

REFERENCE TITLE: TANF eligibility; two parent families

State of Arizona  
House of Representatives  
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## HB 2321

Introduced by  
Representatives Hershberger, Aguirre A, Bradley, Burton Cahill, Huffman,  
Lopez L, O'Halleran, Rios P, Senators Gray, Rios: Representatives  
Anderson, Burns J, Chase, Knaperek, McClure, McCune Davis, Meza, Senators  
Aguirre, Allen, Cannell, Harper, Hellon, Johnson, Mitchell, Soltero,  
Verschoor

AN ACT

AMENDING SECTIONS 41-1954 AND 46-101, ARIZONA REVISED STATUTES; RELATING TO  
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 41-1954, Arizona Revised Statutes, is amended to  
3 read:

4 41-1954. Powers and duties

5 A. In addition to the powers and duties of the agencies listed in  
6 section 41-1953, subsection E, the department shall:

7 1. Administer the following services:

8 (a) Employment services, which shall include manpower programs and  
9 work training, field operations, technical services, unemployment  
10 compensation, community work and training and other related functions in  
11 furtherance of programs under the social security act, as amended, the  
12 Wagner-Peyser act, as amended, the federal unemployment tax act, as amended,  
13 33 United States Code, the family support act of 1988 (P.L. 100-485) and  
14 other related federal acts and titles.

15 (b) Individual and family services, which shall include a section on  
16 aging, services to children, youth and adults and other related functions in  
17 furtherance of social service programs under the social security act, as  
18 amended, title IV, grants to states for aid and services to needy families  
19 with children and for child-welfare services, title XX, grants to states for  
20 services, the older Americans act, as amended, the family support act of 1988  
21 (P.L. 100-485) and other related federal acts and titles.

22 (c) Income maintenance services, which shall include categorical  
23 assistance programs, special services unit, child support collection  
24 services, establishment of paternity services, maintenance and operation of a  
25 state case registry of child support orders, a state directory of new hires,  
26 a support payment clearinghouse and other related functions in furtherance of  
27 programs under the social security act, title IV, grants to states for aid  
28 and services to needy families with children and for child-welfare services,  
29 title XX, grants to states for services, as amended, and other related  
30 federal acts and titles.

31 (d) Rehabilitation services, which shall include vocational  
32 rehabilitation services and sections for the blind and visually impaired,  
33 communication disorders, correctional rehabilitation and other related  
34 functions in furtherance of programs under the vocational rehabilitation act,  
35 as amended, the Randolph-Sheppard act, as amended, and other related federal  
36 acts and titles.

37 (e) Administrative services, which shall include the coordination of  
38 program evaluation and research, interagency program coordination and  
39 in-service training, planning, grants, development and management,  
40 information, legislative liaison, budget, licensing and other related  
41 functions.

42 (f) Manpower planning, which shall include a state manpower planning  
43 council for the purposes of the federal-state-local cooperative manpower  
44 planning system and other related functions in furtherance of programs under

1 the comprehensive employment and training act of 1973, as amended, and other  
2 related federal acts and titles.

3 (g) Economic opportunity services, which shall include the furtherance  
4 of programs prescribed under the economic opportunity act of 1967, as  
5 amended, and other related federal acts and titles.

6 (h) Mental retardation and other developmental disability programs,  
7 with emphasis on referral and purchase of services. The program shall  
8 include educational, rehabilitation, treatment and training services and  
9 other related functions in furtherance of programs under the developmental  
10 disabilities services and facilities construction act, Public Law 91-517, and  
11 other related federal acts and titles.

12 (i) Nonmedical home and community based services and functions  
13 including department designated case management, housekeeping services, chore  
14 services, home health aid, personal care, visiting nurse services, adult day  
15 care or adult day health, respite sitter care, attendant care, home delivered  
16 meals and other related services and functions.

17 2. Provide a coordinated system of initial intake, screening,  
18 evaluation and referral of persons served by the department.

19 3. Adopt rules it deems necessary or desirable to further the  
20 objectives and programs of the department.

21 4. Formulate policies, plans and programs to effectuate the missions  
22 and purposes of the department.

23 5. Employ, AND determine the conditions of employment and prescribe  
24 the duties and powers of, administrative, professional, technical,  
25 secretarial, clerical and other persons as may be necessary in the  
26 performance of its duties, contract for the services of outside advisors,  
27 consultants and aides as may be reasonably necessary and reimburse department  
28 volunteers, designated by the director, for expenses in transporting clients  
29 of the department on official business.

30 6. Make contracts and incur obligations within the general scope of  
31 its activities and operations subject to the availability of funds.

32 7. Contract with or assist other departments, agencies and  
33 institutions of the state, local and federal governments in the furtherance  
34 of its purposes, objectives and programs.

35 8. Be designated as the single state agency for the purposes of  
36 administering and in furtherance of each federally supported state plan.

37 9. Accept and disburse grants, matching funds and direct payments from  
38 public or private agencies for the conduct of programs which are consistent  
39 with the overall purposes and objectives of the department.

40 10. Provide information and advice on request by local, state and  
41 federal agencies and by private citizens, business enterprises and community  
42 organizations on matters within the scope of its duties subject to the  
43 departmental rules on the confidentiality of information.

44 11. Establish and maintain separate financial accounts as required by  
45 federal law or regulations.

1           12. Advise with and make recommendations to the governor and the  
2 legislature on all matters concerning its objectives.

3           13. Have an official seal which shall be judicially noticed.

4           14. Annually estimate the current year's population of each county,  
5 city and town in this state, using the periodic census conducted by the  
6 United States department of commerce, or its successor agency, as the basis  
7 for such estimates and deliver such estimates to the economic estimates  
8 commission before December 15.

9           15. Estimate the population of any newly annexed areas of a political  
10 subdivision as of July 1 of the fiscal year in which the annexation occurs  
11 and deliver such estimates as promptly as is feasible after the annexation  
12 occurs to the economic estimates commission.

13           16. Establish and maintain a statewide program of services for persons  
14 who are both hearing impaired and visually impaired and coordinate  
15 appropriate services with other agencies and organizations to avoid  
16 duplication of these services and to increase efficiency. The department of  
17 economic security shall enter into agreements for the utilization of the  
18 personnel and facilities of the department of economic security, the  
19 department of health services and other appropriate agencies and  
20 organizations in providing these services.

21           17. Establish and charge fees for deposit in the department of economic  
22 security prelayoff assistance services fund to employers who voluntarily  
23 participate in the services of the department which provide job service and  
24 retraining for persons who have been or are about to be laid off from  
25 employment. The department shall charge only those fees necessary to cover  
26 the costs of administering the job service and retraining services.

27           18. Establish a focal point for addressing the issue of hunger in  
28 Arizona and provide coordination and assistance to public and private  
29 nonprofit organizations which aid hungry persons and families throughout this  
30 state. Specifically such activities shall include:

31           (a) Collecting and disseminating information regarding the location  
32 and availability of surplus food for distribution to needy persons, the  
33 availability of surplus food for donation to charity food bank organizations,  
34 and the needs of charity food bank organizations for surplus food.

35           (b) Coordinating the activities of federal, state, local and private  
36 nonprofit organizations that provide food assistance to the hungry.

37           (c) Accepting and disbursing federal monies, and any state monies  
38 appropriated by the legislature, to private nonprofit organizations in  
39 support of the collection, receipt, handling, storage and distribution of  
40 donated or surplus food items.

41           (d) Providing technical assistance to private nonprofit organizations  
42 that provide or intend to provide services to the hungry.

43           (e) Developing a state plan on hunger which, at a minimum, identifies  
44 the magnitude of the hunger problem in this state, the characteristics of the  
45 population in need, the availability and location of charity food banks and

1 the potential sources of surplus food, assesses the effectiveness of the  
2 donated food collection and distribution network and other efforts to  
3 alleviate the hunger problem, and recommends goals and strategies to improve  
4 the status of the hungry. The state plan on hunger shall be incorporated  
5 into the department's state comprehensive plan prepared pursuant to section  
6 41-1956.

7 (f) Establishing a special purpose advisory council on hunger pursuant  
8 to section 41-1981.

9 19. Establish an office to address the issue of homelessness and to  
10 provide coordination and assistance to public and private nonprofit  
11 organizations that prevent homelessness or aid homeless individuals and  
12 families throughout this state. These activities shall include:

13 (a) Promoting and participating in planning for the prevention of  
14 homelessness and the development of services to homeless persons.

15 (b) Identifying and developing strategies for resolving barriers in  
16 state agency service delivery systems that inhibit the provision and  
17 coordination of appropriate services to homeless persons and persons in  
18 danger of being homeless.

19 (c) Assisting in the coordination of the activities of federal, state  
20 and local governments and the private sector that prevent homelessness or  
21 provide assistance to homeless people.

22 (d) Assisting in obtaining and increasing funding from all appropriate  
23 sources to prevent homelessness or assist in alleviating homelessness.

24 (e) Serving as a clearinghouse on information regarding funding and  
25 services available to assist homeless persons and persons in danger of being  
26 homeless.

27 (f) Developing an annual state comprehensive homeless assistance plan  
28 to prevent and alleviate homelessness.

29 (g) Submitting an annual report by January 1, 1992 and each year  
30 thereafter to the governor, the president of the senate and the speaker of  
31 the house of representatives on the status of homelessness and efforts to  
32 prevent and alleviate homelessness.

33 20. Cooperate with the Arizona-Mexico commission in the governor's  
34 office and with researchers at universities in this state to collect data and  
35 conduct projects in the United States and Mexico on issues that are within  
36 the scope of the department's duties and that relate to quality of life,  
37 trade and economic development in this state in a manner that will help the  
38 Arizona-Mexico commission to assess and enhance the economic competitiveness  
39 of this state and of the Arizona-Mexico region.

40 B. If the department has responsibility for the care, custody or  
41 control of a child or is paying the cost of care for a child, it may serve as  
42 representative payee to receive and administer social security and veterans  
43 administration benefits and other benefits payable to such child.  
44 Notwithstanding any law to the contrary, the department:

1           1. Shall deposit, pursuant to sections 35-146 and 35-147, such monies  
2 as it receives to be retained separate and apart from the state general fund  
3 on the books of the department of administration.

4           2. May use such monies to defray the cost of care and services  
5 expended by the department for the benefit, welfare and best interests of the  
6 child and invest any of the monies that the director determines are not  
7 necessary for immediate use.

8           3. Shall maintain separate records to account for the receipt,  
9 investment and disposition of funds received for each child.

10          4. On termination of the department's responsibility for the child,  
11 shall release any funds remaining to the child's credit in accordance with  
12 the requirements of the funding source or in the absence of such requirements  
13 shall release the remaining funds to:

14           (a) The child, if the child is at least eighteen years of age or is  
15 emancipated.

16           (b) The person responsible for the child if the child is a minor and  
17 not emancipated.

18          C. Subsection B of this section does not pertain to benefits payable  
19 to or for the benefit of a child receiving services under title 36.

20          D. Volunteers reimbursed for expenses pursuant to subsection A,  
21 paragraph 5 of this section are not eligible for workers' compensation under  
22 title 23, chapter 6.

23          E. In implementing the temporary assistance for needy families program  
24 pursuant to Public Law 104-193, the department shall provide for cash  
25 assistance to two parent families. ~~if both parents are able to work only upon  
26 documented participation by both parents in work activities described in  
27 title 46, chapter 2, article 5, except that payments may be made to families  
28 who do not meet the participation requirements if:~~

29           ~~1. It is determined on an individual case basis that they have  
30 emergency needs.~~

31           ~~2. The family is determined to be eligible for diversion from  
32 long term cash assistance pursuant to title 46, chapter 2, article 5.~~

33          ~~F. The department shall provide for cash assistance under temporary  
34 assistance for needy families pursuant to Public Law 104-193 to two parent  
35 families for no longer than six months if both parents are able to work,  
36 except that additional assistance may be provided on an individual case basis  
37 to families with extraordinary circumstances.~~ The department shall establish  
38 by rule the criteria to be used to determine eligibility for ~~additional cash  
39 assistance~~ THESE FAMILIES.

40          ~~G.~~ F. The department may establish a representative payee program to  
41 provide representative payee services to manage social security or  
42 supplemental security income benefits for persons who are receiving general  
43 assistance benefits pursuant to section 46-233 and who require the services  
44 of a representative payee to manage social security or supplemental security  
45 income benefits. The department may use not more than an average of eight

1 hundred fifty dollars for any one person annually from monies appropriated  
2 for general assistance benefits for the purpose of paying persons or agencies  
3 to provide representative payee services.

4 ~~H.~~ G. The department shall adopt the following discount medical  
5 payment system no later than October 1, 1993 for persons who the department  
6 determines are eligible and who are receiving rehabilitation services  
7 pursuant to subsection A, paragraph 1, subdivision (d) of this section:

8 1. For inpatient hospital admissions and outpatient hospital services  
9 the department shall reimburse a hospital according to the tiered per diem  
10 rates and outpatient cost-to-charge ratios established by the Arizona health  
11 care cost containment system pursuant to section 36-2903.01, subsection H.

12 2. The department's liability for a hospital claim under this  
13 subsection is subject to availability of funds.

14 3. A hospital bill is considered received for purposes of paragraph 5  
15 of this subsection upon initial receipt of the legible, error-free claim form  
16 by the department if the claim includes the following error-free  
17 documentation in legible form:

18 (a) An admission face sheet.

19 (b) An itemized statement.

20 (c) An admission history and physical.

21 (d) A discharge summary or an interim summary if the claim is split.

22 (e) An emergency record, if admission was through the emergency room.

23 (f) Operative reports, if applicable.

24 (g) A labor and delivery room report, if applicable.

25 4. The department shall require that the hospital pursue other third  
26 party payors before submitting a claim to the department. Payment received  
27 by a hospital from the department pursuant to this subsection is considered  
28 payment by the department of the department's liability for the hospital  
29 bill. A hospital may collect any unpaid portion of its bill from other third  
30 party payors or in situations covered by title 33, chapter 7, article 3.

31 5. For inpatient hospital admissions and outpatient hospital services  
32 rendered on and after October 1, 1997, if the department receives the claim  
33 directly from the hospital, the department shall pay a hospital's rate  
34 established according to this section subject to the following:

35 (a) If the hospital's bill is paid within thirty days of the date the  
36 bill was received, the department shall pay ninety-nine per cent of the rate.

37 (b) If the hospital's bill is paid after thirty days but within sixty  
38 days of the date the bill was received, the department shall pay one hundred  
39 per cent of the rate.

40 (c) If the hospital's bill is paid any time after sixty days of the  
41 date the bill was received, the department shall pay one hundred per cent of  
42 the rate plus a fee of one per cent per month for each month or portion of a  
43 month following the sixtieth day of receipt of the bill until the date of  
44 payment.

1           6. For medical services other than those for which a rate has been  
2 established pursuant to section 36-2903.01, subsection H, the department  
3 shall pay according to the Arizona health care cost containment system capped  
4 fee-for-service schedule adopted pursuant to section 36-2904, subsection ~~I~~ K  
5 or any other established fee schedule the department determines reasonable.

6           ~~I~~ H. The department shall not pay claims for services pursuant to  
7 this section that are submitted more than nine months after the date of  
8 service for which the payment is claimed.

9           ~~J~~ I. To assist in the location of persons or assets for the purpose  
10 of establishing paternity, establishing, modifying or enforcing child support  
11 obligations and other related functions, the department has access, including  
12 automated access if the records are maintained in an automated ~~data base~~  
13 DATABASE, to records of state and local government agencies, including:

- 14           1. Vital statistics, including records of marriage, birth and divorce.
- 15           2. State and local tax and revenue records, including information on  
16 residence address, employer, income and assets.
- 17           3. Records concerning real and titled personal property.
- 18           4. Records of occupational and professional licenses.
- 19           5. Records concerning the ownership and control of corporations,  
20 partnerships and other business entities.
- 21           6. Employment security records.
- 22           7. Records of agencies administering public assistance programs.
- 23           8. Records of the motor vehicle division of the department of  
24 transportation.
- 25           9. Records of the state department of corrections.
- 26           10. Any system used by a state agency to locate a person for motor  
27 vehicle or law enforcement purposes, including access to information  
28 contained in the Arizona criminal justice information system.

29           ~~K~~ J. Notwithstanding subsection ~~J~~ I of this section, the department  
30 or its agents shall not seek or obtain information on the assets of an  
31 individual unless paternity is presumed pursuant to section 25-814 or  
32 established.

33           ~~L~~ K. Access to records of the department of revenue pursuant to  
34 subsection ~~J~~ I of this section shall be provided in accordance with section  
35 42-2003.

36           ~~M~~ L. The department also has access to certain records held by  
37 private entities with respect to child support obligors or obligees, or  
38 individuals against whom such an obligation is sought. The information shall  
39 be obtained as follows:

- 40           1. In response to a child support subpoena issued by the department  
41 pursuant to section 25-520, the names and addresses of these persons and the  
42 names and addresses of the employers of these persons, as appearing in  
43 customer records of public utilities and cable television companies.
- 44           2. Information on these persons held by financial institutions.

1 ~~N.~~ M. Pursuant to department rules, the department may compromise or  
2 settle any support debt owed to the department if the director or an  
3 authorized agent determines that it is in the best interest of the state and  
4 after considering each of the following factors:

- 5 1. The obligor's financial resources.
- 6 2. The cost of further enforcement action.
- 7 3. The likelihood of recovering the full amount of the debt.

8 ~~O.~~ N. Notwithstanding any law to the contrary, a state or local  
9 governmental agency or private entity is not subject to civil liability for  
10 the disclosure of information made in good faith to the department pursuant  
11 to this section.

12 Sec. 2. Section 46-101, Arizona Revised Statutes, is amended to read:

13 46-101. Definitions

14 In this title, unless the context otherwise requires:

15 1. "Aid to families with dependent children" means assistance granted  
16 under section 403 of title IV of the social security act as it existed before  
17 August 22, 1996.

18 2. "Applicant" means a person who has applied for assistance or  
19 services under this title, or a person who has applied for assistance or  
20 services under this title and who has custody of a dependent child.

21 3. "Assistance" means payments in cash or kind to or on behalf of a  
22 person or persons in need as provided for in this title.

23 4. "Cash assistance" means temporary assistance for needy families  
24 paid to a recipient for the purpose of meeting basic living expenses as  
25 defined by the department.

26 5. "Child care personnel" means any person who supervises children in  
27 a day care home or center that receives child care food program monies under  
28 this article.

29 6. "Child only case" means cases in which the eligible children are in  
30 foster care as defined in section 8-501 or living with a nonparent relative  
31 who is not receiving cash assistance. Cash assistance eligible children  
32 residing with cash assistance ineligible parents also are considered "child  
33 only" for the purposes of work participation rates but not for time limited  
34 assistance.

35 7. "Dependent child" means a needy child who has been deprived of  
36 parental support or care by reason of the death, ~~unemployment of the~~  
37 ~~supporting parent as defined and prescribed by the rules of the department,~~  
38 continued absence from the home, — or physical or mental incapacity of a  
39 parent, **OR WHO, WHEN LIVING WITH BOTH PARENTS, IS DETERMINED ELIGIBLE FOR**  
40 **ASSISTANCE UNDER SECTION 46-292,** and whose relatives who are responsible  
41 under the law for the child's support are not able to provide adequate care  
42 and support of the child without public assistance, and who is living with  
43 his father, mother, grandfather, grandmother, brother, sister, stepfather,  
44 stepmother, stepbrother, stepsister, uncle or aunt, in a place of residence  
45 maintained by one or more of such relatives as his or their own home or who

1 is placed in a foster home as a recipient of temporary assistance for needy  
2 families. Such dependent child must be under the age of eighteen years or, if  
3 eighteen, must be a full-time student in a high school, or in the equivalent  
4 level of vocational or technical training, and shall be reasonably expected  
5 to complete the program before reaching age nineteen.

6 8. "Director" means the director of the department of economic  
7 security.

8 9. "Domestic violence" means battered or subject to extreme cruelty as  
9 defined in section 408(a)(7)(C)(iii) of the social security act.

10 10. "Employment plan" means an agreement between the department and the  
11 cash assistance recipient regarding the participant's work activities and  
12 services provided by the department.

13 ~~12.~~ 11. "Federal poverty level" means the poverty guidelines that are  
14 issued by the United States department of health and human services pursuant  
15 to section 673(2) of the omnibus budget reconciliation act of 1981 and that  
16 are reported annually in the federal register.

17 ~~11.~~ 12. "Homestead property" means a home owned and occupied by the  
18 applicant or recipient, or his spouse.

19 13. "Jobs program" means services established by the department to  
20 ensure that participants comply with work requirements as prescribed in  
21 Public Law 104-193.

22 14. "Nonparent relative" includes a permanent guardian who is appointed  
23 pursuant to section 8-525.01.

24 15. "Participant" means a recipient of cash assistance engaged in work  
25 activities through the JOBS program.

26 16. "Personal responsibility declaration" means a document that is  
27 prescribed by the department and in which the applicant acknowledges  
28 understanding of the applicant's personal responsibility.

29 17. "Recipient" means a person who receives assistance or services  
30 under ~~the provisions of~~ this title.

31 18. "Services" includes social casework, rehabilitation counseling and  
32 similar services rendered to a person or persons in need as provided for in  
33 this title.

34 19. "Sponsor" means any political subdivision of this state, any  
35 federally recognized Indian tribe, any military base or any other person,  
36 partnership, corporation or association contracting with this state to  
37 provide assistance in the distribution of child care food program monies  
38 pursuant to this article.

39 20. "State department" or "department" means the department of economic  
40 security.

41 21. "Temporarily deferred" means the postponement of work activities.

42 22. "Temporary assistance for needy families" means assistance granted  
43 under section 403 of title IV of the social security act as it exists after  
44 August 21, 1996.

1           23. "Vendor payment" means any payment to a person other than the  
2 recipient on his behalf.

3           24. "Work activities" means the following activities that are countable  
4 toward the federal work participation rate as prescribed in Public Law  
5 104-193, section 407 (1996):

6           (a) Unsubsidized employment.

7           (b) Subsidized private or public employment.

8           (c) Work experience.

9           (d) On-the-job training.

10          (e) Job search and job readiness assistance.

11          (f) Community service programs.

12          (g) Vocational educational training.

13          (h) Job skills training directly related to employment.

14          (i) Education directly related to employment in the case of a  
15 recipient who has not received a high school diploma or a certificate of high  
16 school equivalency.

17          (j) Satisfactory attendance at secondary school or in a course of  
18 study leading to a certificate of general equivalency, in the case of a  
19 recipient who has not completed secondary school or received such a  
20 certificate.