<u>2SHB 1447</u> - S AMD 458 By Senator Nguyen

## ADOPTED 04/21/2023

1 Strike everything after the enacting clause and insert the 2 following:

3 "Sec. 1. RCW 74.04.005 and 2020 c 136 s 1 are each amended to 4 read as follows:

5 For the purposes of this title, unless the context indicates 6 otherwise, the following definitions shall apply:

7 (1) "Aged, blind, or disabled assistance program" means the 8 program established under RCW 74.62.030.

9 (2) "Applicant" means any person who has made a request, or on 10 behalf of whom a request has been made, to any county or local office 11 for assistance.

12

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

(4) "County or local office" means the administrative office forone or more counties or designated service areas.

15 (5) "Department" means the department of social and health 16 services.

17

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

18 (7) "Essential needs and housing support program" means the 19 program established in RCW 43.185C.220.

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

27

(9) "Income" means:

(a) All appreciable gains in real or personal property (cash or
 kind) or other assets, which are received by or become available for
 use and enjoyment by an applicant or recipient during the month of
 application or after applying for or receiving public assistance. The
 department may by rule and regulation exempt income received by an

applicant for or recipient of public assistance which can be used by 1 him or her to decrease his or her need for public assistance or to 2 aid in rehabilitating him or her or his or her dependents, but such 3 exemption shall not, unless otherwise provided in this title, exceed 4 the exemptions of resources granted under this chapter to 5 an 6 applicant for public assistance. In addition, for cash assistance the 7 department may disregard income pursuant to RCW 74.08A.230 and 74.12.350. 8

9 (b) If, under applicable federal requirements, the state has the 10 option of considering property in the form of lump sum compensatory 11 awards or related settlements received by an applicant or recipient 12 as income or as a resource, the department shall consider such 13 property to be a resource.

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

(11) "Public assistance" or "assistance" means public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, benefits under RCW 74.62.030 and 43.185C.220, and federal aid assistance.

24 (12) "Recipient" means any person receiving assistance and in 25 addition those dependents whose needs are included in the recipient's 26 assistance.

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

34 (a) A home that an applicant, recipient, or their dependents is35 living in, including the surrounding property;

36 (b) Household furnishings and personal effects;

37 (c) One motor vehicle, other than a motor home, <u>that is</u> used and 38 useful ((having an equity value not to exceed ten thousand dollars));

S-3347.2/23 2nd draft

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

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(e) <u>Retirement funds, pension plans, and retirement accounts;</u>

5 <u>(f)</u> All other resources, including any excess of values exempted, 6 not to exceed ((six thousand dollars)) <u>\$12,000</u> or other limit as set 7 by the department, to be consistent with limitations on resources and 8 exemptions necessary for federal aid assistance;

9 ((<del>(f)</del>)) <u>(g)</u> Applicants for or recipients of benefits under RCW 10 74.62.030 and 43.185C.220 shall have their eligibility based on 11 resource limitations consistent with the temporary assistance for 12 needy families program rules adopted by the department; and

((<del>(g)</del>)) (h) If an applicant for or recipient of public assistance 13 possesses property and belongings in excess of the ceiling value, 14 such value shall be used in determining the need of the applicant or 15 recipient, except that: (i) The department may exempt resources or 16 17 income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease 18 the need for public assistance, or to aid in rehabilitating the 19 applicant or recipient or a dependent of the applicant or recipient; 20 and (ii) the department may provide grant assistance for a period not 21 to exceed nine months from the date the agreement is signed pursuant 22 to this section to persons who are otherwise ineligible because of 23 excess real property owned by such persons when they are making a 24 25 good faith effort to dispose of that property if:

26 (A) The applicant or recipient signs an agreement to repay the 27 lesser of the amount of aid received or the net proceeds of such 28 sale;

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

33 (C) Applicants and recipients are advised of their right to a 34 fair hearing and afforded the opportunity to challenge a decision 35 that good faith efforts to sell have ceased, prior to assessment of 36 an overpayment under this section; and

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

39 (14) "Secretary" means the secretary of social and health 40 services.

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

4 (16)(a) "Victim of human trafficking" means a noncitizen and any 5 qualifying family members who have:

6 (i) Filed or are preparing to file an application for T
7 nonimmigrant status with the appropriate federal agency pursuant to 8
8 U.S.C. Sec. 1101(a) (15) (T), as it existed on January 1, 2020;

9 (ii) Filed or are preparing to file an application with the 10 appropriate federal agency for status pursuant to 8 U.S.C. Sec. 11 1101(a)(15)(U), as it existed on January 1, 2020; or

(iii) Been harmed by either any violation of chapter 9A.40 or
9.68A RCW, or both, or by substantially similar crimes under federal
law or the laws of any other state, and who:

(A) Are otherwise taking steps to meet the conditions for federal benefits eligibility under 22 U.S.C. Sec. 7105, as it existed on January 1, 2020; or

(B) Have filed or are preparing to file an application with theappropriate federal agency for status under 8 U.S.C. Sec. 1158.

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(b) (i) "Qualifying family member" means:

(A) A victim's spouse and children; and

(B) When the victim is under ((twenty-one)) <u>21</u> years of age, a
victim's parents and unmarried siblings under the age of ((eighteen))
<u>18</u>.

(ii) "Qualifying family member" does not include a family member who has been charged with or convicted of attempt, conspiracy, solicitation, or commission of any crime referenced in this subsection or described under 8 U.S.C. Sec. 1101(a)(15)(T) or (U) as either existed on January 1, 2020, when the crime is against a spouse who is a victim of human trafficking or against the child of a victim of human trafficking.

purposes of determining eligibility for 32 (17) For public assistance and participation levels in the cost of medical care, the 33 department shall exempt restitution payments made to people of 34 Japanese and Aleut ancestry pursuant to the Civil Liberties Act of 35 1988 and the Aleutian and Pribilof Island Restitution Act passed by 36 congress, P.L. 100-383, including all income and resources derived 37 therefrom. 38

39 (18) In the construction of words and phrases used in this title, 40 the singular number shall include the plural, the masculine gender Code Rev/MW:lel 4 S-3347.2/23 2nd draft 1 shall include both the feminine and neuter genders, and the present 2 tense shall include the past and future tenses, unless the context 3 thereof shall clearly indicate to the contrary.

4 Sec. 2. RCW 74.08A.010 and 2022 c 24 s 1 are each amended to 5 read as follows:

(1) A family that includes an adult who has received temporary
assistance for needy families for ((sixty)) 60 months after July 27,
1997, shall be ineligible for further temporary assistance for needy
families assistance.

10 (2) For the purposes of applying the rules of this section, the 11 department shall count any month in which an adult family member 12 received a temporary assistance for needy families cash assistance 13 grant unless the assistance was provided when the adult family member 14 was a minor child and not the head of the household or married to the 15 head of the household.

16 (3) ((The department shall adopt regulations to apply the sixty-17 month time limit to households in which a parent is in the home and 18 ineligible for temporary assistance for needy families. Any 19 regulations shall be consistent with federal funding requirements.

20 (4))) The department shall refer recipients who require 21 specialized assistance to appropriate department programs, crime 22 victims' programs through the department of commerce, or the crime 23 victims' compensation program of the department of labor and 24 industries.

(((5)(a))) (4) The department shall add to adopted rules related to temporary assistance for needy families time limit extensions, the following criteria by which the department shall exempt a recipient and the recipient's family from the application of subsection (1) of this section:

30

((((i))) (a) By reason of hardship, including when:

31 (((A))) (i) The recipient's family includes a child or youth who 32 is without a fixed, regular, and adequate nighttime residence as 33 described in the federal McKinney-Vento homeless assistance act 34 (Title 42 U.S.C., chapter 119, subchapter VI, part B) as it existed 35 on January 1, 2020;

36 ((<del>(B)</del>)) <u>(ii)</u> The recipient received temporary assistance for 37 needy families during a month on or after March 1, 2020, when 38 Washington state's unemployment rate as published by the Washington 39 employment security department was equal to or greater than seven Code Rev/MW:lel 5 S-3347.2/23 2nd draft

percent, and the recipient is otherwise eligible for temporary 1 assistance for needy families except that they have exceeded 60 2 months. The extension provided for under this subsection (((-5))) (4) 3 (a) ((((i) (B))) (ii) is equal to the number of months that the 4 recipient received temporary assistance for needy families during a 5 6 month on or after March 1, 2020, when the unemployment rate was equal to or greater than seven percent, and is applied sequentially to any 7 other hardship extensions that may apply under this subsection 8 ((<del>(5)</del>)) <u>(4)</u> or in rule; or 9

10 ((<del>(C)</del>)) <u>(iii)</u> Beginning July 1, 2022, the Washington state 11 unemployment rate most recently published by the Washington 12 employment security department is equal to or greater than seven 13 percent; or

14 ((<del>(ii)</del>)) <u>(b)</u> If the family includes an individual who meets the 15 family violence options of section 402(A)(7) of Title IVA of the 16 federal social security act as amended by P.L. 104-193.

17 (((b) Policies related to circumstances under which a recipient 18 will be exempted from the application of subsection (1) or (3) of 19 this section shall treat adults receiving benefits on their own 20 behalf, and parents receiving benefits on behalf of their child 21 similarly, unless required otherwise under federal law.

(6)) (5) The department shall not exempt a recipient and his or her family from the application of subsection (1) ((or (3))) of this section until after the recipient has received ((fifty-two)) 52 months of assistance under this chapter.

26 ((<del>(7)</del>)) <u>(6)</u> The department shall provide transitional food 27 assistance for a period of five months to a household that ceases to 28 receive temporary assistance for needy families assistance and is not 29 in sanction status. If necessary, the department shall extend the 30 household's basic food certification until the end of the transition 31 period.

32 (((+3))) (7) The department may adopt rules specifying which 33 published employment security department unemployment rates to use 34 for the purposes of subsection ((+5)) (4) (a) ((+i)) (B) and (C)) (ii) 35 and (iii) of this section.

36 Sec. 3. RCW 74.08A.010 and 2022 c 98 s 1 and 2022 c 24 s 1 are 37 each reenacted and amended to read as follows:

38 (1) A family that includes an adult who has received temporary 39 assistance for needy families for ((sixty)) <u>60</u> months after July 27, Code Rev/MW:lel 6 S-3347.2/23 2nd draft 1997, shall be ineligible for further temporary assistance for needy
 families assistance.

3 (2) For the purposes of applying the rules of this section, the 4 department shall count any month in which an adult family member 5 received a temporary assistance for needy families cash assistance 6 grant unless the assistance was provided when the adult family member 7 was a minor child and not the head of the household or married to the 8 head of the household.

9 (3) ((The department shall adopt regulations to apply the sixty-10 month time limit to households in which a parent is in the home and 11 ineligible for temporary assistance for needy families. Any 12 regulations shall be consistent with federal funding requirements.

13 (4)) The department shall refer recipients who require 14 specialized assistance to appropriate department programs, crime 15 victims' programs through the department of commerce, or the crime 16 victims' compensation program of the department of labor and 17 industries.

18 (((5)(a))) (4) The department shall add to adopted rules related 19 to temporary assistance for needy families time limit extensions, the 20 following criteria by which the department shall exempt a recipient 21 and the recipient's family from the application of subsection (1) of 22 this section:

23

((<del>(i)</del>)) <u>(a)</u> By reason of hardship, including when:

(((A))) (i) The recipient's family includes a child or youth who is without a fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (Title 42 U.S.C., chapter 119, subchapter VI, part B) as it existed on January 1, 2020;

29 ((<del>(B)</del>)) (ii) The recipient received temporary assistance for needy families during a month on or after March 1, 2020, when 30 31 Washington state's unemployment rate as published by the Washington employment security department was equal to or greater than seven 32 percent, and the recipient is otherwise eligible for temporary 33 assistance for needy families except that they have exceeded 60 34 months. The extension provided for under this subsection (((5))) (4) 35 (a)((((i)(B))) (ii) is equal to the number of months that the 36 recipient received temporary assistance for needy families during a 37 month on or after March 1, 2020, when the unemployment rate was equal 38 39 to or greater than seven percent, and is applied sequentially to any

1 other hardship extensions that may apply under this subsection 2  $\left(\left(\frac{5}{5}\right)\right)$  (4) or in rule; or

3 ((<del>(C)</del>)) <u>(iii)</u> Beginning July 1, 2022, the Washington state 4 unemployment rate most recently published by the Washington 5 employment security department is equal to or greater than seven 6 percent; or

7 (((ii))) (b) If the family includes an individual who meets the 8 family violence options of section 402(A)(7) of Title IVA of the 9 federal social security act as amended by P.L. 104-193.

10 (((b) Policies related to circumstances under which a recipient 11 will be exempted from the application of subsection (1) or (3) of 12 this section shall treat adults receiving benefits on their own 13 behalf, and parents receiving benefits on behalf of their child 14 similarly, unless required otherwise under federal law.

15 (6)) (5) The department shall not exempt a recipient and his or 16 her family from the application of subsection (1) ((or (3))) of this 17 section until after the recipient has received ((fifty-two)) 52 18 months of assistance under this chapter.

(((-7))) (6) The department shall provide transitional food 19 assistance for a period of five months to a household that ceases to 20 21 receive temporary assistance for needy families assistance and is not in full-family sanction status. If a member of a household has been 22 23 sanctioned but the household is still receiving benefits, the remaining eligible household members may receive transitional food 24 25 assistance. If necessary, the department shall extend the household's basic food certification until the end of the transition period. 26

27 (((+8))) (7) The department may adopt rules specifying which 28 published employment security department unemployment rates to use 29 for the purposes of subsection ((+5)) (4) (a) ((+i)) (B) and (C)) (ii) 30 and (iii) of this section.

31 Sec. 4. RCW 74.08A.015 and 2021 c 239 s 3 are each amended to 32 read as follows:

All families who have received temporary assistance for needy families since March 1, 2020, are eligible for the extension under RCW 74.08A.010(((5))) (4)(a)(((i)(B))) (ii), regardless of whether they are current recipients. Eligible families shall only receive temporary assistance for needy families benefits that accrue after July 25, 2021.

S-3347.2/23 2nd draft

1 Sec. 5. RCW 74.08A.230 and 1997 c 58 s 308 are each amended to 2 read as follows:

3 (1) In addition to their monthly benefit payment, a family may 4 earn and keep the first \$500 of the family's earnings in addition to 5 one-half of ((its)) the family's remaining earnings during every 6 month it is eligible to receive assistance under this section.

7 (2) In no event may a family be eligible for temporary assistance 8 for needy families if its monthly gross earned income exceeds the 9 maximum earned income level as set by the department. In calculating 10 a household's gross earnings, the department shall disregard the 11 earnings of a minor child who is:

12 (a) A full-time student; or

13 (b) A part-time student carrying at least half the normal school 14 load and working fewer than ((thirty-five)) <u>35</u> hours per week.

15 Sec. 6. RCW 74.08A.250 and 2019 c 343 s 5 are each amended to 16 read as follows:

17 Unless the context clearly requires otherwise, as used in this 18 chapter, "work activity" means:

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(1) Unsubsidized paid employment in the private or public sector;

(2) Subsidized paid employment in the private or public sector,
including employment through the state or federal work-study program
for a period not to exceed ((twenty-four)) <u>24</u> months;

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(3) Work experience, including:

(a) An internship or practicum, that is paid or unpaid and is
required to complete a course of vocational training or to obtain a
license or certificate in a high-demand occupation, as determined by
the employment security department. No internship or practicum shall
exceed ((twelve)) <u>12</u> months; or

(b) Work associated with the refurbishing of publicly assistedhousing, if sufficient paid employment is not available;

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(4) On-the-job training;

32 (5) Job search and job readiness assistance;

33 (6) Community service programs, including a recipient's voluntary 34 service at a child care or preschool facility licensed under chapter 35 43.216 RCW or an elementary school in which his or her child is 36 enrolled;

37 (7) Vocational educational training, not to exceed ((twelve)) <u>12</u>
 38 months with respect to any individual except that this ((twelve-

1 month)) <u>12-month</u> limit may be increased to ((twenty-four)) <u>24</u> months 2 subject to funding appropriated specifically for this purpose;

3

(8) Job skills training directly related to employment;

4 (9) Education directly related to employment, in the case of a
5 recipient who has not received a high school diploma or a high school
6 equivalency certificate as provided in RCW 28B.50.536;

7 (10) Satisfactory attendance at secondary school or in a course 8 of study leading to a high school equivalency certificate as provided 9 in RCW 28B.50.536, in the case of a recipient who has not completed 10 secondary school or received such a certificate;

(11) (11) The provision of child care services to an individual who is participating in a community service program;

13 (12) Internships, that shall be paid or unpaid work experience 14 performed by an intern in a business, industry, or government or 15 nongovernmental agency setting;

16 (13) Practicums, which include any educational program in which a 17 student is working under the close supervision of a professional in 18 an agency, clinic, or other professional practice setting for 19 purposes of advancing their skills and knowledge;

20 (14) Services required by the recipient under RCW 74.08.025(2) 21 and 74.08A.010(((++))) (3) to become employable;

(15) Financial literacy activities designed to be effective in assisting a recipient in becoming self-sufficient and financially stable; and

(16) Parent education services or programs that support development of appropriate parenting skills, life skills, and employment-related competencies.

28 Sec. 7. RCW 74.08A.270 and 2017 3rd sp.s. c 21 s 2 are each 29 amended to read as follows:

(1) Good cause reasons for failure to participate in WorkFirst 30 program components include <u>situations where</u>: (a) ((Situations where 31 The recipient is a parent or other relative personally 32 the)) providing care for a child under the age of six years, and formal or 33 informal child care, or day care for an incapacitated individual 34 35 living in the same home as a dependent child, is necessary for an individual to participate or continue participation in the program or 36 accept employment, and such care is not available, and the department 37 38 fails to provide such care; ((or)) (b) the recipient is a parent with

a child under the age of two years; or (c) the recipient is
 experiencing a hardship as defined by the department in rule.

3 (2) A parent claiming a good cause exemption from WorkFirst 4 participation under subsection (1)(b) of this section may be required 5 to participate in one or more of the following, up to a maximum total 6 of twenty hours per week, if such treatment, services, or training is 7 indicated by the comprehensive evaluation or other assessment:

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(a) Mental health treatment;

9 10

(c) Domestic violence services; or

(b) Alcohol or drug treatment;

11 (d) Parenting education or parenting skills training, if 12 available.

(3) The department shall: (a) Work with a parent claiming a good 13 cause exemption under subsection (1)(b) of this section to identify 14 and access programs and services designed to improve parenting skills 15 16 and promote child well-being, including but not limited to home visitation programs and services; and (b) provide information on the 17 availability of home visitation services to temporary assistance for 18 needy families caseworkers, who shall inform clients of the 19 availability of the services. If desired by the client, the 20 21 caseworker shall facilitate appropriate referrals to providers of 22 home visitation services.

(4) Nothing in this section shall prevent a recipient fromparticipating in the WorkFirst program on a voluntary basis.

(5) A parent is eligible for a good cause exemption under subsection (1)(b) of this section for a maximum total of ((twentyfour)) <u>24</u> months over the parent's lifetime.

28 Sec. 8. RCW 74.04.266 and 2011 1st sp.s. c 36 s 21 are each 29 amended to read as follows:

In determining need for aged, blind, or disabled assistance, and medical care services, the department may by rule and regulation establish a monthly earned income exemption ((in an amount not to exceed the exemption allowable under disability programs authorized in Title XVI of the federal social security act)) as provided for in RCW 74.08A.230.

36 <u>NEW SECTION.</u> Sec. 9. If specific funding for the purposes of 37 this act, referencing this act by bill or chapter number, is not

1 provided by June 30, 2023, in the omnibus appropriations act, this
2 act is null and void.

3 <u>NEW SECTION.</u> Sec. 10. Section 2 of this act is necessary for 4 the immediate preservation of the public peace, health, or safety, or 5 support of the state government and its existing public institutions, 6 and takes effect July 1, 2023.

7 <u>NEW SECTION.</u> Sec. 11. Section 2 of this act expires January 1, 8 2024.

9 <u>NEW SECTION.</u> Sec. 12. Section 3 of this act takes effect 10 January 1, 2024.

11 <u>NEW SECTION.</u> Sec. 13. Section 1 of this act takes effect 12 February 1, 2024.

13 <u>NEW SECTION.</u> Sec. 14. Section 5 of this act takes effect August 14 1, 2024."

## **2SHB 1447** - S AMD **458**

By Senator Nguyen

## ADOPTED 04/21/2023

On page 1, line 3 of the title, after "families;" strike the remainder of the title and insert "amending RCW 74.04.005, 74.08A.010, 74.08A.015, 74.08A.230, 74.08A.250, 74.08A.270, and 74.04.266; reenacting and amending RCW 74.08A.010; creating a new section; providing effective dates; providing an expiration date; and declaring an emergency."

EFFECT: The following changes are made to the underlying bill: Clarifies that in determining the need for aged, blind, or disabled assistance, and medical care services, a family may earn and keep the first \$500 of the family's earnings in addition to one-half of the family's remaining earnings every month it is eligible to receive assistance;

Regarding resources that are exempt from being considered an asset at the time of application for cash assistance programs, as of February 1, 2024, "all other resources" are not to exceed \$12,000; and

Regarding a family's earnings, as of August 1, 2024, families eligible for cash assistance may earn and keep the first \$500 of the family's earnings.

family's earnings. The provision allowing families eligible for TANF to earn up to 200% of the federal poverty level is struck.

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