

HOUSE BILL 1025

State of Washington

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By Representatives Cooke, Talcott, Cairnes, Carlson, Dyer, Brumsickle, B. Thomas, Lisk, Silver, Sehlin, Ballasiotes, Foreman, Chandler, Horn, Sherstad, Benton, Skinner, Delvin, Schoesler, Buck, Johnson, Thompson, Beeksma, Goldsmith, Radcliff, Hickel, Backlund, Crouse, Elliot, Reams, Pennington, Carrell, Mitchell, Chappell, Smith, Robertson, Honeyford, Van Luven, Pelesky, Blanton, Koster, Lambert, D. Schmidt, Mulliken, Boldt, McMorris, Clements, Fuhrman, Campbell, Sheldon, L. Thomas, Huff, Mielke, McMahan, Stevens and Hymes

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1 AN ACT Relating to developing personal responsibility for
2 recipients of aid to families with dependent children through the use
3 of contracts; reenacting and amending RCW 74.04.005; adding new
4 sections to chapter 74.12 RCW; creating new sections; and repealing RCW
5 74.12.420.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that lengthy stays on
8 welfare, the inadequate emphasis on employment by the social welfare
9 system, and the lack of personal responsibility by some individuals
10 receiving public assistance are obstacles to achieving economic
11 independence. Therefore, the legislature intends that:

12 (1) Income and employment assistance programs emphasize the
13 temporary nature of welfare and set goals of responsibility, work, and
14 independence;

15 (2) Employment assistance resources focus on recipients who are
16 most at risk of a long-term stay on welfare;

17 (3) Individuals receiving public assistance sign a contract
18 delineating their obligation and responsibility to comply with
19 requirements for work, training, and personal responsibility; and

1 (4) Specific time limits for the receipt of public assistance be
2 set for all recipients of aid to families with dependent children.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.12 RCW
4 to read as follows:

5 Recipients of aid to families with dependent children shall enter
6 into a contract with the state of Washington specifying the rights and
7 responsibilities of each party. The contract shall include a list of
8 all benefits for which the recipient is eligible and the
9 responsibilities required to receive those benefits. The contract
10 shall also specifically state that the grant amount shall not be
11 increased as a result of any additional children conceived or born
12 subsequent to the time of initial application to the program.
13 Contracts shall be renegotiated on a six-month basis for the duration
14 of the recipient's receipt of aid to families with dependent children.
15 The contract may be renegotiated under limited emergency circumstances
16 specified by the department by rule.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.12 RCW
18 to read as follows:

19 The amount of aid to families with dependent children monthly
20 benefit payment shall reflect the number of children conceived or
21 living in a family on the latter of the effective date of this section
22 or the date of application for assistance.

23 NEW SECTION. **Sec. 4.** A new section is added to chapter 74.12 RCW
24 to read as follows:

25 (1) Recipients of aid to families with dependent children shall
26 receive a maximum of twenty-four monthly benefit payments in a sixty-
27 month period beginning with the initial receipt of benefits.

28 (2) In the final twelve months of eligibility for aid to families
29 with dependent children the recipient may earn up to one hundred
30 percent of the grant payment without experiencing any reduction in the
31 grant amount.

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

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

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

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

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

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

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

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

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

22 (ii) Meet one of the following conditions:

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

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

33 (C) Persons who are unemployable due to alcohol or drug addiction
34 are not eligible for general assistance. Persons receiving general
35 assistance on July 26, 1987, or becoming eligible for such assistance
36 thereafter, due to an alcohol or drug-related incapacity, shall be
37 referred to appropriate assessment, treatment, shelter, or supplemental
38 security income referral services as authorized under chapter 74.50
39 RCW. Referrals shall be made at the time of application or at the time

1 of eligibility review. Alcoholic and drug addicted clients who are
2 receiving general assistance on July 26, 1987, may remain on general
3 assistance if they otherwise retain their eligibility until they are
4 assessed for services under chapter 74.50 RCW. Subsection
5 (6)(a)(ii)(B) of this section shall not be construed to prohibit the
6 department from granting general assistance benefits to alcoholics and
7 drug addicts who are incapacitated due to other physical or mental
8 conditions that meet the eligibility criteria for the general
9 assistance program;

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

13 (iv) Have furnished the department their social security account
14 number. If the social security account number cannot be furnished
15 because it has not been issued or is not known, an application for a
16 number shall be made prior to authorization of assistance, and the
17 social security number shall be provided to the department upon
18 receipt.

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

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

25 (ii) To the extent authorized by the legislature in the biennial
26 appropriations act, to recipients of aid to families with dependent
27 children whose needs are not being met because of a temporary reduction
28 in monthly income below the entitled benefit payment level caused by
29 loss or reduction of wages or unemployment compensation benefits or
30 some other unforeseen circumstances. The amount of general assistance
31 authorized shall not exceed the difference between the entitled benefit
32 payment level and the amount of income actually received.

33 (c) General assistance shall be provided only to persons who are
34 not members of assistance units receiving federal aid assistance,
35 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,
36 and will accept available services which can reasonably be expected to
37 enable the person to work or reduce the need for assistance unless
38 there is good cause to refuse. Failure to accept such services shall
39 result in termination until the person agrees to cooperate in accepting

1 such services and subject to the following maximum periods of
2 ineligibility after reapplication:

3 (i) First failure: One week;

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

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

6 (d) Persons found eligible for general assistance based on
7 incapacity from gainful employment may, if otherwise eligible, receive
8 general assistance pending application for federal supplemental
9 security income benefits. Any general assistance that is subsequently
10 duplicated by the person's receipt of supplemental security income for
11 the same period shall be considered a debt due the state and shall by
12 operation of law be subject to recovery through all available legal
13 remedies.

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

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

23 (g) Recipients of general assistance based upon a finding of
24 incapacity from gainful employment who remain otherwise eligible shall
25 not have their benefits terminated absent a clear showing of material
26 improvement in their medical or mental condition or specific error in
27 the prior determination that found the recipient eligible by reason of
28 incapacitation. Recipients of general assistance based upon pregnancy
29 who relinquish their child for adoption, remain otherwise eligible, and
30 are not eligible to receive benefits under the federal aid to families
31 with dependent children program shall not have their benefits
32 terminated until the end of the month in which the period of six weeks
33 following the birth of the recipient's child falls. Recipients of the
34 federal aid to families with dependent children program who lose their
35 eligibility solely because of the birth and relinquishment of the
36 qualifying child may receive general assistance through the end of the
37 month in which the period of six weeks following the birth of the child
38 falls.

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

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

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

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

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

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

35 (c) A motor vehicle, other than a motor home, used and useful
36 having an equity value not to exceed (~~one~~) two thousand five hundred
37 dollars.

38 (d) All other resources, including any excess of values exempted,
39 not to exceed one thousand dollars or other limit as set by the

1 department, to be consistent with limitations on resources and
2 exemptions necessary for federal aid assistance. The department shall
3 also allow recipients of aid to families with dependent children to
4 exempt savings accounts with combined balances of up to an additional
5 two thousand five hundred dollars.

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

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

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

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

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

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

35 (11) "Income"«(a) All appreciable gains in real or personal
36 property (cash or kind) or other assets, which are received by or
37 become available for use and enjoyment by an applicant or recipient
38 during the month of application or after applying for or receiving
39 public assistance. The department may by rule and regulation exempt

1 income received by an applicant for or recipient of public assistance
2 which can be used by him to decrease his need for public assistance or
3 to aid in rehabilitating him or his dependents, but such exemption
4 shall not, unless otherwise provided in this title, exceed the
5 exemptions of resources granted under this chapter to an applicant for
6 public assistance. In determining the amount of assistance to which an
7 applicant or recipient of aid to families with dependent children is
8 entitled, the department is hereby authorized to disregard as a
9 resource or income the earned income exemptions consistent with federal
10 requirements. The department may permit the above exemption of
11 earnings of a child to be retained by such child to cover the cost of
12 special future identifiable needs even though the total exceeds the
13 exemptions or resources granted to applicants and recipients of public
14 assistance, but consistent with federal requirements. In formulating
15 rules and regulations pursuant to this chapter, the department shall
16 define income and resources and the availability thereof, consistent
17 with federal requirements. All resources and income not specifically
18 exempted, and any income or other economic benefit derived from the use
19 of, or appreciation in value of, exempt resources, shall be considered
20 in determining the need of an applicant or recipient of public
21 assistance.

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

27 (12) "Need"«The difference between the applicant's or recipient's
28 standards of assistance for himself and the dependent members of his
29 family, as measured by the standards of the department, and value of
30 all nonexempt resources and nonexempt income received by or available
31 to the applicant or recipient and the dependent members of his family.

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

38 (14) In the construction of words and phrases used in this title,
39 the singular number shall include the plural, the masculine gender

1 shall include both the feminine and neuter genders and the present
2 tense shall include the past and future tenses, unless the context
3 thereof shall clearly indicate to the contrary.

4 NEW SECTION. **Sec. 6.** RCW 74.12.420 and 1994 c 299 s 9 are each
5 repealed.

6 NEW SECTION. **Sec. 7.** If any provision of this act or its
7 application to any person or circumstance is held invalid, the
8 remainder of the act or the application of the provision to other
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 8.** If any part of this act is found to be in
11 conflict with federal requirements that are a prescribed condition to
12 the allocation of federal funds to the state, the conflicting part of
13 this act is inoperative solely to the extent of the conflict and with
14 respect to the agencies directly affected, and this finding does not
15 affect the operation of the remainder of this act in its application to
16 the agencies concerned. The rules under this act shall meet federal
17 requirements that are a necessary condition to the receipt of federal
18 funds by the state.

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