CHAPTER 23

HOUSE BILL 2695

AN ACT

AMENDING SECTION 46-299, ARIZONA REVISED STATUTES; RELATING TO CASH ASSISTANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 46-299, Arizona Revised Statutes, is amended to read:

46-299. Jobs program; definition
A. As a condition of eligibility or continuing eligibility for cash assistance, all recipients shall engage in work activities that are established in this article and determined appropriate by the department. An individual with a disability shall engage in work activities as required by this subsection unless the individual with a disability provides the department verification of a condition that meets disability or temporary disability criteria established by the department. The following individuals are temporarily deferred from the requirement to engage in work activities:

1. A parent in a single parent family or a nonparent relative personally caring for a child who is under twelve months of age for a period of not more than twelve months in the recipient's lifetime. This deferral does not apply to teenaged custodial parents who do not have a high school diploma or its equivalent.
2. An unmarried custodial parent who is under eighteen years of age and who is personally caring for a child who is under twelve weeks of age.
3. An individual who provides verification acceptable to the department that the individual is personally caring for the individual's dependent who is a person with a disability and who is unable to care for himself.
4. Victims of domestic violence whose participation in work activities causes an immediate threat to their own safety or the safety of their children.
5. Dependent children as defined in this article.
B. To the extent that the state meets the federally required work participation rates, unmarried custodial parents may attend education directly related to employment full time in lieu of standard work participation requirements. The department may require additional work activities. For the purposes of this subsection, "education directly related to employment" includes a general education development program, a career and technical education program, an associate degree program or a postsecondary education program.
C. Teenaged heads of household who are under twenty years of age and who have not attained their high school diploma or its equivalent are required to either:

1. Maintain satisfactory attendance at a secondary school or the equivalent.
2. Satisfactorily participate in education directly related to employment at the level of participation established by the department.
D. The department may establish the minimum work participation level required to meet the work requirements established in Public Law 104-193, section 407 (1996).

E. All cash assistance recipients, excluding dependent children, shall complete a personal responsibility declaration.

F. All cash assistance recipients, excluding dependent children complying with compulsory school requirements as prescribed in section 15-803, shall also participate in the development of an employment plan and shall receive services in support of and as specified in that plan.

G. Participants who fail or refuse to engage in work activities as required by the department are subject to the graduated sanctions prescribed in section 46-300.

H. The department shall adopt rules that establish good cause reasons that excuse the participant from engaging in work activities.

I. THE DEPARTMENT MAY ALLOW A COURSE IN FINANCIAL LITERACY AND PERSONAL FINANCE TO QUALIFY AS A WORK ACTIVITY FOR THE PURPOSES OF THIS ARTICLE. A COURSE IN FINANCIAL LITERACY AND PERSONAL FINANCE INCLUDES INSTRUCTION ON HOUSEHOLD CASH MANAGEMENT TECHNIQUES, CAREER ADVICE TO OBTAIN WELL-PAYING AND SECURE EMPLOYMENT, USING CHECKING AND SAVINGS ACCOUNTS, OBTAINING AND USING SHORT-TERM AND LONG-TERM CREDIT OR SECURING A LOAN OR OTHER LONG-TERM FINANCING ARRANGEMENTS FOR HIGH-COST ITEMS.

J. The department shall provide the Jobs program to eligible families transitioning off of cash assistance due to the time limit if needed to obtain employment, to maintain employment or to receive a higher level of employment. The Jobs program shall be provided for up to twelve months after a cash assistance case closure.

K. For a participant to qualify for Jobs program services after a cash assistance case closure, all of the following must apply:

1. The cash assistance case was closed due to the time limit.
2. The participant was enrolled in the Jobs program at the time of case closure.
3. The case was not in a Jobs sanction at the time of closure.
4. The department has sufficient monies to pay for activities or services.

L. This state shall provide workers' compensation coverage for cash assistance recipients who are engaged in unpaid work experience or community service programs as established in this article. The cost shall be paid from the temporary assistance for needy families monies.

M. The department may operate on a statewide basis a wage subsidy program. Employers may hire recipients of cash assistance and supplemental nutrition assistance for subsidized job slots that are full time and that offer a reasonable possibility of unsubsidized employment after the subsidy period. This program shall provide that:
1. Employers who operate an approved wage subsidy program shall receive a subsidy for up to six months. The department may grant an extension of three months to employers operating in areas identified as having a higher unemployment rate than the state average, as defined by the department, if the extension increases the likelihood of ongoing unsubsidized employment for the subsidized employee.

2. The department shall ensure that subsidized jobs made available to subsidized employees:
   (a) Do not require work in excess of forty hours per week.
   (b) Pay a wage that is substantially like the wage paid for similar jobs with the employer with appropriate adjustments for experience and training but not less than the federal minimum hourly wage.
   (c) Do not impair an existing contract or collective bargaining agreement.
   (d) Do not displace currently employed workers or fill positions that are vacant due to a layoff.

3. Wage subsidy employers shall:
   (a) Maintain health, safety and working conditions at or above levels generally acceptable in the industry and not less than those of comparable jobs offered by the employer.
   (b) Provide on-the-job training necessary for subsidized employees to perform their duties.
   (c) Sign an agreement for each placement outlining the specific job offered to a subsidized employee and agree to abide by all of the requirements of the program. All agreements shall contain a provision that sets forth the employer's responsibility to repay subsidies paid under this article if the employer violates program requirements.
   (d) Provide workers' compensation coverage for each subsidized employee they employ.
   (e) Provide the subsidized employee with benefits equal to those for new employees or as required by state and federal law, whichever is greater. For the purposes of this subdivision, "benefits" includes health care coverage, paid sick leave and holiday and vacation pay.

4. Eligible subsidized employees are those who:
   (a) Do not have sufficient work experience to obtain unsubsidized employment.
   (b) Have completed an employment preparation program.
   (c) Are deemed able to benefit from this employment strategy by the department.

5. The department shall:
   (a) Disregard income earned by the subsidized employee in the subsidized job when determining the household's eligibility for cash assistance and the supplemental nutrition assistance program.
(b) Suspend regular payments of cash assistance and supplemental nutrition assistance to the household at the end of the calendar month in which an employer makes the first subsidized wage payment to a subsidized employee who is otherwise eligible to receive the cash assistance and supplemental nutrition assistance.

(c) Reimburse employers each month, from cash assistance and the supplemental nutrition assistance program, the lesser of a fixed subsidy amount determined by the department or the gross wages paid to the subsidized employee.

(d) Determine eligibility for supplemental payments as follows:

(i) If the net monthly full-time wage paid to a subsidized employee is less than the combined monthly total of the cash assistance and supplemental nutrition assistance the participant is eligible to receive, the department shall authorize issuance of a supplemental cash payment to compensate for the deficit. To determine if a deficit exists, the department shall adopt, through rules, an equivalency scale that is adjustable to household size and other factors. For the purposes of this item, "net monthly full-time wage" means a participant's wages after required payroll deductions.

(ii) The department shall monthly determine and pay in advance supplemental payments to eligible subsidized employees. In calculating the payment, the department shall assume that the participant will work forty hours per week during the month unless an employer provides information that the number of hours to be worked by a subsidized employee will be reduced.

M. N. For the purposes of this section, "subsidized employee" means an individual who is engaged in this subsidized employment activity.