

**THIRD SUBSTITUTE HOUSE BILL 1481**

**State of Washington**

**54th Legislature**

**1996 Regular Session**

**By** House Committee on Children & Family Services (originally sponsored by Representatives Cooke, Lambert, Mielke, Van Luven, Elliot, Schoesler, D. Schmidt, Sherstad, Huff, Buck, Clements, McMorris, Johnson, Blanton, Hickel, Boldt, Backlund, Mulliken, Robertson, Goldsmith, L. Thomas, McMahan, Talcott, Cairnes, Thompson, Beeksma, Benton, Foreman, Sehlin, Sheahan and Mitchell)

Read first time 01-16-96.

1 AN ACT Relating to public assistance, including a requirement that  
2 caretakers under the aid to families with dependent children program  
3 enter into contracts with the state and including additional provisions  
4 governing public assistance eligibility and benefits; amending RCW  
5 74.25.010, 74.25.020, 26.16.205, 74.20A.020, 74.12.255, 13.34.160,  
6 74.12.250, 74.08.025, 74.08.080, and 74.08.340; reenacting and amending  
7 RCW 74.04.005; adding new sections to chapter 74.25 RCW; adding a new  
8 section to chapter 74.13 RCW; adding new sections to chapter 74.12 RCW;  
9 adding a new section to chapter 44.28 RCW; creating new sections;  
10 repealing RCW 74.08.120, 74.08.125, and 74.12.420; repealing 1993 c 312  
11 s 7; repealing 1992 c 136 s 1; repealing 1992 c 165 s 1; and providing  
12 contingent effective dates.

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

**MAKING WELFARE WORK**

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8           NEW SECTION.   **Sec. 1.**   INTENT.   The legislature finds that it is  
9 important for the well-being of society, and for the families receiving  
10 aid to families with dependent children, that the provision of welfare  
11 from the public treasury reflects the values of mainstream American  
12 culture, specifically the importance of work, personal responsibility,  
13 and accountability for individual actions, and the value of the  
14 marriage commitment to each member of the family, including the  
15 children.

16           Therefore, it is the public policy of the state of Washington,  
17 through its aid to families with dependent children program, to require  
18 every able-bodied citizen on aid to families with dependent children to  
19 engage in paid employment or engage in short-term training directed  
20 towards employment, to require accountability of all parents, and to  
21 discourage teen pregnancy by unwed parents as an action that is  
22 destructive to society.

23           Therefore, the legislature intends that:

24           (1) Income and employment assistance programs emphasize the  
25 temporary nature of welfare and set goals of responsibility, work, and  
26 independence;

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

29           (3) Caretakers receiving public assistance sign a contract  
30 delineating their obligation and responsibility to comply with  
31 requirements for work, training, and personal responsibility;

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

3 (5) Unmarried parents who are minors generally will be ineligible  
4 for direct assistance under the aid to families with dependent children  
5 program; and

6 (6) Community-based organizations such as churches, synagogues,  
7 nonprofit service providers, and business and labor organizations, have  
8 a greater role and responsibility in helping to meet the needs of  
9 children and families.

10 **PART I. TARGET GROUPS**

11 NEW SECTION. **Sec. 101.** A new section is added to chapter 74.25  
12 RCW to read as follows:

13 **TARGET GROUP CONTRACTS.** The department shall assess each caretaker  
14 and, based on this assessment, refer the caretaker to the appropriate  
15 target group or groups as provided under sections 102, 103, and 104 of  
16 this act, unless the caretaker is not or would not be required to sign  
17 a contract under section 301(3) of this act. Assessments shall be  
18 based upon age, age of dependents, education, condition of incapacity,  
19 and employment history. The assessment and referral of caretakers who  
20 are applicants for assistance on or after the effective date of this  
21 section shall be made as part of the application approval process. The  
22 assessment and referral of caretakers who have been approved for  
23 assistance before the effective date of this section shall be completed  
24 within twelve months after that date.

25 **A. JOB-READY TARGET GROUP**

26 NEW SECTION. **Sec. 102.** A new section is added to chapter 74.25  
27 RCW to read as follows:

28 **JOB-READY TARGET GROUP.** All caretakers who are age eighteen or  
29 older and have an employment history, already possess job skills, or  
30 are likely to be reemployed with minimal services, shall be referred to  
31 the job-ready target group. Caretakers shall be entitled to grant  
32 assistance if they participate in sixteen weeks of job search within  
33 the first twenty-six weeks after signing an initial contract under  
34 section 301 of this act. All caretakers receiving aid to families with  
35 dependent children-employable shall be included in the job-ready target

1 group. It is the intent of the legislature to refrain from excess  
2 expenditures on this group of aid to families with dependent children  
3 caretakers, as studies have demonstrated that job-ready individuals  
4 leave aid to families with dependent children quickly with minimal  
5 public help. Assessment and administrative costs shall be kept to a  
6 minimal level for this target group. Any caretakers in this group who  
7 do not have paid employment after sixteen weeks of job search within  
8 the first twenty-six weeks shall contract with the department for  
9 participation in the job preparation target group.

10 **B. JOB PREPARATION TARGET GROUP**

11 NEW SECTION. **Sec. 103.** A new section is added to chapter 74.25  
12 RCW to read as follows:

13 **JOB PREPARATION TARGET GROUP.** All caretakers who are age eighteen  
14 or older and do not meet the qualifications for participation in the  
15 job-ready target group or who have been in the job-ready target group  
16 for twenty-six weeks without obtaining employment, shall be required,  
17 as a condition of benefit receipt, to enroll and participate in a  
18 program required by chapter . . . , Laws of 1996 (this act) under the  
19 job opportunities and basic skills training program.

20 **C. YOUNG PARENT TARGET GROUP**

21 NEW SECTION. **Sec. 104.** A new section is added to chapter 74.25  
22 RCW to read as follows:

23 **YOUNG PARENT TARGET GROUP.** All caretakers under the age of twenty-  
24 four years who do not possess a high school diploma or a GED shall, as  
25 a condition of receiving benefits, actively progress toward the  
26 completion of a high school diploma or a GED.

27 **PART II. JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM**

28 **Sec. 201.** RCW 74.25.010 and 1994 c 299 s 6 are each amended to  
29 read as follows:

30 The legislature establishes as state policy the goal of economic  
31 self-sufficiency for employable recipients of ((public assistance)) aid  
32 to families with dependent children, through employment, training, and  
33 education. In furtherance of this policy, the legislature intends to

1 comply with the requirements of the federal social security act, as  
2 amended, by creating a job opportunities and basic skills training  
3 program for applicants and recipients of aid to families with dependent  
4 children. (~~The purpose of this program is to provide recipients of~~  
5 ~~aid to families with dependent children the opportunity to obtain~~  
6 ~~appropriate education, training, skills, and supportive services,~~  
7 ~~including child care, consistent with their needs, that will help them~~  
8 ~~enter or reenter gainful employment, thereby avoiding long term welfare~~  
9 ~~dependence and achieving economic self-sufficiency.)) The job  
10 opportunities and basic skills training program shall provide  
11 employment and training and education support services to assist  
12 caretakers under chapter 74.12 RCW to obtain employment. The program  
13 shall be operated by the department of social and health services in  
14 conformance with federal law (~~and consistent with the following~~  
15 ~~legislative findings:)).~~~~

16 (1) The legislature finds that the well-being of children depends  
17 (~~not only on meeting their material needs, but also~~) on the ability  
18 of parents to become economically self-sufficient. It is in this way  
19 that the material needs of children can best be met. The job  
20 opportunities and basic skills training program is specifically  
21 directed at increasing the labor force participation and household  
22 earnings of aid to families with dependent children recipients, through  
23 the removal of barriers preventing them from achieving self-  
24 sufficiency. (~~These barriers include, but are not limited to, the~~  
25 ~~lack of recent work experience, supportive services such as affordable~~  
26 ~~and reliable child care, adequate transportation, appropriate~~  
27 ~~counseling, and necessary job-related tools, equipment, books,~~  
28 ~~clothing, and supplies, the absence of basic literacy skills, the lack~~  
29 ~~of educational attainment sufficient to meet labor market demands for~~  
30 ~~career employees, and the nonavailability of useful labor market~~  
31 ~~assessments.))~~

32 (2) The legislature (~~also~~) recognizes that aid to families with  
33 dependent children recipients (~~must be acknowledged as active~~) are  
34 participants in self-sufficiency planning under the program. The  
35 legislature finds that the department of social and health services  
36 should clearly communicate (~~concepts of the importance~~) the  
37 requirement of work, the time-limited nature of public assistance, and  
38 how performance and effort directly affect future career and  
39 educational opportunities and economic well-being, as well as personal

1 empowerment, self-motivation, and self-esteem to program participants.  
2 The legislature further recognizes that informed choice is consistent  
3 with individual responsibility, and that parents should be given a  
4 range of options for available child care while participating in the  
5 program.

6 (3) The legislature finds that current work experience is one of  
7 the most important factors influencing an individual's ability to work  
8 toward financial stability and an adequate standard of living in the  
9 long term, and that work experience should be the most important  
10 component of the program.

11 (4) The legislature finds that education, including, but not  
12 limited to, literacy, high school equivalency, vocational, secondary,  
13 and postsecondary, is ~~((one of the most))~~ an important tool~~((s))~~ an  
14 individual needs to achieve full independence, and that this should be  
15 ~~((an important))~~ a component of the program.

16 (5) The legislature further finds that the objectives of this  
17 program are to assure that aid to families with dependent children  
18 recipients gain experience in the labor force and thereby enhance their  
19 long-term ability to achieve financial stability and an adequate  
20 standard of living at wages that will meet family needs.

21 (6) The legislature finds that a critical component for successful  
22 reductions in the aid to families with dependent children caseloads is  
23 employment. Employment opportunities must be increased through public-  
24 private partnerships. The department shall work with the private  
25 sector to meet market needs, increase employability through on-the-job  
26 training opportunities, and develop incentives for employers to hire  
27 and train recipients.

28 **Sec. 202.** RCW 74.25.020 and 1993 c 312 s 7 are each amended to  
29 read as follows:

30 (1) The department of social and health services ~~((is authorized~~  
31 ~~to))~~ shall contract for all functions of the jobs opportunities and  
32 basic skills program not specifically prohibited by federal law with  
33 public and private employment and training agencies and other public  
34 service entities to provide services prescribed or allowed under the  
35 federal social security act, as amended, to carry out the purposes of  
36 the jobs training program. ((The department of social and health  
37 services has sole authority and responsibility to carry out the job  
38 opportunities and basic skills training program.)) No contracting

1 entity shall have the authority to review, change, or disapprove any  
2 administrative decision, or otherwise substitute its judgment for that  
3 of the department of social and health services as to the application  
4 of policies and rules adopted by the department of social and health  
5 services. The department, through its regional offices, shall  
6 collaborate with employers, recipients, education institutions, labor,  
7 private industry councils, the work force training and education  
8 coordinating board, community rehabilitation employment programs, local  
9 governments, the employment security department, and community action  
10 agencies to develop work programs that are effective and work in their  
11 communities. For planning purposes, the department shall collect and  
12 make accessible to regional offices successful work program models from  
13 around the United States, including the employment partnership program,  
14 the full employment act, apprenticeship programs, and W-2 Wisconsin  
15 works. Work programs shall incorporate local volunteer citizens in  
16 their planning and implementation phases to ensure community relevance  
17 and success.

18 ~~(2) ((To the extent feasible under federal law, the department of~~  
19 ~~social and health services and all entities contracting with it shall~~  
20 ~~give first priority of service to individuals volunteering for program~~  
21 ~~participation.~~

22 ~~(3))~~ The department of social and health services shall adopt  
23 rules under chapter 34.05 RCW ~~((establishing))~~ that conform to the  
24 criteria in federal law for mandatory program participation as well as  
25 establish criteria constituting circumstances of good cause for an  
26 individual failing or refusing to participate in an assigned program  
27 component, or failing or refusing to accept or retain employment.  
28 ~~((These))~~ The good cause criteria shall include, but not be limited to,  
29 the following circumstances: (a) If the individual is a parent or  
30 other relative personally providing care for a child under age six  
31 years, and the employment would require the individual to work more  
32 than twenty hours per week; (b) if child care, or day care for an  
33 incapacitated individual living in the same home as a dependent child,  
34 is necessary for an individual to participate or continue participation  
35 in the program or accept employment, and such care is not available,  
36 and the department of social and health services fails to provide such  
37 care; (c) the employment would result in the family of the participant  
38 experiencing a net loss of cash income; or (d) circumstances that are

1 beyond the control of the individual's household, either on a short-  
2 term or on an ongoing basis.

3 (3) Participants in the job preparation target group shall each be  
4 limited to the components of their initial contract unless good cause  
5 for exception is presented.

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

9 (5) Noncustodial parents who are unable to make their child support  
10 payments for a child receiving aid to families with dependent children  
11 shall participate in the job opportunities and basic skills program  
12 under this chapter.

13 (6) Except for subsection (7) of this section, section 202, chapter  
14 . . . , Laws of 1996 (this section) shall not take effect if sections  
15 301, 302, 303, and 304 of this act do not become law.

16 (7) Section 7, chapter 312, Laws of 1993 is repealed if sections  
17 301, 302, 303, and 304 of this act do not become law.

18 NEW SECTION. Sec. 203. A new section is added to chapter 74.25  
19 RCW to read as follows:

20 COMMUNITY SERVICE PROGRAM. A caretaker participating in a  
21 community service program shall locate a community service experience  
22 of at least one hundred hours per month with any willing public or  
23 private organization and provide documentation, signed by the recipient  
24 under penalty of perjury, to the department of his or her participation  
25 on forms established in rule by the department. Compliance shall be  
26 subject to random checks by the department.

27 NEW SECTION. Sec. 204. A new section is added to chapter 74.13  
28 RCW to read as follows:

29 (1) The department shall operate an employment child care program  
30 for low-income working parents who are not receiving aid to families  
31 with dependent children.

32 (2) Families with gross income at or below thirty-eight percent of  
33 state median income adjusted for family size are eligible for  
34 employment child care subsidies with a minimum copayment. Families  
35 with gross income above thirty-eight percent and at or below fifty-two  
36 percent of the state median income adjusted for family size are

1 eligible for an employment child care subsidy with a calculated  
2 copayment.

3 (3) The department shall provide a priority for recent recipients  
4 of aid to families with dependent children who are within twelve weeks  
5 of losing their transitional child care benefits.

6 (4) The department shall provide employment child care subsidies  
7 for families meeting eligibility standards under this section, within  
8 funds appropriated by the legislature for this purpose.

9 NEW SECTION. **Sec. 205.** A new section is added to chapter 74.12  
10 RCW to read as follows:

11 (1) Under the authority to establish ratable reductions and grant  
12 maximums pursuant to RCW 74.04.770, the department shall, by rule,  
13 increase the current ratable reduction for all recipients of aid to  
14 families with dependent children. The ratable reduction shall result  
15 in a nine percent reduction in the monthly payment standards under the  
16 aid to families with dependent children program. The increased ratable  
17 reduction shall be in addition to any ratable reduction caused by  
18 annual adjustments to consolidated standards of need.

19 (2) All funds generated by the increased ratable reduction shall be  
20 used by the department to provide recipients of aid to families with  
21 dependent children with work and training-related services and child  
22 care services required under this chapter and chapter 74.25 RCW.

### 23 **PART III. CONTRACTS FOR PERSONAL RESPONSIBILITY**

24 NEW SECTION. **Sec. 301.** A new section is added to chapter 74.12  
25 RCW to read as follows:

26 (1) A family receiving or applying for assistance under the aid to  
27 families with dependent children program is ineligible for continued or  
28 new assistance if the caretaker and the department have not entered  
29 into a contract satisfying the requirements of this section.

30 (2) The contract shall (a) be entered into by the department and  
31 caretaker on a form prescribed by the department; (b) contain a list of  
32 the available benefits to which the family is eligible, including  
33 referral to available community resources; (c) contain a summary of the  
34 responsibilities that the caretaker must exercise for receipt of such  
35 benefits, including, where appropriate, high school completion or GED  
36 programs; (d) contain a statement of the rule in section 302 of this

1 act prohibiting additional assistance for additional children; (e)  
2 contain a statement of the rules in section 303 of this act governing  
3 the duration of the contract; and (f) contain a statement of the rules  
4 in section 304 of this act governing time limits.

5 (3) Caretakers are not required to enter into a contract under this  
6 section if:

7 (a) The caretaker is incapacitated or needed in the home to care  
8 for a member of the household who is incapacitated. The caretaker  
9 shall submit documentation of the incapacity indicating the incapacity  
10 will last at least ninety days. Such documentation shall be obtained  
11 by the caretaker from a health care practitioner regulated under Title  
12 18 RCW whose scope of practice includes diagnosis and treatment of the  
13 condition purported to cause the incapacity;

14 (b) The caretaker is needed in the home to care for a child under  
15 age six months. This one-time exemption ends in the month the child is  
16 six months old and does not apply to any subsequent children; or

17 (c) The caretaker is a minor.

18 (4) The department may adopt rules postponing the date by which any  
19 provision or provisions of subsections (1) and (2) of this section will  
20 apply to caretakers who have been approved for assistance before the  
21 effective date of this section. However, such postponement may not be  
22 for longer than twelve months after the effective date of this section.

23 (5) The provision of assistance under a contract entered into under  
24 this section is not an entitlement, but is a charitable gesture or gift  
25 on the part of the state, which at any time may be discontinued.

26 NEW SECTION. **Sec. 302.** A new section is added to chapter 74.12  
27 RCW to read as follows:

28 The monthly benefit payment paid to a caretaker shall not be  
29 increased as a result of the caretaker's becoming the biological parent  
30 of any additional child or children born more than three hundred days  
31 after the day on which the caretaker first applied for assistance under  
32 this chapter. The rule against benefit increases provided in this  
33 section applies for the forty-two month period the caretaker is  
34 eligible to receive full or reduced monthly benefits. Caretakers  
35 receiving assistance under this chapter on the effective date of this  
36 section shall, for purposes of this section, be considered to have  
37 first applied for assistance on the effective date of this section.

1        NEW SECTION.    **Sec. 303.**    A new section is added to chapter 74.12  
2 RCW to read as follows:

3        A contract entered into under section 301 of this act shall expire  
4 twenty-four calendar months after the month in which the caretaker  
5 first entered into a contract under section 301 of this act unless it  
6 is reviewed and modified, as the department finds appropriate, for an  
7 additional period or periods of not to exceed six months each. Under  
8 no circumstances may the department continue a contract or provide for  
9 monthly benefit payments beyond the forty-two-month limit prescribed in  
10 section 304 of this act. For a contract to be reviewed and modified,  
11 the caretaker must have requested the review and modification, have  
12 complied with the current terms of the contract, and have satisfied all  
13 eligibility requirements, including those requirements specified in  
14 section 304 of this act.

15        NEW SECTION.    **Sec. 304.**    A new section is added to chapter 74.12  
16 RCW to read as follows:

17        (1) After a caretaker has received twenty-four monthly benefit  
18 payments pursuant to a contract entered into under section 301 of this  
19 act, the caretaker shall not be eligible for any additional monthly  
20 payments unless the caretaker qualifies for additional assistance under  
21 subsection (2) of this section.

22        (2)(a) After a caretaker has received twenty-four monthly benefit  
23 payments under this chapter, the caretaker, if otherwise eligible,  
24 shall qualify for the reduced monthly benefit payments provided in (b)  
25 of this subsection:

26        (i) During any month in which the caretaker is gainfully employed;

27        (ii) During any month in which the caretaker participates in a  
28 community volunteer experience pursuant to section 303 of this act;

29        (iii) During any month in which the caretaker works as a volunteer  
30 in a child care facility pursuant to RCW 74.25.040; or

31        (iv) During any month in which the caretaker provides paid child  
32 care services for other caretakers participating in either paid  
33 employment or other activities under the job opportunities and basic  
34 skills training program.

35        (b) The reduced monthly benefits to a caretaker who qualifies under  
36 (a) of this subsection shall be as follows: For the twenty-fifth  
37 through the thirtieth month, the department shall reduce the monthly  
38 benefit payment to eighty percent of the payment standard; for the

1 thirty-first through the thirty-sixth month, the department shall  
2 reduce the monthly benefit payment to sixty percent of the payment  
3 standard; for the thirty-seventh through the forty-second month, the  
4 department shall reduce the monthly benefit payment to forty percent of  
5 the payment standard. Following the receipt of forty-two monthly  
6 benefit payments, a caretaker is forever ineligible to apply for or  
7 receive any further assistance under this chapter.

8 (3) For the purposes of applying the rules of this section, the  
9 department shall count both consecutive and nonconsecutive months in  
10 which a caretaker received a monthly benefit payment or a portion of a  
11 monthly benefit payment.

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

17 NEW SECTION. **Sec. 305.** A new section is added to chapter 74.12  
18 RCW to read as follows:

19 In addition to their monthly benefit payment, caretakers may earn  
20 and keep the equivalent of fifty percent of the payment standard during  
21 every month they are eligible to receive assistance under this chapter.

22 NEW SECTION. **Sec. 306.** A new section is added to chapter 74.12  
23 RCW to read as follows:

24 (1) The department of social and health services shall adopt rules  
25 to implement sections 301 through 304 of this act and to enforce  
26 contracts adopted under section 301 of this act. However, it may not  
27 adopt such rules unless it has complied with subsections (2) and (3) of  
28 this section.

29 (2) The joint legislative oversight committee, consisting of two  
30 members from each caucus of the house of representatives and two  
31 members from each caucus of the senate, is created. Within sixty days  
32 after the effective date of this section, the department shall submit  
33 copies of its proposed rules under this section to the secretary of the  
34 senate and the chief clerk of the house of representatives for  
35 distribution to the joint committee. The committee shall review the  
36 proposed rules and shall provide the department with its comments, if  
37 any, on the proposed rules.

1 (3) When the committee comments on proposed rules, the committee  
2 shall give the department written notice of its findings and reasons  
3 therefor.

4 (4) The joint legislative oversight committee shall study the  
5 extent to which minor parents receiving aid to families with dependent  
6 children may be victimized by males fathering children for whom they do  
7 not provide support. The joint legislative oversight committee shall  
8 make recommendations to the appropriate committees of the legislature  
9 by December 1, 1996. The department of social and health services  
10 shall cooperate with the study by providing information as requested  
11 regarding the unmarried minor parents related to the aid to families  
12 with dependent children caseload, the extent to which aid to families  
13 with dependent children recipients in these circumstances receive  
14 ordered child support, and other information relevant to the subject of  
15 predatory nonsupport.

16 NEW SECTION. **Sec. 307.** A new section is added to chapter 74.12  
17 RCW to read as follows:

18 In order to be eligible for aid to families with dependent  
19 children, applicants shall, at the time of application for assistance,  
20 provide the names of both parents of their child or children, whether  
21 born or unborn, unless the applicant meets federal criteria for  
22 refusing such identification.

23 **PART IV. MINOR PARENT PROVISIONS**

24 **Sec. 401.** RCW 26.16.205 and 1990 1st ex.s. c 2 s 13 are each  
25 amended to read as follows:

26 The expenses of the family and the education of the children,  
27 including stepchildren and any child of whom their minor child is a  
28 biological parent, are chargeable upon the property of both husband and  
29 wife, or either of them, and they may be sued jointly or separately.  
30 When a petition for dissolution of marriage or a petition for legal  
31 separation is filed, the court may, upon motion of the stepparent,  
32 terminate the obligation to support the stepchildren or children of the  
33 stepchildren. The obligation to support stepchildren and children of  
34 stepchildren shall cease upon the entry of a decree of dissolution,  
35 decree of legal separation, or death. The obligation of a husband and  
36 wife to support a child of their minor child terminates when their

1 minor child reaches eighteen years of age, however, a stepparent's  
2 support obligation may be terminated earlier as provided for in this  
3 section.

4 **Sec. 402.** RCW 74.20A.020 and 1990 1st ex.s. c 2 s 15 are each  
5 amended to read as follows:

6 Unless a different meaning is plainly required by the context, the  
7 following words and phrases as hereinafter used in this chapter and  
8 chapter 74.20 RCW shall have the following meanings:

9 (1) "Department" means the state department of social and health  
10 services.

11 (2) "Secretary" means the secretary of the department of social and  
12 health services, his designee or authorized representative.

13 (3) "Dependent child" means any person:

14 (a) Under the age of eighteen who is not self-supporting, married,  
15 or a member of the armed forces of the United States; or

16 (b) Over the age of eighteen for whom a court order for support  
17 exists.

18 (4) "Support obligation" means the obligation to provide for the  
19 necessary care, support, and maintenance, including medical expenses,  
20 of a dependent child or other person as required by statutes and the  
21 common law of this or another state.

22 (5) "Superior court order" means any judgment, decree, or order of  
23 the superior court of the state of Washington, or a court of comparable  
24 jurisdiction of another state, establishing the existence of a support  
25 obligation and ordering payment of a set or determinable amount of  
26 support moneys to satisfy the support obligation. For purposes of RCW  
27 74.20A.055, orders for support which were entered under the uniform  
28 reciprocal enforcement of support act by a state where the responsible  
29 parent no longer resides shall not preclude the department from  
30 establishing an amount to be paid as current and future support.

31 (6) "Administrative order" means any determination, finding,  
32 decree, or order for support pursuant to RCW 74.20A.055, or by an  
33 agency of another state pursuant to a substantially similar  
34 administrative process, establishing the existence of a support  
35 obligation and ordering the payment of a set or determinable amount of  
36 support moneys to satisfy the support obligation.

37 (7) "Responsible parent" means a natural parent, adoptive parent,  
38 or stepparent of a dependent child or a person who has signed an

1 affidavit acknowledging paternity which has been filed with the state  
2 office of vital statistics and includes the parent of an unmarried  
3 minor with a child.

4 (8) "Stepparent" means the present spouse of the person who is  
5 either the mother, father, or adoptive parent of a dependent child, and  
6 such status shall exist until terminated as provided for in RCW  
7 26.16.205.

8 (9) "Support moneys" means any moneys or in-kind providings paid to  
9 satisfy a support obligation whether denominated as child support,  
10 spouse support, alimony, maintenance, or any other such moneys intended  
11 to satisfy an obligation for support of any person or satisfaction in  
12 whole or in part of arrears or delinquency on such an obligation.

13 (10) "Support debt" means any delinquent amount of support moneys  
14 which is due, owing, and unpaid under a superior court order or an  
15 administrative order, a debt for the payment of expenses for the  
16 reasonable or necessary care, support, and maintenance, including  
17 medical expenses, of a dependent child or other person for whom a  
18 support obligation is owed; or a debt under RCW 74.20A.100 or  
19 74.20A.270. Support debt also includes any accrued interest, fees, or  
20 penalties charged on a support debt, and attorneys fees and other costs  
21 of litigation awarded in an action to establish and enforce a support  
22 obligation or debt.

23 (11) "State" means any state or political subdivision, territory,  
24 or possession of the United States, the District of Columbia, and the  
25 Commonwealth of Puerto Rico.

26 **Sec. 403.** RCW 74.12.255 and 1994 c 299 s 33 are each amended to  
27 read as follows:

28 (1) The department shall determine, after consideration of all  
29 relevant factors and in consultation with the applicant, the most  
30 appropriate living situation for applicants under eighteen years of  
31 age, unmarried, and either pregnant or having a dependent child or  
32 children in the applicant's care. An appropriate living situation((s))  
33 shall include a place of residence that is maintained by the  
34 applicant's parents, parent, legal guardian, or other adult relative as  
35 their or his or her own home((, or other)) and that the department  
36 finds would provide an appropriate supportive living arrangement  
37 ((supervised by an adult where feasible and consistent with federal  
38 regulations under 45 C.F.R. chapter II, section 233.107)). It also

1 includes a living situation maintained by an agency that is licensed  
2 under chapter 74.15 RCW that the department finds would provide an  
3 appropriate supportive living arrangement. Grant assistance shall not  
4 be provided under this chapter if the applicant does not reside in the  
5 most appropriate living situation, as determined by the department.

6 ~~((An applicant under eighteen years of age who is either~~  
7 ~~pregnant or has a dependent child and is not living in a situation~~  
8 ~~described in subsection (1) of this section shall be)) A minor parent  
9 or pregnant minor residing in the most appropriate living situation, as  
10 provided under subsection (1) of this section, is presumed to be unable  
11 to manage adequately the funds paid to the minor or on behalf of the  
12 dependent child or children and, unless the ((teenage custodial parent  
13 ~~demonstrates otherwise)) minor provides sufficient evidence to rebut~~  
14 the presumption, shall be subject to the protective payee requirements  
15 provided for under RCW 74.12.250 and 74.08.280.~~

16 (3) The department shall consider any statements or opinions by  
17 either parent of the ~~((teen recipient))~~ unmarried minor as to an  
18 appropriate living situation for the ~~((teen))~~ minor and his or her  
19 children, whether in the parental home or other situation. If the  
20 parents or a parent of the ((teen head of household applicant for  
21 ~~assistance)) minor request, they or he or she shall be entitled to a~~  
22 hearing in juvenile court regarding ((the fitness and suitability of  
23 ~~their home as the top priority choice)) designation of the parental~~  
24 home or other relative placement as the most appropriate living  
25 situation for the pregnant or parenting ((teen applicant for  
26 ~~assistance)) minor.~~

27 The department shall provide the parents ((shall have)) or parent  
28 with the opportunity to make a showing((, based on the preponderance of  
29 ~~the evidence,)) that the parental home, or home of the other relative~~  
30 placement, is the most appropriate living situation. It shall be  
31 presumed in any administrative or judicial proceeding conducted under  
32 this subsection that the parental home or other relative placement  
33 requested by the parents or parent is the most appropriate living  
34 situation. This presumption is rebuttable.

35 (4) In cases in which the ~~((head of household is under eighteen~~  
36 ~~years of age,)) minor is unmarried((,)) and unemployed, ((and requests~~  
37 ~~information on adoption,)) the department shall, as part of the~~  
38 determination of the appropriate living situation, provide information

1 about adoption including referral to community-based organizations  
2 (~~for~~) providing counseling.

3 NEW SECTION. **Sec. 404.** A new section is added to chapter 74.12  
4 RCW to read as follows:

5 The parents of an unmarried minor who has a child are responsible  
6 for the support of the minor and child. The unmarried minor and the  
7 minor's child shall be considered to be part of the household of the  
8 minor's parents or parent for purposes of determining eligibility for  
9 aid to families with dependent children; and as such, the income and  
10 resources of the entire household are considered to be available to  
11 support the unmarried minor and his or her child.

12 **Sec. 405.** RCW 13.34.160 and 1993 c 358 s 2 are each amended to  
13 read as follows:

14 (1) In an action brought under this chapter, the court may inquire  
15 into the ability of the parent or parents of the child to pay child  
16 support and may enter an order of child support as set forth in chapter  
17 26.19 RCW. The court may enforce the same by execution, or in any way  
18 in which a court of equity may enforce its decrees. All child support  
19 orders entered pursuant to this chapter shall be in compliance with the  
20 provisions of RCW 26.23.050.

21 (2) For purposes of this section, if a dependent child's parent is  
22 an unmarried minor, then the parent or parents of the minor shall also  
23 be deemed a parent or parents of the dependent child. However,  
24 liability for child support under this subsection only exists if the  
25 parent or parents of the unmarried minor parent are provided the  
26 opportunity for a hearing on their ability to provide support. Any  
27 child support order requiring such a parent or parents to provide  
28 support for the minor parent's child may be effective only until the  
29 minor parent reaches eighteen years of age.

30 **Sec. 406.** RCW 74.12.250 and 1963 c 228 s 21 are each amended to  
31 read as follows:

32 If the department, after investigation, finds that any applicant  
33 for assistance under this chapter or any recipient of funds under ((an  
34 aid to families with dependent children grant)) this chapter would not  
35 use, or is not utilizing, the grant adequately for the needs of ((the))  
36 his or her child or children or would dissipate the grant or is

1 ((~~otherwise~~)) dissipating such grant, or would be or is unable to  
2 manage adequately the funds paid on behalf of said child and that to  
3 provide or continue ((~~said~~)) payments to ((~~him~~)) the applicant or  
4 recipient would be contrary to the welfare of the child, the department  
5 may make such payments to another individual who is interested in or  
6 concerned with the welfare of such child and relative: PROVIDED, That  
7 the department shall provide such counseling and other services as are  
8 available and necessary to develop greater ability on the part of the  
9 relative to manage funds in such manner as to protect the welfare of  
10 the family. Periodic review of each case shall be made by the  
11 department to determine if said relative is able to resume management  
12 of the assistance grant. If after a reasonable period of time the  
13 payments to the relative cannot be resumed, the department may request  
14 the attorney general to file a petition in the superior court for the  
15 appointment of a guardian for the child or children. Such petition  
16 shall set forth the facts warranting such appointment. Notice of the  
17 hearing on such petition shall be served upon the recipient and the  
18 department not less than ten days before the date set for such hearing.  
19 Such petition may be filed with the clerk of superior court and all  
20 process issued and served without payment of costs. If upon the  
21 hearing of such petition the court is satisfied that it is for the best  
22 interest of the child or children, and all parties concerned, that a  
23 guardian be appointed, he shall order the appointment, and may require  
24 the guardian to render to the court a detailed itemized account of  
25 expenditures of such assistance payments at such time as the court may  
26 deem advisable.

27 It is the intention of this section that the guardianship herein  
28 provided for shall be a special and limited guardianship solely for the  
29 purpose of safeguarding the assistance grants made to dependent  
30 children. Such guardianship shall terminate upon the termination of  
31 such assistance grant, or sooner on order of the court, upon good cause  
32 shown.

33 **PART V. WELFARE EVALUATION AND EFFECTIVENESS STUDIES**

34 NEW SECTION. **Sec. 501.** A new section is added to chapter 44.28  
35 RCW to read as follows:

36 (1) The legislative budget committee shall conduct an evaluation of  
37 the effectiveness of the programs described in chapter . . . , Laws of

1 1996 (this act). The evaluation shall assess the success of the  
2 programs in assisting clients to become employed and to reduce their  
3 use of aid to families with dependent children. It may include, but  
4 not be limited to:

5 (a) The costs and effectiveness of the programs;

6 (b) The extent to which work and job training opportunities have  
7 led to employment outcomes and economic independence;

8 (c) An analysis of aid to families with dependent children  
9 outcomes, including grant amounts and program exits, for clients; and

10 (d) An audit of performance-based contracts to providers offering  
11 job opportunities and basic skills training program services.

12 (2) Administrative data shall be provided by the department of  
13 social and health services, the employment security department, the  
14 state board for community and technical colleges, local government  
15 providers, and private contractors. The department of social and  
16 health services shall require contractors to provide administrative and  
17 outcome data needed for this evaluation.

18 (3) Additional data may be collected directly from clients if not  
19 available from administrative records.

20 (4) The legislative budget committee may convene an evaluation  
21 advisory group to assist in the study process. It may contract for  
22 services necessary to accomplish the purposes of this section.

23 (5) The legislative budget committee shall present an evaluation  
24 plan to the legislature after consultation with the federal government  
25 on the design of the evaluation.

26 (6) The legislative budget committee shall submit annual reports to  
27 the legislature, beginning in December 1999, with a final report due in  
28 December 2003, unless an earlier date is recommended by the committee.

29 **PART VI. MISCELLANEOUS**

30 **Sec. 601.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are  
31 each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

18 (ii) Meet one of the following conditions:

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

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

29 (C) Persons who are unemployable due to alcohol or drug addiction  
30 are not eligible for general assistance. Persons receiving general  
31 assistance on July 26, 1987, or becoming eligible for such assistance  
32 thereafter, due to an alcohol or drug-related incapacity, shall be  
33 referred to appropriate assessment, treatment, shelter, or supplemental  
34 security income referral services as authorized under chapter 74.50  
35 RCW. Referrals shall be made at the time of application or at the time  
36 of eligibility review. Alcoholic and drug addicted clients who are  
37 receiving general assistance on July 26, 1987, may remain on general  
38 assistance if they otherwise retain their eligibility until they are  
39 assessed for services under chapter 74.50 RCW. Subsection

1 (6)(a)(ii)(B) of this section shall not be construed to prohibit the  
2 department from granting general assistance benefits to alcoholics and  
3 drug addicts who are incapacitated due to other physical or mental  
4 conditions that meet the eligibility criteria for the general  
5 assistance program;

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

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

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

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

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

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

38 (i) First failure: One week;

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

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

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

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

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

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

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

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

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

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

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

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

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

35 (d) All other resources, including any excess of values exempted,  
36 not to exceed one thousand dollars or other limit as set by the  
37 department, to be consistent with limitations on resources and  
38 exemptions necessary for federal aid assistance. The department shall  
39 also allow recipients of aid to families with dependent children to

1 exempt savings accounts with combined balances of up to an additional  
2 three thousand dollars.

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

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

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

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

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

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

32 (11) "Income"«(a) All appreciable gains in real or personal  
33 property (cash or kind) or other assets, which are received by or  
34 become available for use and enjoyment by an applicant or recipient  
35 during the month of application or after applying for or receiving  
36 public assistance. The department may by rule and regulation exempt  
37 income received by an applicant for or recipient of public assistance  
38 which can be used by him to decrease his need for public assistance or  
39 to aid in rehabilitating him or his dependents, but such exemption

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

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

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

29 (13) "Caretaker" means the parent of the dependent child or  
30 children who is head of the household. However, in situations where  
31 there are two parents in the household, "caretaker" means that parent  
32 who, as a parent, has received assistance under the program for the  
33 longest period.

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

1       (~~(14)~~) (15) In the construction of words and phrases used in this  
2 title, the singular number shall include the plural, the masculine  
3 gender shall include both the feminine and neuter genders and the  
4 present tense shall include the past and future tenses, unless the  
5 context thereof shall clearly indicate to the contrary.

6       (16) Except for subsections (17) and (18) of this section, section  
7 601, chapter . . ., Laws of 1996 (this section) shall not take effect  
8 if sections 301, 302, 303, and 304 of this act do not become law.

9       (17) Section 1, chapter 136, Laws of 1992 is repealed if sections  
10 301, 302, 303, and 304 of this act do not become law.

11       (18) Section 1, chapter 165, Laws of 1992 is repealed if sections  
12 301, 302, 303, and 304 of this act do not become law.

13       NEW SECTION. Sec. 602. If any part of this act is found to be in  
14 conflict with federal requirements that are a prescribed condition to  
15 the allocation of federal funds to the state, the conflicting part of  
16 this act is inoperative solely to the extent of the conflict and with  
17 respect to the agencies directly affected, and this finding does not  
18 affect the operation of the remainder of this act in its application to  
19 the agencies concerned. The rules under this act shall meet federal  
20 requirements that are a necessary condition to the receipt of federal  
21 funds by the state. As used in this section, "allocation of federal  
22 funds to the state" means the allocation of federal funds that are  
23 appropriated by the legislature to the department of social and health  
24 services and on which the department depends for carrying out any  
25 provision of the operating budget applicable to it.

26       **Sec. 603.** RCW 74.08.025 and 1981 1st ex.s. c 6 s 9 are each  
27 amended to read as follows:

28       Public assistance (~~(shall)~~) may be awarded to any applicant:

29       (1) Who is in need and otherwise meets the eligibility requirements  
30 of department assistance programs; and

31       (2) Who has not made a voluntary assignment of property or cash for  
32 the purpose of qualifying for an assistance grant; and

33       (3) Who is not an inmate of a public institution except as a  
34 patient in a medical institution or except as an inmate in a public  
35 institution who could qualify for federal aid assistance: PROVIDED,  
36 That the assistance paid by the department to recipients in nursing  
37 homes, or receiving nursing home care, may cover the cost of clothing

1 and incidentals and general maintenance exclusive of medical care and  
2 health services. The department may pay a grant to cover the cost of  
3 clothing and personal incidentals in public or private medical  
4 institutions and institutions for tuberculosis. The department shall  
5 allow recipients in nursing homes to retain, in addition to the grant  
6 to cover the cost of clothing and incidentals, wages received for work  
7 as a part of a training or rehabilitative program designed to prepare  
8 the recipient for less restrictive placement to the extent permitted  
9 under Title XIX of the federal social security act.

10 **Sec. 604.** RCW 74.08.080 and 1989 c 175 s 145 are each amended to  
11 read as follows:

12 (1)(a) A public assistance applicant or recipient who is aggrieved  
13 by a decision of the department or an authorized agency of the  
14 department has the right to an adjudicative proceeding. A current or  
15 former recipient who is aggrieved by a department claim that he or she  
16 owes a debt for an overpayment of assistance or food stamps, or both,  
17 has the right to an adjudicative proceeding.

18 (b) An applicant or recipient has no right to an adjudicative  
19 proceeding when the sole basis for the department's decision is a state  
20 or federal law that requires an assistance adjustment for a class of  
21 recipients.

22 (c) An applicant or recipient may not use the defense of equitable  
23 estoppel or any other equitable defenses in any adjudicative proceeding  
24 involving public assistance.

25 (2) The adjudicative proceeding is governed by the Administrative  
26 Procedure Act, chapter 34.05 RCW, and this subsection.

27 (a) The applicant or recipient must file the application for an  
28 adjudicative proceeding with the secretary within ninety days after  
29 receiving notice of the aggrieving decision.

30 (b) The hearing shall be conducted at the local community services  
31 office or other location in Washington convenient to the appellant.

32 (c) The appellant or his or her representative has the right to  
33 inspect his or her department file and, upon request, to receive copies  
34 of department documents relevant to the proceedings free of charge.

35 (d) The appellant has the right to a copy of the tape recording of  
36 the hearing free of charge.

37 (e) The department is limited to recovering an overpayment arising  
38 from assistance being continued pending the adjudicative proceeding to

1 the amount recoverable up to the sixtieth day after the secretary's  
2 receipt of the application for an adjudicative proceeding.

3 (f) If the final adjudicative order is made in favor of the  
4 appellant, assistance shall be paid from the date of denial of the  
5 application for assistance or thirty days following the date of  
6 application for aid to families with dependent children or forty-five  
7 days after date of application for all other programs, whichever is  
8 sooner; or in the case of a recipient, from the effective date of the  
9 local community services office decision.

10 (g) This subsection applies only to an adjudicative proceeding in  
11 which the appellant is an applicant for or recipient of medical  
12 assistance or the limited casualty program for the medically needy and  
13 the issue is his or her eligibility or ineligibility due to the  
14 assignment or transfer of a resource. The burden is on the department  
15 to prove by a preponderance of the evidence that the person knowingly  
16 and willingly assigned or transferred the resource at less than market  
17 value for the purpose of qualifying or continuing to qualify for  
18 medical assistance or the limited casualty program for the medically  
19 needy. If the prevailing party in the adjudicative proceeding is the  
20 applicant or recipient, he or she is entitled to reasonable attorney's  
21 fees.

22 (3)(a) When a person files a petition for judicial review as  
23 provided in RCW 34.05.514 of an adjudicative order entered in a public  
24 assistance program, no filing fee shall be collected from the person  
25 and no bond shall be required on any appeal. In the event that the  
26 superior court, the court of appeals, or the supreme court renders a  
27 decision in favor of the appellant, said appellant shall be entitled to  
28 reasonable attorney's fees and costs. If a decision of the court is  
29 made in favor of the appellant, assistance shall be paid from date of  
30 the denial of the application for assistance or thirty days after the  
31 application for aid to families with dependent children or forty-five  
32 days following the date of application, whichever is sooner; or in the  
33 case of a recipient, from the effective date of the local community  
34 services office decision.

35 **Sec. 605.** RCW 74.08.340 and 1959 c 26 s 74.08.340 are each amended  
36 to read as follows:

37 All assistance granted under this title shall be deemed to be  
38 granted and to be held subject to the provisions of any amending or

1 repealing act that may hereafter be enacted, and no recipient shall  
2 have any claim for compensation, or otherwise, by reason of his  
3 assistance being affected in any way by such amending or repealing act.  
4 There is no entitlement to public assistance. Public assistance shall  
5 be considered solely as a charitable gesture or gift on the part of the  
6 state, which at any time may be discontinued.

7 NEW SECTION. **Sec. 606.** The following acts or parts of acts are  
8 each repealed:

- 9 (1) RCW 74.08.120 and 1992 c 108 s 2, 1987 c 75 s 39, 1981 1st  
10 ex.s. c 6 s 15, 1981 c 8 s 12, 1979 c 141 s 326, 1969 ex.s. c 259 s 1,  
11 1969 ex.s. c 159 s 1, 1965 ex.s. c 102 s 1, & 1959 c 26 s 74.08.120;  
12 (2) RCW 74.08.125 and 1993 c 22 s 1 & 1992 c 108 s 3; and  
13 (3) RCW 74.12.420 and 1994 c 299 s 9.

14 NEW SECTION. **Sec. 607.** A new section is added to chapter 74.12  
15 RCW to read as follows:

16 The department of health, the department of licensing, the board of  
17 pilotage commissioners, and the department of fish and wildlife shall  
18 implement federal law requiring revocation of professional, business,  
19 occupational and recreational licenses, certificates, and registrations  
20 if such federal requirements become law and are a condition of  
21 continued receipt of federal funds for public assistance programs.

22 NEW SECTION. **Sec. 608.** Until July 1, 1998, the governor shall  
23 report quarterly to the appropriate committees of the legislature on  
24 the efforts to secure the federal changes to permit full implementation  
25 of this act at the earliest possible date.

26 NEW SECTION. **Sec. 609.** The table of contents, part headings,  
27 subheadings, and captions used in this act do not constitute any part  
28 of the law.

29 NEW SECTION. **Sec. 610.** If any provision of this act or its  
30 application to any person or circumstance is held invalid, the  
31 remainder of the act or the application of the provision to other  
32 persons or circumstances is not affected.

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