

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2686**

Chapter 218, Laws of 2000

56th Legislature  
2000 Regular Session

PUBLIC ASSISTANCE--DEFINITIONS

EFFECTIVE DATE: 6/8/00

Passed by the House March 7, 2000  
Yeas 98 Nays 0

CLYDE BALLARD  
**Speaker of the House of Representatives**

FRANK CHOPP  
**Speaker of the House of Representatives**

Passed by the Senate March 2, 2000  
Yeas 46 Nays 0

BRAD OWEN  
**President of the Senate**

Approved March 30, 2000

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2686** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER  
**Chief Clerk**

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

March 30, 2000 - 2:21 p.m.

**Secretary of State  
State of Washington**

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HOUSE BILL 2686

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AS AMENDED BY THE SENATE

Passed Legislature - 2000 Regular Session

State of Washington                      56th Legislature                      2000 Regular Session

By Representatives Tokuda and D. Sommers; by request of Department of Social and Health Services

Read first time 01/18/2000. Referred to Committee on Children & Family Services.

1            AN ACT Relating to definitions of income and resources; amending  
2 RCW 74.09.530; and reenacting and amending RCW 74.04.005.

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

4            **Sec. 1.** RCW 74.04.005 and 1998 c 80 s 1 and 1998 c 79 s 6 are each  
5 reenacted and amended to read as follows:

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

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

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

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

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

17            (5) "Federal-aid assistance"--The specific categories of assistance  
18 for which provision is made in any federal law existing or hereafter  
19 passed by which payments are made from the federal government to the

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

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

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

11 (ii) Meet one of the following conditions:

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

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

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

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

38 (iv) Have furnished the department their social security account  
39 number. If the social security account number cannot be furnished

1 because it has not been issued or is not known, an application for a  
2 number shall be made prior to authorization of assistance, and the  
3 social security number shall be provided to the department upon  
4 receipt.

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

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

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

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

28 (i) First failure: One week;

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

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

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

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

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

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

26 (h) No person may be considered an eligible individual for general  
27 assistance with respect to any month if during that month the person:

28 (i) Is fleeing to avoid prosecution of, or to avoid custody or  
29 confinement for conviction of, a felony, or an attempt to commit a  
30 felony, under the laws of the state of Washington or the place from  
31 which the person flees; or

32 (ii) Is violating a condition of probation, community supervision,  
33 or parole imposed under federal or state law for a felony or gross  
34 misdemeanor conviction.

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

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

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

7 (10) "Resource"--Any asset, tangible or intangible, owned by or  
8 available to the applicant at the time of application, which can be  
9 applied toward meeting the applicant's need, either directly or by  
10 conversion into money or its equivalent(~~(:—PROVIDED,)~~). The  
11 department may by rule designate resources that an applicant may retain  
12 ((the following described resources)) and not be ineligible for public  
13 assistance because of such resources. Exempt resources shall include,  
14 but are not limited to:

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

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

36 (c) ~~A motor vehicle, other than a motor home, used and useful~~  
37 ~~having an equity value not to exceed five thousand dollars((-))i~~

1 (d) A motor vehicle necessary to transport a physically disabled  
2 household member. This exclusion is limited to one vehicle per  
3 physically disabled person((-))i

4 (e) 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 temporary assistance for needy families to  
9 exempt savings accounts with combined balances of up to an additional  
10 three thousand dollars((-))i

11 (f) Applicants for or recipients of general assistance shall have  
12 their eligibility based on resource limitations consistent with the  
13 temporary assistance for needy families program rules adopted by the  
14 department((-))i and

15 (g) 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 or her to decrease his or her need for public  
8 assistance or to aid in rehabilitating him or her or his or her  
9 dependents, but such exemption shall not, unless otherwise provided in  
10 this title, exceed the exemptions of resources granted under this  
11 chapter to an applicant for public assistance. (~~In determining the~~  
12 ~~amount of assistance to which an applicant or recipient of temporary~~  
13 ~~assistance for needy families is entitled, the department is hereby~~  
14 ~~authorized to disregard as a resource or income the earned income~~  
15 ~~exemptions consistent with federal requirements. The department may~~  
16 ~~permit the above exemption of earnings of a child to be retained by~~  
17 ~~such child to cover the cost of special future identifiable needs even~~  
18 ~~though the total exceeds the exemptions or resources granted to~~  
19 ~~applicants and recipients of public assistance, but consistent with~~  
20 ~~federal requirements. In formulating rules and regulations pursuant to~~  
21 ~~this chapter, the department shall define income and resources and the~~  
22 ~~availability thereof, consistent with federal requirements. All~~  
23 ~~resources and income not specifically exempted, and any income or other~~  
24 ~~economic benefit derived from the use of, or appreciation in value of,~~  
25 ~~exempt resources, shall be considered in determining the need of an~~  
26 ~~applicant or recipient of public assistance.)) In addition, for cash  
27 assistance the department may disregard income pursuant to RCW  
28 74.08A.230 and 74.12.350.~~

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

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

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

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

12 **Sec. 2.** RCW 74.09.530 and 1979 c 141 s 345 are each amended to  
13 read as follows:

14 The amount and nature of medical assistance and the determination  
15 of eligibility of recipients for medical assistance shall be the  
16 responsibility of the department of social and health services. The  
17 department shall establish reasonable standards of assistance and  
18 resource and income exemptions which shall be consistent with the  
19 provisions of the Social Security Act and with the regulations of the  
20 secretary of health, education and welfare for determining eligibility  
21 of individuals for medical assistance and the extent of such assistance  
22 to the extent that funds are available from the state and federal  
23 government. The department shall not consider resources in determining  
24 continuing eligibility for recipients eligible under section 1931 of  
25 the social security act.

Passed the House March 7, 2000.

Passed the Senate March 2, 2000.

Approved by the Governor March 30, 2000.

Filed in Office of Secretary of State March 30, 2000.