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SENATE BILL 6462

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State of Washington

62nd Legislature

2012 Regular Session

By Senators Fraser, Carrell, Regala, Stevens, Hargrove, and Shin

Read first time 01/24/12. Referred to Committee on Human Services & Corrections.

1 AN ACT Relating to determination of income and resources for the  
2 purposes of eligibility for public assistance; and reenacting and  
3 amending RCW 74.04.005.

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

5 **Sec. 1.** RCW 74.04.005 and 2011 1st sp.s. c 36 s 8 and 2011 1st  
6 sp.s. c 15 s 61 are each reenacted and amended to read as follows:

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

9 (1) "Aged, blind, or disabled assistance program" means the program  
10 established under RCW 74.62.030.

11 (2) "Applicant" means any person who has made a request, or on  
12 behalf of whom a request has been made, to any county or local office  
13 for assistance.

14 (3) "Authority" means the health care authority.

15 (4) "County or local office" means the administrative office for  
16 one or more counties or designated service areas.

17 (5) "Department" means the department of social and health  
18 services.

19 (6) "Director" means the director of the health care authority.

1 (7) "Essential needs and housing support program" means the program  
2 established in RCW 43.185C.220.

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

10 (9) "Income" means:

11 (a) All appreciable gains in real or personal property (cash or  
12 kind) or other assets, which are received by or become available for  
13 use and enjoyment by an applicant or recipient during the month of  
14 application or after applying for or receiving public assistance.  
15 Assets of a business owned or controlled, in whole or in part, by the  
16 applicant or recipient and from which the applicant or recipient  
17 receives a salary is considered income for the purposes of this  
18 chapter. The department may by rule and regulation exempt income  
19 received by an applicant for or recipient of public assistance which  
20 can be used by him or her to decrease his or her need for public  
21 assistance or to aid in rehabilitating him or her or his or her  
22 dependents, but such exemption shall not, unless otherwise provided in  
23 this title, exceed the exemptions of resources granted under this  
24 chapter to an applicant for public assistance. In addition, for cash  
25 assistance the department may disregard income pursuant to RCW  
26 74.08A.230 and 74.12.350.

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

1 (11) "Public assistance" or "assistance" means public aid to  
2 persons in need thereof for any cause, including services, medical  
3 care, assistance grants, disbursing orders, work relief, benefits under  
4 RCW 74.62.030 and 43.185C.220, and federal aid assistance.

5 (12) "Recipient" means any person receiving assistance and in  
6 addition those dependents whose needs are included in the recipient's  
7 assistance.

8 (13) "Resource" means any asset, tangible or intangible, including  
9 ownership in a business, whether that business is a partnership,  
10 limited liability company, or corporation, owned by ((~~or~~)), available  
11 to, or whose assets may be available to, the applicant at the time of  
12 application, which can be applied toward meeting the applicant's need,  
13 either directly or by conversion into money or its equivalent. The  
14 department may by rule designate resources that an applicant may retain  
15 and not be ineligible for public assistance because of such resources.  
16 Exempt resources shall include, but are not limited to:

17 (a) A home that an applicant, recipient, or their dependents is  
18 living in, including the surrounding property;

19 (b) Household furnishings and personal effects;

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

22 (d) A motor vehicle necessary to transport a household member with  
23 a physical disability. This exclusion is limited to one vehicle per  
24 person with a physical disability;

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

32 (f) Applicants for or recipients of benefits under RCW 74.62.030  
33 and 43.185C.220 shall have their eligibility based on resource  
34 limitations consistent with the temporary assistance for needy families  
35 program rules adopted by the department; and

36 (g) If an applicant for or recipient of public assistance possesses  
37 property and belongings in excess of the ceiling value, such value  
38 shall be used in determining the need of the applicant or recipient,

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

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

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

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

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

23 (14) "Secretary" means the secretary of social and health services.

24 (15) "Standards of assistance" means the level of income required  
25 by an applicant or recipient to maintain a level of living specified by  
26 the department.

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

33 (17) In the construction of words and phrases used in this title,  
34 the singular number shall include the plural, the masculine gender  
35 shall include both the feminine and neuter genders, and the present  
36 tense shall include the past and future tenses, unless the context

1 thereof shall clearly indicate to the contrary.

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