SENATE BILL 6336

State of Washington 59th Legislature 2006 Regular Session

By Senators Haugen, Prentice, Fairley, Oke, Fraser, Swecker, Shin, Kline, Rockefeller, Eide, Kohl-Welles, Keiser, McAuliffe, Rasmussen, Franklin, Thibaudeau, Jacobsen, Brown and Sheldon

Read first time 01/11/2006. Referred to Committee on Human Services & Corrections.

1 AN ACT Relating to the definition of income for public assistance; 2 amending RCW 74.04.005; and creating a new section.

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

4 Sec. 1. RCW 74.04.005 and 2003 1st sp.s. c 10 s 1 are each amended 5 to read as follows:

For the purposes of this title, unless the context indicatesotherwise, the following definitions shall apply:

8 (1) "Public assistance" or "assistance"--Public aid to persons in 9 need thereof for any cause, including services, medical care, 10 assistance grants, disbursing orders, work relief, general assistance 11 and federal-aid assistance.

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

(3) "County or local office"--The administrative office for one ormore counties or designated service areas.

15 (4) "Director" or "secretary" means the secretary of social and 16 health services.

17 (5) "Federal-aid assistance"--The specific categories of assistance 18 for which provision is made in any federal law existing or hereafter 19 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.

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

6 (i) Are not eligible to receive federal-aid assistance, other than 7 food stamps or food stamp benefits transferred electronically and 8 medical assistance; however, an individual who refuses or fails to 9 cooperate in obtaining federal-aid assistance, without good cause, is 10 not eligible for general assistance;

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(ii) Meet one of the following conditions:

(A) Pregnant: PROVIDED, That need is based on the current income
and resource requirements of the federal temporary assistance for needy
families program; 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.

(C) Persons who are unemployable due to alcohol or drug addiction 19 20 are not eligible for general assistance. Persons receiving general 21 assistance on July 26, 1987, or becoming eligible for such assistance 22 thereafter, due to an alcohol or drug-related incapacity, shall be referred to appropriate assessment, treatment, shelter, or supplemental 23 24 security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time 25 of eligibility review. Alcoholic and drug addicted clients who are 26 27 receiving general assistance on July 26, 1987, may remain on general assistance if they otherwise retain their eligibility until they are 28 for services under chapter 74.50 RCW. 29 assessed Subsection (6)(a)(ii)(B) of this section shall not be construed to prohibit the 30 31 department from granting general assistance benefits to alcoholics and 32 drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the general 33 assistance program; 34

35 (iii) Are citizens or aliens lawfully admitted for permanent 36 residence or otherwise residing in the United States under color of 37 law; and 1 (iv) Have furnished the department their social security account 2 number. If the social security account number cannot be furnished 3 because it has not been issued or is not known, an application for a 4 number shall be made prior to authorization of assistance, and the 5 social security number shall be provided to the department upon 6 receipt.

7 (b) Notwithstanding the provisions of subsection (6)(a)(i), (ii), 8 and (c) of this section, general assistance shall be provided to the 9 following recipients of federal-aid assistance:

10 (i) Recipients of supplemental security income whose need, as 11 defined in this section, is not met by such supplemental security 12 income grant because of separation from a spouse; or

13 (ii) To the extent authorized by the legislature in the biennial 14 appropriations act, to recipients of temporary assistance for needy families whose needs are not being met because of a temporary reduction 15 in monthly income below the entitled benefit payment level caused by 16 17 loss or reduction of wages or unemployment compensation benefits or some other unforeseen circumstances. The amount of general assistance 18 authorized shall not exceed the difference between the entitled benefit 19 payment level and the amount of income actually received. 20

21 (c) General assistance shall be provided only to persons who are 22 not members of assistance units receiving federal aid assistance, except as provided in subsection (6)(a)(ii)(A) and (b) of this section, 23 24 and will accept available services which can reasonably be expected to 25 enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall 26 27 result in termination until the person agrees to cooperate in accepting such services and subject to the following maximum periods 28 of ineligibility after reapplication: 29

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(i) First failure: One week;

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

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(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 duplicated by the person's receipt of supplemental security income for 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 remedies.

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

8 (f) The process implementing the medical criteria shall involve 9 consideration of opinions of the treating or consulting physicians or 10 health care professionals regarding incapacity, and any eligibility 11 decision which rejects uncontroverted medical opinion must set forth 12 clear and convincing reasons for doing so.

13 (g) Recipients of general assistance based upon a finding of 14 incapacity from gainful employment who remain otherwise eligible shall have their benefits discontinued unless the recipient demonstrates no 15 material improvement in their medical or mental condition. 16 The department may discontinue benefits when there was specific error in 17 the prior determination that found the recipient eligible by reason of 18 incapacitation. Recipients of general assistance based upon pregnancy 19 who relinquish their child for adoption, remain otherwise eligible, and 20 21 are not eligible to receive benefits under the federal temporary 22 assistance for needy families program shall not have their benefits 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 temporary assistance for needy families 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 (h) No person may be considered an eligible individual for general31 assistance with respect to any month if during that month the person:

32 (i) Is fleeing to avoid prosecution of, or to avoid custody or 33 confinement for conviction of, a felony, or an attempt to commit a 34 felony, under the laws of the state of Washington or the place from 35 which the person flees; or

36 (ii) Is violating a condition of probation, community supervision, 37 or parole imposed under federal or state law for a felony or gross 38 misdemeanor conviction.

p. 4

1 (7) "Applicant"--Any person who has made a request, or on behalf of 2 whom a request has been made, to any county or local office for 3 assistance.

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

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

10 (10) "Resource"--Any asset, tangible or intangible, owned by or 11 available to the applicant at the time of application, which can be 12 applied toward meeting the applicant's need, either directly or by 13 conversion into money or its equivalent. The department may by rule 14 designate resources that an applicant may retain and not be ineligible 15 for public assistance because of such resources. Exempt resources 16 shall include, but are not limited to:

17 (a) A home that an applicant, recipient, or their dependents is18 living in, including the surrounding property;

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(b) Household furnishings and personal effects;

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

(d) A motor vehicle necessary to transport a physically disabled household member. This exclusion is limited to one vehicle per physically disabled person;

(e) 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. The department shall also allow recipients of temporary assistance for needy families to exempt savings accounts with combined balances of up to an additional three thousand dollars;

32 (f) Applicants for or recipients of general assistance shall have 33 their eligibility based on resource limitations consistent with the 34 temporary assistance for needy families program rules adopted by the 35 department; and

36 (g) If an applicant for or recipient of public assistance possesses 37 property and belongings in excess of the ceiling value, such value 38 shall be used in determining the need of the applicant or recipient,

except that: (i) The department may exempt resources or income when 1 2 the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for 3 public assistance, or to aid in rehabilitating the applicant or 4 5 recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine 6 7 months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property 8 9 owned by such persons when they are making a good faith effort to 10 dispose of that property: PROVIDED, That:

(A) The applicant or recipient signs an agreement to repay the 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

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

(11) "Income"--(a) All appreciable gains in real or personal 23 24 property (cash or kind) or other assets, which are received by or 25 become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving 26 27 public assistance. To the extent permitted under applicable federal requirements, "income" does not include housing assistance or housing 28 vouchers received by military personnel or veterans. The department 29 may by rule and regulation exempt income received by an applicant for 30 or recipient of public assistance which can be used by him or her to 31 32 decrease his or her need for public assistance or to aid in rehabilitating him or her or his or her dependents, but such exemption 33 shall not, unless otherwise provided in this title, exceed the 34 35 exemptions of resources granted under this chapter to an applicant for 36 public assistance. In addition, for cash assistance the department may 37 disregard income pursuant to RCW 74.08A.230 and 74.12.350.

1 (b) If, under applicable federal requirements, the state has the 2 option of considering property in the form of lump sum compensatory 3 awards or related settlements received by an applicant or recipient as 4 income or as a resource, the department shall consider such property to 5 be a resource.

6 (12) "Need"--The difference between the applicant's or recipient's 7 standards of assistance for himself or herself and the dependent 8 members of his or her family, as measured by the standards of the 9 department, and value of all nonexempt resources and nonexempt income 10 received by or available to the applicant or recipient and the 11 dependent members of his or her family.

12 (13) For purposes of determining eligibility for public assistance 13 and participation levels in the cost of medical care, the department 14 shall exempt restitution payments made to people of Japanese and Aleut 15 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian 16 and Pribilof Island Restitution Act passed by congress, P.L. 100-383, 17 including all income and resources derived therefrom.

18 (14) In the construction of words and phrases used in this title, 19 the singular number shall include the plural, the masculine gender 20 shall include both the feminine and neuter genders and the present 21 tense shall include the past and future tenses, unless the context 22 thereof shall clearly indicate to the contrary.

23 <u>NEW SECTION.</u> Sec. 2. If any part of this act is found to be in 24 conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of 25 26 this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not 27 affect the operation of the remainder of this act in its application to 28 the agencies concerned. Rules adopted under this act must meet federal 29 30 requirements that are a necessary condition to the receipt of federal 31 funds by the state.

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