

FOURTH SUBSTITUTE HOUSE BILL 1481

State of Washington

54th Legislature

1996 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Cooke, Lambert, Mielke, Van Luven, Elliot, Schoesler, D. Schmidt, Sherstad, Huff, Buck, Clements, McMorris, Johnson, Blanton, Hickel, Boldt, Backlund, Mulliken, Robertson, Goldsmith, L. Thomas, McMahan, Talcott, Cairnes, Thompson, Beeksma, Benton, Foreman, Sehlin, Sheahan and Mitchell)

Read first time 01/31/96.

1 AN ACT Relating to public assistance, including a requirement that
2 caretakers under the aid to families with dependent children program
3 enter into contracts with the state and including additional provisions
4 governing public assistance eligibility and benefits; amending RCW
5 74.25.010, 74.25.020, 26.16.205, 74.20A.020, 74.12.255, 74.04.0052,
6 13.34.160, 74.12.250, 74.08.025, 74.08.080, and 74.08.340; reenacting
7 and amending RCW 74.04.005; adding new sections to chapter 74.25 RCW;
8 adding a new section to chapter 74.13 RCW; adding new sections to
9 chapter 74.12 RCW; adding a new section to chapter 74.20A RCW; adding
10 a new section to chapter 44.28 RCW; creating new sections; repealing
11 RCW 74.08.120, 74.08.125, and 74.12.420; repealing 1993 c 312 s 7;
12 repealing 1992 c 136 s 1; repealing 1992 c 165 s 1; and providing
13 contingent effective dates.

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

MAKING WELFARE WORK

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9 NEW SECTION. **Sec. 1.** INTENT. The legislature finds that it is
10 important for the well-being of society, and for the families receiving
11 aid to families with dependent children, that the provision of welfare
12 from the public treasury reflects the values of mainstream American
13 culture, specifically the importance of work, personal responsibility,
14 and accountability for individual actions, and the value of the
15 marriage commitment to each member of the family, including the
16 children.

17 Therefore, it is the public policy of the state of Washington,
18 through its aid to families with dependent children program, to require
19 every able-bodied citizen on aid to families with dependent children to
20 engage in paid employment or engage in short-term training directed
21 towards employment, to require accountability of all parents, and to
22 discourage teen pregnancy by unwed parents as an action that is
23 destructive to society.

24 Therefore, the legislature intends that:

25 (1) Income and employment assistance programs emphasize the
26 temporary nature of welfare and set goals of responsibility, work, and
27 independence;

28 (2) Employment assistance resources focus on employable recipients
29 who are most at risk of a long-term stay on welfare;

30 (3) Caretakers receiving public assistance sign a contract
31 delineating their obligation and responsibility to comply with
32 requirements for work, training, and personal responsibility;

1 (4) Specific time limits for the receipt of public assistance be
2 set for recipients of aid to families with dependent children;

3 (5) Unmarried parents who are minors generally will be ineligible
4 for direct assistance under the aid to families with dependent children
5 program; and

6 (6) Community-based organizations such as churches, synagogues,
7 nonprofit service providers, and business and labor organizations, have
8 a greater role and responsibility in helping to meet the needs of
9 children and families.

10 **PART I. TARGET GROUPS**

11 NEW SECTION. **Sec. 101.** A new section is added to chapter 74.25
12 RCW to read as follows:

13 **TARGET GROUP CONTRACTS.** The department shall assess each caretaker
14 and, based on this assessment, refer the caretaker to the appropriate
15 target group as provided under sections 102, 103, and 104 of this act,
16 unless the caretaker is not or would not be required to sign a contract
17 under section 301(3) of this act. Assessments shall be based upon age,
18 age of dependents, education, condition of incapacity, and employment
19 history. The assessment and referral of caretakers who are applicants
20 for assistance on or after the effective date of this section shall be
21 made as part of the application approval process. The assessment and
22 referral of caretakers who have been approved for assistance before the
23 effective date of this section shall be completed within twelve months
24 after that date.

25 **A. JOB-READY TARGET GROUP**

26 NEW SECTION. **Sec. 102.** A new section is added to chapter 74.25
27 RCW to read as follows:

28 **JOB-READY TARGET GROUP.** All caretakers who are age eighteen or
29 older and have an employment history in which the most recent job paid
30 six dollars and fifty cents per hour or more, already possess job
31 skills, or are likely to be reemployed with minimal services, shall be
32 referred to the job-ready target group. Caretakers shall be entitled
33 to grant assistance if they participate in sixteen weeks of job search
34 within the first twenty-six weeks after signing an initial contract
35 under section 301 of this act. All caretakers receiving aid to

1 families with dependent children-employable shall be included in the
2 job-ready target group. It is the intent of the legislature to refrain
3 from excess expenditures on this group of aid to families with
4 dependent children caretakers, as studies have demonstrated that job-
5 ready individuals leave aid to families with dependent children quickly
6 with minimal public help. Assessment and administrative costs shall be
7 kept to a minimal level for this target group. Any caretakers in this
8 group who do not have paid employment after sixteen weeks of job search
9 within the first twenty-six weeks shall contract with the department
10 for participation in the job preparation target group.

11 **B. JOB PREPARATION TARGET GROUP**

12 NEW SECTION. **Sec. 103.** A new section is added to chapter 74.25
13 RCW to read as follows:

14 JOB PREPARATION TARGET GROUP. All caretakers who are age eighteen
15 or older and do not meet the qualifications for participation in the
16 job-ready target group or who have been in the job-ready target group
17 for twenty-six weeks without obtaining employment, shall be required,
18 as a condition of benefit receipt, to enroll and participate in a
19 program required by chapter . . . , Laws of 1996 (this act) under the
20 job opportunities and basic skills training program.

21 **C. YOUNG PARENT TARGET GROUP**

22 NEW SECTION. **Sec. 104.** A new section is added to chapter 74.25
23 RCW to read as follows:

24 YOUNG PARENT TARGET GROUP. All caretakers under the age of twenty-
25 four years who do not possess a high school diploma or a GED shall, as
26 a condition of receiving benefits, actively progress toward the
27 completion of a high school diploma or a GED.

28 **PART II. JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM**

29 **Sec. 201.** RCW 74.25.010 and 1994 c 299 s 6 are each amended to
30 read as follows:

31 The legislature establishes as state policy the goal of economic
32 self-sufficiency for employable recipients of ~~((public assistance))~~ aid
33 to families with dependent children, through employment, training, and

1 education. In furtherance of this policy, the legislature intends to
2 comply with the requirements of the federal social security act, as
3 amended, by creating a job opportunities and basic skills training
4 program for applicants and recipients of aid to families with dependent
5 children. ~~((The purpose of this program is to provide recipients of
6 aid to families with dependent children the opportunity to obtain
7 appropriate education, training, skills, and supportive services,
8 including child care, consistent with their needs, that will help them
9 enter or reenter gainful employment, thereby avoiding long term welfare
10 dependence and achieving economic self-sufficiency.))~~ The job
11 opportunities and basic skills training program shall provide
12 employment and training and education support services to assist
13 caretakers under chapter 74.12 RCW to obtain employment. The program
14 shall be operated by the department of social and health services in
15 conformance with federal law ((and consistent with the following
16 legislative findings:)).

17 (1) The legislature finds that the well-being of children depends
18 ~~((not only on meeting their material needs, but also))~~ on the ability
19 of parents to become economically self-sufficient. It is in this way
20 that the material needs of children can best be met. The job
21 opportunities and basic skills training program is specifically
22 directed at increasing the labor force participation and household
23 earnings of aid to families with dependent children recipients, through
24 the removal of barriers preventing them from achieving self-
25 sufficiency. ~~((These barriers include, but are not limited to, the
26 lack of recent work experience, supportive services such as affordable
27 and reliable child care, adequate transportation, appropriate
28 counseling, and necessary job-related tools, equipment, books,
29 clothing, and supplies, the absence of basic literacy skills, the lack
30 of educational attainment sufficient to meet labor market demands for
31 career employees, and the nonavailability of useful labor market
32 assessments.))~~

33 (2) The legislature ~~((also))~~ recognizes that aid to families with
34 dependent children recipients ~~((must be acknowledged as active))~~ are
35 participants in self-sufficiency planning under the program. The
36 legislature finds that the department of social and health services
37 should clearly communicate ~~((concepts of the importance))~~ the
38 requirement of work, the time-limited nature of public assistance, and
39 how performance and effort directly affect future career and

1 educational opportunities and economic well-being, as well as personal
2 empowerment, self-motivation, and self-esteem to program participants.
3 The legislature further recognizes that informed choice is consistent
4 with individual responsibility, and that parents should be given a
5 range of options for available child care while participating in the
6 program.

7 (3) The legislature finds that current work experience is one of
8 the most important factors influencing an individual's ability to work
9 toward financial stability and an adequate standard of living in the
10 long term, and that work experience should be the most important
11 component of the program.

12 (4) The legislature finds that education, including, but not
13 limited to, literacy, high school equivalency, vocational, secondary,
14 and postsecondary, is ~~((one of the most))~~ an important tool~~((s))~~ an
15 individual needs to achieve full independence, and that this should be
16 ~~((an important))~~ a component of the program.

17 (5) The legislature further finds that the objectives of this
18 program are to assure that aid to families with dependent children
19 recipients gain experience in the labor force and thereby enhance their
20 long-term ability to achieve financial stability and an adequate
21 standard of living at wages that will meet family needs.

22 (6) The legislature finds that a critical component for successful
23 reductions in the aid to families with dependent children caseloads is
24 employment. Employment opportunities must be increased through public-
25 private partnerships. The department shall work with the private
26 sector to meet market needs, increase employability through on-the-job
27 training opportunities, and develop incentives for employers to hire
28 and train recipients.

29 **Sec. 202.** RCW 74.25.020 and 1993 c 312 s 7 are each amended to
30 read as follows:

31 (1) The department of social and health services ~~((is authorized~~
32 ~~to))~~ shall contract for all functions of the jobs opportunities and
33 basic skills program not specifically prohibited by federal law with
34 public and private employment and training agencies and other public
35 service entities to provide services prescribed or allowed under the
36 federal social security act, as amended, to carry out the purposes of
37 the jobs training program. ~~((The department of social and health~~
38 ~~services has sole authority and responsibility to carry out the job~~

1 ~~opportunities and basic skills training program.))~~ No contracting
2 entity shall have the authority to review, change, or disapprove any
3 administrative decision, or otherwise substitute its judgment for that
4 of the department of social and health services as to the application
5 of policies and rules adopted by the department of social and health
6 services. The department, through its regional offices, shall
7 collaborate with employers, recipients, education institutions, labor,
8 private industry councils, the work force training and education
9 coordinating board, community rehabilitation employment programs, local
10 governments, the employment security department, and community action
11 agencies to develop work programs that are effective and work in their
12 communities. For planning purposes, the department shall collect and
13 make accessible to regional offices successful work program models from
14 around the United States, including the employment partnership program,
15 the full employment act, apprenticeship programs, and W-2 Wisconsin
16 works. Work programs shall incorporate local volunteer citizens in
17 their planning and implementation phases to ensure community relevance
18 and success.

19 (2) ~~((To the extent feasible under federal law, the department of~~
20 ~~social and health services and all entities contracting with it shall~~
21 ~~give first priority of service to individuals volunteering for program~~
22 ~~participation.~~

23 (3)) The department of social and health services shall adopt
24 rules under chapter 34.05 RCW ~~((establishing))~~ that conform to the
25 criteria in federal law for mandatory program participation as well as
26 establish criteria constituting circumstances of good cause for an
27 individual failing or refusing to participate in an assigned program
28 component, or failing or refusing to accept or retain employment.
29 ~~((These))~~ The good cause criteria shall include, but not be limited to,
30 the following circumstances: (a) If the individual is a parent or
31 other relative personally providing care for a child under age six
32 years, and the employment would require the individual to work more
33 than twenty hours per week; (b) if child care, or day care for an
34 incapacitated individual living in the same home as a dependent child,
35 is necessary for an individual to participate or continue participation
36 in the program or accept employment, and such care is not available,
37 and the department of social and health services fails to provide such
38 care; (c) the employment would result in the family of the participant
39 experiencing a net loss of cash income; or (d) circumstances that are

1 beyond the control of the individual's household, either on a short-
2 term or on an ongoing basis.

3 (3) Participants in the job preparation target group shall each be
4 limited to the components of their initial contract unless good cause
5 for exception is presented.

6 (4) The department of social and health services shall adopt rules
7 under chapter 34.05 RCW as necessary to effectuate the intent and
8 purpose of this chapter.

9 (5) Responsible parents who are unable to make their child support
10 payments for a child receiving aid to families with dependent children
11 shall participate in the job opportunities and basic skills program
12 under this chapter.

13 (6) Except for subsection (7) of this section, section 202, chapter
14 . . . , Laws of 1996 (this section) shall not take effect if sections
15 301, 302, 305, and 306 of this act do not become law.

16 (7) Section 7, chapter 312, Laws of 1993 is repealed if sections
17 301, 302, 305, and 306 of this act do not become law.

18 NEW SECTION. Sec. 203. A new section is added to chapter 74.25
19 RCW to read as follows:

20 COMMUNITY SERVICE PROGRAM. A caretaker participating in a
21 community service program shall locate a community service experience
22 of at least one hundred hours per month with any willing public or
23 private organization and provide documentation, signed by the recipient
24 under penalty of perjury, to the department of his or her participation
25 on forms established in rule by the department. Compliance shall be
26 subject to random checks by the department.

27 NEW SECTION. Sec. 204. A new section is added to chapter 74.13
28 RCW to read as follows:

29 (1) The department shall operate an employment child care program
30 for low-income working parents who are not receiving aid to families
31 with dependent children.

32 (2) Families with gross income at or below thirty-eight percent of
33 state median income adjusted for family size are eligible for
34 employment child care subsidies with a minimum copayment. Families
35 with gross income above thirty-eight percent and at or below fifty-two
36 percent of the state median income adjusted for family size are

1 eligible for an employment child care subsidy with a calculated
2 copayment.

3 (3) The department shall provide a priority for recent recipients
4 of aid to families with dependent children who are within twelve weeks
5 of losing their transitional child care benefits.

6 (4) The department shall provide employment child care subsidies
7 for families meeting eligibility standards under this section, within
8 funds appropriated by the legislature for this purpose.

9 NEW SECTION. **Sec. 205.** A new section is added to chapter 74.12
10 RCW to read as follows:

11 (1) Under the authority to establish ratable reductions and grant
12 maximums pursuant to RCW 74.04.770, the department shall, by rule,
13 increase the current ratable reduction for all recipients of aid to
14 families with dependent children. The ratable reduction shall result
15 in a nine percent reduction in the monthly payment standards under the
16 aid to families with dependent children program. The increased ratable
17 reduction shall be in addition to any ratable reduction caused by
18 annual adjustments to consolidated standards of need.

19 (2) All funds generated by the increased ratable reduction shall be
20 used by the department to provide recipients of aid to families with
21 dependent children with work and training-related services and child
22 care services required under this chapter and chapter 74.25 RCW.

23 **PART III. CONTRACTS FOR PERSONAL RESPONSIBILITY**

24 NEW SECTION. **Sec. 301.** A new section is added to chapter 74.12
25 RCW to read as follows:

26 (1) A family receiving or applying for assistance under the aid to
27 families with dependent children program is ineligible for continued or
28 new assistance if the caretaker and the department have not entered
29 into a contract satisfying the requirements of this section.

30 (2) The contract shall (a) be entered into by the department and
31 caretaker on a form prescribed by the department; (b) contain a list of
32 the available benefits to which the family is eligible, including
33 referral to available community resources; (c) contain a summary of the
34 responsibilities that the caretaker must exercise for receipt of such
35 benefits, including, where appropriate, high school completion or GED
36 programs; (d) contain a statement of the rule in section 302 of this

1 act prohibiting additional assistance for additional children; (e)
2 contain a statement of the rules in section 305 of this act governing
3 the duration of the contract; and (f) contain a statement of the rules
4 in section 306 of this act governing time limits.

5 (3) Caretakers are not required to enter into a contract under this
6 section if:

7 (a) The caretaker is incapacitated or needed in the home to care
8 for a member of the household who is incapacitated. The caretaker
9 shall submit documentation of the incapacity indicating the incapacity
10 will last at least ninety days. Such documentation shall be obtained
11 by the caretaker from a health care practitioner regulated under Title
12 18 RCW whose scope of practice includes diagnosis and treatment of the
13 condition purported to cause the incapacity;

14 (b) The caretaker is needed in the home to care for a child under
15 age two. This one-time exemption ends in the month the child is two
16 years old and does not apply to any subsequent children; or

17 (c) The caretaker is a minor.

18 (4) The department may adopt rules postponing the date by which any
19 provision or provisions of subsections (1) and (2) of this section will
20 apply to caretakers who have been approved for assistance before the
21 effective date of this section. However, such postponement may not be
22 for longer than twelve months after the effective date of this section.

23 (5) The provision of assistance under a contract entered into under
24 this section is not an entitlement, but is a charitable gesture or gift
25 on the part of the state, which at any time may be discontinued.

26 NEW SECTION. **Sec. 302.** A new section is added to chapter 74.12
27 RCW to read as follows:

28 The monthly benefit payment paid to a caretaker shall not be
29 increased as a result of the caretaker's becoming the biological parent
30 of any additional child or children born more than three hundred days
31 after the day on which the caretaker first applied for assistance under
32 this chapter. Caretakers receiving assistance under this chapter on
33 the effective date of this section shall, for purposes of this section,
34 be considered to have first applied for assistance on the effective
35 date of this section.

36 NEW SECTION. **Sec. 303.** A new section is added to chapter 74.20A
37 RCW to read as follows:

1 If a caretaker receiving cash assistance under the aid to families
2 with dependent children program does not receive additional cash
3 benefits for an additional child born more than three hundred days
4 after aid to families with dependent children benefits were first
5 applied for, as provided in section 302 of this act, the department
6 must pay to the caretaker the full amount of any child support payments
7 made to the department by the responsible parent on behalf of the
8 additional child.

9 NEW SECTION. **Sec. 304.** A new section is added to chapter 74.12
10 RCW to read as follows:

11 Child support payments made to a caretaker under section 303 of
12 this act shall be exempt from consideration as income when determining
13 need.

14 NEW SECTION. **Sec. 305.** A new section is added to chapter 74.12
15 RCW to read as follows:

16 A contract entered into under section 301 of this act shall expire
17 twenty-four calendar months after the month in which the caretaker
18 first entered into a contract under section 301 of this act unless it
19 is reviewed and modified, as the department finds appropriate, for an
20 additional period or periods of not to exceed six months each. Under
21 no circumstances may the department continue a contract or provide for
22 monthly benefit payments beyond the forty-two-month limit prescribed in
23 section 306 of this act. For a contract to be reviewed and modified,
24 the caretaker must have requested the review and modification, have
25 complied with the current terms of the contract, and have satisfied all
26 eligibility requirements, including those requirements specified in
27 section 306 of this act.

28 NEW SECTION. **Sec. 306.** A new section is added to chapter 74.12
29 RCW to read as follows:

30 (1) After a caretaker has received twenty-four monthly benefit
31 payments pursuant to a contract entered into under section 301 of this
32 act, the caretaker shall not be eligible for any additional monthly
33 payments unless the caretaker qualifies for additional assistance under
34 subsection (2) of this section.

35 (2)(a) After a caretaker has received twenty-four monthly benefit
36 payments under this chapter, the caretaker, if otherwise eligible,

1 shall qualify for the reduced monthly benefit payments provided in (b)
2 of this subsection:

3 (i) During any month in which the caretaker is gainfully employed;

4 (ii) During any month in which the caretaker participates in a
5 community volunteer experience pursuant to section 305 of this act;

6 (iii) During any month in which the caretaker works as a volunteer
7 in a child care facility pursuant to RCW 74.25.040; or

8 (iv) During any month in which the caretaker provides paid child
9 care services for other caretakers participating in either paid
10 employment or other activities under the job opportunities and basic
11 skills training program.

12 (b) The reduced monthly benefits to a caretaker who qualifies under
13 (a) of this subsection shall be as follows: For the twenty-fifth
14 through the thirtieth month, the department shall reduce the monthly
15 benefit payment to eighty percent of the payment standard; for the
16 thirty-first through the thirty-sixth month, the department shall
17 reduce the monthly benefit payment to sixty percent of the payment
18 standard; for the thirty-seventh through the forty-second month, the
19 department shall reduce the monthly benefit payment to forty percent of
20 the payment standard. Following the receipt of forty-two monthly
21 benefit payments, a caretaker is forever ineligible to apply for or
22 receive any further assistance under this chapter.

23 (3) For the purposes of applying the rules of this section, the
24 department shall count both consecutive and nonconsecutive months in
25 which a caretaker received a monthly benefit payment or a portion of a
26 monthly benefit payment.

27 (4) The department shall refer caretakers who require specialized
28 assistance to appropriate department programs, crime victims' programs
29 through the department of community, trade, and economic development,
30 or the crime victims' compensation program of the department of labor
31 and industries.

32 NEW SECTION. **Sec. 307.** A new section is added to chapter 74.12
33 RCW to read as follows:

34 In addition to their monthly benefit payment, caretakers may earn
35 and keep thirty dollars and one-third of the remainder of their
36 earnings during every month they are eligible to receive assistance
37 under this chapter.

1 NEW SECTION. **Sec. 308.** A new section is added to chapter 74.12
2 RCW to read as follows:

3 (1) The department of social and health services shall adopt rules
4 to implement sections 301, 302, 304, and 305 of this act and to enforce
5 contracts adopted under section 301 of this act. However, it may not
6 adopt such rules unless it has complied with subsections (2) and (3) of
7 this section.

8 (2) The joint legislative oversight committee, consisting of two
9 members from each caucus of the house of representatives and two
10 members from each caucus of the senate, is created. Within sixty days
11 after the effective date of this section, the department shall submit
12 copies of its proposed rules under this section to the secretary of the
13 senate and the chief clerk of the house of representatives for
14 distribution to the joint committee. The committee shall review the
15 proposed rules and shall provide the department with its comments, if
16 any, on the proposed rules.

17 (3) When the committee comments on proposed rules, the committee
18 shall give the department written notice of its findings and reasons
19 therefor.

20 (4) The joint legislative oversight committee shall study the
21 extent to which minor parents receiving aid to families with dependent
22 children may be victimized by males fathering children for whom they do
23 not provide support. The joint legislative oversight committee shall
24 make recommendations to the appropriate committees of the legislature
25 by December 1, 1996. The department of social and health services
26 shall cooperate with the study by providing information as requested
27 regarding the unmarried minor parents related to the aid to families
28 with dependent children caseload, the extent to which aid to families
29 with dependent children recipients in these circumstances receive
30 ordered child support, and other information relevant to the subject of
31 predatory nonsupport.

32 NEW SECTION. **Sec. 309.** A new section is added to chapter 74.12
33 RCW to read as follows:

34 In order to be eligible for aid to families with dependent
35 children, applicants shall, at the time of application for assistance,
36 provide the names of both parents of their child or children, whether
37 born or unborn, unless the applicant meets federal criteria for
38 refusing such identification.

1 jurisdiction of another state, establishing the existence of a support
2 obligation and ordering payment of a set or determinable amount of
3 support moneys to satisfy the support obligation. For purposes of RCW
4 74.20A.055, orders for support which were entered under the uniform
5 reciprocal enforcement of support act by a state where the responsible
6 parent no longer resides shall not preclude the department from
7 establishing an amount to be paid as current and future support.

8 (6) "Administrative order" means any determination, finding,
9 decree, or order for support pursuant to RCW 74.20A.055, or by an
10 agency of another state pursuant to a substantially similar
11 administrative process, establishing the existence of a support
12 obligation and ordering the payment of a set or determinable amount of
13 support moneys to satisfy the support obligation.

14 (7) "Responsible parent" means a natural parent, adoptive parent,
15 or stepparent of a dependent child or a person who has signed an
16 affidavit acknowledging paternity which has been filed with the state
17 office of vital statistics and includes the parent of an unmarried
18 minor with a child.

19 (8) "Stepparent" means the present spouse of the person who is
20 either the mother, father, or adoptive parent of a dependent child, and
21 such status shall exist until terminated as provided for in RCW
22 26.16.205.

23 (9) "Support moneys" means any moneys or in-kind providings paid to
24 satisfy a support obligation whether denominated as child support,
25 spouse support, alimony, maintenance, or any other such moneys intended
26 to satisfy an obligation for support of any person or satisfaction in
27 whole or in part of arrears or delinquency on such an obligation.

28 (10) "Support debt" means any delinquent amount of support moneys
29 which is due, owing, and unpaid under a superior court order or an
30 administrative order, a debt for the payment of expenses for the
31 reasonable or necessary care, support, and maintenance, including
32 medical expenses, of a dependent child or other person for whom a
33 support obligation is owed; or a debt under RCW 74.20A.100 or
34 74.20A.270. Support debt also includes any accrued interest, fees, or
35 penalties charged on a support debt, and attorneys fees and other costs
36 of litigation awarded in an action to establish and enforce a support
37 obligation or debt.

1 (11) "State" means any state or political subdivision, territory,
2 or possession of the United States, the District of Columbia, and the
3 Commonwealth of Puerto Rico.

4 **Sec. 403.** RCW 74.12.255 and 1994 c 299 s 33 are each amended to
5 read as follows:

6 (1) The department shall determine, after consideration of all
7 relevant factors and in consultation with the applicant, the most
8 appropriate living situation for applicants under eighteen years of
9 age, unmarried, and either pregnant or having a dependent child or
10 children in the applicant's care. An appropriate living situation((s))
11 shall include a place of residence that is maintained by the
12 applicant's parents, parent, legal guardian, or other adult relative as
13 their or his or her own home((, or other)) and that the department
14 finds would provide an appropriate supportive living arrangement
15 ((supervised by an adult where feasible and consistent with federal
16 regulations under 45 C.F.R. chapter II, section 233.107)). It also
17 includes a living situation maintained by an agency that is licensed
18 under chapter 74.15 RCW that the department finds would provide an
19 appropriate supportive living arrangement. Grant assistance shall not
20 be provided under this chapter if the applicant does not reside in the
21 most appropriate living situation, as determined by the department.

22 (2) ~~((An applicant under eighteen years of age who is either~~
23 ~~pregnant or has a dependent child and is not living in a situation~~
24 ~~described in subsection (1) of this section shall be)) A minor parent
25 or pregnant minor residing in the most appropriate living situation, as
26 provided under subsection (1) of this section, is presumed to be unable
27 to manage adequately the funds paid to the minor or on behalf of the
28 dependent child or children and, unless the ((teenage custodial parent
29 demonstrates otherwise)) minor provides sufficient evidence to rebut
30 the presumption, shall be subject to the protective payee requirements
31 provided for under RCW 74.12.250 and 74.08.280.~~

32 (3) The department shall consider any statements or opinions by
33 either parent of the ~~((teen recipient))~~ unmarried minor as to an
34 appropriate living situation for the ~~((teen))~~ minor and his or her
35 children, whether in the parental home or other situation. If the
36 parents or a parent of the ~~((teen head of household applicant for~~
37 ~~assistance))~~ minor request, they or he or she shall be entitled to a
38 hearing in juvenile court regarding ~~((the fitness and suitability of~~

1 ~~their home as the top priority choice))~~ designation of the parental
2 home or other relative placement as the most appropriate living
3 situation for the pregnant or parenting ((teen applicant for
4 assistance)) minor.

5 The department shall provide the parents ((shall have)) or parent
6 with the opportunity to make a showing((, based on the preponderance of
7 the evidence,)) that the parental home, or home of the other relative
8 placement, is the most appropriate living situation. It shall be
9 presumed in any administrative or judicial proceeding conducted under
10 this subsection that the parental home or other relative placement
11 requested by the parents or parent is the most appropriate living
12 situation. This presumption is rebuttable.

13 (4) In cases in which the ~~((head of household is under eighteen~~
14 ~~years of age,))~~ minor is unmarried((,)) and unemployed, ((and requests
15 ~~information on adoption,))~~ the department shall, as part of the
16 determination of the appropriate living situation, provide information
17 about adoption including referral to community-based organizations
18 ~~((for))~~ providing counseling.

19 **Sec. 404.** RCW 74.04.0052 and 1994 c 299 s 34 are each amended to
20 read as follows:

21 (1) The department shall determine, after consideration of all
22 relevant factors and in consultation with the applicant, the most
23 appropriate living situation for applicants under eighteen years of
24 age, unmarried, and pregnant who are eligible for general assistance as
25 defined in RCW 74.04.005(6)(a)(ii)(A). An appropriate living
26 situation((s)) shall include a place of residence that is maintained by
27 the applicant's parents, parent, legal guardian, or other adult
28 relative as their or his or her own home((, or other)) and that the
29 department finds would provide an appropriate supportive living
30 arrangement ((supervised by an adult where feasible and consistent with
31 federal regulations under 45 C.F.R. chapter II, section 233.107)). It
32 also includes a living situation maintained by an agency that is
33 licensed under chapter 74.15 RCW that the department finds would
34 provide an appropriate supportive living arrangement. Grant assistance
35 shall not be provided under this chapter if the applicant does not
36 reside in the most appropriate living situation, as determined by the
37 department.

1 (2) (~~An applicant under eighteen years of age who is pregnant and~~
2 ~~is not living in a situation described in subsection (1) of this~~
3 ~~section shall be~~) A pregnant minor residing in the most appropriate
4 living situation, as provided under subsection (1) of this section, is
5 presumed to be unable to manage adequately the funds paid to the minor
6 or on behalf of the dependent child or children and, unless the
7 (teenage custodial parent demonstrates otherwise) minor provides
8 sufficient evidence to rebut the presumption, shall be subject to the
9 protective payee requirements provided for under RCW 74.12.250 and
10 74.08.280.

11 (3) The department shall consider any statements or opinions by
12 either parent of the (~~teen recipient~~) unmarried minor as to an
13 appropriate living situation for the (~~teen~~) minor, whether in the
14 parental home or other situation. If the parents or a parent of the
15 (~~teen head of household applicant for assistance~~) minor request, they
16 or he or she shall be entitled to a hearing in juvenile court regarding
17 (~~the fitness and suitability of their home as the top priority~~
18 ~~choice~~) designation of the parental home or other relative placement
19 as the most appropriate living situation for the pregnant or parenting
20 (teen applicant for assistance) minor.

21 The department shall provide the parents (shall have) or parent
22 with the opportunity to make a showing (, based on the preponderance of
23 the evidence,) that the parental home, or home of the other relative
24 placement, is the most appropriate living situation. It shall be
25 presumed in any administrative or judicial proceeding conducted under
26 this subsection that the parental home or other relative placement
27 requested by the parents or parent is the most appropriate living
28 situation. This presumption is rebuttable.

29 (4) In cases in which the (~~head of household is under eighteen~~
30 ~~years of age,~~) minor is ~~unmarried(,)~~ and ~~unemployed, (and requests~~
31 ~~information on adoption,)~~ the department shall, as part of the
32 determination of the appropriate living situation, provide information
33 about adoption including referral to community-based organizations
34 (~~for~~) providing counseling.

35 NEW SECTION. Sec. 405. A new section is added to chapter 74.12
36 RCW to read as follows:

37 The parents of an unmarried minor who has a child are responsible
38 for the support of the minor and child. The unmarried minor and the

1 minor's child shall be considered to be part of the household of the
2 minor's parents or parent for purposes of determining eligibility for
3 aid to families with dependent children and general assistance for
4 pregnant women as defined in RCW 74.04.005(6)(a)(ii)(A); and as such,
5 the income and resources of the entire household are considered to be
6 available to support the unmarried minor and his or her child.

7 **Sec. 406.** RCW 13.34.160 and 1993 c 358 s 2 are each amended to
8 read as follows:

9 (1) In an action brought under this chapter, the court may inquire
10 into the ability of the parent or parents of the child to pay child
11 support and may enter an order of child support as set forth in chapter
12 26.19 RCW. The court may enforce the same by execution, or in any way
13 in which a court of equity may enforce its decrees. All child support
14 orders entered pursuant to this chapter shall be in compliance with the
15 provisions of RCW 26.23.050.

16 (2) For purposes of this section, if a dependent child's parent is
17 an unmarried minor, then the parent or parents of the minor shall also
18 be deemed a parent or parents of the dependent child. However,
19 liability for child support under this subsection only exists if the
20 parent or parents of the unmarried minor parent are provided the
21 opportunity for a hearing on their ability to provide support. Any
22 child support order requiring such a parent or parents to provide
23 support for the minor parent's child may be effective only until the
24 minor parent reaches eighteen years of age.

25 **Sec. 407.** RCW 74.12.250 and 1963 c 228 s 21 are each amended to
26 read as follows:

27 If the department, after investigation, finds that any applicant
28 for assistance under this chapter or any recipient of funds under ((an
29 aid to families with dependent children grant)) this chapter would not
30 use, or is not utilizing, the grant adequately for the needs of ((the))
31 his or her child or children or would dissipate the grant or is
32 ((otherwise)) dissipating such grant, or would be or is unable to
33 manage adequately the funds paid on behalf of said child and that to
34 provide or continue ((said)) payments to ((him)) the applicant or
35 recipient would be contrary to the welfare of the child, the department
36 may make such payments to another individual who is interested in or
37 concerned with the welfare of such child and relative: PROVIDED, That

1 the department shall provide such counseling and other services as are
2 available and necessary to develop greater ability on the part of the
3 relative to manage funds in such manner as to protect the welfare of
4 the family. Periodic review of each case shall be made by the
5 department to determine if said relative is able to resume management
6 of the assistance grant. If after a reasonable period of time the
7 payments to the relative cannot be resumed, the department may request
8 the attorney general to file a petition in the superior court for the
9 appointment of a guardian for the child or children. Such petition
10 shall set forth the facts warranting such appointment. Notice of the
11 hearing on such petition shall be served upon the recipient and the
12 department not less than ten days before the date set for such hearing.
13 Such petition may be filed with the clerk of superior court and all
14 process issued and served without payment of costs. If upon the
15 hearing of such petition the court is satisfied that it is for the best
16 interest of the child or children, and all parties concerned, that a
17 guardian be appointed, he shall order the appointment, and may require
18 the guardian to render to the court a detailed itemized account of
19 expenditures of such assistance payments at such time as the court may
20 deem advisable.

21 It is the intention of this section that the guardianship herein
22 provided for shall be a special and limited guardianship solely for the
23 purpose of safeguarding the assistance grants made to dependent
24 children. Such guardianship shall terminate upon the termination of
25 such assistance grant, or sooner on order of the court, upon good cause
26 shown.

27 **PART V. WELFARE EVALUATION AND EFFECTIVENESS STUDIES**

28 NEW SECTION. **Sec. 501.** A new section is added to chapter 44.28
29 RCW to read as follows:

30 (1) The legislative budget committee shall conduct an evaluation of
31 the effectiveness of the programs described in chapter . . . , Laws of
32 1996 (this act). The evaluation shall assess the success of the
33 programs in assisting clients to become employed and to reduce their
34 use of aid to families with dependent children. It may include, but
35 not be limited to:

36 (a) The costs and effectiveness of the programs;

1 (b) The extent to which work and job training opportunities have
2 led to employment outcomes and economic independence;

3 (c) An analysis of aid to families with dependent children
4 outcomes, including grant amounts and program exits, for clients; and

5 (d) An audit of performance-based contracts to providers offering
6 job opportunities and basic skills training program services.

7 (2) Administrative data shall be provided by the department of
8 social and health services, the employment security department, the
9 state board for community and technical colleges, local government
10 providers, and private contractors. The department of social and
11 health services shall require contractors to provide administrative and
12 outcome data needed for this evaluation.

13 (3) Additional data may be collected directly from clients if not
14 available from administrative records.

15 (4) The legislative budget committee may convene an evaluation
16 advisory group to assist in the study process. It may contract for
17 services necessary to accomplish the purposes of this section.

18 (5) The legislative budget committee shall present an evaluation
19 plan to the legislature after consultation with the federal government
20 on the design of the evaluation.

21 (6) The legislative budget committee shall submit annual reports to
22 the legislature, beginning in December 1999, with a final report due in
23 December 2003, unless an earlier date is recommended by the committee.

24 **PART VI. MISCELLANEOUS**

25 **Sec. 601.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are
26 each reenacted and amended to read as follows:

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

29 (1) "Public assistance" or "assistance"«Public aid to persons in
30 need thereof for any cause, including services, medical care,
31 assistance grants, disbursing orders, work relief, general assistance
32 and federal-aid assistance.

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

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

36 (4) "Director" or "secretary" means the secretary of social and
37 health services.

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

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

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

13 (ii) Meet one of the following conditions:

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

20 (B) Subject to chapter 165, Laws of 1992, incapacitated from
21 gainful employment by reason of bodily or mental infirmity that will
22 likely continue for a minimum of ninety days as determined by the
23 department.

24 (C) Persons who are unemployable due to alcohol or drug addiction
25 are not eligible for general assistance. Persons receiving general
26 assistance on July 26, 1987, or becoming eligible for such assistance
27 thereafter, due to an alcohol or drug-related incapacity, shall be
28 referred to appropriate assessment, treatment, shelter, or supplemental
29 security income referral services as authorized under chapter 74.50
30 RCW. Referrals shall be made at the time of application or at the time
31 of eligibility review. Alcoholic and drug addicted clients who are
32 receiving general assistance on July 26, 1987, may remain on general
33 assistance if they otherwise retain their eligibility until they are
34 assessed for services under chapter 74.50 RCW. Subsection
35 (6)(a)(ii)(B) of this section shall not be construed to prohibit the
36 department from granting general assistance benefits to alcoholics and
37 drug addicts who are incapacitated due to other physical or mental
38 conditions that meet the eligibility criteria for the general
39 assistance program;

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

4 (iv) Have furnished the department their social security account
5 number. If the social security account number cannot be furnished
6 because it has not been issued or is not known, an application for a
7 number shall be made prior to authorization of assistance, and the
8 social security number shall be provided to the department upon
9 receipt.

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

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

16 (ii) To the extent authorized by the legislature in the biennial
17 appropriations act, to recipients of aid to families with dependent
18 children whose needs are not being met because of a temporary reduction
19 in monthly income below the entitled benefit payment level caused by
20 loss or reduction of wages or unemployment compensation benefits or
21 some other unforeseen circumstances. The amount of general assistance
22 authorized shall not exceed the difference between the entitled benefit
23 payment level and the amount of income actually received.

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

33 (i) First failure: One week;

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

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

36 (d) Persons found eligible for general assistance based on
37 incapacity from gainful employment may, if otherwise eligible, receive
38 general assistance pending application for federal supplemental
39 security income benefits. Any general assistance that is subsequently

1 duplicated by the person's receipt of supplemental security income for
2 the same period shall be considered a debt due the state and shall by
3 operation of law be subject to recovery through all available legal
4 remedies.

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

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

14 (g) Recipients of general assistance based upon a finding of
15 incapacity from gainful employment who remain otherwise eligible shall
16 not have their benefits terminated absent a clear showing of material
17 improvement in their medical or mental condition or specific error in
18 the prior determination that found the recipient eligible by reason of
19 incapacitation. Recipients of general assistance based upon pregnancy
20 who relinquish their child for adoption, remain otherwise eligible, and
21 are not eligible to receive benefits under the federal aid to families
22 with dependent children program shall not have their benefits
23 terminated until the end of the month in which the period of six weeks
24 following the birth of the recipient's child falls. Recipients of the
25 federal aid to families with dependent children program who lose their
26 eligibility solely because of the birth and relinquishment of the
27 qualifying child may receive general assistance through the end of the
28 month in which the period of six weeks following the birth of the child
29 falls.

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

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

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

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

7 (a) A home, which is defined as real property owned and used by an
8 applicant or recipient as a place of residence, together with a
9 reasonable amount of property surrounding and contiguous thereto, which
10 is used by and useful to the applicant. Whenever a recipient shall
11 cease to use such property for residential purposes, either for himself
12 or his dependents, the property shall be considered as a resource which
13 can be made available to meet need, and if the recipient or his
14 dependents absent themselves from the home for a period of ninety
15 consecutive days such absence, unless due to hospitalization or health
16 reasons or a natural disaster, shall raise a rebuttable presumption of
17 abandonment: PROVIDED, That if in the opinion of three physicians the
18 recipient will be unable to return to the home during his lifetime, and
19 the home is not occupied by a spouse or dependent children or disabled
20 sons or daughters, such property shall be considered as a resource
21 which can be made available to meet need.

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

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

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

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

1 (f) If an applicant for or recipient of public assistance possesses
2 property and belongings in excess of the ceiling value, such value
3 shall be used in determining the need of the applicant or recipient,
4 except that: (i) The department may exempt resources or income when
5 the income and resources are determined necessary to the applicant's or
6 recipient's restoration to independence, to decrease the need for
7 public assistance, or to aid in rehabilitating the applicant or
8 recipient or a dependent of the applicant or recipient; and (ii) the
9 department may provide grant assistance for a period not to exceed nine
10 months from the date the agreement is signed pursuant to this section
11 to persons who are otherwise ineligible because of excess real property
12 owned by such persons when they are making a good faith effort to
13 dispose of that property: PROVIDED, That:

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

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

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

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

26 (11) "Income"«(a) All appreciable gains in real or personal
27 property (cash or kind) or other assets, which are received by or
28 become available for use and enjoyment by an applicant or recipient
29 during the month of application or after applying for or receiving
30 public assistance. The department may by rule and regulation exempt
31 income received by an applicant for or recipient of public assistance
32 which can be used by him to decrease his need for public assistance or
33 to aid in rehabilitating him or his dependents, but such exemption
34 shall not, unless otherwise provided in this title, exceed the
35 exemptions of resources granted under this chapter to an applicant for
36 public assistance. In determining the amount of assistance to which an
37 applicant or recipient of aid to families with dependent children is
38 entitled, the department is hereby authorized to disregard as a
39 resource or income the earned income exemptions consistent with federal

1 requirements. The department may permit the above exemption of
2 earnings of a child to be retained by such child to cover the cost of
3 special future identifiable needs even though the total exceeds the
4 exemptions or resources granted to applicants and recipients of public
5 assistance, but consistent with federal requirements. In formulating
6 rules and regulations pursuant to this chapter, the department shall
7 define income and resources and the availability thereof, consistent
8 with federal requirements. All resources and income not specifically
9 exempted, and any income or other economic benefit derived from the use
10 of, or appreciation in value of, exempt resources, shall be considered
11 in determining the need of an applicant or recipient of public
12 assistance.

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

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

23 (13) "Caretaker" means the parent of the dependent child or
24 children who is head of the household. However, in situations where
25 there are two parents in the household, "caretaker" means that parent
26 who, as a parent, has received assistance under the program for the
27 longest period.

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

34 ((+14+)) (15) In the construction of words and phrases used in this
35 title, the singular number shall include the plural, the masculine
36 gender shall include both the feminine and neuter genders and the
37 present tense shall include the past and future tenses, unless the
38 context thereof shall clearly indicate to the contrary.

1 (16) Except for subsections (17) and (18) of this section, section
2 601, chapter . . . , Laws of 1996 (this section) shall not take effect
3 if sections 301, 302, 305, and 306 of this act do not become law.

4 (17) Section 1, chapter 136, Laws of 1992 is repealed if sections
5 301, 302, 305, and 306 of this act do not become law.

6 (18) Section 1, chapter 165, Laws of 1992 is repealed if sections
7 301, 302, 305, and 306 of this act do not become law.

8 NEW SECTION. Sec. 602. If any part of this act is found to be in
9 conflict with federal requirements that are a prescribed condition to
10 the allocation of federal funds to the state, the conflicting part of
11 this act is inoperative solely to the extent of the conflict and with
12 respect to the agencies directly affected, and this finding does not
13 affect the operation of the remainder of this act in its application to
14 the agencies concerned. The rules under this act shall meet federal
15 requirements that are a necessary condition to the receipt of federal
16 funds by the state. As used in this section, "allocation of federal
17 funds to the state" means the allocation of federal funds that are
18 appropriated by the legislature to the department of social and health
19 services and on which the department depends for carrying out any
20 provision of the operating budget applicable to it.

21 **Sec. 603.** RCW 74.08.025 and 1981 1st ex.s. c 6 s 9 are each
22 amended to read as follows:

23 Public assistance (~~shall~~) may be awarded to any applicant:

24 (1) Who is in need and otherwise meets the eligibility requirements
25 of department assistance programs; and

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

28 (3) Who is not an inmate of a public institution except as a
29 patient in a medical institution or except as an inmate in a public
30 institution who could qualify for federal aid assistance: PROVIDED,
31 That the assistance paid by the department to recipients in nursing
32 homes, or receiving nursing home care, may cover the cost of clothing
33 and incidentals and general maintenance exclusive of medical care and
34 health services. The department may pay a grant to cover the cost of
35 clothing and personal incidentals in public or private medical
36 institutions and institutions for tuberculosis. The department shall
37 allow recipients in nursing homes to retain, in addition to the grant

1 to cover the cost of clothing and incidentals, wages received for work
2 as a part of a training or rehabilitative program designed to prepare
3 the recipient for less restrictive placement to the extent permitted
4 under Title XIX of the federal social security act.

5 **Sec. 604.** RCW 74.08.080 and 1989 c 175 s 145 are each amended to
6 read as follows:

7 (1)(a) A public assistance applicant or recipient who is aggrieved
8 by a decision of the department or an authorized agency of the
9 department has the right to an adjudicative proceeding. A current or
10 former recipient who is aggrieved by a department claim that he or she
11 owes a debt for an overpayment of assistance or food stamps, or both,
12 has the right to an adjudicative proceeding.

13 (b) An applicant or recipient has no right to an adjudicative
14 proceeding when the sole basis for the department's decision is a state
15 or federal law that requires an assistance adjustment for a class of
16 recipients.

17 (c) An applicant or recipient may not use the defense of equitable
18 estoppel or any other equitable defenses in any adjudicative proceeding
19 involving public assistance.

20 (2) The adjudicative proceeding is governed by the Administrative
21 Procedure Act, chapter 34.05 RCW, and this subsection.

22 (a) The applicant or recipient must file the application for an
23 adjudicative proceeding with the secretary within ninety days after
24 receiving notice of the aggrieving decision.

25 (b) The hearing shall be conducted at the local community services
26 office or other location in Washington convenient to the appellant.

27 (c) The appellant or his or her representative has the right to
28 inspect his or her department file and, upon request, to receive copies
29 of department documents relevant to the proceedings free of charge.

30 (d) The appellant has the right to a copy of the tape recording of
31 the hearing free of charge.

32 (e) The department is limited to recovering an overpayment arising
33 from assistance being continued pending the adjudicative proceeding to
34 the amount recoverable up to the sixtieth day after the secretary's
35 receipt of the application for an adjudicative proceeding.

36 (f) If the final adjudicative order is made in favor of the
37 appellant, assistance shall be paid from the date of denial of the
38 application for assistance or thirty days following the date of

1 application for aid to families with dependent children or forty-five
2 days after date of application for all other programs, whichever is
3 sooner; or in the case of a recipient, from the effective date of the
4 local community services office decision.

5 (g) This subsection applies only to an adjudicative proceeding in
6 which the appellant is an applicant for or recipient of medical
7 assistance or the limited casualty program for the medically needy and
8 the issue is his or her eligibility or ineligibility due to the
9 assignment or transfer of a resource. The burden is on the department
10 to prove by a preponderance of the evidence that the person knowingly
11 and willingly assigned or transferred the resource at less than market
12 value for the purpose of qualifying or continuing to qualify for
13 medical assistance or the limited casualty program for the medically
14 needy. If the prevailing party in the adjudicative proceeding is the
15 applicant or recipient, he or she is entitled to reasonable attorney's
16 fees.

17 (3)(a) When a person files a petition for judicial review as
18 provided in RCW 34.05.514 of an adjudicative order entered in a public
19 assistance program, no filing fee shall be collected from the person
20 and no bond shall be required on any appeal. In the event that the
21 superior court, the court of appeals, or the supreme court renders a
22 decision in favor of the appellant, said appellant shall be entitled to
23 reasonable attorney's fees and costs. If a decision of the court is
24 made in favor of the appellant, assistance shall be paid from date of
25 the denial of the application for assistance or thirty days after the
26 application for aid to families with dependent children or forty-five
27 days following the date of application, whichever is sooner; or in the
28 case of a recipient, from the effective date of the local community
29 services office decision.

30 **Sec. 605.** RCW 74.08.340 and 1959 c 26 s 74.08.340 are each amended
31 to read as follows:

32 All assistance granted under this title shall be deemed to be
33 granted and to be held subject to the provisions of any amending or
34 repealing act that may hereafter be enacted, and no recipient shall
35 have any claim for compensation, or otherwise, by reason of his
36 assistance being affected in any way by such amending or repealing act.
37 There is no entitlement to public assistance. Public assistance shall

1 be considered solely as a charitable gesture or gift on the part of the
2 state, which at any time may be discontinued.

3 NEW SECTION. **Sec. 606.** The following acts or parts of acts are
4 each repealed:

- 5 (1) RCW 74.08.120 and 1992 c 108 s 2, 1987 c 75 s 39, 1981 1st
6 ex.s. c 6 s 15, 1981 c 8 s 12, 1979 c 141 s 326, 1969 ex.s. c 259 s 1,
7 1969 ex.s. c 159 s 1, 1965 ex.s. c 102 s 1, & 1959 c 26 s 74.08.120;
8 (2) RCW 74.08.125 and 1993 c 22 s 1 & 1992 c 108 s 3; and
9 (3) RCW 74.12.420 and 1994 c 299 s 9.

10 NEW SECTION. **Sec. 607.** A new section is added to chapter 74.12
11 RCW to read as follows:

12 The department of health, the department of licensing, the board of
13 pilotage commissioners, and the department of fish and wildlife shall
14 implement federal law requiring revocation of professional, business,
15 occupational and recreational licenses, certificates, and registrations
16 if such federal requirements become law and are a condition of
17 continued receipt of federal funds for public assistance programs.

18 NEW SECTION. **Sec. 608.** Until July 1, 1998, the governor shall
19 report quarterly to the appropriate committees of the legislature on
20 the efforts to secure the federal changes to permit full implementation
21 of this act at the earliest possible date.

22 NEW SECTION. **Sec. 609.** The table of contents, part headings,
23 subheadings, and captions used in this act do not constitute any part
24 of the law.

25 NEW SECTION. **Sec. 610.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

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