



RULE-MAKING ORDER PERMANENT RULE ONLY

CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: February 23, 2023

TIME: 2:54 PM

WSR 23-06-039

Agency: Department of Social and Health Services, Economic Services Administration

Effective date of rule:

Permanent Rules

- 31 days after filing.
- Other (specify) _____ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

- Yes No If Yes, explain:

Purpose: The department is amending WAC 388-450-0015, What types of income are not used by the department to figure out my benefits?; 388-470-0045, How do my resources count toward the resource limits for cash assistance?; and 388-470-0055, How do my resources count toward the resource limit for basic food? to clarify how the Washington Working Families Tax Credit will be treated for purposes of cash and food assistance program eligibility.

Citation of rules affected by this order:

New: None
 Repealed: None
 Amended: WAC 388-450-0015, 388-470-0045, and 388-470-0055
 Suspended: None

Statutory authority for adoption: RCW 74.04.050, 74.04.055, 74.04.057, 74.04.300, 74.04.510, 74.08.090, and 74.08A.120

Other authority: RCW 82.08.0206

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 23-02-028 on 12/28/2022 (date).
 Describe any changes other than editing from proposed to adopted version: N/A

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:
 Address:
 Phone:
 Fax:
 TTY:
 Email:
 Web site:
 Other:

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	___	Amended	<u>3</u>	Repealed	___

The number of sections adopted at the request of a nongovernmental entity:

New	___	Amended	___	Repealed	___
-----	-----	---------	-----	----------	-----

The number of sections adopted on the agency's own initiative:

New	___	Amended	___	Repealed	___
-----	-----	---------	-----	----------	-----

The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	___	Amended	___	Repealed	___
-----	-----	---------	-----	----------	-----

The number of sections adopted using:

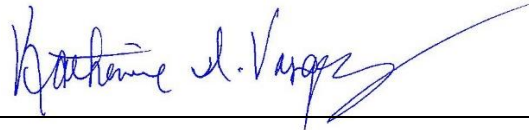
Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	<u>3</u>	Repealed	___

Date Adopted: February 23, 2023

Name: Katherine I. Vasquez

Title: DSHS Rules Coordinator

Signature:



WAC 388-450-0015 What types of income are not used by the department to figure out my benefits? (1) We do not count the following types of income when we determine your cash assistance and basic food benefits:

(a) Bona fide loans as defined in WAC 388-470-0045, except certain student loans as specified under WAC 388-450-0035;

(b) Federal income tax refunds, ~~((and))~~ earned income tax credit (EITC), and Washington's working families tax credit (WFTC) payments in the month received;

(c) Federal economic stimulus payments that are excluded for federal and federally assisted state programs;

(d) Federal ~~((twenty-five dollar))~~ \$25 supplemental weekly unemployment compensation payment authorized by the American Recovery and Reinvestment Act of 2009;

(e) Title IV-E and state foster care maintenance payments if you choose not to include the foster child in your assistance unit;

(f) Energy assistance payments;

(g) Educational assistance we do not count under WAC 388-450-0035;

(h) Native American benefits and payments we do not count under WAC 388-450-0040;

(i) Income from employment and training programs we do not count under WAC 388-450-0045;

(j) Money withheld from a benefit to repay an overpayment from the same income source;

(k) Legally obligated child support payments received by someone who gets temporary assistance for needy families (TANF) or state family assistance (SFA) benefits;

(l) One-time payments issued under the Department of State or Department of Justice reception and replacement programs, such as voluntary agency (VOLAG) payments;

(m) Payments we are directly told to exclude as income under state or federal law;

(n) Payments made to someone outside of the household for the benefits of the assistance unit using funds that are not owed to the household; and

(o) Distributions for qualified disability expenses from an achieving a better life experience (ABLE) account;

(2) For basic food only:

(a) We do not count the total monthly amount of all legally obligated current or back child support payments paid by the assistance unit to someone outside of the assistance unit for:

(i) A person who is not in the assistance unit; or

(ii) A person who is in the assistance unit to cover a period of time when they were not living with the member of the assistance unit responsible for paying the child support on their behalf; and

(b) We do count money withheld because you were overpaid for not meeting requirements of a federal, state, or local means tested programs such as temporary assistance for needy families (TANF), state family assistance (SFA), aged, blind, or disabled (ABD) cash assistance, pregnant women assistance (PWA), and supplemental security income (SSI).

WAC 388-470-0045 How do my resources count toward the resource limits for cash assistance? (1) We count the following resources toward your assistance unit's resource limits for cash assistance to decide if you are eligible for benefits under WAC 388-470-0005:

(a) Liquid resources not specifically excluded in subsection (2) of this section, including but not limited to:

- (i) Cash on hand;
- (ii) Money in checking or savings accounts;
- (iii) Money market accounts or certificates of deposit (CD) less any withdrawal penalty;
- (iv) Available retirement funds or pension benefits less any withdrawal penalty;
- (v) Stocks, bonds, annuities, or mutual funds less any early withdrawal penalty;
- (vi) Available trusts or trust accounts;
- (vii) Lump sum payments as described in chapter 388-455 WAC; and
- (viii) Any funds retained beyond the month of receipt from conversion of federally protected rights or extraction of exempt resources by members of a federally recognized tribe that are in the form of countable resources;

(b) The cash surrender value (CSV) of whole life insurance policies;

(c) The CSV over \$1,500 (~~(dollars)~~) of revocable burial insurance policies or funeral agreements;

(d) The amount of a child's irrevocable educational trust fund that is over \$4,000 (~~(dollars)~~) per child;

(e) Funds withdrawn from an individual development account (IDA) if they were removed for a purpose other than those specified in RCW 74.08A.220;

(f) Any real property like a home, land, or building not specifically excluded in this section;

(g) The equity value of vehicles as described in WAC 388-470-0070;

(h) Resources of a sponsor as described in WAC 388-470-0060;

(i) Sales contracts; and

(j) Personal property that is not:

- (i) A household good;
- (ii) Needed for self-employment; or
- (iii) Of great sentimental value due to personal attachment or hobby interest.

(2) The following types of liquid resources do not count when we determine your eligibility:

(a) Bona fide loans, including student loans;

(b) Basic food benefits;

(c) Income tax refunds for 12 months from the date of receipt;

(d) Earned income tax credit (EITC) in the month received and for up to 12 months;

(e) Advance earned income tax credit payments;

(f) Washington's working families tax credit (WFTC);

~~((f))~~ (g) Federal economic stimulus payments that are excluded for federal and federally assisted state programs;

~~((g))~~ (h) Individual development accounts (IDAs) established under RCW 74.08A.220;

~~((h))~~ (i) Retroactive cash benefits or TANF/SFA benefits resulting from a court order modifying a department decision;

~~((i))~~ (j) Underpayments received under chapter 388-410 WAC;

~~((j))~~ (k) Educational benefits that are excluded as income under WAC 388-450-0035;

~~((k))~~ (l) The income and resources of an SSI recipient;

~~((l))~~ (m) A bank account jointly owned with an SSI recipient if SSA already counted the money for SSI purposes;

~~((m))~~ (n) Foster care payments provided under Title IV-E, state foster care maintenance payments, or both;

~~((n))~~ (o) Adoption support payments;

~~((o))~~ (p) All funds in an achieving a better life experience (ABLE) account;

~~((p))~~ (q) Self-employment accounts receivable that the client has billed to the customer but has been unable to collect; and

~~((q))~~ (r) Resources specifically excluded by federal law.

(3) The following types of real property do not count when we determine your eligibility:

(a) Your home and the surrounding property that you, your spouse, or your dependents live in;

(b) A house you do not live in, if you plan to return to the home and are out of the home because of:

(i) Employment;

(ii) Training for future employment;

(iii) Illness; or

(iv) Natural disaster or casualty;

(c) Indian lands held jointly with a tribe or land that can be sold only with the approval of the Bureau of Indian Affairs; and

(d) Property that:

(i) You are making a good faith effort to sell;

(ii) You intend to build a home on, if you do not already own a home;

(iii) Produces income consistent with its fair market value, even if used only on a seasonal basis; or

(iv) A household member needs for employment or self-employment.

(4) Property excluded under subsection (3)(d)(iv) of this section used by a self-employed farmer or fisher retains its exclusion for one year after the household member stops farming or fishing.

(5) If you deposit excluded liquid resources into a bank account with countable liquid resources, we do not count the excluded liquid resources for six months from the date of deposit.

(6) If you sell your home, you have 90 days to reinvest the sale proceeds into an exempt resource.

(7) If you do not reinvest within 90 days, we will determine whether there is good cause to allow more time. If we determine you have good cause, we will give you more time based on your circumstances. If you do not have good cause, we will count your sale proceeds as a resource. Some examples of good cause include:

(a) Closing on your new home is taking longer than anticipated;

(b) You are unable to find a new home that you can afford;

(c) Someone in your household is receiving emergent medical care;

(d) Your children are in school and moving would require them to change schools.

WAC 388-470-0055 How do my resources count toward the resource limit for basic food? (1) For basic food, if your assistance unit (AU) is not categorically eligible (CE) under WAC 388-414-0001, we count the following resources toward your AU's resource limit to decide if you are eligible for benefits under WAC 388-470-0005:

(a) Liquid resources easily changed into cash, including but not limited to:

- (i) Cash on hand;
- (ii) Money in checking or savings accounts;
- (iii) Money market accounts or certificates of deposit (CD) less any withdrawal penalty;
- (iv) Stocks, bonds, annuities, or mutual funds less any early withdrawal penalty;
- (v) Available trusts or trust accounts; and
- (vi) Lump sum payments, which is money owed to you from a past period of time that you get but do not expect to get on a continuing basis;

(b) Nonliquid resources, personal property, and real property not specifically excluded in subsection (2) of this section;

(c) Vehicles as described in WAC 388-470-0075; and

(d) The resources of a sponsor as described in WAC 388-470-0060.

(2) The following resources do not count toward the resource limit described in WAC 388-470-0005(8):

(a) Your home and the surrounding property that you, your spouse, or your dependents live in;

(b) A home you do not live in, if you plan to return to the home and are out of the home because of one or more of the following circumstances:

- (i) Employment;
- (ii) Training for future employment;
- (iii) Illness; or
- (iv) Natural disaster or casualty;
- (c) Property that:
 - (i) You are making a good faith effort to sell;
 - (ii) You intend to build a home on, if you do not already own a home;
 - (iii) Produces income consistent with its fair market value, even if used only on a seasonal basis;

(iv) Is essential to the employment or self-employment of a household member;

(v) Is essential for the maintenance or use of an income-producing vehicle; or

(vi) Has an equity value equal to or less than half of the resource limit as described in WAC 388-470-0005;

(d) Household goods;

(e) Personal effects;

(f) Life insurance policies, including policies with cash surrender value (CSV);

(g) One burial plot per household member;

(h) One funeral agreement per household member, up to \$1,500 ((dollars));

(i) Pension plans or retirement funds not specifically counted in subsection (1) of this section;

(j) Sales contracts, if the contract is producing income consistent with its fair market value;

(k) Government payments issued for the restoration of a home damaged in a disaster;

(l) Indian lands held jointly with a tribe or land that can be sold only with the approval of the Bureau of Indian Affairs;

(m) Nonliquid resources that have a lien placed against them;

(n) Earned income tax credits (EITC) or Washington's working families tax credit (WFTC) for 12 months, if you were a basic food recipient when you got the EITC or WFTC and you remain on basic food for all 12 months (÷

~~(i) For 12 months, if you were a basic food recipient when you got the EITC and you remain on basic food for all twelve months; or~~

~~(ii) The month you get it and the month after, if you were not getting basic food when you got the EITC);~~

(o) Energy assistance payments or allowances;

(p) The resources of a household member who gets supplemental security income (SSI), temporary assistance for needy families (TANF), state family assistance (SFA), aged, blind, or disabled (ABD) cash assistance, or pregnant women assistance (PWA) benefits;

(q) Retirement funds or accounts that are tax exempt under the Internal Revenue Code;

(r) Education funds or accounts in a tuition program under Title 26 U.S.C. Sec. 529 or 530 of the federal Internal Revenue Code of 1986, as amended;

(s) All funds in an achieving a better life experience (ABLE) account;

(t) Resources specifically excluded by federal law; and

(u) Federal income tax refunds for 12 months whether or not you were receiving basic food assistance at the time you got the refund.

(3) Property excluded under subsection (2)(c)(iv) of this section used by a self-employed farmer or fisher retains its exclusion for one year after the household member stops farming or fishing.

(4) If you deposit excluded liquid resources into a bank account with countable liquid resources, we do not count the excluded liquid resources for six months from the date of deposit. Exception: Federal tax refunds are not counted for 12 months even when mixed with countable resources.

(5) If you sell your home, you have 90 days to reinvest the sale proceeds into an exempt resource. If you do not reinvest within 90 days, we will determine whether there is good cause to allow more time. If we determine you have good cause, we will give you more time based on your circumstances. If you do not have good cause, we will count the sale proceeds as a resource. Some examples of good cause include:

(a) Closing on your new home is taking longer than anticipated;

(b) You are unable to find a new home that you can afford;

(c) Someone in your household is receiving emergent medical care;

(d) Your children are in school and moving would require them to change schools.