State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HOUSE BILL 2262

AN ACT

AMENDING SECTIONS 46-803 AND 46-805, ARIZONA REVISED STATUTES; RELATING TO CHILD CARE ASSISTANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 46-803, Arizona Revised Statutes, is amended to read:

46-803. Eligibility for child care assistance

A. The department shall provide child care assistance to eligible families who are attempting to achieve independence from the cash assistance program and who need child care assistance in support of and as specified in their personal responsibility agreement pursuant to chapters 1 and 2 of this title.

B. The department shall provide child care assistance to eligible families who are transitioning off of cash assistance due to increased earnings or child support income in order to accept or maintain employment. Eligible families must request this assistance within six months after the cash assistance case closure. Child care assistance may be provided for up to twenty-four months after the case closure and shall cease ~~whenever~~ AFTER A TIME PERIOD SPECIFIED IN RULE BY THE DEPARTMENT ONCE the family income exceeds one hundred sixty-five ~~per cent~~ PERCENT of the federal poverty level BUT REMAINS BELOW EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME. IF THE FAMILY INCOME EXCEEDS EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME, CHILD CARE ASSISTANCE SHALL CEASE ON NOTIFICATION BY THE DEPARTMENT.

C. The department shall provide child care assistance to eligible families who are diverted from cash assistance pursuant to section 46-298 in order to obtain or maintain employment. Child care assistance may be provided for up to twenty-four months after the case closure and shall cease ~~whenever~~ AFTER A TIME PERIOD SPECIFIED IN RULE BY THE DEPARTMENT ONCE the family income exceeds one hundred sixty-five ~~per cent~~ PERCENT of the federal poverty level BUT REMAINS BELOW EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME. IF THE FAMILY INCOME EXCEEDS EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME, CHILD CARE ASSISTANCE SHALL CEASE ON NOTIFICATION BY THE DEPARTMENT.

D. The department may provide child care assistance to support eligible families with incomes of one hundred sixty-five ~~per cent~~ PERCENT or less of the federal poverty level AT THE TIME OF APPLICATION to accept or maintain employment. CHILD CARE ASSISTANCE SHALL CEASE AFTER A TIME PERIOD SPECIFIED IN RULE BY THE DEPARTMENT ONCE THE FAMILY INCOME EXCEEDS ONE HUNDRED SIXTY-FIVE PERCENT OF THE FEDERAL POVERTY LEVEL BUT REMAINS BELOW EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME. IF THE FAMILY INCOME EXCEEDS EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME, CHILD CARE ASSISTANCE SHALL CEASE ON NOTIFICATION BY THE DEPARTMENT. Priority for this child care assistance shall be given to families with incomes of one hundred ~~per cent~~ PERCENT or less of the federal poverty level.

E. The department may provide child care assistance to families referred by the department of child safety and to children in foster care pursuant to title 8, chapter 4 to support child protection.

F. The department may provide child care assistance to special circumstance families whose incomes are one hundred sixty-five ~~per cent~~ PERCENT or less of the federal poverty level AT THE TIME OF APPLICATION and who are unable to provide child care for a portion of a twenty-four hour day due to a crisis situation of domestic violence or homelessness, or a physical, mental, emotional or medical condition, participation in a drug treatment or drug rehabilitation program or court ordered community restitution. CHILD CARE ASSISTANCE SHALL CEASE AFTER A TIME PERIOD SPECIFIED IN RULE BY THE DEPARTMENT ONCE THE FAMILY INCOME EXCEEDS ONE HUNDRED SIXTY-FIVE PERCENT OF THE FEDERAL POVERTY LEVEL BUT REMAINS BELOW EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME. IF THE FAMILY INCOME EXCEEDS EIGHTY-FIVE PERCENT OF THE STATE MEDIAN INCOME, CHILD CARE ASSISTANCE SHALL CEASE ON NOTIFICATION BY THE DEPARTMENT. Priority for this child care assistance shall be given to families with incomes of one hundred ~~per cent~~ PERCENT or less of the federal poverty level.

G. In lieu of the employment activity required in subsection B, C or D of this section, the department may allow eligible families with teenaged custodial parents under twenty years of age to complete a high school diploma or its equivalent or engage in remedial education activities reasonably related to employment goals.

H. The department may provide supplemental child care assistance for department approved education and training activities if the eligible parent, legal guardian or caretaker relative is working at least a monthly average of twenty hours per week and this education and training are reasonably related to employment goals. The eligible parent, legal guardian or caretaker relative must demonstrate satisfactory progress in the education or training activity.

I. ~~Beginning March 12, 2003,~~ The department shall establish waiting lists for child care assistance and prioritize child care assistance for different eligibility categories in order to manage within appropriated and available monies. Priority of children on the waiting list shall start with those families at one hundred ~~per cent~~ PERCENT of the federal poverty level and continue with each successive ten ~~per cent~~ PERCENT increase in the federal poverty level until the maximum allowable federal poverty level of one hundred sixty-five ~~per cent~~ PERCENT. Priority shall be given regardless of time spent on the waiting list.

J. The department shall establish criteria for denying, reducing or terminating child care assistance that include:

1. Whether there is a parent, legal guardian or caretaker relative available to care for the child.

2. Financial or programmatic eligibility changes or ineligibility.

3. Failure to cooperate with the requirements of the department to determine or redetermine eligibility.

4. Hours of child care need that fall within the child's compulsory academic school hours.

5. Reasonably accessible and available publicly funded early childhood education programs.

6. Whether an otherwise eligible family has been sanctioned and cash assistance has been terminated pursuant to chapter 2 of this title.

7. Other circumstances of a similar nature.

8. Whether sufficient monies exist for the assistance.

K. Families receiving child care assistance under subsection D or F of this section are also subject to the following requirements for that child care assistance:

1. Each child is limited to no more than sixty cumulative months of child care assistance. The department may provide an extension if the family can prove that the family is making efforts to improve skills and move towards self-sufficiency.

2. Families are limited to no more than six children receiving child care assistance.

3. Copayments shall be imposed for all children receiving child care assistance. Copayments for each child may be higher for the first child in child care than for additional children in child care.

L. The department shall review each case ~~at least~~ NO MORE THAN once a year to evaluate eligibility for child care assistance.

M. The department shall report on December 31 and June 30 of each year to the joint legislative budget committee the total number of families who applied for child care assistance and the total number of families who were denied assistance under this section because the parents, legal guardians or caretaker relatives who applied for assistance were not citizens or legal residents of the United States or were not otherwise lawfully present in the United States.

N. This section shall be enforced without regard to race, religion, gender, ethnicity or national origin.

O. The department shall refer all child care subsidy recipients to child support enforcement and to local workforce services and provide information on the earned income tax credit.

Sec. 2. Section 46-805, Arizona Revised Statutes, is amended to read:

46-805. Child care assistance; rates

A. The department shall establish payment rates for child care assistance. Payment rates shall provide for equal access for eligible families to comparable child care services provided to families who are not eligible to receive child care assistance.

B. ~~Beginning on July 1, 1998,~~ Payment rates shall be identical in form for all child care assistance.

C. The department may pay different levels of child care assistance according to the category of child care provider, age of children, geographic

area, level of national accreditation OR ANOTHER STATE-APPROVED QUALITY INDICATOR, varying child care costs for children with special needs or other circumstances to meet the child care needs of eligible families.

D. The department shall establish a sliding fee scale and formula for determining child care assistance based on:

1. Income and earnings of the family.

2. Family size.

3. Number of children receiving child care assistance.

4. Child support to other minor dependent children of the parent living outside the family unit.

5. Income and earnings of a family member who is at least eighteen years of age and who is residing in the home with a parent who is receiving child care assistance, if the family member claims any member of a family unit applying for assistance as a dependent on a federal or state income tax return.

6. Income and earnings of a nonfamily member who is at least eighteen years of age and who is residing in the home of and cohabiting with a parent who is receiving child care assistance if the cohabiting nonfamily member claims any member of a family unit applying for assistance as a dependent on a federal or state income tax return.

7. Other factors of a similar nature.

E. All child care providers shall remain in good standing with licensing and certification laws and adopted rules.

Sec. 3. Effective date

Sections 46-803 and 46-805, Arizona Revised Statutes, as amended by this act, are effective from and after August 31, 2016.