

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2692**

55th Legislature  
1998 Regular Session

Passed by the House February 10, 1998  
Yeas 96 Nays 0

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**Speaker of the  
House of Representatives**

Passed by the Senate March 3, 1998  
Yeas 45 Nays 0

\_\_\_\_\_  
**President of the Senate**

Approved

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2692** as passed by the House of Representatives and the Senate on the dates hereon set forth.

\_\_\_\_\_  
**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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HOUSE BILL 2692

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Passed Legislature - 1998 Regular Session

State of Washington

55th Legislature

1998 Regular Session

By Representatives Clements, H. Sommers, Tokuda and Cooke; by request of Department of Social and Health Services

Read first time 01/19/98. Referred to Committee on Children & Family Services.

1 AN ACT Relating to food stamps or food stamp benefits transferred  
2 electronically; amending RCW 9.91.140, 10.101.010, 34.05.482,  
3 43.20B.620, 43.20B.630, 74.04.300, 74.04.380, 74.04.500, 74.04.510,  
4 74.04.515, 74.04.520, 74.04.750, 74.08.046, 74.08.080, 74.08.331,  
5 74.25A.045, 82.08.0297, and 82.12.0297; and reenacting and amending RCW  
6 74.04.005.

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

8 **Sec. 1.** RCW 9.91.140 and 1996 c 78 s 1 are each amended to read as  
9 follows:

10 (1) A person who sells food stamps obtained through the program  
11 established under RCW 74.04.500 or food stamp benefits transferred  
12 electronically, or food purchased therewith, is guilty of a gross  
13 misdemeanor under RCW 9A.20.021 if the value of the stamps, benefits,  
14 or food transferred exceeds one hundred dollars, and is guilty of a  
15 misdemeanor under RCW 9A.20.021 if the value of the stamps, benefits,  
16 or food transferred is one hundred dollars or less.

17 (2) A person who purchases, or who otherwise acquires and sells, or  
18 who traffics in, food stamps as defined by the federal food stamp act,  
19 as amended, ((+))7 U.S.C. Sec. 2011 et seq.((+)), or food stamp

1 benefits transferred electronically, is guilty of a class C felony  
2 under RCW 9A.20.021 if the face value of the stamps or benefits exceeds  
3 one hundred dollars, and is guilty of a gross misdemeanor under RCW  
4 9A.20.021 if the face value of the stamps or benefits is one hundred  
5 dollars or less.

6 (3) A person who, in violation of 7 U.S.C. Sec. 2024(c), obtains  
7 and presents food stamps as defined by the federal food stamp act, as  
8 amended, ((+))7 U.S.C. Sec. 2011 et seq.((+)), or food stamp benefits  
9 transferred electronically, for redemption or causes such stamps or  
10 benefits to be presented for redemption through the program established  
11 under RCW 74.04.500 is guilty of a class C felony under RCW 9A.20.021.

12 **Sec. 2.** RCW 10.101.010 and 1997 c 59 s 3 are each amended to read  
13 as follows:

14 The following definitions shall be applied in connection with this  
15 chapter:

16 (1) "Indigent" means a person who, at any stage of a court  
17 proceeding, is:

18 (a) Receiving one of the following types of public assistance:  
19 Temporary assistance for needy families, general assistance, poverty-  
20 related veterans' benefits, food stamps or food stamp benefits  
21 transferred electronically, refugee resettlement benefits, medicaid, or  
22 supplemental security income; or

23 (b) Involuntarily committed to a public mental health facility; or

24 (c) Receiving an annual income, after taxes, of one hundred twenty-  
25 five percent or less of the current federally established poverty  
26 level; or

27 (d) Unable to pay the anticipated cost of counsel for the matter  
28 before the court because his or her available funds are insufficient to  
29 pay any amount for the retention of counsel.

30 (2) "Indigent and able to contribute" means a person who, at any  
31 stage of a court proceeding, is unable to pay the anticipated cost of  
32 counsel for the matter before the court because his or her available  
33 funds are less than the anticipated cost of counsel but sufficient for  
34 the person to pay a portion of that cost.

35 (3) "Anticipated cost of counsel" means the cost of retaining  
36 private counsel for representation on the matter before the court.

37 (4) "Available funds" means liquid assets and disposable net  
38 monthly income calculated after provision is made for bail obligations.

1 For the purpose of determining available funds, the following  
2 definitions shall apply:

3 (a) "Liquid assets" means cash, savings accounts, bank accounts,  
4 stocks, bonds, certificates of deposit, equity in real estate, and  
5 equity in motor vehicles. A motor vehicle necessary to maintain  
6 employment and having a market value not greater than three thousand  
7 dollars shall not be considered a liquid asset.

8 (b) "Income" means salary, wages, interest, dividends, and other  
9 earnings which are reportable for federal income tax purposes, and cash  
10 payments such as reimbursements received from pensions, annuities,  
11 social security, and public assistance programs. It includes any  
12 contribution received from any family member or other person who is  
13 domiciled in the same residence as the defendant and who is helping to  
14 defray the defendant's basic living costs.

15 (c) "Disposable net monthly income" means the income remaining each  
16 month after deducting federal, state, or local income taxes, social  
17 security taxes, contributory retirement, union dues, and basic living  
18 costs.

19 (d) "Basic living costs" means the average monthly amount spent by  
20 the defendant for reasonable payments toward living costs, such as  
21 shelter, food, utilities, health care, transportation, clothing, loan  
22 payments, support payments, and court-imposed obligations.

23 **Sec. 3.** RCW 34.05.482 and 1988 c 288 s 425 are each amended to  
24 read as follows:

25 (1) An agency may use brief adjudicative proceedings if:

26 (a) The use of those proceedings in the circumstances does not  
27 violate any provision of law;

28 (b) The protection of the public interest does not require the  
29 agency to give notice and an opportunity to participate to persons  
30 other than the parties;

31 (c) The matter is entirely within one or more categories for which  
32 the agency by rule has adopted this section and RCW 34.05.485 through  
33 34.05.494; and

34 (d) The issue and interests involved in the controversy do not  
35 warrant use of the procedures of RCW 34.05.413 through 34.05.479.

36 (2) Brief adjudicative proceedings are not authorized for public  
37 assistance and food stamp or benefit programs provided for in Title 74

1 RCW, including but not limited to public assistance as defined in RCW  
2 74.04.005(1).

3 **Sec. 4.** RCW 43.20B.620 and 1987 c 75 s 43 are each amended to read  
4 as follows:

5 Overpayments of public assistance or food stamps or food stamp  
6 benefits transferred electronically under RCW 74.04.300 shall become a  
7 lien against the real and personal property of the recipient from the  
8 time of filing by the department with the county auditor of the county  
9 in which the recipient resides or owns property, and the lien claim has  
10 preference over the claims of all unsecured creditors.

11 Debts due the state for overpayments of public assistance or food  
12 stamps or food stamp benefits transferred electronically may be  
13 recovered by the state by deduction from the subsequent assistance  
14 payments to such persons, lien and foreclosure, or order to withhold  
15 and deliver, or may be recovered by civil action.

16 **Sec. 5.** RCW 43.20B.630 and 1989 c 175 s 100 are each amended to  
17 read as follows:

18 (1) Any person who owes a debt to the state for an overpayment of  
19 public assistance and/or food stamps or food stamp benefits transferred  
20 electronically shall be notified of that debt by either personal  
21 service or certified mail, return receipt requested. Personal service,  
22 return of the requested receipt, or refusal by the debtor of such  
23 notice is proof of notice to the debtor of the debt owed. Service of  
24 the notice shall be in the manner prescribed for the service of a  
25 summons in a civil action. The notice shall include a statement of the  
26 debt owed; a statement that the property of the debtor will be subject  
27 to collection action after the debtor terminates from public assistance  
28 and/or food stamps or benefits; a statement that the property will be  
29 subject to lien and foreclosure, distraint, seizure and sale, or order  
30 to withhold and deliver; and a statement that the net proceeds will be  
31 applied to the satisfaction of the overpayment debt. Action to collect  
32 the debt by lien and foreclosure, distraint, seizure and sale, or order  
33 to withhold and deliver, is lawful after ninety days from the debtor's  
34 termination from public assistance and/or food stamps or benefits or  
35 the receipt of the notice of debt, whichever is later. This does not  
36 preclude the department from recovering overpayments by deduction from  
37 subsequent assistance payments, not exceeding deductions as authorized

1 under federal law with regard to financial assistance programs:  
2 PROVIDED, That subject to federal legal requirement, deductions shall  
3 not exceed five percent of the grant payment standard if the  
4 overpayment resulted from error on the part of the department or error  
5 on the part of the recipient without willful or knowing intent of the  
6 recipient in obtaining or retaining the overpayment.

7 (2) A current or former recipient who is aggrieved by a claim that  
8 he or she owes a debt for an overpayment of public assistance or food  
9 stamps or food stamp benefits transferred electronically has the right  
10 to an adjudicative proceeding pursuant to RCW 74.08.080. If no  
11 application is filed, the debt will be subject to collection action as  
12 authorized under this chapter. If a timely application is filed, the  
13 execution of collection action on the debt shall be stayed pending the  
14 final adjudicative order or termination of the debtor from public  
15 assistance and/or food stamps or food stamp benefits transferred  
16 electronically, whichever occurs later.

17 **Sec. 6.** RCW 74.04.005 and 1997 c 59 s 10 and 1997 c 58 s 309 are  
18 each reenacted and amended to read as follows:

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

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

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

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

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

30 (5) "Federal-aid assistance"--The specific categories of assistance  
31 for which provision is made in any federal law existing or hereafter  
32 passed by which payments are made from the federal government to the  
33 state in aid or in respect to payment by the state for public  
34 assistance rendered to any category of needy persons for which  
35 provision for federal funds or aid may from time to time be made, or a  
36 federally administered needs-based program.

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

1 (i) Are not eligible to receive federal-aid assistance, other than  
2 food stamps or food stamp benefits transferred electronically and  
3 medical assistance; however, an individual who refuses or fails to  
4 cooperate in obtaining federal-aid assistance, without good cause, is  
5 not eligible for general assistance;

6 (ii) Meet one of the following conditions:

7 (A) Pregnant: PROVIDED, That need is based on the current income  
8 and resource requirements of the federal temporary assistance for needy  
9 families program; or

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

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

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

33 (iv) Have furnished the department their social security account  
34 number. If the social security account number cannot be furnished  
35 because it has not been issued or is not known, an application for a  
36 number shall be made prior to authorization of assistance, and the  
37 social security number shall be provided to the department upon  
38 receipt.

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

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

7 (ii) To the extent authorized by the legislature in the biennial  
8 appropriations act, to recipients of temporary assistance for needy  
9 families whose needs are not being met because of a temporary reduction  
10 in monthly income below the entitled benefit payment level caused by  
11 loss or reduction of wages or unemployment compensation benefits or  
12 some other unforeseen circumstances. The amount of general assistance  
13 authorized shall not exceed the difference between the entitled benefit  
14 payment level and the amount of income actually received.

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

24 (i) First failure: One week;

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

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

27 (d) Persons found eligible for general assistance based on  
28 incapacity from gainful employment may, if otherwise eligible, receive  
29 general assistance pending application for federal supplemental  
30 security income benefits. Any general assistance that is subsequently  
31 duplicated by the person's receipt of supplemental security income for  
32 the same period shall be considered a debt due the state and shall by  
33 operation of law be subject to recovery through all available legal  
34 remedies.

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



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

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

22 (7) "Applicant"--Any person who has made a request, or on behalf of  
23 whom a request has been made, to any county or local office for  
24 assistance.

25 (8) "Recipient"--Any person receiving assistance and in addition  
26 those dependents whose needs are included in the recipient's  
27 assistance.

28 (9) "Standards of assistance"--The level of income required by an  
29 applicant or recipient to maintain a level of living specified by the  
30 department.

31 (10) "Resource"--Any asset, tangible or intangible, owned by or  
32 available to the applicant at the time of application, which can be  
33 applied toward meeting the applicant's need, either directly or by  
34 conversion into money or its equivalent: PROVIDED, That an applicant  
35 may retain the following described resources and not be ineligible for  
36 public assistance because of such resources.

37 (a) A home, which is defined as real property owned and used by an  
38 applicant or recipient as a place of residence, together with a  
39 reasonable amount of property surrounding and contiguous thereto, which

1 is used by and useful to the applicant. Whenever a recipient shall  
2 cease to use such property for residential purposes, either for himself  
3 or herself or his or her dependents, the property shall be considered  
4 as a resource which can be made available to meet need, and if the  
5 recipient or his or her dependents absent themselves from the home for  
6 a period of ninety consecutive days such absence, unless due to  
7 hospitalization or health reasons or a natural disaster, shall raise a  
8 rebuttable presumption of abandonment: PROVIDED, That if in the  
9 opinion of three physicians the recipient will be unable to return to  
10 the home during his or her lifetime, and the home is not occupied by a  
11 spouse or dependent children or disabled sons or daughters, such  
12 property shall be considered as a resource which can be made available  
13 to meet need.

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

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

20 (d) A motor vehicle necessary to transport a physically disabled  
21 household member. This exclusion is limited to one vehicle per  
22 physically disabled person.

23 (e) All other resources, including any excess of values exempted,  
24 not to exceed one thousand dollars or other limit as set by the  
25 department, to be consistent with limitations on resources and  
26 exemptions necessary for federal aid assistance. The department shall  
27 also allow recipients of temporary assistance for needy families to  
28 exempt savings accounts with combined balances of up to an additional  
29 three thousand dollars.

30 (f) Applicants for or recipients of general assistance shall have  
31 their eligibility based on resource limitations consistent with the  
32 temporary assistance for needy families program rules adopted by the  
33 department.

34 (g) If an applicant for or recipient of public assistance possesses  
35 property and belongings in excess of the ceiling value, such value  
36 shall be used in determining the need of the applicant or recipient,  
37 except that: (i) The department may exempt resources or income when  
38 the income and resources are determined necessary to the applicant's or  
39 recipient's restoration to independence, to decrease the need for

1 public assistance, or to aid in rehabilitating the applicant or  
2 recipient or a dependent of the applicant or recipient; and (ii) the  
3 department may provide grant assistance for a period not to exceed nine  
4 months from the date the agreement is signed pursuant to this section  
5 to persons who are otherwise ineligible because of excess real property  
6 owned by such persons when they are making a good faith effort to  
7 dispose of that property: PROVIDED, That:

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

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

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

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

20 (11) "Income"--(a) All appreciable gains in real or personal  
21 property (cash or kind) or other assets, which are received by or  
22 become available for use and enjoyment by an applicant or recipient  
23 during the month of application or after applying for or receiving  
24 public assistance. The department may by rule and regulation exempt  
25 income received by an applicant for or recipient of public assistance  
26 which can be used by him or her to decrease his or her need for public  
27 assistance or to aid in rehabilitating him or her or his or her  
28 dependents, but such exemption shall not, unless otherwise provided in  
29 this title, exceed the exemptions of resources granted under this  
30 chapter to an applicant for public assistance. In determining the  
31 amount of assistance to which an applicant or recipient of temporary  
32 assistance for needy families is entitled, the department is hereby  
33 authorized to disregard as a resource or income the earned income  
34 exemptions consistent with federal requirements. The department may  
35 permit the above exemption of earnings of a child to be retained by  
36 such child to cover the cost of special future identifiable needs even  
37 though the total exceeds the exemptions or resources granted to  
38 applicants and recipients of public assistance, but consistent with  
39 federal requirements. In formulating rules and regulations pursuant to

1 this chapter, the department shall define income and resources and the  
2 availability thereof, consistent with federal requirements. All  
3 resources and income not specifically exempted, and any income or other  
4 economic benefit derived from the use of, or appreciation in value of,  
5 exempt resources, shall be considered in determining the need of an  
6 applicant or recipient of public assistance.

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

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

18 (13) For purposes of determining eligibility for public assistance  
19 and participation levels in the cost of medical care, the department  
20 shall exempt restitution payments made to people of Japanese and Aleut  
21 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian  
22 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,  
23 including all income and resources derived therefrom.

24 (14) In the construction of words and phrases used in this title,  
25 the singular number shall include the plural, the masculine gender  
26 shall include both the feminine and neuter genders and the present  
27 tense shall include the past and future tenses, unless the context  
28 thereof shall clearly indicate to the contrary.

29 **Sec. 7.** RCW 74.04.300 and 1987 c 75 s 32 are each amended to read  
30 as follows:

31 If a recipient receives public assistance and/or food stamps or  
32 food stamp benefits transferred electronically for which ((he)) the  
33 recipient is not eligible, or receives public assistance and/or food  
34 stamps or food stamp benefits transferred electronically in an amount  
35 greater than that for which ((he)) the recipient is eligible, the  
36 portion of the payment to which ((he)) the recipient is not entitled  
37 shall be a debt due the state recoverable under RCW 43.20B.030 and  
38 43.20B.620 through 43.20B.645. It shall be the duty of recipients of

1 public assistance and/or food stamps or food stamp benefits transferred  
2 electronically to notify the department within twenty days of the  
3 receipt or possession of all income or resources not previously  
4 declared to the department. The department shall advise applicants for  
5 assistance that failure to report as required, failure to reveal  
6 resources or income, and false statements will result in recovery by  
7 the state of any overpayment and may result in criminal prosecution.

8 **Sec. 8.** RCW 74.04.380 and 1979 c 141 s 313 are each amended to  
9 read as follows:

10 The secretary of social and health services, from funds  
11 appropriated to ((his)) the department for such purpose, shall, upon  
12 receipt of authorization from the governor, provide for the receiving,  
13 warehousing and distributing of federal and other surplus food  
14 commodities for the use and assistance of recipients of public  
15 assistance or other needy families and individuals certified as  
16 eligible to obtain such commodities. The secretary is authorized to  
17 enter into such agreements as may be necessary with the federal  
18 government or any state agency in order to participate in any program  
19 of distribution of surplus food commodities including but not limited  
20 to a food stamp or benefit program. The secretary shall hire  
21 personnel, establish distribution centers and acquire such facilities  
22 as may be required to carry out the intent of this section; and ((he))  
23 the secretary may carry out any such program as a sole operation of the  
24 department or in conjunction or cooperation with any similar program of  
25 distribution by private individuals or organizations, any department of  
26 the state or any political subdivision of the state.

27 The secretary shall discontinue such program, or any part thereof,  
28 whenever in the determination of the governor such program, or any part  
29 thereof, is no longer in the best interest of the state.

30 **Sec. 9.** RCW 74.04.500 and 1991 c 126 s 3 are each amended to read  
31 as follows:

32 The department ((of social and health services)) is authorized to  
33 establish a food stamp or benefit program under the federal food stamp  
34 act of 1977, as amended.

35 **Sec. 10.** RCW 74.04.510 and 1981 1st ex.s. c 6 s 5 are each amended  
36 to read as follows:

1 The department shall (~~promulgate~~) adopt rules (~~and regulations~~)  
2 conforming to federal laws, rules, and regulations required to be  
3 observed in maintaining the eligibility of the state to receive from  
4 the federal government and to issue or distribute to recipients, food  
5 stamps (~~or~~), coupons, or food stamp or coupon benefits transferred  
6 electronically under a food stamp or benefits plan. Such rules (~~and~~  
7 ~~regulations~~) shall relate to and include, but shall not be limited to:  
8 (1) The classifications of and requirements of eligibility of  
9 households to receive food stamps (~~or~~), coupons(~~-~~), or food stamp  
10 or coupon benefits transferred electronically; and (2) the periods  
11 during which households shall be certified or recertified to be  
12 eligible to receive food stamps (~~or~~), coupons, or food stamp or  
13 coupon benefits transferred electronically under this plan.

14 **Sec. 11.** RCW 74.04.515 and 1991 c 126 s 4 are each amended to read  
15 as follows:

16 In administering the food stamp or benefits program, there shall be  
17 no discrimination against any applicant or recipient by reason of age,  
18 sex, handicap, religious creed, political beliefs, race, color, or  
19 national origin.

20 **Sec. 12.** RCW 74.04.520 and 1969 ex.s. c 172 s 8 are each amended  
21 to read as follows:

22 The provisions of RCW 74.04.060 relating to disclosure of  
23 information regarding public assistance recipients shall apply to  
24 recipients of food stamps or food stamp benefits transferred  
25 electronically.

26 **Sec. 13.** RCW 74.04.750 and 1981 2nd ex.s. c 10 s 1 are each  
27 amended to read as follows:

28 (1) Applicants and recipients under this title must satisfy all  
29 reporting requirements imposed by the department.

30 (2) The secretary shall have the discretion to consider: (a) Food  
31 stamp allotments or food stamp benefits transferred electronically  
32 and/or (b) rent or housing subsidies as income in determining  
33 eligibility for and assistance to be provided by public assistance  
34 programs. If the department considers food stamp allotments or food  
35 stamp benefits transferred electronically as income in determining  
36 eligibility for assistance, applicants or recipients for any grant

1 assistance program must apply for and take all reasonable actions  
2 necessary to establish and maintain eligibility for food stamps or food  
3 stamp benefits transferred electronically.

4 **Sec. 14.** RCW 74.08.046 and 1982 c 127 s 1 are each amended to read  
5 as follows:

6 There is designated to be included in the public assistance payment  
7 level a monthly energy assistance allowance. The allowance shall be  
8 excluded from consideration as income for the purpose of determining  
9 eligibility and benefit levels of food stamp or benefits program  
10 recipients to the maximum extent exclusion is authorized by federal  
11 law. The allowance shall be calculated on a seasonal basis for the  
12 period of November 1st through April 30th.

13 **Sec. 15.** RCW 74.08.080 and 1997 c 59 s 12 are each amended to read  
14 as follows:

15 (1)(a) A public assistance applicant or recipient who is aggrieved  
16 by a decision of the department or an authorized agency of the  
17 department has the right to an adjudicative proceeding. A current or  
18 former recipient who is aggrieved by a department claim that he or she  
19 owes a debt for an overpayment of assistance or food stamps or food  
20 stamp benefits transferred electronically, or both, has the right to an  
21 adjudicative proceeding.

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

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

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

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

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

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

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

5 (f) If the final adjudicative order is made in favor of the  
6 appellant, assistance shall be paid from the date of denial of the  
7 application for assistance or thirty days following the date of  
8 application for temporary assistance for needy families or forty-five  
9 days after date of application for all other programs, whichever is  
10 sooner; or in the case of a recipient, from the effective date of the  
11 local community services office decision.

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

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

37 **Sec. 16.** RCW 74.08.331 and 1997 c 58 s 303 are each amended to  
38 read as follows:



1 Any person who by means of a willfully false statement, or  
2 representation, or impersonation, or a willful failure to reveal any  
3 material fact, condition, or circumstance affecting eligibility or need  
4 for assistance, including medical care, surplus commodities, and food  
5 stamps or food stamp benefits transferred electronically, as required  
6 by law, or a willful failure to promptly notify the county office in  
7 writing as required by law or any change in status in respect to  
8 resources, or income, or need, or family composition, money  
9 contribution and other support, from whatever source derived, including  
10 unemployment insurance, or any other change in circumstances affecting  
11 the person's eligibility or need for assistance, or other fraudulent  
12 device, obtains, or attempts to obtain, or aids or abets any person to  
13 obtain any public assistance to which the person is not entitled or  
14 greater public assistance than that to which he or she is justly  
15 entitled shall be guilty of grand larceny and upon conviction thereof  
16 shall be punished by imprisonment in a state correctional facility for  
17 not more than fifteen years.

18 Any person who by means of a willfully false statement or  
19 representation or by impersonation or other fraudulent device aids or  
20 abets in buying, selling, or in any other way disposing of the real  
21 property of a recipient of public assistance without the consent of the  
22 secretary shall be guilty of a gross misdemeanor and upon conviction  
23 thereof shall be punished by imprisonment for not more than one year in  
24 the county jail or a fine of not to exceed one thousand dollars or by  
25 both.

26 **Sec. 17.** RCW 74.25A.045 and 1997 c 59 s 31 are each amended to  
27 read as follows:

28 A local employment partnership council shall be established in each  
29 pilot project area to assist the department of social and health  
30 services in the administration of this chapter and to allow local  
31 flexibility in dealing with the particular needs of each pilot project  
32 area. Each council shall be primarily responsible for recruiting and  
33 encouraging participation of employment providers in the project site.  
34 Each council shall be composed of nine members who shall be appointed  
35 by the county legislative authority of the county in which the pilot  
36 project operates. Councilmembers shall be residents of or employers in  
37 the pilot project area in which they are appointed and shall serve  
38 three-year terms. The council shall have two members who are current

1 or former recipients of the aid to families with dependent children or  
2 temporary assistance for needy families programs or food stamp or  
3 benefits program, two members who represent labor, and five members who  
4 represent the local business community. In addition, one person  
5 representing the local community service office of the department of  
6 social and health services, one person representing a community action  
7 agency or other nonprofit service provider, and one person from a local  
8 city or county government shall serve as nonvoting members.

9       **Sec. 18.** RCW 82.08.0297 and 1987 c 28 s 1 are each amended to read  
10 as follows:

11       The tax levied by RCW 82.08.020 shall not apply to sales of  
12 eligible foods which are purchased with coupons issued under the food  
13 stamp act of 1977 or food stamp or coupon benefits transferred  
14 electronically, notwithstanding anything to the contrary in RCW  
15 82.08.0293.

16       When a purchase of eligible foods is made with a combination of  
17 coupons issued under the food stamp act of 1977 or food stamp or coupon  
18 benefits transferred electronically and cash, check, or similar  
19 payment, the cash, check, or similar payment shall be applied first to  
20 food products exempt from tax under RCW 82.08.0293 whenever possible.

21       As used in this section, "eligible foods" shall have the same  
22 meaning as that established under federal law for purposes of the food  
23 stamp act of 1977.

24       **Sec. 19.** RCW 82.12.0297 and 1987 c 28 s 2 are each amended to read  
25 as follows:

26       The provisions of this chapter shall not apply with respect to the  
27 use of eligible foods which are purchased with coupons issued under the  
28 food stamp act of 1977 or food stamp or coupon benefits transferred  
29 electronically, notwithstanding anything to the contrary in RCW  
30 82.12.0293.

31       As used in this section, "eligible foods" shall have the same  
32 meaning as that established under federal law for purposes of the food  
33 stamp act of 1977.

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