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**SUBSTITUTE HOUSE BILL 1831**

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**State of Washington                      65th Legislature                      2017 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Pettigrew, Macri, Santos, Ortiz-Self, Frame, Kagi, Fitzgibbon, Stanford, Ormsby, and Pollet)

READ FIRST TIME 02/24/17.

1            AN ACT Relating to revising resource limitations for public  
2 assistance; reenacting and amending RCW 74.04.005; and creating a new  
3 section.

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

5            **Sec. 1.** RCW 74.04.005 and 2011 1st sp.s. c 36 s 8 and 2011 1st  
6 sp.s. c 15 s 61 are each reenacted and amended to read as follows:

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

9            (1) "Aged, blind, or disabled assistance program" means the  
10 program established under RCW 74.62.030.

11            (2) "Applicant" means any person who has made a request, or on  
12 behalf of whom a request has been made, to any county or local office  
13 for assistance.

14            (3) "Authority" means the health care authority.

15            (4) "County or local office" means the administrative office for  
16 one or more counties or designated service areas.

17            (5) "Department" means the department of social and health  
18 services.

19            (6) "Director" means the director of the health care authority.

20            (7) "Essential needs and housing support program" means the  
21 program established in RCW 43.185C.220.

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

8 (9) "Income" means:

9 (a) All appreciable gains in real or personal property (cash or  
10 kind) or other assets, which are received by or become available for  
11 use and enjoyment by an applicant or recipient during the month of  
12 application or after applying for or receiving public assistance. The  
13 department may by rule and regulation exempt income received by an  
14 applicant for or recipient of public assistance which can be used by  
15 him or her to decrease his or her need for public assistance or to  
16 aid in rehabilitating him or her or his or her dependents, but such  
17 exemption shall not, unless otherwise provided in this title, exceed  
18 the exemptions of resources granted under this chapter to an  
19 applicant for public assistance. In addition, for cash assistance the  
20 department may disregard income pursuant to RCW 74.08A.230 and  
21 74.12.350.

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  
25 as income or as a resource, the department shall consider such  
26 property to be a resource.

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

33 (11) "Public assistance" or "assistance" means public aid to  
34 persons in need thereof for any cause, including services, medical  
35 care, assistance grants, disbursing orders, work relief, benefits  
36 under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

37 (12) "Recipient" means any person receiving assistance and in  
38 addition those dependents whose needs are included in the recipient's  
39 assistance.

1 (13) "Resource" means any asset, tangible or intangible, owned by  
2 or available to the applicant at the time of application, which can  
3 be applied toward meeting the applicant's need, either directly or by  
4 conversion into money or its equivalent. The department may by rule  
5 designate resources that an applicant may retain and not be  
6 ineligible for public assistance because of such resources. Exempt  
7 resources shall include, but are not limited to:

8 (a) A home that an applicant, recipient, or their dependents is  
9 living in, including the surrounding property;

10 (b) Household furnishings and personal effects;

11 (c) ~~((A))~~ One motor vehicle, other than a motor home ~~((, used and~~  
12 ~~useful having an equity value not to exceed five thousand dollars;~~

13 ~~(d) A motor vehicle necessary to transport a household member~~  
14 ~~with a physical disability. This exclusion is limited to one vehicle~~  
15 ~~per person with a physical disability));~~

16 ~~((e))~~ (d) All other resources, ~~((including any excess of values~~  
17 ~~exempted,))~~ not to exceed ~~((one))~~ six thousand dollars or other limit  
18 as set by the department, to be consistent with limitations on  
19 resources and exemptions necessary for federal aid assistance ~~((The~~  
20 ~~department shall also allow recipients of temporary assistance for~~  
21 ~~needy families to exempt savings accounts with combined balances of~~  
22 ~~up to an additional three thousand dollars));~~

23 ~~((f))~~ (e) Applicants for or recipients of benefits under RCW  
24 74.62.030 and 43.185C.220 shall have their eligibility based on  
25 resource limitations consistent with the temporary assistance for  
26 needy families program rules adopted by the department; and

27 ~~((g))~~ (f) If an applicant for or recipient of public assistance  
28 possesses property and belongings in excess of the ceiling value,  
29 such value shall be used in determining the need of the applicant or  
30 recipient, except that: (i) The department may exempt resources or  
31 income when the income and resources are determined necessary to the  
32 applicant's or recipient's restoration to independence, to decrease  
33 the need for public assistance, or to aid in rehabilitating the  
34 applicant or recipient or a dependent of the applicant or recipient;  
35 and (ii) the department may provide grant assistance for a period not  
36 to exceed nine months from the date the agreement is signed pursuant  
37 to this section to persons who are otherwise ineligible because of  
38 excess real property owned by such persons when they are making a  
39 good faith effort to dispose of that property if:

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

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

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

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

14 (14) "Secretary" means the secretary of social and health  
15 services.

16 (15) "Standards of assistance" means the level of income required  
17 by an applicant or recipient to maintain a level of living specified  
18 by the department.

19 (16) For purposes of determining eligibility for public  
20 assistance and participation levels in the cost of medical care, the  
21 department shall exempt restitution payments made to people of  
22 Japanese and Aleut ancestry pursuant to the Civil Liberties Act of  
23 1988 and the Aleutian and Pribilof Island Restitution Act passed by  
24 congress, P.L. 100-383, including all income and resources derived  
25 therefrom.

26 (17) In the construction of words and phrases used in this title,  
27 the singular number shall include the plural, the masculine gender  
28 shall include both the feminine and neuter genders, and the present  
29 tense shall include the past and future tenses, unless the context  
30 thereof shall clearly indicate to the contrary.

31 NEW SECTION. **Sec. 2.** If specific funding for the purposes of  
32 this act, referencing this act by bill or chapter number, is not  
33 provided by June 30, 2017, in the omnibus appropriations act, this  
34 act is null and void.

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