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**SUBSTITUTE SENATE BILL 5156**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** Senate Committee on Health & Human Services (originally sponsored by Senators Snyder, Moyer, Wojahn, Bauer, Talmadge, Pelz, McAuliffe, von Reichbauer, Winsley and Roach)

Read first time 03/03/93.

1 AN ACT Relating to public assistance; amending RCW 74.04.770;  
2 reenacting and amending RCW 74.04.005; and adding a new section to  
3 chapter 74.14 RCW.

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

5 **Sec. 1.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are  
6 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) "Public assistance" or "assistance"«Public aid to persons in  
10 need thereof for any cause, including services, medical care,  
11 assistance grants, disbursing orders, work relief, general assistance  
12 and federal-aid assistance.

13 (2) "Department"«The department of social and health services.

14 (3) "County or local office"«The administrative office for one or  
15 more counties or designated service areas.

16 (4) "Director" or "secretary" means the secretary of social and  
17 health services.

18 (5) "Federal-aid assistance"«The specific categories of assistance  
19 for which provision is made in any federal law existing or hereafter

1 passed by which payments are made from the federal government to the  
2 state in aid or in respect to payment by the state for public  
3 assistance rendered to any category of needy persons for which  
4 provision for federal funds or aid may from time to time be made, or a  
5 federally administered needs-based program.

6 (6)(a) "General assistance"«Aid to persons in need who:

7 (i) Are not eligible to receive federal-aid assistance, other than  
8 food stamps and medical assistance; however, an individual who refuses  
9 or fails to cooperate in obtaining federal-aid assistance, without good  
10 cause, is not eligible for general assistance;

11 (ii) Meet one of the following conditions:

12 (A) Pregnant: PROVIDED, That need is based on the current income  
13 and resource requirements of the federal aid to families with dependent  
14 children program: PROVIDED FURTHER, That during any period in which an  
15 aid for dependent children employable program is not in operation, only  
16 those pregnant women who are categorically eligible for medicaid are  
17 eligible for general assistance; ((or))

18 (B) Under twenty years of age and ineligible for aid to families  
19 with dependent children solely due to federal age requirements, or who  
20 are ineligible for the essential person program because their earnings  
21 are not disregarded and are full-time students reasonably expected to  
22 complete a program of secondary school or the equivalent level of  
23 vocational or technical training before the end of the month in which  
24 the person reaches twenty. For purposes of determining payment amount,  
25 the student shall be considered a member of the aid to families with  
26 dependent children household of which the student would be a member but  
27 for the federal age requirement. In determining eligibility and the  
28 amount of benefits, earnings of a full-time student shall be computed  
29 using department standards established under RCW 74.04.266. The  
30 financial assistance shall also include a portion to meet the needs of  
31 the student's needy caretaker relative if the needs are not otherwise  
32 considered in an aid to families with dependent children or family  
33 independence program grant provided to the household; or

34 (C) Subject to chapter 165, Laws of 1992, incapacitated from  
35 gainful employment by reason of bodily or mental infirmity that will  
36 likely continue for a minimum of ninety days as determined by the  
37 department.

38 ((+C+)) (D) Persons who are unemployable due to alcohol or drug  
39 addiction are not eligible for general assistance. Persons receiving

1 general assistance on July 26, 1987, or becoming eligible for such  
2 assistance thereafter, due to an alcohol or drug-related incapacity,  
3 shall be referred to appropriate assessment, treatment, shelter, or  
4 supplemental security income referral services as authorized under  
5 chapter 74.50 RCW. Referrals shall be made at the time of application  
6 or at the time of eligibility review. Alcoholic and drug addicted  
7 clients who are receiving general assistance on July 26, 1987, may  
8 remain on general assistance if they otherwise retain their eligibility  
9 until they are assessed for services under chapter 74.50 RCW.  
10 Subsection (6)(a)(ii)(~~(B)~~) (C) of this section shall not be construed  
11 to prohibit the department from granting general assistance benefits to  
12 alcoholics and drug addicts who are incapacitated due to other physical  
13 or mental conditions that meet the eligibility criteria for the general  
14 assistance program;

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

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

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

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

30 (ii) To the extent authorized by the legislature in the biennial  
31 appropriations act, to recipients of aid to families with dependent  
32 children whose needs are not being met because of a temporary reduction  
33 in monthly income below the entitled benefit payment level caused by  
34 loss or reduction of wages or unemployment compensation benefits or  
35 some other unforeseen circumstances. The amount of general assistance  
36 authorized shall not exceed the difference between the entitled benefit  
37 payment level and the amount of income actually received.

38 (c) General assistance shall be provided only to persons who are  
39 not members of assistance units receiving federal aid assistance,

1 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,  
2 and will accept available services which can reasonably be expected to  
3 enable the person to work or reduce the need for assistance unless  
4 there is good cause to refuse. Failure to accept such services shall  
5 result in termination until the person agrees to cooperate in accepting  
6 such services and subject to the following maximum periods of  
7 ineligibility after reapplication:

8 (i) First failure: One week;

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

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

11 (d) Persons found eligible for general assistance based on  
12 incapacity from gainful employment may, if otherwise eligible, receive  
13 general assistance pending application for federal supplemental  
14 security income benefits. Any general assistance that is subsequently  
15 duplicated by the person's receipt of supplemental security income for  
16 the same period shall be considered a debt due the state and shall by  
17 operation of law be subject to recovery through all available legal  
18 remedies.

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

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

28 (g) Recipients of general assistance based upon a finding of  
29 incapacity from gainful employment who remain otherwise eligible shall  
30 not have their benefits terminated absent a clear showing of material  
31 improvement in their medical or mental condition or specific error in  
32 the prior determination that found the recipient eligible by reason of  
33 incapacitation. Recipients of general assistance based upon pregnancy  
34 who relinquish their child for adoption, remain otherwise eligible, and  
35 are not eligible to receive benefits under the federal aid to families  
36 with dependent children program shall not have their benefits  
37 terminated until the end of the month in which the period of six weeks  
38 following the birth of the recipient's child falls. Recipients of the  
39 federal aid to families with dependent children program who lose their

1 eligibility solely because of the birth and relinquishment of the  
2 qualifying child may receive general assistance through the end of the  
3 month in which the period of six weeks following the birth of the child  
4 falls.

5 (h) Students with earnings shall not be eligible for the essential  
6 persons program unless the earnings are disregarded.

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

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

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

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

22 (a) A home, which is defined as real property owned and used by an  
23 applicant or recipient as a place of residence, together with a  
24 reasonable amount of property surrounding and contiguous thereto, which  
25 is used by and useful to the applicant. Whenever a recipient shall  
26 cease to use such property for residential purposes, either for himself  
27 or his dependents, the property shall be considered as a resource which  
28 can be made available to meet need, and if the recipient or his  
29 dependents absent themselves from the home for a period of ninety  
30 consecutive days such absence, unless due to hospitalization or health  
31 reasons or a natural disaster, shall raise a rebuttable presumption of  
32 abandonment: PROVIDED, That if in the opinion of three physicians the  
33 recipient will be unable to return to the home during his lifetime, and  
34 the home is not occupied by a spouse or dependent children or disabled  
35 sons or daughters, such property shall be considered as a resource  
36 which can be made available to meet need.

37 (b) Household furnishings and personal effects and other personal  
38 property having great sentimental value to the applicant or recipient,

1 as limited by the department consistent with limitations on resources  
2 and exemptions for federal aid assistance.

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

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

9 (e) Applicants for or recipients of general assistance shall have  
10 their eligibility based on resource limitations consistent with the aid  
11 to families with dependent children program rules adopted by the  
12 department.

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

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

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

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

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

38 (11) "Income"«(a) All appreciable gains in real or personal  
39 property (cash or kind) or other assets, which are received by or

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

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

30 (12) "Need"«The difference between the applicant's or recipient's  
31 standards of assistance for himself and the dependent members of his  
32 family, as measured by the standards of the department, and value of  
33 all nonexempt resources and nonexempt income received by or available  
34 to the applicant or recipient and the dependent members of his family.

35 (13) For purposes of determining eligibility for public assistance  
36 and participation levels in the cost of medical care, the department  
37 shall exempt restitution payments made to people of Japanese and Aleut  
38 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian

1 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,  
2 including all income and resources derived therefrom.

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

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

10 The department shall amend the state plan to include an aid to  
11 families with dependent children essential persons program that would,  
12 to the extent permitted under federal law, allow eighteen to twenty  
13 year old students to be eligible for federal aid to families with  
14 dependent children matching grants.

15 **Sec. 3.** RCW 74.04.770 and 1983 1st ex.s. c 41 s 38 are each  
16 amended to read as follows:

17 The department shall establish consolidated standards of need each  
18 fiscal year which may vary by geographical areas, program, and family  
19 size, for aid to families with dependent children, refugee assistance,  
20 supplemental security income, and general assistance. Standards for  
21 aid to families with dependent children, refugee assistance, and  
22 general assistance shall be based on studies of actual living costs and  
23 generally recognized inflation indices and shall include reasonable  
24 allowances for shelter, fuel, food, transportation, clothing, household  
25 maintenance and operations, personal maintenance, and necessary  
26 incidentals. The standard of need may take into account the economies  
27 of joint living arrangements, but unless explicitly required by federal  
28 statute, there shall not be proration of any portion of assistance  
29 grants unless the amount of the grant standard is equal to the standard  
30 of need or the grant is authorized under RCW 74.04.005(6)(a)(ii)(B).

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

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

1       The department may establish a separate standard for shelter  
2 provided at no cost.

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