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**SECOND SUBSTITUTE HOUSE BILL 1741**

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**State of Washington**

**62nd Legislature**

**2011 Regular Session**

**By** House Ways & Means (originally sponsored by Representatives Kagi and Walsh; by request of Department of Social and Health Services)

READ FIRST TIME 04/01/11.

1       AN ACT Relating to temporary assistance for needy families  
2 benefits; amending RCW 74.08A.260, 43.88C.010, 74.08.025, 74.08A.230,  
3 74.08.270, and 74.08A.340; adding a new section to chapter 74.08 RCW;  
4 adding a new section to chapter 74.08A RCW; adding a new section to  
5 chapter 74.12 RCW; creating new sections; providing effective dates;  
6 providing expiration dates; and declaring an emergency.

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

8       NEW SECTION.   **Sec. 1.** The legislature finds that stable and  
9 sustainable employment is the key goal of the WorkFirst and temporary  
10 assistance for needy families programs. The legislature further finds  
11 that, with almost fifteen years of experience operating the temporary  
12 assistance for needy families program and through the WorkFirst  
13 redesign project, we have gained significant knowledge regarding  
14 program design elements that are most likely to lead to self-  
15 sufficiency through stable and sustainable employment. Particularly in  
16 times of fiscal challenge, temporary assistance for needy families and  
17 WorkFirst resources must be invested in program elements that produce  
18 the best results for low-income families and the state of Washington,

1 to the extent that such investments do not substantially jeopardize  
2 Washington state's receipt of federal temporary assistance for needy  
3 families block grant funds.

4 The core tenets that are the foundation of Washington state's  
5 WorkFirst program are: (1) Achieving stable and successful employment;  
6 (2) employing a family-centered case planning and engagement approach  
7 to achieve good outcomes and reduce long-term dependency and  
8 generational poverty within families; (3) recognizing the critical role  
9 that participants play in their children's development, healthy growth,  
10 and promotion of family stability; (4) developing strategies founded on  
11 the principle that WorkFirst is a transitional, not long-term, program  
12 to assist families on the pathway to self-sufficiency; and (5)  
13 leveraging resources outside of the funding for the temporary  
14 assistance for needy families program is crucial to achieving the goals  
15 of WorkFirst. It is the intent of the legislature, using evidence-  
16 based and research-based practices, to develop a road map to self-  
17 sufficiency for participants in WorkFirst and recipients of temporary  
18 assistance for needy families.

19 **Sec. 2.** RCW 74.08A.260 and 2009 c 85 s 2 are each amended to read  
20 as follows:

21 ~~(1) ((Each recipient shall be assessed after determination of~~  
22 ~~program eligibility and before referral to job search. Assessments~~  
23 ~~shall be based upon factors that are critical to obtaining employment,~~  
24 ~~including but not limited to education, availability of child care,~~  
25 ~~history of family violence, history of substance abuse, and other~~  
26 ~~factors that affect the ability to obtain employment. Assessments may~~  
27 ~~be performed by the department or by a contracted entity.))~~ The  
28 department shall conduct an initial comprehensive family assessment at  
29 program entry. The primary purpose of the assessment is to determine  
30 the applicant's readiness for employment, including full consideration  
31 of factors that are critical to obtaining stable and sustainable  
32 employment, such as education, availability of child care, history of  
33 family violence, history of substance abuse, mental illness and chronic  
34 medical conditions, and other factors that affect a recipient's ability  
35 to obtain stable and sustainable employment. The assessment shall be  
36 based on a uniform, consistent, transferable format that will be

1 accepted by all agencies and organizations serving the recipient.  
2 (~~Based on the assessment, an individual responsibility plan shall be~~  
3 ~~prepared that:~~)

4 (2) The department shall develop a plan to implement a predictive  
5 modeling tool to be used to identify risk factors relating to a  
6 recipient's participation in the temporary assistance for needy  
7 families program and his or her employability. The predictive modeling  
8 tool must be designed to assist the department in identifying  
9 recipients who are at high risk to remain in or return to the temporary  
10 assistance for needy families program and those who are at low risk to  
11 remain and are likely to exit the program and not return.

12 (3) Based upon the information obtained by the predictive modeling  
13 tool under subsection (2) of this section, when developed, and the  
14 information obtained from the assessment under subsection (1) of this  
15 section, an individual responsibility plan shall be prepared for the  
16 recipient. The individual responsibility plan is intended to establish  
17 an employment goal and effectively address each of the needs identified  
18 in the recipient's assessment so that his or her employment goal can be  
19 met. The plan shall: (a) ~~Set((s))~~ forth an employment goal and a plan  
20 for maximizing the recipient's success at meeting the employment goal;  
21 (b) ~~(considers))~~ identify WorkFirst educational and training programs  
22 ~~((from which the recipient could benefit))~~ that, whether alone or in  
23 combination with work activities, will enable the recipient to reach  
24 his or her employment goal; (c) identify services necessary to address  
25 barriers to employment, such as behavioral health services, domestic  
26 violence services, or services to address learning disabilities; (d)  
27 ~~contain((s))~~ the obligation of the recipient to participate in the  
28 program by complying with the plan; ~~((d+))~~ (e) ~~move((s))~~ the recipient  
29 into full-time WorkFirst activities as quickly as possible; and ~~((e+))~~  
30 (f) ~~describe((s))~~ the services available to the recipient either during  
31 or after WorkFirst to enable the recipient to obtain and keep  
32 employment and to advance in the workplace and increase the recipient's  
33 wage earning potential over time. In determining which training or  
34 educational programs or other services to include in the plan, the  
35 department must endeavor to utilize training and educational programs  
36 and other services that have been shown to produce the most stable and  
37 sustainable employment outcomes for recipients.

1       (~~(2)~~) (4) 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)~~) (5) If a recipient refuses to engage in work and work  
6 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)~~) (6) The department may waive the penalties required under  
10 subsection (~~(3)~~) (5) of this section, subject to a finding that the  
11 recipient refused to engage in work for good cause provided in RCW  
12 74.08A.270.

13       (~~(5)~~) (7) In implementing this section, the department shall  
14 assign the highest priority to the most employable clients, including  
15 adults in two-parent families and parents in single-parent families  
16 that include older preschool or school-age children to be engaged in  
17 work activities.

18       (~~(6)~~) (8) In consultation with the recipient, the department or  
19 contractor shall place the recipient into a work activity that is  
20 available in the local area where the recipient resides.

21       (~~(7)~~) (9) Assessments conducted under this section shall include  
22 a consideration of the potential benefit to the recipient of engaging  
23 in financial literacy activities. The department shall consider the  
24 options for financial literacy activities available in the community,  
25 including information and resources available through the financial  
26 (~~literacy~~) education public-private partnership created under RCW  
27 28A.300.450. The department may authorize up to ten hours of financial  
28 literacy activities as a core activity or an optional activity under  
29 WorkFirst.

30       NEW SECTION. Sec. 3. A new section is added to chapter 74.08 RCW  
31 to read as follows:

32       (1) By December 1, 2011, the department shall develop an  
33 implementation plan for redesign of the WorkFirst program. The plan  
34 must include, but not be limited to, the following:

35       (a) A strengthened assessment and predictive modeling process, as  
36 provided in RCW 74.08A.260;

1 (b) Individualized case management to meaningfully engage  
2 recipients in services and activities necessary to address employment  
3 barriers and increase successful outcomes;

4 (c) Improvements in employment pathway activities related to job  
5 search, education and training programs, and work activities.  
6 Improvements should rely upon employment outcomes data from the  
7 employment security department, state board for community and technical  
8 colleges, and the department of commerce, as well as research  
9 identifying evidence-based and research-based programs operating  
10 successfully in other states;

11 (d) Services for families that have exited the temporary assistance  
12 for needy families program;

13 (e) Strategy for involvement of participants with local community  
14 organizations;

15 (f) Revised requirements for families with young children in school  
16 less than full time; and

17 (g) A continuous evaluation process that includes monitoring of  
18 outcome measures identified in RCW 74.08A.410.

19 (2) This section expires June 30, 2013.

20 **Sec. 4.** RCW 43.88C.010 and 2000 c 90 s 1 are each amended to read  
21 as follows:

22 (1) The caseload forecast council is hereby created. The council  
23 shall consist of two individuals appointed by the governor and four  
24 individuals, one of whom is appointed by the chairperson of each of the  
25 two largest political caucuses in the senate and house of  
26 representatives. The chair of the council shall be selected from among  
27 the four caucus appointees. The council may select such other officers  
28 as the members deem necessary.

29 (2) The council shall employ a caseload forecast supervisor to  
30 supervise the preparation of all caseload forecasts. As used in this  
31 chapter, "supervisor" means the caseload forecast supervisor.

32 (3) Approval by an affirmative vote of at least five members of the  
33 council is required for any decisions regarding employment of the  
34 supervisor. Employment of the supervisor shall terminate after each  
35 term of three years. At the end of the first year of each three-year  
36 term the council shall consider extension of the supervisor's term by

1 one year. The council may fix the compensation of the supervisor. The  
2 supervisor shall employ staff sufficient to accomplish the purposes of  
3 this section.

4 (4) The caseload forecast council shall oversee the preparation of  
5 and approve, by an affirmative vote of at least four members, the  
6 official state caseload forecasts prepared under RCW 43.88C.020. If  
7 the council is unable to approve a forecast before a date required in  
8 RCW 43.88C.020, the supervisor shall submit the forecast without  
9 approval and the forecast shall have the same effect as if approved by  
10 the council.

11 (5) A council member who does not cast an affirmative vote for  
12 approval of the official caseload forecast may request, and the  
13 supervisor shall provide, an alternative forecast based on assumptions  
14 specified by the member.

15 (6) Members of the caseload forecast council shall serve without  
16 additional compensation but shall be reimbursed for travel expenses in  
17 accordance with RCW 44.04.120 while attending sessions of the council  
18 or on official business authorized by the council. Nonlegislative  
19 members of the council shall be reimbursed for travel expenses in  
20 accordance with RCW 43.03.050 and 43.03.060.

21 (7) "Caseload," as used in this chapter, means the number of  
22 persons expected to meet entitlement requirements and require the  
23 services of public assistance programs, state correctional  
24 institutions, state correctional noninstitutional supervision, state  
25 institutions for juvenile offenders, the common school system, long-  
26 term care, medical assistance, foster care, and adoption support.

27 (8) The office of financial management shall provide the caseload  
28 forecast council and the legislature with a caseload forecast of the  
29 temporary assistance for needy families program prior to each regularly  
30 scheduled meeting of the caseload forecast council.

31 (9) Unless the context clearly requires otherwise, the definitions  
32 provided in RCW 43.88.020 apply to this chapter.

33 **Sec. 5.** RCW 74.08.025 and 2005 c 174 s 2 are each amended to read  
34 as follows:

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

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

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

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

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

29 (3) Any person otherwise qualified for temporary assistance for  
30 needy families who is assessed through the state alcohol and substance  
31 abuse program as drug or alcohol-dependent and requiring treatment to  
32 become employable shall be required by the department to participate in  
33 a drug or alcohol treatment program as a condition of benefit receipt.

34 (4) The department may implement a permanent disqualification for  
35 temporary assistance for needy families for parents who have been  
36 terminated due to WorkFirst noncompliance sanction three or more times  
37 since March 1, 2007, when efforts to reengage the parent in WorkFirst  
38 activities have not been successful.

1       (5) Pursuant to 21 U.S.C. 862a(d)(1), the department shall exempt  
2 individuals from the eligibility restrictions of 21 U.S.C. 862a(a)(1)  
3 and (2) to ensure eligibility for temporary assistance for needy  
4 families benefits and federal food assistance.

5       **Sec. 6.** RCW 74.08A.230 and 1997 c 58 s 308 are each amended to  
6 read as follows:

7       (1) In addition to their monthly benefit payment, a family may earn  
8 and keep (~~one-half~~) up to forty percent of its earnings as set by the  
9 department during every month it is eligible to receive assistance  
10 under this section.

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

16       (a) A full-time student; or

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

19       **Sec. 7.** RCW 74.08A.270 and 2007 c 289 s 1 are each amended to read  
20 as follows:

21       (1) Good cause reasons for failure to participate in WorkFirst  
22 program components include: (a) Situations where the recipient is a  
23 parent or other relative personally providing care for a child under  
24 the age of six years, and formal or informal child care, or day care  
25 for an incapacitated individual living in the same home as a dependent  
26 child, is necessary for an individual to participate or continue  
27 participation in the program or accept employment, and such care is not  
28 available, and the department fails to provide such care; or (b) the  
29 recipient is a parent with a child under the age of (~~one~~) two years.

30       (2) A parent claiming a good cause exemption from WorkFirst  
31 participation under subsection (1)(b) of this section may be required  
32 to participate in one or more of the following, up to a maximum total  
33 of twenty hours per week, if such treatment, services, or training is  
34 indicated by the comprehensive evaluation or other assessment:

35       (a) Mental health treatment;

36       (b) Alcohol or drug treatment;



1 (c) Domestic violence services; or

2 (d) Parenting education or parenting skills training, if available.

3 (3) The department shall: (a) Work with a parent claiming a good  
4 cause exemption under subsection (1)(b) of this section to identify and  
5 access programs and services designed to improve parenting skills and  
6 promote child well-being, including but not limited to home visitation  
7 programs and services; and (b) provide information on the availability  
8 of home visitation services to temporary assistance for needy families  
9 caseworkers, who shall inform clients of the availability of the  
10 services. If desired by the client, the caseworker shall facilitate  
11 appropriate referrals to providers of home visitation services.

12 (4) Nothing in this section shall prevent a recipient from  
13 participating in the WorkFirst program on a voluntary basis.

14 (5) A parent is eligible for a good cause exemption under  
15 subsection (1)(b) of this section for a maximum total of (~~twelve~~)  
16 twenty-four months over the parent's lifetime.

17 (6) If a participant does not participate in WorkFirst activities  
18 or other activities under this section on a voluntary basis, the  
19 participant is not eligible for child care services provided in RCW  
20 74.08A.340.

21 NEW SECTION. Sec. 8. A new section is added to chapter 74.08A RCW  
22 to read as follows:

23 (1) Recipients with children under the age of six who are required  
24 to participate in a work activity shall be permitted to limit their  
25 participation in that work activity to twenty hours per week.

26 (2) This section expires June 30, 2013.

27 NEW SECTION. Sec. 9. A new section is added to chapter 74.12 RCW  
28 to read as follows:

29 The department may adopt rules establishing eligibility for  
30 temporary assistance for needy families benefits for a child, other  
31 than a foster child, who lives with a caregiver other than his or her  
32 parents. These rules may include, but are not limited to, establishing  
33 income eligibility standards for the child's caregiver up to three  
34 hundred percent of the federal poverty level based on family size and  
35 establishing a sliding scale benefit standard for a child when the

1 income of the child's caregiver is above two hundred percent of the  
2 federal poverty level based on family size.

3 **Sec. 10.** RCW 74.08A.340 and 2009 c 564 s 953 are each amended to  
4 read as follows:

5 ~~((The department of social and health services shall operate the  
6 Washington WorkFirst program authorized under RCW 74.08A.200 through  
7 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12  
8 RCW within the following constraints:))~~

9 (1) The full amount of the temporary assistance for needy families  
10 block grant, plus qualifying state expenditures ~~((as appropriated in  
11 the biennial operating budget))~~, shall be appropriated to the  
12 department of social and health services each year in the ~~((biennial))~~  
13 appropriations act to carry out the provisions of the program  
14 authorized in RCW ~~((74.08A.200))~~ 74.08A.210 through 74.08A.330,  
15 43.330.145, 43.215.545, and 74.25.040, ~~((and))~~ chapter 74.12 RCW, and  
16 policies established by the legislature.

17 (2)~~((+))~~ The full amount of the child care development fund, plus  
18 qualifying state expenditures, shall be appropriated to the department  
19 of early learning each year in the appropriations act to carry out the  
20 provisions of the working connections child care program, child care  
21 quality programs, and child care licensing functions. The department  
22 of early learning shall transfer to the department of social and health  
23 services funds sufficient to carry out working connections child care  
24 eligibility determinations, service authorizations, and child care  
25 provider payments in a manner consistent with policy established by the  
26 legislature and the department of early learning.

27 (3) Within funds appropriated and policy established by the  
28 legislature, the department ((may)) of social and health services shall  
29 implement strategies and expend funds ((defined in subsection (1) of  
30 this section in any manner that will effectively accomplish)) in a  
31 manner that accomplishes the outcome measures defined in RCW 74.08A.410  
32 ~~((with the following exception: Beginning with the 2007-2009 biennium,~~  
33 ~~funds that constitute the working connections child care program, child~~  
34 ~~care quality programs, and child care licensing functions.~~

35 ~~(b) Beginning in the 2007-2009 fiscal biennium, the legislature~~  
36 ~~shall appropriate and the departments of early learning and social and~~  
37 ~~health services shall expend funds defined in subsection (1) of this~~

1 ~~section that constitute the working connections child care program,~~  
2 ~~child care quality programs, and child care licensing functions in a~~  
3 ~~manner that is consistent with the outcome measures defined in RCW~~  
4 ~~74.08A.410)).~~ Within funds appropriated, the department of early  
5 learning shall expend funds in a manner consistent with the  
6 requirements of RCW 43.215.135.

7 ~~((c))~~ (4) No more than fifteen percent of the appropriated  
8 amounts ~~((provided in subsection (1) of this section))~~ may be spent for  
9 administrative purposes. For the purpose of this subsection,  
10 "administrative purposes" does not include expenditures for information  
11 technology and computerization needed for tracking and monitoring  
12 required by P.L. 104-193. ~~((The department shall not increase grant~~  
13 ~~levels to recipients of the program authorized in RCW 74.08A.200~~  
14 ~~through 74.08A.330 and 43.330.145 and chapter 74.12 RCW, except as~~  
15 ~~authorized in the omnibus appropriations act for the 2009-2011~~  
16 ~~biennium.~~

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

27 ~~(4))~~ (5) The department of social and health services and the  
28 department of early learning shall operate the programs under  
29 subsections (1) and (2) of this section within appropriated levels.  
30 The departments each shall monitor expenditures against the  
31 appropriation levels provided ~~((for in subsection (1) of this section))~~  
32 in the appropriations act. The departments shall each quarterly make  
33 a determination as to whether expenditure levels will exceed available  
34 funding and communicate ~~((its))~~ their findings to the legislature. If  
35 the determination indicates that expenditures will exceed funding at  
36 the end of the fiscal year, the departments shall take all necessary  
37 actions consistent with the appropriations act and chapters 43.215 and  
38 74.08A RCW to ensure that all services provided under ~~((this chapter))~~

1 subsections (1) and (2) of this section shall be made available only to  
2 the extent of the availability and level of appropriation made by the  
3 legislature.

4 NEW SECTION. **Sec. 11.** This act may be known and cited as the  
5 family security act.

6 NEW SECTION. **Sec. 12.** Section 2 of this act takes effect July 1,  
7 2012.

8 NEW SECTION. **Sec. 13.** Sections 5 through 8 of this act are  
9 necessary for the immediate preservation of the public peace, health,  
10 or safety, or support of the state government and its existing public  
11 institutions, and take effect May 1, 2011.

12 NEW SECTION. **Sec. 14.** Section 9 of this act takes effect November  
13 1, 2011.

14 NEW SECTION. **Sec. 15.** Section 7 of this act expires June 30,  
15 2013.

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