
HOUSE BILL 1436

State of Washington**52nd Legislature****1991 Regular Session**

By Representatives Moyer, Leonard, P. Johnson, Brough, Winsley, Dellwo, Wood, Morris, Forner, Spanel, Mitchell, Franklin, Paris, Heavey, Betrozoff, Ferguson, Nelson, Holland, Roland, Bowman, Rasmussen, Beck, Belcher, Cole, Cantwell, Zellinsky, H. Myers, Basich, R. Johnson, Jacobsen, Peery, Phillips, Van Luven, Wang, Wineberry, Hine, Anderson, Prentice, Pruitt, Brekke, Kremen, Hargrove, Ogden, R. Fisher, Sheldon, Ebersole, R. King, Scott, Fraser and Miller.

Read first time January 29, 1991. Referred to Committee on Human Services\Appropriations.

1 AN ACT Relating to public assistance; amending RCW 74.04.005 and
2 74.04.770; adding new sections to chapter 74.04 RCW; creating new
3 sections; providing an effective date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that nearly a
6 quarter of Washington's children are living in poverty. Immediate
7 measures must be taken to prevent a disproportionate number of these
8 children from manifesting social disorders, health problems, and low
9 educational achievement. The legislature finds that the following
10 solutions are required to combat specific problems:

11 (1) The families of poor children have experienced a severe erosion
12 in purchasing power over the past decade because income assistance
13 grants do not reflect actual minimal living costs. The legislature
14 intends to enhance the purchasing power of these families by increasing
15 the grant standard, which will not only alleviate the suffering of

1 children living in poverty, but will also have a beneficial impact on
2 the state's economy.

3 (2) The current state welfare system requires a reduction in grant
4 standards when income is received. In most cases, family income is
5 limited to levels substantially below the standard of need. This is a
6 strong disincentive to work. To remove this disincentive, the
7 legislature intends to allow families to retain a greater percentage of
8 income before it results in the reduction or termination of benefits.

9 (3) Recipients of aid to families with dependent children have
10 suffered up to a two-month lag in receiving an assistance increase when
11 they have suffered reduced or lost wages. This deters recipients from
12 entering the work force. The state intends to provide these recipients
13 with increased assistance within fifteen days of the request.

14 (4) Some high school students have been dropped from aid to
15 families with dependent children and forced to go to work prior to
16 finishing high school or completing vocational training. This
17 negatively impacts their long-term job prospects and increases the
18 likelihood they will need future income assistance. The state intends
19 to continue benefit levels for students until their studies can
20 reasonably be completed, using federally matched benefits when
21 possible.

22 NEW SECTION. **Sec. 2.** The department shall establish the grant
23 standard for all income assistance programs as a percentage of the
24 standard of need established under RCW 74.04.770. "Grant standard"
25 means the amount, varied by assistance unit size, that a family with no
26 countable income receives. The grant standard shall not be less than
27 sixty percent of the standard of need by June 30, 1993. The grant
28 standard shall not be less than sixty-five percent of the standard of
29 need by June 30, 1995. The grant standard shall not be less than

1 seventy percent of the standard of need by June 30, 1997. The grant
2 standard shall not be less than seventy-five percent of the standard of
3 need by June 30, 1999. The grant standard shall not be less than
4 eighty percent of the standard of need by June 30, 2001. The grant
5 standard shall not be less than eighty-five percent of the standard of
6 need by June 30, 2003. The grant standard shall not be less than
7 ninety percent of the standard of need by June 30, 2005. The grant
8 standard shall not be less than ninety-five percent of the standard of
9 need by June 30, 2007. The grant standard shall not be less than one
10 hundred percent of the standard of need by June 30, 2009.

11 NEW SECTION. **Sec. 3.** The maximum reduction from the need
12 standard that may be imposed by the department by means of a ratable
13 reduction or grant maximum shall not exceed fifteen percent of the
14 grant standard for all income assistance programs. Prior to imposing
15 any such reduction, the department shall report to the appropriate
16 committees of the legislature the nature of the problem that requires
17 such reduction and all alternative solutions that were considered and
18 rejected.

19 NEW SECTION. **Sec. 4.** Grant payments to recipients of aid to
20 families with dependent children shall be reduced to offset income only
21 to the extent that countable income and child support received,
22 together with the grant payment, exceed one hundred fifteen percent of
23 the grant standard.

24 **Sec. 5.** RCW 74.04.005 and 1990 c 285 s 2 are each amended to read
25 as follows:

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

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

5 (2) "Department"--The department of social and health services.

6 (3) "County or local office"--The administrative office for one or
7 more counties or designated service areas.

8 (4) "Director" or "secretary" means the secretary of social and
9 health services.

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

17 (6) (a) "General assistance"--Aid to persons in need who are:

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

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

29 (B) Children residing in the home of a court-appointed legal
30 guardian who are: (I) Under the age of eighteen, or (II) under twenty

1 years of age and full-time students reasonably expected to complete a
2 program of secondary school, or the equivalent level of vocational or
3 technical training, before the end of the month in which they reach age
4 twenty. Eligibility, except the requirement to live with a relative of
5 specified degree, shall be based on the current requirements of the
6 federal aid to families with dependent children program, and need shall
7 be based on the current income and resource requirements of the federal
8 aid to families with dependent children program. Assistance shall be
9 provided on behalf of the child or children only;

10 (C) Under twenty years of age and ineligible for aid to families
11 with dependent children solely due to federal age requirements, and are
12 full-time students reasonably expected to complete a program of
13 secondary school or the equivalent level of vocational or technical
14 training before the end of the month in which the person reaches
15 twenty. For purposes of determining payment amount, the student shall
16 be considered a member of the aid to families with dependent children
17 household of which the student would be a member but for the federal
18 age requirement. The financial assistance shall also include a portion
19 to meet the needs of the student's needy caretaker relative if the
20 needs are not otherwise considered in an aid to families with dependent
21 children or family independence program grant provided to the
22 household; or

23 (D) Incapacitated from gainful employment by reason of bodily or
24 mental infirmity that will likely continue for a minimum of sixty days
25 as determined by the department. Persons who are unemployable due to
26 alcohol or drug addiction are not eligible for general assistance.
27 Persons receiving general assistance on July 26, 1987, or becoming
28 eligible for such assistance thereafter, due to an alcohol or drug-
29 related incapacity, shall be referred to appropriate assessment,
30 treatment, shelter, or supplemental security income referral services

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

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

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

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

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

26 ((To the extent authorized by the legislature in the biennial
27 appropriations act, to)) Recipients of aid to families with dependent
28 children whose needs are not being met because of a temporary reduction
29 in monthly income below the entitled benefit payment level caused by
30 loss or reduction of wages or unemployment compensation benefits or

1 some other unforeseen circumstances. The amount of general assistance
2 authorized shall not exceed the difference between the entitled benefit
3 payment level and the amount of income actually received. Payment
4 shall be made within fifteen days of the request.

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

14 (i) First failure: One week;

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

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

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

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

26 (f) Recipients of general assistance based upon a finding of
27 incapacity from gainful employment who remain otherwise eligible shall
28 not have their benefits terminated absent a clear showing of material
29 improvement in their medical or mental condition or specific error in
30 the prior determination that found the recipient eligible by reason of

1 incapacity. Recipients of general assistance based upon pregnancy
2 who remain otherwise eligible and who are not eligible to receive
3 benefits under the federal aid to families with dependent children
4 program shall not have their benefits terminated until six weeks
5 following the birth of the recipient's child.

6 (7) "Applicant"--Any person who has made a request, or on behalf of
7 whom a request has been made, to any county or local office for
8 assistance.

9 (8) "Recipient"--Any person receiving assistance and in addition
10 those dependents whose needs are included in the recipient's
11 assistance.

12 (9) "Standards of assistance"--The level of income required by an
13 applicant or recipient to maintain a level of living specified by the
14 department.

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

21 (a) A home, which is defined as real property owned and used by an
22 applicant or recipient as a place of residence, together with a
23 reasonable amount of property surrounding and contiguous thereto, which
24 is used by and useful to the applicant. Whenever a recipient shall
25 cease to use such property for residential purposes, either for himself
26 or his dependents, the property shall be considered as a resource which
27 can be made available to meet need, and if the recipient or his
28 dependents absent themselves from the home for a period of ninety
29 consecutive days such absence, unless due to hospitalization or health
30 reasons or a natural disaster, shall raise a rebuttable presumption of

1 abandonment: PROVIDED, That if in the opinion of three physicians the
2 recipient will be unable to return to the home during his lifetime, and
3 the home is not occupied by a spouse or dependent children or disabled
4 sons or daughters, such property shall be considered as a resource
5 which can be made available to meet need.

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

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

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

16 (e) Applicants for or recipients of general assistance may retain
17 the following described resources in addition to exemption for a motor
18 vehicle or home and not be ineligible for public assistance because of
19 such resources:

20 (i) Household furnishings, personal effects, and other personal
21 property having great sentimental value to the applicant or recipient;

22 (ii) Term and burial insurance for use of the applicant or
23 recipient;

24 (iii) Life insurance having a cash surrender value not exceeding
25 one thousand five hundred dollars; and

26 (iv) Cash, marketable securities, and any excess of values above
27 one thousand five hundred dollars equity in a vehicle and above one
28 thousand five hundred dollars in cash surrender value of life
29 insurance, not exceeding one thousand five hundred dollars for a single
30 person or two thousand two hundred fifty dollars for a family unit of

1 two or more. The one thousand dollar limit in subsection (10)(d) of
2 this section does not apply to recipients of or applicants for general
3 assistance.

4 (f) If an applicant for or recipient of public assistance possesses
5 property and belongings in excess of the ceiling value, such value
6 shall be used in determining the need of the applicant or recipient,
7 except that: (i) The department may exempt resources or income when
8 the income and resources are determined necessary to the applicant's or
9 recipient's restoration to independence, to decrease the need for
10 public assistance, or to aid in rehabilitating the applicant or
11 recipient or a dependent of the applicant or recipient; and (ii) the
12 department may provide grant assistance to persons who are otherwise
13 ineligible because of excess real property owned by such persons when
14 they are making a good faith effort to dispose of that property, but
15 the recipient must sign an agreement to dispose of the property and
16 repay assistance payments made to the date of disposition of the
17 property which would not have been made had the disposal occurred at
18 the beginning of the period for which the payments of such assistance
19 were made. In no event shall such amount due the state exceed the net
20 proceeds otherwise available to the recipient from the disposition,
21 unless after nine months from the date of the agreement the property
22 has not been sold, or if the recipient's eligibility for financial
23 assistance ceases for any other reason. In these two instances the
24 entire amount of assistance paid during this period will be treated as
25 an overpayment and a debt due the state, and may be recovered pursuant
26 to RCW 43.20B.630.

27 (11) "Income"--(a) All appreciable gains in real or personal
28 property (cash or kind) or other assets, which are received by or
29 become available for use and enjoyment by an applicant or recipient
30 during the month of application or after applying for or receiving

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

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

28 (12) "Need"--The difference between the applicant's or recipient's
29 standards of assistance for himself and the dependent members of his
30 family, as measured by the standards of the department, and value of

1 all nonexempt resources and nonexempt income received by or available
2 to the applicant or recipient and the dependent members of his family.

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

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

14 NEW SECTION. **Sec. 6.** The department shall amend the state
15 plan to include an aid to families with dependent children essential
16 persons program that would, to the extent permitted under federal law,
17 allow eighteen to twenty year old students to be eligible for federal
18 aid to families with dependent children matching grants.

19 NEW SECTION. **Sec. 7.** The department shall seek federal
20 approval for the amendment to the state plan under section 6 of this
21 act and report on the status of the program to the appropriate standing
22 committees of the legislature by December 1, 1991.

23 **Sec. 8.** RCW 74.04.770 and 1983 1st ex.s. c 41 s 38 are each
24 amended to read as follows:

25 (1) The ((department)) legislative budget committee, through
26 contract with an independent research organization, shall establish
27 consolidated standards of need on July 1 of each ((fiscal)) year which

1 may vary by geographical areas, program, and family size, for aid to
2 families with dependent children, refugee assistance, supplemental
3 security income, and general assistance. Standards for aid to families
4 with dependent children, refugee assistance, and general assistance
5 shall be based on studies of actual living costs and generally
6 recognized inflation indices and shall include reasonable allowances
7 for shelter, fuel, food, transportation, clothing, household
8 maintenance and operations, personal maintenance, and necessary
9 incidentals. The standard of need may take into account the economies
10 of joint living arrangements, but unless explicitly required by federal
11 statute, there shall not be proration of any portion of assistance
12 grants unless the amount of the grant standard is equal to the standard
13 of need.

14 (2) The department is authorized to establish rateable reductions
15 and grant maximums consistent with federal law. This subsection shall
16 not apply after June 30, 2009.

17 (3) Payment level will be equal to need or a lesser amount if
18 rateable reductions or grant maximums are imposed. In no case shall a
19 recipient of supplemental security income receive a state supplement
20 less than the minimum required by federal law.

21 (4) The department may establish a separate standard for shelter
22 provided at no cost.

23 NEW SECTION. **Sec. 9.** Sections 2 through 4 and 6 of this act
24 are each added to chapter 74.04 RCW.

25 NEW SECTION. **Sec. 10.** Section 3 of this act shall take effect
26 on July 1, 2009.

1 NEW SECTION. **Sec. 11.** Sections 1, 2, and 4 through 8 of this
2 act are necessary for the immediate preservation of the public peace,
3 health, or safety, or support of the state government and its existing
4 public institutions, and shall take effect immediately.