S-0558.1			
S-0330.I			

SENATE BILL 5525

State of Washington 53rd Legislature 1993 Regular Session

By Senators Barr, Deccio and Hochstatter

Read first time 02/01/93. Referred to Committee on Health & Human Services.

- 1 AN ACT Relating to eligibility for public assistance of persons who
- 2 voluntarily leave employment; amend RCW 74.08.025; reenacting and
- 3 amending RCW 74.04.005; and adding a new section to chapter 74.04 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 74.04.005 and 1992 c 165 s 1 and 1992 c 136 s 1 are 6 each reenacted and amended to read as follows:
- For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:
- 9 (1) "Public assistance" or "assistance" «Public aid to persons in 10 need thereof for any cause, including services, medical care,
- 11 assistance grants, disbursing orders, work relief, general assistance
- 12 and federal-aid assistance.
- 13 (2) "Department" The department of social and health services.
- 14 (3) "County or local office" «The administrative office for one or 15 more counties or designated service areas.
- 16 (4) "Director" or "secretary" means the secretary of social and 17 health services.
- 18 (5) "Federal-aid assistance"«The specific categories of assistance 19 for which provision is made in any federal law existing or hereafter

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- passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.
 - (6)(a) "General assistance" «Aid to persons in need who:
- 7 (i) Are not eligible to receive federal-aid assistance, other than 8 food stamps and medical assistance; however, an individual who refuses 9 or fails to cooperate in obtaining federal-aid assistance, without good 10 cause, is not eligible for general assistance, nor is a person who 11 voluntarily quit his or her job one month prior to applying for general 12 assistance;
 - (ii) Meet one of the following conditions:

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- (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) Subject to chapter 165, Laws of 1992, incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days as determined by the department.
- 24 (C) Persons who are unemployable due to alcohol or drug addiction 25 are not eligible for general assistance. Persons receiving general 26 assistance on July 26, 1987, or becoming eligible for such assistance 27 thereafter, due to an alcohol or drug-related incapacity, shall be referred to appropriate assessment, treatment, shelter, or supplemental 28 security income referral services as authorized under chapter 74.50 29 30 RCW. Referrals shall be made at the time of application or at the time of eligibility review. Alcoholic and drug addicted clients who are 31 receiving general assistance on July 26, 1987, may remain on general 32 33 assistance if they otherwise retain their eligibility until they are 34 assessed for services under chapter 74.50 RCW. Subsection 35 (6)(a)(ii)(B) of this section shall not be construed to prohibit the department from granting general assistance benefits to alcoholics and 36 37 drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the general 38 39 assistance program;

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- 1 (iii) Are citizens or aliens lawfully admitted for permanent 2 residence or otherwise residing in the United States under color of 3 law; and
- 4 (iv) Have furnished the department their social security account 5 number. If the social security account number cannot be furnished 6 because it has not been issued or is not known, an application for a 7 number shall be made prior to authorization of assistance, and the 8 social security number shall be provided to the department upon 9 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:
- (i) Recipients of supplemental security income whose need, as 14 defined in this section, is not met by such supplemental security 15 income grant because of separation from a spouse; or
- 16 (ii) To the extent authorized by the legislature in the biennial appropriations act, to recipients of aid to families with dependent 17 children whose needs are not being met because of a temporary reduction 18 19 in monthly income below the entitled benefit payment level caused by 20 loss or reduction of wages or unemployment compensation benefits or some other unforeseen circumstances. The amount of general assistance 21 22 authorized shall not exceed the difference between the entitled benefit payment level and the amount of income actually received. 23
 - (c) General assistance shall be provided only to persons who are not members of assistance units receiving federal aid assistance, except as provided in subsection (6)(a)(ii)(A) and (b) of this section, and will accept available services which can reasonably be expected to enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall result in termination until the person agrees to cooperate in accepting such services and subject to the following maximum periods of ineligibility after reapplication:
 - (i) First failure: One week;

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- 34 (ii) Second failure within six months: One month;
- 35 (iii) Third and subsequent failure within one year: Two months.
- (d) Persons found eligible for general assistance based on incapacity from gainful employment may, if otherwise eligible, receive general assistance pending application for federal supplemental security income benefits. Any general assistance that is subsequently

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- duplicated by the person's receipt of supplemental security income for 1 2 the same period shall be considered a debt due the state and shall by operation of law be subject to recovery through all available legal 3 4 remedies.
- 5 (e) The department shall adopt by rule medical criteria for general assistance eligibility to ensure that eligibility decisions are 7 consistent with statutory requirements and are based on clear, 8 objective medical information.

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- 9 (f) The process implementing the medical criteria shall involve 10 consideration of opinions of the treating or consulting physicians or health care professionals regarding incapacity, and any eligibility 11 12 decision which rejects uncontroverted medical opinion must set forth 13 clear and convincing reasons for doing so.
- 14 (g) Recipients of general assistance based upon a finding of 15 incapacity from gainful employment who remain otherwise eligible shall 16 not have their benefits terminated absent a clear showing of material 17 improvement in their medical or mental condition or specific error in the prior determination that found the recipient eligible by reason of 18 19 incapacitation. Recipients of general assistance based upon pregnancy 20 who relinquish their child for adoption, remain otherwise eligible, and are not eligible to receive benefits under the federal aid to families 21 with dependent children program shall not have their benefits 22 terminated until the end of the month in which the period of six weeks 23 24 following the birth of the recipient's child falls. Recipients of the 25 federal aid to families with dependent children program who lose their eligibility solely because of the birth and relinquishment of the 26 27 qualifying child may receive general assistance through the end of the month in which the period of six weeks following the birth of the child 28 29 falls.
- 30 (7) "Applicant" « Any person who has made a request, or on behalf of whom a request has been made, to any county or local office for 31 32 assistance.
- 33 (8) "Recipient" Any person receiving assistance and in addition 34 those dependents whose needs are included in the recipient's 35 assistance.
- (9) "Standards of assistance" «The level of income required by an 36 37 applicant or recipient to maintain a level of living specified by the 38 department.

SB 5525 p. 4 (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 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.

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- (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 reasonable amount of property surrounding and contiguous thereto, which is used by and useful to the applicant. Whenever a recipient shall cease to use such property for residential purposes, either for himself or his dependents, the property shall be considered as a resource which can be made available to meet need, and if the recipient or his dependents absent themselves from the home for a period of ninety consecutive days such absence, unless due to hospitalization or health reasons or a natural disaster, shall raise a rebuttable presumption of abandonment: PROVIDED, That if in the opinion of three physicians the recipient will be unable to return to the home during his lifetime, and the home is not occupied by a spouse or dependent children or disabled sons or daughters, such property shall be considered as a resource 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 shall have their eligibility based on resource limitations consistent with the aid to families with dependent children program rules adopted by the department.
 - (f) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when

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- the income and resources are determined necessary to the applicant's or 1 recipient's restoration to independence, to decrease the need for 2 public assistance, or to aid in rehabilitating the applicant or 3 4 recipient or a dependent of the applicant or recipient; and (ii) the 5 department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section 6 7 to persons who are otherwise ineligible because of excess real property 8 owned by such persons when they are making a good faith effort to 9 dispose of that property: PROVIDED, That:
- 10 (A) The applicant or recipient signs an agreement to repay the 11 lesser of the amount of aid received or the net proceeds of such sale;
- (B) If the owner of the excess property ceases to make good faith efforts to sell the property, the entire amount of assistance may become an overpayment and a debt due the state and may be recovered pursuant to RCW 43.20B.630;
- (C) Applicants and recipients are advised of their right to a fair hearing and afforded the opportunity to challenge a decision that good faith efforts to sell have ceased, prior to assessment of an overpayment under this section; and
- 20 (D) At the time assistance is authorized, the department files a 21 lien without a sum certain on the specific property.
- 22 "Income" (a) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or 23 24 become available for use and enjoyment by an applicant or recipient 25 during the month of application or after applying for or receiving 26 public assistance. The department may by rule and regulation exempt income received by an applicant for or recipient of public assistance 27 which can be used by him to decrease his need for public assistance or 28 29 to aid in rehabilitating him or his dependents, but such exemption 30 shall not, unless otherwise provided in this title, exceed the 31 exemptions of resources granted under this chapter to an applicant for public assistance. In determining the amount of assistance to which an 32 applicant or recipient of aid to families with dependent children is 33 34 entitled, the department is hereby authorized to disregard as a resource or income the earned income exemptions consistent with federal 35 The department may permit the above exemption of 36 requirements. 37 earnings of a child to be retained by such child to cover the cost of special future identifiable needs even though the total exceeds the 38 39 exemptions or resources granted to applicants and recipients of public

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- assistance, but consistent with federal requirements. In formulating rules and regulations pursuant to this chapter, the department shall define income and resources and the availability thereof, consistent with federal requirements. All resources and income not specifically exempted, and any income or other economic benefit derived from the use of, or appreciation in value of, exempt resources, shall be considered in determining the need of an applicant or recipient of public assistance.
- 9 (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.
- 14 (12) "Need" The difference between the applicant's or recipient's 15 standards of assistance for himself and the dependent members of his 16 family, as measured by the standards of the department, and value of 17 all nonexempt resources and nonexempt income received by or available 18 to the applicant or recipient and the dependent members of his family.
- 19 (13) For purposes of determining eligibility for public assistance 20 and participation levels in the cost of medical care, the department 21 shall exempt restitution payments made to people of Japanese and Aleut 22 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian 23 and Pribilof Island Restitution Act passed by congress, P.L. 100-383, 24 including all income and resources derived therefrom.
- (14) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary.
- 30 **Sec. 2.** RCW 74.08.025 and 1981 1st ex.s. c 6 s 9 are each amended 31 to read as follows:
- Public assistance shall be awarded to any applicant:
- 33 (1) Who is in need and otherwise meets the eligibility requirements 34 of department assistance programs; ((and))
- 35 (2) Who has not made a voluntary assignment of property or cash for 36 the purpose of qualifying for an assistance grant; ((and))
- 37 (3) Who did not voluntarily terminate employment within one month 38 prior to applying for public assistance; and

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(4) Who is not an inmate of a public institution except as a 1 patient in a medical institution or except as an inmate in a public 2 institution who could qualify for federal aid assistance: PROVIDED, 3 4 That the assistance paid by the department to recipients in nursing homes, or receiving nursing home care, may cover the cost of clothing 5 and incidentals and general maintenance exclusive of medical care and 6 health services. The department may pay a grant to cover the cost of 7 8 clothing and personal incidentals in public or private medical 9 institutions and institutions for tuberculosis. The department shall 10 allow recipients in nursing homes to retain, in addition to the grant to cover the cost of clothing and incidentals, wages received for work 11 as a part of a training or rehabilitative program designed to prepare 12 13 the recipient for less restrictive placement to the extent permitted under Title XIX of the federal social security act. 14

NEW SECTION. Sec. 3. A new section is added to chapter 74.04 RCW to read as follows:

The secretary shall seek federal waivers as necessary to accomplish the provisions of RCW 74.04.005 (6)(a)(i) and 74.08.025(3).

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