

**FILED**

**Jane Dee Hull  
Secretary of State**

State of Arizona  
Senate  
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Second Regular Session  
1996

CHAPTER 193

**SENATE BILL 1399**

AN ACT

AMENDING SECTION 46-292, ARIZONA REVISED STATUTES; AMENDING TITLE 46, CHAPTER 2, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 46-298; RELATING TO ASSISTANCE TO DEPENDENT CHILDREN; PROVIDING FOR CONDITIONAL ENACTMENT.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 46-292, Arizona Revised Statutes, is amended to  
3 read:

4 46-292. Eligibility for assistance

5 A. Assistance shall be given under this title to any dependent child:

6 1. Who has established residence in Arizona at the time of application  
7 and is either a citizen by birth or naturalization or an alien legally  
8 admitted for permanent residence or otherwise permanently residing in the  
9 United States under color of law, including any alien who is lawfully present  
10 in the United States as a result of the application of the provisions of  
11 section 203(a)(7) or section 212(d)(5) of the immigration and nationality  
12 act.

13 2. Whose parent or parents or person or persons acting in the parents'  
14 place, if employable, shall not refuse to accept available employment and if  
15 any employable child in the family does not refuse to accept available  
16 employment. THE DEPARTMENT SHALL ASSESS THE APPLICANT'S EMPLOYABILITY AT THE  
17 TIME OF INITIAL APPLICATION FOR ASSISTANCE TO ESTABLISH A SELF-SUFFICIENCY  
18 DIVERSION OPTION, IF APPROPRIATE, BEFORE BENEFIT ISSUANCE. The determination  
19 of employability and the conditions under which employment shall be required  
20 shall be determined by the state department, except that claimed

1 unemployability because of physical or mental incapacity shall be determined  
2 by the state department in accordance with the provisions of this title.

3 3. Whose parent or parents or other relatives who are applying for or  
4 receiving assistance on behalf of the child have not, within one year prior  
5 to application, or while a recipient, transferred or assigned real or  
6 personal property with the intent to evade federal or state eligibility  
7 requirements. Transfer of property with retention of a life estate for the  
8 purpose of qualifying for assistance is prohibited. Where fair consideration  
9 for the property was received, no inquiry into motive is necessary. A person  
10 found ineligible under this section shall be ineligible for such time as the  
11 state department determines.

12 B. A parent or any other relative who applies for or receives  
13 assistance under this title on behalf of a child shall cooperate with the  
14 department by providing information, if known, regarding the identity of the  
15 child's father and mother and other pertinent information including their  
16 names, social security numbers and current addresses unless the department  
17 determines good cause exists for failure to cooperate pursuant to title IV-A  
18 of the social security act.

19 C. Notwithstanding subsection A of this section and except as provided  
20 in subsection D of this section, a dependent child or children who are born  
21 during one of the following time periods are not eligible for assistance  
22 under this title:

23 1. The period in which the parent or other relative is receiving  
24 assistance benefits.

25 2. The temporary period in which the parent or other relative is  
26 ineligible pursuant to a penalty imposed by the department for failure to  
27 comply with benefit eligibility requirements, after which the parent or other  
28 relative is eligible for a continuation of benefits.

29 3. Any period after the federal government grants waivers necessary  
30 to implement this subsection that is less than sixty months between a  
31 voluntary withdrawal from program benefits or a period of ineligibility for  
32 program benefits which immediately followed a period during which program  
33 benefits were received and a subsequent reapplication and eligibility  
34 approval for benefits.

35 D. The following exceptions apply to the provisions of subsection C  
36 of this section:

37 1. The department shall allow an increase in benefits under the  
38 program for a dependent child or children born as a result of an act of  
39 sexual assault as prescribed in section 13-1406 or incest. The department  
40 shall ensure that the proper law enforcement authorities are notified of  
41 allegations of sexual assault or incest made pursuant to this paragraph.

42 2. For those parents or other relatives who are currently receiving  
43 assistance benefits the department shall allow an increase in benefits under  
44 the program as a result of the birth of a child or children to the parent or

1 other relative only if the birth occurred within ten months of the initial  
2 eligibility determination or redetermination after the federal government  
3 grants waivers necessary to implement subsection C of this section. The  
4 department may use only the additional child or children who are born from  
5 the pregnancies covered in this subsection in computing the additional  
6 benefit.

7 3. The department shall allow an increase in benefits under the  
8 program for any dependent child born to a parent who has not received cash  
9 assistance under this title for at least twelve consecutive months if the  
10 child is born within the period beginning ten months after the twelve  
11 consecutive month period and ending ten months after the parent resumes  
12 receiving cash assistance.

13 E. The department shall calculate the sixty-month time period  
14 referenced in subsection C, paragraph 3 of this section in the following  
15 manner:

16 1. For persons who are receiving assistance benefits at the time the  
17 federal government grants waivers necessary to implement this section, the  
18 sixty-month time period begins on the effective date of the waivers. A  
19 subsequent sixty-month time period begins immediately after the previous  
20 period ends if the person is receiving benefits through two sixty-month  
21 periods. If the individual is not receiving benefits at the end of the  
22 previous sixty-month period, any subsequent sixty-month time period begins  
23 on the date when assistance became effective again, regardless of when the  
24 person received an actual payment.

25 2. For persons who begin receiving benefits after the effective date  
26 of the federal waivers necessary to implement this section, the sixty-month  
27 time period begins on the date assistance becomes effective, regardless of  
28 when the person received an actual payment. A subsequent sixty-month period  
29 begins as provided in paragraph 1 of this subsection.

30 F. In calculating a parent's or any other relative's benefit increase  
31 that arises from any general increase that has been approved for all program  
32 recipients, the department shall not consider a child or children born under  
33 the time periods listed in subsection C of this section.

34 G. For the parents or other relatives who have additional children for  
35 whom they receive no benefit payment under subsection C of this section, the  
36 department shall make any necessary program amendments or request any  
37 necessary federal waivers to allow the parents or other relatives to earn  
38 income in an amount equal to the disallowed benefit payment without affecting  
39 their eligibility for assistance.

40 H. The director shall adopt rules:

41 1. To implement this section including rules to define the  
42 investigatory steps which must be taken to confirm that an act of sexual  
43 assault or incest led to the birth of a dependent child or children.

1           2. That require the department to inform both verbally and in writing  
2 the parents and other relatives who are receiving assistance under this  
3 article of the specific family planning services that are available to them  
4 while they are enrolled as eligible persons in the Arizona health care cost  
5 containment system.

6           I. Nothing in this section shall be construed to prevent an otherwise  
7 eligible child who is not included in the family's calculation of benefits  
8 under this article from being eligible for coverage under title 36, chapter  
9 29 or for any services that are directly linked to eligibility for the aid  
10 to families with dependent children program.

11           J. Assistance shall not be denied or terminated under this article  
12 because the principal wage earner works one hundred or more hours per month.

13           Sec. 2. Title 46, chapter 2, article 5, Arizona Revised Statutes, is  
14 amended by adding section 46-298, to read:

15           46-298. Diversion from long-term assistance: definition

16           A. AT THE TIME AN APPLICANT'S EMPLOYABILITY IS ASSESSED DURING THE  
17 INITIAL APPLICATION FOR ASSISTANCE, THE DEPARTMENT SHALL DETERMINE WHETHER  
18 THE APPLICANT SHOULD BE OFFERED SERVICES UNDER THE DIVERSION OPTION. THE  
19 ASSESSMENT SHALL CONSIDER THE FOLLOWING:

20           1. THE APPLICANT'S EMPLOYMENT HISTORY.

21           2. THE LIKELIHOOD OF THE APPLICANT OBTAINING IMMEDIATE, FULL-TIME  
22 EMPLOYMENT GIVEN THE APPLICANT'S EDUCATION, TRAINING AND WORK EXPERIENCE.

23           3. THE APPLICANT'S NEED FOR CASH ASSISTANCE.

24           B. IF THE DEPARTMENT FINDS THAT THE APPLICANT IS ELIGIBLE FOR THE  
25 DIVERSION OPTION, IT SHALL EXPLAIN THE BENEFITS AND REQUIREMENTS TO THE  
26 APPLICANT, INCLUDING THE AMOUNT OF THE CASH ASSISTANCE PAYMENT DETERMINED  
27 APPROPRIATE BY THE DEPARTMENT. IN DETERMINING THE AMOUNT OF THE CASH  
28 ASSISTANCE, THE DEPARTMENT SHALL CONSIDER HOUSING EXPENSES, AUTOMOBILE  
29 EXPENSES, REPAIR OR REPLACEMENT OF MAJOR HOUSEHOLD APPLIANCES, IMPROVEMENTS  
30 TO RESTORE REAL PROPERTY TO A HABITABLE CONDITION AND WORK RELATED EXPENSES.

31           C. IF THE DEPARTMENT AND THE APPLICANT AGREE TO SELECT THE DIVERSION  
32 OPTION AS THE APPROPRIATE MEANS TO SELF-SUFFICIENCY, THE DEPARTMENT SHALL  
33 ISSUE BENEFITS, IF ELIGIBLE, WITHIN THREE WORKING DAYS AFTER THE APPLICANT  
34 SUBMITS A COMPLETED APPLICATION, INCLUDING ALL REQUIRED INFORMATION AND  
35 NECESSARY DOCUMENTATION.

36           D. THE DEPARTMENT SHALL PROVIDE A DOLLAR AMOUNT OF CASH ASSISTANCE OF  
37 NOT MORE THAN THREE TIMES THE MONTHLY AMOUNT OF CASH ASSISTANCE FOR WHICH THE  
38 APPLICANT QUALIFIES.

39           E. THE APPLICANT MUST SIGN AN AGREEMENT THAT LISTS THE REQUIREMENTS  
40 AND CONDITIONS OF THE DIVERSION OPTION.

41           F. THE DEPARTMENT SHALL EXPEDITE CHILD SUPPORT ENFORCEMENT SERVICES  
42 FOR AN APPLICANT WHO IS APPROVED FOR AND PARTICIPATING IN THE DIVERSION  
43 PROGRAM.

1 G. ALL CHILD SUPPORT COLLECTED BY THE DEPARTMENT SHALL PASS THROUGH  
2 TO THE APPLICANT IF THE APPLICANT IS APPROVED FOR AND PARTICIPATING IN THE  
3 DIVERSION OPTION.

4 H. THE DEPARTMENT SHALL EXPEDITE EMPLOYMENT PLACEMENT SERVICES IF  
5 THESE SERVICES ARE REQUESTED BY AN APPLICANT WHO IS APPROVED FOR AND  
6 PARTICIPATING IN THE DIVERSION OPTION.

7 I. AN APPLICANT APPROVED FOR THE DIVERSION OPTION IS ELIGIBLE FOR ALL  
8 OTHER SERVICES FOR WHICH RECIPIENTS OF AID TO FAMILIES WITH DEPENDENT  
9 CHILDREN ARE AUTOMATICALLY ELIGIBLE.

10 J. IF THE APPLICANT DECIDES TO REAPPLY FOR LONG-TERM CASH ASSISTANCE  
11 WITHIN THREE MONTHS FROM THE DATE OF INITIAL APPLICATION, THE DEPARTMENT  
12 SHALL PRORATE THE DIVERSION PAYMENT TO THE APPLICANT OVER A THREE MONTH  
13 PERIOD BEGINNING ON THE DATE OF INITIAL APPLICATION AND SUBTRACT THIS AMOUNT  
14 FROM THE AID TO FAMILIES WITH DEPENDENT CHILDREN PAYMENT THE APPLICANT'S  
15 ASSISTANCE UNIT RECEIVES.

16 K. IF THE DIVERSION OPTION IS NOT APPROPRIATE FOR AN APPLICANT, THE  
17 APPLICANT SHALL RECEIVE ASSISTANCE AS PROVIDED UNDER THIS CHAPTER.

18 L. FOR PURPOSES OF CALCULATING ASSISTANCE PURSUANT TO SECTION 46-292,  
19 SUBSECTION C AND SECTION 46-294, SUBSECTION A, THE DEPARTMENT SHALL USE THE  
20 INITIAL DATE OF APPLICATION. THE PAYMENT AMOUNT OFFERED UNDER THE DIVERSION  
21 OPTION SHALL BE CONVERTED INTO THE AMOUNT OF TIME THE INDIVIDUAL WOULD HAVE  
22 BEEN ON THE AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM TO RECEIVE THAT  
23 AMOUNT OF CASH ASSISTANCE. THIS TIME PERIOD SHALL APPLY TOWARDS THE  
24 CALCULATION PURSUANT TO SECTION 46-294, SUBSECTION A.

25 M. FOR PURPOSES OF THIS SECTION, "DIVERSION OPTION" MEANS GRANTING AN  
26 AMOUNT OF CASH ASSISTANCE TO CERTAIN APPLICANTS WHO ARE ELIGIBLE FOR  
27 LONG-TERM CASH ASSISTANCE BUT WHO HAVE ONLY SHORT-TERM CASH ASSISTANCE NEEDS  
28 AND WHO FIND THE ASSISTANCE SERVICES DESCRIBED IN THIS SECTION THE MOST  
29 APPROPRIATE MEANS TO SELF-SUFFICIENCY.

30 N. THE DIRECTOR OF THE DEPARTMENT SHALL SUBMIT A FULL REPORT TO THE  
31 JOINT LEGISLATIVE BUDGET COMMITTEE FIVE YEARS AFTER THE INITIAL  
32 IMPLEMENTATION DATE OF THE DIVERSION PROGRAM. THE REPORT SHALL INCLUDE:

33 1. THE NUMBER OF APPLICANTS OFFERED SERVICES UNDER THE DIVERSION  
34 OPTION.

35 2. THE NUMBER OF APPLICANTS WHO REAPPLY FOR LONG-TERM CASH ASSISTANCE  
36 AFTER INITIALLY PARTICIPATING IN THE DIVERSION PROGRAM.

37 O. THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL REVIEW THE REPORT AND  
38 MAKE A RECOMMENDATION TO THE LEGISLATURE TO CONTINUE OR DISCONTINUE THE  
39 PROGRAM.

40 Sec. 3. Waivers: report

41 The director of the department of economic security shall:

42 1. Submit complete waiver proposals to the appropriate departments  
43 within the federal government by July 31, 1996.

1           2. Implement the appropriate diversion option changes pursuant to this  
2 act within one hundred eighty days after the federal government approves the  
3 waiver proposals.

4           3. Report to the president of the senate and the speaker of the house  
5 of representative regarding the waiver proposal contents, the date of its  
6 submission to the appropriate departments within the federal government and  
7 the federal government's response to the proposals.

8           Sec. 4. Applicability

9           Notwithstanding the provisions of section 46-292, Arizona Revised  
10 Statutes, as amended by this act and section 46-298, Arizona Revised  
11 Statutes, as added by this act, the department of economic security shall  
12 phase in the diversion option so that for the first year after the effective  
13 date of this act, the option shall be offered by at least four of the  
14 department's eligibility offices in a major metropolitan area, in the second  
15 year at at least one-half of the department's eligibility offices in this  
16 state and for the third year and thereafter the diversion option shall be  
17 available at all the department's eligibility offices in this state.

18           Sec. 5. Conditional enactment

19           This act does not become effective unless the federal government grants  
20 the appropriate waivers that are necessary to implement this act by  
21 January 1, 1998.

APPROVED BY THE GOVERNOR APRIL 16, 1996

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 16, 1996