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**ENGROSSED SUBSTITUTE HOUSE BILL 1197**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** House Committee on Human Services (originally sponsored by Representatives Leonard, Cooke, Riley, Flemming, Valle, Brown, G. Cole, Mielke, Veloria, Wineberry, Dorn, Anderson, J. Kohl, Karahalios, H. Myers, Vance, Ogden, King, Jones, Eide, Johanson, R. Meyers, Cothorn, Roland, Holm, Wolfe, Franklin, Thibaudeau, Springer, Basich, Kremen, Foreman, Kessler, Campbell, Dunshee, Lemmon, Linville and Pruitt)

Read first time 02/26/93.

1       AN ACT Relating to public assistance; reenacting and amending RCW  
2 74.04.005; adding a new section to chapter 74.12 RCW; adding a new  
3 section to chapter 74.04 RCW; adding a new chapter to Title 74 RCW; and  
4 creating new sections.

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

6       NEW SECTION.   **Sec. 1.** The legislature finds that:

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

14       (2) The current public assistance system has strong disincentives  
15 to work;

16       (3) Employment, training, child care, and education services  
17 provided to employable recipients of public assistance are effective  
18 tools in achieving economic self-sufficiency. Support services, such  
19 as child care, that are targeted to the specific needs of the

1 individual offer the best hope of achieving economic self-sufficiency  
2 in a cost-effective manner;

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

10 (5) Many barriers to economic independence are found in federal  
11 statutes and rules, and provide states with limited options for  
12 restructuring existing programs in order to create incentives for  
13 employment over continued dependence.

14 NEW SECTION. **Sec. 2.** The department shall amend the state plan to  
15 eliminate the one hundred hour work rule for recipients of aid to  
16 families with dependent children-employable and seek all necessary  
17 federal approval.

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

20 (1) As part of the orientation and assessment conducted pursuant to  
21 RCW 74.25.020, the department shall determine the most appropriate  
22 living situation for each recipient of aid to families with dependent  
23 children who is receiving those benefits as a head of household and is  
24 under age eighteen. Appropriate living situations may include, but are  
25 not limited to:

- 26 (a) The parent's home;
- 27 (b) The home of a relative;
- 28 (c) A group living situation with adult supervision and guidance;
- 29 (d) Living independently; and
- 30 (e) Payment of the recipient's grant to another as provided in RCW  
31 74.12.250.

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

- 34 (a) Whether the recipient is enrolled in and attending school;
- 35 (b) Whether the recipient is employed;

1 (c) The situation in the home of the recipient's parents, including  
2 but not limited to, whether there is substance abuse or domestic  
3 violence in the home and the adequacy of the dwelling;

4 (d) Whether there is a history of physical, emotional, or sexual  
5 abuse of the recipient by a person living in or frequenting the  
6 recipient's parents' home; and

7 (e) The financial history of the recipient to include timely  
8 payments by the recipient of housing and utility payments, and other  
9 financial obligations. The department shall also determine the need,  
10 if any, for an alternative payee.

11 (3) If, as a result of the assessment, the department becomes aware  
12 of a recipient's need for other services that will help the recipient  
13 complete high school or achieve economic independence, the department  
14 shall make every effort to link the recipient with the services.

15 (4) Failure of the teenage recipient to comply with the  
16 department's determination shall result in termination from the  
17 programs.

18 NEW SECTION. **Sec. 4.** The department shall study the feasibility  
19 of using electronic benefit transfer technology for the food stamp, aid  
20 to families with dependent children, and women, infant, and children  
21 programs. The department shall report to the appropriate standing  
22 committees of the legislature by December 1, 1994.

23 NEW SECTION. **Sec. 5.** The department may replace food stamps with  
24 the cash equivalent for individuals eligible to receive food assistance  
25 upon receipt of all necessary statutory and administrative changes from  
26 congress, the food and nutrition service, and the department of health  
27 and human services.

28 **Sec. 6.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are  
29 each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

17 (ii) Meet one of the following conditions:

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

24 (B) Children residing in the home of a court-appointed legal  
25 guardian who are under the age of eighteen. Eligibility, except the  
26 requirement to live with a relative of specified degree, is based on  
27 the current requirements of the federal aid to families with dependent  
28 children program, and need is based on the current income and resource  
29 requirements of the federal aid to families with dependent children  
30 program. Assistance shall be provided on behalf of the child or  
31 children only;

32 (C) Subject to chapter 165, Laws of 1992, incapacitated from  
33 gainful employment by reason of bodily or mental infirmity that will  
34 likely continue for a minimum of ninety days as determined by the  
35 department((-)); or

36 ((+C)) (D) Persons who are unemployable due to alcohol or drug  
37 addiction are not eligible for general assistance. Persons receiving  
38 general assistance on July 26, 1987, or becoming eligible for such  
39 assistance thereafter, due to an alcohol or drug-related incapacity,

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

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

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

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

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

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

36 (c) General assistance shall be provided only to persons who are  
37 not members of assistance units receiving federal aid assistance,  
38 except as provided in subsection (6)(a)(ii)(A) and (b) of this section,  
39 and will accept available services which can reasonably be expected to

1 enable the person to work or reduce the need for assistance unless  
2 there is good cause to refuse. Failure to accept such services shall  
3 result in termination until the person agrees to cooperate in accepting  
4 such services and subject to the following maximum periods of  
5 ineligibility after reapplication:

6 (i) First failure: One week;

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

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

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

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

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

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

1 month in which the period of six weeks following the birth of the child  
2 falls.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

1 tense shall include the past and future tenses, unless the context  
2 thereof shall clearly indicate to the contrary.

3 NEW SECTION. **Sec. 7.** The department may provide grants to  
4 community action agencies or other local nonprofit organizations to  
5 provide job opportunities and basic skills training program  
6 participants with transitional support services, one-to-one assistance,  
7 and job retention services.

8 NEW SECTION. **Sec. 8.** Services provided under the jobs opportunity  
9 and basic skills training program should contain the following  
10 principles:

11 (1) Families should be involved in planning and service delivery;

12 (2) Caseworkers will act as consultants and focus on building  
13 family strengths;

14 (3) Services should strengthen incentives for self-sufficiency and  
15 economic independence;

16 (4) Administration of the job opportunity and basic skills training  
17 program services should be coordinated with other services to the  
18 family;

19 (5) Services should be regionally, culturally, and ethnically  
20 sensitive; and

21 (6) Services should be locally planned and involve coordinated  
22 delivery at the local level.

23 NEW SECTION. **Sec. 9.** The department of social and health services  
24 shall design a program for implementation involving recipients of aid  
25 to families with dependent children. A goal of this program is to  
26 develop a system that segments the aid to families with dependent  
27 children recipient population and identifies subgroups, matches  
28 services to the needs of the subgroup, and prioritizes available  
29 services. The department shall specify the services to be offered in  
30 each population segment, and not all services shall be available to  
31 each segment. The general focus of the services offered shall be on  
32 job training, work force preparedness, and job retention.

33 The program shall be designed for state-wide implementation on July  
34 1, 1994. Any proposal for implementation may include phasing certain  
35 components over time or geographic area. The department shall submit

1 this program to the legislative task force on welfare reform on October  
2 1, 1993.

3 NEW SECTION. **Sec. 10.** The department of social and health  
4 services shall consider the following in developing the program:

5 (1) An employment incentive program that strengthens the ability of  
6 recipients to reach a level of self-sufficiency. Aid to families with  
7 dependent children grants may be used to supplement a program  
8 participant's wages;

9 (2) Development of a community work program for those persons who  
10 are long-term recipients of aid to families with dependent children;

11 (3) Services that are limited in duration;

12 (4) Segmentation of the recipient population based on factors such  
13 as work experience, education level, age of recipient, wage history,  
14 child support history, and length of time the person has been an aid to  
15 families with dependent children recipient;

16 (5) Matching appropriate services to each segment of the recipient  
17 population. The criteria may include an array of services that targets  
18 high cost, intensive services to the least employable groups and low  
19 cost, less intensive services to the most employable groups;

20 (6) Use of contracts between recipients and the department that set  
21 forth employability/self-sufficiency plans and sanctions for  
22 noncompliance;

23 (7) Training and education services for absent parents that  
24 increase their ability to support their children;

25 (8) The elimination of work disincentives for recipients of aid to  
26 families with dependent children; and

27 (9) Appropriate education and training services designed to promote  
28 economic self-sufficiency.

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

31 In order to receive aid to families with dependent children  
32 benefits, both parents of each child to be covered by the program must  
33 be listed on the application for benefits whenever possible.

34 NEW SECTION. **Sec. 12.** The president of the senate and speaker of  
35 the house of representatives shall appoint a legislative welfare reform  
36 task force. In addition to representatives of the four caucuses, the

1 president and speaker may appoint additional members representing  
2 individuals and organizations with an expressed interest in welfare  
3 reform issues. The legislative task force on welfare reform shall (1)  
4 participate in developing the implementation plan for chapter 74.-- RCW  
5 (sections 2, 4, 5, and 7 through 10 of this act), (2) review the  
6 implementation plan prepared by the department, and (3) develop  
7 legislation for consideration during the 1994 legislative session  
8 implementing the plan.

9       NEW SECTION.   **Sec. 13.** Sections 2, 4, 5, and 7 through 10 of this  
10 act shall constitute a new chapter in Title 74 RCW.

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