H-0865.1

SUBSTITUTE HOUSE BILL 1243

State of Washington 69th Legislature 2025 Regular Session

By House Early Learning & Human Services (originally sponsored by Representatives Simmons, Eslick, Leavitt, Farivar, and Wylie; by request of Department of Social and Health Services)

READ FIRST TIME 01/29/25.

AN ACT Relating to addressing the burden of unintentional overpayments on older adults and adults with disabilities served by the department of social and health services; amending RCW 43.20B.030; providing an effective date; and declaring an emergency.

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

6 Sec. 1. RCW 43.20B.030 and 2012 c 258 s 1 are each amended to 7 read as follows:

8 (1) Except as otherwise provided by law, including subsection (2) 9 of this section, there will be no collection of overpayments and other debts due the department after the expiration of six years from 10 11 the date of notice of such overpayment or other debt unless the 12 department has commenced recovery action in a court of law or unless 13 an administrative remedy authorized by statute is in place. However, 14 any amount due in a case thus extended shall cease to be a debt due the department at the expiration of ((ten)) 10 years from the date of 15 16 the notice of the overpayment or other debt unless a court-ordered 17 remedy would be in effect for a longer period.

18 (2) There will be no collection of debts due the department after 19 the expiration of ((twenty)) <u>20</u> years from the date a lien is 20 recorded pursuant to RCW 43.20B.080.

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1 (3) The department, at any time, may accept offers of compromise 2 of disputed claims or may grant partial or total write-off of any 3 debt due the department if it is no longer cost-effective to pursue. 4 The department shall adopt rules establishing the considerations to 5 be made in the granting or denial of a partial or total write-off of 6 debts.

7 (4) Notwithstanding the requirements of RCW 43.20B.630, 8 43.20B.635, 43.20B.640, and 43.20B.645, the department may waive all 9 efforts to collect overpayments from a client when the department 10 determines that the elements of equitable estoppel as set forth in 11 WAC 388-02-0495, as it existed on January 1, 2012, are met.

12 (5) Beginning July 1, 2025, the department may waive all efforts 13 to collect unintentional overpayments of the aged, blind, or disabled 14 assistance program under RCW 74.62.030 and to functionally disabled 15 clients receiving services and supports provided under chapters 16 74.39, 74.39A and 71A.12 RCW. The department shall adopt rules 17 establishing the circumstances when the department will waive efforts 18 at collection.

19 <u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate 20 preservation of the public peace, health, or safety, or support of 21 the state government and its existing public institutions, and takes 22 effect July 1, 2025.

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