
ENGROSSED SUBSTITUTE SENATE BILL 6462

State of Washington

62nd Legislature

2012 Regular Session

By Senate Human Services & Corrections (originally sponsored by Senators Fraser, Carrell, Regala, Stevens, Hargrove, and Shin)

READ FIRST TIME 02/03/12.

1 AN ACT Relating to determination of income and resources for the
2 purposes of eligibility for public assistance; and reenacting and
3 amending RCW 74.04.005.

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

5 **Sec. 1.** RCW 74.04.005 and 2011 1st sp.s. c 36 s 8 and 2011 1st
6 sp.s. c 15 s 61 are each reenacted and amended to read as follows:

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

9 (1) "Aged, blind, or disabled assistance program" means the program
10 established under RCW 74.62.030.

11 (2) "Applicant" means any person who has made a request, or on
12 behalf of whom a request has been made, to any county or local office
13 for assistance.

14 (3) "Authority" means the health care authority.

15 (4) "County or local office" means the administrative office for
16 one or more counties or designated service areas.

17 (5) "Department" means the department of social and health
18 services.

19 (6) "Director" means the director of the health care authority.

1 (7) "Essential needs and housing support program" means the program
2 established in RCW 43.185C.220.

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

10 (9) "Income" means:

11 (a)(i) All appreciable gains in real or personal property (cash or
12 kind) or other assets, which are received by or become available for
13 use and enjoyment by an applicant or recipient during the month of
14 application or after applying for or receiving public assistance.

15 (ii) Appreciable gains of a business owned or controlled, in whole
16 or in part, by the applicant or recipient and from which the applicant
17 or recipient receives a salary is considered income for the purposes of
18 this title. The share of a business included as income of an applicant
19 or recipient shall be proportionate to his or her share of ownership or
20 control of the asset. To the extent this subsection conflicts with
21 federal maintenance of effort requirements, it does not apply to
22 medicaid.

23 (b) Notwithstanding (a) of this subsection, the department may by
24 rule and regulation exempt income received by an applicant for or
25 recipient of public assistance which can be used by him or her to
26 decrease his or her need for public assistance or to aid in
27 rehabilitating him or her or his or her dependents, but such exemption
28 shall not, unless otherwise provided in this title, exceed the
29 exemptions of resources granted under this chapter to an applicant for
30 public assistance. In addition, for cash assistance the department may
31 disregard income pursuant to RCW 74.08A.230 and 74.12.350.

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

37 (10) "Need" means the difference between the applicant's or
38 recipient's standards of assistance for himself or herself and the

1 dependent members of his or her family, as measured by the standards of
2 the department, and value of all nonexempt resources and nonexempt
3 income received by or available to the applicant or recipient and the
4 dependent members of his or her family.

5 (11) "Public assistance" or "assistance" means public aid to
6 persons in need thereof for any cause, including services, medical
7 care, assistance grants, disbursing orders, work relief, benefits under
8 RCW 74.62.030 and 43.185C.220, and federal aid assistance.

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

12 (13) "Resource" means any asset, tangible or intangible, including
13 ownership in a business, whether that business is a sole
14 proprietorship, partnership, limited liability company, or corporation,
15 owned by ((or)), available to, or whose assets may be available to, the
16 applicant at the time of application, which can be applied toward
17 meeting the applicant's need, either directly or by conversion into
18 money or its equivalent. The department may by rule designate
19 resources that an applicant may retain and not be ineligible for public
20 assistance because of such resources. Exempt resources shall include,
21 but are not limited to:

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

24 (b) Household furnishings and personal effects;

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

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

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

37 (f) Applicants for or recipients of benefits under RCW 74.62.030

1 and 43.185C.220 shall have their eligibility based on resource
2 limitations consistent with the temporary assistance for needy families
3 program rules adopted by the department; and

4 (g) 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 for a period not to exceed nine
13 months from the date the agreement is signed pursuant to this section
14 to persons who are otherwise ineligible because of excess real property
15 owned by such persons when they are making a good faith effort to
16 dispose of that property if:

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

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

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

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

29 (14) "Secretary" means the secretary of social and health services.

30 (15) "Standards of assistance" means the level of income required
31 by an applicant or recipient to maintain a level of living specified by
32 the department.

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

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

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