## HOUSE BILL 1052

State of Washington 52nd Legislature 1991 Regular Session

**By** Representatives Leonard, Winsley, Riley and Basich; by request of Dept. of Social and Health Services.

Read first time January 17, 1991. Referred to Committee on Human Services.

1 AN ACT Relating to clarification of existing public assistance 2 statutes; amending RCW 74.04.005, 74.04.055, 74.04.060, 74.04.500, and 3 74.04.515; adding a new chapter to Title 74 RCW; and repealing RCW 74.04.390, 74.04.400, 74.04.410, 74.04.420, 74.04.430, 4 74.04.440, 74.04.470, 74.04.473, 74.04.505, 74.22.010, 5 74.04.450, 74.04.460, 74.22.030, 74.22.070, б 74.22.020, 74.22.040, 74.22.050, 74.22.060, 7 74.22.080, 74.22.090, 74.22.100, 74.22.110, 74.22.120, 74.23.005, 8 74.23.010, 74.23.020, 74.23.030, 74.23.040, 74.23.050, 74.23.060, 9 74.23.070, 74.23.080, 74.23.090, 74.23.100, 74.23.110, 74.23.120, and 10 74.23.900.

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

12 Sec. 1. RCW 74.04.005 and 1990 c 285 s 2 are each amended to read 13 as follows:

14 For the purposes of this title, unless the context indicates 15 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 and9 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:

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

22 (ii) Are either:

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

(B) Incapacitated from gainful employment by reason of bodily ormental infirmity that will likely continue for a minimum of sixty days

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as determined by the department. Persons who are unemployable due to 1 alcohol or drug addiction are not eligible for general assistance. 2 Persons receiving general assistance on July 26, 1987, or becoming 3 4 eligible for such assistance thereafter, due to an alcohol or drug-5 related incapacity, shall be referred to appropriate assessment, 6 treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the 7 time of application or at the time of eligibility review. Alcoholic 8 and drug addicted clients who are receiving general assistance on July 9 10 26, 1987, may remain on general assistance if they otherwise retain 11 their eligibility until they are assessed for services under chapter 12 74.50 RCW. This subsection (6)(a)(ii)(B) shall not be construed to prohibit the department from granting general assistance benefits to 13 14 alcoholics and drug addicts who are incapacitated due to other physical 15 or mental conditions that meet the eligibility criteria for the general 16 assistance program;

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

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

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

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1 (i) Recipients of supplemental security income whose need, as 2 defined in this section, is not met by such supplemental security 3 income grant because of separation from a spouse; or

4 (ii) To the extent authorized by the legislature in the biennial appropriations act, to recipients of aid to families with dependent 5 6 children whose needs are not being met because of a temporary reduction in monthly income below the entitled benefit payment level caused by 7 loss or reduction of wages or unemployment compensation benefits or 8 9 some other unforeseen circumstances. The amount of general assistance authorized shall not exceed the difference between the entitled benefit 10 payment level and the amount of income actually received. 11

12 (c) General assistance shall be provided only to persons who are not members of assistance units receiving federal aid assistance, 13 14 except as provided in subsection (6) (a)(ii)(A) and (b) of this section, and will accept available services which can reasonably be 15 expected to enable the person to work or reduce the need for assistance 16 17 unless there is good cause to refuse. Failure to accept such services 18 shall result in termination until the person agrees to cooperate in 19 accepting such services and subject to the following maximum periods of 20 ineligibility after reapplication:

21 (i) First failure: One week;

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

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

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

(e) The process implementing the medical criteria shall involve
 consideration of opinions of the treating or consulting physicians or
 health care professionals regarding incapacity, and any eligibility

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decision which rejects uncontroverted medical opinion must set forth
 clear and convincing reasons for doing so.

(f) Recipients of general assistance based upon a finding of 3 4 incapacity from gainful employment who remain otherwise eligible shall not have their benefits terminated absent a clear showing of material 5 6 improvement in their medical or mental condition or specific error in the prior determination that found the recipient eligible by reason of 7 incapacitation. Recipients of general assistance based upon pregnancy 8 9 who relinguish their child for adoption, remain otherwise eligible, and 10 ((who)) are not eligible to receive benefits under the federal aid to 11 families with dependent children program shall not have their benefits terminated until the end of the month in which the period of six weeks 12 following the birth of the recipient's child falls. Recipients of the 13 14 federal aid to families with dependent children program who lose their eligibility solely because of the birth and relinquishment of the 15 16 qualifying child may receive general assistance through the end of the 17 month in which the period of six weeks following the birth of the child 18 falls.

19 (7) "Applicant"--Any person who has made a request, or on behalf of 20 whom a request has been made, to any county or local office for 21 assistance.

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

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

(10) "Resource"--Any asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by

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conversion into money or its equivalent: PROVIDED, That an applicant
 may retain the following described resources and not be ineligible for
 public assistance because of such resources.

4 (a) A home, which is defined as real property owned and used by an applicant or recipient as a place of residence, together with a 5 б reasonable amount of property surrounding and contiguous thereto, which is used by and useful to the applicant. Whenever a recipient shall 7 cease to use such property for residential purposes, either for himself 8 9 or his dependents, the property shall be considered as a resource which 10 can be made available to meet need, and if the recipient or his dependents absent themselves from the home for a period of ninety 11 consecutive days such absence, unless due to hospitalization or health 12 reasons or a natural disaster, shall raise a rebuttable presumption of 13 14 abandonment: PROVIDED, That if in the opinion of three physicians the recipient will be unable to return to the home during his lifetime, and 15 16 the home is not occupied by a spouse or dependent children or disabled 17 sons or daughters, such property shall be considered as a resource 18 which can be made available to meet need.

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

(c) A motor vehicle, other than a motor home, used and useful
having an equity value not to exceed one thousand five hundred dollars.
(d) All other resources, including any excess of values exempted,
not to exceed one thousand dollars or other limit as set by the
department, to be consistent with limitations on resources and
exemptions necessary for federal aid assistance.

(e) Applicants for or recipients of general assistance may retain
 the following described resources in addition to exemption for a motor

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vehicle or home and not be ineligible for public assistance because of
 such resources:

3 (i) Household furnishings, personal effects, and other personal 4 property having great sentimental value to the applicant or recipient; 5 (ii) Term and burial insurance for use of the applicant or 6 recipient;

7 (iii) Life insurance having a cash surrender value not exceeding8 one thousand five hundred dollars; and

9 (iv) Cash, marketable securities, and any excess of values above 10 one thousand five hundred dollars equity in a vehicle and above one thousand five hundred dollars in cash surrender value of life 11 insurance, not exceeding one thousand five hundred dollars for a single 12 person or two thousand two hundred fifty dollars for a family unit of 13 14 two or more. The one thousand dollar limit in subsection (10)(d) of this section does not apply to recipients of or applicants for general 15 16 assistance.

17 (f) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value 18 19 shall be used in determining the need of the applicant or recipient, 20 except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or 21 recipient's restoration to independence, to decrease the need for 22 public assistance, or to aid in rehabilitating the applicant or 23 24 recipient or a dependent of the applicant or recipient; and (ii) the 25 department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section 26 27 to persons who are otherwise ineligible because of excess real property 28 owned by such persons when they are making a good faith effort to 29 dispose of that property, ((but the recipient must sign an agreement to 30 dispose of the property and repay assistance payments made to the date

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of disposition of the property which would not have been made had the 1 disposal occurred at the beginning of the period for which the payments 2 of such assistance were made. In no event shall such amount due the 3 4 state exceed the net proceeds otherwise available to the recipient from 5 the disposition, unless after nine months from the date of the б agreement the property has not been sold, or if the recipient's eligibility for financial assistance ceases for any other reason. In 7 these two instances the entire amount of assistance paid during this 8 9 period will be treated as an overpayment and a debt due the state, and 10 may be recovered pursuant to RCW 43.20B.630)) by listing the property with a multiple listing realtor or other reasonable means when a 11 multiple listing is unavailable or the realtor refuses to list the 12 property: PROVIDED, That: 13

14 (A) The applicant or recipient shall sign an agreement to repay the 15 lesser of the amount of aid received or the net proceeds of such sale; 16 (B) If the owner of the excess property ceases to make good faith 17 efforts to sell the property, the entire amount of assistance may 18 become an overpayment and a debt due the state, and may be recovered 19 pursuant to RCW 43.20B.630;

20 <u>(C) Applicants and recipients shall be advised of their right to a</u> 21 <u>fair hearing and afforded the opportunity to challenge a decision that</u> 22 <u>good faith efforts to sell have ceased, prior to assessment of an</u> 23 <u>overpayment under this section; and</u>

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

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

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

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

(12) "Need"--The difference between the applicant's or recipient's
standards of assistance for himself and the dependent members of his
family, as measured by the standards of the department, and value of

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all nonexempt resources and nonexempt income received by or available 1 2 to the applicant or recipient and the dependent members of his family. (13) For purposes of determining eligibility for public assistance 3 4 and participation levels in the cost of medical care, the department 5 shall exempt restitution payments made to people of Japanese and Aleut б ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian and Pribilof Island Restitution Act passed by congress, P.L. 100-383, 7 including all income and resources derived therefrom. 8

In the construction of words and phrases used in this title, 9 (14)10 the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders and the present 11 tense shall include the past and future tenses, unless the context 12 thereof shall clearly indicate to the contrary. 13

14 Sec. 2. RCW 74.04.055 and 1979 c 141 s 298 are each amended to 15 read as follows:

16 In furtherance of the policy of this state to cooperate with the federal government in the programs included in this title the secretary 17 shall issue such rules and regulations as may become necessary to 18 19 entitle this state to participate in federal grants-in-aid, goods, commodities and services unless the same be expressly prohibited by 20 this title. Any section or provision of this title which may be 21 susceptible to more than one construction shall be interpreted in favor 22 23 of the construction most likely to satisfy federal laws entitling this 24 state to receive federal matching or other funds for the various programs of public assistance. If any part of this chapter is found by 25 26 an agency of the federal government to be in conflict with federal 27 requirements which are a prescribed condition to the receipts of 28 federal funds to the state, the conflicting part of this chapter is hereby inoperative solely to the extent of the conflict with respect to 29 HB 1052

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1 the agencies directly affected, and such finding or determination shall

2 not affect the operation of the remainder of this chapter.

3 Sec. 3. RCW 74.04.060 and 1987 c 435 s 29 are each amended to read 4 as follows:

5 For the protection of applicants and recipients, the department and the county offices and their respective officers and employees are б prohibited, except as hereinafter provided, from disclosing the 7 8 contents of any records, files, papers and communications, except for 9 purposes directly connected with the administration of the programs of 10 this title. In any judicial proceeding, except such proceeding as is directly concerned with the administration of these programs, such 11 records, files, papers and communications, and their contents, shall be 12 13 deemed privileged communications and except for the right of any individual to inquire of the office whether a named individual is a 14 15 recipient of welfare assistance and such person shall be entitled to an 16 affirmative or negative answer. ((However, upon written request of a 17 parent who has been awarded visitation rights in an action for divorce 18 or separation or any parent with legal custody of the child, the 19 department shall disclose to him or her the last known address and 20 location of his or her natural or adopted children. The secretary shall adopt rules which establish procedures for disclosing the address 21 22 of the children and providing, when appropriate, for prior notice to the custodian of the children. The notice shall state that a request 23 24 for disclosure has been received and will be complied with by the 25 department unless the department receives a copy of a court order which 26 enjoins the disclosure of the information or restricts or limits the 27 requesting party's right to contact or visit the other party or the 28 child. Information supplied to a parent by the department shall be used only for purposes directly related to the enforcement of the 29

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visitation and custody provisions of the court order of separation or decree of divorce. No parent shall disclose such information to any other person except for the purpose of enforcing visitation provisions of the said order or decree.))

5 The county offices shall maintain monthly at their offices a report 6 showing the names and addresses of all recipients in the county 7 receiving public assistance under this title, together with the amount 8 paid to each during the preceding month.

9 The provisions of this section shall not apply to duly designated 10 representatives of approved private welfare agencies, public officials, members of legislative interim committees and advisory committees when 11 performing duties directly connected with the administration of this 12 title, such as regulation and investigation directly connected 13 14 therewith: PROVIDED, HOWEVER, That any information so obtained by such persons or groups shall be treated with such degree of confidentiality 15 as is required by the federal social security law. 16

17 It shall be unlawful, except as provided in this section, for any 18 person, body, association, firm, corporation or other agency to 19 solicit, publish, disclose, receive, make use of, or to authorize, 20 knowingly permit, participate in or acquiesce in the use of any lists 21 or names for commercial or political purposes of any nature. The 22 violation of this section shall be a gross misdemeanor.

23 Sec. 4. RCW 74.04.500 and 1979 c 141 s 322 are each amended to 24 read as follows:

The department of social and health services is authorized to establish a food stamp program under the federal food stamp act of ((1964)) <u>1977</u>. 1 Sec. 5. RCW 74.04.515 and 1969 ex.s. c 172 s 7 are each amended to
2 read as follows:

In ((determining eligibility for purchase of)) administering the
food stamp((s)) program, there shall be no discrimination against any
((household)) applicant or recipient by reason of age, sex, handicap,
religious creed, political belief, race, color, or national origin.

7 <u>NEW SECTION.</u> Sec. 6. The legislature hereby expresses its 8 intention to comply with the requirements under the federal social 9 security act, as amended, creating a job opportunities and basic skills 10 training program for applicants and recipients of aid to families with 11 dependent children, which program shall be operated by the department 12 of social and health services in conformance with federal law.

(1) The purpose of this program is to provide recipients of aid to families with dependent children the opportunity to prepare for and achieve financial self-sufficiency through employment and basic skills training.

17 (2) The department of social and health services is authorized to 18 contract with public and private employment and training agencies and 19 other public service entities to provide services prescribed or allowed 20 under the federal social security act, as amended, to carry out the 21 purposes of this program.

(3) The department of social and health services shall adopt rules
pursuant to chapter 34.05 RCW as necessary to effectuate the intent and
purpose of this chapter.

(4) Any section or provision of law dealing with the job opportunities and basic skills training program which may be susceptible to more than one construction shall be interpreted in favor of the construction most likely to comply with federal laws entitling the state to receive federal funds.

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<u>NEW SECTION.</u> Sec. 7. If any part of this chapter shall be found 1 2 to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state, such 3 4 conflicting part of this chapter is hereby declared to be inoperative solely to the extent of such conflict and with respect to the agency 5 6 directly affected, and such finding or determination shall not affect the operation of the remainder of this chapter and its application to 7 the agency concerned. 8

9 <u>NEW SECTION.</u> Sec. 8. If any provision of this chapter or its 10 application to any person or circumstance is held invalid, the 11 remainder of the chapter or the application of the provision to other 12 persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 9. Sections 6 through 8 of this act shall
constitute a new chapter in Title 74 RCW.

15 <u>NEW SECTION.</u> Sec. 10. The following acts or parts of acts are 16 each repealed:

17 (1) RCW 74.04.390 and 1979 c 141 s 315, 1963 c 228 s 6, & 1961 c
18 269 s 2;

19 (2) RCW 74.04.400 and 1979 c 141 s 316, 1963 c 228 s 7, & 1961 c
20 269 s 3;

21 (3) RCW 74.04.410 and 1979 c 141 s 317, 1963 c 228 s 8, & 1961 c
22 269 s 4;

23 (4) RCW 74.04.420 and 1979 c 141 s 318, 1963 c 228 s 9, & 1961 c
24 269 s 5;

25 (5) RCW 74.04.430 and 1987 c 185 s 39, 1979 c 141 s 319, 1963 c 228
26 s 10, & 1961 c 269 s 6;

27 (6) RCW 74.04.440 and 1963 c 228 s 11 & 1961 c 269 s 7;

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1	(7) RCW 74.04.450 and 1963 c 228 s 12;
2	(8) RCW 74.04.460 and 1963 c 228 s 13;
3	(9) RCW 74.04.470 and 1979 c 141 s 320 & 1963 c 228 s 14;
4	(10) RCW 74.04.473 and 1983 1st ex.s. c 41 s 41;
5	(11) RCW 74.04.505 and 1969 ex.s. c 172 s 5;
б	(12) RCW 74.22.010 and 1969 c 14 s 1;
7	(13) RCW 74.22.020 and 1979 c 141 s 372 & 1969 c 14 s 2;
8	(14) RCW 74.22.030 and 1969 c 14 s 3;
9	(15) RCW 74.22.040 and 1969 c 14 s 4;
10	(16) RCW 74.22.050 and 1979 c 141 s 373 & 1969 c 14 s 5;
11	(17) RCW 74.22.060 and 1969 c 14 s 6;
12	(18) RCW 74.22.070 and 1979 c 141 s 374 & 1969 c 14 s 7;
13	(19) RCW 74.22.080 and 1969 c 14 s 8;
14	(20) RCW 74.22.090 and 1969 c 14 s 9;
15	(21) RCW 74.22.100 and 1979 c 141 s 375 & 1969 c 14 s 10;
16	(22) RCW 74.22.110 and 1979 c 141 s 376 & 1969 c 14 s 11;
17	(23) RCW 74.22.120 and 1969 c 14 s 12;
18	(24) RCW 74.23.005 and 1969 c 15 s 1;
19	(25) RCW 74.23.010 and 1969 c 15 s 2;
20	(26) RCW 74.23.020 and 1979 c 141 s 377 & 1969 c 15 s 3;
21	(27) RCW 74.23.030 and 1969 c 15 s 4;
22	(28) RCW 74.23.040 and 1979 c 141 s 378 & 1969 c 15 s 5;
23	(29) RCW 74.23.050 and 1969 c 15 s 6;
24	(30) RCW 74.23.060 and 1969 c 15 s 7;
25	(31) RCW 74.23.070 and 1979 c 141 s 379 & 1969 c 15 s 8;
26	(32) RCW 74.23.080 and 1969 c 15 s 9;
27	(33) RCW 74.23.090 and 1969 c 15 s 10;
28	(34) RCW 74.23.100 and 1969 c 15 s 11;
29	(35) RCW 74.23.110 and 1979 c 141 s 380 & 1969 c 15 s 12;
30	(36) RCW 74.23.120 and 1979 c 141 s 381 & 1969 c 15 s 13; and

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