CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6508

Chapter 258, Laws of 2012
(partial veto)

62nd Legislature
2012 Regular Session

DEPARTMENT OF SOCIAL AND HEALTH SERVICES--OVERPAYMENT RECOVERIES--WAIVER

EFFECTIVE DATE: 06/07/12

Passed by the Senate March 3, 2012
YEAS 33  NAYS 16

BRAD OWEN
President of the Senate

Passed by the House February 29, 2012
YEAS 63  NAYS 35

FRANK CHOPP
Speaker of the House of Representatives

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is SUBSTITUTE SENATE BILL 6508 as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN
Secretary

Approved March 30, 2012, 1:46 p.m., with the exception of Section 3 which is vetoed.

FILED
March 30, 2012

CHRISTINE GREGOIRE
Governor of the State of Washington

Secretary of State
State of Washington
AN ACT Relating to department of social and health services waivers of overpayment recoveries; amending RCW 43.20B.030; and creating new sections.

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

Sec. 1. RCW 43.20B.030 and 2005 c 292 s 5 are each amended to read as follows:

(1) Except as otherwise provided by law, including subsection (2) of this section, there will be no collection of overpayments and other debts due the department after the expiration of six years from the date of notice of such overpayment or other debt unless the department has commenced recovery action in a court of law or unless an administrative remedy authorized by statute is in place. However, any amount due in a case thus extended shall cease to be a debt due the department at the expiration of ten years from the date of the notice of the overpayment or other debt unless a court-ordered remedy would be in effect for a longer period.

(2) There will be no collection of debts due the department after the expiration of twenty years from the date a lien is recorded pursuant to RCW 43.20B.080.
(3) The department, at any time, may accept offers of compromise of disputed claims or may grant partial or total write-off of any debt due the department if it is no longer cost-effective to pursue. The department shall adopt rules establishing the considerations to be made in the granting or denial of a partial or total write-off of debts.

(4) Notwithstanding the requirements of RCW 43.20B.630, 43.20B.635, 43.20B.640, and 43.20B.645, the department may waive all efforts to collect overpayments from a client when the department determines that the elements of equitable estoppel as set forth in WAC 388-02-0495, as it existed on January 1, 2012, are met.

NEW SECTION. Sec. 2. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

*NEW SECTION. Sec. 3. No later than October 1, 2013, the office of fraud and accountability within the department of social and health services, along with the state auditor’s office and the department of early learning, shall collaborate in an effort to identify, review, and provide the legislature with recommendations for integrated monitoring and detection systems to prevent overpayments of public assistance from occurring.

*Sec. 3 was vetoed. See message at end of chapter.

Passed by the Senate March 3, 2012.
Passed by the House February 29, 2012.
Approved by the Governor March 30, 2012, with the exception of certain items that were vetoed.
Filed in Office of Secretary of State March 30, 2012.

Note: Governor's explanation of partial veto is as follows:
"I am returning herewith, without my approval as to Section 3, Substitute Senate Bill 6508 entitled:

"AN ACT Relating to department of social and health services waivers of overpayment recoveries."

Section 3 requires the Office of Fraud and Accountability within the Department of Social and Health Services to collaborate with the Auditor's Office and the Department of Early Learning to identify, review, and provide the Legislature with recommendations for
integrated monitoring and detection systems to prevent overpayments of public assistance. The Office of Fraud and Accountability was created for the specific purpose of focusing on the prevention and investigation of abuse and fraud in the use of public assistance benefits. To avoid diluting this focus, the Secretary of the Department of Social and Health Services should determine what resources of the Department are best used in advancing measures to prevent non-fraudulent overpayments of public assistance.

For this reason, I have vetoed Section 3 of Substitute Senate Bill 6508. With the exception of Section 3, Substitute Senate Bill 6508 is approved."