
SENATE BILL 5938

State of Washington

62nd Legislature

2011 Regular Session

By Senators Hargrove and Zarelli

Read first time 04/14/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to the disability lifeline programs; amending RCW
2 74.04.005, 43.330.175, and 43.185C.060; reenacting and amending RCW
3 74.09.035 and 43.84.092; adding new sections to chapter 74.04 RCW;
4 creating a new section; providing an effective date; and declaring an
5 emergency.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 74.04 RCW
8 to read as follows:

9 (1) The disability lifeline expedited program may provide aid and
10 support in accordance with the conditions set out in this subsection.

11 (a) Aid and support may be provided to persons who are not eligible
12 to receive federal aid assistance, other than basic food benefits
13 transferred electronically and medical assistance, and meet one of the
14 following conditions:

15 (i) Are pregnant and in need, based upon the current income and
16 resource requirements of the federal temporary assistance for needy
17 families program; or

18 (ii) Are likely to qualify for federal supplemental security income
19 benefits based on medical and behavioral health evidence that appears

1 to meet the disability standards used for the federal supplemental
2 security income program, based upon an examination by an appropriate
3 health care provider. In determining whether an applicant is likely to
4 meet the disability standards of the federal supplemental security
5 income program, the department should give full consideration to the
6 cumulative impact of an applicant's multiple impairments, an
7 applicant's age, and his or her vocational and educational history. To
8 improve access to timely evaluations, the department should allow mid-
9 level practitioners, such as advanced registered nurse practitioners
10 and licensed mental health practitioners, to conduct evaluations, with
11 review and approval by medical practitioners. The process should be
12 sufficient to indicate a likelihood of whether a person would meet the
13 federal supplemental security income disability standard; and

14 (A) Are citizens or aliens lawfully admitted for permanent
15 residence or otherwise residing in the United States under color of
16 law;

17 (B) Have furnished the department his or her social security
18 number. If the social security number cannot be furnished because it
19 has not been issued or is not known, the applicant shall apply for a
20 number prior to authorization of benefits, and the applicant shall
21 provide the social security number to the department upon receipt;

22 (C) Meet income and resource standards established by the
23 department, consistent with any standards established by the
24 legislature in the biennial omnibus appropriations act; and

25 (D) Have not refused or failed without good cause to participate in
26 drug or alcohol treatment if an assessment by a certified chemical
27 dependency counselor indicates a need for such treatment. Good cause
28 must be found to exist when a person's physical or mental condition, as
29 determined by the department, prevents the person from participating in
30 drug or alcohol dependency treatment, when needed outpatient drug or
31 alcohol treatment is not available to the person in the county of his
32 or her residence or when needed inpatient treatment is not available in
33 a location that is reasonably accessible for the person.

34 (b) The following persons are not eligible for the disability
35 lifeline expedited program:

36 (i) Persons who are unemployable due primarily to alcohol or drug
37 addiction. These persons shall be referred to appropriate assessment,
38 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. This
3 subsection shall not be construed to prohibit the department from
4 granting disability lifeline expedited benefits to alcoholics and drug
5 addicts who are incapacitated due to other physical or mental
6 conditions that meet the eligibility criteria for the disability
7 lifeline expedited program;

8 (ii) Persons who refuse or fail to cooperate in obtaining federal
9 aid assistance, without good cause.

10 (c) Persons may receive disability lifeline expedited benefits
11 pending application for federal supplemental security income benefits.
12 The monetary value of any disability lifeline expedited benefit that is
13 subsequently duplicated by the person's receipt of supplemental
14 security income for the same period shall be considered a debt due the
15 state and shall by operation of law be subject to recovery through all
16 available legal remedies.

17 (d) No person may be considered an eligible individual for
18 disability lifeline expedited benefits with respect to any month if
19 during that month the person:

20 (i) Is fleeing to avoid prosecution of, or to avoid custody or
21 confinement for conviction of, a felony, or an attempt to commit a
22 felony, under the laws of the state of Washington or the place from
23 which the person flees; or

24 (ii) Is violating a condition of probation, community supervision,
25 or parole imposed under federal or state law for a felony or gross
26 misdemeanor conviction.

27 (e) For purposes of this subsection (1), "aid and support" means as
28 follows:

29 (i) For persons who are homeless persons as defined in RCW
30 43.185C.010(9), a housing voucher and a monthly stipend, the amount of
31 each to be established in the biennial omnibus appropriations act; or

32 (ii) For persons who are not homeless persons, a monthly stipend,
33 the amount of which shall be determined in the biennial omnibus
34 appropriations act.

35 (2) The disability lifeline aged, blind, and disabled program shall
36 provide aid and support to persons who are citizens or aliens lawfully
37 admitted for permanent residence or otherwise residing in the United
38 States under color of law, meet the age, blindness, or disability

1 standards of the federal supplemental security income program but are
2 ineligible for federal supplemental security income benefits for a
3 reason other than failure to cooperate with program requirements.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.04 RCW
5 to read as follows:

6 The disability lifeline unemployable program is established to
7 provide support services in accordance with the conditions set out in
8 this section. Nothing in this section creates an entitlement to
9 receipt of support services for those persons who meet the eligibility
10 standards under this section.

11 (1) To the extent of available funding and as provided in the
12 biennial omnibus appropriations act, the following persons are eligible
13 to receive medical care services under RCW 74.09.035 and disability
14 lifeline unemployable support services:

15 (a) Persons who are not eligible to receive aid and support under
16 the disability lifeline expedited or aged, blind, and disabled programs
17 under section 1 of this act, or federal aid assistance, other than
18 basic food benefits transferred electronically and medical assistance,
19 and are incapacitated from gainful employment by reason of bodily or
20 mental infirmity that will likely continue for a minimum of ninety days
21 as determined by the department. The standard for incapacity in this
22 subsection, as evidenced by the ninety-day duration standard, is not
23 intended to be as stringent as federal supplemental security income
24 disability standards;

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

28 (c) Have furnished the department their social security number. If
29 the social security number cannot be furnished because it has not been
30 issued or is not known, the applicant shall apply for a number prior to
31 authorization of benefits, and shall provide the department with the
32 social security number upon receipt; and

33 (d) Meet income and resource standards established by the
34 department, consistent with any standards established by the
35 legislature in the biennial omnibus appropriations act.

36 (2) To the extent of available funding and as provided in the
37 biennial omnibus appropriations act, each person found eligible under

1 subsection (1) of this section will be enrolled in disability lifeline
2 medical services and, if homeless, provided a referral to the
3 department of commerce for assistance in meeting the person's housing
4 needs.

5 (3) The following persons are not eligible for disability lifeline
6 unemployable support services:

7 (a) Persons who are unemployable due primarily to alcohol or drug
8 addiction. These persons shall be referred to appropriate assessment,
9 treatment, shelter, or supplemental security income referral services
10 as authorized under chapter 74.50 RCW. Referrals shall be made at the
11 time of application or at the time of eligibility review. This
12 subsection shall not be construed to prohibit the department from
13 granting disability lifeline unemployable support services to
14 alcoholics and drug addicts who are incapacitated due to other physical
15 or mental conditions that meet the eligibility criteria for the
16 disability lifeline - unemployable program; and

17 (b) Persons who refuse or fail to cooperate in obtaining federal
18 aid assistance, without good cause.

19 (4) For purposes of determining whether a person is incapacitated
20 from gainful employment under (a) of this subsection:

21 (a) The department shall adopt by rule medical criteria for
22 incapacity determinations to ensure that eligibility decisions are
23 consistent with statutory requirements and are based on clear,
24 objective medical information; and

25 (b) The process implementing the medical criteria shall involve
26 consideration of opinions of the treating or consulting physicians or
27 health care professionals regarding incapacity, and any eligibility
28 decision which rejects an uncontroverted medical opinion must set forth
29 clear and convincing reasons for doing so.

30 (5) For purposes of reviewing a person's continuing eligibility,
31 persons receiving disability lifeline unemployable support services
32 based upon a finding of incapacity from gainful employment who remain
33 otherwise eligible must demonstrate that there has been no material
34 improvement in their medical or mental health condition. The
35 department may discontinue support services when there was specific
36 error in the prior determination that found the person eligible by
37 reason of incapacitation.

1 **Sec. 3.** RCW 74.09.035 and 2010 1st sp.s. c 8 s 29 and 2010 c 94 s
2 22 are each reenacted and amended to read as follows:

3 (1) To the extent of available funds and as directed in the
4 biennial omnibus appropriations act, medical care services may be
5 provided to ~~((recipients of disability lifeline benefits, persons~~
6 ~~denied disability lifeline benefits under RCW 74.04.005(5)(b) or~~
7 ~~74.04.655 who otherwise meet the requirements of RCW~~
8 ~~74.04.005(5)(a),))~~:

9 (a) Persons who meet the eligibility requirements of section 2(1)
10 (a), (b), and (c) of this act; and

11 (b) Recipients of alcohol and drug addiction services provided
12 under chapter 74.50 RCW, in accordance with medical eligibility
13 requirements established by the department. ~~((To the extent authorized~~
14 in the operating budget, upon implementation of a federal medicaid 1115
15 waiver providing federal matching funds for medical care services,
16 these services also may be provided to persons who have been terminated
17 from disability lifeline benefits under RCW 74.04.005(5)(h).))

18 Enrollment in medical care services may not result in expenditures that
19 exceed the amount that has been appropriated in the biennial omnibus
20 appropriations act. If it appears that continued enrollment will
21 result in expenditures exceeding the appropriated level for a
22 particular fiscal year, the department shall freeze new enrollment and
23 establish a waiting list of eligible persons who may receive benefits
24 only when sufficient funds are available.

25 (2) Determination of the amount, scope, and duration of medical
26 care services shall be limited to coverage as defined by the
27 department, except that adult dental, and routine foot care shall not
28 be included unless there is a specific appropriation for these
29 services.

30 (3) The department shall enter into performance-based contracts
31 with one or more managed health care systems for the provision of
32 medical care services to recipients of disability lifeline benefits.
33 The contract must provide for integrated delivery of medical and mental
34 health services.

35 (4) The department shall establish standards of assistance and
36 resource and income exemptions, which may include deductibles and co-
37 insurance provisions. In addition, the department may include a

1 prohibition against the voluntary assignment of property or cash for
2 the purpose of qualifying for assistance.

3 (5) Residents of skilled nursing homes, intermediate care
4 facilities, and intermediate care facilities for persons with
5 intellectual disabilities, as that term is described by federal law,
6 who are eligible for medical care services shall be provided medical
7 services to the same extent as provided to those persons eligible under
8 the medical assistance program.

9 ~~(6) ((Payments made by the department under this program shall be
10 the limit of expenditures for medical care services solely from state
11 funds.~~

12 ~~(7))~~ Eligibility for medical care services shall commence with the
13 date of certification for disability lifeline benefits under section
14 2(1) of this act or the date of eligibility for alcohol and drug
15 addiction services provided under chapter 74.50 RCW.

16 **Sec. 4.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
17 to read as follows:

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

20 (1) "Public assistance" or "assistance"--Public aid to persons in
21 need thereof for any cause, including services, medical care,
22 assistance grants, disbursing orders, work relief, disability lifeline
23 benefits and federal aid assistance.

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

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

27 (4) "Director" or "secretary" means the secretary of social and
28 health services.

29 (5) "Disability lifeline - unemployable program" means ~~((a program
30 that provides aid and support in accordance with the conditions set out
31 in this subsection.~~

32 ~~(a) Aid and assistance shall be provided to persons who are not
33 eligible to receive federal aid assistance, other than basic food
34 benefits transferred electronically and medical assistance and meet one
35 of the following conditions:~~

36 ~~(i) Are pregnant and in need, based upon the current income and~~

1 resource requirements of the federal temporary assistance for needy
2 families program; or

3 (ii) Are incapacitated from gainful employment by reason of bodily
4 or mental infirmity that will likely continue for a minimum of ninety
5 days as determined by the department. The standard for incapacity in
6 this subsection, as evidenced by the ninety-day duration standard, is
7 not intended to be as stringent as federal supplemental security income
8 disability standards; and

9 (A) Are citizens or aliens lawfully admitted for permanent
10 residence or otherwise residing in the United States under color of
11 law;

12 (B) Have furnished the department their social security number. If
13 the social security number cannot be furnished because it has not been
14 issued or is not known, an application for a number shall be made prior
15 to authorization of benefits, and the social security number shall be
16 provided to the department upon receipt;

17 (C) Have not refused or failed without good cause to participate in
18 drug or alcohol treatment if an assessment by a certified chemical
19 dependency counselor indicates a need for such treatment. Good cause
20 must be found to exist when a person's physical or mental condition, as
21 determined by the department, prevents the person from participating in
22 drug or alcohol dependency treatment, when needed outpatient drug or
23 alcohol treatment is not available to the person in the county of his
24 or her residence or when needed inpatient treatment is not available in
25 a location that is reasonably accessible for the person; and

26 (D) Have not refused or failed without good cause to participate in
27 vocational rehabilitation services, if an assessment conducted under
28 RCW 74.04.655 indicates that the person might benefit from such
29 services. Good cause must be found to exist when a person's physical
30 or mental condition, as determined by the department, prevents the
31 person from participating in vocational rehabilitation services, or
32 when vocational rehabilitation services are not available to the person
33 in the county of his or her residence.

34 (b)(i) Persons who initially apply and are found eligible for
35 disability lifeline benefits based upon incapacity from gainful
36 employment under (a) of this subsection on or after September 2, 2010,
37 who are homeless and have been assessed as needing chemical dependency
38 or mental health treatment or both, must agree, as a condition of

1 eligibility for the disability lifeline program, to accept a housing
2 voucher in lieu of a cash grant if a voucher is available. The
3 department shall establish the dollar value of the housing voucher.
4 The dollar value of the housing voucher may differ from the value of
5 the cash grant. Persons receiving a housing voucher under this
6 subsection also shall receive a cash stipend of fifty dollars per
7 month.

8 (ii) If the department of commerce has determined under RCW
9 43.330.175 that sufficient housing is not available, persons described
10 in this subsection who apply for disability lifeline benefits during
11 the time period that housing is not available shall receive a cash
12 grant in lieu of a cash stipend and housing voucher.

13 (iii) Persons who refuse to accept a housing voucher under this
14 subsection but otherwise meet the eligibility requirements of (a) of
15 this subsection are eligible for medical care services benefits under
16 RCW 74.09.035, subject to the time limits in (h) of this subsection.

17 (c) The following persons are not eligible for the disability
18 lifeline program:

19 (i) Persons who are unemployable due primarily to alcohol or drug
20 addiction. These persons shall be referred to appropriate assessment,
21 treatment, shelter, or supplemental security income referral services
22 as authorized under chapter 74.50 RCW. Referrals shall be made at the
23 time of application or at the time of eligibility review. This
24 subsection shall not be construed to prohibit the department from
25 granting disability lifeline benefits to alcoholics and drug addicts
26 who are incapacitated due to other physical or mental conditions that
27 meet the eligibility criteria for the disability lifeline program;

28 (ii) Persons who refuse or fail to cooperate in obtaining federal
29 aid assistance, without good cause.

30 (d) Disability lifeline benefits shall be provided only to persons
31 who are not members of assistance units receiving federal aid
32 assistance, except as provided in (a) of this subsection, and who will
33 accept available services that can reasonably be expected to enable the
34 person to work or reduce the need for assistance unless there is good
35 cause to refuse. Failure to accept such services shall result in
36 termination until the person agrees to cooperate in accepting such
37 services and subject to the following maximum periods of ineligibility
38 after reapplication:

1 ~~(i) First failure:—One week;~~

2 ~~(ii) Second failure within six months:—One month;~~

3 ~~(iii) Third and subsequent failure within one year:—Two months.~~

4 ~~(e) Persons who are likely eligible for federal supplemental~~
5 ~~security income benefits shall be moved into the disability lifeline~~
6 ~~expedited component of the disability lifeline program. Persons placed~~
7 ~~in the expedited component of the program may, if otherwise eligible,~~
8 ~~receive disability lifeline benefits pending application for federal~~
9 ~~supplemental security income benefits. The monetary value of any~~
10 ~~disability lifeline benefit that is subsequently duplicated by the~~
11 ~~person's receipt of supplemental security income for the same period~~
12 ~~shall be considered a debt due the state and shall by operation of law~~
13 ~~be subject to recovery through all available legal remedies.~~

14 ~~(f) For purposes of determining whether a person is incapacitated~~
15 ~~from gainful employment under (a) of this subsection:~~

16 ~~(i) The department shall adopt by rule medical criteria for~~
17 ~~disability lifeline incapacity determinations to ensure that~~
18 ~~eligibility decisions are consistent with statutory requirements and~~
19 ~~are based on clear, objective medical information; and~~

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

25 ~~(g) Persons receiving disability lifeline benefits based upon a~~
26 ~~finding of incapacity from gainful employment who remain otherwise~~
27 ~~eligible shall have their benefits discontinued unless the recipient~~
28 ~~demonstrates no material improvement in their medical or mental health~~
29 ~~condition. The department may discontinue benefits when there was~~
30 ~~specific error in the prior determination that found the person~~
31 ~~eligible by reason of incapacitation.~~

32 ~~(h)(i) Beginning September 1, 2010, no person who is currently~~
33 ~~receiving or becomes eligible for disability lifeline program benefits~~
34 ~~shall be eligible to receive benefits under the program for more than~~
35 ~~twenty four months in a sixty month period. For purposes of this~~
36 ~~subsection, months of receipt of general assistance unemployable~~
37 ~~benefits count toward the twenty four month limit. Months during which~~
38 ~~a person received benefits under the expedited component of the~~

1 ~~disability lifeline or general assistance program or under the aged,~~
2 ~~blind, or disabled component of the disability lifeline or general~~
3 ~~assistance program shall not be included when determining whether a~~
4 ~~person has been receiving benefits for more than twenty-four months.~~
5 ~~On or before July 1, 2010, the department must review the cases of all~~
6 ~~persons who have received disability lifeline benefits or general~~
7 ~~assistance unemployable benefits for at least twenty months as of that~~
8 ~~date. On or before September 1, 2010, the department must review the~~
9 ~~cases of all remaining persons who have received disability lifeline~~
10 ~~benefits for at least twelve months as of that date. The review should~~
11 ~~determine whether the person meets the federal supplemental security~~
12 ~~income disability standard and, if the person does not meet that~~
13 ~~standard, whether the receipt of additional services could lead to~~
14 ~~employability. If a need for additional services is identified, the~~
15 ~~department shall provide case management services, such as assistance~~
16 ~~with arranging transportation or locating stable housing, that will~~
17 ~~facilitate the person's access to needed services. A person may not be~~
18 ~~determined ineligible due to exceeding the time limit unless he or she~~
19 ~~has received a case review under this subsection finding that the~~
20 ~~person does not meet the federal supplemental security income~~
21 ~~disability standard.~~

22 ~~(ii) The time limits established under this subsection expire June~~
23 ~~30, 2013.~~

24 ~~(i) No person may be considered an eligible individual for~~
25 ~~disability lifeline benefits with respect to any month if during that~~
26 ~~month the person:~~

27 ~~(i) Is fleeing to avoid prosecution of, or to avoid custody or~~
28 ~~confinement for conviction of, a felony, or an attempt to commit a~~
29 ~~felony, under the laws of the state of Washington or the place from~~
30 ~~which the person flees; or~~

31 ~~(ii) Is violating a condition of probation, community supervision,~~
32 ~~or parole imposed under federal or state law for a felony or gross~~
33 ~~misdemeanor conviction)) the program established in section 2 of this~~
34 ~~act.~~

35 ~~(6) "Disability lifeline expedited" means ((a component of the~~
36 ~~disability lifeline program under which persons receiving disability~~
37 ~~lifeline benefits have been determined, after examination by an~~
38 ~~appropriate health care provider, to be likely to be eligible for~~

1 ~~federal supplemental security income benefits based on medical and~~
2 ~~behavioral health evidence that meets the disability standards used for~~
3 ~~the federal supplemental security income program.~~

4 ~~(7))~~ the program established under section 1 of this act.

5 (7) "Disability lifeline aged, blind, and disabled" means the
6 program established under section 1 of this act.

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

14 ~~((8))~~ (9) "Applicant"--Any person who has made a request, or on
15 behalf of whom a request has been made, to any county or local office
16 for assistance.

17 ~~((9))~~ (10) "Recipient"--Any person receiving assistance and in
18 addition those dependents whose needs are included in the recipient's
19 assistance.

20 ~~((10))~~ (11) "Standards of assistance"--The level of income
21 required by an applicant or recipient to maintain a level of living
22 specified by the department.

23 ~~((11))~~ (12) "Resource"--Any asset, tangible or intangible, owned
24 by or available to the applicant at the time of application, which can
25 be applied toward meeting the applicant's need, either directly or by
26 conversion into money or its equivalent. The department may by rule
27 designate resources that an applicant may retain and not be ineligible
28 for public assistance because of such resources. Exempt resources
29 shall include, but are not limited to:

30 (a) A home that an applicant, recipient, or their dependents is
31 living in, including the surrounding property;

32 (b) Household furnishings and personal effects;

33 (c) A motor vehicle, other than a motor home, used and useful
34 having an equity value not to exceed five thousand dollars;

35 (d) A motor vehicle necessary to transport a household member with
36 a physical disability. This exclusion is limited to one vehicle per
37 person with a physical disability;

1 (e) All other resources, including any excess of values exempted,
2 not to exceed one thousand dollars or other limit as set by the
3 department, to be consistent with limitations on resources and
4 exemptions necessary for federal aid assistance. The department shall
5 also allow recipients of temporary assistance for needy families to
6 exempt savings accounts with combined balances of up to an additional
7 three thousand dollars;

8 (f) Applicants for or recipients of disability lifeline benefits
9 shall have their eligibility based on resource limitations consistent
10 with the temporary assistance for needy families program rules adopted
11 by the department; and

12 (g) If an applicant for or recipient of public assistance possesses
13 property and belongings in excess of the ceiling value, such value
14 shall be used in determining the need of the applicant or recipient,
15 except that: (i) The department may exempt resources or income when
16 the income and resources are determined necessary to the applicant's or
17 recipient's restoration to independence, to decrease the need for
18 public assistance, or to aid in rehabilitating the applicant or
19 recipient or a dependent of the applicant or recipient; and (ii) the
20 department may provide grant assistance for a period not to exceed nine
21 months from the date the agreement is signed pursuant to this section
22 to persons who are otherwise ineligible because of excess real property
23 owned by such persons when they are making a good faith effort to
24 dispose of that property: PROVIDED, That:

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

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

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

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

37 ((+12+)) (13) "Income"--(a) All appreciable gains in real or
38 personal property (cash or kind) or other assets, which are received by

1 or become available for use and enjoyment by an applicant or recipient
2 during the month of application or after applying for or receiving
3 public assistance. The department may by rule and regulation exempt
4 income received by an applicant for or recipient of public assistance
5 which can be used by him or her to decrease his or her need for public
6 assistance or to aid in rehabilitating him or her or his or her
7 dependents, but such exemption shall not, unless otherwise provided in
8 this title, exceed the exemptions of resources granted under this
9 chapter to an applicant for public assistance. In addition, for cash
10 assistance the department may disregard income pursuant to RCW
11 74.08A.230 and 74.12.350.

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

17 (~~(13)~~) (14) "Need"--The difference between the applicant's or
18 recipient's standards of assistance for himself or herself and the
19 dependent members of his or her family, as measured by the standards of
20 the department, and value of all nonexempt resources and nonexempt
21 income received by or available to the applicant or recipient and the
22 dependent members of his or her family.

23 (~~(14)~~) (15) For purposes of determining eligibility for public
24 assistance and participation levels in the cost of medical care, the
25 department shall exempt restitution payments made to people of Japanese
26 and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the
27 Aleutian and Pribilof Island Restitution Act passed by congress, P.L.
28 100-383, including all income and resources derived therefrom.

29 (~~(15)~~) (16) In the construction of words and phrases used in this
30 title, the singular number shall include the plural, the masculine
31 gender shall include both the feminine and neuter genders and the
32 present tense shall include the past and future tenses, unless the
33 context thereof shall clearly indicate to the contrary.

34 NEW SECTION. **Sec. 5.** Nothing in this act shall be construed to
35 affect the hearing rights of any person who filed an appeal related to
36 actions taken under the security lifeline act of 2010, chapter 8, Laws
37 of 2010 1st sp. sess., prior to the effective date of this section.

1 **Sec. 6.** RCW 43.330.175 and 2010 1st sp.s. c 8 s 8 are each amended
2 to read as follows:

3 ~~((1))~~ To address the housing issues faced by the disability
4 lifeline applicants in ~~((RCW 74.04.005(5)(b)))~~ sections 1 and 2 of this
5 act, the department of commerce and the department of social and health
6 services shall jointly develop a housing voucher program. The
7 departments also shall develop housing resources to be used by the
8 applicants ~~((in RCW 74.04.005(5)(b)))~~. To the greatest extent
9 possible, the housing resources shall follow the supportive housing
10 model. The department of commerce shall administer the housing voucher
11 program and shall:

12 ~~((a))~~ (1) Identify the current supply of private and public
13 housing including acquisition and rental of existing housing stock;

14 ~~((b))~~ (2) Develop funding strategies for the development of
15 housing resources; and

16 ~~((c))~~ (3) Design the voucher program to maximize the ability of
17 the department of social and health services to recover federal
18 funding.

19 ~~((2) If the department of commerce determines that the housing~~
20 ~~supply is inadequate to meet the need for those applicants qualifying~~
21 ~~for housing vouchers under RCW 74.04.005(5)(b), those applicants shall~~
22 ~~instead receive a cash grant administered by the department of social~~
23 ~~and health services. Upon the department of commerce's determination~~
24 ~~that the housing supply is adequate to meet the needs of the applicants~~
25 ~~in RCW 74.04.005(5)(b), housing vouchers rather than cash grants shall~~
26 ~~be issued to these applicants who apply on or after the department's~~
27 ~~determination.~~

28 ~~(3) The department of commerce and the department of social and~~
29 ~~health services shall evaluate the impact of the use of housing~~
30 ~~vouchers under this section and report to the governor and relevant~~
31 ~~policy and fiscal committees of the legislature by November 30, 2012,~~
32 ~~on the following items:~~

33 ~~(a) The supply, affordability, appropriateness, and use of stable~~
34 ~~housing;~~

35 ~~(b) The following outcomes for persons receiving disability~~
36 ~~lifeline housing vouchers:~~

37 ~~(i) Participation in and completion of chemical dependency or~~
38 ~~mental health treatment;~~

1 ~~(ii) Contact with law enforcement, including arrest and conviction~~
2 ~~data;~~
3 ~~(iii) Use of emergency room services; and~~
4 ~~(iv) Involuntary commitment under chapter 71.05 RCW.)~~

5 **Sec. 7.** RCW 43.185C.060 and 2007 c 427 s 6 are each amended to
6 read as follows:

7 The home security fund account is created in the state treasury,
8 subject to appropriation. The state's portion of the surcharge
9 established in RCW 36.22.179 and 36.22.1791 must be deposited in the
10 account. A priority for expenditures from the account ((may)) shall be
11 ((used only)) for homeless recipients of disability lifeline -
12 unemployable. Expenditures from the account may also be used for
13 homeless housing programs as described in this chapter.

14 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.04 RCW
15 to read as follows:

16 The disability lifeline account is created in the custody of the
17 state treasurer. Expenditures from the account may be used only for
18 assisting disability lifeline clients with housing issues. The account
19 is subject to appropriation and to the allotment procedures under
20 chapter 43.88 RCW.

21 **Sec. 9.** RCW 43.84.092 and 2010 1st sp.s. c 30 s 20, 2010 1st sp.s.
22 c 9 s 7, 2010 c 248 s 6, 2010 c 222 s 5, 2010 c 162 s 6, and 2010 c 145
23 s 11 are each reenacted and amended to read as follows:

24 (1) All earnings of investments of surplus balances in the state
25 treasury shall be deposited to the treasury income account, which
26 account is hereby established in the state treasury.

27 (2) The treasury income account shall be utilized to pay or receive
28 funds associated with federal programs as required by the federal cash
29 management improvement act of 1990. The treasury income account is
30 subject in all respects to chapter 43.88 RCW, but no appropriation is
31 required for refunds or allocations of interest earnings required by
32 the cash management improvement act. Refunds of interest to the
33 federal treasury required under the cash management improvement act
34 fall under RCW 43.88.180 and shall not require appropriation. The
35 office of financial management shall determine the amounts due to or

1 from the federal government pursuant to the cash management improvement
2 act. The office of financial management may direct transfers of funds
3 between accounts as deemed necessary to implement the provisions of the
4 cash management improvement act, and this subsection. Refunds or
5 allocations shall occur prior to the distributions of earnings set
6 forth in subsection (4) of this section.

7 (3) Except for the provisions of RCW 43.84.160, the treasury income
8 account may be utilized for the payment of purchased banking services
9 on behalf of treasury funds including, but not limited to, depository,
10 safekeeping, and disbursement functions for the state treasury and
11 affected state agencies. The treasury income account is subject in all
12 respects to chapter 43.88 RCW, but no appropriation is required for
13 payments to financial institutions. Payments shall occur prior to
14 distribution of earnings set forth in subsection (4) of this section.

15 (4) Monthly, the state treasurer shall distribute the earnings
16 credited to the treasury income account. The state treasurer shall
17 credit the general fund with all the earnings credited to the treasury
18 income account except:

19 (a) The following accounts and funds shall receive their
20 proportionate share of earnings based upon each account's and fund's
21 average daily balance for the period: The aeronautics account, the
22 aircraft search and rescue account, the budget stabilization account,
23 the capitol building construction account, the Cedar River channel
24 construction and operation account, the Central Washington University
25 capital projects account, the charitable, educational, penal and
26 reformatory institutions account, the cleanup settlement account, the
27 Columbia river basin water supply development account, the common
28 school construction fund, the county arterial preservation account, the
29 county criminal justice assistance account, the county sales and use
30 tax equalization account, the deferred compensation administrative
31 account, the deferred compensation principal account, the department of
32 licensing services account, the department of retirement systems
33 expense account, the developmental disabilities community trust
34 account, the drinking water assistance account, the drinking water
35 assistance administrative account, the drinking water assistance
36 repayment account, the Eastern Washington University capital projects
37 account, the education construction fund, the education legacy trust
38 account, the election account, the energy freedom account, the energy

1 recovery act account, the essential rail assistance account, The
2 Evergreen State College capital projects account, the federal forest
3 revolving account, the ferry bond retirement fund, the freight
4 congestion relief account, the freight mobility investment account, the
5 freight mobility multimodal account, the grade crossing protective
6 fund, the public health services account, the health system capacity
7 account, the high capacity transportation account, the state higher
8 education construction account, the higher education construction
9 account, the highway bond retirement fund, the highway infrastructure
10 account, the highway safety account, the high occupancy toll lanes
11 operations account, the hospital safety net assessment fund, the
12 industrial insurance premium refund account, the judges' retirement
13 account, the judicial retirement administrative account, the judicial
14 retirement principal account, the disability lifeline account, the
15 local leasehold excise tax account, the local real estate excise tax
16 account, the local sales and use tax account, the marine resources
17 stewardship trust account, the medical aid account, the mobile home
18 park relocation fund, the motor vehicle fund, the motorcycle safety
19 education account, the multiagency permitting team account, the
20 multimodal transportation account, the municipal criminal justice
21 assistance account, the municipal sales and use tax equalization
22 account, the natural resources deposit account, the oyster reserve land
23 account, the pension funding stabilization account, the perpetual
24 surveillance and maintenance account, the public employees' retirement
25 system plan 1 account, the public employees' retirement system combined
26 plan 2 and plan 3 account, the public facilities construction loan
27 revolving account beginning July 1, 2004, the public health
28 supplemental account, the public transportation systems account, the
29 public works assistance account, the Puget Sound capital construction
30 account, the Puget Sound ferry operations account, the Puyallup tribal
31 settlement account, the real estate appraiser commission account, the
32 recreational vehicle account, the regional mobility grant program
33 account, the resource management cost account, the rural arterial trust
34 account, the rural Washington loan fund, the site closure account, the
35 small city pavement and sidewalk account, the special category C
36 account, the special wildlife account, the state employees' insurance
37 account, the state employees' insurance reserve account, the state
38 investment board expense account, the state investment board commingled

1 trust fund accounts, the state patrol highway account, the state route
2 number 520 civil penalties account, the state route number 520 corridor
3 account, the supplemental pension account, the Tacoma Narrows toll
4 bridge account, the teachers' retirement system plan 1 account, the
5 teachers' retirement system combined plan 2 and plan 3 account, the
6 tobacco prevention and control account, the tobacco settlement account,
7 the transportation 2003 account (nickel account), the transportation
8 equipment fund, the transportation fund, the transportation improvement
9 account, the transportation improvement board bond retirement account,
10 the transportation infrastructure account, the transportation
11 partnership account, the traumatic brain injury account, the tuition
12 recovery trust fund, the University of Washington bond retirement fund,
13 the University of Washington building account, the urban arterial trust
14 account, the volunteer firefighters' and reserve officers' relief and
15 pension principal fund, the volunteer firefighters' and reserve
16 officers' administrative fund, the Washington judicial retirement
17 system account, the Washington law enforcement officers' and
18 firefighters' system plan 1 retirement account, the Washington law
19 enforcement officers' and firefighters' system plan 2 retirement
20 account, the Washington public safety employees' plan 2 retirement
21 account, the Washington school employees' retirement system combined
22 plan 2 and 3 account, the Washington state health insurance pool
23 account, the Washington state patrol retirement account, the Washington
24 State University building account, the Washington State University bond
25 retirement fund, the water pollution control revolving fund, and the
26 Western Washington University capital projects account. Earnings
27 derived from investing balances of the agricultural permanent fund, the
28 normal school permanent fund, the permanent common school fund, the
29 scientific permanent fund, and the state university permanent fund
30 shall be allocated to their respective beneficiary accounts.

31 (b) Any state agency that has independent authority over accounts
32 or funds not statutorily required to be held in the state treasury that
33 deposits funds into a fund or account in the state treasury pursuant to
34 an agreement with the office of the state treasurer shall receive its
35 proportionate share of earnings based upon each account's or fund's
36 average daily balance for the period.

37 (5) In conformance with Article II, section 37 of the state

1 Constitution, no treasury accounts or funds shall be allocated earnings
2 without the specific affirmative directive of this section.

3 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and takes effect
6 July 1, 2011.

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