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**SUBSTITUTE HOUSE BILL 1603**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** House Human Services & Early Learning (originally sponsored by Representatives Senn, Entenman, Morgan, Kilduff, Macri, Gregerson, Valdez, Chapman, Wylie, Peterson, Doglio, Tharinger, Bergquist, Robinson, Ortiz-Self, Goodman, Lovick, Jinkins, Leavitt, Hudgins, Pettigrew, Slatter, Appleton, Stanford, Davis, Frame, Pollet, Fey, and Tarleton)

READ FIRST TIME 02/08/19.

1 AN ACT Relating to revising economic assistance programs by  
2 updating standards of need, revising outcome measures and data  
3 collected, and reducing barriers to participation; amending RCW  
4 74.04.770, 74.08A.010, 74.08.025, 74.08A.410, 74.08A.411, and  
5 74.08A.250; reenacting and amending RCW 74.08A.260; adding a new  
6 section to chapter 74.08A RCW; creating a new section; and providing  
7 an effective date.

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

9 **Sec. 1.** RCW 74.04.770 and 2011 1st sp.s. c 36 s 26 are each  
10 amended to read as follows:

11 (1)(a) The department shall establish consolidated standards of  
12 need each fiscal year which may vary by geographical areas, program,  
13 and family size, for temporary assistance for needy families, refugee  
14 assistance, (~~supplemental security income, and benefits under RCW~~  
15 ~~74.62.030~~) the pregnant women assistance program, and state family  
16 assistance.

17 (b)(i) Standards for temporary assistance for needy families,  
18 refugee assistance, (~~and benefits under RCW 74.62.030~~) the pregnant  
19 women assistance program, and state family assistance shall be based  
20 on studies of actual living costs and generally recognized inflation  
21 indices and shall include reasonable allowances for household budget

1 items including shelter, fuel, food, transportation, clothing,  
2 household maintenance and operations, personal maintenance, ((and))  
3 necessary incidentals, and out-of-pocket costs a recipient may incur  
4 for child care and health care.

5 (ii) By September 1, 2019, the department must submit to the  
6 office of financial management, the legislative-executive WorkFirst  
7 poverty reduction oversight task force, and the legislature, a  
8 revised comprehensive study of living costs. The comprehensive study  
9 must include recommendations for temporary assistance for needy  
10 families grant standards as a percentage of need. Living costs must  
11 be updated annually according to recognized inflation indices. By  
12 September 1, 2022, and every four years thereafter, the department  
13 must adjust the estimated base costs to a consumer for household  
14 budget items used in the study, in addition to annual adjustments for  
15 inflation.

16 (iii) By September 1, 2029, and every ten years thereafter, the  
17 department must submit a redesigned and updated comprehensive study  
18 to the office of financial management, the legislative-executive  
19 WorkFirst poverty reduction oversight task force, and the  
20 legislature. When completing each ten-year redesign, the department  
21 must adjust study parameters, including cost categories and  
22 geographic boundaries, as necessary.

23 (c) The standard of need may take into account the economies of  
24 joint living arrangements, but unless explicitly required by federal  
25 statute, there shall not be proration of any portion of assistance  
26 grants unless the amount of the grant standard is equal to the  
27 standard of need.

28 (2)(a) The department is authorized to establish rateable  
29 reductions and grant maximums consistent with federal law.

30 (b) Payment level will be equal to need or a lesser amount if  
31 rateable reductions or grant maximums are imposed. In no case shall a  
32 recipient of supplemental security income receive a state supplement  
33 less than the minimum required by federal law.

34 (3) The department may establish a separate standard for shelter  
35 provided at no cost.

36 **Sec. 2.** RCW 74.08A.010 and 2011 1st sp.s. c 42 s 6 are each  
37 amended to read as follows:

38 (1) A family that includes an adult who has received temporary  
39 assistance for needy families for sixty months after July 27, 1997,

1 shall be ineligible for further temporary assistance for needy  
2 families assistance.

3 (2) For the purposes of applying the rules of this section, the  
4 department shall count any month in which an adult family member  
5 received a temporary assistance for needy families cash assistance  
6 grant unless the assistance was provided when the adult family member  
7 was a minor child and not the head of the household or married to the  
8 head of the household.

9 (3) The department shall adopt regulations to apply the sixty-  
10 month time limit to households in which a parent is in the home and  
11 ineligible for temporary assistance for needy families. Any  
12 regulations shall be consistent with federal funding requirements.

13 (4) The department shall refer recipients who require specialized  
14 assistance to appropriate department programs, crime victims'  
15 programs through the department of commerce, or the crime victims'  
16 compensation program of the department of labor and industries.

17 (5) (a) The department ((may)) shall add to adopted rules related  
18 to temporary assistance for needy families time limit extensions, the  
19 following criteria by which the department shall exempt ((a recipient  
20 and the recipient's family)) an otherwise eligible family from the  
21 application of subsection (1) of this section:

22 (i) By reason of hardship ((or)) if the ((recipient)) parent or  
23 caretaker:

24 (A) Is temporarily prevented from working or looking for a job;

25 (B) Is in need of mental health or substance use disorder  
26 treatment;

27 (C) Is homeless or at substantial risk of losing stable housing  
28 or housing support services as described in RCW 43.185C.220; or

29 (D) Demonstrates another basis by which the time limit pursuant  
30 to subsection (1) of this section would cause undue hardship to the  
31 family; or

32 (ii) If the family includes an individual who meets the family  
33 violence options of section 402(A)(7) of Title IVA of the federal  
34 social security act as amended by P.L. 104-193.

35 (b) Policies related to circumstances under which a recipient  
36 will be exempted from the application of subsection (1) or (3) of  
37 this section shall treat adults receiving benefits on their own  
38 behalf, and parents receiving benefits on behalf of their child  
39 similarly, unless required otherwise under federal law.

1 (6) The department shall not exempt a recipient and his or her  
2 family from the application of subsection (1) or (3) of this section  
3 until after the recipient has received fifty-two months of assistance  
4 under this chapter.

5 (7) (~~Beginning on October 31, 2005,~~) The department shall  
6 provide transitional food (~~stamp~~) assistance for a period of five  
7 months to a household that ceases to receive temporary assistance for  
8 needy families assistance and is not in sanction status. If  
9 necessary, the department shall extend the household's basic food  
10 (~~stamp~~) certification until the end of the transition period.

11 **Sec. 3.** RCW 74.08.025 and 2011 1st sp.s. c 42 s 7 are each  
12 amended to read as follows:

13 (1) Public assistance may be awarded to any applicant:

14 (a) Who is in need and otherwise meets the eligibility  
15 requirements of department assistance programs; and

16 (b) Who has not made a voluntary assignment of property or cash  
17 for the purpose of qualifying for an assistance grant; and

18 (c) Who is not an inmate of a public institution except as a  
19 patient in a medical institution or except as an inmate in a public  
20 institution who could qualify for federal aid assistance: PROVIDED,  
21 That the assistance paid by the department to recipients in nursing  
22 homes, or receiving nursing home care, may cover the cost of clothing  
23 and incidentals and general maintenance exclusive of medical care and  
24 health services. The department may pay a grant to cover the cost of  
25 clothing and personal incidentals in public or private medical  
26 institutions and institutions for tuberculosis. The department shall  
27 allow recipients in nursing homes to retain, in addition to the grant  
28 to cover the cost of clothing and incidentals, wages received for  
29 work as a part of a training or rehabilitative program designed to  
30 prepare the recipient for less restrictive placement to the extent  
31 permitted under Title XIX of the federal social security act.

32 (2) (~~Any person otherwise qualified for temporary assistance for~~  
33 ~~needy families under this title who has resided in the state of~~  
34 ~~Washington for fewer than twelve consecutive months immediately~~  
35 ~~preceding application for assistance is limited to the benefit level~~  
36 ~~in the state in which the person resided immediately before~~  
37 ~~Washington, using the eligibility rules and other definitions~~  
38 ~~established under this chapter, that was obtainable on the date of~~  
39 ~~application in Washington state, if the benefit level of the prior~~

1 state is lower than the level provided to similarly situated  
2 applicants in Washington state. The benefit level under this  
3 subsection shall be in effect for the first twelve months a recipient  
4 is on temporary assistance for needy families in Washington state.

5 ~~(3))~~ Any person otherwise qualified for temporary assistance for  
6 needy families who is assessed through the state alcohol and  
7 substance abuse program as drug or alcohol-dependent and requiring  
8 treatment to become employable shall be required by the department to  
9 participate in a drug or alcohol treatment program as a condition of  
10 benefit receipt.

11 ~~((4) The department may implement a permanent disqualification~~  
12 ~~for adults who have been terminated due to WorkFirst noncompliance~~  
13 ~~sanction three or more times since March 1, 2007. A household that~~  
14 ~~includes an adult who has been permanently disqualified from~~  
15 ~~receiving temporary assistance for needy families shall be ineligible~~  
16 ~~for further temporary assistance for needy families assistance.~~

17 ~~(5))~~ (3) Pursuant to 21 U.S.C. 862a(d)(1), the department shall  
18 exempt individuals from the eligibility restrictions of 21 U.S.C.  
19 862a(a)(1) and (2) to ensure eligibility for temporary assistance for  
20 needy families benefits and federal food assistance.

21 **Sec. 4.** RCW 74.08A.260 and 2018 c 126 s 5 and 2018 c 58 s 8 are  
22 each reenacted and amended to read as follows:

23 (1) Each recipient shall be assessed after determination of  
24 program eligibility and before referral to job search. Assessments  
25 shall be based upon factors that are critical to obtaining  
26 employment, including but not limited to education, availability of  
27 child care, history of family violence, history of substance abuse,  
28 and other factors that affect the ability to obtain employment.  
29 Assessments may be performed by the department or by a contracted  
30 entity. The assessment shall be based on a uniform, consistent,  
31 transferable format that will be accepted by all agencies and  
32 organizations serving the recipient.

33 (2) Based on the assessment, an individual responsibility plan  
34 shall be prepared that: (a) Sets forth an employment goal and a plan  
35 for maximizing the recipient's success at meeting the employment  
36 goal; (b) considers WorkFirst educational and training programs from  
37 which the recipient could benefit; (c) contains the obligation of the  
38 recipient to participate in the program by complying with the plan;  
39 (d) moves the recipient into full-time WorkFirst activities as

1 quickly as possible; and (e) describes the services available to the  
2 recipient either during or after WorkFirst to enable the recipient to  
3 obtain and keep employment and to advance in the workplace and  
4 increase the recipient's wage earning potential over time.

5 (3) Recipients who are not engaged in work and work activities,  
6 and do not qualify for a good cause exemption under RCW 74.08A.270,  
7 shall engage in self-directed service as provided in RCW 74.08A.330.

8 (4) (a) If a recipient refuses to engage in work and work  
9 activities required by the department, the department must review the  
10 recipient's case to ensure the department has taken into  
11 consideration any barriers to work activities and made any necessary  
12 revisions to the recipient's individual responsibility plan. As part  
13 of the review, the department must consider: (i) Whether the  
14 recipient was provided with adequate notice and opportunity to remedy  
15 his or her noncompliance with program requirements; and (ii) if the  
16 department considered good cause reasons for failure to participate  
17 pursuant to RCW 74.08A.270 before imposing sanctions.

18 (b) After four months of continuous noncompliance, the family's  
19 grant ((shall)) may be reduced by the recipient's share((, and may,  
20 if the department determines it appropriate, be terminated)) or by  
21 forty percent, whichever is greater.

22 (5) The department may waive the penalties required under  
23 subsection (4) of this section, subject to a finding that the  
24 recipient refused to engage in work for good cause provided in RCW  
25 74.08A.270.

26 (6) In consultation with the recipient, the department or  
27 contractor shall place the recipient into a work activity that is  
28 available in the local area where the recipient resides.

29 (7) Assessments conducted under this section shall include a  
30 consideration of the potential benefit to the recipient of engaging  
31 in financial literacy activities. The department shall consider the  
32 options for financial literacy activities available in the community,  
33 including information and resources available through the financial  
34 education public-private partnership created under RCW 28A.300.450.  
35 The department may authorize up to ten hours of financial literacy  
36 activities as a core activity or an optional activity under  
37 WorkFirst.

38 (8) Subsections (2) through (6) of this section are suspended for  
39 a recipient who is a parent or other relative personally providing  
40 care for a child under the age of two years. This suspension applies

1 to both one and two parent families. However, both parents in a two-  
2 parent family cannot use the suspension during the same month.  
3 Nothing in this subsection shall prevent a recipient from  
4 participating in the WorkFirst program on a voluntary basis.

5 **Sec. 5.** RCW 74.08A.410 and 1997 c 58 s 702 are each amended to  
6 read as follows:

7 (1) The WorkFirst program shall develop outcome measures for use  
8 in evaluating the WorkFirst program authorized in chapter 58, Laws of  
9 1997, which may include but are not limited to:

10 (a) Caseload reduction, including data for participants who exit:  
11 (i) Due to increased income; (ii) to employment; (iii) at the  
12 participant's request; or (iv) for other reasons;

13 (b) Recidivism to caseload after two years;

14 (c) Employment;

15 (d) Job retention;

16 ~~((d))~~ (e) Earnings;

17 ~~((e))~~ (f) Wage progression;

18 (g) Reduction in average grant through increased recipient  
19 earnings; ~~(and~~

20 ~~(f))~~ (h) Placement of recipients into private sector,  
21 unsubsidized jobs; and

22 (i) Outcomes for sanctioned and time-limited families.

23 (2) The department shall require that contractors for WorkFirst  
24 services collect outcome measure information and report outcome  
25 measures to the department regularly. The department shall develop  
26 benchmarks that compare outcome measure information from all  
27 contractors to provide a clear indication of the most effective  
28 contractors. Benchmark information shall be published quarterly and  
29 provided to the legislature, the governor, the legislative-executive  
30 WorkFirst poverty reduction oversight task force, and all contractors  
31 for WorkFirst services.

32 **Sec. 6.** RCW 74.08A.411 and 2009 c 85 s 3 are each amended to  
33 read as follows:

34 The department shall continue to implement WorkFirst program  
35 improvements that are designed to achieve progress against outcome  
36 measures specified in RCW 74.08A.410. Outcome data regarding job  
37 retention and wage progression shall be reported quarterly to the  
38 appropriate fiscal and policy committees of the legislature and to

1 the legislative-executive WorkFirst poverty reduction oversight task  
2 force for families who leave assistance for any reason, measured  
3 after twelve months, twenty-four months, and thirty-six months. The  
4 department shall also report the percentage of families who have  
5 returned to temporary assistance for needy families after twelve  
6 months, twenty-four months, and thirty-six months. The department  
7 shall make every effort to maximize vocational training, as allowed  
8 by federal and state requirements.

9 **Sec. 7.** RCW 74.08A.250 and 2017 c 156 s 1 are each amended to  
10 read as follows:

11 Unless the context clearly requires otherwise, as used in this  
12 chapter, "work activity" means:

- 13 (1) Unsubsidized paid employment in the private or public sector;
- 14 (2) Subsidized paid employment in the private or public sector,  
15 including employment through the state or federal work-study program  
16 for a period not to exceed twenty-four months;
- 17 (3) Work experience, including:
  - 18 (a) An internship or practicum, that is paid or unpaid and is  
19 required to complete a course of vocational training or to obtain a  
20 license or certificate in a high-demand occupation, as determined by  
21 the employment security department. No internship or practicum shall  
22 exceed twelve months; or
  - 23 (b) Work associated with the refurbishing of publicly assisted  
24 housing, if sufficient paid employment is not available;
- 25 (4) On-the-job training;
- 26 (5) Job search and job readiness assistance;
- 27 (6) Community service programs, including a recipient's voluntary  
28 service at a child care or preschool facility licensed under chapter  
29 (~~43.215~~) 43.216 RCW or an elementary school in which his or her  
30 child is enrolled;
- 31 (7) Vocational educational training, not to exceed twelve months  
32 with respect to any individual except that this twelve-month limit  
33 may be increased to twenty-four months subject to funding  
34 appropriated specifically for this purpose;
- 35 (8) Job skills training directly related to employment;
- 36 (9) Education directly related to employment, in the case of a  
37 recipient who has not received a high school diploma or a high school  
38 equivalency certificate as provided in RCW 28B.50.536;



1 (10) Satisfactory attendance at secondary school or in a course  
2 of study leading to a high school equivalency certificate as provided  
3 in RCW 28B.50.536, in the case of a recipient who has not completed  
4 secondary school or received such a certificate;

5 (11) The provision of child care services to an individual who is  
6 participating in a community service program;

7 (12) Internships, that shall be paid or unpaid work experience  
8 performed by an intern in a business, industry, or government or  
9 nongovernmental agency setting;

10 (13) Practicums, which include any educational program in which a  
11 student is working under the close supervision of a professional in  
12 an agency, clinic, or other professional practice setting for  
13 purposes of advancing their skills and knowledge;

14 (14) Services required by the recipient under RCW  
15 74.08.025(~~(+3)~~) (2) and 74.08A.010(4) to become employable;

16 (15) Financial literacy activities designed to be effective in  
17 assisting a recipient in becoming self-sufficient and financially  
18 stable; and

19 (16) Parent education services or programs that support  
20 development of appropriate parenting skills, life skills, and  
21 employment-related competencies.

22 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.08A  
23 RCW to read as follows:

24 The department may not require applicants for temporary  
25 assistance for needy families to attend a WorkFirst orientation as a  
26 condition of eligibility. The department may incorporate orientation  
27 information into the recipient assessment conducted pursuant to RCW  
28 74.08A.260.

29 NEW SECTION. **Sec. 9.** Except for sections 1 and 8 of this act,  
30 this act takes effect May 1, 2020.

31 NEW SECTION. **Sec. 10.** This act applies prospectively only and  
32 not retroactively. Prospective application of this act allows  
33 families that have been terminated or disqualified under prior  
34 policies to receive benefits prospectively only, if otherwise  
35 eligible.

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