

**TITLE 6. ECONOMIC SECURITY****CHAPTER 12. DEPARTMENT OF ECONOMIC SECURITY  
CASH ASSISTANCE PROGRAM**

*Editor's Note: The Office prints all Chapters on white paper regardless of an exemption (Supp. 13-2).*

*Editor's Note: Article headings and Sections of this Chapter were amended, renumbered, repealed, and adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Chapter 300, § 74(A). The Chapter heading was also changed under this exemption. Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on these rules. Under Laws 1997, Ch. 300, § 74(B), the Department is required to institute the formal rulemaking process on these Sections on or before December 31, 1997. Because these rules are exempt from the regular rulemaking process, the Chapter is being printed on blue paper.*

6 A.A.C. 12, consisting of Article 1, Sections R6-12-101 through R6-12-105; Article 2, Sections R6-12-201 through R6-12-111; Article 3, Sections R6-12-301 through R6-12-317; Article 4, Sections R6-12-401 through R6-12-406; Article 5, Sections R6-12-501 through R6-12-508; Article 6, Sections R6-12-601 through R6-12-617; Article 7, Sections R6-12-701 through 706; Article 8, Sections R6-12-801 through R6-12-807; Article 9, Sections R6-12-901 through R6-12-908; Article 10, Sections R6-12-1001 through R6-12-1015; Article 11, Sections R6-12-1101 through R6-12-1103; Article 12, Sections R6-12-1201 through R6-12-1206; and Article 13, Sections R6-12-1301 through R6-12-1307, adopted effective November 9, 1995 (Supp. 95-4).

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#### ARTICLE 1. GENERAL PROVISIONS

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-101. Definitions

The following definitions apply to this Chapter:

1. "Acceptable medical source" means a registered nurse practitioner or a licensed physician, including a medical or osteopathic doctor; licensed psychologist; licensed optometrist; and licensed podiatrist, as applicable for the particular medical impairment.
2. "Adequate notice" means a notice which explains the action the Department intends to take, the reason for the action, the specific authority for the action, the recipient's appeal rights, and right to benefits pending appeal, and which is mailed before the effective date of the action.
3. "Adequate and timely notice" means a written notice which contains the information required for an adequate notice and is sent within the time-frame provided for a timely notice.
4. "Adverse action" means one of the Department actions described in R6-12-1001(A), including action to termi-

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- nate or reduce a benefit or assistance grant, or change the manner or form in which benefits are paid.
5. "AHCCCS" or "Arizona Health Care Cost Containment System" means a system established pursuant to A.R.S. § 36-2901 et seq. which consists of contracts with providers for the provision of hospitalization and medical care coverage to members.
  6. "AHCCCSA" or "The Arizona Health Care Cost Containment System Administration" means the Arizona state government agency which administers the AHCCCS program.
  7. "Appellant" means an applicant or recipient of assistance who is appealing an adverse action by the Department.
  8. "Applicant" means a person who has directly, or through an authorized representative or responsible person, filed an application for CA with the Department.
  9. "Assistance unit" means those members of a needy family, or a child only case, that meet the non-financial eligibility criteria for Cash Assistance and whose needs, income, resources, and other circumstances are considered as a whole to determine a Cash Assistance benefit amount.
  10. "Available income" means income that is actually available to the family or the assistance unit, and income in which the family or the assistance unit has a legal interest in a liquidated sum and has the legal ability to make such sum available for support and maintenance. When an assistance unit includes a dependent child who resides with a parent or a minor sibling, the Department shall consider the income of the parent and minor sibling as available income to the assistance unit.
  11. "Available resources" means resources that are actually available to the assistance unit, and resources in which the assistance unit has a legal interest. Resources include a liquidated sum in which the assistance unit has the legal ability to make such sum available for support and maintenance. When an assistance unit includes a dependent child who resides with a parent or a minor sibling, the Department shall consider the resources of the parent and minor sibling as available resources to the assistance unit.
  12. "Benefit month" means the calendar month for which benefits are paid based upon the assistance unit's projected income and anticipated circumstances for that same month.
  13. "Benefit" or "cash benefit" means a monetary amount that the Department pays to an assistance unit for a particular benefit month.
  14. "Bona fide funeral agreement" means a prepaid plan that specifically covers only funeral-related expenses as evidenced by a written contract.
  15. "Burial plot" means a space reserved in a cemetery, crypt, vault, or mausoleum for the remains of a deceased person.
  16. "CA" means Cash Assistance, a program administered by the Department that provides assistance to needy families with dependent children and to child only cases under 42 U.S.C. 601 et seq.
  17. "Calendar quarter" means one of the four consecutive three-month periods of a calendar year beginning with either January 1, April 1, July 1, or October 1.
  18. "Calendar year" means a period of 12 consecutive months beginning with January 1 and ending with December 31.
  19. "Caretaker relative" means a parent or a non-parent relative (Non-parent Caretaker Relative or NPCR), whether related by blood or adoption, who maintains a family setting for a dependent child and who exercises responsibility for the day-to-day physical care, guidance, and support of that child.
  20. "Child only case" means a case in which the eligible dependent child is in the legal custody of the Department and placed in foster care as defined in A.R.S. § 8-501, with an unrelated adult, or a nonparent relative who is not receiving Cash Assistance. A.R.S. § 46-101(7).
  21. "Child welfare agency" means any agency or institution as defined at A.R.S. § 8-501(A)(1).
  22. "Collateral contact" means an individual, agency, or organization the Department contacts to confirm information provided by the applicant or recipient.
  23. "Countable income" means income from every source minus income excluded under R6-12-503.
  24. "Countable payment" means a cash benefit paid to or for an assistance unit in the Arizona CA program on or after October 1, 2002, but does not include cash benefits that are not countable toward the 36-month time limit under R6-12-318(E).
  25. "Crime" means any unlawful act against a head of household, the spouse of the head of household, or any member of an assistance unit that creates a hardship.
  26. "Current federal poverty level" means the federal Department of Health and Human Services poverty guidelines published annually in the *Federal Register*.
  27. "Day" means a calendar day unless otherwise specified.
  28. "Department" means the Arizona Department of Economic Security.
  29. "Dependent child" means a child as defined at A.R.S. § 46-101(8).
  30. "Disregards" means those income deductions that the Department applies to the family's or the assistance unit's gross earned income to determine eligibility and benefit amount.
  31. "District Medical Consultant" means a licensed physician whom the Department employs to review medical records for the purpose of determining physical or mental incapacity.
  32. "Earned income" means any monetary gain to the family or the assistance unit as defined in 45 CFR 233.20(a)(6)(iii) through (viii) (October 1994) which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions, and in Article 5 of this Chapter.
  33. "Eligibility determination date" means the date the Department makes the decision described in R6-12-706 and issues the eligibility decision notice.
  34. "Encumbrance" means a legal debt.
  35. "Equity value" means fair market value minus encumbrances.
  36. "FAA" or "Family Assistance Administration" means the administration within the Department's Division of Benefits and Medical Eligibility with responsibility for providing financial and food stamp assistance to eligible persons and determining medical eligibility.
  37. "Fair consideration" means an amount which reasonably represents the fair market value of transferred property.
  38. "Fair market value" means the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell, and both having reasonable knowledge of the relevant facts.
  39. "Family" means the following individuals living in the same home with:
    - a. A head of household caretaker relative:

- i. A dependent child,
  - ii. Parent or parents of the dependent child,
  - iii. Spouse of the parent or parents of the dependent child,
  - iv. The head of household caretaker relative,
  - v. The spouse of the head of household caretaker relative,
  - vi. Minor siblings of the dependent child,
  - vii. Minor children of the head of household caretaker relative, and
  - viii. Minor children of the spouse of the head of household caretaker relative, or
- b. A minor parent requesting CA under R6-12-608:
- i. The minor parent or parents,
  - ii. The minor parent's child,
  - iii. The minor parent's adult caretaker relative,
  - iv. The spouse of the minor parent's adult caretaker relative,
  - v. Minor parent's minor siblings or step-siblings,
  - vi. Minor children of the adult caretaker relative, and
  - vii. Minor children of the spouse of adult caretaker relative.
40. "Foster care maintenance payment" means a monetary amount which the Department pays to a foster parent for the expenses of a child in foster care.
41. "Foster child" means a child placed in a foster home or a child welfare agency.
42. "Gross Income" means countable income available to a family and an assistance unit for the purpose of computing the net income amount that is used to determine the income eligibility of a family and the cash benefit amount for an assistance unit.
43. "Hardship" means a situation that causes suffering or distress through the deprivation or loss of basic needs. The hardship must prevent an adult assistance unit member, the caretaker relative head of household, the spouse of the caretaker relative head of household, or the minor parent head of household from working or engaging in work activities to a degree that such person is prevented from financially supporting the eligible dependent child in the assistance unit, independent of CA.
44. "*Head of household*" means a dependent child's parent or the spouse of the parent, or the dependent child's nonparent relative or spouse of the nonparent relative, who receives Cash Assistance for him (or her)self and on behalf of the dependent child or only on behalf of the dependent child. A.R.S. § 46-101(13).
45. "Homebound" means a person who is confined to the home because of physical or mental incapacity.
46. "Homeless" means all assistance unit members meet either of the following criteria:
- a. They do not have a fixed or regular nighttime residence.
  - b. They have as their primary nighttime residence one of the following:
    - i. A supervised shelter designed to provide temporary shelter to homeless persons;
    - ii. A half-way house or similar institution that provides temporary residence;
    - iii. A rent-free accommodation in the residence of another person for not more than 90 days; or
    - iv. A place not designed, or ordinarily used, for sleeping. This includes the following:
      - (1) Car,
      - (2) Bus station,
      - (3) Hallway,
      - (4) Park, or
      - (5) Sidewalk.
47. "Homestead property" means a home owned and occupied by an applicant or recipient, or which is co-owned and occupied by a separated or divorced spouse of an applicant or recipient.
48. "Income" means earned and unearned income available to a family or an assistance unit.
49. "JOBS" or "Job Opportunities and Basic Skills Training Program" means the program authorized by 42 U.S.C. 681 - 687 and A.R.S. § 46-299, which assists CA recipients to prepare for, obtain, and retain employment.
50. "Job Corps" means the program authorized by 29 U.S.C. 1691 et seq. which provides education, training, intensive counseling, and related assistance to economically disadvantaged young men and women.
51. "JTPA" or "Job Training Partnership Act" means the program authorized by 29 U.S.C. 1501 et seq. which prepares youth and unskilled adults for entry into the labor force and affords special job training.
52. "Lawful Permanent Resident" means a noncitizen who has been granted authorization by the United States Citizen and Immigration Service to live and work in the United States on a permanent basis.
53. "Liquid asset" means cash or another financial instrument which is readily convertible to cash.
54. "Local office" means a FAA office which is designated as the office in which CA applications and other documents are filed with the Department and in which eligibility and benefit amounts are determined.
55. "Lump sum income" means a single payment of earned or unearned income, such as retroactive monthly benefits, non-recurring pay adjustments or bonuses, inheritances, lottery winnings, or personal injury and workers' compensation awards.
56. "Mailing date," when used in reference to a document sent first class, postage prepaid, through the United States mail, means the date:
  - a. Shown on the postmark;
  - b. Shown on the postage meter mark of the envelope, if there is no postmark; or
  - c. Entered on the document as the date of its completion, if there is no legible postmark or postage meter mark.
57. "Need standard" means the money value the state assigns to the basic and special needs deemed essential for an assistance unit.
58. "Needy family" means the same as A.R.S. § 46-101(16).
59. "Net income" means gross income, minus the monthly earned income disregards under R6-12-703. Net income is used to determine the income eligibility of a family and a cash benefit amount for an assistance unit.
60. "*Non-parent relative*" means a dependent child's grandfather; grandmother; brother; sister; stepfather; stepmother; stepbrother; stepsister; uncle, aunt, niece, nephew, or cousin and includes a permanent guardian who is appointed pursuant to A.R.S. § 8-872. A.R.S. § 46-101(17).
61. "Noncitizen" means a person who is not a United States citizen.
62. "Noncitizen sponsor," which is sometimes referred to as a "sponsor," means an organization which, or a person who, has executed an affidavit of support or similar agreement on behalf of a noncitizen who is not the child

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- or spouse of the sponsor, as a condition of the noncitizen's entry into the United States.
63. "Notice date" means the date which appears as the official date of issuance on a document or official written notice the Department sends or gives to an applicant or recipient.
64. "OSI" or "Office of Special Investigations" means the Department office to which FAA refers cases for investigation of certain eligibility information, investigation and preparation of fraud charges, coordination and cooperation with law enforcement agencies, and other similar functions.
65. "Overpayment" means a financial assistance payment received by or for an assistance unit for a benefit month and which exceeds the amount to which the unit was lawfully entitled.
66. "Parent" means the lawful mother or father of a dependent child and includes only a birth or adoptive parent and excludes a stepparent.
67. "Participating in a strike" means engaging in any activity as defined at 29 U.S.C. 142(2), as amended through June 23, 1947, which is incorporated by reference and on file with the Office of the Secretary of State and not including any later amendments or editions.
68. "Party" means the Department and the applicant or recipient.
69. "Payment standard" means the amount of money from which net income is subtracted to calculate the monthly benefit amount.
70. "Physical or mental incapacity" means a physical or mental impairment which substantially precludes a parent from providing for the support or care of the parent's child.
71. "PI" means the Primary Informant, who is the individual who signs the Application for Assistance; in TPEP assistance units the PI is the PWEP.
72. "PRA" means the Personal Responsibility Agreement, which is a document listing the obligations of a household that applies for and receives CA.
73. "Projected income" means an estimate of income that a family or an assistance unit reasonably expects to receive in a specific month, the actual amount of which is unknown but which is estimated from available and reliable information.
74. "Prospective eligibility" means an eligibility determination for a benefit month based on income and other circumstances as they actually exist, and are anticipated to exist, in that same month.
75. "Putative father" means a male person whom a birth mother has named as father of her child, but whose paternity has not been established as a matter of law.
76. "Prospective budgeting" means the computation of a benefit amount for a particular benefit month based on the Department's projected income and circumstances as they actually exist and are anticipated to exist for that same month.
77. "PRWORA" means the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193).
78. "PWEP" or "Primary wage earning parent" means the parent in a two-parent family who earned the greater amount of income in the 24-month period immediately preceding the month in which an application for benefits is filed.
79. "Request for hearing" means a clear written expression by an applicant or recipient, or such person's representative, indicating a desire to present the case or issue to a higher authority.
80. "Resources" means real and personal property available to an assistance unit.
81. "Review" means a review of all factors affecting an assistance unit's eligibility and benefit amount.
82. "Spendthrift restriction" means a legal restriction on the use of a resource which prevents a payee or beneficiary from alienating the resource.
83. "Sponsored noncitizen" means a noncitizen whose entry into the United States was sponsored by a person who, or an organization which, executed an affidavit of support or similar agreement on behalf of the noncitizen alien, who is not a child or spouse of the sponsor.
84. "Student" means a person who is attending a school, college, or university, or who is enrolled in a course of vocational or technical training designed to prepare the trainee for gainful employment, and includes a participant in Job Corps.
85. "Suitable work" means work in a recognized occupation for which a person is reasonably qualified.
86. "Support" means child support, alimony, spousal maintenance, or medical support.
87. "Supportive Services unit" means an assistance unit which is eligible for all benefits, except a monthly cash amount, that a CA assistance unit receives.
88. "SVES" means the State Verification and Exchange System which is a system through which the Department exchanges income and benefit information with the Internal Revenue Service, Social Security Administration, State Wage, and Unemployment Insurance Benefit data files.
89. "TANF" means Temporary Assistance for Needy Families, which is a program administered by the Department to provide assistance to needy families with dependent children and child only cases under 42 U.S.C. 601 et seq.
90. "Timely notice" means a notice which the Department mails at least 10 days before the date on which the action described in the notice will occur or take effect or, in circumstances of probable fraud, at least five calendar days in advance of the date such action is effective.
91. "Title IV-A of the Social Security Act" means 42 U.S.C. 601 - 617, the statutes establishing the CA program.
92. "Title IV-E of the Social Security Act" means 42 U.S.C. 670 - 679, the statutes establishing the foster care and adoption assistance programs.
93. "TPEP" or "Two-parent Employment Program" means the CA program that provides assistance for dependent children residing in a needy family who are deprived of parental support because the primary wage-earning parent is unemployed.
94. "Underpayment" means a monthly benefit payment which is less than the amount for which the assistance unit is eligible, or the failure to issue a benefit payment when such payment should have been issued.
95. "Vendor payment" means a payment that a person or organization who is not a member of the family or the assistance unit makes to a third-party vendor to cover family or assistance unit expenses.
96. "Violence" means battery or extreme cruelty inflicted on a head of household or any member of an assistance unit. Battery or extreme cruelty includes any of the following:
- Physical acts that threatened or resulted in physical injury;
  - Threats of, or attempts at, physical or sexual abuse;
  - Sexual activity involving a child;

- d. Being forced as the caretaker of a child to engage in non-consensual sexual acts or activities;
  - e. Mental or emotional abuse; and
  - f. Neglect or deprivation of basic necessities such as food or medical care.
97. "Voluntary Quit/Reduction in Work Effort" is an action to willingly quit a job or reduce work effort without good cause.
98. "Warrant" means a payment instrument drawn on the Arizona State Treasury authorizing payment of a particular sum of money to an CA recipient.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

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#### R6-12-102. Confidentiality

- A.** Personally identifiable information.
1. All personally identifiable information concerning an applicant, recipient, or member of a family in the possession of the Department is confidential and not subject to public inspection, except as otherwise specified in A.R.S. § 41-1959 and this Section.
  2. Personally identifiable information includes:
    - a. Name, address, and telephone number;
    - b. Social Security number and date of birth;
    - c. Unique identifying numbers such as a driver's license number;
    - d. Photographs;
    - e. Information related to social and economic conditions or circumstances;
    - f. Medical data, including diagnosis and past history of disease or disability; and
    - g. Any other information which is reasonably likely to permit another person to readily identify the subject of the information.
- B.** Release of information to applicants and recipients.
1. An applicant or recipient may review the contents of his or her own eligibility file at any time during the Department's regular business hours, provided that a Department employee is present during the review.
  2. A dependent child may review a case file in which the child is included as a recipient, only with the written permission of the child's parent, or legal guardian or custodian.
  3. The Department may withhold medical information which, if released, may cause physical or mental harm to the person requesting the information, until the Department contacts the person's physician and obtains an opinion that the Department can safely release the information.
- C.** Release of information to authorized persons and representatives. An applicant or recipient may permit the release of information from the applicant or recipient's eligibility file to

another person or representative by executing a release form containing the following information:

1. The specific information the Department is authorized to release;
  2. The name of the person to whom the Department may release information;
  3. The duration of the release, if limited; and
  4. Signature and date.
- D.** Release to persons and agencies for official purposes.
1. An official purpose is one directly related to the administration of a public assistance program and includes:
    - a. Establishing eligibility;
    - b. Determining the amount of an assistance grant;
    - c. Providing services to applicants and recipients, including child support enforcement services;
    - d. Investigating or prosecuting civil or criminal proceedings related to an assistance program; and
    - e. Evaluating, analyzing, overseeing, and auditing program operations.
  2. The Department may release confidential information to the following persons and agencies to the extent required for official purposes:
    - a. Department employees;
    - b. Employees of the Social Security Administration;
    - c. Public assistance agencies of any other state;
    - d. Persons connected with the administration of child support enforcement activities;
    - e. Arizona Attorney General's Office;
    - f. Persons connected with the administration of federal or federally assisted programs which provide assistance, in cash or in-kind, or services directly to individuals on the basis of need;
    - g. Government auditors when the audits are conducted in connection with the administration of any assistance program by a governmental entity which is authorized by law to conduct such audits;
    - h. AHCCCSA, for eligibility purposes;
    - i. Law enforcement officials for an investigation, prosecution, or civil or criminal proceedings conducted by or on behalf of the Department or a federal public assistance agency in connection with the administration of a public assistance program; and
    - j. The Internal Revenue Service for the purpose of identifying improperly claimed tax exemptions by the absent parent of a child supported by CA.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

#### R6-12-103. Case Record

- A.** The Department shall maintain a case record for every applicant for or recipient of assistance.
- B.** Except as otherwise provided in subsections (C) and (D) below, the Department shall retain the case record for a period of 3 years after the last date on which the applicant received an adverse determination of eligibility or the recipient last received a benefit payment.
- C.** The Department shall retain a case record which contains an unpaid overpayment until:
  1. The overpayment is paid in full, or
  2. The assistance unit is no longer obligated to repay the overpayment.

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- D. The Department shall retain a case record which includes a person determined to have committed an intentional program violation pursuant to Article 12 until:
1. The overpayment is paid in full, and
  2. The disqualification sanction is satisfied.
- E. The case record shall contain all documentation collected or prepared by the Department in evaluating and determining eligibility and benefit amount.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-104. Manuals**

Each FAA office shall maintain and keep available for public inspection and copying during regular business hours, a copy of the CA program manual.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-105. Repealed****Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed by final rulemaking at 16 A.A.R. 815, effective April 22, 2010 (Supp. 10-2).

**ARTICLE 2. APPLICATION PROCESS AND PROCEDURES**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-201. Application**

- A. Any person may apply for CA by filing, either in person or by mail, a Department-approved application form with any FAA office.
- B. The application file date is the date any FAA office receives an identifiable application. An identifiable application is 1 which contains, at a minimum, the following information:

1. The legible name and address of the person requesting assistance; and
2. The signature, under penalty of perjury, of the applicant or the applicant's authorized representative, or, if the applicant is incompetent or incapacitated, someone legally authorized to act on behalf of the applicant.

- C. In addition to the identifiable information described in subsection (B), a completed application shall contain:
1. The names of all persons living in the applicant's dwelling and the relationship of such persons to the applicant,
  2. A request to receive cash benefits which complies with the requirements of R6-12-202, and
  3. All other financial and non-financial eligibility information requested on the application form.
- D. An application for CA is automatically treated as an application for AHCCCS medical benefits.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-202. Request for Benefits; Composition of the Assistance Unit**

- A. An applicant may receive CA for any eligible dependent child, and the parents, siblings, and nonparent relatives of the eligible dependent child residing in the applicant's home who meet the CA financial and nonfinancial eligibility criteria.
- B. A parent or sibling in a family with an eligible dependent child:
1. Shall be part of the assistance unit with the dependent child when the parent or sibling:
    - a. Requests CA, and
    - b. Meets all nonfinancial CA eligibility criteria, or
  2. Shall not be part of the assistance unit if the parent or sibling does not meet the requirements of subsection (B)(1), but the Department shall consider their income and resources available to the assistance unit for the purpose of determining the amount of the cash benefit.
- C. An applicant who is the non-parent caretaker relative (NPCR) of a dependent child and who meets the requirements of R6-12-306(A)(4) may also ask to be included in the cash benefit.
- D. When one NPCR cares for step-siblings or children who lack any sibling relationship, the NPCR and the children shall be included in the same cash benefit.
- E. Notwithstanding any other provision of this Chapter, no person shall receive CA in more than one assistance unit in Arizona in any calendar month.
- F. If a person is required to be included in more than one assistance unit, the Department shall consolidate the assistance units.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp.

97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**Editor's Note:** *The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-203. Initial Eligibility Interview**

- A.** Upon receipt of an identifiable application, the Department shall schedule an initial eligibility interview for the applicant at a location which assures a reasonable amount of privacy. Upon request, the Department shall conduct the interview at the residence of a person who is homebound.
- B.** The applicant shall attend the interview. A person of the applicant's choosing may also attend the interview.
- C.** During the interview, a Department representative shall:
  1. Assist the applicant in completing the application form;
  2. Witness the signature of the applicant or the applicant's authorized representative;
  3. Discuss how the applicant and the other assistance unit members previously met their needs, and why they now need financial assistance;
  4. Provide the applicant with written information explaining:
    - a. The terms, conditions, and obligations of the CA program, including the requirement that the applicant obtain and provide a Social Security number to the Department;
    - b. Any additional verification information as prescribed in R6-12-205(A) which the applicant must provide for the Department to conclude the eligibility evaluation;
    - c. The Department's practice of exchanging eligibility and income information through the State Verification and Exchange System (SVES);
    - d. The coverage and scope of the CA program, and related services which may be available to the applicant, including child care benefits;
    - e. The applicant's rights, including the right to appeal adverse action;
    - f. The AHCCCS enrollment process;
    - g. The requirement to report all changes within 10 calendar days from the date the change becomes known;
    - h. The family planning services available through AHCCCS health plans;
  5. Review the penalties for perjury and fraud, as printed on the application;
  6. Explain to the applicant:
    - a. Who shall be included in the family for the purpose of determining whether the assistance unit resides in a needy family,
    - b. Which family members may be included in the assistance unit,
    - c. Which family member's income and resources shall be considered available to the assistance unit, and
    - d. Which family member the applicant may include as an optional member of the assistance unit.
  7. Review any verification information already provided;
  8. Explain the applicant's duties to:

- a. Cooperate with the Division of Child Support Enforcement (DCSE) in establishing paternity and enforcing support obligations, unless the applicant can show good cause for not doing so;
  - b. Transmit to the Department any support payments the applicant receives after the date the applicant is approved to receive CA; and
  - c. Participate in the Job Opportunities and Basic Skills Training (JOBS) program, unless the applicant or recipient is determined to be exempt from such participation;
9. Photograph the applicant for identification purposes;
  10. Review all ongoing reporting requirements, and the potential sanctions for failure to make timely reports, including loss of disregards; and
  11. Inform the applicant of the opportunity to set aside funds in an individual development account as prescribed in R6-12-404 for educational or training purposes.
- D.** When the applicant misses a scheduled appointment for an interview, the Department shall schedule a second interview for later that same day, or for another day, only if the applicant so requests before close of business on the day of the missed appointment.
  - E.** The Department shall deny the application when the applicant fails to request a second appointment as provided in subsection (D) or when the applicant misses a second scheduled appointment.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**Editor's Note:** *The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-204. Disability Determination**

- A.** When an assistance unit is requesting CA due to the mental or physical incapacity of a parent, as provided in R6-12-310(G), the Department shall verify the existence of the disability.
- B.** The assistance unit shall demonstrate incapacity of a parent by providing a medical statement from a licensed physician. The statement shall include:
  1. A diagnosis of the person,
  2. A finding that the person has a physical or mental condition which prevents the person from working, and
  3. An opinion concerning the duration of unemployment or a date for re-evaluation of unemployment.
- C.** The local FAA office shall find disability, without further medical verification, when the applicant provides evidence that:
  1. The Social Security Administration (SSA) has determined that the person is eligible for Retirement, Survivors, Disability Insurance (RSDI) benefits due to blindness or disability;
  2. The SSA has determined that the person is eligible for Supplemental Security Income (SSI) due to blindness or disability;
  3. The Veteran's Administration has determined that the person has at least a 100% disability;



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4. The person's physician has released the person from the hospital and imposed work restrictions for a specified recuperation period;
  5. The person's employer or physician has required the person to terminate employment due to the onset of a disability and the physician has specified a recuperation period;
  6. The person's physician has determined that the person is capable of employment only in a sheltered workshop, for a specified period of time, and the person is so employed; or
  7. A prior certification of disability is in the person's case record and is still valid to cover the period in which assistance is requested and will be received.
- D.** The District Medical Consultant shall determine incapacity for all persons not covered under subsections (B) or (C).

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-205. Verification of Eligibility Information**

- A.** The Department shall obtain independent verification or corroboration of information provided by the applicant, recipient, or family member when required by law, or when necessary to determine eligibility or benefit level.
- B.** The Department may verify or corroborate information by any reasonable means including:
  1. Contacting third parties such as employers;
  2. Making home visits as provided in R6-12-206;
  3. Asking the applicant, recipient, or family member to provide written documentation, such as billing statements or pay stubs; and
  4. Conducting a computer data match through SVES.
- C.** The applicant, recipient, or family member has the primary responsibility for providing all required verification. The Department shall offer to assist an applicant, recipient, or family member who has difficulty in obtaining the verification and requests help.
- D.** An applicant, recipient, or family member shall provide the Department with all requested verification within 10 calendar days from the notice date of a written request for such information. When an applicant, recipient, or family member does not timely comply with a request for information, the Department shall deny the application as provided in R6-12-209(B).
- E.** The application form shall contain a notice to advise the applicant that the Department may contact third parties for information. The applicant's signature on an application is deemed consent to such contact.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-206. Home Visits**

- A.** The Department shall schedule a home visit:
  1. When it reasonably believes that such a visit will avoid an eligibility determination error, or
  2. To conduct an initial interview or an eligibility review when a homebound applicant or recipient so requests.
- B.** The Department shall mail the applicant or recipient written notice of a scheduled home visit at least 7 days before the date of the visit.
- C.** The Department may deny or terminate benefits if the applicant or recipient is not home for a scheduled visit for:
  1. An initial interview and has not timely rescheduled the visit pursuant to R6-12-203(D), or
  2. A 6-month review interview and has not timely rescheduled the visit pursuant to R6-12-210(D).
- D.** The Department may conduct unscheduled visits to gather information or to verify information previously provided by an applicant or recipient. The Department shall not deny an application or terminate assistance if the applicant or recipient is not home for an unscheduled visit.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-207. Withdrawal of Application**

- A.** An applicant may withdraw an application at any time before the Department completes an eligibility determination by requesting a withdrawal from the Department either orally or in writing.
- B.** If an applicant orally asks to withdraw an application the Department shall:
  1. Document the names of persons and type of benefits or services the applicant wishes to withdraw, and
  2. Deny the application and notify the applicant.
- C.** A withdrawal is effective as of the date of application.
- D.** When an application is withdrawn, an applicant must file a new application to restart the application process.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

**R6-12-208. Death of an Applicant**

- A.** If an applicant dies while the application is pending, the Department shall deny the application and inform the person responsible for the dependent child that a new application may be filed.
- B.** If the new application is filed within 45 days from the date of the original application, and the child is found eligible, the Department shall pay benefits for the child from the date of the original application. If eligible, the new applicant shall receive benefits from the date of the new application.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-209. Processing the Application; Denials; Approval**

- A. The Department shall complete the eligibility determination within 45 calendar days of the application file date, unless:
1. The application is withdrawn,
  2. The application is rendered moot because the applicant has died or cannot be located, or
  3. There is a delay resulting from a Department request for additional verification information as provided in R6-12-205(D).
- B. The Department shall deny an application when the applicant fails to:
1. Complete the application and an eligibility interview, as described in R6-12-203;
  2. Submit all required verification information within 10 days of the notice date of a written request for such verification; or
  3. Cooperate during the application process as required by R6-12-302.
- C. When an assistance unit satisfies all eligibility criteria, the Department shall compute a benefit amount, approve the application, and send the applicant an approval notice. The approval notice shall include the amount of assistance and an explanation of the assistance unit's appeal rights.
- D. The Department shall process an application for the purpose of determining medical assistance eligibility pursuant to R9-22-101 *et seq.*

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-210. Six-month Review**

- A. The Department shall complete a review of all eligibility factors for each assistance unit at least once every six months, beginning with the sixth month following the first month of CA eligibility.
- B. At least 30 days prior to the six-month review date, the Department shall mail the recipient a notice advising of the need for a review. In response to such notice, the recipient shall file a request for a six-month review and interview by the date specified on the notice.
- C. The Department shall schedule and conduct a review interview in the same manner as an initial interview.
- D. When the recipient misses a scheduled appointment for a six-month review interview, the Department shall schedule a second interview if the recipient so requests within 10 days of the missed appointment.
- E. The Department shall terminate benefits when the recipient fails to request a second appointment as prescribed in subsection (D), or when the recipient misses a second scheduled appointment without good cause. Good cause shall include the following circumstances:
1. Lack of transportation on the day of the appointment,
  2. Illness, or
  3. Serious injury or accident involving an assistance unit member.
- F. The Department shall verify the income of the needy family and the assistance unit's resources and income and any eligibility factors that have changed or are subject to change. The

Department may verify other factors if Department experience suggests the need for additional verification.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-211. Reinstatement of Benefits**

- A. If the Department has terminated payment of benefits to an assistance unit, the Department shall not reinstate benefits unless the recipient files a new application and has a new interview.
- B. Notwithstanding subsection (A), the Department shall reinstate benefits within 10 calendar days when:
1. Termination was due to Department error;
  2. The Department receives a court order or administrative hearing decision mandating reinstatement; or
  3. The recipient files a request for fair hearing as provided in R6-12-1002 within 10 days of the notice date of the termination notice, unless the request is for continuance of benefits past the 36-month limit in R6-12-318, the 60-month limit in R6-12-320, or the six-month limit in R6-12-611.
- C. When the Department reinstates benefits to a recipient who missed a six-month review due to the termination of benefits, the Department shall conduct the review at the earliest opportunity following reinstatement.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**ARTICLE 3. NON-FINANCIAL ELIGIBILITY CRITERIA**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-301. Non-financial Eligibility Criteria**

To qualify for CA, a person shall satisfy all applicable criteria set forth in this Article.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-302. Applicant and Recipient Responsibility**

- A.** An applicant for or recipient of assistance shall cooperate with the Department as a condition of initial and continuing eligibility. The applicant or recipient shall:
1. Give the Department complete and truthful information;
  2. Inform the Department of all changes in income, assets, or other circumstances of the assistance unit affecting eligibility or the amount of the assistance payment within 10 days from the date the change becomes known; and
  3. Comply with all the Department's procedural requirements.
- B.** The Department may deny an application for assistance, reduce or terminate benefits, or change the manner of payment, if the applicant or recipient fails or refuses to cooperate without good cause. However, the Department shall not impose such sanctions for failure to comply with a procedural requirement about which the Department has not advised the applicant or recipient in writing.
- C.** As a condition of eligibility, except in a child only case, the Department shall require the parent or NPCR to sign a Personal Responsibility Agreement when the parent or NPCR applies for benefits for a dependent child.
- D.** The Department shall inform the parent or NPCR that the signature acknowledges that:
1. The parent or NPCR is aware of and agrees to the statements in the Personal Responsibility Agreement regarding:
    - a. Preparing for and accepting employment to achieve self-sufficiency;
    - b. Ensuring school attendance by all school-age children;
    - c. Maintaining current immunizations for all dependent children; and
    - d. Cooperating with all rules and requirements of the Family Assistance, JOBS, and Child Care Administrations and of the Division of Child Support Enforcement.
  2. The parent or NPCR agrees to the statement of personal responsibility on behalf of all other current and future members of the assistance unit.
- E.** The Department shall inform the parent or NPCR at the interview that failure to sign the Personal Responsibility Agreement will result in denial of CA benefits.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

#### **R6-12-303. Application for Other Potential Benefits**

As a condition of eligibility, an assistance unit member and any person whose income is considered available to the assistance unit shall apply for all other cash benefits for which the person may be eligible, except SSI.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-304. Residency**

- A.** To qualify for CA, a person shall be an Arizona resident.
- B.** An Arizona resident is a person who:
1. Voluntarily resides and intends to make a permanent home in Arizona,
  2. Lives in Arizona at the time of making application, and
  3. Is not receiving public assistance from another state.
- C.** A person terminates Arizona residency by:
1. Leaving Arizona for more than 30 consecutive days, or
  2. Leaving Arizona with the intent to live elsewhere.
- D.** The dependent child of a caretaker relative who is an Arizona resident is deemed an Arizona resident.
- E.** The Department shall verify Arizona residency.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-305. Citizenship and Alienage**

- A.** To qualify for CA, an assistance unit member shall be a United States citizen or a noncitizen legal alien who satisfies the requirements of PRWORA Section 431 and who meets eligibility requirements of PRWORA Section 402, not including any later amendments or editions, which are incorporated by reference and are available for inspection at the Department of Economic Security, 1789 West Jefferson, Phoenix, Arizona, and the Office of the Secretary of State, 1700 West Washington, Phoenix, Arizona.
- B.** The Department shall verify legal alienage of assistance unit members for whom CA is requested by obtaining a person's alien registration documentation, or other proof of immigration registration, from the U.S. Immigration and Naturalization Service (INS), or by submitting a person's alien registration number and other related information to the INS.
- C.** A sponsor's income and resources shall not be included when determining income eligibility for a family or a cash benefit amount for the assistance unit when a lawful permanent resident noncitizen member of an assistance unit and any lawful permanent resident noncitizen whose income is considered available to the assistance unit verifies 40 quarters of employment history.

- D. An ineligible noncitizen may serve as payee for the eligible members of an assistance unit, but the Department shall exclude the needs of the ineligible noncitizen from the assistance grant.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-306. Eligible Persons

- A. To qualify for CA, an otherwise eligible person shall be:
1. A dependent child under 18 years of age;
  2. A dependent child age 18 and, as provided in R6-12-314, who is a full time student in a secondary school, or the equivalent level of vocational or technical training school, and is reasonably expected to complete such education or training before turning age 19;
  3. The parent of an eligible CA child; or
  4. A non-parent caretaker relative of an eligible CA child when:
    - a. The parent of the dependent child:
      - i. Does not live in the NPCR's home,
      - ii. Lives with the NPCR but is also a dependent child, or
      - iii. Lives with the NPCR but cannot function as a parent due to a physical or mental impairment;
    - b. The NPCR provides the dependent child with physical care, support, guidance, and control; and
    - c. The dependent child resides with the NPCR.
- B. If otherwise eligible, the CA assistance unit shall include the following persons who are related to a dependent child for whom the applicant requests assistance:
1. Any natural or adoptive parent, and
  2. Any natural or adopted brother or sister.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-307. Social Security Number

- A. To qualify for CA, an assistance unit member shall furnish an Social Security number (SSN). If a member of an assistance unit lacks an SSN, the Department shall assist the person in applying for an SSN through procedures established between

the Department and the United States Social Security Administration (SSA).

- B. The Department shall obtain verification of Social Security numbers through contact with the SSA.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Former Section renumbered to R7-12-314; new Section R6-12-307 renumbered from R6-12-314 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).  
Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-308. Family Benefit Cap

- A. The Department shall not provide CA to a child except as provided in subsection (C), born during a month when:
1. The parent or non-parent caretaker relative is receiving CA or supportive services, or
  2. The child is born to a parent who is ineligible for CA benefits due to noncompliance or failure to meet an eligibility requirement.
- B. A child born during any period of time specified in subsection (A) is ineligible for CA for a 60-consecutive-calendar-month period.
- C. An assistance unit may receive CA benefits for a child that would otherwise be excluded under subsection (A) if:
1. The child is born within 10 calendar months of an initial CA eligibility determination;
  2. The parent has not received CA or supportive services for a minimum of 12 consecutive months, and the child is born:
    - a. No earlier than the 22nd month after the parent left CA, and
    - b. No later than the end of the 10th month after the parent returns to CA;
  3. The child is the firstborn of a dependent child who is included in a CA or supportive services assistance unit; or
  4. The child is born as a result of an act of sexual assault or incest and the applicant or recipient meets the following requirements:
    - a. The applicant or recipient shall file a written statement with the Department to certify that a child was conceived as a result of sexual assault or incest and shall provide supporting verification.
    - b. Acceptable verification includes:
      - i. Medical or law enforcement records in cases of sexual assault or incest, or
      - ii. Birth certificate or Bureau of Vital Statistics Records in cases of incest.
    - c. The Department shall accept the written statement of the applicant or recipient as verification of sexual assault or incest when the applicant or recipient is unable to provide evidence to support the claim of sexual assault or incest.
    - d. The FAA shall report allegations of sexual assault or incest to the Office of Special Investigations and, if the parent is a minor, to Child Protective Services.

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The Department shall not disclose the name, address, and any information concerning the sexual assault or incest to any person except those persons who require the information to investigate the allegations.

- D.** An assistance unit or family that includes a child who is ineligible due to the provisions of this Section may earn income up to the incremental benefit increase the assistance unit would otherwise receive for the ineligible child without any adverse affect on the amount of countable income that is used to determine income eligibility or the cash benefit amount. The Department shall disregard such income.
1. The disregard shall equal the difference between the benefit amount with the needs of the ineligible child included in the benefit computation and the benefit amount with the needs of the ineligible child excluded from the benefit computation.
  2. The Department shall apply the disregard after all other earned income disregards specified at R6-12-703 are first deducted.
- E.** The Department shall not include a child who is ineligible for CA due to the provisions of this Section in the assistance unit's standard of need and shall not count the income and resources of the ineligible child available to the assistance unit.
- F.** A child who is ineligible for CA due solely to the provisions of this Section may receive the following services, if otherwise eligible:
1. AHCCCS,
  2. JOBS,
  3. Child care, and
  4. Any other program or service for which CA recipients categorically qualify.
- G.** A parent or NPCR may receive CA for himself or herself when the only dependent child in the home is ineligible for assistance due to the provisions of this Section.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-309. Relationship**

- A.** To qualify for CA, a dependent child shall reside with at least one of the following specified relatives:
1. A parent;
  2. A stepmother, stepfather, stepbrother, or stepsister;
  3. A person who is within the fifth degree of kinship to the dependent child, including: grandmother, grandfather, brother, sister, uncle, aunt, first cousin, nephew, niece, persons of preceding generations as denoted by prefixes "grand," "great," or "great-great," great-great-great grandparents, and first cousins once removed;
  4. A spouse of any person named in the above groups, even if the marriage has been terminated by death;
  5. A legal permanent guardian who is appointed pursuant to A.R.S. § 8-872; or

6. An unrelated adult only when the child is in the legal custody of the Department and placed in a foster home or with the unrelated adult.

- B.** The Department shall not determine a child or NPCR ineligible solely for any of the following reasons:
1. The dependent child is under the jurisdiction of a court;
  2. An agency or individual unrelated to the child has legal custody of the child;
  3. The dependent child, or the child's parent or NPCR, is temporarily absent from the child's home because:
    - a. The child is making a court-ordered visit to a non-custodial parent for a period not to exceed three consecutive months;
    - b. The child is visiting a parent who has a legal order awarding joint custody of the child, and the child resides with the parent who is part of the child's assistance unit for the entire calendar month;
    - c. The child is living in a Department-licensed shelter which does not receive funding under Title IV-A or IV-E of the Social Security Act, and the child is expected to return to the home within 30 days of issuance of the first benefit payment;
    - d. During the month for which benefits are sought, the child is entering or leaving foster care funded by other than Title IV-E of the Social Security Act;
    - e. The child is temporarily hospitalized;
    - f. The child is visiting friends or other relatives for a period not to exceed three consecutive months; or
    - g. The child is attending school but returns home at least once a year.
- C.** The Department shall verify the requisite degree of relationship between the child and the child's parent or NPCR.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

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**R6-12-310. Deprivation**

- A.** No child shall receive CA unless the child is deprived of parental support or care due to the continued absence, death, incapacity, or unemployment of the child's parent.
- B.** A child suffers deprivation by continued absence when the following 3 conditions are met:
1. The child's natural or adoptive parent is out of the home for a minimum of 30 continuous days;
  2. The absence interrupts or terminates the parent's ability to provide maintenance, physical care, or guidance to the child; and
  3. The duration of the absence prevents the child from relying on the absent parent for support or care.
- C.** When the conditions listed in subsection (B) are met, the situations listed in this subsection may constitute deprivation by continued absence.
1. A parent is absent due to involuntary hospitalization, incarceration, or deportation.

2. A parent is a convicted offender who is living in the home while serving a sentence of unpaid public or community service; however, such parent shall not be considered part of the assistance unit for computation of the grant. The Department shall consider the parent to be out of the home for the purpose of deprivation.
  3. A single parent has adopted a child.
  4. The child's mother and putative father both dispute paternity, and there is no documentation to substantiate paternity.
  5. The parents have joint legal or physical custody of the child, but the child resides with 1 parent more than 50% of the time.
- D.** When a child satisfies the conditions set forth in subsection (B), the following circumstances shall not automatically preclude a finding of deprivation:
1. A stepparent, substitute parent, parental co-habitant, or person other than the child's parent resides in the child's home;
  2. The child's home is considered unsuitable because of neglect, abuse, or exploitation;
  3. The parent or NPCR refuses to cooperate with the Department regarding child support enforcement or collection activities;
  4. The absent parent visits the child; or
  5. The mother and father of the child have some form of ongoing contact or relationship.
- E.** The circumstances listed in this subsection do not constitute deprivation by continued absence.
1. The parent is voluntarily absent to visit friends or relatives, to seek employment, to maintain a job, to attend school or training, so long as the parent in the home and the absent parent do not regard themselves as separated.
  2. The parent is absent solely to serve active military duty.
  3. The parents maintain separate dwellings but consider themselves part of a single home or family unit.
  4. One parent is deliberately absent from home in order to qualify the remaining family members for benefits.
- F.** A child is deprived if either parent of the child is deceased and the child has not been adopted. The applicant or recipient shall provide the Department with documentation verifying a death.
- G.** A child is deprived if either parent has a physical or mental defect, illness, or impairment that:
1. Substantially decreases or eliminates the parent's ability to support or care for the child, and
  2. Is expected to last for a minimum of 30 continuous days.
- H.** A child is deprived when the primary wage earning parent is unemployed if the assistance unit meets all the requirements set forth in R6-12-609.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

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#### R6-12-311. Assignment of Support Rights; Cooperation

- A.** To qualify for CA, an applicant shall assign to the Department all rights to a support obligation from any other person the applicant or recipient may have in his or her own behalf or in behalf of any other family member for whom the applicant or recipient is applying for or receiving CA, including any unpaid support obligation or support debt which has accrued at the time the assignment is made.
- B.** A refusal to execute such an assignment is a refusal to complete the application and shall result in denial of the CA application.
- C.** An applicant or recipient shall cooperate with the Department to obtain support owing to the applicant or recipient, unless there is good cause for noncooperation, as described in R6-12-312.
- D.** After being approved for CA, the recipient shall transmit all monetary support received to the Department.
- E.** At the time of the initial interview and at all review interviews, the Department shall explain:
1. The applicant's duty of cooperation,
  2. Good cause and how to establish it,
  3. The duty to send the Department any support the assistance unit members receive, and
  4. The consequences for breach of the duties set forth in this Section.
- F.** Cooperation shall include the actions listed in this subsection.
1. Identifying and locating the parent of a child for whom CA is requested.
  2. Establishing the paternity of a child born out-of-wedlock, for whom CA is requested.
    - a. The applicant shall sign and complete an affidavit of paternity.
    - b. The mother and father of a child may voluntarily acknowledge paternity in a signed, notarized statement.
  3. Obtaining support payments, or other payments or property due the applicant or recipient for the benefit of the child.
  4. Appearing at a child support enforcement office when requested, to provide oral or written information or documentary evidence known to, possessed by, or reasonably obtainable by the applicant or recipient.
  5. Appearing as a witness at a judicial or administrative hearing or proceeding when requested.
  6. Providing information, or attesting to the lack of information, when requested.
  7. Paying to the Department any support payments received from the absent parent after the assignment of rights pursuant to subsection (A) has been made.
- G.** If the applicant or recipient fails to cooperate as required by subsection (F) without good cause, the Department shall impose the penalties provided under R6-12-316.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for*

*review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-312. Good Cause for Non-cooperation with Child Support Enforcement**

- A.** An applicant or recipient may establish good cause for non-cooperation with the Department. Good cause shall exist when:
1. Cooperation is reasonably likely to result in physical or emotional harm to the dependent child, parent in the home, or the NPCR, based on the factors identified in subsection (B);
  2. Legal proceedings for adoption of the dependent child are pending before a court;
  3. A public or private adoption entity is counseling the applicant regarding release of the dependent child for adoption, and such counseling has occurred for less than 3 months; or
  4. The dependent child was conceived as a result of incest or rape.
- B.** As used in subsection (A)(1):
1. Physical harm means an impairment of the human body of a serious nature.
  2. Emotional harm means an impairment that substantially affects the individual's ability to function.
- C.** In determining whether emotional harm will result for the purpose of subsection (A)(1), the Department shall consider:
1. The emotional state and psychological history of the person likely to suffer emotional harm,
  2. The degree of cooperation required,
  3. The extent of the individual's involvement in any cooperative efforts, and
  4. The intensity and probable duration of the emotional impairment.
- D.** An applicant or recipient shall provide evidence to verify good cause within 20 days of filing a claim of good cause, or upon approval of the application, whichever last occurs. If the applicant or recipient can establish difficulty in obtaining verification, the Department may extend this time limit for up to 30 days or longer.
- E.** Acceptable verification shall be documentation which establishes the claim of good cause by a preponderance of evidence and may include:
1. Birth certificate or Bureau of Vital Statistics Records in cases of incest;
  2. Medical or law enforcement records in cases of sexual assault or incest;
  3. Court records or other legal documents in cases of pending adoptions;
  4. A written statement from a private or public adoption entity in cases of adoption counseling;
  5. Court, medical, criminal, Child Protective Services, psychological, social services, or law enforcement records, in cases of physical or emotional harm; and
  6. Sworn statements from friends, neighbors, clergy, or other persons with personal knowledge of circumstances that would substantiate a claim of good cause.
- F.** If the applicant or recipient is unable to provide the verification specified in subsection (E) above, the applicant or recipient shall furnish information which permits the Department's Office of Special Investigations to investigate the good cause circumstances.
- G.** The Department shall not deny, delay, or discontinue assistance pending a determination of good cause.
- H.** The Department shall determine whether or not good cause exists within 45 days from the date the applicant or recipient

makes the good cause claim. The Department may extend this time limit if additional time is required to verify the claim.

- I.** If the Department finds that good cause does not exist, the applicant or recipient shall cooperate with the requirements of R6-12-311(F) within 10 days following the date the Department notifies the applicant or recipient of the good cause decision.
- J.** The Department shall redetermine a claim of good cause;
1. At each six-month review, and
  2. When circumstances change such that good cause no longer exists.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-313. Participation in JOBS; Exemptions; Good Cause Exceptions**

- A.** As a condition of eligibility, a recipient of CA shall participate in the Job Opportunities and Basic Skills Training Program (JOBS) as prescribed in A.A.C. R6-10-101 through R6-10-121, unless FAA determines that the person is exempt.
- B.** The following persons are exempt from participation:
1. A child who is under age 16, except for a custodial parent or pregnant girl age 13 through age 15 who lacks a high school diploma, or its equivalent, and is not enrolled in high school or an equivalent course of instruction;
  2. A child who is age 16 or age 17, or age 18 if reasonably expected to complete school before reaching age 19, and a full-time student at an elementary, secondary, vocational or technical school, so long as the educational or training program was not assigned as a JOBS activity;
  3. A person who is currently employed at least 30 hours per week in unsubsidized employment which pays at least the federal minimum wage and which is expected to last at least 30 days; any interruption in such employment shall not exceed 10 days; and
  4. A Native American tribal member who resides in an area covered by a Tribal JOBS program.
- C.** Exempt status shall terminate when the condition giving rise to the exemption terminates.
- D.** If a person fails or refuses to participate in JOBS without good cause, the Department shall impose the penalties specified in R6-12-316.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State*

*for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-314. School Attendance**

- A. As used in R6-12-306(A)(2), full-time school attendance means:
1. For high school, attendance which the school defines as full time;
  2. For a trade or technical school involving shop practice, 30 hours per week; and
  3. For a trade or technical school involving no shop practice, 25 hours per week.
- B. The Department shall verify school attendance through school records establishing full-time status and, for 18-year olds, expected date of graduation.
- C. The Department shall require each parent or NPCR to verify either full-time school attendance by the child or full-time home schooling of the child when the parent or NPCR applies for or receives CA on behalf of a dependent child.
- D. Acceptable verification shall include:
1. The parent or NPCR's written statement,
  2. A statement from the school, or
  3. A statement from the County Department of Education.
- E. If a parent or NPCR fails to verify compliance with the school attendance requirements in this subsection, the Department shall impose the penalties specified in R6-12-316.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Former Section R6-12-314 renumbered to R7-12-307;  
new Section R7-12-314 renumbered from R7-12-307 and  
amended effective July 31, 1997, under an exemption  
from the provisions of A.R.S. Title 41, Chapter 6 (Supp.  
97-3).

*Editor's Note: The following Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-315. Immunization**

- A. The Department shall require each parent or NPCR to verify that the child is immunized, when the parent or NPCR applies for or receives CA on behalf of a dependent child.
- B. The Department shall require this verification at the initial interview and at each review. Acceptable verification shall include:
1. The parent or NPCR's written statement; or
  2. A written statement from a physician, hospital, or clinic.
- C. When the parent or NPCR is unable to verify the child's immunizations at the initial interview, the Department shall inform the parent or NPCR that verification of the child's immunization will be required at the next review.
- D. When a parent or NPCR is unable to verify the child's immunization at the review, the Department shall impose the progressive sanction penalties as specified in R6-12-316.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section R6-12-315 renumbered to R6-12-318; new  
Section R6-12-315 adopted effective July 31, 1997, under

an exemption from the provisions of A.R.S. Title 41,  
Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-316. Sanctions for Noncompliance**

- A. The Department shall notify the assistance unit of benefit reduction or case closure when:
1. Benefits will be reduced or the case closed because of noncompliance with the requirements of R6-12-311, R6-12-312, R6-12-313(C), and R6-12-314; and
  2. The assistance unit's benefits are not currently reduced because of sanctions.
- B. The notice shall include the following information:
1. A brief statement of the progressive sanction policy as follows:
    - a. For the first sanction, the Department will reduce cash benefits by 25% for at least one month;
    - b. Unless all members are in compliance by the end of the sanction month, the Department will impose another sanction.
    - c. For the second sanction, the Department will reduce cash benefits by 50% for at least one month.
    - d. For the third and subsequent sanctions, the Department will close the case and it must remain closed for at least one month;
  2. The month the sanction will be effective; and
  3. The name and telephone number of the person to contact for information on what the noncompliant member must do to comply.
- C. The Department shall impose the sanction effective for the first possible benefit month, allowing for 10-day notice of adverse action.
- D. The Department shall not impose the above penalties on TPEP assistance units but shall follow the steps below:
1. The Department shall notify the TPEP assistance unit of benefit withholding or case closure when:
    - a. Benefits will be withheld or the case closed because of noncompliance with the requirements of R6-12-311, R6-12-312, R6-12-313(C), and R6-12-314; and
    - b. The assistance unit's benefits are not currently being withheld.
  2. The Department shall notify the Assistance unit that:
    - a. The TPEP benefit checks will be withheld until the noncompliant person has completed a new work cycle in compliance;
    - b. The name and telephone number of the person to contact for information on how to comply;
    - c. That when three checks have been withheld in any six-month period, the Department will close the TPEP case.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section R6-12-316 renumbered to R6-12-319; new  
Section R6-12-316 adopted effective July 31, 1997, under  
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at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).



*Editor's Note: The following new Section was renumbered and a new Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-317. Voluntary Quit/Reduction in Work Effort**

- A.** The Department shall disqualify the member of the assistance unit or the assistance unit as described in subsections (B) and (C) when a member of an assistance unit, or the parent of a dependent child whose income is considered available to the assistance unit, within 60 days prior to the date of the application or any time thereafter, voluntarily and without good cause:
1. Terminates employment from a job in which the individual was:
    - a. Employed at least 20 hours a week,
    - b. Earning weekly income equal to the then current minimum wage multiplied by 20;
  2. Reduces the number of hours worked each week from 30 or more to less than 30; or
  3. Participates in a strike against the government, when the member is an employee of the local, state, or federal government.
- B.** When the member is the PI of the assistance unit, the Department shall close the case. The assistance unit of which the member remains the PI is ineligible for CA benefits for the minimum period specified in subsection (D) or until the assistance unit reapplies, whichever is longer.
- C.** When the member is not the PI of the assistance unit, the Department in determining eligibility and benefit level for the assistance unit for the minimum period specified in subsection (D) or until the assistance unit reapplies, whichever is longer, shall:
1. Exclude the needs of the member; and
  2. Include the otherwise countable income, resources, and expenses of the member.
- D.** The minimum disqualification periods are:
1. For the first offense, one month;
  2. For the second offense, three months; and
  3. For the third and subsequent offenses, six months.
- E.** The Voluntary Quit/Reduction in Work Effort disqualification provisions shall apply to all members of the assistance unit who are not exempt from JOBS participation, as provided in R6-12-313. A member who is exempt from participation in JOBS because of employment is not exempt from the Voluntary Quit/Reduction of Work Effort provisions due to JOBS employment.
- F.** Good cause for voluntarily quitting a job or reducing the number of hours worked includes:
1. Circumstances beyond the member's control, such as illness of another assistance unit member requiring the presence of the member, unavailability of transportation, unanticipated emergency, unsuitability of work, or the lack of adequate child care for individuals responsible for the care of children under 12 years old;
  2. The member's inability to write or speak English;
  3. Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs;
  4. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;
  5. Resignation by a member under age 60 who is recognized by the employer as retired;
  6. Employment which becomes unsuitable by not meeting the suitability of work criteria listed in subsection (F)(9) after the acceptance of employment;
  7. Acceptance of new employment of comparable hours and salary to the job which was quit, which, through no fault of the member, subsequently:
    - a. Does not materialize,
    - b. Results in a lay off,
    - c. Results in employment of less than 20 hours a week, or
    - d. Results in weekly earnings of less than the federal minimum wage multiplied by 20 hours;
  8. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work;
  9. Employment that is unsuitable. Employment is unsuitable when the following conditions apply:
    - a. The wage offered is less than the higher of:
      - i. The federal minimum wage or the training wage, when applicable, if the employment is covered by federal regulations; or
      - ii. Eighty percent of the federal minimum wage when the employment is not covered by federal regulations;
    - b. The employment offered is on a piece-rate basis, and the average hourly yield which the employee can reasonably be expected to earn is less than the applicable hourly wage as specified above;
    - c. As a condition of employment, the employee is required to join, resign from, or refrain from joining any legitimate labor organization;
    - d. The work offered is at a site subject to strike or lock-out, unless the strike has been enjoined under the Taft-Hartley Act (Section 208 of the Labor Management Relations Act, (29 U.S.C. 178)) or an injunction issued under section 10 of the Railway Labor Act (45 U.S.C. 160). A striker who belongs to a union may not refuse work solely because the job offered is a nonunion job;
  10. An employment opportunity is unsuitable when an individual can demonstrate, or the Department finds that:
    - a. The degree of risk to the individual's health and safety is unreasonable;
    - b. The individual is physically or mentally incapable of performing the assigned tasks of employment as documented by medical evidence or reliable information obtained from other sources;
    - c. The distance of employment from the member's place of residence is unreasonable, with respect to the expected wage and the time and cost of commuting;
      - i. Employment is unsuitable if the commuting time exceeds two hours per day, exclusive of time required to transport a child to and from a child care facility.
      - ii. Employment is unsuitable when the distance prohibits walking, and neither public nor private transportation is available.
    - d. The working hours or type of employment interferes with the individual's religious observances, convictions, or beliefs.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section R6-12-317 renumbered to R6-12-320; new  
Section R6-12-317 adopted effective July 31, 1997, under  
an exemption from the provisions of A.R.S. Title 41,  
Chapter 6 (Supp. 97-3). Amended by exempt rulemaking  
at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-318. Duration of Assistance – 36-month Time Limit**

- A.** The Department shall not authorize cash benefits for a needy family, except in case of hardship, when any of the following apply:
1. The needy family includes a head of household or the spouse of the head of household who has received 36 countable months of cash benefits in the Arizona CA program for himself or herself.
  2. The needy family includes an ineligible parent or the spouse of the ineligible parent who has received 36 countable months of cash benefits in the Arizona CA program for an eligible dependent child.
  3. The needy family includes an adult non-parent relative head of household or the spouse of the non-parent relative head of household who has received 36 countable months of cash benefits in the Arizona CA program for an eligible dependent child.
- B.** Time limited assistance shall not apply to a child only case.
- C.** The Department shall count each payment month, regardless of the source of funding for the program, until a limit of 36 countable months is reached. The 36 countable months are not required to be consecutive.
- D.** The Department shall begin counting the 36 months beginning with the first countable payment received in the Arizona CA program on or after October 1, 2002.
- E.** The Department shall not count the following months toward the 36-month time limit:
1. A month in which CA was received in a child only case;
  2. A month in which CA was received by an assistance unit while residing on an Indian reservation that has a 50% or higher unemployment rate;
  3. A month in which the CA payment amount was less than a full benefit month payment due to the date of an initial application;
  4. A month in which the head of household or the spouse of the head of household or an ineligible parent or the spouse of the ineligible parent received CA as a minor child who was not the head of household or the spouse of the head of household;
  5. Any month in which the assistance unit receives a payment in the CA Grant Diversion option. This includes each of the months for which the Grant Diversion payment is intended to cover;
  6. Any month in which the assistance unit was totally ineligible for a cash benefit payment due to an overpayment of benefits that must be repaid to the Department;
- F.** Under no circumstances, except as provided in R6-12-319, shall the Department authorize CA beyond the federal 60-month time limit under R6-12-320.

**Historical Note**

New Section renumbered from R6-12-315 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).  
Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-319. Extension of Time Limited Assistance**

- A.** The Department shall authorize cash benefits to an assistance unit that is ineligible due to the time limited restrictions in R6-12-318 or R6-12-320 when:
1. An assistance unit or the caretaker relative head of household who receives CA only for an eligible dependent child, requests an extension due to hardship;
  2. The assistance unit meets all financial and non-financial eligibility criteria; and
  3. The assistance unit or the caretaker relative head of household verifies that at least one of the hardship reasons in this Section exists. The claimed hardship shall be valid only when the hardship circumstances prevent the adult assistance unit member, the minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household from working or engaging in work activities to a degree that such person is prevented from financially supporting the eligible dependent child in the assistance unit, independent of CA.
- B.** Hardship may exist in any of the following situations:
1. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household has a physical or mental impairment that is expected to continue for more than 30 days and that prevents that person from working or engaging in work activities.
  2. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household is required to be a full-time caregiver, as verified by an acceptable medical source, and all of the following apply:
    - a. The caregiver is providing services to one of the following disabled family members:
      - i. A dependent child or a disabled adult child,
      - ii. A parent, or
      - iii. A spouse or domestic partner.
    - b. The caregiver does not receive respite care for more than 20 hours each week,
    - c. No other person is available to be the full-time caregiver to the disabled family member, and
    - d. The disabled family member does not attend school or vocational rehabilitation for more than 20 hours each week.
  3. An assistance unit member or any member of the needy family is a victim of one of the following that prevents an adult assistance unit member, the minor parent head of household, a caretaker relative head of household, or the spouse of the caretaker relative head of household from working or engaging in work activities:

- a. Violence,
  - b. Crime, or
  - c. Domestic violence.
4. The assistance unit or the needy family is homeless.
  5. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household is participating full-time in one of the activities listed in subsection (B)(5)(a), is complying with the requirements listed in subsection (B)(5)(b), and is unable to complete the activity without continuing to receive CA.
    - a. Activities:
      - i. A postsecondary education program offered by a university, college, or community college, that will result in an associate's or bachelor's degree;
      - ii. A program offered by a vocational, technical, or recognized school that will result in a diploma or certificate for a job skill directly related to obtaining self-supporting employment in a recognized occupation;
      - iii. A job training or employment activity assigned by the JOBS Program as part of the member's employability plan.
    - b. Requirements:
      - i. The member must have started participation in the educational or training program prior to the member receiving 30 countable months of CA.
      - ii. The member shall demonstrate successful progress toward completion of the educational or training program. Successful progress includes meeting a reasonable time limit for completion of the educational or training program.
      - iii. The member shall consistently sustain a passing grade or acceptable grade point average, as determined by the educational or training program.
  6. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household is prevented from working or engaging in work activities due to either of the following:
    - a. Childcare is unavailable or unaffordable, or
    - b. Transportation is not readily available or affordable.
  7. The adult assistance unit member or the caretaker relative head of household is both of the following:
    - a. A non-parent caretaker relative to the minor dependent child receiving CA, and
    - b. Age 60 or older.
  8. When the assistance unit or the caretaker relative head of household claims that hardship exists for a reason other than one contained in this Section, the Department shall assess the situation and determine whether the claim of hardship is valid based on verification provided by the assistance unit or the caretaker relative head of household and may grant an extension based on those circumstances.

#### Historical Note

New Section renumbered from R6-12-316 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**Editor's Note:** *The following new Section was renumbered and amended under an exemption from the provisions of A.R.S.*

**Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.**

#### R6-12-320. Duration of Assistance – Federal 60-month Time Limit

- A. The Department shall not authorize cash benefits to the assistance unit when the head of household or the spouse of the head of household has received 60 countable months of cash benefits for himself or herself, funded in whole or in part by the Temporary Assistance for Needy Families block grant in Arizona or any other state or United States territory or from a tribal Temporary Assistance for Needy Families CA program, unless the assistance unit is eligible for a hardship extension under R6-12-319.
- B. The Department shall count each payment month until a limit of 60 months is reached. The 60 countable months are not required to be consecutive.
- C. The Department shall begin counting the 60 months beginning with the first payment received on or after October 1, 2002.
- D. The Department shall not include the following months toward the 60-month time limit:
  1. Any month before October 1, 2002 in which the recipient received CA in Arizona or in any other state;
  2. Any month before October 1, 2002, in which the recipient received CA in a tribal TANF program in any state other than Arizona;
  3. Any month before October 1, 2002, in which the recipient received CA in an Arizona tribal TANF program when that month was not countable toward the 60-month time limit in that tribal TANF program;
  4. Any month in which the recipient resides on an Indian reservation that has a 50% or higher unemployment rate based on the Bureau of Indian Affairs (B.I.A.) Market Information Report;
  5. A month when the assistance unit is eligible but receives no CA payment because the benefit is less than \$10;
  6. A month when the assistance unit is ineligible due to an overpayment;
  7. Any month in which the assistance unit receives a payment in the Grant Diversion option. This includes each of the months for which the Grant Diversion payment is intended to cover.

#### Historical Note

New Section renumbered from R6-12-317 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

Section repealed; new Section made by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

#### R6-12-321. Hardship Verification Requirements

- A. Hardship due to a physical or mental impairment.
  1. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household that claims hardship as specified in R6-12-319(B)(1) shall provide one of the following items:
    - a. A signed statement from a treatment provider or acceptable medical source;
    - b. Disability verification from the Veterans Administration;

- c. Vocational Rehabilitation documents, examinations, or evaluations signed by a treatment provider.
  - 2. The verification items specified in subsection (A)(1) shall include all of the following information:
    - a. A statement indicating that the individual's physical or mental condition prevents working or engaging in work activities,
    - b. The duration of the disability,
    - c. A prognosis of recovery, and
    - d. The signature of the treatment provider or acceptable medical source.
  - 3. When the assistance unit member is a current JOBS program participant whose participation is deferred due to disability, no further verification of disability is required.
- B. Hardship due to being a full-time caregiver.**
  - 1. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(2) shall provide a signed statement from a treatment provider, verifying the member is needed as a full-time caregiver of their disabled child, parent, spouse, or domestic partner.
  - 2. An adult assistance unit member, minor parent head of household, caretaker relative head of household, or spouse of the caretaker relative head of household who receives respite care services shall provide verification of these services from the respite care provider. The verification shall indicate the number of hours per week that the person receives these services.
  - 3. When a disabled individual is attending school, the individual shall provide verification from the school or vocational rehabilitation program of the number of hours per week the individual is in attendance.
- C. Hardship due to violence, crime, or domestic violence.**
  - 1. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(3) shall provide verification from at least one of the following sources:
    - a. Court records;
    - b. Police reports;
    - c. Law Enforcement records;
    - d. Restraining Orders or Orders of Protection against the perpetrator or abuser;
    - e. Statements by attorneys or other legal professionals providing services to the victim of abuse or violence;
    - f. Child Protective Services records;
    - g. Written statements by medical professionals including physicians, psychologists, psychiatrists, counselors, or other treatment providers;
    - h. Written statements by domestic violence shelter staff;
    - i. Statements by clergy;
    - j. Statements by a third person with knowledge of the abuse or violence, such as a friend or relative to whom the member or assistance unit has fled to escape or avoid abuse or violence;
    - k. Receipt of Victims of Crime Act (VCA) benefits.
  - 2. Any other evidence that supports the claim that the assistance unit member or family member is a victim of abuse or violence.
- 3. When the assistance unit member is a current JOBS program participant and is deferred from participating due to domestic violence, no further verification is required.
- D. Hardship due to Homelessness.** An adult assistance unit member, a minor parent head of household, or the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(4) shall provide verification from at least one of the following sources:
  - 1. A written statement by staff at a shelter, halfway house, or similar facility that provides temporary residence to homeless individuals or families verifying that the assistance unit, minor parent head of household, or caretaker relative head of household is a resident of the facility;
  - 2. A written statement by the assistance unit member, minor parent head of household, or caretaker relative head of household that includes a description of where the household is residing when it does not have a fixed or regular nighttime residence;
  - 3. A written statement by the assistance unit member, minor parent head of household, or caretaker relative head of household when the household is temporarily living with others. The statement must indicate that the residential situation is temporary and the date the assistance unit, minor parent head of household, or caretaker relative head of household expects to have its own residence;
  - 4. Any other verification that reasonably supports the assistance unit member's, minor parent head of household's, or caretaker relative's head of household's claim of homelessness.
- E. Hardship due to Educational or Training Program Completion.** An adult assistance unit member, minor parent head of household, caretaker relative head of household, or spouse of a caretaker relative head of household who claims hardship as specified in R6-12-319(B)(5) shall provide the following verification:
  - 1. A statement from the educational or training program that includes the following:
    - a. The enrollment status of the individual,
    - b. The date that the individual began participation in the program and the anticipated completion date, and
    - c. Verification that the individual is making satisfactory progress toward completion of the program.
  - 2. A statement from the assistance unit member or caretaker relative head of household that explains the need for additional CA benefits in order for the individual to successfully complete the Educational or Training program.
- F. Hardship due to Childcare or Transportation being Unavailable or Unaffordable.**
  - 1. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household, or the spouse of the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(6)(a) shall provide the following items:
    - a. A statement by the assistance unit member or caretaker relative head of household explaining the reasons the individual has been unable to find or afford childcare, including the availability of affordable childcare in their area; and
    - b. Documents that demonstrate the individual's efforts to find or afford childcare.
  - 2. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household or the spouse of the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(6)(b) shall provide a statement explaining the reasons that transpor-

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tation is not readily available or affordable, including the availability of affordable public and private transportation in their area.

- G.** Hardship due to other reasons. An adult assistance unit member, a minor parent head of household, the caretaker relative head of household or the spouse of the caretaker relative head of household who claims hardship as specified in R6-12-319(B)(8) shall provide a statement that explains the hardship circumstance and the need for additional CA benefits. The individual shall provide any documentary verification of the hardship circumstance that is requested by the Department in order to determine the need for additional CA benefits.

**Historical Note**

New Section made by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**ARTICLE 4. FINANCIAL ELIGIBILITY: RESOURCES**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-401. Treatment of Resources; Limitations**

- A.** In determining eligibility for a cash benefit, the Department shall include all resources available to the assistance unit, unless excluded by applicable law.
- B.** An assistance unit is ineligible for CA for any month in which the unit's resources exceed \$2,000, after application of all available exclusions.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4)  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-402. Treatment of Resources by Ownership Status; Availability**

- A.** The Department shall consider the resources belonging to an assistance unit member available to the assistance unit.
- B.** The Department shall consider the resources of the following individuals available to the assistance unit:
1. A dependent child's parent and minor sibling, when residing with a dependent child in an assistance unit, even when the parent or minor sibling:
    - a. Has not requested CA;
    - b. Is ineligible for CA for failure to comply with an eligibility requirement; or
    - c. Is ineligible for CA due to disqualification for Intentional Program Violation, as provided in Article 12;

2. A stepparent, when residing with a dependent child in an assistance unit and the dependent child's parent, who makes resources available to the assistance unit or the dependent child's parent.

- C.** The Department shall consider the resources belonging to the sponsor of a noncitizen, as provided in R6-12-506, available to the assistance unit.
- D.** The Department shall consider the resources of the persons listed in this subsection unavailable to the assistance unit.
1. A non-parent relative who is not included in the assistance unit;
  2. An SSI recipient, as to resources held as sole and separate property, or counted in the determination of SSI eligibility;
  3. A dependent child for whom deprivation does not exist;
  4. A dependent child who is not included in the assistance unit due to receipt of adoption assistance or foster care payments under Title IV-E of the Social Security Act or who is ineligible for CA due to the family benefit cap.
- E.** The Department shall consider ownership in determining availability of the resources to the assistance unit.
1. The sole and separate property of one spouse is deemed unavailable to the other spouse, unless the owner spouse makes the property available to the other spouse.
  2. Jointly owned resources, with ownership records containing the words "and" or "and/or" between the owners' names, are deemed available when all owners can be located and consent to disposal of the resource, except that such consent is not required if all owners are members of the assistance unit.
  3. Jointly owned resources, with ownership records containing the word "or" between the owners' names, are deemed available in full to each owner. When more than one owner is a member of an assistance unit, the equity value of the resource is counted only once.
- F.** The Department shall consider the following resources unavailable to the assistance unit and to any other person whose resources are considered available to the assistance unit:
1. Property subject to a spendthrift restriction. Such property may include:
    - a. Irrevocable trust funds that are prohibited by a court from being disbursed to the beneficiary who is an assistance unit member or to any other person whose resources are considered available to the assistance unit. When such funds may be disbursed by court order, the beneficiary or appropriate assistance unit member shall petition the court for disbursement of the funds;
    - b. Accounts established by the Social Security Administration, Veteran's Administration, or some other entity, which mandate that the funds in the account be used for the benefit of a person not residing with the assistance unit.
  2. Resources being disputed in divorce proceedings or in probate matters.
  3. Real property situated on a Native American reservation.
  4. Resources belonging to a member of the needy family except as to those family members listed in subsections (A), (B), and (C).

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-403. Treatment of Resources; Exclusions**

The Department shall exclude the equity value of the resources listed below, as provided in this Section. These resource exclusions shall also apply to a person whose resources are considered available to an assistance unit.

1. The usual residence of the assistance unit members;
2. One burial plot for each member of the assistance unit;
3. Household furnishings used by the assistance unit members in their usual place of residence, and personal effects essential to day-to-day living;
4. Up to \$1500 of the value of one bona fide funeral agreement, for each member of the assistance unit. The funeral agreement or burial plan must cover only funeral-related expenses, as evidenced by a written contract;
5. The value of all motor vehicles, including recreational vehicles.
6. When an assistance unit member owns real property, other than the usual residence described in subsection (A)(1) above, and is making a good faith effort to dispose of it, the equity value shall be excluded for six months, subject to the conditions listed in this subsection;
  - a. The assistance unit member shall sign an agreement to:
    - i. Dispose of the property; and
    - ii. Repay the Department, from the net proceeds of disposal, the amount of any assistance the unit receives during the period of time the unit would otherwise have been ineligible because the property value exceeded resource limitations;
  - b. The amount repaid shall not exceed the net proceeds of disposal;
  - c. If the assistance unit member does not dispose of the property within six months, the Department shall write an overpayment and the assistance unit shall repay any assistance received during that period;
7. A financial account that is used only for a self-employment business;
8. Funds in the following types of retirement accounts or retirement plans, established by employers in accordance with federal Internal Revenue Services regulations:
  - a. A 401A or 401K plan,
  - b. A 457 or 457(b) plan,
  - c. A Federal Employees Thrift Savings Plan,
  - d. An Irrevocable Annuity plan,
  - e. A KEOGH plan that involves a contract with a person who is not an assistance unit member,
  - f. A Section 403(a) or 403(b) plan,
  - g. A Section 408 or 408A plan,
  - h. A Section 501(c)(18) or 501(g)(18) plan;
9. Funds in the following educational savings accounts operated by a state or educational institution in accordance with federal Internal Revenue Services regulations:
  - a. A 529 account,
  - b. A 530 account;
10. Educational grants issued under programs administered by the U.S. Commissioner of Education, when the assistance is made available for school attendance costs, including the following:
  - a. BEOG\PELL, SEOG and NDSL grants;
  - b. Work Study programs;
  - c. Assistance provided by the Carl D. Perkins Vocational and Applied Technology Education Act;
11. Any grant, scholarship, educational loan, or other award that is not administered by the U.S. Commissioner of

Education, when such assistance covers the costs of items not included in the CA need standard;

12. The cash value of a grazing permit issued by a tribal or other governmental authority, when the land used for the grazing permit is adjoining a permit holder's homestead;
13. Any amount up to \$2000 received from the following American Indian claims or funds:
  - a. Alaska Native Claims Settlement Act payments received under the Sac and Fox Indian claims agreement as specified in Public Law 92-203, Section 21(a);
  - b. Per capita payments from judgment funds awarded by the Indian Claims Commission of the U.S. Court of Federal Claims as specified in Public Law 97-458 for the Colorado River Indians;
  - c. Individual Indian's interests in trust or restricted lands and payments from these interests as specified in Public Law 103-66. Interests include the Indian's right to or legal share of the trust or restricted land and any income accrued;
  - d. The Indian Gaming Industry per capita disbursement funds placed in an inaccessible trust by the tribe as specified in Public Law 98-64;
  - e. Payments made to members of Indian tribes in settlement for land as specified in Public Law 100-580;
14. Money loaned to the assistance unit from any source and for any purpose;
15. Funds received from the Navajo Nation Needy Children's Fund;
16. Payments made by the Federal Emergency Management Agency (FEMA) or Federal Disaster Relief Act for any of the following:
  - a. Federal major disaster;
  - b. Natural catastrophe;
  - c. Emergency assistance;
  - d. Comparable disaster assistance provided by states, local governments, and disaster assistance organizations;
17. When self-employment from farming is terminated, farm property, including land, equipment and supplies shall be excluded as a resource for 12 months. This period of exclusion begins on the date the self employment from farming stops;
18. Funds available from sources of excluded income contained in R6-12-503(8), (13), (15), (22), (38), (39), (40), (41), (42), and (43);
19. Any other resource specifically excluded by state or federal law.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-404. Individual Development Accounts**

- A. An individual development account (IDA) is a special savings account which allows a recipient of both CA and Food Stamp

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- Program benefits to accumulate funds to achieve educational or training goals.
- B.** Financial institutions licensed by the Arizona State Banking Department shall administer IDAs.
1. IDAs shall earn the same interest rate as is offered to other bank customers for like accounts.
  2. A financial institution may prescribe such terms and conditions relating to IDAs as are permissible under the laws of this state and federal banking law.
- C.** A member of an assistance unit that receives both CA and food stamp benefits may establish an IDA.
1. No assistance unit shall hold more than 1 IDA.
  2. A person found to have committed an intentional program violation or fraud related to the CA, food stamp, or AHCCCS programs shall not hold an IDA.
- D.** An assistance unit member who establishes an IDA shall sign a document authorizing the financial institution to release account information to the Department.
- E.** The following persons can make deposits into an IDA:
1. The account holder;
  2. A member of the account holder's assistance unit;
  3. A person who is not a member of the account holder's assistance unit; or
  4. A non-profit organization with a recognized tax exempt status under 26 U.S.C. 501(c)(3) or A.R.S. § 43-1201. A non-profit organization making deposits into an IDA:
    - a. Shall designate that such funds are intended solely for educational or training purposes, and
    - b. May set other terms and conditions regarding the withdrawal or use of the funds.
- F.** An applicant for assistance shall not place countable income or resources into an IDA for the purpose of qualifying for CA or Food Stamp Program benefits. Any money so deposited counts as a resource.
- G.** The Department shall exclude from the resource limitation set forth at R6-12-401(B) the balance held in an IDA which at any 1 time is \$9,000 or less, except that any cumulative deposits over the life of an IDA which exceed \$12,000 shall count against the resource limitation.
- H.** The Department shall disregard as countable income:
1. Fifty percent of any earned income of the assistance unit which is deposited into an IDA, except that the Department shall not disregard more than \$100 per month of earned income; and
  2. All interest earned on an IDA.
- I.** An assistance unit which holds an IDA shall:
1. Report to the Department all income which is deposited into an IDA or withdrawn from an IDA; and
  2. Submit account statements to the Department at each eligibility redetermination.
- J.** A recipient of both CA and food stamp benefits may withdraw funds from an IDA for:
1. Educational costs at an accredited institution of higher education; or
  2. Training costs for an accredited, licensed, or certified training program.
- K.** As used in subsection (J), above:
1. Educational and training costs are limited to:
    - a. Tuition and other mandatory fees charged to all students, or to all students within a certain curriculum;
    - b. Books;
    - c. Transportation; and
    - d. Miscellaneous personal expenses necessary to pursue education or training.
  2. An institution of higher education means a public or private educational institution defined at A.R.S. § 23-618.02.
3. A training program means a course of study offered by a vocational, technical, or recognized proprietary school which will result in a diploma or certificate for a job skill which is directly related to obtaining useful employment in a recognized occupation.
- L.** Withdrawals from an IDA for purposes other than those described in subsection (K) shall count as income to the assistance unit in the month of withdrawal, unless the money was previously counted as income to the assistance unit at the time of receipt.
- M.** If there is a break in CA or food stamp benefits of at least 1 full month, upon reapplication the Department shall consider any remaining monies in an IDA as countable resources and shall not disregard any future deposits into an IDA.
- N.** The Department's Office of Special Investigations shall investigate allegations of fraud or abuse involving IDAs, including situations where there is evidence or reason to believe that a deposit to an IDA was made from:
1. Income which was available to the assistance unit but was not reported to the Department;
  2. Individual contributions which should have been counted as income or child support; or
  3. Proceeds from illegal activities.
- O.** The Department shall not disregard as income or resources any deposit made into an IDA from income sources described in subsection (N), or any deposit which is otherwise contrary to the provisions of this Section. The Department shall establish any resulting overpayment.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-405. Resource Transfers; Limitations**

- A.** An assistance unit member or the parent of a dependent child in the assistance unit shall not transfer a resource with the intent to qualify or attempt to qualify for CA within one year prior to application or while receiving assistance, unless fair consideration was received.
- B.** Except as otherwise provided in this Section, when an assistance unit member or the parent of a dependent child in the assistance unit does not receive fair consideration for a transferred resource (an improper transfer), the assistance unit shall be ineligible for CA.
1. The period of ineligibility shall begin in the month in which the transaction occurred.
  2. The Department shall compute the duration of ineligibility by subtracting the consideration actually received, from the equity value of the transferred resource, and dividing that sum by the monthly need standard for the assistance unit. The resulting number shall be the number of months the unit is ineligible.
- C.** An improper transfer shall not affect eligibility when the equity value of the transferred resource, plus the value of the unit's other available resources, does not exceed the resource limitation.

- D. The improper transfer of homestead property shall not affect eligibility if the property was transferred because the person cannot continue residing in the home for health reasons, as determined by a competent medical authority.
- E. If an assistance unit member or the parent of a dependent child in the assistance unit disposes of homestead property, the Department shall count, as a resource, all proceeds of the sale not reinvested in homestead property, when the assistance unit member:
1. Invests the proceeds in a resource other than homestead property,
  2. Advises the Department that such proceeds will not be reinvested in other homestead property, or
  3. Fails to purchase new homestead property within 90 days of the date of sale.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-406. Resource Verification**

The Department shall verify all resources before determining an assistance unit's eligibility for a cash grant and benefit amount.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**ARTICLE 5. FINANCIAL ELIGIBILITY: INCOME**

**R6-12-501. Treatment of Income; In General**

- A. In determining the income eligibility of the family and benefit amount for the assistance unit, the Department shall treat all income in accordance with the provisions of this Article.
- B. "Gross income" shall include the following, when actually received by the family in order to determine whether the family is needy, or by the assistance unit in order to determine a cash benefit amount:
1. Earned income from public or private employment, including in-kind income, before deductions;
  2. For self-employed persons, the sum of gross business receipts minus business expenses; and
  3. Unearned income, such as benefits or assistance grants, minus any deductions to repay prior overpayments or attorneys' fees.
  4. Minus those types of income excluded under R6-12-503.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-502. Income Available to the Assistance Unit**

- A. The Department shall consider the income of an assistance unit member available to the assistance unit for the purpose of determining a cash benefit amount.
- B. The Department shall consider the income of a parent and minor sibling of a dependent child in an assistance unit as available to the assistance unit for the purpose of determining a cash benefit amount when those persons reside with the dependent child. The income shall be considered available even when the parent or minor sibling:
1. Has not requested CA;
  2. Is ineligible for CA for failure to comply with an eligibility requirement; or
  3. Is ineligible for CA due to disqualification for Intentional Program Violation, as provided in Article 12;
- C. The Department shall consider the income belonging to the sponsor of a noncitizen, as provided in R6-12-506, available to the assistance unit for the purpose of determining a cash benefit amount.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

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**R6-12-503. Income Exclusions**

The Department shall not count the types of income listed in this Section when determining the income of a family and the income of an assistance unit. These income exclusions shall also apply to a parent or minor sibling of a dependent child in an assistance unit when the parent or minor sibling resides with the assistance unit but is not an assistance unit member, and the income type listed in this Section belongs to the parent or minor sibling.

1. Loans;
2. The following types of assistance provided for educational purposes:
  - a. Bureau of Indian Affairs (B.I.A.) Allowances for Educational Expenses paid to the participant from Title XIII that directly relates to school expenses;
  - b. Grants, scholarships, and loans, as provided by Title IV or Title XIII of the Higher Education Act;
  - c. Guaranteed loans, and other loans, not funded by the Title IV or Title XIII of the Higher Education Act;
  - d. Student loans (SGL) that are funded solely by a state and are not federally guaranteed;
  - e. Income paid to the member as a Tribal Loan for educational purposes under Title XIII of the Indian Higher Education Program;
  - f. The Montgomery GI bill Chapter 30 and other income paid to the member by the Veteran's Administration for educational purposes;
  - g. Educational income (earnings and living allowances) from Workforce Investment Act related Summer Component Programs and Job Corps;
  - h. Earnings received from participation in college work study programs funded by Title IV of the Higher



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- Education Act or Title XIII of the Indian Higher Education Program.
3. Income tax refunds, including any earned income tax credit;
  4. Non-recurring cash gifts which do not exceed \$30, per person in any calendar quarter;
  5. Cash contributions from other agencies or organizations so long as the contributions are not intended to cover items which CA is intended to cover, specifically:
    - a. Food;
    - b. Shelter, including only rent or mortgage payments;
    - c. Utilities;
    - d. Household supplies, including bedding, towels, laundry, cleaning, and paper supplies;
    - e. Public transportation fares for personal use;
    - f. Basic clothing or diapers; or
    - g. Personal care and hygiene items, such as soap, toothpaste, shaving cream, and deodorant;
  6. The face value of Nutrition Assistance benefits;
  7. The value of governmental rent and housing subsidies;
  8. The value of energy assistance that is provided:
    - a. Either in cash or in kind by a government agency or municipal utility, or
    - b. In kind by a private non-profit organization;
  9. Vendor payments;
  10. Vocational rehabilitation program payments made as reimbursements for training-related expenses, subsistence and maintenance allowances, and incentive payments which are not intended as wages;
  11. All income, both earned and unearned, received from programs and services authorized by the Workforce Investment Act, including earnings received from on-the-job training programs;
  12. Reimbursements for JOBS Program training-related expenses, including Fair Labor Standards Act supplements and Unpaid Work Experience supplements;
  13. Payments from any fund established in connection with settling liability claims concerning Agent Orange death or disabilities as specified in Public Law 101-102;
  14. Burial benefits which are dispersed solely for burial expenses;
  15. Disaster assistance provided by the Federal Disaster Relief Act, or comparable assistance provided by state or local governments, or disaster assistance organizations;
  16. Foster care payments;
  17. Radiation exposure compensation payments;
  18. Income received from VISTA which does not exceed the state or federal minimum wage;
  19. Benefits from the Special Supplemental Food Program for Women, Infants, and Children (WIC);
  20. Reimbursements for work-related expenses that do not exceed the actual expense amount;
  21. Earned income of minor family members and dependent children who are students enrolled and attending school at least halftime as defined by the institution;
  22. Income received from the Americorp Network Program;
  23. Earned Income Tax Credit payments received as a monthly advance with the member's regular wages;
  24. Child care payments made to a member as a result of Title IV-A of the Social Security Act, when the payment is a reimbursement. The exclusion applies even when the payment exceeds actual child care expenses as specified in Public Law 100-485;
  25. Payments from the Child Care Food Program made to a member who is self-employed as a child care provider;
  26. The earned or unearned income of an SSI recipient;
  27. Subsidy payments provided by the Department's Guardianship Subsidy Program for children who are placed in the care of a Legal Permanent Guardian;
  28. Adoption Subsidy payments made by a federal, state, or local governmental entity;
  29. Dividends, interest, and royalty payments left on deposit or converted into additional securities;
  30. Federal Relocation Assistance payments made to a member to relocate because their property was acquired by a federal or federally assisted program;
  31. Stipends received by grandparents in the Foster Grandparent Program for past or future expenses;
  32. Money given to the family or the assistance unit from a roommate for rent or other shelter expenses that does not exceed the family's or assistance unit's rent or shelter expense obligation;
  33. Allowances, income, and reimbursements received in the Summer Component Program;
  34. The amount designated as attorney fees that is deducted from a member's Workman's Compensation payment;
  35. 50% of earned income, up to a maximum of \$100, deposited into an Individual Development Account (IDA) per month;
  36. Combat zone pay received while serving in the military in a combat zone;
  37. Income received while participating in a program authorized by Title I and II of the Domestic Volunteer Services Act of 1973 including the following:
    - a. University Year for Action,
    - b. Urban Crime Prevention Program,
    - c. Retired Senior Volunteer Program,
    - d. Foster Grandparents Program,
    - e. Senior Companion Program;
  38. Funds made available to a member on a gift card;
  39. A one-time reimbursement of up to \$300 and any monthly payments provided by the Department's Grandparent Kinship Care Support Service program and disbursed by an Area Council on Aging contracted service provider;
  40. Hemophilia Relief Fund Settlement payments made to hemophiliacs infected with HIV as a result of class action lawsuits;
  41. TANF Survey Incentive Payments made by Mathematica, Inc. or other consulting firms as an incentive for participating in a survey to collect statistical information;
  42. Funds received from a Public Housing Authority and deposited in a Public Housing Family Self Sufficiency (FSS) escrow account, and any of these funds received prior to completion of the FSS program;
  43. Payments made directly to a member to fund an account for the fulfillment of a Plan for Achieving Self Support (PASS) under Title XVI of the Social Security Act;
  44. Any other income specifically excluded by applicable state or federal law.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R.

1141, effective July 1, 2010 (Supp. 10-2).

**Editor's Note:** *The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in*

*the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-504. Special Income Provisions: Child Support, Alimony, or Spousal Maintenance**

- A. The Department shall count child support, alimony, or spousal maintenance, received by a member of the family or the assistance unit or a parent or minor sibling of a dependent child in an assistance unit, before the initial eligibility determination date, as income in the month received.
- B. After the eligibility determination date, and if the application is approved, the Department shall count current child support, alimony, or spousal maintenance received on behalf of an assistance unit member as income to determine the cash benefit amount, when the following conditions are met:
1. Current child support, alimony, or spousal maintenance is received by the Department's Division of Child Support Enforcement (DCSE), on behalf of an assistance unit member, a person whose income is considered available to the assistance unit, or a private collection agency; and
  2. DCSE has passed the support money on to the assistance unit or a person whose income is considered available to the assistance unit.
- C. After the eligibility approval date, if an assistance unit member or a parent or minor sibling whose income is considered available to the assistance unit receives child support, alimony, spousal maintenance, or medical support after assigning to the Department the right to such support, and the member fails to turn over the support to the Department, the Department shall:
1. Count the support received by the assistance unit, as provided above in subsection (A); and
  2. Sanction the assistance unit as provided in R6-12-316.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

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**R6-12-505. Special Income Provisions: Nonrecurring Lump Sum Income**

When an assistance unit member or a person whose income is considered available to the assistance unit receives a nonrecurring lump sum payment, the Department shall consider the lump sum payment as a resource in accordance with Article 4.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-506. Special Income Provisions: Sponsored Noncitizens**

- A. For purposes of determining whether a sponsor's income and resources shall be used when determining the countable income for an assistance unit that includes a sponsored noncitizen member or for a sponsored noncitizen person whose income is considered available to the assistance unit, the following requirements apply:
1. The sponsored noncitizen member shall:
    - a. Be a Lawful Permanent Resident who meets the eligible noncitizen criteria; and
    - b. Have applied for or been granted Lawful Permanent Resident status on or after December 19, 1997.
  2. The sponsor shall:
    - a. Be an individual and not an organization or group; and
    - b. Have signed an Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) on behalf of the sponsored noncitizen member on or after December 19, 1997.
  3. When the sponsor's spouse resides with the sponsor, and has also signed the Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) on behalf of the sponsored noncitizen member on or after December 19, 1997, the income and resources of the spouse shall also be included for any purpose in this Chapter that requires the income and resources of the sponsor.
- B. The assistance unit shall be exempt from the sponsor income and resource deeming requirement when any of the following apply:
1. The sponsored noncitizen is credited with at least 40 countable quarters of employment as provided in 8 U.S.C. 1183(a).
  2. The sponsored noncitizen is a victim of domestic violence or extreme cruelty by a member of the family.
  3. The sponsored noncitizen is a victim of a severe form of trafficking.
  4. The sponsored noncitizen becomes a naturalized United States citizen.
  5. The sponsored noncitizen is age 17 or younger.
  6. The sponsor is deceased.
- C. When the assistance unit is not exempt from the sponsor income and resource deeming requirement, the Department shall determine whether the assistance unit is indigent. To determine indigent status, the Department shall determine the countable income of the assistance unit and a cash grant.
1. When determining the amount of unearned income that shall be included in its calculation, the Department shall include:
    - a. The actual amount of cash contributions received from the sponsor;
    - b. The cash value of food, clothing, shelter, and utilities provided by the sponsor; and
    - c. The cash value of vendor payments made by the sponsor.
  2. When the countable income is at least 1¢ less than 36% of the 1992 federal poverty level for the assistance unit size, the assistance unit is considered indigent.
  3. When the assistance unit is determined to be indigent, the sponsor's income and resource deeming requirement shall not apply. The Department shall use only the actual amount of cash contributions received from the sponsor as countable income available to the assistance unit when determining a cash grant amount.

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- D.** When the assistance unit is not exempt from the sponsor income and resource deeming requirement and is not indigent, the Department shall count the income of the sponsor as follows:
1. Determine the countable gross monthly income of the sponsor:
    - a. Calculate a monthly gross earned income amount and deduct 20 percent from that amount,
    - b. Calculate a monthly gross unearned income amount, and
    - c. Add the amounts in subsections (D)(1)(a) and (b).
  2. Calculate the number of persons living in the home who the sponsor claims or could claim as a dependent for federal income tax purposes, including the sponsor and the spouse of the sponsor.
  3. Deduct an amount equal to 100% of the federal poverty level adjusted for the family size in subsection (D)(2) from the countable gross monthly income calculated in subsection (D)(1)(c).
  4. When the sponsor has signed more than one Affidavit of Support (United States Citizen and Immigration Services Form I-864 or I-864A) forms, divide the amount calculated in subsections(D)(1) through (3) by the number of I-864 or I-864A forms that have been signed by the sponsor.
  5. After deducting the amount prescribed in subsection (D)(3) from the gross income calculated in subsection (D)(1)(c) and dividing that amount by the number of Affidavits of Support executed by the sponsor, the Department shall include the remaining income amount as countable unearned income available to the assistance unit.
- E.** When the assistance unit is not exempt from the sponsor income and resource deeming requirement and is not indigent, the Department shall consider the resources of the sponsor as available to the assistance unit. When calculating the value of the sponsor's resources, the Department shall:
1. Apply all rules and procedures to the sponsor's resources in the same manner as is applied to the assistance unit, and
  2. Deduct \$1500 from the calculated value of the sponsor's resources. The resulting amount shall be added to the value of the assistance unit's resources when determining whether the assistance unit meets the resource limitations.
- F.** When an assistance unit includes both a sponsored noncitizen and other members, and the provisions of this Section render the assistance unit ineligible, the Department shall:
1. Disqualify the sponsored noncitizen and determine eligibility of the other members of the assistance unit without considering the income and resources of the sponsor, and
  2. Compute a cash benefit amount with the needs of the sponsored noncitizen member excluded from the computation.
- G.** Verification and Cooperation
1. The Department shall assist the assistance unit in obtaining any verification of the sponsor's income, resources, or other information.
  2. When the sponsor verification is not obtainable, the Department shall exempt the assistance unit from the sponsor income and resource deeming requirement and complete the eligibility determination.
  3. When the assistance unit refuses to provide information needed to determine the income and resources of the sponsor:
    - a. All sponsored noncitizens in the assistance unit shall be ineligible for assistance.
    - b. The other members of the assistance unit may be eligible if they meet all other eligibility factors.
- H.** In addition to the change reporting requirements contained in Article 8 of this Chapter, the assistance unit shall be required to report the following:
1. A change in sponsor or a change in the residence of the sponsor's spouse when the spouse is no longer residing with the sponsor.
  2. A change in the employment of the sponsor.
  3. The death of the sponsor.
- I.** Overpayments. The sponsor and the noncitizen are jointly liable for any overpayment caused by the provision of incorrect or incomplete information, unless the sponsor had good cause that would make the noncitizen solely liable. Good cause includes:
1. The Department failed to inform the assistance unit or the sponsor that the information was necessary, or
  2. Extenuating personal circumstances prevented the sponsor from providing necessary information.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Former R6-12-506 renumbered to R6-12-507; new Section made by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-507. Determining Monthly Income**

- A.** For each family and assistance unit, the Department shall calculate monthly income using the methods described in R6-12-508.
- B.** The projected income shall include income that the family and assistance unit, or a person whose income is considered available to the assistance unit, has received and reasonably expects to receive in a benefit month, and shall be based on the Department's reasonable expectation and knowledge of the current, past, and future circumstances of the family, assistance unit, or person whose income is considered available to the assistance unit.
- C.** The Department shall include in its calculation all gross income from every source available to the family and assistance unit unless specifically excluded in this Article, by the federal Social Security Act or other applicable state or federal law.
- D.** The Department shall convert income received more frequently than monthly into a monthly amount as follows:
1. Multiply weekly amounts by 4.3,
  2. Multiply bi-weekly amounts by 2.15,
  3. Multiply semi-monthly amounts by two.
- E.** The Department shall determine a new calculation of projected income:
1. At each review for the needy family and the assistance unit, and
  2. When there is a change in countable income of an assistance unit member or a person whose income is considered available to the assistance unit.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-507 renumbered to R6-12-508; new R6-12-507 renumbered from R6-12-506 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-508. Methods to Determine Projected Monthly Income**

- A.** The Department shall determine projected monthly income for a family and an assistance unit by the methods described in this Section.
- B.** Averaging income.
1. When using this method, the Department shall add together income from a representative number of weeks or months and then divide the resulting sum by the same number of weeks or months.
  2. The Department shall average income for a family, to determine income eligibility, and an assistance unit, to determine a cash benefit amount, who receives income:
    - a. Irregularly; or
    - b. Regularly, but from sources or in amounts which vary.
- C.** Prorating income.
1. When using this method, the Department shall average income over the period of time the income is intended to cover.
  2. The Department shall prorate income for a family, to determine income eligibility, and an assistance unit, to determine a cash benefit amount, who receives income that is intended to cover a fixed period of time. When a person receives income pursuant to a fixed-term employment contract:
    - a. Income shall be counted in the month received, if received monthly or more often, throughout all months of the contract;
    - b. Income shall be prorated over the number of months in the contract if payment is received before or during the time work is performed, but not as specified in subsection (C)(2)(a);
    - c. Income shall be prorated over the number of months in the contract if payment is received upon completion of the work;
    - d. For CA cases which fall within subsection (C)(2)(c), applicable earned income disregards shall apply as if the prorated amounts were received in each month of the contract. The resulting amounts for each month shall then be totaled and counted in the month received as a lump sum pursuant to R6-12-504(C).
- D.** Actual income.
1. When using this method, the Department shall use the actual amount of income received in a month and shall not convert the income to a monthly amount pursuant to R6-12-506(D).
  2. The Department shall use actual income for a family, to determine income eligibility, and an assistance unit, to determine a cash benefit amount, who:
    - a. Receives or reasonably expects to receive less than a full month's income from a new source,
    - b. Has lost a source of income, or
    - c. Is paid daily.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Former R6-12-508 renumbered to R6-12-509; new R6-

12-508 renumbered from R6-12-507 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-509. Income Verification**

The Department shall verify all income before determining eligibility and cash benefit amount.

**Historical Note**

New Section R6-12-509 renumbered from R6-12-508 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Article heading was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit this change to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this change.*

**ARTICLE 6. SPECIAL CA CIRCUMSTANCES**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-601. Caretaker Relative of SSI or Foster Child**

- A.** A parent or NPCR with only a SSI recipient child, or a child who is receiving federal, state, or local foster care maintenance payments, may be eligible for CA upon meeting the eligibility criteria specified in this Chapter, except as otherwise provided in this Section.
- B.** The Department shall consider the SSI recipient child, or foster care recipient child, as an assistance unit member for purposes of qualifying the unit for CA based on need.
- C.** If the assistance unit qualifies for CA pursuant to subsection (B), the Department shall not count the needs, resources, and income of the SSI recipient child, or foster care recipient child, when determining the benefit amount.
- D.** Notwithstanding the provisions of R6-12-311, the parent or NPCR of a SSI recipient child, or a foster care recipient child, need not assign to the Department any rights to child support but shall assign any right to receive alimony or spousal maintenance.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed; new R6-12-601 renumbered from R6-12-602 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2). Section heading corrected at request of the Department, Office File No. M10-246, filed June 29, 2010 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not sub-*

mit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.

#### R6-12-602. Strikers

The Department shall determine CA income eligibility for the family, and a benefit amount for the assistance unit during a strike period for an assistance unit member, a person whose income is considered available to the assistance unit, or a family member on strike using the striker's prestrike monthly income.

##### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-602 renumbered to R6-12-601; new R6-12-602 renumbered from R6-12-604 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-603. Dependents of Foster Children

- A. The dependent child of an ineligible foster child residing in a needy family may be eligible for CA.
- B. To determine a cash benefit amount, the Department shall count all income and resources of the foster child and the dependent child, other than the foster care payment, as otherwise provided in this Chapter.

##### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed; new R6-12-603 renumbered from R6-12-606 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-604. Minor Parents

- A. A minor parent means a person who:
  1. Is less than 18 years of age,
  2. Has never married, and
  3. Is the natural parent of a dependent child living in the same household.
- B. An assistance unit headed by a minor parent is not eligible for CA, except as provided in subsection (C).
- C. A minor parent may receive assistance when:
  1. The minor parent has no living or locatable:
    - a. Parent,
    - b. Legal custodian who is related to the minor parent to the degree specified at R6-12-309(A), or

- c. Legal guardian.
2. The minor parent is legally emancipated.
  - a. A minor parent is emancipated if the minor parent's parent, adult specified relative as defined in R6-12-309(A), or legal guardian has relinquished all control and authority over the minor parent, and no longer provides financial support to the minor parent.
  - b. A minor parent shall qualify as an emancipated person if the minor parent:
    - i. Has lived apart from the parent, adult specified relative, or legal guardian for at least one year before the application for CA;
    - ii. Has demonstrated financial independence from the parent, adult specified relative, or legal guardian for at least one year before the application for CA; and
    - iii. Has not received CA benefits for each of the 12 consecutive months immediately preceding the month the minor parent applies for CA.
  - c. The minor parent shall provide evidence to establish emancipation. Acceptable verification may include:
    - i. Rent receipts or other living arrangement statements which establish independent living apart from the parent, adult specified relative, or legal guardian;
    - ii. Income statements or income tax records which establish financial independence from the parent, adult specified relative, or legal guardian; or
    - iii. Written statements from a parent, relative, or guardian which establish the independent status of the minor parent.
3. The physical or emotional health or safety of the minor parent, or the minor parent's child, would be at risk if the minor parent and the minor parent's child resided in the home of the minor parent's parent, legal custodian who is related to the minor parent to the degree specified in R6-12-309(A), or legal guardian.
  - a. The minor parent shall file a written statement of abuse or neglect with the Department.
    - i. Abuse means any behavior defined at A.R.S. § 8-546(A)(2).
    - ii. Neglect means any behavior defined at A.R.S. § 8-546(A)(6).
  - b. The written statement shall include the following information regarding the allegations of abuse or neglect:
    - i. The name of the victim;
    - ii. The name of the perpetrator;
    - iii. The dates of the alleged abuse or neglect;
    - iv. The nature of the alleged abuse or neglect; and
    - v. Whether or not other children living in the home are subject to the abuse or neglect.
  - c. The FAA shall report all allegations of abuse or neglect to Child Protective Services.
  - d. The FAA shall accept the minor parent's written statement of abuse or neglect as sufficient evidence that the health or safety of the minor parent, or minor parent's child, would be at risk pending the outcome of a Child Protective Services assessment, unless evidence to the contrary exists.
  - e. If Child Protective Services determines the allegation of abuse or neglect is valid, the minor parent and the minor parent's child may receive CA if otherwise eligible under this Chapter.

- f. If Child Protective Services is unable to confirm or refute the allegation of abuse or neglect, the minor parent shall remain eligible based on the minor parent's written statement.
- g. If Child Protective Services determines the allegation of abuse or neglect is invalid:
  - i. The Department shall inform the minor parent of the determination and allow the minor parent 60 days to return to the home of the parent, custodian, or legal guardian;
  - ii. The Department shall terminate CA effective the first month following expiration of the 60-day period; and
  - iii. No overpayment shall result for assistance paid based on the minor parent's written statement of alleged abuse or neglect.
- 4. The minor parent lives in a needy family that includes one of the following:
  - a. The minor parent's parent,
  - b. An adult non-parent caretaker relative, or
  - c. The minor parent's legal guardian.
- 5. When the minor parent lives with a parent or adult non-parent caretaker relative who has CA eligible children, the Department shall combine all eligible children into one assistance unit. The parent, non-parent caretaker relative, or legal guardian shall serve as the payee.
- D. A minor parent who does not live with a parent, adult non-parent caretaker relative, or legal guardian must meet the needy family income eligibility requirements.
- E. A minor parent, and the minor parent's child, who are ineligible for CA solely due to the provisions of this Section, may receive the following services, if otherwise eligible:
  - 1. AHCCCS,
  - 2. JOBS,
  - 3. Child Care, and
  - 4. Any other program or service for which CA recipients categorically qualify.
- F. The provisions of this Section shall not apply to a parent who is under 18 years of age ("an underage parent") and who is married or has been married.
- B. The child's mother and father shall both reside with the child.
- C. Neither parent shall have a physical or mental defect, illness, or impairment that:
  - 1. Substantially decreases or eliminates the parent's ability to support or care for the child, and
  - 2. Is expected to last for a minimum of 30 continuous days.
- D. The PWEF shall not refuse a bona fide offer of employment or training for employment without good cause, within 30 days prior to application. Good cause for refusal is limited to the following circumstances:
  - 1. The offered wage was less than minimum wage;
  - 2. The parent lacked the physical or mental ability to do the work;
  - 3. The parent's lack of public or private transportation prevented the parent from reporting to the job;
  - 4. The parent lacked suitable day care;
  - 5. The parent was personally providing care for a child under the age of 2 at the time of the refusal;
  - 6. The working conditions would involve undue risk to the parent's health or safety;
  - 7. The work lacked workers' compensation protection;
  - 8. The commuting time to and from work would normally exceed two hours, round trip;
  - 9. The parent could not accept the job due to illness of the parent or another family member;
  - 10. The offered position was vacant due to a labor strike or lockout;
  - 11. The parent was incarcerated or making a required court appearance;
  - 12. Inclement weather prevented the parent from accepting the job or reporting for work; or
  - 13. The parent was laid off but is expected to return to the prior place of employment within 30 days of the date of the job offer.

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed; new R6-12-605 renumbered from R6-12-609 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-606. TPEP: Education and Employment Requirements; Good Cause for Nonparticipation

Each TPEP parent shall participate in an education, training, or employment activity, unless such the parent is exempt because the parent:

- 1. Is under 18 and is:
  - a. 13-15 years old, pregnant or an unwed custodial parent, lacking a high school diploma/GED, and attending full time a secondary, vocational, or technical school or high school equivalency course; or
  - b. 16 or 17 (or 18 when reasonably expected to complete school before reaching 19), the custodial parent of a minor child, and attending full time a secondary, vocational, or technical school or a high school equivalency course;

#### Historical Note

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-604 renumbered to R6-12-602; new R6-12-604 renumbered from R6-12-608 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### R6-12-605. Unemployed Parents in a Two-parent Household (TPEP)

- A. An assistance unit with a needy child deprived of parental support because the primary wage-earning parent (PWEF) is unemployed shall receive CA through the Two-parent Employment Program (TPEP) if the assistance unit meets the eligibility criteria listed in R6-12-609, R6-12-610, R6-12-611, and all other applicable CA eligibility criteria.

2. Is an enrolled tribal member residing within the tribe's specified Tribal JOBS geographic area;
3. Is working an average of 30 hours or more per week in unsubsidized employment which pays at least minimum wage and shall last at least 30 days.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-606 renumbered to R6-12-603; new R6-12-606 renumbered from R6-12-610 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-607. TPEP: Duration**

No assistance unit may receive TPEP benefits for longer than six months in a 12-month period, except that a TPEP unit may be granted a three-month extension when the JOBS administration requests the extension based on a JOBS determination that there is good cause for the extension. The good cause reasons for JOBS to request an extension are:

1. A parent is enrolled in a vocational educational training program which was approved by JOBS and which can be completed within the three-month extension period,
2. A parent has a bona fide offer of employment that is to begin within the three-month extension period,
3. One parent did not participate in JOBS for one or more months during the six-month period and the JOBS Administration has determined good cause existed as prescribed in R6-10-122, or
4. A parent is in an unpaid work experience activity and JOBS expects the parent to be hired within the three-month extension period.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed; new R6-12-607 renumbered from R6-12-611 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-608. Expired****Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp.

97-3). Former R6-12-608 renumbered to R6-12-604; new R6-12-608 renumbered from R6-12-612 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2). Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-609. Expired****Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-609 renumbered to R6-12-605; new R6-12-609 renumbered from R6-12-613 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2). Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-610. Expired****Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-610 renumbered to R6-12-606; new R6-12-610 renumbered from R6-12-615 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2). Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-611. Expired****Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-611 renumbered to R6-12-607; new R6-12-611 renumbered from R6-12-616 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010

(Supp. 10-2). Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-612. Expired**

**Historical Note**

Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-612 renumbered to R6-12-608; new R6-12-612 renumbered from R6-12-617 and amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2). Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-613. Renumbered**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-613 renumbered to R6-12-609 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-614. Repealed**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-615. Renumbered**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Former R6-12-615 renumbered to R6-12-610 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-616. Renumbered**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Former R6-12-616 renumbered to R6-12-611 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-617. Renumbered**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Former R6-12-617 renumbered to R6-12-612 by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**ARTICLE 7. DETERMINING ELIGIBILITY AND BENEFIT PAYMENT AMOUNT**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-701. Income Limitations for a Family**

- A. A family whose net monthly income does not exceed the income limitations in subsection (C) or (D) shall be considered a needy family for purposes of determining income eligibility for an assistance unit.
- B. To determine income eligibility, the Department shall calculate the net monthly income of the family using the methods listed in R6-12-508.
- C. When the net monthly income of the family exceeds 100% of the federal poverty level for the number of persons in the family, the assistance unit is ineligible for CA.
- D. When the net monthly income of a family in which the head of household is a non-parent caretaker relative who is requesting CA only for a dependent child exceeds 130% of the federal poverty level for the number of persons in the family, the assistance unit is ineligible for CA.
- E. The income limitations in subsections (C) and (D) shall not apply to a child only case.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Section repealed; new Section made by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pur-*



*suant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-702. Eligibility for an Assistance Unit**

- A.** The Department shall determine eligibility for a specific benefit month based on its best estimate of all non-financial, resource, and financial criteria that exist, and are expected to exist, for that month.
- B.** An assistance unit is eligible for CA when the Department finds that the unit:
1. Satisfies the nonfinancial eligibility criteria described in this Chapter,
  2. Does not exceed the resource limits described in Article 4, and
  3. Resides in a needy family.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-703. Earned Income Disregards**

For the purpose of determining the net monthly income of a family as provided in R6-12-701(C) and (D) for eligibility purposes, and for an assistance unit to determine a benefit amount, the Department shall deduct the following earned income disregards:

1. A \$90 work expense allowance for each employed person in the family to determine income eligibility, and for employed assistance unit members or an employed parent of a dependent child whose income and resources are considered available to the assistance unit, to determine a cash benefit amount;
2. For each wage earning member of the family, to determine income eligibility; and for each assistance unit, or employed parent of a dependent child whose income and resources are considered available to the assistance unit, to determine a cash benefit amount: 30% of any earned income not already disregarded; and
3. The billed expenses for the care of each dependent child or incapacitated adult member of the family, to determine income eligibility, and of the assistance unit, to determine a cash benefit amount.
  - a. The monthly amount of earned income disregarded as a billed expense for the care of a dependent shall not exceed:
    - i. \$200 for a child under the age of 2 years, and
    - ii. \$175 for a child age 2 or older and for an incapacitated adult.
  - b. Acceptable verification shall include:

- i. A written statement from the individual or business providing the care for the amount billed; or
- ii. Collateral contact, when documents are not available.

4. For an assistance unit with a child who is excluded from the assistance unit pursuant to R6-12-308, an amount equal to the difference between the benefit amount with the needs of the ineligible child included in the computation and the benefit amount with the needs of the ineligible child excluded from the computation.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

#### **R6-12-704. Disqualification from Earnings Disregards; Good Cause**

- A.** The Department shall not apply the earned income disregards set forth at R6-12-703(1) through (3) to the earned income of an assistance unit member, or an employed parent of a dependent child whose income and resources are considered available to the assistance unit, when the assistance unit member or parent, without good cause:
1. Terminates employment or reduces the hours of employment within the 30 days preceding the benefit month;
  2. Refuses to accept a bona fide offer of employment offered through JOBS, or by any other employer, within the 30 days preceding the benefit month; or
  3. Fails to make a timely report of income pursuant to R6-12-901.
- B.** Good cause.
1. For circumstances applicable to subsections (A)(1) or (2), good cause is limited to:
    - a. The circumstances described at A.A.C. R6-10-119(B); or
    - b. The circumstances described at A.A.C. R6-10-120(A) and (C), if the person is a TPEP parent.
  2. For circumstances applicable to subsection (A)(3), good cause is limited to the following:
    - a. The assistance unit reports and verifies that sickness, accident, or other hardship prevented the unit from reporting timely; or
    - b. The mailing date of the change report is timely as prescribed in R6-12-901.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-705. Determining Benefit Payment Amount**

- A.** The Department shall determine the amount of the cash benefit by subtracting the monthly net income of the assistance unit, from 36% of the 1992 federal poverty level for the number of

persons in the assistance unit, and rounding down the resulting figure to the next whole dollar in any of the following circumstances:

1. The assistance unit or parent of a dependent child whose income and resources are considered available to the assistance unit pays, or is obligated to pay, all or part of the shelter costs for the place in which assistance unit members reside. Shelter costs include:
    - a. Rent,
    - b. Mortgage,
    - c. Property taxes,
    - d. Mobile home space or taxes,
    - e. Homeowner association fees and taxes, or
    - f. The household shelter cost obligation is in foreclosure action and the mortgage company will accept back payments;
  2. The assistance unit members reside in subsidized public housing;
  3. A member of the assistance unit or parent of a dependent child whose income and resources are considered available to the assistance unit works in exchange for rent;
  4. The assistance unit is composed only of a dependent child for whom benefits were requested by a non-parent caretaker relative head of household; or
  5. Assistance is paid in a child only case.
- B.** For all circumstances not covered under subsections (A)(1) through (5), including those when shelter costs are paid for three consecutive months or longer by a person who is not a member of the assistance unit, or by a parent of a dependent child whose income and resources are considered available to the assistance unit, the Department shall determine the amount of the assistance grant by subtracting the monthly net income of the assistance unit from 23% of the 1992 federal poverty level for the number of persons in the assistance unit, and rounding down the resulting figure to the next whole dollar.
- C.** If the benefit amount is less than \$10, the Department shall not pay benefits; the assistance unit remains eligible for CA for all other purposes.
- D.** The Department shall pay benefits for the month of application only from the filing date of the application. The benefit amount is prorated based on the number of days remaining in the month after the date of application.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

**R6-12-706. Notice of Eligibility Determination**

- A.** If the Department finds that the unit satisfies all eligibility criteria as specified in this Chapter, the Department shall approve the assistance grant and send notice of approval to the applicant.
- B.** If the Department finds that the unit does not satisfy 1 or more of the eligibility criteria specified in this Chapter, the Department shall send a denial notice to the applicant's last known address. The notice shall describe the action taken, the specific authority for the action, and the individual's right to request a hearing to challenge the action.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**ARTICLE 8. PAYMENTS**

**R6-12-801. Benefit Payments**

- A.** The Department shall pay benefits to an eligible assistance unit only during a month for which the unit is eligible for a payment.
- B.** The Department shall make benefit payments in the form of a state warrant, payable directly to the eligible recipient, or to a protective payee, emergency payee, legal guardian, or vendor.
- C.** The warrant shall bear a statement which shall require the payee to confirm continuing eligibility for benefits when endorsing the warrant for payment.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-802. Expired**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

**R6-12-803. Supplemental Payments**

- A.** The Department shall correct underpayments by issuing the assistance unit a supplemental payment, regardless of whether the individual who was underpaid is eligible on the date the supplemental payment is issued.
- B.** The Department shall not count such supplemental payments as a resource or as income.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-804. Expired**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

**R6-12-805. Expired**

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section expired under A.R.S. § 41-1056(E) at 18 A.A.R. 975, effective March 30, 2012 (Supp. 12-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-806. Protective Payee**

- A.** The Department shall pay benefits to a protective payee who is not a member of the assistance unit:
  1. On behalf of all unit members when a state or tribal protective service agency notifies FAA that the recipient is mismanaging or misappropriating benefits; or
  2. On behalf of all unit members other than the designated recipient when the recipient is disqualified for IPV or fraud.
- B.** The Department, with the assistance of the recipient, shall select a protective payee, who may be any adult other than the following:
  1. The Department's director,
  2. A Department eligibility interviewer,

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3. An employee in the Department's Office of Special Investigations,
  4. A Department employee who handles fiscal processes related to the CA program, and
  5. A vendor of goods or services who deals directly with the recipient.
- C.** Except in cases of mismanagement, the Department shall continue paying benefits to the recipient if the Department cannot locate a suitable payee, after exhausting reasonable efforts to do so.
- D.** Protective payments shall terminate:
1. In cases of mismanagement, upon a determination by the protective services agency that such payments are no longer required to avoid further mismanagement; and
  2. In all other cases, when the recipient cooperates with the requirement that caused the onset of protective payments.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

**R6-12-807. Emergency Payee**

- A.** The Department may pay benefits to a person acting as representative for, or on behalf of, a caretaker relative who was receiving benefits for a dependent child, when the relative:
1. Dies,
  2. Abandons or deserts the child,
  3. Is incarcerated, or
  4. Is committed to a hospital for the mentally ill.
- B.** The Department can make payments to the emergency payee for 90 days, or until a case plan is developed for the dependent child, whichever first occurs.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was adopted under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-808. Identification Card**

Upon request by a recipient, the Department shall issue the recipient an identification card or an electronic benefit transfer card at no cost. The Department shall keep a photograph of the recipient in the recipient's file after issuing an identification card or an electronic benefit transfer card.

**Historical Note**

Adopted effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

**ARTICLE 9. CHANGES; ADVERSE ACTION****R6-12-901. Reporting Changes**

- A.** As a condition of eligibility, the assistance unit shall advise the Department of all changes in income, resources, or other circumstances which may affect eligibility or benefit amount, within 10 days from the date the change becomes known.
- B.** A change report is considered timely if the mailing date is the tenth day from the date the change becomes known.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-902. Withdrawing a Member from the Assistance Unit**

- A.** A caretaker relative may request that an assistance unit member be removed from the unit by filing, with the Department, a written request which shall identify the member to be withdrawn, the reason for the request, and the date the request is effective.
- B.** The Department shall acknowledge receipt of a withdrawal request and advise the unit in writing within 10 days of receipt of the withdrawal request of the effect of the request, as specified below.
- C.** If the request does not identify a specific member, the Department shall apply the request to the entire assistance unit and terminate benefits.
- D.** If the person being withdrawn is a mandatory member of the assistance unit, the Department shall deem the entire assistance unit ineligible and terminate benefits.
- E.** If the person being withdrawn is not a mandatory member of the assistance unit, the Department shall redetermine eligibility and benefits in accordance with the provisions of this Chapter.
- F.** If the request does not specify an effective date, the Department shall take appropriate action effective the 1st month after the month in which the Department receives the request.
- G.** Department action taken in response to a request for withdrawal of a member does not require a notice of adverse action but does require adequate notice and is appealable.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-903. Determining Benefits When Adding or Removing a Member**

- A.** When the Department receives a request to add a member to the assistance unit, or is required to add a mandatory member, the Department shall redetermine eligibility including the added member.
1. If the new member renders the unit ineligible and is not a mandatory member, the Department shall advise the unit of the consequences and permit the unit to withdraw its request to include the new member.
  2. If the new member renders the unit ineligible and is a mandatory member, the unit is ineligible. The Department shall provide adequate and timely notice.
  3. If the unit remains eligible, the Department shall add the new member, effective the date the Department receives the request to add the member, and shall include the new member's income in the budget.
- B.** In the month a new member is added, the assistance unit may be eligible for an additional benefit amount or liable for an overpayment. To determine the unit's entitlement or liability, the Department shall:
1. Recalculate the unit's benefit amount with the new member, as provided in R6-12-704;
  2. Subtract the current benefit amount (without the new member) from the new benefit amount; and

3. Take the resulting amount;
  - a. If above 0, prorate it, as provided in R6-12-704(C), to determine the benefit amount due the unit;
  - b. If 0, pay no benefit; or
  - c. If below 0;
    - i. Write an overpayment for the month of application, if the member is mandatory; or
    - ii. If the member is not mandatory, allow the unit to add the member the following month, so as to avoid an overpayment for the current month.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

**R6-12-904. Benefit Reduction or Termination**

- A. Any change in any factor which the Department considers when determining eligibility or benefit amount may result in reduction or termination of benefits, consistent with the provisions of this Chapter.
- B. The Department shall terminate benefits if the assistance unit fails to complete the 6-month review required by R6-12-210.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-905. Ineligibility Date for an Assistance Unit**

An assistance unit's ineligibility begins at the time described below:

1. On the first day of the same month in which any of the following events occurs:
  - a. Acquisition of resources in excess of the resource limitations specified in Article 4,
  - b. Receipt of lump sum income as set forth in R6-12-505, or
  - c. A new assistance unit member or a person whose income and resources are considered available to the assistance unit moves into the home and renders the assistance unit ineligible for a cash benefit.
2. On the first day of the first month benefits can be terminated following timely notice of adverse action for failure to comply with a six-month eligibility review.
3. On the first day of the first month in which the assistance unit is not eligible on the date CA benefits are paid when the unit is rendered ineligible for reasons not specified in subsections (1) or (2).

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3). Amended by exempt rulemaking at 16 A.A.R. 1141, effective July 1, 2010 (Supp. 10-2).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of*

*proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-906. Ineligibility Date for an Individual Member of an Assistance Unit**

Ineligibility for an individual member of an assistance unit begins on the 1st day of the 1st month in which the member is not eligible on the date CA benefits are paid when the member is rendered ineligible for any reason.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-907. Notice of Adverse Action**

- A. When the Department plans to take adverse action against an assistance unit, the Department shall provide the unit with adequate and timely notice, except as provided in subsection (C).
- B. The Department shall mail such notice, 1st class, postage pre-paid, to the last known residential address for the unit, or other designated address for the unit as allowed pursuant to R6-12-802(A).
- C. In addition to the information listed in R6-12-101(1), the notice shall contain the following information:
  1. The date the adverse action is effective;
  2. The names of the eligible and ineligible persons in the unit, if changed by the intended action; and
  3. Any effect the intended action may have on the unit members' AHCCCS medical eligibility.
- D. The Department may dispense with timely notice but shall provide adequate notice of adverse action when:
  1. A recipient or payee dies and no emergency payee is available;
  2. A recipient makes a written request for termination;
  3. A recipient is ineligible due to incarceration, hospitalization, or institutionalization in a skilled nursing care or intermediate care facility;
  4. The recipient's address is unknown;
  5. The Department has verified that the recipient has been accepted for assistance in another state;
  6. A CA child is legally removed from home or voluntarily placed in foster care by the child's parent or legal guardian; or
  7. The recipient furnishes information which results in reduction or termination of assistance and indicates in writing an understanding of the consequences that may result from furnishing such information.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-908. Referral for Investigation**

FAA shall refer a case to OSI for investigation when:

1. An applicant or recipient refuses to cooperate as required pursuant to R6-12-302;
2. An applicant or recipient refuses to sign a statement attesting to forgery of a signature on a cashed warrant;
3. The Department has valid reason to suspect that an act has been committed for the purpose of deception, misrepresentation, or concealment of information relevant to a determination of eligibility or the form or amount of a benefit payment; or
4. The FAA suspects the commission of theft or fraud related to CA or any conduct listed in A.R.S. § 46-215.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

### **ARTICLE 10. APPEALS**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-1001. Entitlement to a Hearing**

- A. An applicant for or recipient of CA is entitled to a hearing to contest the following Department actions:
  1. Denial of the right to apply for assistance;
  2. Complete or partial denial of an application for assistance or for supplemental benefits;
  3. Failure to make an eligibility determination on an application within 45 days of the application date;
  4. Suspension, termination, reduction, or withholding of benefits except as provided in subsection (B).
  5. The existence or amount of an overpayment attributed to the unit or the terms of a plan to repay the overpayment;
  6. Changing the manner or form of payment including naming a protective payee to receive the benefit payment; or
  7. Denial or termination of child care benefits.
- B. Applicants and recipients are not entitled to a hearing to challenge benefit adjustments made automatically as a result of changes in federal or state law, unless the Department has incorrectly applied such law to the individual seeking the hearing.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

#### **R6-12-1002. Request for Hearing; Form; Time Limits**

- A. A person who wishes to appeal an adverse action shall file a written request for a fair hearing with a local FAA office, within 20 days of the adverse action notice date.
- B. A request for a hearing is deemed filed:
  1. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:
    - a. As shown by the postmark;
    - b. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or
    - c. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.
  2. On the date actually received by the Department, if not sent through the mail as provided in subsection (B)(1).
- C. The submission of any document shall be considered timely if the appellant proves that delay in submission was due to Department error or misinformation, or to delay caused by the U.S. Postal Service or its successor.
- D. Any document mailed by the Department shall be considered as having been given to the addressee on the date it is mailed to the addressee's last known address. The date mailed shall be presumed to be the date shown on the document, unless otherwise indicated by the facts. Computation of time shall be made in accordance with Rule 6(a) of the Rules of Civil Procedure.
- E. The Office of Appeals shall deny any request that is not timely filed. A party may request an appeal on the timeliness of an appeal.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-1003. Hearing Requests; Preparation and Processing**

- A. The Department shall advise the appellant of any free legal services available to assist the appellant in completing the request for appeal. If the appellant so requests, the Department shall assist the appellant in preparing the request.
- B. Within 2 working days of receiving a request for appeal, the local FAA office shall notify the Office of Appeals of the hearing request.
- C. Within 10 days of receiving a request for appeal, the local FAA office shall prepare and forward to the Office of Appeals a prehearing summary which shall include:
  1. The appellant's name (and case name, if different);
  2. The appellant's SSN (or case number, if different);
  3. The local office responsible for the appellant's case;
  4. A brief summary of the facts surrounding, and the grounds supporting, the adverse action;
  5. Citations to the specific provisions of the Department's CA manual which support the Department's action; and
  6. The decision notice and any other documents relating to the appeal.
- D. The local office shall mail the appellant a copy of the summary.
- E. Upon receipt of a hearing request, the Office of Appeals shall schedule the hearing as prescribed in R6-12-1006.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption  
from the provisions of A.R.S. Title 41, Chapter 6 (Supp.  
97-3).

**R6-12-1004. Stay of Adverse Action Pending Appeal; Exceptions**

- A.** If an appellant files a request for appeal within 10 calendar days of the adverse action notice date, the Department shall stay imposition of the adverse action and continue benefits at the current level unless:
1. The appellant specifically waives continuation of current benefits;
  2. The appeal results from a change in federal or state law which mandates an automatic grant adjustment for all classes of recipients and does not involve a misapplication of the law;
  3. The appellant is requesting continuation of TPEP benefits for longer than 6 months within a 12-month period; or
  4. The appellant is requesting continuation of benefits for longer than 24 months within any consecutive 60-month period.
- B.** The adverse action shall be stayed until receipt of an official written decision in favor of the Department, except in the following circumstances:
1. At the hearing and on the record, the hearing officer finds that: the sole issue involves application of law, and the Department properly applied the law and computed the benefits due the appellant;
  2. A change in eligibility or benefit amount occurs for reasons other than those being appealed, and the assistance unit receives and fails to timely appeal a notice of adverse action concerning such change;
  3. Federal or state law mandates an automatic grant adjustment for classes of recipients;
  4. The appellant withdraws the request for hearing; or
  5. The appellant fails to appear for a scheduled hearing without prior notice to the Office of Appeals, and the hearing officer does not rule in favor of the appellant based upon the record.
- C.** Upon receipt of decision in favor of the Department, the Department shall write an overpayment for the amount of any benefits the unit received in excess of the correct benefit amount, while the stay was in effect.
- D.** If the appellant files a request for appeal more than 10 days after, but within 20 days of, the adverse action notice date, the Department may take the adverse action while the appeal is pending. If the Office of Appeals then rules in favor of the appellant, the Department shall issue a supplemental payment to the appellant to cure any underpayment within 10 days from the date of the hearing decision.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1005. Hearing Officer; Qualifications; Duties; Subpoenas**

- A.** An impartial hearing officer in the Department's Office of Appeals shall conduct all hearings.
- B.** The hearing officer shall:
1. Administer oaths and affirmations;
  2. Regulate and conduct the hearing in an orderly and dignified manner, which avoids undue repetition and affords due process to all participants;
  3. Ensure that all relevant issues are considered;
  4. Exclude irrelevant evidence from the record;

5. Request, receive, and incorporate into the record all relevant evidence;
  6. Order, when relevant and useful to a resolution of the issue in a case, an independent medical assessment or professional evaluation from a source mutually satisfactory to the appellant and the Department;
  7. Upon compliance with the requirements of subsection (C), subpoena witnesses or documents needed for the hearing;
  8. Open, conduct, and close the hearing;
  9. Rule on the admissibility of evidence at a hearing;
  10. Direct the order of proof at the hearing;
  11. For good cause shown, and upon the request of an interested party, or on the hearing officer's own motion, take such action as the hearing officer deems necessary to the proper disposition of an appeal, including, without limitation, the following:
    - a. Recuse or disqualify himself from the case;
    - b. Continue the hearing to a future time or date;
    - c. Prior to entry of a final decision, reopen the hearing to take additional evidence;
    - d. Deny or dismiss the appeal or request for hearing in accordance with the provisions of this Article;
    - e. Exclude non-party witnesses from the hearing room; and
  12. Issue a written decision deciding the appeal.
- C. Subpoenas.**
1. A party who wishes to subpoena a witness, document, or other physical evidence shall make a written request which shall describe:
    - a. The case name and number;
    - b. The party requesting the subpoena;
    - c. The name and address of any person to be subpoenaed, with a description of the subject matter of the witness's anticipated testimony; and
    - d. A description of any documents or physical evidence to be subpoenaed, and the name and address of the custodian of the document or physical evidence.
  2. The party requesting the subpoena shall make the request at least 5 work days before the scheduled hearing date.
  3. The hearing officer shall deny the request if the witness's proposed testimony is not relevant to the issues in the hearing.
  4. The Office of Appeals shall prepare all subpoenas and serve them by certified mail, return receipt requested.
- D.** An appellant may request a change in hearing officer if the appellant so requests at least 10 days prior to the hearing. The appellant is limited to 1 request.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1006. Hearings: Location; Notice; Time**

- A.** The Office of Appeals shall schedule the hearing at the office location most convenient to the interested parties.
- B.** The Office of Appeals shall issue all interested parties a notice of the first hearing at least 10 calendar days before the hearing. The appellant may waive the 10-day notice period or request a continuance.
- C.** The notice of hearing shall be in writing and shall include the following information:
1. The date, time, and place of the hearing;
  2. The name of the hearing officer;
  3. The issues involved in the case;
  4. A statement listing the appellant's rights, as follows:
    - a. To appear in person or by telephone;

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- b. To have a representative present the case;
- c. To copy, at a reasonable time prior to the hearing or during the hearing, any documents in the appellant's case file which are relevant to the issues being heard, and all documents the Department may use at the hearing;
- d. To obtain assistance from the local FAA office to prepare for the hearing; and
- e. To obtain, from the local FAA office, information on available community legal resources who may be able to represent the appellant.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended by final rulemaking at 16 A.A.R. 815, effective April 22, 2010 (Supp. 10-2).

**R6-12-1007. Rescheduling the Hearing**

- A. An appellant may request a continuance of the hearing by calling or writing the Office of Appeals and providing good cause as to why the hearing should be postponed.
- B. The Office of Appeals must receive the request at least 5 work days before the scheduled hearing date and may deny an untimely request or a request which fails to establish good cause.
- C. When a hearing is rescheduled, the Office of Appeals shall provide appropriate notice to all interested parties.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1008. Hearings Concerning Disability Determinations**

- A. A person who appeals an adverse determination of disability may ask to receive another medical examination before the hearing.
- B. Upon receipt of such a request, the FAA local office shall schedule the examination with a licensed physician, psychologist, or psychiatrist. If the appellant does not designate a particular examiner, the Department may choose.
- C. At any time prior to issuing a decision, the hearing officer may ask the District Medical Consultant to schedule the appellant for a special diagnostic evaluation by a specialist.
- D. Upon receipt of a report on the special evaluation, the hearing officer may, but is not required to, have the District Medical Consultant evaluate the report and render an opinion on the appellant's disability and employability.
- E. The hearing officer may consider, but is not bound by, the Medical Consultant's opinion, which shall qualify as an expert medical opinion.
- F. In deciding the appeal of a disability determination, the hearing officer shall consider:
  - 1. All medical, social, and vocational reports which are relevant to the issue of disability; and
  - 2. The appellant's testimony as to the appellant's physical and medical condition or symptomatology.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1009. Group Hearings**

The Department may conduct a single group hearing on individual requests for a hearing, under the following circumstances:

- 1. The sole issue in each case is interpretation of the same question of federal or state law or policy,
- 2. Each appellant may present or have an authorized representative present his or her own case,
- 3. Any appellant may withdraw from the group hearing and obtain an individual hearing.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1010. Withdrawal of Appeal; Default**

- A. An appellant may voluntarily withdraw an appeal at any time prior to the scheduled hearing by signing a written statement expressing the intent to withdraw. The Department shall make a withdrawal form available for this purpose.
- B. An appellant may involuntarily withdraw an appeal by failing to appear at the scheduled hearing.
  - 1. Except as provided in subsection (C), the hearing officer may enter a default decision dismissing the appeal if the appellant fails to appear at a scheduled hearing.
  - 2. When the appellee fails to appear at the hearing, the hearing officer may rule summarily on the available record or may adjourn the hearing to a later date and time.
  - 3. If, within 10 days of the scheduled hearing date at which the appellant failed to appear, the appellant files a written request to reopen the proceedings and establishes good cause for non-appearance, the hearing officer shall reopen the proceedings and reschedule the hearing with notice to all interested parties.
  - 4. Good cause, for the purpose of reopening a hearing, is established if the failure to appear at the hearing and the failure to timely notify the hearing officer were beyond the reasonable control of the nonappearing party.
- C. The hearing officer shall not enter a default if the appellant gives notice, prior to the scheduled time of hearing, that the appellant is unable to attend the hearing, due to good cause, and still wishes the hearing or to have the matter considered on the available record.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1011. Hearing Proceedings**

- A. Standard of review and burden of proof.
  - 1. The hearing is a de novo proceeding. To prevail on appeal, the appellant must prove eligibility or entitlement to benefits by a preponderance of the evidence.
  - 2. The Department has the initial burden of going forward with presentation of the evidence.
- B. Appearance by parties and representatives.
  - 1. An appellant may appear by telephone or submit a written statement under oath, instead of appearing personally at the hearing. The appellant shall file the personal statement with all other witness statements and documents the appellant wishes to offer in evidence, with the Office of Appeals before the time of the hearing.
  - 2. The FAA worker, FAA supervisor, or FAA hearing specialist, or another appropriate person may testify for the Department at the hearing.
- C. Evidence and argument.
  - 1. The appellant may testify, present evidence, cross-examine witnesses, and present arguments.
  - 2. The hearing officer shall exclude from the record any irrelevant evidence.
- D. The record.
  - 1. The hearing officer shall keep a full and complete record of all proceedings in connection with an appeal. The appellant or the appellant's designated representative may inspect the record on appeal at any reasonable time.
  - 2. The Department need not transcribe the record unless it is required for further proceedings.
  - 3. If the record is transcribed, the appellant is entitled to receive a copy at no charge.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1012. Hearing Decision; Time Limits; Form; Contents; Finality**

- A. No later than 90 days after the date the appellant files a request for appeal, the hearing officer shall render a written decision based solely on the evidence and testimony produced at the hearing and applicable federal and state law. The time limit is extended for any delay caused by the appellant.
- B. The decision shall include:
  1. Findings of facts pertinent to the issue;
  2. Citations to the law and authority applicable to the case;
  3. A statement of conclusions derived from the controlling facts and law, and the reasons for the conclusions; and
  4. A statement of further appeal rights available to the appellant and the time period for exercising those rights.
- C. The Office of Appeals shall mail or deliver a copy of the decision to each interested party or such party's attorney of record.
- D. The hearing officer's decision is the final decision of the Department, unless a party files a timely request for reconsideration or further appeal.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1013. Implementation of the Decision**

- A. If the decision requires a local office to take further action, such action shall occur within 10 calendar days of the date of the decision.
- B. All decisions in favor of the appellant apply retroactively to the date of the action being appealed or the date stated by the hearing officer in the written decision.
- C. If the decision affirms the Department's decision to take adverse action, the Department shall treat any resulting overpayment as a client-caused, non-fraud overpayment.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1014. Further Appeal and Review of Hearing Decisions; Stay of Adverse Action**

- A. A party may appeal an adverse hearing decision to the Department's Appeals Board.
  1. The party shall file a written petition for review with the Office of Appeals within 15 calendar days of the mailing date of the hearing officer's decision.
  2. The petition shall state the grounds for review and be signed and dated.
  3. The petition is deemed filed:
    - a. On the date it is mailed, if transmittal via the United States Postal Service or its successor. The mailing date is as follows:
      - i. As shown by the postmark;
      - ii. As shown by the postage meter mark of the envelope in which it is received, if there is no postmark; or
      - iii. The date entered on the document as the date of its completion, if there is no postmark, or no postage meter mark, or if the mark is illegible.
    - b. On the date it is hand-delivered to the Office of Appeals.
- B. When a party timely appeals a hearing decision, the Department shall stay implementation of the adverse action until the Appeals Board issues a decision and treat any resulting overpayment as a client-caused, non-fraud overpayment.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1015. Appeals Board Proceedings and Decision**

- A. Upon receipt of a request for further review, the Office of Appeals shall transcribe the record of hearing and transfer the record to the Appeals Board.
- B. The Appeals Board may decide the appeal based solely on the record of proceedings before the hearing officer or, if the Board is unable to decide the appeal on the available record, the Board may remand the case for rehearing, specifying the nature of any additional evidence required or any further issues for consideration, or conduct a hearing at the Appeals Board to take additional evidence.
- C. The Appeals Board shall issue, and mail to all parties, a final written decision affirming, reversing, or modifying the hearing decision and specifying the parties' right to seek further review.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**ARTICLE 11. OVERPAYMENTS****R6-12-1101. Overpayments: Date of Discovery; Collection; Exceptions**

- A. Except as provided in subsection (E), the Department shall pursue collection of all overpayments.
- B. The Department discovers an overpayment on the date the Department determines that an overpayment exists.
- C. The Department shall write an overpayment report within 90 days of the discovery date.
- D. If the FAA office suspects that an overpayment was caused by fraudulent activity, it shall refer the overpayment report to the Department's Office of Special Investigations for potential prosecution.
- E. The Department shall not attempt to recover an overpayment from a person who is not a current recipient when the overpayment was not the result of an intentional program violation or fraud, and:
  1. The total overpayment is less than \$35, or
  2. The Department has exhausted reasonable efforts to collect an overpayment of \$35 or more and has determined that it is no longer cost-effective to pursue the claim.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1102. Overpayments: Persons Liable**

- A. The Department shall pursue collection of an overpayment from:
  1. The assistance unit which was overpaid;
  2. Any assistance unit of which a member of the overpaid unit has subsequently become a member; or
  3. Any individual member of the overpaid assistance unit, even if that member is not currently receiving benefits.
- B. The Department shall seek recovery from the caretaker relative, or the caretaker relative's current assistance unit, first. If the caretaker relative is unavailable due to death or disappearance, or was not a member of the overpaid assistance unit, the Department shall seek recovery from the other members of the overpaid assistance unit, or the other members' current assistance units.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in*



*the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-1103. Methods of Collection and Recoupment**

- A.** When an overpaid assistance unit is currently receiving benefits, the Department shall permit the unit to choose 1 of the following repayment methods:
1. Offset against any underpayment due the unit;
  2. Cash payments;
  3. Reduction in current benefits, in an amount not to exceed 10% of the unit's monthly payment, unless the unit desires a larger reduction;
  4. A combination of the above methods.
- B.** If the repayment reduces the unit's benefits to 0, the unit shall remain eligible for CA for all other purposes.
- C.** If the assistance unit is not receiving benefits, the Department shall pursue recovery by appropriate action under state law.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

### **ARTICLE 12. INTENTIONAL PROGRAM VIOLATION**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-1201. Intentional Program Violations (IPV); Defined**

- A.** An intentional program violation (IPV) is an action by an individual, for the purpose of establishing or maintaining the family's eligibility for CA or for increasing or preventing a reduction in the amount of the grant, which is intentionally:
1. A false or misleading statement or misrepresentation, concealment, or withholding of facts; or
  2. Any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity.
- B.** For the purpose of imposing sanctions as prescribed in R6-12-1204, a person is considered to have committed an IPV if:
1. The person signs a waiver of an administrative disqualification hearing,
  2. The person is found to have committed an IPV by an administrative disqualification hearing, or
  3. The person is convicted of IPV or fraud in a court of law.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

#### **R6-12-1202. IPV Disqualification Proceedings; Hearing Waiver**

- A.** The Department shall initiate an administrative disqualification proceeding, or a referral for prosecution, upon receipt of sufficient documentary evidence substantiating that an assistance unit member has committed an IPV.
- B.** When the Department initiates a disqualification proceeding, the Department shall mail the assistance unit member sus-

pected of an IPV written notice of the right to waive the disqualification hearing.

- C.** The waiver notice shall include the following information:
1. The charges against the suspected violator and a description of the evidence supporting the charges;
  2. An explanation of the disqualification sanctions imposed for intentional program violations;
  3. A warning that the administrative proceeding does not preclude other civil or criminal court action;
  4. The date that the signed waiver notice must be received by the Department should the suspected violator wish to avoid the hearing;
  5. Signature lines for the suspected violator and the suspected violator's current caretaker relative if the suspected violator is not the caretaker relative;
  6. A statement that the caretaker relative must also sign the waiver if the suspected violator is not the caretaker relative;
  7. A statement of the suspected violator's right to remain silent concerning the charge;
  8. A warning that anything said, written, or signed by the suspected violator concerning the charge may be used against him or her in administrative proceedings or a court of law;
  9. A warning that any waiver of the hearing establishes an IPV, eliminates the right to further administrative appeal, and will result in disqualification and a reduction in benefits for other assistance unit members for the period of disqualification;
  10. Statements providing the suspected violator an opportunity to admit to the facts supporting disqualification or waive the hearing without admitting to the facts;
  11. The name, address, and telephone number of a Department representative whom the suspected violator may contact for further information;
  12. A list of persons or organizations which may provide the suspected violator with free legal advice regarding the IPV; and
  13. A warning that the Department shall hold any remaining household members responsible for repayment of any overpayment arising from the IPV.
- D.** For the purpose of imposing sanctions as prescribed in R6-12-1204, a signed waiver notice shall have the same effect as an administrative adjudication that an IPV occurred.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

#### **R6-12-1203. Disqualification Proceedings; Hearing**

- A.** If the suspected violator does not sign and return the waiver notice by the return date set in the waiver notice, the Office of Appeals shall send the suspected violator a notice of hearing. The Office of Appeals shall send the notice by certified mail, return receipt requested, no later than 30 days before the scheduled hearing date.
- B.** The notice of hearing shall include the following information:
1. The date, time, and place of the hearing;
  2. The charges against the suspected violator;
  3. A summary of the evidence supporting the charges;
  4. The location where the suspected violator may examine the supporting evidence before the hearing;
  5. A warning that the hearing officer shall render a decision based solely on the evidence which the Department offers if the suspected violator does not appear for the hearing;
  6. An explanation of the suspected violator's right to show good cause for a failure to appear at the hearing and the procedure for doing so;

7. An explanation of the sanctions the Department shall impose if the hearing officer finds that the suspected violator committed an IPV;
  8. A listing of the suspected violator's procedural rights;
  9. A warning that the pending administrative hearing does not preclude other civil or criminal court action;
  10. A statement advising of any free legal advice which may be available;
  11. A statement explaining how to obtain a copy of the Department's published hearing procedures; and
  12. A statement that the suspected violator may have the hearing postponed by contacting the hearing officer at least 10 days before the hearing date and asking for a postponement.
- C.** The hearing officer shall postpone a hearing for up to 30 days if the suspected violator files a written request for postponement with the hearing official no later than 10 days before the scheduled hearing date. Any such postponement days shall increase the time by which the hearing officer shall issue a decision, as provided in subsection (G) below.
- D.** At the start of the disqualification hearing, the hearing officer shall advise the suspected violator or representative of the right to remain silent during the hearing and the consequences of exercising that right.
- E.** A hearing officer, as prescribed in R6-12-1005, shall conduct the disqualification hearing pursuant to the procedures set forth in R6-12-1006, R6-12-1007, and R6-12-1011, except as prescribed in this subsection.
1. The suspected violator does not need to request a hearing as prescribed in R6-12-1006(B).
  2. The standard of proof is clear and convincing.
  3. So long as the Department sent an advance notice of hearing as provided in subsections (A) and (B) above, the hearing officer shall conduct the disqualification hearing even if the suspected violator or representative cannot be located or fails to appear at the hearing without good cause.
- F.** The Department shall prove by clear and convincing evidence that the household member committed an IPV.
- G.** No later than 90 days from the date of the notice of hearing, as increased by any postponement days, the hearing officer shall send to the suspected violator a written decision which shall conform to the requirements of R6-12-1012 and shall include the information described at R6-12-1204(C).

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1204. Disqualification Sanctions; Notice**

- A.** A person found to have committed an IPV is disqualified from program participation for 6 months for the 1st violation; 12 months for the 2nd violation; and permanently for the 3rd violation.
- B.** The Department shall not include the needs of the disqualified person in the assistance unit but shall count the income and resources of the disqualified person available to the unit.
- C.** Upon a determination of IPV, the Department shall notify the violator of the pending disqualification. The notice shall:
1. Inform the violator of the decision and the reasons for the decision;
  2. Provide the beginning date and duration of the disqualification, including an explanation of any deferment of disqualification; and
  3. Explain the consequences of the disqualification on household members other than the violator.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1205. Disqualification Hearings; Appeal**

- A.** A person found to have committed an IPV through an administrative disqualification hearing may appeal the decision to the Department's Appeals Board as prescribed in R6-12-1014.
- B.** Upon a determination of IPV through a signed waiver of a disqualification hearing, the violator has no right to further administrative appeal.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**R6-12-1206. Honoring Out-of-state IPV Determinations and Sanctions**

The Department shall honor sanctions imposed against an applicant or recipient by the Title IV-A agency of another state and shall consider prior violations committed in another state when determining the appropriate sanction.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).

**ARTICLE 13. JOBSTART**

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-1301. Scope**

The Department shall operate a wage subsidy program entitled JOBSTART on a statewide basis.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Amended effective May 15, 1997 (Supp. 97-2). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-1302. Definitions**

The following definitions apply to this Article:

1. "Adjusted gross monthly wages" means the gross monthly wages a person receives from a JOBSTART-subsidized placement after deductions for federal and state income taxes and Federal Insurance Contributions Act (FICA) contributions.
2. Subsidized placement means a job with a public or private sector employer for which the Department reimburses the employer monthly for the wages paid to the participant the lesser of:
  - a. A fixed subsidy amount determined by the Department pursuant to the contract with the employer, or
  - b. The gross wages paid by the employer.
3. Wage pool means a pool of diverted CA and Food Stamp Program benefits which are used to reimburse an employer for the monthly wages paid to a participant.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Amended effective May 15, 1997 (Supp. 97-2). Amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was repealed and the new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-1303. Diversion of Benefits to Wage Pool**

- A. When JOBS notifies FAA that JOBS has assigned a recipient to a JOBSTART-subsidized placement, FAA shall redirect the recipient's CA and Food Stamp Program benefits to the JOBSTART wage pool to reimburse the participant's employer for wages paid to the participant.
- B. The reimbursement shall not exceed the lesser of:
  1. The recipient's gross monthly earnings from the JOBSTART-subsidized placement, calculated as total hours worked times the participant's hourly wage rate; or
  2. A fixed subsidy amount determined by the Department pursuant to the contract with the employer. The reimbursement shall not exceed 40 hours per week at the federal minimum wage.
- C. The Department shall divert the CA and Food Stamp Program benefits to the wage pool beginning with the calendar month following the month the participant 1st receives wages from the subsidized placement and shall continue diverting the benefits until the participant stops holding a subsidized placement.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Section R6-12-1303 repealed; new Section renumbered from R6-12-1304 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered and a new Section renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-1304. Treatment of Income**

The Department shall exclude as income the participant's gross monthly wages received from the subsidized job placement. Income from other sources shall count pursuant to Article 4.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Section R6-12-1304 renumbered to R6-12-1303; new Section renumbered from R6-12-1305 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered and a new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to*

*Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

**R6-12-1305. Supplemental Payments**

- A. Advance supplemental payments.
  1. The Department shall provide an advance supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a benefit month are less than the combined cash value of the CA and Food Stamp Program benefits which the participant is eligible to receive for that month.
  2. Each month the Department shall determine the need for a supplemental payment, and the amount of the payment, using prospective budgeting based on anticipated family composition and wages of 40 hours per week during the month at the adjusted gross monthly wage the participant is expected to receive.
  3. The supplemental payment shall equal the cash value of the combined CA and Food Stamp Program benefits the participant is eligible to receive for the month minus the anticipated adjusted gross monthly wages from the subsidized placement.
- B. Emergency supplemental payments. The Department shall provide an emergency supplemental payment to a JOBSTART participant if the adjusted gross wages the participant is expected to receive in a benefit month, plus any supplemental payments already made for that month, are less than the cash value of the monthly food stamp allotment for the participant's household. The Department shall provide an emergency payment no later than 10 days after the date:
  1. The participant requests an emergency payment, or
  2. The Department receives information from the employer which indicates the need for an emergency payment.
- C. Reconciliation supplemental payments.
  1. The Department shall provide a reconciliation supplemental payment to a JOBSTART participant who receives less in adjusted gross wages in a benefit month than the cash value of the combined CA and Food Stamp Program benefits which the participant is eligible to receive for that month due to a reduction in available work hours by the employer.
  2. The Department shall issue the reconciliation supplemental payment no later than the 10th day of the month following the benefit month.
  3. The reconciliation supplemental payment, plus the adjusted gross wages and any other supplemental payments already received for the benefit month, shall not exceed the cash value of the combined CA and Food Stamp Program benefits the participant was eligible to receive for the benefit month.

**Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4). Section R6-12-1305 renumbered to R6-12-1304; new Section renumbered from R6-12-1306 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered and a new Section was renumbered and amended under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of pro-*

*posed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit these rules to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this Section.*

#### **R6-12-1306. Sanctions**

- A. If a recipient fails or refuses to comply with JOBSTART participation requirements without good cause the Department shall decrease the CA grant using the progressive sanction process described in R6-12-316.
- B. Good cause is limited to the following circumstances:
  1. The participant has been referred to a job or employment which is the subject of a strike, lockout, work stoppage, or other bona fide labor dispute;
  2. The job requires the participant to join a company union or to resign or refrain from joining a bona fide labor organization;
  3. The participant was incarcerated or ordered to make a court appearance;
  4. Severe weather conditions prevented the participant and other persons similarly situated from traveling to or participating in the employment activity;
  5. The participant or the participant's dependent child suffers a debilitating illness or incapacity; or
  6. The participant has a family crisis, such as:
    - a. Catastrophic loss of home to fire, flood, or other natural disaster; or
    - b. Death of an immediate family member.
- C. JOBS shall determine if good cause exists.
- D. The Department shall apply the appropriate progressive sanction reduction against the monthly CA benefit amount the assistance unit is entitled to receive for the month the sanction is applied.
- E. The progressive sanction benefit reduction shall continue for a minimum of 1 month and until the person complies with JOBS requirements or becomes exempt from JOBS participation.

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section R6-12-1306 renumbered to R6-12-1305; new Section renumbered from R6-12-1307 and amended effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

*Editor's Note: The following Section was renumbered under an exemption from the provisions of A.R.S. Title 41, Chapter 6, pursuant to Laws 1997, Ch. 300, § 74 (A). Exemption from A.R.S. Title 41, Chapter 6 means the Department did not submit notice of proposed rulemaking to the Secretary of State for publication in the Arizona Administrative Register; the Department did not submit this change to the Governor's Regulatory Review Council for review and approval; and the Department was not required to hold public hearings on this change.*

#### **R6-12-1307. Renumbered**

#### **Historical Note**

Adopted effective November 9, 1995 (Supp. 95-4).  
Section R6-12-1307 renumbered to R6-12-1306 effective July 31, 1997, under an exemption from the provisions of A.R.S. Title 41, Chapter 6 (Supp. 97-3).

### **ARTICLE 14. GRANT DIVERSION**

#### **R6-12-1401. Definitions**

"Grant Diversion Payment Period" means the time period that begins the first day of the first eligible month and ends the last day of the third eligible month.

#### **Historical Note**

New Section made by final rulemaking at 19 A.A.R. 1638, effective August 4, 2013 (Supp. 13-2).

#### **R6-12-1402. Eligibility for Grant Diversion**

The Department shall offer a Cash Assistance applicant the option of receiving a lump sum Grant Diversion cash benefit when the applicant satisfies all of the following eligibility criteria:

1. The assistance unit includes an adult parent or non-parent caretaker relative;
2. The assistance unit meets all CA financial and non-financial eligibility criteria, except that the adult parent or non-parent caretaker relative is exempt from the following:
  - a. The child support requirements in R6-12-311;
  - b. The Jobs program participation requirements in R6-12-313;
  - c. The Personal Responsibility Agreement in R6-12-302; and
  - d. The TPEP employment and education requirements in R6-12-606;
3. The assistance unit is eligible for a CA cash benefit of at least one dollar in either the month of application or either of the two months following the month of application;
4. An adult assistance unit member is immediately available for full-time employment and the adult satisfies at least one of the following requirements:
  - a. Was employed in the month the application was received or in at least one of the 12 months preceding the month that the application was received;
  - b. Has a verified offer of full-time employment that will begin within the three month Grant Diversion payment period; or
  - c. Has successfully completed an educational, vocational, or job training program in the month the application was received or in one of the six months preceding the month that the application was received;
5. An adult parent or non-parent caretaker relative in the assistance unit completes and signs the Grant Diversion Applicant Agreement form, which includes the adult's agreement that the short term Grant Diversion cash benefit shall assist and support the adult in securing full-time employment within 90 days of the application date in order to enable the assistance unit to become self-sufficient;
6. The assistance unit has not received a Grant Diversion cash benefit in the 12 months preceding the month that the application was received; and
7. The assistance unit is not currently being sanctioned under R6-12-316.

#### **Historical Note**

New Section made by final rulemaking at 19 A.A.R. 1638, effective August 4, 2013 (Supp. 13-2).

#### **R6-12-1403. Amount of the Grant Diversion Cash Benefit**

The Department shall provide an eligible assistance unit a non-recurring lump sum cash benefit in an amount equal to three times the maximum monthly cash benefit for which the assistance unit would be eligible in the Cash Assistance program, based on zero countable income. The Department shall provide the cash benefit to financially assist an adult assistance unit member in securing full-time employment within the three month Grant Diversion payment period.

**Historical Note**

New Section made by final rulemaking at 19 A.A.R.  
1638, effective August 4, 2013 (Supp. 13-2).

**R6-12-1404. Treatment of Changes During the Grant Diversion Payment Period**

- A. The Department shall exempt the assistance unit from the change reporting requirements in R6-12-901 during the three month Grant Diversion payment period.
- B. When the Department receives a request to add a member to the assistance unit during the three month Grant Diversion payment period, the Department shall comply with subsections (B)(1) through (B)(3).
  1. The Department shall redetermine eligibility including the added member. The Department shall add the new member, effective the date the request is received, only when the assistance unit remains eligible.
  2. When the assistance unit remains eligible, the Department shall add the new member, effective the date the

Department receives the request to add the member, and recalculate the assistance unit's Grant Diversion benefit amount. The Department shall issue the assistance unit a supplemental payment when the amount of the recalculated cash benefit amount exceeds the amount of the cash benefit that was issued to the assistance unit. The supplemental payment shall be a prorated amount from the date the Department received the request to add the member through the end of the three-month Grant diversion payment period.

3. When the recalculated Grant Diversion cash benefit amount is less than the cash benefit that was issued to the assistance unit, the Department shall not add the member to the assistance unit and shall not write an overpayment.

**Historical Note**

New Section made by final rulemaking at 19 A.A.R.  
1638, effective August 4, 2013 (Supp. 13-2).