasonable
11 period of time the payments to the relative cannot be resumed, the
12 department may request the attorney general to file a petition in the
13 superior court for the appointment of a guardian for the child or
14 children. Such petition shall set forth the facts warranting such
15 appointment. Notice of the hearing on such petition shall be served
16 upon the cash assistance recipient and the department not less than ten
17 days before the date set for such hearing. Such petition may be filed
18 with the clerk of superior court and all process issued and served
19 without payment of costs. If upon the hearing of such petition the
20 court is satisfied that it is for the best interest of the child or
21 children, and all parties concerned, that a guardian be appointed, he
22 shall order the appointment, and may require the guardian to render to
23 the court a detailed itemized account of expenditures of such cash
24 assistance payments at such time as the court may deem advisable.

25 It is the intention of this section that the guardianship herein
26 provided for shall be a special and limited guardianship solely for the
27 purpose of safeguarding the cash assistance (~~(grants)~~) payments made to
28 dependent children. Such guardianship shall terminate upon the
29 termination of such cash assistance (~~(grant)~~) payment, or sooner on
30 order of the court, upon good cause shown.

31 **Sec. 34.** RCW 74.12.255 and 1997 c 58 s 501 are each amended to
32 read as follows:

33 (1) The department shall determine, after consideration of all
34 relevant factors and in consultation with the applicant, the most
35 appropriate living situation for applicants under eighteen years of
36 age, unmarried, and either pregnant or having a dependent child or
37 children in the applicant's care. An appropriate living situation
38 shall include a place of residence that is maintained by the

1 applicant's parents, parent, legal guardian, or other adult relative as
2 their or his or her own home and that the department finds would
3 provide an appropriate supportive living arrangement. It also includes
4 a living situation maintained by an agency that is licensed under
5 chapter 74.15 RCW that the department finds would provide an
6 appropriate supportive living arrangement. ((Grant)) Cash assistance,
7 as defined in section 12 of this act, shall not be provided under this
8 chapter if the applicant does not reside in the most appropriate living
9 situation, as determined by the department.

10 (2) An unmarried minor parent or pregnant minor applicant residing
11 in the most appropriate living situation, as provided under subsection
12 (1) of this section, is presumed to be unable to manage adequately the
13 funds paid to the minor or on behalf of the dependent child or children
14 and, unless the minor provides sufficient evidence to rebut the
15 presumption, shall be subject to the protective payee requirements
16 provided for under RCW 74.12.250 and 74.08.280.

17 (3) The department shall consider any statements or opinions by
18 either parent of the unmarried minor parent or pregnant minor applicant
19 as to an appropriate living situation for the minor and his or her
20 children, whether in the parental home or other situation. If the
21 parents or a parent of the minor request, they or he or she shall be
22 entitled to a hearing in juvenile court regarding designation of the
23 parental home or other relative placement as the most appropriate
24 living situation for the pregnant or parenting minor.

25 The department shall provide the parents or parent with the
26 opportunity to make a showing that the parental home, or home of the
27 other relative placement, is the most appropriate living situation. It
28 shall be presumed in any administrative or judicial proceeding
29 conducted under this subsection that the parental home or other
30 relative placement requested by the parents or parent is the most
31 appropriate living situation. This presumption is rebuttable.

32 (4) In cases in which the minor is unmarried and unemployed, the
33 department shall, as part of the determination of the appropriate
34 living situation, make an affirmative effort to provide current and
35 positive information about adoption including referral to community-
36 based organizations for counseling and provide information about the
37 manner in which adoption works, its benefits for unmarried, unemployed
38 minor parents and their children, and the meaning and availability of
39 open adoption.

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

5 **Sec. 35.** RCW 74.12.260 and 1997 c 59 s 21 are each amended to read
6 as follows:

7 (~~Temporary assistance for needy families grants~~) Cash assistance,
8 as defined in section 12 of this act, shall be (~~made~~) provided to
9 persons specified in RCW 74.12.010 as amended or such others as the
10 federal department of health, education and welfare shall recognize for
11 the sole purposes of giving benefits to the children whose needs are
12 included in the (~~grant~~) cash assistance paid to such persons. The
13 recipient of (~~each temporary assistance for needy families grant~~)
14 cash assistance shall be and hereby is required to present reasonable
15 proof to the department of social and health services as often as may
16 be required by the department that all cash assistance funds received
17 (~~in the form of a temporary assistance for needy families grant~~) for
18 the children (~~represented in the grant~~) are being spent for the
19 benefit of the children.

20 **Sec. 36.** RCW 74.12.300 and 1979 c 141 s 353 are each amended to
21 read as follows:

22 If the home in which the child lives is found to be unsuitable, but
23 there is reason to believe that elimination of the undesirable
24 conditions can be effected, and the child is otherwise eligible for
25 aid, (~~a grant~~) cash assistance, as defined in section 12 of this act,
26 shall be initiated or continued for such time as the state department
27 of social and health services and the family require to remedy the
28 conditions.

29 **Sec. 37.** RCW 74.12.330 and 1963 c 228 s 29 are each amended to
30 read as follows:

31 Notwithstanding the provisions of this chapter a child otherwise
32 eligible for aid shall not be denied such cash assistance, as defined
33 in section 12 of this act, where a relative as specified in the social
34 security act is unavailable or refuses to accept custody and the
35 juvenile court fails to enter an order removing the child from the
36 custody of the parent, relative or guardian then having custody.

1 **Sec. 38.** RCW 74.12.361 and 1997 c 59 s 23 are each amended to read
2 as follows:

3 The department shall actively develop mechanisms for the income
4 assistance program, the medical assistance program, and the community
5 services administration to facilitate the enrollment in the federal
6 supplemental security income program of disabled persons currently part
7 of assistance units receiving (~~((temporary assistance for needy families~~
8 ~~benefits))~~ cash assistance, as defined in section 12 of this act.

9 **Sec. 39.** RCW 74.12.400 and 1997 c 59 s 24 are each amended to read
10 as follows:

11 The department shall train financial services and social work staff
12 who provide direct service to recipients of (~~((temporary assistance for~~
13 ~~needy families))~~ cash assistance, as defined in section 12 of this act,
14 to:

15 (1) Effectively communicate the transitional nature of (~~((temporary~~
16 ~~assistance for needy families))~~ cash assistance and the expectation
17 that recipients will enter employment;

18 (2) Actively refer clients to the job opportunities and basic
19 skills program;

20 (3) Provide social services needed to overcome obstacles to
21 employability; and

22 (4) Provide family planning information and assistance, including
23 alternatives to abortion, which shall be conducted in consultation with
24 the department of health.

25 **Sec. 40.** RCW 74.12.410 and 1997 c 58 s 601 are each amended to
26 read as follows:

27 (1) At time of application or reassessment under this chapter the
28 department shall offer or contract for family planning information and
29 assistance, including alternatives to abortion, and any other available
30 locally based teen pregnancy prevention programs, to prospective and
31 current recipients of (~~((aid to families with dependent children))~~
32 temporary assistance for needy families, as defined in section 12 of
33 this act.

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

1 (3) The department of health shall maximize federal funding by
2 timely application for federal funds available under P.L. 104-193 and
3 Title V of the federal social security act, 42 U.S.C. 701 net seq., as
4 amended, for the establishment of qualifying abstinence education and
5 motivation programs. The department of health shall contract, by
6 competitive bid, with entities qualified to provide abstinence
7 education and motivation programs in the state.

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

11 (5)(a) For purposes of this section, "qualifying abstinence
12 education and motivation programs" are those bidders with experience in
13 the conduct of the types of abstinence education and motivation
14 programs set forth in Title V of the federal social security act, 42
15 U.S.C. Sec. 701 net seq., as amended.

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

21 **Sec. 41.** RCW 74.12.450 and 1995 c 401 s 2 are each amended to read
22 as follows:

23 (1) Whenever the department receives an application for cash
24 assistance, as defined in section 12 of this act, on behalf of a child
25 under this chapter and an employee of the department has reason to
26 believe that the child has suffered abuse or neglect, the employee
27 shall cause a report to be made as provided under chapter 26.44 RCW.

28 (2) Whenever the department approves an application for cash
29 assistance on behalf of a child under this chapter, the department
30 shall make a reasonable effort to determine whether the child is living
31 with a parent of the child. Whenever the child is living in the home
32 of a relative other than a parent of the child, the department shall
33 make reasonable efforts to notify the parent with whom the child has
34 most recently resided that an application for cash assistance on behalf
35 of the child has been approved by the department and shall advise the
36 parent of his or her rights under this section, RCW 74.12.460, and
37 sections 4 and 5 of this act, unless good cause exists not to do so

1 based on a substantiated claim that the parent has abused or neglected
2 the child.

3 (3) Upon written request of the parent, the department shall notify
4 the parent of the address and location of the child, unless there is a
5 current investigation or pending case involving abuse or neglect by the
6 parent under chapter 13.34 RCW.

7 (4) The department shall notify and advise the parent of the
8 provisions of the family reconciliation act under chapter 13.32A RCW.

9 **Sec. 42.** RCW 74.13.0903 and 1997 c 58 s 404 are each amended to
10 read as follows:

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

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

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

23 (3) Actively seek public and private money for distribution as
24 grants to the statewide child care resource and referral network and to
25 existing or potential local child care resource and referral
26 organizations;

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

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

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

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

37 (d) Provide information for businesses regarding child care supply
38 and demand;

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

3 (f) Provide technical assistance to employers regarding employee
4 child care services; and

5 (g) Serve recipients of temporary assistance for needy families, as
6 defined in section 12 of this act, and working parents with incomes at
7 or below household incomes of one hundred seventy-five percent of the
8 federal poverty line;

9 (5) Provide staff support and technical assistance to the statewide
10 child care resource and referral network and local child care resource
11 and referral organizations;

12 (6) Maintain a statewide child care licensing data bank and work
13 with department of social and health services licensors to provide
14 information to local child care resource and referral organizations
15 about licensed child care providers in the state;

16 (7) Through the statewide child care resource and referral network
17 and local resource and referral organizations, compile data about local
18 child care needs and availability for future planning and development;

19 (8) Coordinate with the statewide child care resource and referral
20 network and local child care resource and referral organizations for
21 the provision of training and technical assistance to child care
22 providers; and

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

27 **Sec. 43.** RCW 74.25.040 and 1997 c 59 s 30 are each amended to read
28 as follows:

29 (1) Recipients of temporary assistance for needy families, as
30 defined in section 12 of this act, who are employed or participating in
31 a work activity under section 312 of this act may volunteer or work in
32 a licensed child care facility. Licensed child care facilities
33 participating in this effort shall provide care for the recipient's
34 children and provide for the development of positive child care skills.

35 (2) The department shall train two hundred fifty recipients of
36 temporary assistance for needy families, as defined in section 12 of
37 this act, to become family child care providers or child care center
38 teachers. The department shall offer the training in rural and urban

1 communities. The department shall adopt rules to implement the child
2 care training program in this 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.

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