
SENATE BILL 5363

State of Washington

54th Legislature

1995 Regular Session

By Senator Pelz

Read first time 01/20/95. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to developing personal responsibility for
2 recipients of aid to families with dependent children through the use
3 of contracts; reenacting and amending RCW 74.04.005; adding new
4 sections to chapter 74.12 RCW; creating new sections; repealing RCW
5 74.12.420; and providing for submission of this act to a vote of the
6 people.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that lengthy stays on
9 welfare, the inadequate emphasis on employment by the social welfare
10 system, and the lack of personal responsibility by some individuals
11 receiving public assistance are obstacles to achieving economic
12 independence. Therefore, the legislature intends that:

13 (1) Income and employment assistance programs emphasize the
14 temporary nature of welfare and set goals of responsibility, work, and
15 independence;

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

1 (3) Individuals receiving public assistance sign a contract
2 delineating their obligation and responsibility to comply with
3 requirements for work, training, and personal responsibility; and

4 (4) Specific time limits for the receipt of public assistance be
5 set for all recipients of aid to families with dependent children.

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

8 Recipients of aid to families with dependent children shall enter
9 into a contract with the state of Washington specifying the rights and
10 responsibilities of each party. The contract shall include a list of
11 all benefits for which the recipient is eligible and the
12 responsibilities required to receive those benefits. The contract
13 shall also specifically state that the grant amount shall not be
14 increased as a result of any additional children conceived or born
15 subsequent to the time of initial application to the program.
16 Contracts shall be renegotiated on a six-month basis for the duration
17 of the recipient's receipt of aid to families with dependent children.
18 The contract may be renegotiated under limited emergency circumstances
19 specified by the department by rule.

20 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.12 RCW
21 to read as follows:

22 The amount of aid to families with dependent children monthly
23 benefit payment shall reflect the number of children conceived or
24 living in a family on the latter of the effective date of this section
25 or the date of application for assistance.

26 NEW SECTION. **Sec. 4.** A new section is added to chapter 74.12 RCW
27 to read as follows:

28 (1) Recipients of aid to families with dependent children shall
29 receive a maximum of twenty-four monthly benefit payments in a sixty-
30 month period beginning with the initial receipt of benefits.

31 (2) In the final twelve months of eligibility for aid to families
32 with dependent children the recipient may earn up to one hundred
33 percent of the grant payment without experiencing any reduction in the
34 grant amount.

1 **Sec. 5.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are
2 each reenacted and amended to read as follows:

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

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

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

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

12 (4) "Director" or "secretary" means the secretary of social and
13 health services.

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

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

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

26 (ii) Meet one of the following conditions:

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

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

37 (C) Persons who are unemployable due to alcohol or drug addiction
38 are not eligible for general assistance. Persons receiving general
39 assistance on July 26, 1987, or becoming eligible for such assistance

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

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

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

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

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

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

37 (c) General assistance shall be provided only to persons who are
38 not members of assistance units receiving federal aid assistance,
39 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,

1 and will accept available services which can reasonably be expected to
2 enable the person to work or reduce the need for assistance unless
3 there is good cause to refuse. Failure to accept such services shall
4 result in termination until the person agrees to cooperate in accepting
5 such services and subject to the following maximum periods of
6 ineligibility after reapplication:

7 (i) First failure: One week;

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

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

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

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

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

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

1 qualifying child may receive general assistance through the end of the
2 month in which the period of six weeks following the birth of the child
3 falls.

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

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

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

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

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

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

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

4 (d) All other resources, including any excess of values exempted,
5 not to exceed one thousand dollars or other limit as set by the
6 department, to be consistent with limitations on resources and
7 exemptions necessary for federal aid assistance. The department shall
8 also allow recipients of aid to families with dependent children to
9 exempt savings accounts with combined balances of up to an additional
10 two thousand five hundred dollars.

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

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

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

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

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

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

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

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

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

37 (13) For purposes of determining eligibility for public assistance
38 and participation levels in the cost of medical care, the department
39 shall exempt restitution payments made to people of Japanese and Aleut

1 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian
2 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,
3 including all income and resources derived therefrom.

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

9 NEW SECTION. **Sec. 6.** RCW 74.12.420 and 1994 c 299 s 9 are each
10 repealed.

11 NEW SECTION. **Sec. 7.** If any provision of this act or its
12 application to any person or circumstance is held invalid, the
13 remainder of the act or the application of the provision to other
14 persons or circumstances is not affected.

15 NEW SECTION. **Sec. 8.** If any part of this act is found to be in
16 conflict with federal requirements that are a prescribed condition to
17 the allocation of federal funds to the state, the conflicting part of
18 this act is inoperative solely to the extent of the conflict and with
19 respect to the agencies directly affected, and this finding does not
20 affect the operation of the remainder of this act in its application to
21 the agencies concerned. The rules under this act shall meet federal
22 requirements that are a necessary condition to the receipt of federal
23 funds by the state.

24 NEW SECTION. **Sec. 9.** This act shall be submitted to the people
25 for their adoption and ratification, or rejection, at the next
26 succeeding general election to be held in this state, in accordance
27 with Article II, section 1 of the state Constitution, as amended, and
28 the laws adopted to facilitate the operation thereof.

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