

2 **ESHB 1197** - S COMM AMD (S-3076.1)
3 By Committee on Health & Human Services

4 ADOPTED AS AMENDED BY WM AMENDMENT S3282.1 - 4/16/93

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that:

8 (1) Public assistance is intended to be a temporary financial
9 relief program, recognizing that families can be confronted with a
10 financial crisis at any time in life. Successful public assistance
11 programs depend on the availability of adequate resources to assist
12 individuals deemed eligible for the benefits of such a program. In
13 this way, eligible families are given sufficient assistance to reenter
14 productive employment in a minimal time period.

15 (2) The current public assistance system requires a reduction in
16 grant standards when income is received. In most cases, family income
17 is limited to levels substantially below the standard of need. This is
18 a strong disincentive to work. To remove this disincentive, the
19 legislature intends to allow families to retain a greater percentage of
20 income before it results in the reduction or termination of benefits;

21 (3) Employment, training, and education services provided to
22 employable recipients of public assistance are effective tools in
23 achieving economic self-sufficiency. Support services that are
24 targeted to the specific needs of the individual offer the best hope of
25 achieving economic self-sufficiency in a cost-effective manner;

26 (4) State welfare-to-work programs, which move individuals from
27 dependence to economic independence, must be operated cooperatively and
28 collaboratively between state agencies and programs. They also must
29 include public assistance recipients as active partners in self-
30 sufficiency planning activities. Participants in economic independence
31 programs and services will benefit from the concepts of personal
32 empowerment, self-motivation, and self-esteem;

33 (5) Many barriers to economic independence are found in federal
34 statutes and rules, and provide states with limited options for
35 restructuring existing programs in order to create incentives for
36 employment over continued dependence;

1 (6) The legislature finds that the personal and societal costs of
2 teenage childbearing are substantial. Teen parents are less likely to
3 finish high school and more likely to depend upon public assistance
4 than women who delay childbearing until adulthood; and

5 (7) The legislature intends that an effort be made to ensure that
6 each teenage parent who is a public assistance recipient live in a
7 setting that increases the likelihood that the teen parent will
8 complete high school and achieve economic independence.

9 NEW SECTION. **Sec. 2.** For purposes of determining the amount of
10 grant payments to recipients of aid to families with dependent
11 children, all countable nonexempt earned income shall be subtracted
12 from an amount equal to fifty-five percent of the need standard. The
13 department shall adopt rules necessary to implement the intent of this
14 section.

15 NEW SECTION. **Sec. 3.** The department shall amend the state plan to
16 eliminate the one hundred hour work rule for recipients of aid to
17 families with dependent children-employable. The department shall seek
18 federal approval for the amendment to the state plan and report on
19 federal action to the appropriate standing committees of the
20 legislature by December 1, 1993.

21 NEW SECTION. **Sec. 4.** The department shall initiate a pilot
22 project using electronic benefit transfer technology for the food
23 stamp, aid to families with dependent children, and women, infant, and
24 children programs. The department shall report to the appropriate
25 standing committees of the legislature on the project implementation
26 status by December 1, 1994.

27 **Sec. 5.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are
28 each reenacted and amended to read as follows:

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

31 (1) "Public assistance" or "assistance"«Public aid to persons in
32 need thereof for any cause, including services, medical care,
33 assistance grants, disbursing orders, work relief, general assistance
34 and federal-aid assistance.

35 (2) "Department"«The department of social and health services.

1 (3) "County or local office"«The administrative office for one or
2 more counties or designated service areas.

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

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

12 (6)(a) "General assistance"«Aid to persons in need who:

13 (i) Are not eligible to receive federal-aid assistance, other than
14 food stamps and medical assistance; however, an individual who refuses
15 or fails to cooperate in obtaining federal-aid assistance, without good
16 cause, is not eligible for general assistance;

17 (ii) Meet one of the following conditions:

18 (A) Pregnant: PROVIDED, That need is based on the current income
19 and resource requirements of the federal aid to families with dependent
20 children program: PROVIDED FURTHER, That during any period in which an
21 aid for dependent children employable program is not in operation, only
22 those pregnant women who are categorically eligible for medicaid are
23 eligible for general assistance; ((or))

24 (B) Under twenty years of age and ineligible for aid to families
25 with dependent children solely due to federal age requirements, and are
26 full-time students reasonably expected to complete a program of
27 secondary school or the equivalent level of vocational or technical
28 training before the end of the month in which the person reaches age
29 twenty. Reasonably expected to complete a program of secondary school
30 or the equivalent level of vocational or technical training means
31 maintaining a grade point average equal to or greater than a 2.5. For
32 purposes of determining payment amount, the student is considered a
33 member of the aid to families with dependent children household of
34 which the student would be a member but for the federal age
35 requirement. In determining eligibility, earnings of a full-time
36 student shall be disregarded, in accordance with department standards,
37 notwithstanding the earnings limitation imposed by RCW 74.04.266;

38 (C) Subject to chapter 165, Laws of 1992, incapacitated from
39 gainful employment by reason of bodily or mental infirmity that will

1 likely continue for a minimum of ninety days as determined by the
2 department(~~(-)~~); or

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

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

22 (iv) Have furnished the department their social security account
23 number. If the social security account number cannot be furnished
24 because it has not been issued or is not known, an application for a
25 number shall be made prior to authorization of assistance, and the
26 social security number shall be provided to the department upon
27 receipt.

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

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

34 (~~To the extent authorized by the legislature in the biennial~~
35 ~~appropriations act, to~~) Recipients of aid to families with dependent
36 children whose needs are not being met because of a temporary reduction
37 in monthly income below the entitled benefit payment level caused by
38 loss or reduction of wages or unemployment compensation benefits or
39 some other unforeseen circumstances. The amount of general assistance

1 authorized shall not exceed the difference between the entitled benefit
2 payment level and the amount of income actually received. Payment
3 shall be made within fifteen days of the request.

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

13 (i) First failure: One week;

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

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

16 (d) Persons found eligible for general assistance based on
17 incapacity from gainful employment may, if otherwise eligible, receive
18 general assistance pending application for federal supplemental
19 security income benefits. Any general assistance that is subsequently
20 duplicated by the person's receipt of supplemental security income for
21 the same period shall be considered a debt due the state and shall by
22 operation of law be subject to recovery through all available legal
23 remedies.

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

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

33 (g) Recipients of general assistance based upon a finding of
34 incapacity from gainful employment who remain otherwise eligible shall
35 not have their benefits terminated absent a clear showing of material
36 improvement in their medical or mental condition or specific error in
37 the prior determination that found the recipient eligible by reason of
38 incapacitation. Recipients of general assistance based upon pregnancy
39 who relinquish their child for adoption, remain otherwise eligible, and

1 are not eligible to receive benefits under the federal aid to families
2 with dependent children program shall not have their benefits
3 terminated until the end of the month in which the period of six weeks
4 following the birth of the recipient's child falls. Recipients of the
5 federal aid to families with dependent children program who lose their
6 eligibility solely because of the birth and relinquishment of the
7 qualifying child may receive general assistance through the end of the
8 month in which the period of six weeks following the birth of the child
9 falls.

10 (h) Students with earnings shall not be eligible for the essential
11 persons program unless the earnings are disregarded.

12 (7) "Applicant"«Any person who has made a request, or on behalf of
13 whom a request has been made, to any county or local office for
14 assistance.

15 (8) "Recipient"«Any person receiving assistance and in addition
16 those dependents whose needs are included in the recipient's
17 assistance.

18 (9) "Standards of assistance"«The level of income required by an
19 applicant or recipient to maintain a level of living specified by the
20 department.

21 (10) "Resource"«Any asset, tangible or intangible, owned by or
22 available to the applicant at the time of application, which can be
23 applied toward meeting the applicant's need, either directly or by
24 conversion into money or its equivalent: PROVIDED, That an applicant
25 may retain the following described resources and not be ineligible for
26 public assistance because of such resources.

27 (a) A home, which is defined as real property owned and used by an
28 applicant or recipient as a place of residence, together with a
29 reasonable amount of property surrounding and contiguous thereto, which
30 is used by and useful to the applicant. Whenever a recipient shall
31 cease to use such property for residential purposes, either for himself
32 or his dependents, the property shall be considered as a resource which
33 can be made available to meet need, and if the recipient or his
34 dependents absent themselves from the home for a period of ninety
35 consecutive days such absence, unless due to hospitalization or health
36 reasons or a natural disaster, shall raise a rebuttable presumption of
37 abandonment: PROVIDED, That if in the opinion of three physicians the
38 recipient will be unable to return to the home during his lifetime, and
39 the home is not occupied by a spouse or dependent children or disabled

1 sons or daughters, such property shall be considered as a resource
2 which can be made available to meet need.

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

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

9 (d) All other resources, including any excess of values exempted,
10 not to exceed one thousand dollars or other limit as set by the
11 department, to be consistent with limitations on resources and
12 exemptions necessary for federal aid assistance.

13 (e) Applicants for or recipients of general assistance shall have
14 their eligibility based on resource limitations consistent with the aid
15 to families with dependent children program rules adopted by the
16 department.

17 (f) If an applicant for or recipient of public assistance possesses
18 property and belongings in excess of the ceiling value, such value
19 shall be used in determining the need of the applicant or recipient,
20 except that: (i) The department may exempt resources or income when
21 the income and resources are determined necessary to the applicant's or
22 recipient's restoration to independence, to decrease the need for
23 public assistance, or to aid in rehabilitating the applicant or
24 recipient or a dependent of the applicant or recipient; and (ii) the
25 department may provide grant assistance for a period not to exceed nine
26 months from the date the agreement is signed pursuant to this section
27 to persons who are otherwise ineligible because of excess real property
28 owned by such persons when they are making a good faith effort to
29 dispose of that property: PROVIDED, That:

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

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

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

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

3 (11) "Income"«(a) All appreciable gains in real or personal
4 property (cash or kind) or other assets, which are received by or
5 become available for use and enjoyment by an applicant or recipient
6 during the month of application or after applying for or receiving
7 public assistance. The department may by rule and regulation exempt
8 income received by an applicant for or recipient of public assistance
9 which can be used by him to decrease his need for public assistance or
10 to aid in rehabilitating him or his dependents, but such exemption
11 shall not, unless otherwise provided in this title, exceed the
12 exemptions of resources granted under this chapter to an applicant for
13 public assistance. In determining the amount of assistance to which an
14 applicant or recipient of aid to families with dependent children is
15 entitled, the department is hereby authorized to disregard as a
16 resource or income the earned income exemptions consistent with federal
17 requirements. The department may permit the above exemption of
18 earnings of a child to be retained by such child to cover the cost of
19 special future identifiable needs even though the total exceeds the
20 exemptions or resources granted to applicants and recipients of public
21 assistance, but consistent with federal requirements. In formulating
22 rules and regulations pursuant to this chapter, the department shall
23 define income and resources and the availability thereof, consistent
24 with federal requirements. All resources and income not specifically
25 exempted, and any income or other economic benefit derived from the use
26 of, or appreciation in value of, exempt resources, shall be considered
27 in determining the need of an applicant or recipient of public
28 assistance.

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 and the dependent members of his
36 family, as measured by the standards of the department, and value of
37 all nonexempt resources and nonexempt income received by or available
38 to the applicant or recipient and the dependent members of his 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 NEW SECTION. **Sec. 6.** A new section is added to chapter 74.04 RCW
13 to read as follows:

14 The department shall amend the state plan to include an aid to
15 families with dependent children essential persons program that would,
16 to the extent permitted under federal law, allow eighteen to twenty
17 year old students to be eligible for federal aid to families with
18 dependent children matching grants.

19 **Sec. 7.** RCW 74.25.020 and 1992 c 165 s 3 are each amended to read
20 as follows:

21 (1) The department of social and health services is authorized to
22 contract with public and private employment and training agencies and
23 other public service entities to provide services prescribed or allowed
24 under the federal social security act, as amended, to carry out the
25 purposes of the jobs training program. The department of social and
26 health services has sole authority and responsibility to carry out the
27 job opportunities and basic skills training program. No contracting
28 entity shall have the authority to review, change, or disapprove any
29 administrative decision, or otherwise substitute its judgment for that
30 of the department of social and health services as to the application
31 of policies and rules adopted by the department of social and health
32 services.

33 (2) To the extent feasible under federal law, the department of
34 social and health services and all entities contracting with it shall
35 give first priority of service to individuals volunteering for program
36 participation(~~(: PROVIDED, That the department shall require nonexempt~~
37 ~~parents under age twenty four to actively participate in orientation,~~

1 ~~assessment, and either education, vocational training, or employment~~
2 ~~programs. At least one nonexempt parent in the aid to families with~~
3 ~~dependent children employable program shall actively participate in~~
4 ~~orientation, assessment, and either job search, education, training, or~~
5 ~~employment. Social services shall be offered to participants in~~
6 ~~accordance with federal law. The department shall adopt appropriate~~
7 ~~sanctions to ensure compliance with the requirements and policies of~~
8 ~~this chapter)).~~

9 (3) The department of social and health services shall adopt rules
10 under chapter 34.05 RCW establishing criteria constituting
11 circumstances of good cause for an individual failing or refusing to
12 participate in an assigned program component, or failing or refusing to
13 accept or retain employment. These criteria shall include, but not be
14 limited to, the following circumstances: (a) If the individual is a
15 parent or other relative personally providing care for a child under
16 age six years, and the employment would require the individual to work
17 more than twenty hours per week; (b) if child care, or day care for an
18 incapacitated individual living in the same home as a dependent child,
19 is necessary for an individual to participate or continue participation
20 in the program or accept employment, and such care is not available,
21 and the department of social and health services fails to provide such
22 care; (c) the employment would result in the family of the participant
23 experiencing a net loss of cash income; or (d) circumstances that are
24 beyond the control of the individual's household, either on a short-
25 term or on an ongoing basis.

26 (4) The department of social and health services shall adopt rules
27 under chapter 34.05 RCW as necessary to effectuate the intent and
28 purpose of this chapter.

29 NEW SECTION. **Sec. 8.** The department may provide grants to
30 community action agencies or other local nonprofit organizations to
31 provide job opportunities and basic skills training program
32 participants with transitional support services, one-to-one assistance,
33 and job retention services.

34 NEW SECTION. **Sec. 9.** The department of social and health services
35 shall design a program for implementation involving recipients of aid
36 to families with dependent children. A goal of this program is to
37 develop a system that segments the aid to families with dependent

1 children recipient population and identifies subgroups, matches
2 services to the needs of the subgroup, and prioritizes available
3 services. The department shall specify the services to be offered in
4 each population segment. The general focus of the services offered
5 shall be on job training, work force preparedness, and job retention.

6 The program shall be designed for state-wide implementation on July
7 1, 1994. A proposal for implementation may include phasing certain
8 components over time or geographic area. The department shall submit
9 this program to the appropriate committees of the senate and house of
10 representatives by December 1, 1993.

11 NEW SECTION. **Sec. 10.** A new section is added to chapter 74.12 RCW
12 to read as follows:

13 (1) As part of the orientation and assessment conducted pursuant to
14 RCW 74.25.020, the department shall assist the family of the recipient
15 in determining, in the following order of priority, the most
16 appropriate living situation that will best ensure the safety and well-
17 being for each recipient of aid to families with dependent children who
18 is receiving those benefits as a head of household and is under age
19 eighteen. Appropriate living situations may include, but are not
20 limited to:

- 21 (a) The parent's home;
- 22 (b) The home of a relative;
- 23 (c) A group living situation with adult supervision and guidance;
- 24 (d) Living independently; and
- 25 (e) Payment of the recipient's grant to another as provided in RCW
26 74.12.250.

27 (2) In conducting the assessment, the department shall consider all
28 relevant factors, including but not limited to:

- 29 (a) Whether the recipient is enrolled in and attending school;
- 30 (b) Whether the recipient is employed;
- 31 (c) The situation in the home of the recipient's parents, including
32 but not limited to, whether there is substance abuse or domestic
33 violence in the home and the adequacy of the dwelling; and
- 34 (d) Whether there is a history of physical, emotional, or sexual
35 abuse of the recipient by a person living in or frequenting the
36 recipient's parents' home.

37 (3) If, as a result of the assessment, the department becomes aware
38 of a recipient's need for other services that will help the recipient

1 complete high school or achieve economic independence, and be an
2 effective parent, the department shall make every effort to link the
3 recipient with the services, including parenting classes.

4 NEW SECTION. **Sec. 11.** A new section is added to chapter 74.04 RCW
5 to read as follows:

6 In determining food stamp eligibility, the department shall exclude
7 as income the child support exempted by 42 U.S.C. Sec. 602(a)(8)(vi) or
8 657 (b).

9 NEW SECTION. **Sec. 12.** By October 1, 1993, the department shall
10 request the governor to seek congressional and federal agency action on
11 any federal legislation or federal regulation that may be necessary to
12 implement chapter 74.-- RCW (sections 2 through 4, 8, and 12 of this
13 act), and any other section of chapter . . . , Laws of 1993 (this act)
14 that may require a federal waiver.

15 NEW SECTION. **Sec. 13.** Sections 2 through 4, 8, and 12 of this act
16 shall constitute a new chapter in Title 74 RCW.

17 NEW SECTION. **Sec. 14.** Section 2 of this act shall take effect
18 July 1, 1994, if specific funding for the purposes of section 2 of this
19 act, referencing section 2 of this act by bill and section number, is
20 provided by July 1, 1994, in the omnibus appropriations act. If
21 specific funding is not so provided, section 2 of this act shall be
22 null and void.

23 NEW SECTION. **Sec. 15.** Section 3 of this act shall take effect
24 July 1, 1993, if specific funding for the purposes of section 3 of this
25 act, referencing section 3 of this act by bill and section number, is
26 provided by July 1, 1993, in the omnibus appropriations act. If
27 specific funding is not so provided, section 3 of this act shall be
28 null and void.

29 NEW SECTION. **Sec. 16.** Section 4 of this act shall take effect
30 July 1, 1993, if specific funding for the purposes of section 4 of this
31 act, referencing section 4 of this act by bill and section number, is
32 provided by July 1, 1993, in the omnibus appropriations act. If

1 specific funding is not so provided, section 4 of this act shall be
2 null and void.

3 NEW SECTION. **Sec. 17.** Section 5 of this act shall take effect
4 July 1, 1993, if specific funding for the purposes of section 5 of this
5 act, referencing section 5 of this act by bill and section number, is
6 provided by July 1, 1993, in the omnibus appropriations act. If
7 specific funding is not so provided, section 5 of this act shall be
8 null and void.

9 NEW SECTION. **Sec. 18.** Section 11 of this act shall take effect
10 July 1, 1994, if specific funding for the purposes of section 11 of
11 this act, referencing section 11 of this act by bill and section
12 number, is provided by July 1, 1994, in the omnibus appropriations act.
13 If specific funding is not so provided, section 11 of this act shall be
14 null and void.

15 NEW SECTION. **Sec. 19.** This act is necessary for the immediate
16 preservation of the public peace, health, or safety, or support of the
17 state government and its existing public institutions."

18 **ESHB 1197** - S COMM AMD
19 By Committee on Ways & Means

20 ADOPTED 4/16/93

21 On page 1, line 1 of the title, after "assistance;" strike the
22 remainder of the title and insert "amending RCW 74.25.020; reenacting
23 and amending RCW 74.04.005; adding new sections to chapter 74.04 RCW;
24 adding a new section to chapter 74.12 RCW; adding a new chapter to
25 Title 74 RCW; creating new sections; providing effective dates; and
26 declaring an emergency."

--- END ---