

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2082

Chapter 36, Laws of 2011

62nd Legislature
2011 1st Special Session

ASSISTANCE PROGRAMS AND SERVICES

EFFECTIVE DATE: 06/15/11 - Except section 6, which becomes effective 07/22/11; and section 8, which becomes effective 11/01/11.

Passed by the House May 25, 2011
Yeas 56 Nays 40

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate May 25, 2011
Yeas 43 Nays 2

BRAD OWEN

President of the Senate

Approved June 15, 2011, 2:58 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2082** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

June 15, 2011

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2082

AS AMENDED BY THE SENATE

Passed Legislature - 2011 1st Special Session

State of Washington 62nd Legislature 2011 1st Special Session

By House Ways & Means (originally sponsored by Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney, and Moscoso)

READ FIRST TIME 05/12/11.

1 AN ACT Relating to reforming the disability lifeline program
2 through essential needs and housing support for persons not likely to
3 meet federal supplemental security income disability standards,
4 continued aid and support for other disability lifeline recipients, and
5 modification of the disability lifeline medical care services needed to
6 receive federal funding; amending RCW 74.09.035, 74.04.005, 74.09.510,
7 74.50.055, 70.96A.530, 10.101.010, 26.19.071, 31.04.540, 70.123.110,
8 73.08.005, 74.04.0052, 74.04.225, 74.04.230, 74.04.266, 74.04.620,
9 74.04.652, 74.04.655, 74.04.657, 74.04.770, 74.08.043, 74.08.278,
10 74.08.335, 74.08A.210, 74.08A.440, 74.09.555, and 74.50.060; reenacting
11 and amending RCW 13.34.030; adding new sections to chapter 43.185C RCW;
12 adding a new chapter to Title 74 RCW; creating a new section; repealing
13 RCW 43.330.175, 74.04.120, and 74.04.810; providing effective dates;
14 providing an expiration date; and declaring an emergency.

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

16 NEW SECTION. **Sec. 1. Intent.** (1) The legislature finds that:
17 (a) Persons who have a long-term disability and apply for federal
18 supplemental security income benefits should receive assistance while

1 their application for federal benefits is pending, with repayment from
2 the federal government of state-funded income assistance paid through
3 the aged, blind, or disabled assistance program;

4 (b) Persons who are incapacitated from gainful employment for an
5 extended period, but who may not meet the level of severity of a long-
6 term disability, are at increased risk of homelessness; and

7 (c) Persons who are homeless and suffering from significant medical
8 impairments, mental illness, or chemical dependency face substantial
9 barriers to successful participation in, and completion of, needed
10 medical or behavioral health treatment services. Stable housing
11 increases the likelihood of compliance with and completion of
12 treatment.

13 (2) Through this act, the legislature intends to:

14 (a) Terminate all components of the disability lifeline program
15 created in 2010 and codified in RCW 74.04.005 and create new programs:

16 (i) To provide financial grants through the aged, blind, and disabled
17 assistance program and the pregnant women assistance program; and (ii)
18 to provide services through the essential needs and housing support
19 program; and

20 (b) Increase opportunities to utilize limited public funding,
21 combined with private charitable and volunteer efforts to serve persons
22 who are recipients of the benefits provided by the new programs created
23 under this act.

24 NEW SECTION. **Sec. 2.** Effective October 31, 2011, the disability
25 lifeline program, as defined under chapter 74.04 RCW, is terminated and
26 all benefits provided under that program shall expire and cease to
27 exist.

28 NEW SECTION. **Sec. 3.** (1)(a) Effective November 1, 2011, the aged,
29 blind, or disabled assistance program shall provide financial grants to
30 persons in need who:

31 (i) Are not eligible to receive federal aid assistance, other than
32 basic food benefits transferred electronically and medical assistance;

33 (ii) Meet the eligibility requirements of subsection (3) of this
34 section; and

35 (iii) Are aged, blind, or disabled. For purposes of determining

1 eligibility for assistance for the aged, blind, or disabled assistance
2 program, the following definitions apply:

3 (A) "Aged" means age sixty-five or older.

4 (B) "Blind" means statutorily blind as defined for the purpose of
5 determining eligibility for the federal supplemental security income
6 program.

7 (C) "Disabled" means likely to meet the federal supplemental
8 security income disability standard. In making this determination, the
9 department should give full consideration to the cumulative impact of
10 an applicant's multiple impairments, an applicant's age, and vocational
11 and educational history.

12 In determining whether a person is disabled, the department may
13 rely on the following:

14 (I) A previous disability determination by the social security
15 administration or the disability determination service entity within
16 the department; or

17 (II) A determination that an individual is eligible to receive
18 optional categorically needy medicaid as a disabled person under the
19 federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3) and 210.

20 (b) The following persons are not eligible for the aged, blind, or
21 disabled assistance program:

22 (i) Persons who are not able to engage in gainful employment due
23 primarily to alcohol or drug addiction. These persons shall be
24 referred to appropriate assessment, treatment, shelter, or supplemental
25 security income referral services as authorized under chapter 74.50
26 RCW. Referrals shall be made at the time of application or at the time
27 of eligibility review. This subsection may not be construed to
28 prohibit the department from granting aged, blind, or disabled
29 assistance benefits to alcoholics and drug addicts who are
30 incapacitated due to other physical or mental conditions that meet the
31 eligibility criteria for the aged, blind, or disabled assistance
32 program; or

33 (ii) Persons for whom there has been a final determination of
34 ineligibility for federal supplemental security income benefits.

35 (c) Persons may receive aged, blind, or disabled assistance
36 benefits pending application for federal supplemental security income
37 benefits. The monetary value of any aged, blind, or disabled
38 assistance benefit that is subsequently duplicated by the person's

1 receipt of supplemental security income for the same period shall be
2 considered a debt due the state and shall by operation of law be
3 subject to recovery through all available legal remedies.

4 (2) Effective November 1, 2011, the pregnant women assistance
5 program shall provide financial grants to persons who:

6 (a) Are not eligible to receive federal aid assistance other than
7 basic food benefits or medical assistance; and

8 (b) Are pregnant and in need, based upon the current income and
9 resource standards of the federal temporary assistance for needy
10 families program, but are ineligible for federal temporary assistance
11 for needy families benefits for a reason other than failure to
12 cooperate in program requirements; and

13 (c) Meet the eligibility requirements of subsection (3) of this
14 section.

15 (3) To be eligible for the aged, blind, or disabled assistance
16 program under subsection (1) of this section or the pregnant women
17 assistance program under subsection (2) of this section, a person must:

18 (a) Be a citizen or alien lawfully admitted for permanent residence
19 or otherwise residing in the United States under color of law;

20 (b) Have furnished the department his or her social security
21 number. If the social security number cannot be furnished because it
22 has not been issued or is not known, an application for a number shall
23 be made prior to authorization of benefits, and the social security
24 number shall be provided to the department upon receipt;

25 (c) Have not refused or failed without good cause to participate in
26 drug or alcohol treatment if an assessment by a certified chemical
27 dependency counselor indicates a need for such treatment. Good cause
28 must be found to exist when a person's physical or mental condition, as
29 determined by the department, prevents the person from participating in
30 drug or alcohol dependency treatment, when needed outpatient drug or
31 alcohol treatment is not available to the person in the county of his
32 or her residence or when needed inpatient treatment is not available in
33 a location that is reasonably accessible for the person; and

34 (d) Not have refused or failed to cooperate in obtaining federal
35 aid assistance, without good cause.

36 (4) Effective November 1, 2011, referrals for essential needs and
37 housing support under section 4 of this act shall be provided to
38 persons found eligible for medical care services under RCW 74.09.035

1 who are not recipients of alcohol and addiction services provided under
2 chapter 74.50 RCW or are not recipients of aged, blind, or disabled
3 assistance.

4 (5) No person may be considered an eligible individual for benefits
5 under this section with respect to any month if during that month the
6 person:

7 (a) Is fleeing to avoid prosecution of, or to avoid custody or
8 confinement for conviction of, a felony, or an attempt to commit a
9 felony, under the laws of the state of Washington or the place from
10 which the person flees; or

11 (b) Is violating a condition of probation, community supervision,
12 or parole imposed under federal or state law for a felony or gross
13 misdemeanor conviction.

14 (6) The department must review the cases of all persons, except
15 recipients of alcohol and addiction treatment under chapter 74.50 RCW,
16 or recipients of aged, blind, or disabled assistance, who have received
17 medical care services for twelve consecutive months, and at least
18 annually after the first review, to determine whether they are eligible
19 for the aged, blind, or disabled assistance program.

20 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.185C
21 RCW to read as follows:

22 **Grants to local governments and community-based organizations for**
23 **essential needs and housing support.** (1) The department shall
24 distribute funds for the essential needs and housing support program
25 established under this section in a manner consistent with the
26 requirements of this section and the biennial operating budget. The
27 first distribution of funds must be completed by September 1, 2011.
28 Essential needs or housing support is only for persons found eligible
29 for such services under section 3(4) of this act and is not considered
30 an entitlement.

31 (2) The department shall distribute funds appropriated for the
32 essential needs and housing support program in the form of grants to
33 designated essential needs support and housing support entities within
34 each county. The department shall not distribute any funds until it
35 approves the expenditure plan submitted by the designated essential
36 needs support and housing support entities. The amount of funds to be
37 distributed pursuant to this section shall be designated in the

1 biennial operating budget. For the sole purpose of meeting the initial
2 distribution of funds date, the department may distribute partial funds
3 upon the department's approval of a preliminary expenditure plan. The
4 department shall not distribute the remaining funds until it has
5 approved a final expenditure plan.

6 (3)(a) During the 2011-2013 biennium, in awarding housing support
7 that is not funded through the contingency fund in this subsection, the
8 designated housing support entity shall provide housing support to
9 clients who are homeless persons as defined in RCW 43.185C.010. As
10 provided in the biennial operating budget for the 2011-2013 biennium,
11 a contingency fund shall be used solely for those clients who are at
12 substantial risk of losing stable housing or at substantial risk of
13 losing one of the other services defined in section 7(6) of this act.
14 For purposes of this chapter, "substantial risk" means the client has
15 provided documentation that he or she will lose his or her housing
16 within the next thirty days or that the services will be discontinued
17 within the next thirty days.

18 (b) After July 1, 2013, the designated housing support entity shall
19 give first priority to clients who are homeless persons as defined in
20 RCW 43.185C.010 and second priority to clients who would be at
21 substantial risk of losing stable housing without housing support.

22 (4) For each county, the department shall designate an essential
23 needs support entity and a housing support entity that will begin
24 providing these supports to medical care services program recipients on
25 November 1, 2011. Essential needs and housing support entities are not
26 required to provide assistance to every medical care services recipient
27 that is referred to the local entity or who meets the priority
28 standards in subsection (3) of this section.

29 (a) Each designated entity must be a local government or
30 community-based organization, and may administer the funding for
31 essential needs support, housing support, or both. Designated entities
32 have the authority to subcontract with qualified entities. Upon
33 request, and the approval of the department, two or more counties may
34 combine resources to more effectively deliver services.

35 (b) The department's designation process must include a review of
36 proficiency in managing housing or human services programs when
37 designating housing support entities.

1 (c) Within a county, if the department directly awards separate
2 grants to the designated housing support entity and the designated
3 essential needs support entity, the department shall determine the
4 amount allocated for essential needs support as directed in the
5 biennial operating budget.

6 (5)(a) Essential needs and housing support entities must use funds
7 distributed under this section as flexibly as is practicable to provide
8 essential needs items and housing support to recipients of the
9 essential needs and housing support program, subject to the
10 requirements of this section.

11 (b) Benefits provided under the essential needs and housing support
12 program shall not be provided to recipients in the form of cash
13 assistance.

14 (c) The appropriations by the legislature for the purposes of the
15 essential needs and housing support program established under this
16 section shall be based on forecasted program caseloads. The caseload
17 forecast council shall provide a courtesy forecast of the medical care
18 services recipient population that is homeless or is included in
19 reporting under subsection (7)(c)(iii) of this section. The department
20 may move funds between entities or between counties to reflect actual
21 caseload changes. In doing so, the department must: (i) Develop a
22 process for reviewing the caseload of designated essential needs and
23 housing support entities, and for redistributing grant funds from those
24 entities experiencing reduced actual caseloads to those with increased
25 actual caseloads; and (ii) inform all designated entities of the
26 redistribution process. Savings resulting from program caseload
27 attrition from the essential needs and housing support program shall
28 not result in increased per-client expenditures.

29 (d) Essential needs and housing support entities must partner with
30 other public and private organizations to maximize the beneficial
31 impact of funds distributed under this section, and should attempt to
32 leverage other sources of public and private funds to serve essential
33 needs and housing support recipients. Funds appropriated in the
34 operating budget for essential needs and housing support must be used
35 only to serve persons eligible to receive services under that program.

36 (6) The department shall use no more than five percent of the funds
37 for administration of the essential needs and housing support program.

1 Each essential needs and housing support entity shall use no more than
2 seven percent of the funds for administrative expenses.

3 (7) The department shall:

4 (a) Require housing support entities to enter data into the
5 homeless client management information system;

6 (b) Require essential needs support entities to report on services
7 provided under this section;

8 (c) In collaboration with the department of social and health
9 services, submit a report annually to the relevant policy and fiscal
10 committees of the legislature. A preliminary report shall be submitted
11 by December 31, 2011, and must include (c)(i), (iii), and (v) of this
12 subsection. Annual reports must be submitted beginning December 1,
13 2012, and must include:

14 (i) A description of the actions the department has taken to
15 achieve the objectives of this act;

16 (ii) The amount of funds used by the department to administer the
17 program;

18 (iii) Information on the housing status of essential needs and
19 housing support recipients served by housing support entities, and
20 individuals who have requested housing support but did not receive
21 housing support;

22 (iv) Grantee expenditure data related to administration and
23 services provided under this section; and

24 (v) Efforts made to partner with other entities and leverage
25 sources or public and private funds;

26 (d) Review the data submitted by the designated entities, and make
27 recommendations for program improvements and administrative
28 efficiencies. The department has the authority to designate
29 alternative entities as necessary due to performance or other
30 significant issues. Such change must only be made after consultation
31 with the department of social and health services and the impacted
32 entity.

33 (8) The department, counties, and essential needs and housing
34 support entities are not civilly or criminally liable and may not have
35 any penalty or cause of action of any nature arise against them related
36 to decisions regarding: (a) The provision or lack of provision of
37 housing or essential needs support; or (b) the type of housing
38 arrangement supported with funds allocated under this section, when the

1 decision was made in good faith and in the performance of the powers
2 and duties under this section. However, this section does not prohibit
3 legal actions against the department, county, or essential needs or
4 housing support entity to enforce contractual duties or obligations.

5 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.185C
6 RCW to read as follows:

7 The department, in collaboration with the department of social and
8 health services, shall develop a mechanism through which the department
9 and local governments or community-based organizations can verify a
10 person has been determined eligible and remains eligible for medical
11 care services under RCW 74.09.035 by the department of social and
12 health services.

13 **Sec. 6.** RCW 74.09.035 and 2011 c 284 s 3 are each amended to read
14 as follows:

15 (1) To the extent of available funds, medical care services may be
16 provided to ~~((recipients of disability lifeline benefits, persons
17 denied disability lifeline benefits under RCW 74.04.005(5)(b) or
18 74.04.655 who otherwise meet the requirements of RCW 74.04.005(5)(a),
19 and recipients of alcohol and drug addiction services provided under
20 chapter 74.50 RCW, in accordance with medical eligibility requirements
21 established by the department.))~~:

22 (a) Persons who:

23 (i) Are incapacitated from gainful employment by reason of bodily
24 or mental infirmity that will likely continue for a minimum of ninety
25 days as determined by the department. The standard for incapacity in
26 this subsection, as evidenced by the ninety-day duration standard, is
27 not intended to be as stringent as federal supplemental security income
28 disability standards;

29 (ii) Are citizens or aliens lawfully admitted for permanent
30 residence or otherwise residing in the United States under color of
31 law;

32 (iii) Have furnished the department their social security number.
33 If the social security number cannot be furnished because it has not
34 been issued or is not known, an application for a number shall be made
35 prior to authorization of benefits, and the social security number
36 shall be provided to the department upon receipt;

1 (iv) Have countable income as described in RCW 74.04.005 at or
2 below four hundred twenty-eight dollars for a married couple or at or
3 below three hundred thirty-nine dollars for a single individual; and

4 (v) Do not have countable resources in excess of those described in
5 RCW 74.04.005.

6 (b) Persons eligible for the aged, blind, or disabled assistance
7 program authorized in section 3 of this act and who are not eligible
8 for medicaid under RCW 74.09.510.

9 (c) Persons eligible for alcohol and drug addiction services
10 provided under chapter 74.50 RCW, in accordance with medical
11 eligibility requirements established by the department.

12 (d) The following persons are not eligible for medical care
13 services:

14 (i) Persons who are unemployable due primarily to alcohol or drug
15 addiction, except as provided in (c) of this subsection. These persons
16 shall be referred to appropriate assessment, treatment, shelter, or
17 supplemental security income referral services as authorized under
18 chapter 74.50 RCW. Referrals shall be made at the time of application
19 or at the time of eligibility review. This subsection shall not be
20 construed to prohibit the department from granting medical care
21 services benefits to alcoholics and drug addicts who are incapacitated
22 due to other physical or mental conditions that meet the eligibility
23 criteria for medical care services;

24 (ii) Persons who refuse or fail to cooperate in obtaining federal
25 aid assistance, without good cause;

26 (iii) Persons who refuse or fail without good cause to participate
27 in drug or alcohol treatment if an assessment by a certified chemical
28 dependency counselor indicates a need for such treatment. Good cause
29 must be found to exist when a person's physical or mental condition, as
30 determined by the department, prevents the person from participating in
31 drug or alcohol dependency treatment, when needed outpatient drug or
32 alcohol treatment is not available to the person in the county of his
33 or her residence or when needed inpatient treatment is not available in
34 a location that is reasonably accessible for the person; and

35 (iv) Persons who are fleeing to avoid prosecution of, or to avoid
36 custody or confinement for conviction of, a felony, or an attempt to
37 commit a felony, under the laws of the state of Washington or the place

1 from which the person flees; or who are violating a condition of
2 probation, community supervision, or parole imposed under federal or
3 state law for a felony or gross misdemeanor conviction.

4 (e) For purposes of determining whether a person is incapacitated
5 from gainful employment under (a) of this subsection:

6 (i) The department shall adopt by rule medical criteria for
7 incapacity determinations to ensure that eligibility decisions are
8 consistent with statutory requirements and are based on clear,
9 objective medical information; and

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

15 (f) For purposes of reviewing a person's continuing eligibility and
16 in order to remain eligible for the program, persons who have been
17 found to have an incapacity from gainful employment must demonstrate
18 that there has been no material improvement in their medical or mental
19 health condition. The department may discontinue benefits when there
20 was specific error in the prior determination that found the person
21 eligible by reason of incapacitation.

22 (2) Enrollment in medical care services may not result in
23 expenditures that exceed the amount that has been appropriated in the
24 operating budget. If it appears that continued enrollment will result
25 in expenditures exceeding the appropriated level for a particular
26 fiscal year, the department may freeze new enrollment and establish a
27 waiting list of ((eligible)) persons who may receive benefits only when
28 sufficient funds are available. ~~((Upon implementation of a federal~~
29 ~~medicaid 1115 waiver providing federal matching funds for medical care~~
30 ~~services, persons subject to termination of disability lifeline~~
31 ~~benefits under RCW 74.04.005(5)(h) remain enrolled in medical care~~
32 ~~services and persons subject to denial of disability lifeline benefits~~
33 ~~under RCW 74.04.005(5)(h) remain eligible for medical care services.~~

34 ~~(2))~~ (3) Determination of the amount, scope, and duration of
35 medical care services shall be limited to coverage as defined by the
36 department, except that adult dental, and routine foot care shall not
37 be included unless there is a specific appropriation for these
38 services.

1 ~~((3))~~ (4) The department shall enter into performance-based
2 contracts with one or more managed health care systems for the
3 provision of medical care services ~~((to recipients of disability~~
4 ~~lifeline benefits))~~ under this section. The contract must provide for
5 integrated delivery of medical and mental health services.

6 ~~((4))~~ (5) The department shall establish standards of assistance
7 and resource and income exemptions, which may include deductibles and
8 co- insurance provisions. In addition, the department may include a
9 prohibition against the voluntary assignment of property or cash for
10 the purpose of qualifying for assistance.

11 ~~((5))~~ (6) Residents of skilled nursing homes, intermediate care
12 facilities, and intermediate care facilities for persons with
13 intellectual disabilities, as that term is described by federal law,
14 who are eligible for medical care services shall be provided medical
15 services to the same extent as provided to those persons eligible under
16 the medical assistance program.

17 ~~((6) Eligibility for medical care services shall commence with the~~
18 ~~date of certification for disability lifeline benefits or the date of~~
19 ~~eligibility for alcohol and drug addiction services provided under~~
20 ~~chapter 74.50 RCW.))~~

21 (7) Eligibility for medical care services shall commence with the
22 date of certification for medical care services, date of eligibility
23 for the aged, blind, or disabled assistance program provided under
24 section 3 of this act, or the date of eligibility for alcohol and drug
25 addiction services provided under chapter 74.50 RCW.

26 NEW SECTION. Sec. 7. For the purposes of this chapter, unless the
27 context indicates otherwise, the following definitions shall apply:

28 (1) "Aged, blind, and disabled assistance program" means the
29 program established under section 3 of this act.

30 (2) "Department" means the department of social and health
31 services.

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

34 (4) "Essential needs and housing support program" means the program
35 established under section 4 of this act.

36 (5) "Essential needs support" means personal health and hygiene

1 items, cleaning supplies, other necessary items and transportation
2 passes or tokens provided through an essential needs support entity
3 established under section 4 of this act.

4 (6) "Housing support" means assistance provided by a designated
5 housing support entity established under section 4 of this act to
6 maintain existing housing when the client is at substantial risk of
7 becoming homeless, to obtain housing, or to obtain heat, electricity,
8 natural gas, sewer, garbage, and water services when the client is at
9 substantial risk of losing these services.

10 (7) "Pregnant women assistance program" means the program
11 established under section 3 of this act.

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

17 **Sec. 8.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
18 to read as follows:

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

21 (1) "Public assistance" or "assistance"(~~(—)~~) means public aid to
22 persons in need thereof for any cause, including services, medical
23 care, assistance grants, disbursing orders, work relief, (~~(disability~~
24 ~~lifeline)~~) benefits under sections 3 and 4 of this act, and federal aid
25 assistance.

26 (2) "Department"(~~(—)~~) means the department of social and health
27 services.

28 (3) "County or local office"(~~(—)~~) means the administrative office
29 for one or more counties or designated service areas.

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

32 (5) "~~(Disability lifeline)~~ Essential needs and housing support
33 program" means ~~((a program that provides aid and support in accordance~~
34 ~~with the conditions set out in this subsection.~~

35 ~~(a) Aid and assistance shall be provided to persons who are not~~
36 ~~eligible to receive federal aid assistance, other than basic food~~

1 ~~benefits transferred electronically and medical assistance and meet one~~
2 ~~of the following conditions:~~

3 ~~(i) Are pregnant and in need, based upon the current income and~~
4 ~~resource requirements of the federal temporary assistance for needy~~
5 ~~families program; or~~

6 ~~(ii) Are incapacitated from gainful employment by reason of bodily~~
7 ~~or mental infirmity that will likely continue for a minimum of ninety~~
8 ~~days as determined by the department. The standard for incapacity in~~
9 ~~this subsection, as evidenced by the ninety day duration standard, is~~
10 ~~not intended to be as stringent as federal supplemental security income~~
11 ~~disability standards; and~~

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

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

20 ~~(C) Have not refused or failed without good cause to participate in~~
21 ~~drug or alcohol treatment if an assessment by a certified chemical~~
22 ~~dependency counselor indicates a need for such treatment. Good cause~~
23 ~~must be found to exist when a person's physical or mental condition, as~~
24 ~~determined by the department, prevents the person from participating in~~
25 ~~drug or alcohol dependency treatment, when needed outpatient drug or~~
26 ~~alcohol treatment is not available to the person in the county of his~~
27 ~~or her residence or when needed inpatient treatment is not available in~~
28 ~~a location that is reasonably accessible for the person; and~~

29 ~~(D) Have not refused or failed without good cause to participate in~~
30 ~~vocational rehabilitation services, if an assessment conducted under~~
31 ~~RCW 74.04.655 indicates that the person might benefit from such~~
32 ~~services. Good cause must be found to exist when a person's physical~~
33 ~~or mental condition, as determined by the department, prevents the~~
34 ~~person from participating in vocational rehabilitation services, or~~
35 ~~when vocational rehabilitation services are not available to the person~~
36 ~~in the county of his or her residence.~~

37 ~~(b)(i) Persons who initially apply and are found eligible for~~
38 ~~disability lifeline benefits based upon incapacity from gainful~~

1 ~~employment under (a) of this subsection on or after September 2, 2010,~~
2 ~~who are homeless and have been assessed as needing chemical dependency~~
3 ~~or mental health treatment or both, must agree, as a condition of~~
4 ~~eligibility for the disability lifeline program, to accept a housing~~
5 ~~voucher in lieu of a cash grant if a voucher is available. The~~
6 ~~department shall establish the dollar value of the housing voucher.~~
7 ~~The dollar value of the housing voucher may differ from the value of~~
8 ~~the cash grant. Persons receiving a housing voucher under this~~
9 ~~subsection also shall receive a cash stipend of fifty dollars per~~
10 ~~month.~~

11 ~~(ii) If the department of commerce has determined under RCW~~
12 ~~43.330.175 that sufficient housing is not available, persons described~~
13 ~~in this subsection who apply for disability lifeline benefits during~~
14 ~~the time period that housing is not available shall receive a cash~~
15 ~~grant in lieu of a cash stipend and housing voucher.~~

16 ~~(iii) Persons who refuse to accept a housing voucher under this~~
17 ~~subsection but otherwise meet the eligibility requirements of (a) of~~
18 ~~this subsection are eligible for medical care services benefits under~~
19 ~~RCW 74.09.035, subject to the time limits in (h) of this subsection.~~

20 ~~(c) The following persons are not eligible for the disability~~
21 ~~lifeline program:~~

22 ~~(i) Persons who are unemployable due primarily to alcohol or drug~~
23 ~~addiction. These persons shall be referred to appropriate assessment,~~
24 ~~treatment, shelter, or supplemental security income referral services~~
25 ~~as authorized under chapter 74.50 RCW. Referrals shall be made at the~~
26 ~~time of application or at the time of eligibility review. This~~
27 ~~subsection shall not be construed to prohibit the department from~~
28 ~~granting disability lifeline benefits to alcoholics and drug addicts~~
29 ~~who are incapacitated due to other physical or mental conditions that~~
30 ~~meet the eligibility criteria for the disability lifeline program;~~

31 ~~(ii) Persons who refuse or fail to cooperate in obtaining federal~~
32 ~~aid assistance, without good cause.~~

33 ~~(d) Disability lifeline benefits shall be provided only to persons~~
34 ~~who are not members of assistance units receiving federal aid~~
35 ~~assistance, except as provided in (a) of this subsection, and who will~~
36 ~~accept available services that can reasonably be expected to enable the~~
37 ~~person to work or reduce the need for assistance unless there is good~~
38 ~~cause to refuse. Failure to accept such services shall result in~~

1 ~~termination until the person agrees to cooperate in accepting such~~
2 ~~services and subject to the following maximum periods of ineligibility~~
3 ~~after reapplication:~~

4 ~~(i) First failure: One week;~~

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

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

7 ~~(e) Persons who are likely eligible for federal supplemental~~
8 ~~security income benefits shall be moved into the disability lifeline~~
9 ~~expedited component of the disability lifeline program. Persons placed~~
10 ~~in the expedited component of the program may, if otherwise eligible,~~
11 ~~receive disability lifeline benefits pending application for federal~~
12 ~~supplemental security income benefits. The monetary value of any~~
13 ~~disability lifeline benefit that is subsequently duplicated by the~~
14 ~~person's receipt of supplemental security income for the same period~~
15 ~~shall be considered a debt due the state and shall by operation of law~~
16 ~~be subject to recovery through all available legal remedies.~~

17 ~~(f) For purposes of determining whether a person is incapacitated~~
18 ~~from gainful employment under (a) of this subsection:~~

19 ~~(i) The department shall adopt by rule medical criteria for~~
20 ~~disability lifeline incapacity determinations to ensure that~~
21 ~~eligibility decisions are consistent with statutory requirements and~~
22 ~~are based on clear, objective medical information; and~~

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

28 ~~(g) Persons receiving disability lifeline benefits based upon a~~
29 ~~finding of incapacity from gainful employment who remain otherwise~~
30 ~~eligible shall have their benefits discontinued unless the recipient~~
31 ~~demonstrates no material improvement in their medical or mental health~~
32 ~~condition. The department may discontinue benefits when there was~~
33 ~~specific error in the prior determination that found the person~~
34 ~~eligible by reason of incapacitation.~~

35 ~~(h)(i) Beginning September 1, 2010, no person who is currently~~
36 ~~receiving or becomes eligible for disability lifeline program benefits~~
37 ~~shall be eligible to receive benefits under the program for more than~~
38 ~~twenty four months in a sixty month period. For purposes of this~~

1 subsection, — months — of — receipt — of — general — assistance — unemployable
2 benefits count toward the twenty-four month limit. — Months during which
3 a — person — received — benefits — under — the — expedited — component — of — the
4 disability lifeline or general assistance program or under the aged,
5 blind, — or — disabled — component — of — the — disability — lifeline — or — general
6 assistance program shall not be included when determining whether a
7 person has been receiving benefits for more than twenty-four months.
8 On or before July 1, 2010, the department must review the cases of all
9 persons who have received disability lifeline benefits or general
10 assistance unemployable benefits for at least twenty months as of that
11 date. — On or before September 1, 2010, the department must review the
12 cases of all remaining persons who have received disability lifeline
13 benefits for at least twelve months as of that date. — The review should
14 determine whether the person meets the federal supplemental security
15 income — disability — standard — and, — if — the — person — does — not — meet — that
16 standard, — whether — the — receipt — of — additional — services — could — lead — to
17 employability. — If a need for additional services is identified, the
18 department shall provide case management services, such as assistance
19 with arranging transportation or locating stable housing, — that will
20 facilitate the person's access to needed services. — A person may not be
21 determined ineligible due to exceeding the time limit unless he or she
22 has received a case review under this subsection finding that the
23 person — does — not — meet — the — federal — supplemental — security — income
24 disability standard.

25 (ii) The time limits established under this subsection expire June
26 30, 2013.

27 (i) — No — person — may — be — considered — an — eligible — individual — for
28 disability lifeline benefits with respect to any month if during that
29 month the person:

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

34 (ii) Is violating a condition of probation, community supervision,
35 or parole imposed under federal or state law for a felony or gross
36 misdemeanor conviction)) the program established in section 4 of this
37 act.

1 (6) (~~"Disability-lifeline-expedited" means a component of the~~
2 ~~disability-lifeline program under which persons receiving disability~~
3 ~~lifeline benefits have been determined, after examination by an~~
4 ~~appropriate health care provider, to be likely to be eligible for~~
5 ~~federal supplemental security income benefits based on medical and~~
6 ~~behavioral health evidence that meets the disability standards used for~~
7 ~~the federal supplemental security income program.~~

8 ~~(7))~~ "Aged, blind, or disabled assistance program" means the
9 program established under section 3 of this act.

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

17 (8) "Applicant"((—)) means any person who has made a request, or
18 on behalf of whom a request has been made, to any county or local
19 office for assistance.

20 (9) "Recipient"((—)) means any person receiving assistance and in
21 addition those dependents whose needs are included in the recipient's
22 assistance.

23 (10) "Standards of assistance"((—)) means the level of income
24 required by an applicant or recipient to maintain a level of living
25 specified by the department.

26 (11) "Resource"((—)) means any asset, tangible or intangible,
27 owned by or available to the applicant at the time of application,
28 which can be applied toward meeting the applicant's need, either
29 directly or by conversion into money or its equivalent. The department
30 may by rule designate resources that an applicant may retain and not be
31 ineligible for public assistance because of such resources. Exempt
32 resources shall include, but are not limited to:

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

35 (b) Household furnishings and personal effects;

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

1 (d) A motor vehicle necessary to transport a household member with
2 a physical disability. This exclusion is limited to one vehicle per
3 person with a physical disability;

4 (e) All other resources, including any excess of values exempted,
5 not to exceed one thousand dollars or other limit as set by the
6 department, to be consistent with limitations on resources and
7 exemptions necessary for federal aid assistance. The department shall
8 also allow recipients of temporary assistance for needy families to
9 exempt savings accounts with combined balances of up to an additional
10 three thousand dollars;

11 (f) Applicants for or recipients of ~~((disability—lifeline))~~
12 benefits under sections 3 and 4 of this act shall have their
13 eligibility based on resource limitations consistent with the temporary
14 assistance for needy families program rules adopted by the department;
15 and

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

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

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

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

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

3 (12) "Income"((—)) means:

4 (a) All appreciable gains in real or personal property (cash or
5 kind) or other assets, which are received by or become available for
6 use and enjoyment by an applicant or recipient during the month of
7 application or after applying for or receiving public assistance. The
8 department may by rule and regulation exempt income received by an
9 applicant for or recipient of public assistance which can be used by
10 him or her to decrease his or her need for public assistance or to aid
11 in rehabilitating him or her or his or her dependents, but such
12 exemption shall not, unless otherwise provided in this title, exceed
13 the exemptions of resources granted under this chapter to an applicant
14 for public assistance. In addition, for cash assistance the department
15 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

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

21 (13) "Need"((—)) means the difference between the applicant's or
22 recipient's standards of assistance for himself or herself and the
23 dependent members of his or her family, as measured by the standards of
24 the department, and value of all nonexempt resources and nonexempt
25 income received by or available to the applicant or recipient and the
26 dependent members of his or her family.

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

33 (15) In the construction of words and phrases used in this title,
34 the singular number shall include the plural, the masculine gender
35 shall include both the feminine and neuter genders, and the present
36 tense shall include the past and future tenses, unless the context
37 thereof shall clearly indicate to the contrary.

1 **Sec. 9.** RCW 74.09.510 and 2010 c 94 s 24 are each amended to read
2 as follows:

3 Medical assistance may be provided in accordance with eligibility
4 requirements established by the department, as defined in the social
5 security Title XIX state plan for mandatory categorically needy persons
6 and:

7 (1) Individuals who would be eligible for cash assistance except
8 for their institutional status;

9 (2) Individuals who are under twenty-one years of age, who would be
10 eligible for medicaid, but do not qualify as dependent children and who
11 are in (a) foster care, (b) subsidized adoption, (c) a nursing facility
12 or an intermediate care facility for persons with intellectual
13 disabilities, or (d) inpatient psychiatric facilities;

14 (3) Individuals who:

15 (a) Are under twenty-one years of age;

16 (b) On or after July 22, 2007, were in foster care under the legal
17 responsibility of the department or a federally recognized tribe
18 located within the state; and

19 (c) On their eighteenth birthday, were in foster care under the
20 legal responsibility of the department or a federally recognized tribe
21 located within the state;

22 (4) Persons who are aged, blind, or disabled who: (a) Receive only
23 a state supplement, or (b) would not be eligible for cash assistance if
24 they were not institutionalized;

25 (5) Categorically eligible individuals who meet the income and
26 resource requirements of the cash assistance programs;

27 (6) Individuals who are enrolled in managed health care systems,
28 who have otherwise lost eligibility for medical assistance, but who
29 have not completed a current six-month enrollment in a managed health
30 care system, and who are eligible for federal financial participation
31 under Title XIX of the social security act;

32 (7) Children and pregnant women allowed by federal statute for whom
33 funding is appropriated;

34 (8) Working individuals with disabilities authorized under section
35 1902(a)(10)(A)(ii) of the social security act for whom funding is
36 appropriated;

37 (9) Other individuals eligible for medical services under RCW
38 74.09.035 based on age, blindness, or disability and income and

1 resources standards for medical care services and 74.09.700 for whom
2 federal financial participation is available under Title XIX of the
3 social security act;

4 (10) Persons allowed by section 1931 of the social security act for
5 whom funding is appropriated; and

6 (11) Women who: (a) Are under sixty-five years of age; (b) have
7 been screened for breast and cervical cancer under the national breast
8 and cervical cancer early detection program administered by the
9 department of health or tribal entity and have been identified as
10 needing treatment for breast or cervical cancer; and (c) are not
11 otherwise covered by health insurance. Medical assistance provided
12 under this subsection is limited to the period during which the woman
13 requires treatment for breast or cervical cancer, and is subject to any
14 conditions or limitations specified in the omnibus appropriations act.

15 **Sec. 10.** RCW 74.50.055 and 1989 1st ex.s. c 18 s 4 are each
16 amended to read as follows:

17 (1) A person shall not be eligible for treatment services under
18 this chapter unless he or she:

19 (a) Meets the ~~((financial))~~ income and resource eligibility
20 requirements ~~((contained in RCW 74.04.005))~~ for the medical care
21 services program under RCW 74.09.035(1)(a)(iv) and (v); and

22 (b) Is incapacitated from gainful employment, which incapacity will
23 likely continue for a minimum of sixty days.

24 (2) First priority for receipt of treatment services shall be given
25 to pregnant women and parents of young children.

26 (3) In order to rationally allocate treatment services, the
27 department may establish by rule caseload ceilings and additional
28 eligibility criteria, including the setting of priorities among classes
29 of persons for the receipt of treatment services. Any such rules shall
30 be consistent with any conditions or limitations contained in any
31 appropriations for treatment services.

32 **Sec. 11.** RCW 70.96A.530 and 2010 1st sp.s. c 8 s 10 are each
33 amended to read as follows:

34 If an assessment by a certified chemical dependency counselor
35 indicates a need for drug or alcohol treatment, in order to enable a
36 person receiving ~~((disability lifeline))~~ benefits under sections 3 and

1 4 of this act to improve his or her health status and transition from
2 ~~((disability lifeline))~~ those benefits to employment, or transition to
3 federal disability benefits, the person must be given high priority for
4 enrollment in treatment, within funds appropriated for that treatment.
5 However, first priority for receipt of treatment services must be given
6 to pregnant women and parents of young children. This section expires
7 June 30, 2013. ~~((Persons who are terminated from disability lifeline
8 benefits under RCW 74.04.005(5)(h) and are actively engaged in chemical
9 dependency treatment during the month they are terminated shall be
10 provided the opportunity to complete their current course of
11 treatment.))~~

12 **Sec. 12.** RCW 10.101.010 and 2010 1st sp.s. c 8 s 12 are each
13 amended to read as follows:

14 The following definitions shall be applied in connection with this
15 chapter:

16 (1) "Indigent" means a person who, at any stage of a court
17 proceeding, is:

18 (a) Receiving one of the following types of public assistance:
19 Temporary assistance for needy families, ~~((disability lifeline))~~ aged,
20 blind, or disabled assistance benefits, medical care services under RCW
21 74.09.035, _ pregnant _ women _ assistance benefits, poverty-related
22 veterans' benefits, food stamps or food stamp benefits transferred
23 electronically, refugee resettlement benefits, medicaid, or
24 supplemental security income; or

25 (b) Involuntarily committed to a public mental health facility; or

26 (c) Receiving an annual income, after taxes, of one hundred twenty-
27 five percent or less of the current federally established poverty
28 level; or

29 (d) Unable to pay the anticipated cost of counsel for the matter
30 before the court because his or her available funds are insufficient to
31 pay any amount for the retention of counsel.

32 (2) "Indigent and able to contribute" means a person who, at any
33 stage of a court proceeding, is unable to pay the anticipated cost of
34 counsel for the matter before the court because his or her available
35 funds are less than the anticipated cost of counsel but sufficient for
36 the person to pay a portion of that cost.

1 (3) "Anticipated cost of counsel" means the cost of retaining
2 private counsel for representation on the matter before the court.

3 (4) "Available funds" means liquid assets and disposable net
4 monthly income calculated after provision is made for bail obligations.
5 For the purpose of determining available funds, the following
6 definitions shall apply:

7 (a) "Liquid assets" means cash, savings accounts, bank accounts,
8 stocks, bonds, certificates of deposit, equity in real estate, and
9 equity in motor vehicles. A motor vehicle necessary to maintain
10 employment and having a market value not greater than three thousand
11 dollars shall not be considered a liquid asset.

12 (b) "Income" means salary, wages, interest, dividends, and other
13 earnings which are reportable for federal income tax purposes, and cash
14 payments such as reimbursements received from pensions, annuities,
15 social security, and public assistance programs. It includes any
16 contribution received from any family member or other person who is
17 domiciled in the same residence as the defendant and who is helping to
18 defray the defendant's basic living costs.

19 (c) "Disposable net monthly income" means the income remaining each
20 month after deducting federal, state, or local income taxes, social
21 security taxes, contributory retirement, union dues, and basic living
22 costs.

23 (d) "Basic living costs" means the average monthly amount spent by
24 the defendant for reasonable payments toward living costs, such as
25 shelter, food, utilities, health care, transportation, clothing, loan
26 payments, support payments, and court-imposed obligations.

27 **Sec. 13.** RCW 13.34.030 and 2011 c 330 s 3 and 2011 c 309 s 22 are
28 each reenacted and amended to read as follows:

29 For purposes of this chapter:

30 (1) "Abandoned" means when the child's parent, guardian, or other
31 custodian has expressed, either by statement or conduct, an intent to
32 forego, for an extended period, parental rights or responsibilities
33 despite an ability to exercise such rights and responsibilities. If
34 the court finds that the petitioner has exercised due diligence in
35 attempting to locate the parent, no contact between the child and the
36 child's parent, guardian, or other custodian for a period of three

1 months creates a rebuttable presumption of abandonment, even if there
2 is no expressed intent to abandon.

3 (2) "Child," "juvenile," and "youth" means:

4 (a) Any individual under the age of eighteen years; or

5 (b) Any individual age eighteen to twenty-one years who is eligible
6 to receive and who elects to receive the extended foster care services
7 authorized under RCW 74.13.031. A youth who remains dependent and who
8 receives extended foster care services under RCW 74.13.031 shall not be
9 considered a "child" under any other statute or for any other purpose.

10 (3) "Current placement episode" means the period of time that
11 begins with the most recent date that the child was removed from the
12 home of the parent, guardian, or legal custodian for purposes of
13 placement in out-of-home care and continues until: (a) The child
14 returns home; (b) an adoption decree, a permanent custody order, or
15 guardianship order is entered; or (c) the dependency is dismissed,
16 whichever occurs first.

17 (4) "Department" means the department of social and health
18 services.

19 (5) "Dependency guardian" means the person, nonprofit corporation,
20 or Indian tribe appointed by the court pursuant to this chapter for the
21 limited purpose of assisting the court in the supervision of the
22 dependency.

23 (6) "Dependent child" means any child who:

24 (a) Has been abandoned;

25 (b) Is abused or neglected as defined in chapter 26.44 RCW by a
26 person legally responsible for the care of the child;

27 (c) Has no parent, guardian, or custodian capable of adequately
28 caring for the child, such that the child is in circumstances which
29 constitute a danger of substantial damage to the child's psychological
30 or physical development; or

31 (d) Is receiving extended foster care services, as authorized by
32 RCW 74.13.031.

33 (7) "Developmental disability" means a disability attributable to
34 intellectual disability, cerebral palsy, epilepsy, autism, or another
35 neurological or other condition of an individual found by the secretary
36 to be closely related to an intellectual disability or to require
37 treatment similar to that required for individuals with intellectual
38 disabilities, which disability originates before the individual attains

1 age eighteen, which has continued or can be expected to continue
2 indefinitely, and which constitutes a substantial limitation to the
3 individual.

4 (8) "Guardian" means the person or agency that: (a) Has been
5 appointed as the guardian of a child in a legal proceeding, including
6 a guardian appointed pursuant to chapter 13.36 RCW; and (b) has the
7 legal right to custody of the child pursuant to such appointment. The
8 term "guardian" does not include a "dependency guardian" appointed
9 pursuant to a proceeding under this chapter.

10 (9) "Guardian ad litem" means a person, appointed by the court to
11 represent the best interests of a child in a proceeding under this
12 chapter, or in any matter which may be consolidated with a proceeding
13 under this chapter. A "court-appointed special advocate" appointed by
14 the court to be the guardian ad litem for the child, or to perform
15 substantially the same duties and functions as a guardian ad litem,
16 shall be deemed to be guardian ad litem for all purposes and uses of
17 this chapter.

18 (10) "Guardian ad litem program" means a court-authorized volunteer
19 program, which is or may be established by the superior court of the
20 county in which such proceeding is filed, to manage all aspects of
21 volunteer guardian ad litem representation for children alleged or
22 found to be dependent. Such management shall include but is not
23 limited to: Recruitment, screening, training, supervision, assignment,
24 and discharge of volunteers.

25 (11) "Housing assistance" means appropriate referrals by the
26 department or other supervising agencies to federal, state, local, or
27 private agencies or organizations, assistance with forms, applications,
28 or financial subsidies or other monetary assistance for housing. For
29 purposes of this chapter, "housing assistance" is not a remedial
30 service or time-limited family reunification service as described in
31 RCW 13.34.025(2).

32 (12) "Indigent" means a person who, at any stage of a court
33 proceeding, is:

34 (a) Receiving one of the following types of public assistance:
35 Temporary assistance for needy families, (~~(disability lifeline)~~) aged,
36 blind, or disabled assistance benefits, medical care services under RCW
37 74.09.035, _ pregnant _ women _ assistance benefits, poverty-related

1 veterans' benefits, food stamps or food stamp benefits transferred
2 electronically, refugee resettlement benefits, medicaid, or
3 supplemental security income; or

4 (b) Involuntarily committed to a public mental health facility; or

5 (c) Receiving an annual income, after taxes, of one hundred twenty-
6 five percent or less of the federally established poverty level; or

7 (d) Unable to pay the anticipated cost of counsel for the matter
8 before the court because his or her available funds are insufficient to
9 pay any amount for the retention of counsel.

10 (13) "Out-of-home care" means placement in a foster family home or
11 group care facility licensed pursuant to chapter 74.15 RCW or placement
12 in a home, other than that of the child's parent, guardian, or legal
13 custodian, not required to be licensed pursuant to chapter 74.15 RCW.

14 (14) "Preventive services" means preservation services, as defined
15 in chapter 74.14C RCW, and other reasonably available services,
16 including housing assistance, capable of preventing the need for out-
17 of-home placement while protecting the child.

18 (15) "Shelter care" means temporary physical care in a facility
19 licensed pursuant to RCW 74.15.030 or in a home not required to be
20 licensed pursuant to RCW 74.15.030.

21 (16) "Sibling" means a child's birth brother, birth sister,
22 adoptive brother, adoptive sister, half-brother, or half-sister, or as
23 defined by the law or custom of the Indian child's tribe for an Indian
24 child as defined in (~~section 4 of this act~~) RCW 13.--.-- (section 4,
25 chapter 309, Laws of 2011).

26 (17) "Social study" means a written evaluation of matters relevant
27 to the disposition of the case and shall contain the following
28 information:

29 (a) A statement of the specific harm or harms to the child that
30 intervention is designed to alleviate;

31 (b) A description of the specific services and activities, for both
32 the parents and child, that are needed in order to prevent serious harm
33 to the child; the reasons why such services and activities are likely
34 to be useful; the availability of any proposed services; and the
35 agency's overall plan for ensuring that the services will be delivered.
36 The description shall identify the services chosen and approved by the
37 parent;

1 (c) If removal is recommended, a full description of the reasons
2 why the child cannot be protected adequately in the home, including a
3 description of any previous efforts to work with the parents and the
4 child in the home; the in-home treatment programs that have been
5 considered and rejected; the preventive services, including housing
6 assistance, that have been offered or provided and have failed to
7 prevent the need for out-of-home placement, unless the health, safety,
8 and welfare of the child cannot be protected adequately in the home;
9 and the parents' attitude toward placement of the child;

10 (d) A statement of the likely harms the child will suffer as a
11 result of removal;

12 (e) A description of the steps that will be taken to minimize the
13 harm to the child that may result if separation occurs including an
14 assessment of the child's relationship and emotional bond with any
15 siblings, and the agency's plan to provide ongoing contact between the
16 child and the child's siblings if appropriate; and

17 (f) Behavior that will be expected before determination that
18 supervision of the family or placement is no longer necessary.

19 (18) "Supervising agency" means an agency licensed by the state
20 under RCW 74.15.090, or licensed by a federally recognized Indian tribe
21 located in this state under RCW 74.15.190, that has entered into a
22 performance-based contract with the department to provide case
23 management for the delivery and documentation of child welfare services
24 as defined in RCW 74.13.020.

25 (19) "Extended foster care services" means residential and other
26 support services the department is authorized to provide under RCW
27 74.13.031.

28 **Sec. 14.** RCW 26.19.071 and 2010 1st sp.s. c 8 s 14 are each
29 amended to read as follows:

30 (1) **Consideration of all income.** All income and resources of each
31 parent's household shall be disclosed and considered by the court when
32 the court determines the child support obligation of each parent. Only
33 the income of the parents of the children whose support is at issue
34 shall be calculated for purposes of calculating the basic support
35 obligation. Income and resources of any other person shall not be
36 included in calculating the basic support obligation.

1 (2) **Verification of income.** Tax returns for the preceding two
2 years and current paystubs shall be provided to verify income and
3 deductions. Other sufficient verification shall be required for income
4 and deductions which do not appear on tax returns or paystubs.

5 (3) **Income sources included in gross monthly income.** Except as
6 specifically excluded in subsection (4) of this section, monthly gross
7 income shall include income from any source, including:

- 8 (a) Salaries;
- 9 (b) Wages;
- 10 (c) Commissions;
- 11 (d) Deferred compensation;
- 12 (e) Overtime, except as excluded for income in subsection
13 (4)((~~h~~)) (i) of this section;
- 14 (f) Contract-related benefits;
- 15 (g) Income from second jobs, except as excluded for income in
16 subsection (4)((~~h~~)) (i) of this section;
- 17 (h) Dividends;
- 18 (i) Interest;
- 19 (j) Trust income;
- 20 (k) Severance pay;
- 21 (l) Annuities;
- 22 (m) Capital gains;
- 23 (n) Pension retirement benefits;
- 24 (o) Workers' compensation;
- 25 (p) Unemployment benefits;
- 26 (q) Maintenance actually received;
- 27 (r) Bonuses;
- 28 (s) Social security benefits;
- 29 (t) Disability insurance benefits; and
- 30 (u) Income from self-employment, rent, royalties, contracts,
31 proprietorship of a business, or joint ownership of a partnership or
32 closely held corporation.

33 (4) **Income sources excluded from gross monthly income.** The
34 following income and resources shall be disclosed but shall not be
35 included in gross income:

- 36 (a) Income of a new spouse or new domestic partner or income of
37 other adults in the household;
- 38 (b) Child support received from other relationships;

- 1 (c) Gifts and prizes;
- 2 (d) Temporary assistance for needy families;
- 3 (e) Supplemental security income;
- 4 (f) (~~(Disability-lifeline)~~) Aged, blind, or disabled assistance
- 5 benefits;

- 6 (g) Pregnant women assistance benefits;
- 7 (h) Food stamps; and
- 8 (~~(h)~~) (i) Overtime or income from second jobs beyond forty hours
- 9 per week averaged over a twelve-month period worked to provide for a
- 10 current family's needs, to retire past relationship debts, or to retire
- 11 child support debt, when the court finds the income will cease when the
- 12 party has paid off his or her debts.

13 Receipt of income and resources from temporary assistance for needy
14 families, supplemental security income, (~~(disability-lifeline)~~) aged,
15 blind, or disabled assistance benefits, and food stamps shall not be a
16 reason to deviate from the standard calculation.

17 (5) **Determination of net income.** The following expenses shall be
18 disclosed and deducted from gross monthly income to calculate net
19 monthly income:

- 20 (a) Federal and state income taxes;
- 21 (b) Federal insurance contributions act deductions;
- 22 (c) Mandatory pension plan payments;
- 23 (d) Mandatory union or professional dues;
- 24 (e) State industrial insurance premiums;
- 25 (f) Court-ordered maintenance to the extent actually paid;
- 26 (g) Up to five thousand dollars per year in voluntary retirement
- 27 contributions actually made if the contributions show a pattern of
- 28 contributions during the one-year period preceding the action
- 29 establishing the child support order unless there is a determination
- 30 that the contributions were made for the purpose of reducing child
- 31 support; and
- 32 (h) Normal business expenses and self-employment taxes for self-
- 33 employed persons. Justification shall be required for any business
- 34 expense deduction about which there is disagreement.

35 Items deducted from gross income under this subsection shall not be
36 a reason to deviate from the standard calculation.

37 (6) **Imputation of income.** The court shall impute income to a
38 parent when the parent is voluntarily unemployed or voluntarily

1 underemployed. The court shall determine whether the parent is
2 voluntarily underemployed or voluntarily unemployed based upon that
3 parent's work history, education, health, and age, or any other
4 relevant factors. A court shall not impute income to a parent who is
5 gainfully employed on a full-time basis, unless the court finds that
6 the parent is voluntarily underemployed and finds that the parent is
7 purposely underemployed to reduce the parent's child support
8 obligation. Income shall not be imputed for an unemployable parent.
9 Income shall not be imputed to a parent to the extent the parent is
10 unemployed or significantly underemployed due to the parent's efforts
11 to comply with court-ordered reunification efforts under chapter 13.34
12 RCW or under a voluntary placement agreement with an agency supervising
13 the child. In the absence of records of a parent's actual earnings,
14 the court shall impute a parent's income in the following order of
15 priority:

- 16 (a) Full-time earnings at the current rate of pay;
- 17 (b) Full-time earnings at the historical rate of pay based on
18 reliable information, such as employment security department data;
- 19 (c) Full-time earnings at a past rate of pay where information is
20 incomplete or sporadic;
- 21 (d) Full-time earnings at minimum wage in the jurisdiction where
22 the parent resides if the parent has a recent history of minimum wage
23 earnings, is recently coming off public assistance, (~~disability~~
24 ~~lifeline~~) aged, blind, or disabled assistance benefits, pregnant women
25 assistance benefits, essential needs and housing support, supplemental
26 security income, or disability, has recently been released from
27 incarceration, or is a high school student;
- 28 (e) Median net monthly income of year-round full-time workers as
29 derived from the United States bureau of census, current population
30 reports, or such replacement report as published by the bureau of
31 census.

32 **Sec. 15.** RCW 31.04.540 and 2010 1st sp.s. c 8 s 15 are each
33 amended to read as follows:

34 (1) To the extent that implementation of this section does not
35 conflict with federal law resulting in the loss of federal funding,
36 proprietary reverse mortgage loan advances made to a borrower must be

1 treated as proceeds from a loan and not as income for the purpose of
2 determining eligibility and benefits under means-tested programs of aid
3 to individuals.

4 (2) Undisbursed reverse mortgage funds must be treated as equity in
5 the borrower's home and not as proceeds from a loan, resources, or
6 assets for the purpose of determining eligibility and benefits under
7 means-tested programs of aid to individuals.

8 (3) This section applies to any law or program relating to
9 payments, allowances, benefits, or services provided on a means-tested
10 basis by this state including, but not limited to, optional state
11 supplements to the federal supplemental security income program, low-
12 income energy assistance, property tax relief, (~~disability lifeline~~
13 ~~benefits~~) aged, blind, or disabled assistance benefits, pregnant women
14 assistance benefits, essential needs and housing support, and medical
15 assistance only to the extent this section does not conflict with Title
16 19 of the federal social security act.

17 **Sec. 16.** RCW 70.123.110 and 2010 1st sp.s. c 8 s 16 are each
18 amended to read as follows:

19 (~~Disability—lifeline~~) Aged, __blind,__or__disabled__assistance
20 benefits, essential needs and housing support benefits, pregnant women
21 assistance benefits, or temporary assistance for needy families
22 payments shall be made to otherwise eligible individuals who are
23 residing in a secure shelter, a housing network or other shelter
24 facility which provides shelter services to persons who are victims of
25 domestic violence. Provisions shall be made by the department for the
26 confidentiality of the shelter addresses where victims are residing.

27 **Sec. 17.** RCW 73.08.005 and 2010 1st sp.s. c 8 s 17 are each
28 amended to read as follows:

29 The definitions in this section apply throughout this chapter
30 unless the context clearly requires otherwise.

31 (1) "Direct costs" includes those allowable costs that can be
32 readily assigned to the statutory objectives of this chapter,
33 consistent with the cost principles promulgated by the federal office
34 of management and budget in circular No. A-87, dated May 10, 2004.

35 (2) "Family" means the spouse or domestic partner, surviving

1 spouse, surviving domestic partner, and dependent children of a living
2 or deceased veteran.

3 (3) "Indigent" means a person who is defined as such by the county
4 legislative authority using one or more of the following definitions:

5 (a) Receiving one of the following types of public assistance:
6 Temporary assistance for needy families, (~~(disability lifeline)~~) aged,
7 blind, or disabled assistance benefits, pregnant women assistance
8 benefits, poverty-related veterans' benefits, food stamps or food stamp
9 benefits transferred electronically, refugee resettlement benefits,
10 medicaid, medical care services, or supplemental security income;

11 (b) Receiving an annual income, after taxes, of up to one hundred
12 fifty percent or less of the current federally established poverty
13 level, or receiving an annual income not exceeding a higher qualifying
14 income established by the county legislative authority; or

15 (c) Unable to pay reasonable costs for shelter, food, utilities,
16 and transportation because his or her available funds are insufficient.

17 (4) "Indirect costs" includes those allowable costs that are
18 generally associated with carrying out the statutory objectives of this
19 chapter, but the identification and tracking of those costs cannot be
20 readily assigned to a specific statutory objective without an
21 accounting effort that is disproportionate to the benefit received. A
22 county legislative authority may allocate allowable indirect costs to
23 its veterans' assistance fund if it is accomplished in a manner
24 consistent with the cost principles promulgated by the federal office
25 of management and budget in circular No. A-87, dated May 10, 2004.

26 (5) "Veteran" has the same meaning as defined in RCW 41.04.005 and
27 41.04.007, and includes a current member of the national guard or armed
28 forces reserves who has been deployed to serve in an armed conflict.

29 (6) "Veterans' advisory board" means a board established by a
30 county legislative authority under the authority of RCW 73.08.035.

31 (7) "Veterans' assistance fund" means an account in the custody of
32 the county auditor, or the chief financial officer in a county
33 operating under a charter, that is funded by taxes levied under the
34 authority of RCW 73.08.080.

35 (8) "Veterans' assistance program" means a program approved by the
36 county legislative authority under the authority of RCW 73.08.010 that
37 is fully or partially funded by the veterans' assistance fund
38 authorized by RCW 73.08.080.

1 **Sec. 18.** RCW 74.04.0052 and 2010 1st sp.s. c 8 s 18 are each
2 amended to read as follows:

3 (1) The department shall determine, after consideration of all
4 relevant factors and in consultation with the applicant, the most
5 appropriate living situation for applicants under eighteen years of
6 age, unmarried, and pregnant who are eligible for ~~((disability~~
7 ~~lifeline))~~ benefits under sections 3 and 4 of this act. An appropriate
8 living situation shall include a place of residence that is maintained
9 by the applicant's parents, parent, legal guardian, or other adult
10 relative as their or his or her own home and that the department finds
11 would provide an appropriate supportive living arrangement. It also
12 includes a living situation maintained by an agency that is licensed
13 under chapter 74.15 RCW that the department finds would provide an
14 appropriate supportive living arrangement. Grant assistance shall not
15 be provided under this chapter if the applicant does not reside in the
16 most appropriate living situation, as determined by the department.

17 (2) A pregnant minor residing in the most appropriate living
18 situation, as provided under subsection (1) of this section, is
19 presumed to be unable to manage adequately the funds paid to the minor
20 or on behalf of the dependent child or children and, unless the minor
21 provides sufficient evidence to rebut the presumption, shall be subject
22 to the protective payee requirements provided for under RCW 74.12.250
23 and 74.08.280.

24 (3) The department shall consider any statements or opinions by
25 either parent of the unmarried minor parent or pregnant minor applicant
26 as to an appropriate living situation for the minor, whether in the
27 parental home or other situation. If the parents or a parent of the
28 minor request, they or he or she shall be entitled to a hearing in
29 juvenile court regarding designation of the parental home or other
30 relative placement as the most appropriate living situation for the
31 pregnant or parenting minor.

32 The department shall provide the parents or parent with the
33 opportunity to make a showing that the parental home, or home of the
34 other relative placement, is the most appropriate living situation. It
35 shall be presumed in any administrative or judicial proceeding
36 conducted under this subsection that the parental home or other
37 relative placement requested by the parents or parent is the most
38 appropriate living situation. This presumption is rebuttable.

1 (4) In cases in which the minor is unmarried and unemployed, the
2 department shall, as part of the determination of the appropriate
3 living situation, provide information about adoption including referral
4 to community-based organizations providing counseling.

5 (5) For the purposes of this section, "most appropriate living
6 situation" shall not include a living situation including an adult male
7 who fathered the qualifying child and is found to meet the elements of
8 rape of a child as set forth in RCW 9A.44.079.

9 **Sec. 19.** RCW 74.04.225 and 2010 1st sp.s. c 8 s 2 are each amended
10 to read as follows:

11 (1) An online opportunity portal shall be established to provide
12 the public with more effective access to available state, federal, and
13 local services. The secretary of the department of social and health
14 services shall act as the executive branch sponsor of the portal
15 planning process. Under the leadership of the secretary, the
16 department shall:

17 (a) Identify and select an appropriate solution and acquisition
18 approach to integrate technology systems to create a user-friendly
19 electronic tool for Washington residents to apply for benefits;

20 (b) Facilitate the adaptation of state information technology
21 systems to allow applications generated through the opportunity portal
22 and other compatible electronic application systems to seamlessly link
23 to appropriate state information systems;

24 (c) Ensure that the portal provides access to a broad array of
25 state, federal, and local services, including but not limited to:
26 Health care services, higher education financial aid, tax credits,
27 civic engagement, nutrition assistance, energy assistance, family
28 support, and ~~((disability—lifeline—benefits))~~ the programs under
29 sections 3 and 4 of this act and as defined in RCW 10.101.010,
30 13.34.030, ~~((43.330.175,))~~ 70.96A.530, 74.04.005, 74.04.652, 74.04.655,
31 74.04.657, and ~~((74.04.810))~~ sections 1 through 3 and 7 of this act;

32 (d) Design an implementation strategy for the portal that maximizes
33 collaboration with community-based organizations to facilitate its use
34 by low-income individuals and families;

35 (e) Provide access to the portal at a wide array of locations
36 including but not limited to: Community or technical colleges,
37 community college campuses where community service offices are

1 colocated, community-based organizations, libraries, churches, food
2 banks, state agencies, early childhood education sites, and labor
3 unions;

4 (f) Ensure project resources maximize available federal and private
5 funds for development and initial operation of the opportunity portal.
6 Any incidental costs to state agencies shall be derived from existing
7 resources. This subsection does not obligate or preclude the
8 appropriation of future state funding for the opportunity portal;

9 (g) Determine the solution and acquisition approach by June 1,
10 2010.

11 (2) By December 1, 2011, and annually thereafter, the department of
12 social and health services shall report to the legislature and
13 governor. The report shall include data and information on
14 implementation and outcomes of the opportunity portal, including any
15 increases in the use of public benefits and increases in federal
16 funding.

17 (3) The department shall develop a plan for implementing paperless
18 application processes for the services included in the opportunity
19 portal for which the electronic exchange of application information is
20 possible. The plan should include a goal of achieving, to the extent
21 possible, the transition of these services to paperless application
22 processes by July 1, 2012. The plan must comply with federal statutes
23 and regulations and must allow applicants to submit applications by
24 alternative means to ensure that access to benefits will not be
25 restricted.

26 (4) To the extent that the department enters into a contractual
27 relationship to accomplish the purposes of this section, such contract
28 or contracts shall be performance-based.

29 **Sec. 20.** RCW 74.04.230 and 2010 1st sp.s. c 8 s 20 are each
30 amended to read as follows:

31 Persons eligible for (~~(disability lifeline))~~ medical care services
32 benefits are eligible for mental health services to the extent that
33 they meet the client definitions and priorities established by chapter
34 71.24 RCW.

35 **Sec. 21.** RCW 74.04.266 and 2010 1st sp.s. c 8 s 21 are each
36 amended to read as follows:

1 In determining need for (~~disability-lifeline-benefits~~) aged,
2 blind, or disabled assistance, and medical care services, the
3 department may by rule and regulation establish a monthly earned income
4 exemption in an amount not to exceed the exemption allowable under
5 disability programs authorized in Title XVI of the federal social
6 security act.

7 **Sec. 22.** RCW 74.04.620 and 2010 1st sp.s. c 8 s 22 are each
8 amended to read as follows:

9 (1) The department is authorized to establish a program of state
10 supplementation to the national program of supplemental security income
11 consistent with Public Law 92-603 and Public Law 93-66 to those persons
12 who are in need thereof in accordance with eligibility requirements
13 established by the department.

14 (2) The department is authorized to establish reasonable standards
15 of assistance and resource and income exemptions specifically for such
16 program of state supplementation which shall be consistent with the
17 provisions of the Social Security Act.

18 (3) The department is authorized to make payments to applicants for
19 supplemental security income, pursuant to agreements as provided in
20 Public Law 93-368, who are otherwise eligible for (~~disability-lifeline~~
21 ~~benefits~~) aged, blind, or disabled assistance.

22 (4) Any agreement between the department and a supplemental
23 security income applicant providing for the reimbursement of interim
24 assistance to the department shall provide, if the applicant has been
25 represented by an attorney, that twenty-five percent of the
26 reimbursement received shall be withheld by the department and all or
27 such portion thereof as has been approved as a fee by the United States
28 department of health and human services shall be released directly to
29 the applicant's attorney. The secretary may maintain such records as
30 are deemed appropriate to measure the cost and effectiveness of such
31 agreements and may make recommendations concerning the continued use of
32 such agreements to the legislature.

33 **Sec. 23.** RCW 74.04.652 and 2010 1st sp.s. c 8 s 7 are each amended
34 to read as follows:

35 (1) To ensure that persons who are likely eligible for supplemental
36 security income benefits are transitioned from (~~disability-lifeline~~

1 ~~benefits to disability lifeline expedited~~) the medical care services
2 program to the aged, blind, or disabled assistance program, and the
3 medicaid program, and then to the supplemental security income program
4 as quickly as practicable, the department shall implement the early
5 supplemental security income transition project starting in King,
6 Pierce, and Spokane counties no later than July 1, 2010, and extending
7 statewide no later than October 1, 2011. The program shall be
8 implemented through performance-based contracts with managed health
9 care systems providing medical care services under RCW 74.09.035 or
10 other qualified entities. The participants shall have the following
11 responsibilities and duties under this program:

12 (a) The entities with whom the department contracts to provide the
13 program shall be responsible for:

14 (i) Systematically screening persons receiving (~~disability~~
15 ~~lifeline~~) benefits under section 6 of this act at the point of
16 eligibility determination or shortly thereafter to determine if the
17 persons should be referred for medical or behavioral health evaluations
18 to determine whether they are likely eligible for supplemental security
19 income;

20 (ii) Immediately sharing the results of the disability screening
21 with the department;

22 (iii) Managing (~~disability lifeline~~) medical care services and
23 aged, blind, or disabled assistance incapacity evaluation examinations
24 to provide timely access to needed medical and behavioral health
25 evaluations and standardizing health care providers' conduct of
26 incapacity evaluations. To maximize the timeliness and efficiency of
27 incapacity evaluation examinations, the department must strongly
28 consider contracting with a managed health care system with a network
29 of health care providers that are trained and have agreed to conduct
30 (~~disability - lifeline~~) aged, blind, or disabled medical and
31 psychological incapacity and recertification exams. The department may
32 obtain medical evidence and other relevant information from sources
33 other than the contracted entity if such evidence is available at the
34 time of a person's application for (~~disability lifeline~~) aged, blind,
35 or disabled benefits and is sufficient to support a determination that
36 the person is incapacitated;

37 (iv) Maintaining a centralized appointment and clinical data
38 system; and

1 (v) Assisting persons receiving (~~(disability-lifeline-benefits)~~)
2 medical care services benefits, except recipients of alcohol and
3 addiction treatment under chapter 74.50 RCW, with obtaining additional
4 medical or behavioral health examinations needed to meet the disability
5 standard for federal supplemental security income benefits and with
6 submission of applications for supplemental security income benefits.

7 (b) The department shall be responsible for:

8 (i) Determining incapacity and eligibility for (~~(disability~~
9 ~~lifeline))~~ benefits under sections 3 and 4 of this act;

10 (ii) Making timely determinations that a person receiving
11 (~~(disability-lifeline-benefits)~~) medical care services benefits, except
12 recipients of alcohol and addiction treatment under chapter 74.50 RCW,
13 is likely eligible for supplemental security income based on medical
14 evidence and other relevant information provided by a contracted
15 entity, and immediately referring such persons to a contracted entity
16 for services;

17 (iii) Developing standardized procedures for sharing data and
18 information with the contracted entities to ensure timely
19 identification of clients who have not been transferred to the
20 (~~(disability-lifeline-expedited)~~) aged, blind, or disabled assistance
21 program within four months of their date of application, but who may,
22 upon further review, be appropriately transferred to that program;

23 (iv) Providing case management, in partnership with the managed
24 health care system or contracted entity, to support persons' transition
25 to federal supplemental security income and medicaid benefits; and

26 (v) Identifying a savings determination methodology, in
27 consultation with the contracted entities, the office of financial
28 management, and the legislature, on or before implementation of the
29 project.

30 (2) Early supplemental security income transition project contracts
31 shall include the following performance goals:

32 (a) Persons receiving (~~(disability-lifeline-benefits)~~) medical care
33 services benefits, except recipients of alcohol and addiction treatment
34 under chapter 74.50 RCW, should be screened within thirty days of
35 entering the program to determine the propriety of their transfer to
36 the (~~(disability-lifeline-expedited)~~) aged, blind, or disabled
37 assistance program; and

1 (b) Seventy-five percent of persons receiving (~~(disability lifeline~~
2 ~~benefits)) medical care services benefits, except recipients of alcohol
3 and addiction treatment under chapter 74.50 RCW, that appear likely to
4 qualify for supplemental security income benefits shall be transferred
5 to the (~~(disability-lifeline-expedited)) aged, blind, or disabled
6 assistance program within four months of their application for
7 (~~(disability lifeline)) aged, blind, or disabled benefits.~~~~~~

8 (3) The initial focus of the efforts of the early supplemental
9 security income transition project shall be on persons who have been
10 receiving (~~(disability-lifeline-or-general-assistance-unemployable~~
11 ~~benefits)) medical care services, except recipients of alcohol and
12 addiction treatment under chapter 74.50 RCW or aged, blind, or disabled
13 assistance, for twelve or more months (~~(as of September 1, 2010))~~).~~

14 (4) No later than December 1, 2011, the department shall report to
15 the governor and appropriate policy and fiscal committees on whether
16 the early supplemental security income transition project performance
17 goals in subsection (2) of this section were met, including the reasons
18 those goals were or were not met.

19 (5) Pursuant to RCW 41.06.142(3), performance-based contracting
20 under this section is expressly mandated by the legislature and is not
21 subject to the processes set forth in RCW 41.06.142 (1), (4), and (5).

22 The statewide expansion of the program under this section shall be
23 considered expressly mandated by the legislature and not be subject to
24 the provisions of RCW 41.06.142 (1), (4), and (5).

25 **Sec. 24.** RCW 74.04.655 and 2010 1st sp.s. c 8 s 5 are each amended
26 to read as follows:

27 (1) The economic services administration shall work jointly with
28 the division of vocational rehabilitation to develop an assessment tool
29 that must be used to determine whether the programs offered by the
30 division of vocational rehabilitation could assist persons receiving
31 (~~(disability lifeline)) benefits under sections 3 and 4 of this act in
32 returning to the workforce. The assessment tool shall be completed no
33 later than December 1, 2010. The economic services administration
34 shall begin using the tool no later than January 1, 2011. No later
35 than December 30, 2011, the department shall report on the use of the
36 tool and to what extent the programs offered by the division of~~

1 vocational rehabilitation have been successful in returning persons
2 receiving ((~~disability lifeline~~)) aged, blind, or disabled benefits to
3 the workforce.

4 (2) After January 1, 2011, all persons receiving ((~~disability~~
5 ~~lifeline~~)) benefits under sections 3 and 5 of this act shall be
6 assessed to determine whether they would likely benefit from a program
7 offered by the division of vocational rehabilitation. If the
8 assessment indicates that the person might benefit, the economic
9 services administration shall make a referral to the division of
10 vocational rehabilitation. If the person is found eligible for a
11 program with the division of vocational rehabilitation, he or she must
12 participate in that program to remain eligible for the monthly stipend
13 and housing voucher or a cash grant. If the person refuses to
14 participate or does not complete the program, the department shall
15 terminate the cash stipend and housing voucher or cash grant but may
16 not terminate medical coverage and food benefits.

17 **Sec. 25.** RCW 74.04.657 and 2010 1st sp.s. c 8 s 6 are each amended
18 to read as follows:

19 During the application process for ((~~disability lifeline~~)) benefits
20 under sections 3 and 4 of this act, the department shall inquire of
21 each applicant whether he or she has ever served in the United States
22 military service. If the applicant answers in the affirmative, the
23 department shall confer with a veterans benefit specialist with the
24 Washington state department of veterans affairs or a contracted
25 veterans service officer in the community to determine whether the
26 applicant is eligible for any benefits or programs offered to veterans
27 by either the state or the federal government.

28 **Sec. 26.** RCW 74.04.770 and 2010 1st sp.s. c 8 s 23 are each
29 amended to read as follows:

30 The department shall establish consolidated standards of need each
31 fiscal year which may vary by geographical areas, program, and family
32 size, for temporary assistance for needy families, refugee assistance,
33 supplemental security income, and ((~~disability lifeline~~)) benefits
34 under section 3 of this act. Standards for temporary assistance for
35 needy families, refugee assistance, and ((~~disability lifeline~~))
36 benefits under section 3 of this act shall be based on studies of

1 actual living costs and generally recognized inflation indices and
2 shall include reasonable allowances for shelter, fuel, food,
3 transportation, clothing, household maintenance and operations,
4 personal maintenance, and necessary incidentals. The standard of need
5 may take into account the economies of joint living arrangements, but
6 unless explicitly required by federal statute, there shall not be
7 proration of any portion of assistance grants unless the amount of the
8 grant standard is equal to the standard of need.

9 The department is authorized to establish rateable reductions and
10 grant maximums consistent with federal law.

11 Payment level will be equal to need or a lesser amount if rateable
12 reductions or grant maximums are imposed. In no case shall a recipient
13 of supplemental security income receive a state supplement less than
14 the minimum required by federal law.

15 The department may establish a separate standard for shelter
16 provided at no cost.

17 **Sec. 27.** RCW 74.08.043 and 2010 1st sp.s. c 8 s 24 are each
18 amended to read as follows:

19 In determining the living requirements of otherwise eligible
20 applicants and recipients of supplemental security income and
21 ~~((disability lifeline))~~ benefits under sections 3 and 4 of this act,
22 the department is authorized to consider the need for personal and
23 special care and supervision due to physical and mental conditions.

24 **Sec. 28.** RCW 74.08.278 and 2010 1st sp.s. c 8 s 25 are each
25 amended to read as follows:

26 In order to comply with federal statutes and regulations pertaining
27 to federal matching funds and to provide for the prompt payment of
28 initial grants and adjusting payments of grants the secretary is
29 authorized to make provisions for the cash payment of assistance by the
30 secretary or county administrators by the establishment of a central
31 operating fund. The secretary may establish such a fund with the
32 approval of the state auditor from moneys appropriated to the
33 department for the payment of ~~((disability lifeline))~~ benefits under
34 section 3 of this act in a sum not to exceed one million dollars. Such
35 funds shall be deposited as agreed upon by the secretary and the state
36 auditor in accordance with the laws regulating the deposits of public

1 funds. Such security shall be required of the depository in connection
2 with the fund as the state treasurer may prescribe. Moneys remaining
3 in the fund shall be returned to the general fund at the end of the
4 biennium, or an accounting of proper expenditures from the fund shall
5 be made to the state auditor. All expenditures from such central
6 operating fund shall be reimbursed out of and charged to the proper
7 program appropriated by the use of such forms and vouchers as are
8 approved by the secretary of the department and the state auditor.
9 Expenditures from such fund shall be audited by the director of
10 financial management and the state auditor from time to time and a
11 report shall be made by the state auditor and the secretary as are
12 required by law.

13 **Sec. 29.** RCW 74.08.335 and 2010 1st sp.s. c 8 s 26 are each
14 amended to read as follows:

15 Temporary assistance for needy families and (~~(disability lifeline)~~)
16 benefits under sections 3 and 4 of this act shall not be granted to any
17 person who has made an assignment or transfer of property for the
18 purpose of rendering himself or herself eligible for the assistance.
19 There is a rebuttable presumption that a person who has transferred or
20 transfers any real or personal property or any interest in property
21 within two years of the date of application for the assistance without
22 receiving adequate monetary consideration therefor, did so for the
23 purpose of rendering himself or herself eligible for the assistance.
24 Any person who transfers property for the purpose of rendering himself
25 or herself eligible for assistance, or any person who after becoming a
26 recipient transfers any property or any interest in property without
27 the consent of the secretary, shall be ineligible for assistance for a
28 period of time during which the reasonable value of the property so
29 transferred would have been adequate to meet the person's needs under
30 normal conditions of living: PROVIDED, That the secretary is hereby
31 authorized to allow exceptions in cases where undue hardship would
32 result from a denial of assistance.

33 **Sec. 30.** RCW 74.08A.210 and 2010 1st sp.s. c 8 s 27 are each
34 amended to read as follows:

35 (1) In order to prevent some families from developing dependency on
36 temporary assistance for needy families, the department shall make

1 available to qualifying applicants a diversion program designed to
2 provide brief, emergency assistance for families in crisis whose income
3 and assets would otherwise qualify them for temporary assistance for
4 needy families.

5 (2) Diversion assistance may include cash or vouchers in payment
6 for the following needs:

- 7 (a) Child care;
- 8 (b) Housing assistance;
- 9 (c) Transportation-related expenses;
- 10 (d) Food;
- 11 (e) Medical costs for the recipient's immediate family;
- 12 (f) Employment-related expenses which are necessary to keep or
13 obtain paid unsubsidized employment.

14 (3) Diversion assistance is available once in each twelve-month
15 period for each adult applicant. Recipients of diversion assistance
16 are not included in the temporary assistance for needy families
17 program.

18 (4) Diversion assistance may not exceed one thousand five hundred
19 dollars for each instance.

20 (5) To be eligible for diversion assistance, a family must
21 otherwise be eligible for temporary assistance for needy families.

22 (6) Families ineligible for temporary assistance for needy families
23 or (~~disability lifeline~~) benefits under section 3 of this act due to
24 sanction, noncompliance, the lump sum income rule, or any other reason
25 are not eligible for diversion assistance.

26 (7) Families must provide evidence showing that a bona fide need
27 exists according to subsection (2) of this section in order to be
28 eligible for diversion assistance.

29 An adult applicant may receive diversion assistance of any type no
30 more than once per twelve-month period. If the recipient of diversion
31 assistance is placed on the temporary assistance for needy families
32 program within twelve months of receiving diversion assistance, the
33 prorated dollar value of the assistance shall be treated as a loan from
34 the state, and recovered by deduction from the recipient's cash grant.

35 **Sec. 31.** RCW 74.08A.440 and 2010 1st sp.s. c 8 s 32 are each
36 amended to read as follows:

37 Recipients exempted from active work search activities due to

1 incapacity or a disability shall receive (~~disability-lifeline~~)
2 services for which they are eligible, including aged, blind, or
3 disabled assistance benefits as they relate to the facilitation of
4 enrollment in the federal supplemental security income program,
5 referrals to essential needs and housing support benefits, access to
6 chemical dependency treatment, referrals to vocational rehabilitation,
7 and other services needed to assist the recipient in becoming
8 employable. (~~Disability-lifeline~~) Aged, blind, or disabled
9 assistance and essential needs and housing support benefits shall not
10 supplant cash assistance and other services provided through the
11 temporary assistance for needy families program. To the greatest
12 extent possible, services shall be funded through the temporary
13 assistance for needy families appropriations.

14 **Sec. 32.** RCW 74.09.555 and 2010 1st sp.s. c 8 s 30 are each
15 amended to read as follows:

16 (1) The department shall adopt rules and policies providing that
17 when persons with a mental disorder, who were enrolled in medical
18 assistance immediately prior to confinement, are released from
19 confinement, their medical assistance coverage will be fully reinstated
20 on the day of their release, subject to any expedited review of their
21 continued eligibility for medical assistance coverage that is required
22 under federal or state law.

23 (2) The department, in collaboration with the Washington
24 association of sheriffs and police chiefs, the department of
25 corrections, and the regional support networks, shall establish
26 procedures for coordination between department field offices,
27 institutions for mental disease, and correctional institutions, as
28 defined in RCW 9.94.049, that result in prompt reinstatement of
29 eligibility and speedy eligibility determinations for persons who are
30 likely to be eligible for medical assistance services upon release from
31 confinement. Procedures developed under this subsection must address:

32 (a) Mechanisms for receiving medical assistance services
33 applications on behalf of confined persons in anticipation of their
34 release from confinement;

35 (b) Expeditious review of applications filed by or on behalf of
36 confined persons and, to the extent practicable, completion of the
37 review before the person is released;

1 (c) Mechanisms for providing medical assistance services identity
2 cards to persons eligible for medical assistance services immediately
3 upon their release from confinement; and

4 (d) Coordination with the federal social security administration,
5 through interagency agreements or otherwise, to expedite processing of
6 applications for federal supplemental security income or social
7 security disability benefits, including federal acceptance of
8 applications on behalf of confined persons.

9 (3) Where medical or psychiatric examinations during a person's
10 confinement indicate that the person is disabled, the correctional
11 institution or institution for mental diseases shall provide the
12 department with that information for purposes of making medical
13 assistance eligibility and enrollment determinations prior to the
14 person's release from confinement. The department shall, to the
15 maximum extent permitted by federal law, use the examination in making
16 its determination whether the person is disabled and eligible for
17 medical assistance.

18 (4) For purposes of this section, "confined" or "confinement" means
19 incarcerated in a correctional institution, as defined in RCW 9.94.049,
20 or admitted to an institute for mental disease, as defined in 42 C.F.R.
21 part 435, Sec. 1009 on July 24, 2005.

22 (5) For purposes of this section, "likely to be eligible" means
23 that a person:

24 (a) Was enrolled in medicaid or supplemental security income or the
25 (~~(disability-lifeline))~~ medical_care_services program immediately
26 before he or she was confined and his or her enrollment was terminated
27 during his or her confinement; or

28 (b) Was enrolled in medicaid or supplemental security income or the
29 (~~(disability-lifeline))~~ medical_care_services program at any time
30 during the five years before his or her confinement, and medical or
31 psychiatric examinations during the person's confinement indicate that
32 the person continues to be disabled and the disability is likely to
33 last at least twelve months following release.

34 (6) The economic services administration shall adopt standardized
35 statewide screening and application practices and forms designed to
36 facilitate the application of a confined person who is likely to be
37 eligible for medicaid.

1 **Sec. 33.** RCW 74.50.060 and 2010 1st sp.s. c 8 s 31 are each
2 amended to read as follows:

3 (~~(1)~~) The department shall establish a shelter assistance program
4 to provide, within available funds, shelter for persons eligible under
5 this chapter. "Shelter," "shelter support," or "shelter assistance"
6 means a facility under contract to the department providing room and
7 board in a supervised living arrangement, normally in a group or
8 dormitory setting, to eligible recipients under this chapter. This may
9 include supervised domiciliary facilities operated under the auspices
10 of public or private agencies. No facility under contract to the
11 department shall allow the consumption of alcoholic beverages on the
12 premises. The department may contract with counties and cities for
13 such shelter services. To the extent possible, the department shall
14 not displace existing emergency shelter beds for use as shelter under
15 this chapter. In areas of the state in which it is not feasible to
16 develop shelters, due to low numbers of people needing shelter
17 services, or in which sufficient numbers of shelter beds are not
18 available, the department may provide shelter through an intensive
19 protective payee program, unless the department grants an exception on
20 an individual basis for less intense supervision.

21 (~~(2) Persons continuously eligible for the disability lifeline
22 program since July 25, 1987, who transfer to the program established by
23 this chapter, have the option to continue their present living
24 situation, but only through a protective payee.~~)

25 NEW SECTION. **Sec. 34.** The following acts or parts of acts are
26 each repealed:

27 (1) RCW 43.330.175 (Disability lifeline housing voucher program)
28 and 2010 1st sp.s. c 8 s 8;

29 (2) RCW 74.04.120 (Basis of state's allocation of federal aid
30 funds--County budget) and 2010 1st sp.s. c 8 s 19, 1979 c 141 s 301, &
31 1959 c 26 s 74.04.120; and

32 (3) RCW 74.04.810 (Study of disability lifeline program
33 terminations--Report) and 2010 1st sp.s. c 8 s 11.

34 NEW SECTION. **Sec. 35.** The code reviser shall alphabetize the
35 subsections containing definitions in RCW 74.04.005.

1 NEW SECTION. **Sec. 36.** Sections 1 through 3 and 7 of this act
2 constitute a new chapter in Title 74 RCW.

3 NEW SECTION. **Sec. 37.** Section 11 of this act expires June 30,
4 2013.

5 NEW SECTION. **Sec. 38.** Except for sections 6 and 8 of this act,
6 this act is necessary for the immediate preservation of the public
7 peace, health, or safety, or support of the state government and its
8 existing public institutions, and takes effect immediately.

9 NEW SECTION. **Sec. 39.** Section 6 of this act is necessary for the
10 immediate preservation of the public peace, health, or safety, or
11 support of the state government and its existing public institutions,
12 and takes effect July 22, 2011.

13 NEW SECTION. **Sec. 40.** Section 8 of this act takes effect November
14 1, 2011.

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 Passed by the Senate May 25, 2011.
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 Filed in Office of Secretary of State June 15, 2011.