

RCW 69.41.050 and sections 1 through 7 of this act on the grounds that imprinting is infeasible because of size, texture, or other unique characteristics.

(2) The provisions of RCW 69.41.050 and sections 1 through 7 of this act shall not apply to any legend drug which is prepared or manufactured by a pharmacy in this state and is for the purpose of retail sale from such pharmacy and not intended for resale.

NEW SECTION. Sec. 7. All legend drugs manufactured or distributed for resale to any entity in this state other than the ultimate consumer shall meet the requirements of RCW 69.41.050 and sections 1 through 7 of this act from a date eighteen months after the effective date of this 1980 act.

Sec. 8. Section 5, chapter 186, Laws of 1973 1st ex. sess. and RCW 69-41.050 are each amended to read as follows:

To every box, bottle, jar, tube or other container of a legend drug, which is dispensed by a practitioner authorized to prescribe legend drugs, there shall be affixed a label bearing the name of the prescriber, complete directions for use, the name of the drug either by the brand or generic name and strength per unit dose, name of patient and date: PROVIDED, That the practitioner may omit the name and dosage of the drug if he determines that his patient should not have this information and that, if the drug dispensed is a trial sample in its original package and which is labeled in accordance with federal law or regulation, there need be set forth additionally only the name of the issuing practitioner and the name of the patient.

NEW SECTION. Sec. 9. Sections 1 through 7 of this act are each added to chapter 69.41 RCW.

NEW SECTION. Sec. 10. There is hereby appropriated to the board of pharmacy from the general fund the sum of twenty-two thousand six hundred fifty-six dollars, or so much thereof as may be necessary, to carry out the purposes of this act.

Passed the House February 1, 1980.

Passed the Senate February 18, 1980.

Approved by the Governor March 7, 1980.

Filed in Office of Secretary of State March 7, 1980.

## CHAPTER 84

[House Bill No. 1521]

### PUBLIC ASSISTANCE—PROPERTY AND INCOME EXEMPTIONS— APPROPRIATION

AN ACT Relating to public assistance; amending section 74.04.005, chapter 26, Laws of 1959 as last amended by section 294, chapter 141, Laws of 1979 and RCW 74.04.005; amending section 74.04.300, chapter 26, Laws of 1959 as last amended by section 306, chapter 141, Laws of 1979 and RCW 74.04.300; and making an appropriation.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 74.04.005, chapter 26, Laws of 1959 as last amended by section 294, chapter 141, Laws of 1979 and RCW 74.04.005 are each amended to read as follows:

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

(1) "Public assistance" or "assistance"——Public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, general assistance and federal-aid assistance.

(2) "Department"——The department of social and health services.

(3) "County or local office"——The administrative office for one or more counties or designated service areas.

(4) "Secretary"——The secretary of social and health services.

(5) "Federal-aid assistance"——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(~~(including old age assistance, medical assistance, aid to families with dependent children, aid to the permanently and totally disabled persons, aid to the blind, child welfare services, and any other programs of public assistance))~~) for which provision for federal funds or aid may from time to time be made.

(6) "General assistance"——Shall include aid to unemployable persons and unemployed employable persons who are not eligible to receive or are not receiving federal-aid assistance.

(a) "Unemployable persons" are those persons who by reason of bodily or mental infirmity or other cause are substantially incapacitated from gainful employment.

(b) "Unemployed employable persons" are those persons who although capable of gainful employment are unemployed.

(7) "Medical indigents"——Are persons without income or resources sufficient to secure necessary medical services.

(8) "Applicant"——Any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.

(9) "Recipient"——Any person receiving assistance (~~(or currently approved to receive assistance at any future date))~~) and in addition those dependents whose needs are included in the recipient's (~~(grant))~~ assistance.

(10) "Requirement"——Items of goods and services included in the state department of social and health services standards of assistance and required by an applicant or recipient to maintain a defined standard of living.

(11) "Resource"——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: PROVIDED, That an applicant may retain the following described resources and not be ineligible for public assistance because of such resources.

(a) A home, which is defined as real property owned and used by an applicant or recipient as a place of residence, together with a reasonable amount of property surrounding and contiguous thereto, which is used by and useful to the applicant. Whenever a recipient shall cease to use such property for residential purposes, either for himself or his dependents, the property shall be considered as income which can be made available to meet need, and if the recipient or his dependents absent themselves from the home for a period of ninety consecutive days such absence, unless due to hospitalization or health reasons or a natural disaster, shall raise a rebuttable presumption of abandonment: PROVIDED, That if in the opinion of three physicians the recipient will be unable to return to the home during his lifetime, and the home is not occupied by a spouse or dependent children or disabled sons or daughters, such property shall be considered as income which can be made available to meet need.

(b) Household furnishings and personal ~~((clothing used and useful to the person))~~ effects and other personal property having great sentimental value to the applicant or recipient.

(c) ~~((Automobile(s)))~~ Term and burial insurance for use of the applicant or recipient.

(d) Vehicle(s) used and useful~~((d) Cash of not to exceed two hundred dollars for a single person or four hundred dollars for a family unit of two, or marketable securities of such value. This maximum shall be increased by twenty-five dollars for each additional member of the family unit))~~ having an equity value not to exceed one thousand five hundred dollars.

(e) Life insurance having a cash surrender value not to exceed seven hundred fifty dollars until July 1, 1981, and thereafter one thousand five hundred dollars.

(f) ~~((Other personal property and belongings which are used and useful or which have great sentimental value to the applicant or recipient))~~ Cash, marketable securities, and any excess of values exempted under (d) and (e) of this section, not to exceed seven hundred fifty dollars for a single person or one thousand two hundred fifty dollars for a family unit of two or more until July 1, 1981, and thereafter one thousand five hundred dollars for a single person or two thousand two hundred fifty dollars for a family unit of two or more.

~~((Whenever such person ceases to make use of any of the property specified in items (b), (c) and (f) of this section, the same shall be considered as income available to meet need. PROVIDED, That the department may by rule and regulation exempt such personal property and belongings~~

~~which can be used by the applicant or recipient to decrease his need for public assistance or aid in rehabilitating him or his dependents.))~~

(g) ~~((The department shall by rule and regulation fix the ceiling value for the individual or family unit for all property and belongings as defined in items (c), (d) and (e) of this section. In establishing such ceiling, the department shall establish a sliding scale based upon the family size.))~~ If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value shall be used in determining the need of the applicant or recipient: PROVIDED, That in the determination of need of applicants for or recipients of general assistance for unemployed employables no resources or income shall be considered as exempt per se, but the department may by rule and regulation adopt standards which will permit the exemption of the home and personal property and belongings from consideration as an available resource or income when such resources or income are determined to be necessary to the applicant's or recipient's restoration to independence. The department may by rule and regulation exempt personal property and belongings and income-producing property which can be used by the applicant or recipient to decrease his or her need for public assistance or aid in rehabilitating the applicant or recipient or his or her dependents.

(12) "Income"—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 after applying for or receiving public assistance: PROVIDED, That all necessary expenses that may reasonably be attributed to the earning of income shall be considered in determining net income: PROVIDED FURTHER, That the department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him to decrease his need for public assistance or to aid in rehabilitating him or his dependents, but such exemption shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance: ~~((PROVIDED FURTHER, That in determining the amount of assistance to which a recipient of aid to the blind is entitled or to which any dependent of such recipient may be entitled under any category of public assistance, the department is hereby authorized to disregard as a resource or income the first eighty-five dollars per month of any earned income plus one-half of earned income in excess of eighty-five dollars per month and for a period of not in excess of thirty-six months such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the department, as may be necessary for the fulfillment of such plan of such blind recipient who is otherwise eligible for an aid to the blind grant.))~~ PROVIDED FURTHER, That in determining the amount of assistance to which a recipient of aid to

families with dependent children is entitled, the department is hereby authorized to disregard as a resource or income ~~((a) with respect to a child who is not a full time employee and who is a full time or part time student attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment, all of the earned income of such child, and (b) with respect to any other dependent child, adult, or other person in the home whose needs are taken into account in making such determination, the first thirty dollars of the total of their earned income for such month and one-third of the remainder))~~ the earned income exemptions consistent with federal requirements: PROVIDED FURTHER, The department may permit the above exemption of earnings of a child to be retained by such child to cover the cost of special future identifiable needs even though the total exceeds the exemptions or resources granted to applicants and recipients of public assistance, but consistent with federal requirements~~((: PROVIDED FURTHER, That in determining the amount of assistance to which a recipient of old age assistance is entitled, the department is hereby authorized to disregard as a resource or income the first twenty dollars per month of any earned income plus one-half of additional earnings up to eighty dollars of such recipient who is otherwise eligible for an old age assistance grant, but the total amount of earnings or other income if accumulated shall not, when added to the amount of cash or marketable securities exempted under (d) of subsection (11) of this section, exceed the total amounts exempted under that subsection for a family unit: PROVIDED FURTHER, That a recipient of aid to the blind may accumulate without penalty from such exempt income, an amount not to exceed the maximum value of personal property as established by the department pursuant to this section less other cash, marketable securities, cash surrender value of insurance and/or car held by such recipient)).~~ In formulating rules and regulations pursuant to this chapter the department shall define "earned income" ~~((in such a manner as to meet with the approval of the department of health, education and welfare, and PROVIDED FURTHER, That))~~ consistent with federal requirements. All resources and income not specifically exempted, and any income or other economic benefit derived from the use of, or appreciation in value of, exempt resources, shall be considered in determining the need of an applicant or recipient of public assistance.

(13) "Need"—The difference between the applicant's or recipient's cost of requirements for himself and the dependent members of his family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt net income received by or available to the applicant or recipient and the dependent members of his family.

(14) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders and the present tense shall include the

past and future tenses, unless the context thereof shall clearly indicate to the contrary.

Sec. 2. Section 74.04.300, chapter 26, Laws of 1959 as last amended by section 306, chapter 141, Laws of 1979 and RCW 74.04.300 are each amended to read as follows:

If a recipient receives public assistance for which he is not eligible, or receives public assistance in an amount greater than that for which he is eligible, the portion of the payment to which he is not entitled shall be a debt due the state: PROVIDED, That if any part of any assistance payment is obtained by a person as a result of a wilfully false statement, or representation, or impersonation, or other fraudulent device, or wilful failure to reveal resources or income, one hundred twenty-five percent of the amount of assistance to which he was not entitled shall be a debt due the state and shall become a lien against the real and personal property of such person from the time of filing by the department with the county auditor of the county in which the person resides or owns property, and such lien claim shall have preference to the claims of all unsecured creditors. It shall be the duty of recipients of public assistance to notify the department within twenty days of the receipt or possession of all income or resources not previously declared to the department, and any failure to so report shall be prima facie evidence of fraud: PROVIDED FURTHER, That there shall be no liability placed upon recipients for receipt of overpayments of public assistance which result from error on the part of the department and no fault on the part of the recipient in obtaining or retaining the assistance if the recovery thereof would be inequitable as determined by the secretary or his designee or when the department determines that the cost of collection exceeds the amount recoverable from a nonfraudulent overpayment.

Debts due the state pursuant to the provisions of this section, may be recovered by the state by deduction from the subsequent assistance payments to such persons or may be recovered by a civil action instituted by the attorney general.

NEW SECTION. Sec. 3. There is appropriated from the general fund to the department of social and health services for the biennium ending June 30, 1981, the sum of five hundred thousand dollars, or as much thereof as may be necessary, to carry out the purposes of this act.

Passed the House February 22, 1980.

Passed the Senate February 15, 1980.

Approved by the Governor March 7, 1980.

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