
HOUSE BILL 1263

State of Washington

69th Legislature

2025 Regular Session

By Representatives Cortes, Low, Peterson, Doglio, Street, Leavitt, Ryu, Davis, Obras, Reed, Goodman, Ormsby, Tharinger, Scott, Nance, Eslick, Kloba, Timmons, Pollet, Macri, Fey, and Hill; by request of Department of Commerce

Read first time 01/14/25. Referred to Committee on Early Learning & Human Services.

1 AN ACT Relating to updating eligible uses for the essential needs
2 and housing support program; and amending RCW 43.185C.220,
3 43.185C.230, 36.22.250, 74.04.005, 74.04.805, and 74.62.030.

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

5 **Sec. 1.** RCW 43.185C.220 and 2015 c 128 s 5 are each amended to
6 read as follows:

7 (1) The department shall distribute funds for the essential needs
8 and housing support program established under this section in a
9 manner consistent with the requirements of this section and the
10 biennial operating budget. The first distribution of funds must be
11 completed by September 1, 2011. Essential needs or housing support is
12 not an entitlement, and is only for ((persons));

13 (a) Persons found eligible for such services under RCW 74.04.805;
14 and ((is not considered an entitlement))

15 (b) At the discretion of the department, low or extremely low-
16 income elderly or disabled adults who are transitioning off benefits
17 under RCW 74.04.805, receiving federal social security disability
18 benefits, and still have an immediate housing need. A referral from
19 the department of social and health services is not required for
20 these individuals.

1 (2) The department shall distribute funds appropriated for the
2 essential needs and housing support program in the form of grants to
3 designated essential needs support and housing support entities
4 within each county. The department shall not distribute any funds
5 until it approves the expenditure plan submitted by the designated
6 essential needs support and housing support entities. The amount of
7 funds to be distributed pursuant to this section shall be designated
8 in the biennial operating budget. For the sole purpose of meeting the
9 initial distribution of funds date, the department may distribute
10 partial funds upon the department's approval of a preliminary
11 expenditure plan. The department shall not distribute the remaining
12 funds until it has approved a final expenditure plan.

13 (3) (a) During the 2011-2013 biennium, in awarding housing support
14 that is not funded through the contingency fund in this subsection,
15 the designated housing support entity shall provide housing support
16 to clients who are homeless persons as defined in RCW 43.185C.010. As
17 provided in the biennial operating budget for the 2011-2013 biennium,
18 a contingency fund shall be used solely for those clients who are at
19 substantial risk of losing stable housing or at substantial risk of
20 losing one of the other services defined in RCW 74.62.010(6). For
21 purposes of this chapter, "substantial risk" means the client has
22 provided documentation that he or she will lose his or her housing
23 within the next thirty days or that the services will be discontinued
24 within the next thirty days.

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

30 (4) For each county, the department shall designate an essential
31 needs support entity and a housing support entity that will begin
32 providing these supports to medical care services program recipients
33 on November 1, 2011. Essential needs and housing support entities are
34 not required to provide assistance to every person referred to the
35 local entity or who meets the priority standards in subsection (3) of
36 this section.

37 (a) Each designated entity must be a local government or
38 community-based organization, and may administer the funding for
39 essential needs support, housing support, or both. Designated
40 entities have the authority to subcontract with qualified entities.

1 Upon request, and the approval of the department, two or more
2 counties may combine resources to more effectively deliver services.

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

6 (c) Within a county, if the department directly awards separate
7 grants to the designated housing support entity and the designated
8 essential needs support entity, the department shall determine the
9 amount allocated for essential needs support as directed in the
10 biennial operating budget.

11 (5) (a) Essential needs and housing support entities must use
12 funds distributed under this section as flexibly as is practicable to
13 provide essential needs items and housing support to recipients of
14 the essential needs and housing support program, subject to the
15 requirements of this section. Direct cash assistance is allowable.

16 (b) ~~((Benefits provided under the essential needs and housing
17 support program shall not be provided to recipients in the form of
18 cash assistance.~~

19 ~~(e))~~ The department may move funds between entities or between
20 counties to reflect actual caseload changes. In doing so, the
21 department must: (i) Develop a process for reviewing the caseload of
22 designated essential needs and housing support entities, and for
23 redistributing grant funds from those entities experiencing reduced
24 actual caseloads to those with increased actual caseloads; and (ii)
25 inform all designated entities of the redistribution process. Savings
26 resulting from program caseload attrition from the essential needs
27 and housing support program shall not result in increased per-client
28 expenditures.

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

37 (6) The department shall use no more than five percent of the
38 funds for administration of the essential needs and housing support
39 program. ~~((Each essential needs and housing support entity shall use
40 no more than seven percent of the funds))~~ The department shall align

1 the administration rate for essential needs and housing support
2 entities with other home security funded programs for administrative
3 expenses.

4 (7) The department shall:

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

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

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

15 (i) A description of the actions the department has taken to
16 achieve the objectives of chapter 36, Laws of 2011 1st sp. sess.;

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

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

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

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

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

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

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

5 **Sec. 2.** RCW 43.185C.230 and 2018 c 48 s 3 are each amended to
6 read as follows:

7 The department, in collaboration with the department of social
8 and health services, shall:

9 (1) Develop a mechanism through which the department and local
10 governments or community-based organizations can verify a person has
11 been determined eligible for a referral for essential needs and
12 housing support by the department of social and health services and
13 remains eligible for (~~the essential needs and housing support~~
14 ~~program~~) a referral; and

15 (2) Provide a secure and current list of individuals eligible for
16 a referral to the essential needs and housing support program to
17 designated entities within each county. The list must be updated at
18 least monthly and include, as available and applicable, the eligible
19 individual's:

- 20 (a) Name;
- 21 (b) Address;
- 22 (c) Phone number;
- 23 (d) Shelter location; and
- 24 (e) Case manager contact information.

25 **Sec. 3.** RCW 36.22.250 and 2023 c 277 s 1 are each amended to
26 read as follows:

27 (1) A surcharge of \$183 per instrument shall be charged by the
28 county auditor for each document recorded, which will be in addition
29 to any other charge authorized by law. The following are exempt from
30 this surcharge:

- 31 (a) Assignments or substitutions of previously recorded deeds of
32 trust;
- 33 (b) Documents recording a birth, marriage, divorce, or death;
- 34 (c) Any recorded documents otherwise exempted from a recording
35 fee or additional surcharges under state law;
- 36 (d) Marriage licenses issued by the county auditor; and
- 37 (e) Documents recording a federal, state, county, city, or water-
38 sewer district, or wage lien or satisfaction of lien.

1 (2) Funds collected pursuant to this section must be distributed
2 and used as follows:

3 (a) One percent of the total funds collected shall be retained by
4 the county auditor for its fee collection activities;

5 (b) 30 percent of the total funds collected shall be retained by
6 the county and used by the county as provided in subsection (3) of
7 this section;

8 (c) 54.1 percent of the total funds collected shall be
9 transmitted to the state treasurer to be deposited in the home
10 security fund account created in RCW 43.185C.060 and shall be used by
11 the department of commerce as provided in subsection (4) of this
12 section;

13 (d) 13.1 percent of the total funds collected shall be
14 transmitted to the state treasurer to be deposited in the affordable
15 housing for all account created in RCW 43.185C.190 and shall be used
16 by the department of commerce as provided in subsection (5) of this
17 section;

18 (e) 1.8 percent of the total funds collected shall be transmitted
19 to the state treasurer to be deposited in the landlord mitigation
20 program account created in RCW 43.31.615 and shall be used by the
21 department of commerce as provided in subsection (6) of this section.

22 (3) The county shall use their portion of the collected funds as
23 follows:

24 (a) Up to 10 percent for the county's administration and local
25 distribution of the funds collected from the surcharge in this
26 section, and administrative costs related to the county's homeless
27 housing plan;

28 (b) At least 75 percent will be retained and used by the county
29 to accomplish the purposes of its local homeless housing plan
30 pursuant to chapter 484, Laws of 2005. For each city in the county
31 that elects as authorized in RCW 43.185C.080 to operate its own local
32 homeless housing program, a percentage of the surcharge assessed
33 under this subsection equal to the percentage of the city's local
34 portion of the real estate excise tax collected by the county shall
35 be transmitted at least quarterly to the city treasurer, without any
36 deduction for county administrative costs, for use by the city for
37 program costs which directly contribute to the goals of the city's
38 local homeless housing plan; of the funds received by the city, it
39 may use up to 10 percent for administrative costs for its homeless
40 housing program;

1 (c) At least 15 percent will be retained and used by the county
2 for eligible housing activities, as described in this subsection,
3 that serve extremely low and very low-income households in the county
4 and the cities within a county according to an interlocal agreement
5 between the county and the cities within the county consistent with
6 countywide and local housing needs and policies. A priority must be
7 given to eligible housing activities that serve extremely low-income
8 households with incomes at or below 30 percent of the area median
9 income. Eligible housing activities to be funded are limited to:

10 (i) Acquisition, construction, or rehabilitation of housing
11 projects or units within housing projects that are affordable to very
12 low-income households with incomes at or below 50 percent of the area
13 median income, including units for homeownership, rental units,
14 seasonal and permanent farmworker housing units, units reserved for
15 victims of human trafficking and their families, and single room
16 occupancy units;

17 (ii) Supporting building operation and maintenance costs of
18 housing projects or units within housing projects eligible to receive
19 housing trust funds, that are affordable to very low-income
20 households with incomes at or below 50 percent of the area median
21 income, and that require a supplement to rent income to cover ongoing
22 operating expenses;

23 (iii) Rental assistance vouchers for housing units that are
24 affordable to very low-income households with incomes at or below 50
25 percent of the area median income, including rental housing vouchers
26 for victims of human trafficking and their families, to be
27 administered by a local public housing authority or other local
28 organization that has an existing rental assistance voucher program,
29 consistent with or similar to the United States department of housing
30 and urban development's section 8 rental assistance voucher program
31 standards; and

32 (iv) Operating costs for emergency shelters and licensed
33 overnight youth shelters.

34 (4) The department of commerce shall use the funds from the
35 document recording fee or other fund sources deposited in the home
36 security fund account as follows, except that the department of
37 commerce shall provide counties with the right of first refusal to
38 receive grant funds distributed under (b) of this subsection (4). If
39 a county refuses the funds or does not respond within a time frame
40 established by the department, the department shall make good faith

1 efforts to identify one or more suitable alternative grantees
2 operating within that county. The alternative grantee shall
3 distribute the funds in a manner that is in compliance with this
4 chapter. Funding provided through the office of homeless youth
5 prevention and protection programs created in RCW 43.330.705 is
6 exempt from the county first refusal requirement.

7 (a) Up to 10 percent for administration of the programs
8 established in chapter 43.185C RCW and in conformance with this
9 subsection (4), including the costs of creating and implementing
10 strategic plans, collecting and evaluating data, measuring and
11 reporting performance, providing technical assistance to local
12 governments, providing training to entities delivering services, and
13 developing and maintaining stakeholder relationships;

14 (b) At least 90 percent for homelessness assistance grant
15 programs administered by the department, including but not limited
16 to: Temporary rental assistance; eviction prevention rental
17 assistance per RCW 43.185C.185; emergency shelter and transitional
18 housing operations and maintenance; outreach; diversion; HOPE and
19 crisis residential centers; young adult housing; homeless services
20 and case management for adult, family, youth, and young adult
21 homeless populations and those at risk of homelessness; project-based
22 vouchers for nonprofit housing providers or public housing
23 authorities; tenant-based rent assistance; housing services; direct
24 cash assistance; rapid rehousing; emergency housing; acquisition;
25 operations; maintenance; and service costs for permanent supportive
26 housing as defined in RCW 36.70A.030 for individuals with
27 disabilities. Grantees may also use these funds in partnership with
28 permanent supportive housing programs administered by the office of
29 apple health and homes created in RCW 43.330.181. Priority for use
30 must be given to purposes intended to house persons who are
31 chronically homeless or to maintain housing for individuals with
32 disabilities and prior experiences of homelessness, including
33 families with children.

34 (5) The department of commerce shall use the funds from the
35 document recording fee or other fund sources deposited in the
36 affordable housing for all account as follows:

37 (a) Up to 10 percent for program administration and technical
38 assistance necessary for the delivery programs and activities under
39 this subsection (5);

40 (b) At least 90 percent for the following:

1 (i) Grants for building operation and maintenance costs of
2 housing projects, or units within housing projects, that are in the
3 state's housing trust fund portfolio, are affordable to extremely
4 low-income households with incomes at or below 30 percent of the area
5 median income, and require a supplement to rent income to cover
6 ongoing operating expenses;

7 (ii) Grants to support the building operations, maintenance, and
8 supportive service costs for permanent supportive housing projects,
9 or units within housing projects, that have received or will receive
10 funding from the housing trust fund or other public capital funding
11 programs. The supported projects or units must be dedicated as
12 permanent supportive housing as defined in RCW 36.70A.030, be
13 occupied by extremely low-income households with incomes at or below
14 30 percent of the area median income, and require a supplement to
15 rent income to cover ongoing property operations, maintenance, and
16 supportive services expenses.

17 (6) The department of commerce shall use the funds from the
18 document recording fee or other fund sources deposited in the
19 landlord mitigation program account to administer the landlord
20 mitigation program as established in RCW 43.31.605. The department of
21 commerce may use up to 10 percent of these funds for program
22 administration and the development and maintenance of a database
23 necessary to administer the program.

24 **Sec. 4.** RCW 74.04.005 and 2023 c 418 s 1 are each amended to
25 read as follows:

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

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

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

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

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

36 (5) "Department" means the department of social and health
37 services.

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

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

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

10 (9) "Income" means:

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

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

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

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

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

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

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

13 (b) Household furnishings and personal effects;

14 (c) One motor vehicle, other than a motor home, that is used and
15 useful;

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

19 (e) Retirement funds, pension plans, and retirement accounts;

20 (f) All other resources, including any excess of values exempted,
21 not to exceed \$12,000 or other limit as set by the department, to be
22 consistent with limitations on resources and exemptions necessary for
23 federal aid assistance;

24 (g) Applicants for or recipients of benefits under RCW 74.62.030
25 and (~~43.185C.220~~) referrals under RCW 74.04.805 shall have their
26 eligibility based on resource limitations consistent with the
27 temporary assistance for needy families program rules adopted by the
28 department; and

29 (h) If an applicant for or recipient of public assistance
30 possesses property and belongings in excess of the ceiling value,
31 such value shall be used in determining the need of the applicant or
32 recipient, except that: (i) The department may exempt resources or
33 income when the income and resources are determined necessary to the
34 applicant's or recipient's restoration to independence, to decrease
35 the need for public assistance, or to aid in rehabilitating the
36 applicant or recipient or a dependent of the applicant or recipient;
37 and (ii) the department may provide grant assistance for a period not
38 to exceed nine months from the date the agreement is signed pursuant
39 to this section to persons who are otherwise ineligible because of

1 excess real property owned by such persons when they are making a
2 good faith effort to dispose of that property if:

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

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

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

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

16 (14) "Secretary" means the secretary of social and health
17 services.

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

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

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

26 (ii) Filed or are preparing to file an application with the
27 appropriate federal agency for status pursuant to 8 U.S.C. Sec.
28 1101(a)(15)(U), as it existed on January 1, 2020; or

29 (iii) Been harmed by either any violation of chapter 9A.40 or
30 9.68A RCW, or both, or by substantially similar crimes under federal
31 law or the laws of any other state, and who:

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

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

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

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

39 (B) When the victim is under 21 years of age, a victim's parents
40 and unmarried siblings under the age of 18.

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

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

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

20 **Sec. 5.** RCW 74.04.805 and 2023 c 289 s 1 are each amended to
21 read as follows:

22 (1) The department is responsible for determining eligibility for
23 referral for essential needs and housing support under RCW
24 43.185C.220(~~(. Persons eligible for a referral are)~~) for persons who:

25 (a) Have been determined to be eligible for the aged, blind, or
26 disabled assistance program under RCW 74.62.030 or the pregnant women
27 assistance program under RCW 74.62.030, or are incapacitated from
28 gainful employment by reason of bodily or mental infirmity that will
29 likely continue for a minimum of 90 days. The standard for incapacity
30 in this subsection, as evidenced by the 90-day duration standard, is
31 not intended to be as stringent as federal supplemental security
32 income disability standards;

33 (b) Are citizens or aliens lawfully admitted for permanent
34 residence or otherwise residing in the United States under color of
35 law, or are victims of human trafficking as defined in RCW 74.04.005;

36 (c)(i) Have furnished the department with their social security
37 number. If the social security number cannot be furnished because it
38 has not been issued or is not known, an application for a number must

1 be made prior to authorization of benefits, and the social security
2 number must be provided to the department upon receipt;

3 (ii) This requirement does not apply to victims of human
4 trafficking as defined in RCW 74.04.005 if they have not been issued
5 a social security number;

6 (d)(i) Have countable income as described in RCW 74.04.005 that
7 meets the standard established by the department, which shall not
8 exceed 100 percent of the federal poverty level; or

9 (ii) Have income that meets the standard established by the
10 department, who are eligible for the pregnant women assistance
11 program;

12 (e) Do not have countable resources in excess of those described
13 in RCW 74.04.005; and

14 (f) Are not eligible for federal aid assistance, other than basic
15 food benefits transferred electronically and medical assistance.

16 (2) Recipients of pregnant women assistance program benefits who
17 meet other eligibility requirements in this section are eligible for
18 referral for essential needs and housing support services, within
19 funds appropriated for the department of commerce, for 24 consecutive
20 months from the date the department determines pregnant women
21 assistance program eligibility.

22 (3) The following persons are not eligible for a referral for
23 essential needs and housing support:

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

26 (b) Persons who refuse or fail without good cause to participate
27 in substance use treatment if an assessment by a certified substance
28 use disorder professional indicates a need for such treatment. Good
29 cause must be found to exist when a person's physical or mental
30 condition, as determined by the department, prevents the person from
31 participating in substance use treatment, when needed outpatient
32 treatment is not available to the person in the county of their
33 residence, when needed inpatient treatment is not available in a
34 location that is reasonably accessible for the person, or when the
35 person is a parent or other relative personally providing care for a
36 minor child or an incapacitated individual living in the same home as
37 the person, and child care or day care would be necessary for the
38 person to participate in substance use disorder treatment, and such
39 care is not available; and

1 (c) Persons who are fleeing to avoid prosecution of, or to avoid
2 custody or confinement for conviction of, a felony, or an attempt to
3 commit a felony, under the laws of the state of Washington or the
4 place from which the person flees; or who are violating a condition
5 of probation, community supervision, or parole imposed under federal
6 or state law for a felony or gross misdemeanor conviction.

7 (4) For purposes of determining whether a person is incapacitated
8 from gainful employment under subsection (1) of this section:

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

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

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

25 (6) The department must review the cases of all persons who have
26 received benefits under the essential needs and housing support
27 program for twelve consecutive months, and at least annually after
28 the first review, to determine whether they are eligible for the
29 aged, blind, or disabled assistance program.

30 (7) The department shall share client data for individuals
31 eligible for a referral to essential needs and housing support with
32 the department of commerce and designated essential needs and housing
33 support entities as required under RCW 43.185C.230.

34 (8) Individuals described in RCW 43.185C.220(1)(b) do not require
35 a referral from the department in order to be considered for
36 essential needs and housing support.

37 **Sec. 6.** RCW 74.62.030 and 2023 c 289 s 3 are each amended to
38 read as follows:

1 (1)(a) The aged, blind, or disabled assistance program shall
2 provide financial grants to persons in need who:

3 (i) Are not eligible to receive supplemental security income,
4 refugee cash assistance, temporary assistance for needy families, or
5 state family assistance benefits;

6 (ii) Meet the eligibility requirements of subsection (3) of this
7 section; and

8 (iii) Are aged, blind, or disabled. For purposes of determining
9 eligibility for assistance for the aged, blind, or disabled
10 assistance program, the following definitions apply:

11 (A) "Aged" means age 65 or older.

12 (B) "Blind" means statutorily blind as defined for the purpose of
13 determining eligibility for the federal supplemental security income
14 program.

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

20 In determining whether a person is disabled, the department may
21 rely on, but is not limited to, the following:

22 (I) A previous disability determination by the social security
23 administration or the disability determination service entity within
24 the department; or

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

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

30 (i) Persons who are not able to engage in gainful employment due
31 primarily to a substance use disorder. These persons shall be
32 referred to appropriate assessment, treatment, or shelter services.
33 Referrals shall be made at the time of application or at the time of
34 eligibility review. This subsection may not be construed to prohibit
35 the department from granting aged, blind, or disabled assistance
36 benefits to persons with a substance use disorder who are
37 incapacitated due to other physical or mental conditions that meet
38 the eligibility criteria for the aged, blind, or disabled assistance
39 program; or

1 (ii) Persons for whom there has been a final determination of
2 ineligibility based on age, blindness, or disability for federal
3 supplemental security income benefits.

4 (c) Persons may receive aged, blind, or disabled assistance
5 benefits and a referral for essential needs and housing program
6 support under RCW 43.185C.220 concurrently while pending application
7 for federal supplemental security income benefits. Effective October
8 1, 2025, a person's receipt of supplemental security income received
9 for the same period as aged, blind, or disabled program assistance as
10 described in this section shall not be considered a debt due to the
11 state and is not subject to recovery. However, the monetary value of
12 aged, blind, or disabled cash assistance paid prior to October 1,
13 2025, that is duplicated by the person's receipt of supplemental
14 security income for the same period shall be considered a debt due to
15 the state and shall by operation of law be subject to recovery
16 through all available legal remedies.

17 (2) The pregnant women assistance program shall provide financial
18 grants to persons who:

19 (a) Are pregnant and in need, based upon the current income and
20 resource standards of the federal temporary assistance for needy
21 families program, but are ineligible for federal temporary assistance
22 for needy families or state family assistance benefits for a reason
23 other than failure to cooperate in program requirements; and

24 (b) Meet the eligibility requirements of subsection (3) of this
25 section.

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

30 (a) Be a citizen or alien lawfully admitted for permanent
31 residence or otherwise residing in the United States under color of
32 law, or be a victim of human trafficking as defined in RCW 74.04.005;

33 (b) Meet the income and resource standards described in RCW
34 74.04.805(1) (d) and (e);

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

1 (ii) This requirement does not apply to victims of human
2 trafficking as defined in RCW 74.04.005 if they have not been issued
3 a social security number;

4 (d) Not have refused or failed without good cause to participate
5 in substance use treatment if an assessment by a certified substance
6 use disorder professional indicates a need for such treatment. Good
7 cause must be found to exist when a person's physical or mental
8 condition, as determined by the department, prevents the person from
9 participating in substance use treatment, when needed outpatient
10 treatment is not available to the person in the county of their
11 residence, when needed inpatient treatment is not available in a
12 location that is reasonably accessible for the person, or when the
13 person is a parent or other relative personally providing care for a
14 minor child or an incapacitated individual living in the same home as
15 the person, and child care or day care would be necessary for the
16 person to participate in substance use disorder treatment, and such
17 care is not available; and

18 (e) Not have refused or failed to cooperate in obtaining federal
19 aid assistance, without good cause.

20 (4) Referrals for essential needs and housing support under RCW
21 43.185C.220(1)(a) shall be provided to persons found eligible under
22 RCW 74.04.805.

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

26 (a) Is fleeing to avoid prosecution of, or to avoid custody or
27 confinement for conviction of, a felony, or an attempt to commit a
28 felony, under the laws of the state of Washington or the place from
29 which the person flees; or

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

33 (6) The department must share client data for individuals
34 eligible for a referral to essential needs and housing support with
35 the department of commerce and designated essential needs and housing
36 support entities as required under RCW 43.185C.230.

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