
SENATE BILL 5862

State of Washington

65th Legislature

2017 Regular Session

By Senator Darneille; by request of Department of Social and Health Services

Read first time 03/03/17. Referred to Committee on Human Services, Mental Health & Housing.

1 AN ACT Relating to removal of public assistance eligibility
2 requirements to support household stability; reenacting and amending
3 RCW 74.04.005; and repealing RCW 74.12.037.

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

5 NEW SECTION. **Sec. 1.** RCW 74.12.037 (Income eligibility—Unearned
6 income exemption) and 2014 c 75 s 1 & 2011 1st sp.s. c 42 s 4 are
7 each repealed.

8 **Sec. 2.** RCW 74.04.005 and 2011 1st sp.s. c 36 s 8 and 2011 1st
9 sp.s. c 15 s 61 are each reenacted and amended to read as follows:

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

12 (1) "Aged, blind, or disabled assistance program" means the
13 program established under RCW 74.62.030.

14 (2) "Applicant" means any person who has made a request, or on
15 behalf of whom a request has been made, to any county or local office
16 for assistance.

17 (3) "Authority" means the health care authority.

18 (4) "County or local office" means the administrative office for
19 one or more counties or designated service areas.

1 (5) "Department" means the department of social and health
2 services.

3 (6) "Director" means the director of the health care authority.

4 (7) "Essential needs and housing support program" means the
5 program established in RCW 43.185C.220.

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

13 (9) "Income" means:

14 (a) All appreciable gains in real or personal property (cash or
15 kind) or other assets, which are received by or become available for
16 use and enjoyment by an applicant or recipient during the month of
17 application or after applying for or receiving public assistance. The
18 department may by rule and regulation exempt income received by an
19 applicant for or recipient of public assistance which can be used by
20 him or her to decrease his or her need for public assistance or to
21 aid in rehabilitating him or her or his or her dependents(~~(, but such~~
22 ~~exemption shall not, unless otherwise provided in this title, exceed~~
23 ~~the exemptions of resources granted under this chapter to an~~
24 ~~applicant for public assistance)). In addition, for cash assistance
25 the department may disregard income pursuant to RCW 74.08A.230 and
26 74.12.350.~~

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

32 (10) "Need" means the difference between the applicant's or
33 recipient's standards of assistance for himself or herself and the
34 dependent members of his or her family, as measured by the standards
35 of the department, and value of all nonexempt resources and nonexempt
36 income received by or available to the applicant or recipient and the
37 dependent members of his or her family.

38 (11) "Public assistance" or "assistance" means public aid to
39 persons in need thereof for any cause, including services, medical

1 care, assistance grants, disbursing orders, work relief, benefits
2 under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

3 (12) "Recipient" means any person receiving assistance and in
4 addition those dependents whose needs are included in the recipient's
5 assistance.

6 (13) "Resource" means any asset, tangible or intangible, owned by
7 or available to the applicant at the time of application, which can
8 be applied toward meeting the applicant's need, either directly or by
9 conversion into money or its equivalent. For the purposes of
10 determining eligibility for public assistance, the department may by
11 rule ((designate)) exempt all resources ((that an applicant may
12 retain and not be ineligible for public assistance because of such
13 resources. Exempt resources shall include, but are not limited to:

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

16 ~~(b) Household furnishings and personal effects;~~

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

19 ~~(d) A motor vehicle necessary to transport a household member~~
20 ~~with a physical disability. This exclusion is limited to one vehicle~~
21 ~~per person with a physical disability;~~

22 ~~(e) All other resources, including any excess of values exempted,~~
23 ~~not to exceed one thousand dollars or other limit as set by the~~
24 ~~department, to be consistent with limitations on resources and~~
25 ~~exemptions necessary for federal aid assistance. The department shall~~
26 ~~also allow recipients of temporary assistance for needy families to~~
27 ~~exempt savings accounts with combined balances of up to an additional~~
28 ~~three thousand dollars;~~

29 ~~(f) Applicants for or recipients of benefits under RCW 74.62.030~~
30 ~~and 43.185C.220 shall have their eligibility based on resource~~
31 ~~limitations consistent with the temporary assistance for needy~~
32 ~~families program rules adopted by the department; and~~

33 ~~(g) If an applicant for or recipient of public assistance~~
34 ~~possesses property and belongings in excess of the ceiling value,~~
35 ~~such value shall be used in determining the need of the applicant or~~
36 ~~recipient, except that: (i) The department may exempt resources or~~
37 ~~income when the income and resources are determined necessary to the~~
38 ~~applicant's or recipient's restoration to independence, to decrease~~
39 ~~the need for public assistance, or to aid in rehabilitating the~~
40 ~~applicant or recipient or a dependent of the applicant or recipient;~~

1 ~~and (ii) the department may provide grant assistance for a period not~~
2 ~~to exceed nine months from the date the agreement is signed pursuant~~
3 ~~to this section to persons who are otherwise ineligible because of~~
4 ~~excess real property owned by such persons when they are making a~~
5 ~~good faith effort to dispose of that property if:~~

6 ~~(A) The applicant or recipient signs an agreement to repay the~~
7 ~~lesser of the amount of aid received or the net proceeds of such~~
8 ~~sale;~~

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

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

17 ~~(D) At the time assistance is authorized, the department files a~~
18 ~~lien without a sum certain on the specific property)) except those~~
19 ~~required by federal law or to receive federal funds.~~

20 (14) "Secretary" means the secretary of social and health
21 services.

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

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

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

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