

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2798

Chapter 299, Laws of 1994
CHAPTER NO. CORRECTED
(partial veto)

53rd Legislature
1994 Regular Session

WELFARE SYSTEM REFORM

EFFECTIVE DATE: 6/9/94

Passed by the House March 10, 1994
Yeas 95 Nays 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Passed by the Senate March 9, 1994
Yeas 44 Nays 2

JOEL PRITCHARD

President of the Senate

Approved April 2, 1994, with the
exception of sections 7, 14, 15, 18 and
30, which are vetoed.

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marilyn Showalter, Chief Clerk of
the House of Representatives of the
State of Washington, do hereby certify
that the attached is **ENGROSSED SECOND
SUBSTITUTE HOUSE BILL 2798** as passed
by the House of Representatives and
the Senate on the dates hereon set
forth.

MARILYN SHOWALTER

Chief Clerk

FILED

April 2, 1994 - 2:09 p.m.

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2798

AS AMENDED BY THE SENATE

Passed Legislature - 1994 Regular Session

State of Washington 53rd Legislature 1994 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Sommers, Thibaudeau, Cooke, Peery, Silver, Dorn, R. Meyers, Talcott, Valle, Carlson, Dunshee, Linville, Rust, Ballasiotes, Sehlin, Jacobsen, Foreman, Wolfe, Wineberry, Mastin, G. Fisher, Grant, Campbell, Brough, L. Thomas, B. Thomas, Lisk, McMorris, Chandler, Wood, Schoesler, Sheldon, Rayburn, Kremen, Brumsickle, Holm, Roland, Pruitt, Jones, Flemming, Horn, Kessler, Long, Shin, Moak, Finkbeiner, Quall, Conway, Springer, Tate, Mielke and Johanson)

Read first time 02/08/94.

1 AN ACT Relating to public assistance reform; amending RCW
2 74.25.010, 74.25.020, 26.23.035, 50.63.010, 50.63.020, 50.63.030,
3 50.63.040, 50.63.060, 50.63.090, 74.12.350, and 69.80.900; adding new
4 sections to chapter 74.12 RCW; adding a new section to chapter 70.190
5 RCW; adding a new section to chapter 74.25 RCW; adding a new section to
6 chapter 74.20A RCW; adding new sections to chapter 74.20 RCW; adding a
7 new section to chapter 43.70 RCW; adding a new section to chapter 74.04
8 RCW; adding a new section to chapter 69.80 RCW; adding a new chapter to
9 Title 74 RCW; creating new sections; recodifying RCW 50.63.010,
10 50.63.020, 50.63.030, 50.63.040, 50.63.050, 50.63.060, 50.63.070,
11 50.63.080, and 50.63.090; repealing RCW 74.12.360 and 69.80.030; and
12 providing an effective date.

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

14 NEW SECTION. **Sec. 1.** The legislature finds that lengthy stays on
15 welfare, lack of access to vocational education and training, the
16 inadequate emphasis on employment by the social welfare system, and
17 teen pregnancy are obstacles to achieving economic independence.
18 Therefore, the legislature intends that:

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

4 (2) State institutions take an active role in preventing pregnancy
5 in young teens;

6 (3) Family planning assistance be readily available to welfare
7 recipients;

8 (4) Support enforcement be more effective and the level of
9 responsibility of noncustodial parents be significantly increased; and

10 (5) Job search, job skills training, and vocational education
11 resources are to be used in the most cost-effective manner possible.

12 **PART I. EMPHASIZING WORK AND FAMILY PLANNING IN PUBLIC ASSISTANCE**

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

15 The department shall train financial services and social work staff
16 who provide direct service to recipients of aid to families with
17 dependent children to:

18 (1) Effectively communicate the transitional nature of aid to
19 families with dependent children and the expectation that recipients
20 will enter employment;

21 (2) Actively refer clients to the job opportunities and basic
22 skills program;

23 (3) Provide social services needed to overcome obstacles to
24 employability; and

25 (4) Provide family planning information and assistance, including
26 alternatives to abortion, which shall be conducted in consultation with
27 the department of health.

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

30 At time of application or reassessment under this chapter the
31 department shall offer or contract for family planning information and
32 assistance, including alternatives to abortion, and any other available
33 locally based teen pregnancy prevention programs, to prospective and
34 current recipients of aid to families with dependent children.

35 **PART II. TEEN PREGNANCY PREVENTION**

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

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

31 (2) The legislature also recognizes that aid to families with
32 dependent children recipients must be acknowledged as active
33 participants in self-sufficiency planning under the program. The
34 legislature finds that the department of social and health services
35 should communicate concepts of the importance of work and how
36 performance and effort directly affect future career and educational
37 opportunities and economic well-being, as well as personal empowerment,
38 self-motivation, and self-esteem to program participants. The
39 legislature further recognizes that informed choice is consistent with

1 individual responsibility, and that parents should be given a range of
2 options for available child care while participating in the program.

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

8 (4) The legislature finds that education, including, but not
9 limited to, literacy, high school equivalency, vocational, secondary,
10 and postsecondary, is one of the most important tools an individual
11 needs to achieve full independence, and that this should be an
12 important component of the program.

13 ((+4)) (5) The legislature further finds that the objectives of
14 this program are to assure that aid to families with dependent children
15 recipients gain experience in the labor force and thereby enhance their
16 long-term ability to achieve financial stability and an adequate
17 standard of living at wages that will meet family needs.

18 *Sec. 7. RCW 74.25.020 and 1993 c 312 s 7 are each amended to read
19 as follows:

20 (1) *The department of social and health services is authorized to*
21 *contract with public and private employment and training agencies and*
22 *other public service entities to provide services prescribed or allowed*
23 *under the federal social security act, as amended, to carry out the*
24 *purposes of the jobs training program. In contracting for job*
25 *placement, job search, and other job opportunities and basic skills*
26 *services, the department is encouraged to structure payments to the*
27 *contractor on a performance basis. The department of social and health*
28 *services has sole authority and responsibility to carry out the job*
29 *opportunities and basic skills training program. No contracting entity*
30 *shall have the authority to review, change, or disapprove any*
31 *administrative decision, or otherwise substitute its judgment for that*
32 *of the department of social and health services as to the application*
33 *of policies and rules adopted by the department of social and health*
34 *services. The department shall maximize the federal matching funds*
35 *available for the job opportunities and basic skills program by*
36 *aggressively seeking private and public funds as match for federal*
37 *funds.*

1 (2) To the extent feasible under federal law, the department of
2 social and health services and all entities contracting with it shall
3 ((give first priority of service to individuals volunteering for
4 program participation)) require nonexempt parents to actively
5 participate in the JOBS program, with an emphasis on job readiness
6 activities and vocational education. Social services shall be offered
7 to participants in accordance with federal law. The department shall
8 adopt appropriate sanctions to ensure compliance with the requirement
9 and policies of this chapter.

10 (3) To the extent feasible under federal law, the department of
11 social and health services and all entities contracting with it shall
12 ensure that long-term recipients of aid to families with dependent
13 children or those who are potentially long-term recipients as
14 identified in federal job opportunities and basic skills (JOBS) target
15 populations shall receive first priority for JOBS services. Federal
16 JOBS targets are: (a) Applicants for assistance who have received such
17 aid for thirty-six of the preceding sixty months; (b) recipients who
18 have received assistance for thirty-six of the preceding sixty months;
19 (c) custodial parents under the age of twenty-four who have not
20 completed high school or its equivalent; (d) custodial parents under
21 the age of twenty-four with little or no recent work experience; and
22 (e) members of families in which the youngest child is within two years
23 of being ineligible for assistance because of age.

24 (4) The department shall prioritize JOBS service delivery according
25 to the categories within the existing federal target groups as follows:
26 (a) Custodial parents under the age of twenty-four with little or no
27 recent work experience; (b) custodial parents under the age of twenty-
28 four who have not completed high school or its equivalent may be
29 required to do so; (c) recipients who have received assistance for
30 thirty-six of the preceding sixty months; and (d) at least one parent
31 in an aid to families with dependent children-employable household
32 shall be required to participate in one of the following JOBS
33 components for a minimum of sixteen hours per week: (i) Community work
34 experience; (ii) work experience; (iii) on-the-job training; (iv) work
35 supplementation; (v) those under the age of twenty-four who have not
36 completed high school or its equivalent may be required to do so.

37 (5) The department shall develop a realistic schedule for the
38 phase-in of recipient participation in the JOBS program based on the
39 availability of state, federal, and other relevant funding.

1 (6) All job search, skills training, and postsecondary education
2 shall be oriented towards local labor force needs as determined by the
3 department in consultation with the local private industry council and
4 the employment security department. Education and skills training
5 shall emphasize basic, secondary, and vocational education. Aid to
6 families with dependent children grants shall be provided to
7 individuals attending a four-year college or university only if it can
8 be demonstrated that it provides the fastest and most efficient path to
9 employment for a particular recipient. Aid to families with dependent
10 children recipients are prohibited from undertaking a postsecondary
11 course of study oriented primarily towards liberal arts.

12 (7) Job search assistance, whether provided by the department or an
13 entity contracting with the department, shall include job development
14 services. The services shall be provided by persons responsible for
15 identifying existing and potential job openings and for developing
16 relationships with existing and potential area employers.

17 ~~((3))~~ (8) The department of social and health services shall
18 adopt rules under chapter 34.05 RCW establishing criteria constituting
19 circumstances of good cause for an individual failing or refusing to
20 participate in an assigned program component, or failing or refusing to
21 accept or retain employment. These criteria shall include, but not be
22 limited to, the following circumstances: (a) If the individual is a
23 parent or other relative personally providing care for a child under
24 age ~~((six years, and the employment would require the individual to~~
25 ~~work more than twenty hours per week))~~ three; (b) if child care, or day
26 care for an incapacitated individual living in the same home as a
27 dependent child, is necessary for an individual to participate or
28 continue participation in the program or accept employment, and such
29 care is not available, and the department of social and health services
30 fails to provide such care; (c) the employment would result in the
31 family of the participant experiencing a net loss of cash income; (d)
32 if the individual is engaged in at least fifteen hours per week of
33 unsubsidized employment; or ~~((d))~~ (e) circumstances that are beyond
34 the control of the individual's household, either on a short-term or on
35 an ongoing basis.

36 ~~((4))~~ (9) The department of social and health services shall
37 adopt rules under chapter 34.05 RCW as necessary to effectuate the
38 intent and purpose of this chapter.

39 *Sec. 7 was vetoed, see message at end of chapter.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.25 RCW
2 to read as follows:

3 Recipients of aid to families with dependent children who are not
4 participating in an education or work training program may volunteer to
5 work in a licensed child care facility, or other willing volunteer work
6 site. Licensed child care facilities participating in this effort
7 shall provide care for the recipient's children and provide for the
8 development of positive child care skills.

9 **PART IV. ELIGIBILITY AND BENEFIT PAYMENT REVISIONS**

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

12 The legislature recognizes that long-term recipients of aid to
13 families with dependent children may require a period of several years
14 to attain economic self-sufficiency. To provide incentives for long-
15 term recipients to leave public assistance and accept paid employment,
16 the legislature finds that less punitive and onerous sanctions than
17 those required by the federal government are appropriate. The
18 legislature finds that a ten percent reduction in grants for long-term
19 recipients that may be replaced through earned income is a more
20 positive approach than sanctions required by the federal government for
21 long-term recipients who fail to comply with requirements of the job
22 opportunities and basic skills program. A long-term recipient shall
23 not be subject to two simultaneous sanctions for failure to comply with
24 the participation requirements of the job opportunities and basic
25 skills program and for exceeding the length of stay provisions of this
26 section.

27 (1) After forty-eight monthly benefit payments in a sixty-month
28 period, and after each additional twelve monthly benefit payments, the
29 aid to families with dependent children monthly benefit payment shall
30 be reduced by ten percent of the payment standard, except that after
31 forty-eight monthly payments in a sixty-month period, full monthly
32 benefit payments may be made if:

33 (a) The person is incapacitated or is needed in the home to care
34 for a member of the household who is incapacitated;

35 (b) The person is needed in the home to care for a child who is
36 under three years of age;

37 (c) There are no adults in the assistance unit;

1 (d) The person is cooperating in the development and implementation
2 of an employability plan while receiving aid to families with dependent
3 children and no present full-time, part-time, or unpaid work experience
4 job is offered; or

5 (e) During a month in which a grant reduction would be imposed
6 under this section, the person is participating in an unpaid work
7 experience program.

8 (2) For purposes of determining the amount of the food stamp
9 benefit for recipients subject to benefit reductions provided for in
10 subsection (1) of this section, countable income from the aid to
11 families with dependent children program shall be set at the payment
12 standard.

13 (3) For purposes of determining monthly benefit payments for two-
14 parent aid to families with dependent children households, the length
15 of stay criterion will be applied to the parent with the longer history
16 of public assistance receipt.

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

19 For purposes of determining the amount of monthly benefit payment
20 to recipients of aid to families with dependent children who are
21 subject to benefit reductions due to length of stay, all countable
22 nonexempt earned income shall be subtracted from an amount equal to the
23 payment standard.

24 NEW SECTION. **Sec. 11.** A new section is added to chapter 74.12 RCW
25 to read as follows:

26 The department shall amend the state plan to eliminate the one
27 hundred hour work rule for recipients of aid to families with dependent
28 children-employable.

29 NEW SECTION. **Sec. 12.** A new section is added to chapter 74.12 RCW
30 to read as follows:

31 The revisions to the aid to families with dependent children
32 program and job opportunities and basic skills training program shall
33 be implemented by the department of social and health services on a
34 state-wide basis.

35 **PART V. CHILD SUPPORT**

1 NEW SECTION. **Sec. 13.** The department of social and health
2 services shall make a substantial effort to determine the identity of
3 the noncustodial parent through consistent implementation of RCW
4 70.58.080. By December 1, 1994, the department of social and health
5 services shall report to the fiscal committees of the legislature on
6 the method for validating claims of good cause for refusing to
7 establish paternity, the methods used in other states, and the national
8 average rate of claims of good cause for refusing to establish
9 paternity compared to the Washington state rate of claims of good cause
10 for refusing to establish paternity, the reasons for differences in the
11 rates, and steps that may be taken to reduce these differences.

12 *NEW SECTION. **Sec. 14.** A new section is added to chapter 74.20A
13 RCW to read as follows:

14 (1) *In each case within the jurisdiction of the office of support*
15 *enforcement in which a child support obligation has been established,*
16 *the secretary shall issue a letter, by mail, to the parent responsible*
17 *for payment of the support obligation. The letter shall notify the*
18 *parent that the fact and amount of the child support obligation will be*
19 *reported to consumer reporting agencies, as defined in RCW 19.182.010,*
20 *operating in the state of Washington.*

21 (2) *Within thirty days following the date that a notice described*
22 *in subsection (1) of this section is mailed, the secretary shall report*
23 *the fact and amount of the child support obligation to consumer*
24 *reporting agencies, as defined in RCW 19.182.010, operating in the*
25 *state of Washington. Any modification in the amount of a child support*
26 *obligation for which a report has been made under this section, shall*
27 *be reported to consumer reporting agencies, as defined in RCW*
28 *19.182.010, operating in the state of Washington.*

29 *Sec. 14 was vetoed, see message at end of chapter.

30 *NEW SECTION. **Sec. 15.** A new section is added to chapter 74.20
31 RCW to read as follows:

32 (1) *The office of support enforcement shall contract with private*
33 *collection agencies to pursue collection of arrearages that might*
34 *otherwise consume a disproportionate share of the office's collection*
35 *efforts. Those cases considered to consume a disproportionate share*
36 *of the offices collection efforts shall include those cases owing more*
37 *than fifteen hundred dollars, cases where no payment has been received*

1 *in the last six months towards any debt owed to the department, or*
2 *cases where the last known address was outside of the state of*
3 *Washington. In determining appropriate contract provisions, the*
4 *department shall consult with other state support enforcement agencies*
5 *which have successfully contracted with private collection agencies to*
6 *the extent allowed by federal regulations.*

7 (2) *The department shall solicit proposals and shall select*
8 *collection agencies that have computerized location and asset*
9 *information service capabilities.*

10 (3) *The department shall monitor each case that it refers to a*
11 *collection agency.*

12 (4) *The department shall evaluate the effectiveness of entering*
13 *into contracts for services under this section.*

14 (5) *The department shall report to the fiscal committees of the*
15 *legislature on the results of its analysis under subsections (3) and*
16 *(4) of this section.*

17 **Sec. 15 was vetoed, see message at end of chapter.*

18 NEW SECTION. **Sec. 16.** *A new section is added to chapter 74.20 RCW*
19 *to read as follows:*

20 *The office of support enforcement shall, as a matter of policy, use*
21 *all available remedies for the enforcement of support obligations where*
22 *the obligor is a self-employed individual. The office of support*
23 *enforcement shall not discriminate in favor of certain obligors based*
24 *upon employment status.*

25 NEW SECTION. **Sec. 17.** *The legislature finds that the reliable*
26 *receipt of child support payments by custodial parents is essential to*
27 *maintaining economic self-sufficiency. It is the intent of the*
28 *legislature to ensure that child support payments received by custodial*
29 *parents when such support is owed are retained by those parents*
30 *regardless of future claims made against such payments.*

31 ***Sec. 18.** *RCW 26.23.035 and 1991 c 367 s 38 are each amended to*
32 *read as follows:*

33 (1) *The department of social and health services shall adopt rules*
34 *for the distribution of support money collected by the office of*
35 *support enforcement. These rules shall:*

36 (a) *Comply with 42 U.S.C. Sec. 657;*

1 (b) Direct the office of support enforcement to distribute support
2 money within eight days of receipt, unless one of the following
3 circumstances, or similar circumstances specified in the rules,
4 prevents prompt distribution:

5 (i) The location of the custodial parent is unknown;

6 (ii) The support debt is in litigation;

7 (iii) The office of support enforcement cannot identify the
8 responsible parent or the custodian;

9 (c) Provide for proportionate distribution of support payments if
10 the responsible parent owes a support obligation or a support debt for
11 two or more Title IV-D cases; and

12 (d) Authorize the distribution of support money, except money
13 collected under 42 U.S.C. Sec. 664, to satisfy a support debt owed to
14 the IV-D custodian before the debt owed to the state when the custodian
15 stops receiving a public assistance grant.

16 (2) The office of support enforcement may distribute support
17 payments to the payee under the support order or to another person who
18 has lawful physical custody of the child or custody with the payee's
19 consent. The payee may file an application for an adjudicative
20 proceeding to challenge distribution to such other person. Prior to
21 distributing support payments to any person other than the payee, the
22 registry shall:

23 (a) Obtain a written statement from the child's physical custodian,
24 under penalty of perjury, that the custodian has lawful custody of the
25 child or custody with the payee's consent;

26 (b) Mail to the responsible parent and to the payee at the payee's
27 last known address a copy of the physical custodian's statement and a
28 notice which states that support payments will be sent to the physical
29 custodian; and

30 (c) File a copy of the notice with the clerk of the court that
31 entered the original support order.

32 (3) If the Washington state support registry distributes a support
33 payment to a person in error, the registry may obtain restitution by
34 means of a set-off against future payments received on behalf of the
35 person receiving the erroneous payment, or may act according to RCW
36 74.20A.270 as deemed appropriate. Any set-off against future support
37 payments shall be limited to amounts collected on the support debt and
38 ten percent of amounts collected as current support.

1 (4) If the Washington state support registry distributes a support
2 payment to a payee under a support order or to another person who has
3 lawful physical custody of the child or custody with the payee's
4 consent, and the negotiable instrument received for such payment from
5 the payer under a child support order is returned for nonsufficient
6 funds, the registry shall obtain restitution from the payer under the
7 child support order.

8 (5) If the Washington state support registry distributes funds
9 collected under 42 U.S.C. Sec. 664 to a payee under a support order or
10 to another person who has lawful physical custody of the child or
11 custody with the payee's consent, and another person filing a joint
12 return with the payer owing past due support under a child support
13 order takes appropriate action to secure a share of the refund from
14 which the withholding has been made, the registry shall obtain
15 restitution from the payer under the child support order.

16 *Sec. 18 was vetoed, see message at end of chapter.

17 PART VI. EMPLOYMENT PARTNERSHIP PROGRAM

18 **Sec. 19.** RCW 50.63.010 and 1986 c 172 s 1 are each amended to read
19 as follows:

20 The legislature finds that the restructuring in the Washington
21 economy has created rising public assistance caseloads and declining
22 real wages for Washington workers. There is a profound need to develop
23 partnership programs between the private and public sectors to create
24 new jobs with adequate salaries and promotional opportunities for
25 chronically unemployed and underemployed citizens of the state. Most
26 public assistance recipients want to become financially independent
27 through paid employment. A voluntary program which utilizes public
28 wage subsidies and employer matching salaries has provided a beneficial
29 financial incentive allowing public assistance recipients transition to
30 permanent full-time employment.

31 **Sec. 20.** RCW 50.63.020 and 1986 c 172 s 2 are each amended to read
32 as follows:

33 The employment partnership program is created to develop a series
34 of geographically distributed model projects to provide permanent full-
35 time employment for low-income and unemployed persons. The program
36 shall be ~~((a cooperative effort between the employment security~~

1 ~~department and~~) administered by the department of social and health
2 services. The department shall contract for the program through local
3 public or private nonprofit organizations. The goals of the program
4 are as follows:

5 (1) To reduce inefficiencies in administration and provide model
6 coordination of agencies with responsibilities for employment and human
7 service delivery to unemployed persons;

8 (2) To create voluntary financial incentives to simultaneously
9 reduce unemployment and welfare caseloads; ~~((and))~~

10 (3) To provide other state and federal support services to the
11 client population to enable economic independence;

12 (4) To improve partnerships between the public and private sectors
13 designed to move recipients of public assistance into productive
14 employment; and

15 (5) To provide employers with information on federal targeted jobs
16 tax credit and other state and federal tax incentives for participation
17 in the program.

18 **Sec. 21.** RCW 50.63.030 and 1986 c 172 s 3 are each amended to read
19 as follows:

20 The ~~((commissioner of employment security and the))~~ secretary of
21 the department of social and health services shall establish pilot
22 projects that enable grants to be used as a wage subsidy. The
23 department of social and health services ~~((is designated as the lead~~
24 ~~agency for the purpose of complying))~~ shall comply with applicable
25 federal statutes and regulations ~~((The department)),~~ and shall seek
26 any waivers from the federal government necessary to operate the
27 employment partnership program. The projects shall be available on an
28 individual case-by-case basis or subject to the limitations outlined in
29 RCW 50.63.050 (as recodified by this act) for the start-up or reopening
30 of a plant under worker ownership. The projects shall be subject to
31 the following criteria:

32 (1) It shall be a voluntary program and no person may have any
33 sanction applied for failure to participate.

34 (2) Employment positions established by this chapter shall not be
35 created as the result of, nor result in, any of the following:

36 (a) Displacement of current employees, including overtime currently
37 worked by these employees;

1 (b) The filling of positions that would otherwise be promotional
2 opportunities for current employees;

3 (c) The filling of a position, before compliance with applicable
4 personnel procedures or provisions of collective bargaining agreements;

5 (d) The filling of a position created by termination, layoff, or
6 reduction in workforce;

7 (e) The filling of a work assignment customarily performed by a
8 worker in a job classification within a recognized collective
9 bargaining unit in that specific work site, or the filling of a work
10 assignment in any bargaining unit in which funded positions are vacant
11 or in which regular employees are on layoff;

12 (f) A strike, lockout, or other bona fide labor dispute, or
13 violation of any existing collective bargaining agreement between
14 employees and employers;

15 (g) Decertification of any collective bargaining unit.

16 (3) Wages shall be paid at the usual and customary rate of
17 comparable jobs and may include a training wage if permitted by
18 applicable federal statutes and regulations;

19 (4) A recoupment process shall recover state supplemented wages
20 from an employer when a job does not last six months following the
21 subsidization period for reasons other than the employee voluntarily
22 quitting or being fired for good cause as determined by the
23 (~~commissioner of employment security~~) local employment partnership
24 council under rules prescribed by the (~~commissioner pursuant to~~
25 ~~chapter 50.20 RCW~~) secretary;

26 (5) Job placements shall have promotional opportunities or
27 reasonable opportunities for wage increases;

28 (6) Other necessary support services such as training, day care,
29 medical insurance, and transportation shall be provided to the extent
30 possible;

31 (7) Employers shall provide monetary matching funds of at least
32 fifty percent of total wages;

33 (8) Wages paid to participants shall be a minimum of five dollars
34 an hour; and

35 (9) The projects shall target the (~~hardest to employ~~) populations
36 in the priority and for the purposes set forth in RCW 74.25.020, to the
37 extent that necessary support services are available.

1 **Sec. 22.** RCW 50.63.040 and 1986 c 172 s 4 are each amended to read
2 as follows:

3 An employer, before becoming eligible to fill a position under the
4 employment partnership program, shall certify to the (~~department of~~
5 ~~employment security~~) local employment partnership council that the
6 employment, offer of employment, or work activity complies with the
7 following conditions:

8 (1) The conditions of work are reasonable and not in violation of
9 applicable federal, state, or local safety and health standards;

10 (2) The assignments are not in any way related to political,
11 electoral, or partisan activities;

12 (3) The employer shall provide industrial insurance coverage as
13 required by Title 51 RCW;

14 (4) The employer shall provide unemployment compensation coverage
15 as required by Title 50 RCW;

16 (5) The employment partnership program participants hired following
17 the completion of the program shall be provided benefits equal to those
18 provided to other employees including social security coverage, sick
19 leave, the opportunity to join a collective bargaining unit, and
20 medical benefits.

21 NEW SECTION. **Sec. 23.** A local employment partnership council
22 shall be established in each pilot project area to assist the
23 department of social and health services in the administration of this
24 chapter and to allow local flexibility in dealing with the particular
25 needs of each pilot project area. Each council shall be primarily
26 responsible for recruiting and encouraging participation of employment
27 providers in the project site. Each council shall be composed of nine
28 members who shall be appointed by the county legislative authority of
29 the county in which the pilot project operates. Councilmembers shall
30 be residents of or employers in the pilot project area in which they
31 are appointed and shall serve three-year terms. The council shall have
32 two members who are current or former recipients of the aid to families
33 with dependent children program or food stamp program, two members who
34 represent labor, and five members who represent the local business
35 community. In addition, one person representing the local community
36 service office of the department of social and health services, one
37 person representing a community action agency or other nonprofit

1 service provider, and one person from a local city or county government
2 shall serve as nonvoting members.

3 **Sec. 24.** RCW 50.63.060 and 1986 c 172 s 6 are each amended to read
4 as follows:

5 Participants shall be considered recipients of aid to families with
6 dependent children and remain eligible for medicaid benefits even if
7 the participant does not receive a residual grant. Work
8 supplementation participants shall be eligible for (1) the thirty-
9 dollar plus one-third of earned income exclusion from income, (2) the
10 work related expense disregard, and (3) ~~((the))~~ any applicable child
11 care expense disregard deemed available to recipient of aid in
12 computing his or her grant under this chapter, unless prohibited by
13 federal law.

14 **Sec. 25.** RCW 50.63.090 and 1986 c 172 s 9 are each amended to read
15 as follows:

16 The department of social and health services shall seek any federal
17 funds available for implementation of this chapter, including, but not
18 limited to, funds available under Title IV of the federal social
19 security act (42 U.S.C. Sec. 601 et seq.) for the ~~((work incentive
20 demonstration program, and the employment search program))~~ job
21 opportunities and basic skills program.

22 NEW SECTION. **Sec. 26.** RCW 50.63.010, 50.63.020, 50.63.030,
23 50.63.040, 50.63.050, 50.63.060, 50.63.070, 50.63.080, and 50.63.090
24 are each recodified as a new chapter in Title 74 RCW.

25 NEW SECTION. **Sec. 27.** The department of social and health
26 services shall report to the appropriate committees of the house of
27 representatives and senate on the implementation of this employment
28 partnership program for recipients of aid to families with dependent
29 children by October 1, 1995.

30 NEW SECTION. **Sec. 28.** Section 23 of this act shall be codified in
31 the new chapter created by section 26 of this act.

32 **PART VII. IMMUNIZATION**

1 **Sec. 31.** RCW 74.12.350 and 1979 c 141 s 354 are each amended to
2 read as follows:

3 The department of social and health services is hereby authorized
4 to promulgate rules and regulations in conformity with the provisions
5 of Public Law 87-543 to allow all or any portion of a dependent child's
6 earned or other income to be set aside for the identifiable future
7 needs of the dependent child which will make possible the realization
8 of the child's maximum potential as an independent and useful citizen.

9 The transfer into, or accumulation of, a child's income or
10 resources in an irrevocable trust account is hereby allowed. The
11 amount allowable is four thousand dollars. The department will provide
12 income assistance recipients with clear and simple information on how
13 to set up educational accounts, including how to assure that the
14 accounts comply with federal law by being adequately earmarked for
15 future educational use, and are irrevocable.

16 NEW SECTION. **Sec. 32.** RCW 74.12.360 and 1993 c 312 s 10 are each
17 repealed.

18 NEW SECTION. **Sec. 33.** A new section is added to chapter 74.12 RCW
19 to read as follows:

20 (1) The department shall determine, after consideration of all
21 relevant factors and in consultation with the applicant, the most
22 appropriate living situation for applicants under eighteen years of
23 age, unmarried, and either pregnant or having a dependent child in the
24 applicant's care. Appropriate living situations shall include a place
25 of residence maintained by the applicant's parent, legal guardian, or
26 other adult relative as their own home, or other appropriate supportive
27 living arrangement supervised by an adult where feasible and consistent
28 with federal regulations under 45 C.F.R. chapter II, section 233.107.

29 (2) An applicant under eighteen years of age who is either pregnant
30 or has a dependent child and is not living in a situation described in
31 subsection (1) of this section shall be presumed to be unable to manage
32 adequately the funds paid on behalf of the dependent child and, unless
33 the teenage custodial parent demonstrates otherwise, shall be subject
34 to the protective payee requirements provided for under RCW 74.12.250
35 and 74.08.280.

36 (3) The department shall consider any statements or opinions by
37 either parent of the teen recipient as to an appropriate living

1 situation for the teen, whether in the parental home or other
2 situation. If the parents of the teen head of household applicant for
3 assistance request, they shall be entitled to a hearing in juvenile
4 court regarding the fitness and suitability of their home as the top
5 priority choice for the pregnant or parenting teen applicant for
6 assistance.

7 The parents shall have the opportunity to make a showing, based on
8 the preponderance of the evidence, that the parental home is the most
9 appropriate living situation.

10 (4) In cases in which the head of household is under eighteen years
11 of age, unmarried, unemployed, and requests information on adoption,
12 the department shall, as part of the determination of the appropriate
13 living situation, provide information about adoption including referral
14 to community-based organizations for counseling.

15 NEW SECTION. **Sec. 34.** A new section is added to chapter 74.04 RCW
16 to read as follows:

17 (1) The department shall determine, after consideration of all
18 relevant factors and in consultation with the applicant, the most
19 appropriate living situation for applicants under eighteen years of
20 age, unmarried, and pregnant who are eligible for general assistance as
21 defined in RCW 74.04.005 (6)(a)(ii)(A). Appropriate living situations
22 shall include a place of residence maintained by the applicant's
23 parent, legal guardian, or other adult relative as their own home, or
24 other appropriate supportive living arrangement supervised by an adult
25 where feasible and consistent with federal regulations under 45 C.F.R.
26 chapter II, section 233.107.

27 (2) An applicant under eighteen years of age who is pregnant and is
28 not living in a situation described in subsection (1) of this section
29 shall be presumed to be unable to manage adequately the funds paid on
30 behalf of the dependent child and, unless the teenage custodial parent
31 demonstrates otherwise, shall be subject to the protective payee
32 requirements provided for under RCW 74.12.250 and 74.08.280.

33 (3) The department shall consider any statements or opinions by
34 either parent of the teen recipient as to an appropriate living
35 situation for the teen, whether in the parental home or other
36 situation. If the parents of the teen head of household applicant for
37 assistance request, they shall be entitled to a hearing in juvenile
38 court regarding the fitness and suitability of their home as the top

1 priority choice for the pregnant or parenting teen applicant for
2 assistance.

3 The parents shall have the opportunity to make a showing, based on
4 the preponderance of the evidence, that the parental home is the most
5 appropriate living situation.

6 (4) In cases in which the head of household is under eighteen years
7 of age, unmarried, unemployed, and requests information on adoption,
8 the department shall, as part of the determination of the appropriate
9 living situation, provide information about adoption including referral
10 to community-based organizations for counseling.

11 **PART IX. MISCELLANEOUS**

12 NEW SECTION. **Sec. 35.** A new section is added to chapter 74.12 RCW
13 to read as follows:

14 The department shall actively develop mechanisms for the income
15 assistance program, the medical assistance program, and the community
16 services administration to facilitate the enrollment in the federal
17 supplemental security income program of disabled persons currently part
18 of assistance units receiving aid to families with dependent children
19 benefits.

20 NEW SECTION. **Sec. 36.** A new section is added to chapter 69.80 RCW
21 to read as follows:

22 (1) This section may be cited as the "Good Samaritan Food Donation
23 Act."

24 (2) As used in this section:

25 (a) "Apparently fit grocery product" means a grocery product that
26 meets all quality and labeling standards imposed by federal, state, and
27 local laws and regulations even though the product may not be readily
28 marketable due to appearance, age, freshness, grade, size, surplus, or
29 other conditions.

30 (b) "Apparently wholesome food" means food that meets all quality
31 and labeling standards imposed by federal, state, and local laws and
32 regulations even though the food may not be readily marketable due to
33 appearance, age, freshness, grade, size, surplus, or other conditions.

34 (c) "Donate" means to give without requiring anything of monetary
35 value from the recipient, except that the term shall include giving by
36 a nonprofit organization to another nonprofit organization,

1 notwithstanding that the donor organization has charged a nominal fee
2 to the donee organization, if the ultimate recipient or user is not
3 required to give anything of monetary value.

4 (d) "Food" means a raw, cooked, processed, or prepared edible
5 substance, ice, beverage, or ingredient used or intended for use in
6 whole or in part for human consumption.

7 (e) "Gleaner" means a person who harvests for free distribution to
8 the needy, or for donation to a nonprofit organization for ultimate
9 distribution to the needy, an agricultural crop that has been donated
10 by the owner.

11 (f) "Grocery product" means a nonfood grocery product, including a
12 disposable paper or plastic product, household cleaning product,
13 laundry detergent, cleaning product, or miscellaneous household item.

14 (g) "Gross negligence" means voluntary and conscious conduct by a
15 person with knowledge, at the time of the conduct, that the conduct is
16 likely to be harmful to the health or well-being of another person.

17 (h) "Intentional misconduct" means conduct by a person with
18 knowledge, at the time of the conduct, that the conduct is harmful to
19 the health or well-being of another person.

20 (i) "Nonprofit organization" means an incorporated or
21 unincorporated entity that:

22 (i) Is operating for religious, charitable, or educational
23 purposes; and

24 (ii) Does not provide net earnings to, or operate in any other
25 manner that inures to the benefit of, any officer, employee, or
26 shareholder of the entity.

27 (j) "Person" means an individual, corporation, partnership,
28 organization, association, or governmental entity, including a retail
29 grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer,
30 farmer, and nonprofit food distributor or hospital. In the case of a
31 corporation, partnership, organization, association, or governmental
32 entity, the term includes an officer, director, partner, deacon,
33 trustee, councilmember, or other elected or appointed individual
34 responsible for the governance of the entity.

35 (3) A person or gleaner is not subject to civil or criminal
36 liability arising from the nature, age, packaging, or condition of
37 apparently wholesome food or an apparently fit grocery product that the
38 person or gleaner donates in good faith to a nonprofit organization for
39 ultimate distribution to needy individuals, except that this subsection

1 does not apply to an injury to or death of an ultimate user or
2 recipient of the food or grocery product that results from an act or
3 omission of the donor constituting gross negligence or intentional
4 misconduct.

5 (4) A person who allows the collection or gleaning of donations on
6 property owned or occupied by the person by gleaners, or paid or unpaid
7 representatives of a nonprofit organization, for ultimate distribution
8 to needy individuals is not subject to civil or criminal liability that
9 arises due to the injury or death of the gleaner or representative,
10 except that this subsection does not apply to an injury or death that
11 results from an act or omission of the person constituting gross
12 negligence or intentional misconduct.

13 (5) If some or all of the donated food and grocery products do not
14 meet all quality and labeling standards imposed by federal, state, and
15 local laws and regulations, the person or gleaner who donates the food
16 and grocery products is not subject to civil or criminal liability in
17 accordance with this section if the nonprofit organization that
18 receives the donated food or grocery products:

19 (a) Is informed by the donor of the distressed or defective
20 condition of the donated food or grocery products;

21 (b) Agrees to recondition the donated food or grocery products to
22 comply with all the quality and labeling standards prior to
23 distribution; and

24 (c) Is knowledgeable of the standards to properly recondition the
25 donated food or grocery product.

26 (6) This section may not be construed to create liability.

27 NEW SECTION. **Sec. 37.** RCW 69.80.030 and 1983 c 241 s 3 are each
28 repealed.

29 **Sec. 38.** RCW 69.80.900 and 1983 c 241 s 5 are each amended to read
30 as follows:

31 Nothing in this chapter may be construed to create any liability
32 of, or penalty against a donor or distributing organization except as
33 provided in ((RCW 69.80.030)) section 36 of this act.

34 NEW SECTION. **Sec. 39.** A new section is added to chapter 74.12 RCW
35 to read as follows:

1 By October 1, 1994, the department shall request the governor to
2 seek congressional action on any federal legislation that may be
3 necessary to implement any sections of chapter . . . , Laws of 1994
4 (this act). By October 1, 1994, the department shall request the
5 governor to seek federal agency action on any federal regulation that
6 may require a federal waiver.

7 NEW SECTION. **Sec. 40.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 41.** If any part of this act is found to be in
12 conflict with federal requirements that are a prescribed condition to
13 the allocation of federal funds to the state, the conflicting part of
14 this act is inoperative solely to the extent of the conflict and with
15 respect to the agencies directly affected, and this finding does not
16 affect the operation of the remainder of this act in its application to
17 the agencies concerned. The rules under this act shall meet federal
18 requirements that are a necessary condition to the receipt of federal
19 funds by the state.

20 NEW SECTION. **Sec. 42.** Section 7 of this act shall take effect
21 July 1, 1995.

22 NEW SECTION. **Sec. 43.** Part headings as used in this act
23 constitute no part of the law.

Passed the House March 10, 1994.

Passed the Senate March 9, 1994.

Approved by the Governor April 2, 1994, with the exception of
certain items which were vetoed.

Filed in Office of Secretary of State April 2, 1994.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 7, 14,
3 15, 18, and 30, Engrossed Second Substitute House Bill No. 2798
4 entitled:

5 "AN ACT Relating to public assistance reform;"

6 Engrossed Second Substitute House Bill No. 2798 is a comprehensive
7 plan to reform our welfare system. It directs efforts toward education,
8 job readiness, teen pregnancy, and obstacles to achieving economic

1 independence. Welfare recipients and all the residents of our state
2 will benefit from the reforms established in this bill.

3 This legislation emphasizes the temporary nature of welfare for
4 recipients who are not incapacitated or caring for young children.
5 Sanctions will be gradually implemented for the few adults who are not
6 participating in efforts to become self-sufficient. These changes
7 provide first steps toward future efforts to link the welfare system to
8 the labor market.

9 Section 7 contains language regarding mandates and target groups
10 for self-sufficiency efforts which already exist in federal law and are
11 being implemented in Washington State. For instance, increasing numbers
12 of young parents under age 24 must be working or searching for work.
13 This section, however, prohibits the granting of public assistance to
14 people pursuing a liberal arts education. This conflicts with the need
15 to encourage self-sufficiency. The mandate to sanction parents when a
16 child becomes age three instead of age six, does not take into
17 consideration the benefits of parenting and the stresses on low-income
18 families. For these reasons, I am vetoing section 7.

19 Section 14 requires the Department of Social and Health Services to
20 report the amount of a child support obligation to consumer reporting
21 agencies operating in the state of Washington. The effect of this
22 condition is to require the Support Enforcement Division to report all
23 child support obligations, regardless of delinquency, amount, or
24 request. I believe this section is too broad and that it could impair
25 the ability of parents to obtain credit, even when those parents are
26 current in their child support obligations. Currently, Support
27 Enforcement reports, as required by federal law, only debtors who are
28 at least \$1,000 in arrears on their child support obligation. I believe
29 the department's use of the federally mandated credit bureau reporting
30 program meets the intent of this section without adversely affecting
31 complying parents. For these reasons, I am vetoing section 14.

32 Section 15 requires the Support Enforcement Division to contract
33 with private collection agencies to pursue overdue child support
34 amounts in all cases that might otherwise consume a disproportionate
35 share of the office's collection efforts. Private collection agencies
36 cannot avail themselves of administrative remedies that are available
37 solely to the Support Enforcement Division. Consequently, where the
38 state would be minimizing costs and providing speedy dispute resolution
39 in the administrative forum, private collectors would force more and
40 more cases into an already overburdened court system with accompanying
41 delays and increased costs to all parties involved. Also, private child
42 support collection will not be provided free of charge. The normal fee
43 for this service is approximately 25 percent of the amount collected.
44 This issue needs more analysis of the fiscal impacts to the state and
45 the effect it would have on our court system. For these reasons, I am
46 vetoing section 15.

47 Section 18 directs the Support Enforcement Division to obtain
48 restitution from the payer under a child support order when money is
49 either paid by check that is later dishonored for non-sufficient funds,
50 or when there is an IRS tax refund that must later be refunded to a
51 joint filer under federal law. While section 18 directs the department
52 to seek restitution from the payer, it does not provide a mechanism to
53 ensure these monies are recovered. This section, as written, is
54 ambiguous, will be administratively burdensome to the department, and

1 has unclear fiscal implications. I will ask the department to review
2 its process, consult with other interested parties, and introduce
3 legislation next session to address this issue. For these reasons, I am
4 vetoing section 18.

5 Section 30 requires the Legislative Budget Committee (LBC) to
6 conduct a program performance audit of the Department of Health's
7 Immunization Program and to report its findings to the legislature by
8 no later than October 31, 1994. The Department of Health is directed to
9 allocate \$40,000, or so much as necessary of its general fund-state
10 appropriation, to LBC for this audit. No funding is appropriated for
11 this audit. The Department of Health began internal program and fiscal
12 reviews of their Immunization Program in December, 1993. These reviews
13 will provide consistent and verifiable ways to project and validate
14 inventory needs and costs for current and future biennia. They will
15 also allow us to evaluate and develop programs to increase access for
16 childhood vaccinations. An LBC performance audit would be an
17 unnecessary duplication of these reviews. This section would also set
18 a precedent for funding studies or audits from allocations from one
19 agency to another. For these reasons, I am vetoing section 30.

20 With the exception of sections 7, 14, 15, 18 and 30, Engrossed
21 Second Substitute House Bill No. 2798 is approved."