

House Engrossed

human services; 2025-2026

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HOUSE BILL 2955

AN ACT

AMENDING TITLE 8, CHAPTER 4, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 8-521.03; AMENDING SECTIONS 28-472, 41-608 AND 41-608.01, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 14, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-1970, 41-1971 AND 41-1972; AMENDING TITLE 46, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 46-232, 46-233 AND 46-234; AMENDING SECTION 46-297.01, ARIZONA REVISED STATUTES; RELATING TO HUMAN SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 8, chapter 4, article 4, Arizona Revised Statutes,
3 is amended by adding section 8-521.03, to read:

4 8-521.03. Extended foster care comprehensive service model;
5 extended foster care success coaching program;
6 quality review committee; reporting requirements;
7 fund; definitions

8 A. WITHIN TEN DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE
9 DEPARTMENT SHALL PREPARE A SCOPE OF WORK FOR AN EXTENDED FOSTER CARE
10 COMPREHENSIVE SERVICE MODEL THAT INCLUDES SUPPORTIVE SERVICES AND REQUIRED
11 CASE MANAGEMENT PROVIDED BY CONTRACTED COMMUNITY PROVIDERS FOR YOUNG
12 ADULTS WHO PARTICIPATE IN THE EXTENDED FOSTER CARE PROGRAM. THE EXTENDED
13 FOSTER CARE COMPREHENSIVE SERVICE MODEL SCOPE OF WORK SHALL INCLUDE:

- 14 1. WEEKLY ENGAGEMENT WITH EACH YOUNG ADULT.
- 15 2. LIFE SKILLS TRAINING.
- 16 3. MENTAL AND PHYSICAL HEALTH AND WELL-BEING.
- 17 4. RELATIONAL PERMANENCY.
- 18 5. EDUCATION AND ENROLLMENT ASSISTANCE.
- 19 6. ASSISTANCE WITH ACCESSING SAFE HOUSING ATTAINMENT AND STABILITY
20 FOR YOUNG ADULTS.
- 21 7. CAREER AND EMPLOYMENT PLANNING AND READINESS.
- 22 8. ASSISTANCE WITH ACCESSING TRANSPORTATION SERVICES FOR YOUNG
23 ADULTS.

24 9. FLEXIBLE FUNDING TO SUPPORT THE UNIQUE NEEDS OF THE YOUNG ADULT,
25 INCLUDING EDUCATIONAL SERVICES AND JOB TRAINING OR WORKFORCE DEVELOPMENT.

26 B. THE EXTENDED FOSTER CARE COMPREHENSIVE SERVICE MODEL SHALL
27 INCLUDE AN EXTENDED FOSTER CARE SUCCESS COACHING PROGRAM FOR YOUNG ADULTS
28 IN THE EXTENDED FOSTER CARE PROGRAM. EACH EXTENDED FOSTER CARE SUCCESS
29 COACH SHALL HAVE A CASELOAD OF NOT MORE THAN TWENTY YOUNG ADULTS. THE
30 EXTENDED FOSTER CARE SUCCESS COACHING PROGRAM SHALL BE BASED ON A PRACTICE
31 THAT IS YOUTH DRIVEN AND SHALL DO THE FOLLOWING:

- 32 1. PROMOTE PERMANENT CONNECTIONS.
- 33 2. SUPPORT THE DEVELOPMENT OF AN EDUCATIONAL FOUNDATION AND SKILL
34 SET THAT ENABLES YOUNG ADULTS TO GAIN AND MAINTAIN EMPLOYMENT TO SUPPORT
35 THEIR FINANCIAL NEEDS.
- 36 3. ASSIST YOUNG ADULTS TO RESIDE IN SAFE, STABLE AND SECURE
37 HOUSING.
- 38 4. LINK YOUNG ADULTS TO APPROPRIATE SERVICES THAT ADDRESS PHYSICAL
39 AND BEHAVIORAL HEALTH NEEDS.
- 40 5. BUILD SKILLS FOR DEVELOPING PERSONAL AGENCY.
- 41 6. ENSURE THAT YOUNG ADULTS HAVE THE COGNITIVE AND SOCIAL-EMOTIONAL
42 COMPETENCIES ESSENTIAL TO SURVIVAL.

43 C. THE DEPARTMENT SHALL SUPERVISE AND MONITOR THE SUCCESS OF THE
44 EXTENDED FOSTER CARE SUCCESS COACHING PROGRAM.

- 1 D. EACH EXTENDED FOSTER CARE SUCCESS COACH SHALL:
 - 2 1. SUCCESSFULLY COMPLETE A DEPARTMENT-ADMINISTERED FOSTER CARE
 - 3 SUCCESS COACH TRAINING PROGRAM.
 - 4 2. POSSESS A BACHELOR'S OR ASSOCIATE'S DEGREE OR HAVE EQUIVALENT
 - 5 CREDITS EQUAL TO AN ASSOCIATE'S DEGREE. IN LIEU OF A DEGREE OR CREDITS,
 - 6 AN EXTENDED FOSTER CARE SUCCESS COACH MAY POSSESS SKILLS THAT THE COACH
 - 7 ACQUIRED THROUGH ALTERNATIVE ROUTES SUCH AS RELEVANT JOB TRAINING,
 - 8 COMMUNITY COLLEGE ATTENDANCE, MILITARY SERVICE OR AN APPRENTICESHIP.
 - 9 3. HAVE EXPERIENCE WORKING WITH YOUTH OR YOUNG ADULTS.
 - 10 4. EXHIBIT THE BELIEF THAT ALL YOUNG ADULTS HAVE THE CAPACITY TO BE
 - 11 SUCCESSFUL IN LIFE.
- 12 E. THE EXTENDED FOSTER CARE SUCCESS COACHING PROGRAM SHALL:
 - 13 1. OPERATE FROM AN EVIDENCE-BASED FRAMEWORK.
 - 14 2. ENSURE THAT THE YOUNG ADULTS SERVED ARE AWARE OF THEIR RIGHTS TO
 - 15 NORMALCY.
 - 16 3. ASSIST YOUNG ADULTS TO ADVOCATE WITH CAREGIVERS TO EXPERIENCE
 - 17 ACTIVITIES AND OPPORTUNITIES THAT MEET INDIVIDUAL INTERESTS.
 - 18 4. SUPPORT CAREGIVERS IN IDENTIFYING ROOT CAUSES OF BEHAVIORS THAT
 - 19 PRESENT BARRIERS TO TRANSITION AND PROVIDE OPPORTUNITIES THAT ASSIST YOUNG
 - 20 ADULTS IN HEALING AND ADDRESSING UNDERLYING TRAUMA.
 - 21 5. DEVELOP FEEDBACK THAT ALLOWS YOUNG ADULTS TO COMMUNICATE THEIR
 - 22 NEEDS AND SATISFACTION WITH PROVIDED SERVICES.
 - 23 6. DELIVER INTERVENTIONS THAT ARE TAILORED TO EACH YOUNG ADULT'S
 - 24 STRENGTHS AND EXPERIENCES.
- 25 F. THE DEPARTMENT SHALL SOLICIT AGENCIES TO ADMINISTER THE EXTENDED
- 26 FOSTER CARE COMPREHENSIVE SERVICE MODEL WITHIN THIRTY DAYS AFTER THE
- 27 EFFECTIVE DATE OF THIS SECTION AND SELECT AN AGENCY WITHIN NINETY DAYS
- 28 AFTER THE EFFECTIVE DATE OF THIS SECTION. THE DEPARTMENT SHALL IMPLEMENT
- 29 THE EXTENDED FOSTER CARE COMPREHENSIVE SERVICE MODEL WITHIN ONE HUNDRED
- 30 FIFTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION.
- 31 G. THE DEPARTMENT SHALL ESTABLISH AN EXTENDED FOSTER CARE QUALITY
- 32 REVIEW COMMITTEE WITHIN THE DEPARTMENT CONSISTING OF DEPARTMENT STAFF
- 33 MEMBERS. THE COMMITTEE SHALL CONFIRM THAT A YOUNG ADULT WHO PARTICIPATES
- 34 IN THE EXTENDED FOSTER CARE PROGRAM MEETS ALL OF THE FOLLOWING:
 - 35 1. THE ELIGIBILITY CRITERIA.
 - 36 2. HAS CONNECTIONS TO SUPPORTIVE ADULTS WHO ARE ACTIVELY INVOLVED
 - 37 IN THE YOUNG ADULT'S LIFE.
 - 38 3. HAS A PERSON-CENTERED CASE AND TRANSITION PLAN THAT SUPPORTS THE
 - 39 YOUNG ADULT'S IDENTIFIED GOALS AND FUTURE PLANNING.
 - 40 4. IS ACQUIRING INDIVIDUALIZED SKILLS TO DEVELOP THE TOOLS THAT ARE
 - 41 NEEDED TO THRIVE OUTSIDE OF THE EXTENDED FOSTER CARE PROGRAM.

1 H. ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE DEPARTMENT SHALL
2 SUBMIT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE, THE SENATE HEALTH AND
3 HUMAN SERVICES COMMITTEE, OR ITS SUCCESSOR COMMITTEE, AND THE HOUSE OF
4 REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE, OR ITS SUCCESSOR
5 COMMITTEE, A REPORT ON THE EXTENDED FOSTER CARE COMPREHENSIVE SERVICE
6 MODEL. THE REPORT SHALL INCLUDE DATA AND STATISTICS ON:

7 1. THE SUPPORT AND SERVICES TO BE OFFERED BY THE EXTENDED FOSTER
8 CARE COMPREHENSIVE SERVICE MODEL.

9 2. THE EXTENDED FOSTER CARE PROGRAM'S ELIGIBILITY REQUIREMENTS.

10 3. THE YOUNG ADULT'S PROGRAM RESPONSIBILITIES.

11 4. CASE AND TRANSITION PLANNING OPPORTUNITIES.

12 5. HEALTH INSURANCE COVERAGE FOR YOUNG ADULTS IN THE EXTENDED
13 FOSTER CARE PROGRAM.

14 6. EDUCATIONAL OPPORTUNITIES FOR YOUNG ADULTS IN THE EXTENDED
15 FOSTER CARE PROGRAM.

16 7. OPPORTUNITIES FOR MENTORS THROUGH THE EXTENDED FOSTER CARE
17 PROGRAM.

18 8. TRANSPORTATION SERVICES FOR YOUNG ADULTS IN THE EXTENDED FOSTER
19 CARE PROGRAM, INCLUDING OBTAINING A DRIVER LICENSE.

20 9. HOUSING, INCLUDING SEMISUPERVISED LIVING ARRANGEMENTS IF THOSE
21 ARRANGEMENTS BEST MEET THE YOUNG ADULT'S NEEDS.

22 I. THE DEPARTMENT SHALL PROVIDE TO THE JOINT LEGISLATIVE BUDGET
23 COMMITTEE A QUARTERLY REPORT THAT INCLUDES ALL OF THE FOLLOWING:

24 1. THE NUMBER OF YOUNG ADULTS SERVED IN THE EXTENDED FOSTER CARE
25 COMPREHENSIVE SERVICE MODEL.

26 2. THE YOUNG ADULT'S PARTICIPATION IN REGULAR REVIEWS WITH EXTENDED
27 FOSTER CARE STAFF.

28 3. OTHER PERFORMANCE MEASURES AS UPDATED BY THE EXTENDED FOSTER
29 CARE QUALITY REVIEW COMMITTEE AND AS DETERMINED BY THE CHAIRPERSON OF THE
30 JOINT LEGISLATIVE BUDGET COMMITTEE.

31 J. THE EXTENDED FOSTER CARE COMPREHENSIVE SERVICE MODEL FUND IS
32 ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS. THE DEPARTMENT
33 SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
34 APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING
35 TO LAPSING OF APPROPRIATIONS. THE DEPARTMENT SHALL USE MONIES IN THE FUND
36 FOR THE PURPOSES PRESCRIBED IN THIS SECTION.

37 K. FOR THE PURPOSES OF THIS SECTION:

38 1. "DEPARTMENT" MEANS THE DEPARTMENT OF CHILD SAFETY.

39 2. "YOUNG ADULT" MEANS A PERSON WHO IS AT LEAST SEVENTEEN AND
40 ONE-HALF YEARS OF AGE AND UNDER TWENTY-ONE YEARS OF AGE AND WHO
41 PARTICIPATES OR WILL PARTICIPATE IN THE EXTENDED FOSTER CARE PROGRAM
42 ESTABLISHED PURSUANT TO SECTION 8-521.02.

1 Sec. 2. Section 28-472, Arizona Revised Statutes, is amended to
2 read:

3 28-472. Fleet operation services; records; rules; vehicle
4 replacement rate; participating agencies;
5 coordinator; public service announcements; annual
6 report

7 A. The director shall operate the state motor vehicle fleet for the
8 purpose of providing fleet operation services to agencies. The director
9 shall make fleet operation services available to an agency on the request
10 of the chosen representative for that agency.

11 B. The director is responsible for administering the state motor
12 vehicle fleet, including:

13 1. Procuring motor vehicles for the state motor vehicle fleet.

14 2. Notwithstanding title 41, chapter 23, article 8, administering
15 the surplus and sale of motor vehicles in the state motor vehicle fleet.

16 C. The director shall provide for detailed cost, operation,
17 maintenance, mileage and custody records for each state-owned motor
18 vehicle.

19 D. The director may adopt rules necessary to administer this
20 article.

21 E. The department shall recover all costs for fleet operation
22 services that are provided to an agency. Each agency shall pay from
23 available monies the cost of fleet operation services received from the
24 department at a rate determined by the director, including a separate
25 vehicle replacement rate for motor vehicle replacements. The director
26 shall deposit, pursuant to sections 35-146 and 35-147, monies received for
27 fleet operation services in the state fleet operations fund established by
28 section 28-475. The director shall deposit, pursuant to sections 35-146
29 and 35-147, monies received to pay the vehicle replacement rate in the
30 state vehicle replacement fund established by section 28-476.

31 F. The following agencies are excluded from participation in the
32 state motor vehicle fleet:

33 1. The department of public safety.

34 2. The department of economic security.

35 3. The state department of corrections.

36 4. Universities and community colleges.

37 5. The cotton research and protection council.

38 6. The Arizona commerce authority.

39 ~~7. The department of child safety.~~

40 ~~8.~~ 7. The department of transportation.

41 G. The director shall appoint a state motor vehicle fleet
42 coordinator.

43 H. An agency may not purchase, lease or rent a motor vehicle unless
44 the agency is excluded from participation in the state motor vehicle fleet
45 by subsection F of this section. The director may withhold registration

1 for any motor vehicle that is purchased, leased or rented in violation of
2 this subsection.

3 I. Notwithstanding subsection H of this section, an agency that
4 administers a separate account pursuant to section 28-476, subsection C
5 shall control the purchase, lease or rental of motor vehicles. Vehicles
6 purchased, leased or rented under this subsection shall be used by the
7 agency only for the agency's purposes.

8 J. An agency listed in subsection F of this section may elect to
9 participate in the state motor vehicle fleet by executing an interagency
10 service agreement between the agency and the department.

11 K. A governmental budget unit of this state that is not an agency
12 may elect to participate in the state motor vehicle fleet by entering into
13 an interagency service agreement with the department.

14 L. An agency, including an agency listed in subsection F of this
15 section, may accept compensation for placing public service announcements
16 on state-owned motor vehicles, and monies received shall be deposited,
17 pursuant to sections 35-146 and 35-147, in the state general fund. The
18 agency director shall determine the appropriateness of the announcements,
19 may exempt any motor vehicles that are not suitable for advertising and
20 may contract with private parties to design and place the announcements.

21 M. On or before October 1 of each year, the department shall submit
22 to the joint legislative budget committee and the governor's office of
23 strategic planning and budgeting a report that accounts for all monies
24 deposited in the state fleet operations fund established by section 28-475
25 and the state vehicle replacement fund established by section 28-476,
26 including any monies allocated to separate agency accounts. The report
27 shall also include the number of motor vehicles that were replaced in the
28 prior fiscal year, the number of motor vehicles at each agency, the
29 replacement life cycle for each motor vehicle and the number of motor
30 vehicles the department identifies as not requiring replacement.

31 Sec. 3. Section 41-608, Arizona Revised Statutes, is amended to
32 read:

33 41-608. Veterans' donations fund; grants

34 A. The veterans' donations fund is established consisting of
35 monies, gifts and contributions donated to the department and monies
36 deposited pursuant to sections 28-2414, 28-2428, 28-2431, 28-2447,
37 28-2454, 28-2470.10, 28-2473, 28-2474, 28-2475, 28-2476 and 43-620. The
38 department shall administer the fund. Monies in the fund are continuously
39 appropriated. The monies in the fund are exempt from the provisions of
40 section 35-190 relating to lapsing of appropriations. **AT THE BEGINNING OF**
41 **EACH FISCAL YEAR, THE DEPARTMENT MAY TRANSFER UP TO FIFTEEN PERCENT OF THE**
42 **FUND BALANCE FROM THE PRECEDING FISCAL YEAR TO THE STATE HOMES FOR**
43 **VETERANS TRUST FUND ESTABLISHED BY SECTION 41-608.01.** The department
44 shall adopt rules or policies for grants of less than \$5,000 that
45 encourage as much competition as practicable.

1 B. The director or the director's designee may solicit and receive
2 donations, including in-kind donations, from the public for veterans. The
3 director shall deposit, pursuant to sections 35-146 and 35-147, the
4 monetary donations in the veterans' donations fund. Monies in the fund
5 are subject to state auditing procedures. Except for monies deposited
6 pursuant to sections 28-2431 and 28-2447, the donations may be used for
7 the benefit of the veterans within this state as grants, subject to
8 chapter 24 of this title, if applicable.

9 C. The director shall establish a separate subaccount in the
10 veterans' donations fund for the deposit of monies received pursuant to
11 section 28-2431, subsection C. The monies in the subaccount shall be used
12 for the construction and maintenance of the enduring freedom memorial
13 authorized pursuant to section 41-1363 for placement in Wesley Bolin
14 Plaza.

15 D. The director shall establish a separate subaccount in the
16 veterans' donations fund for the deposit of monies received pursuant to
17 section 28-2447, subsection F. The monies in the subaccount shall be used
18 for the benefit of women veterans in this state, including providing
19 shelter to homeless women veterans as grants, subject to chapter 24 of
20 this title, if applicable.

21 E. The director shall establish a separate subaccount in the
22 veterans' donations fund for the deposit of monies received pursuant to
23 section 28-2454, subsection C. The first \$32,000 in the subaccount shall
24 be reimbursed to the person that provides the \$32,000 pursuant to section
25 28-2454, subsection A. The director shall annually allocate monies from
26 the subaccount to a foundation that is qualified under section 501(c)(3)
27 of the United States internal revenue code for federal income tax purposes
28 and that is the nation's oldest and largest provider of need-based
29 scholarships to children of United States military members. The
30 foundation must:

- 31 1. Have been in existence for at least fifty-two years.
- 32 2. Have provided more than thirty-three thousand scholarships that
33 are valued at almost \$90,000,000.
- 34 3. Have a mission that includes honoring marines and educating
35 their children.
- 36 4. Award scholarship monies to children of marines and navy
37 corpsmen who were killed or wounded in combat or who have demonstrated
38 financial need.

39 F. The director shall establish a separate subaccount in the
40 veterans' donations fund for the deposit of monies received pursuant to
41 section 28-2470.10, subsection C. The first \$32,000 in the subaccount
42 shall be reimbursed to the person that provides the \$32,000 pursuant to
43 section 28-2470.10, subsection A. The director shall annually allocate
44 monies from the subaccount to a foundation that is qualified under section

1 501(c)(3) of the United States internal revenue code for federal income
2 tax purposes. The foundation must:

- 3 1. Have been in existence for at least twenty years.
- 4 2. Have a mission that includes providing college scholarships to:
 - 5 (a) The sons and daughters of those who have served the United
6 States honorably as soldiers in the United States army.

- 7 (b) The spouses of enlisted soldiers on active duty in the United
8 States army.

- 9 3. Envision increasing its fundraising and visibility to encourage
10 more applicants to apply for scholarships and to provide larger
11 scholarships to an increasing number of deserving applicants to both:

- 12 (a) Reward army families for the sacrifices that army soldiers make
13 every day to serve their nation.

- 14 (b) Help the spouses and children of army soldiers become leaders
15 in society.

- 16 4. Award scholarship monies to:

- 17 (a) Children of former United States army members who were killed
18 while serving in the United States army or who received an honorable
19 discharge or medical discharge.

- 20 (b) Children of UNITED STATES ARMY MEMBERS IN GOOD STANDING SERVING
21 IN regular active duty, active duty reserve or active duty national guard
22 ~~United States army members in good standing.~~

- 23 (c) Spouses of ~~enlisted~~ UNITED STATES ARMY MEMBERS IN GOOD STANDING
24 SERVING IN regular active duty, active duty reserve or active duty
25 national guard ~~United States army members in good standing.~~

26 G. The director shall inventory and account for the use of any
27 tangible personal property donated to the fund.

28 H. On notice from the director, the state treasurer shall invest
29 and divest monies in the fund as provided by section 35-313, and monies
30 earned from investment shall be credited to the fund.

31 Sec. 4. Section 41-608.01, Arizona Revised Statutes, is amended to
32 read:

33 41-608.01. State homes for veterans trust fund; purpose

34 A. The state homes for veterans trust fund is established. The
35 director shall administer the fund for the sole purpose of operating and
36 maintaining state-operated nursing and domiciliary homes for Arizona
37 veterans.

38 B. The fund consists of monies deposited by the director from
39 monies generated by operating the Arizona veterans' homes, ~~and~~ monies
40 deposited pursuant to section 41-603.01 AND MONIES TRANSFERRED BY THE
41 DEPARTMENT PURSUANT TO SECTION 41-608.

42 C. Monies in the fund are subject to annual appropriation by the
43 legislature. The fund is exempt from the provisions of section 35-190
44 relating to lapsing of appropriations. Any monies in the fund remaining

1 unexpended or unencumbered at the end of the fiscal year do not revert to
2 the state general fund.

3 D. On notice from the director, the state treasurer shall invest
4 and divest monies in the fund as provided by section 35-313, and monies
5 earned from investment shall be credited to the fund.

6 Sec. 5. Title 41, chapter 14, article 1, Arizona Revised Statutes,
7 is amended by adding sections 41-1970, 41-1971 and 41-1972, to read:

8 41-1970. Temporary assistance for needy families fund

9 A. THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUND IS ESTABLISHED
10 CONSISTING OF MONIES RECEIVED BY THE DEPARTMENT FROM FEDERAL DEPOSITS
11 AUTHORIZED PURSUANT TO 45 CODE OF FEDERAL REGULATIONS PART 260. THE
12 DEPARTMENT SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
13 APPROPRIATED.

14 B. THE DEPARTMENT SHALL DEPOSIT ALL FEDERAL MONIES RECEIVED UNDER
15 THE FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES GRANT IN THE FUND
16 BEFORE MAKING AN EXPENDITURE.

17 41-1971. Child care and development fund

18 A. THE CHILD CARE AND DEVELOPMENT FUND IS ESTABLISHED CONSISTING OF
19 MONIES RECEIVED BY THE DEPARTMENT FROM FEDERAL DEPOSITS AUTHORIZED
20 PURSUANT TO 45 CODE OF FEDERAL REGULATIONS PART 98. THE DEPARTMENT SHALL
21 ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED.

22 B. THE DEPARTMENT SHALL DEPOSIT ALL FEDERAL MONIES RECEIVED UNDER
23 THE CHILD CARE AND DEVELOPMENT BLOCK GRANT IN THE FUND BEFORE MAKING AN
24 EXPENDITURE.

25 41-1972. Workforce innovation and opportunity act fund

26 A. THE WORKFORCE INNOVATION AND OPPORTUNITY ACT FUND IS ESTABLISHED
27 CONSISTING OF MONIES RECEIVED BY THE DEPARTMENT FROM FEDERAL DEPOSITS
28 AUTHORIZED PURSUANT TO THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (P.L.
29 113-128; 128 STAT. 1425) AND THE REGULATIONS ADOPTED PURSUANT TO THE ACT.
30 THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
31 CONTINUOUSLY APPROPRIATED.

32 B. THE DEPARTMENT SHALL DEPOSIT ALL FEDERAL MONIES RECEIVED UNDER
33 THE WORKFORCE INNOVATION AND OPPORTUNITY ACT IN THE FUND BEFORE MAKING AN
34 EXPENDITURE.

35 Sec. 6. Title 46, chapter 2, article 2, Arizona Revised Statutes,
36 is amended by adding sections 46-232, 46-233 and 46-234, to read:

37 46-232. Supplemental nutrition assistance program;
38 eligibility evaluations; public posting;
39 definitions

40 A. TO DETERMINE OR EVALUATE SNAP ELIGIBILITY, THE DEPARTMENT OF
41 ECONOMIC SECURITY SHALL:

42 1. ENTER INTO A DATA MATCHING AGREEMENT WITH THE DEPARTMENT OF
43 REVENUE TO IDENTIFY HOUSEHOLDS WITH LOTTERY OR GAMBLING WINNINGS OF \$3,000
44 OR MORE AND, TO THE EXTENT PERMISSIBLE UNDER FEDERAL LAW, TO TREAT THE
45 DATA OBTAINED AS VERIFIED ON RECEIPT. TO THE EXTENT THE DATA MAY NOT BE

1 VERIFIED ON RECEIPT, THE DEPARTMENT OF ECONOMIC SECURITY SHALL REFER THOSE
2 HOUSEHOLDS WITH LOTTERY OR GAMBLING WINNINGS THAT ARE EQUAL TO OR GREATER
3 THAN THE RESOURCE LIMIT FOR ELDERLY OR DISABLED HOUSEHOLDS AS DEFINED IN
4 7 CODE OF FEDERAL REGULATIONS SECTION 273.8(b) TO THE DEPARTMENT OF
5 ECONOMIC SECURITY FOR FURTHER INVESTIGATION.

6 2. ON AT LEAST A MONTHLY BASIS, REVIEW INFORMATION THAT IS PROVIDED
7 BY THE DEPARTMENT OF HEALTH SERVICES AND THAT IDENTIFIES INDIVIDUALS WHO
8 HAVE HAD A CHANGE IN CIRCUMSTANCES THAT MAY AFFECT SNAP ELIGIBILITY.

9 3. ON AT LEAST A QUARTERLY BASIS, REVIEW THE DEPARTMENT OF ECONOMIC
10 SECURITY'S INFORMATION THAT IDENTIFIES INDIVIDUALS WHO HAVE HAD A CHANGE
11 IN CIRCUMSTANCES THAT MAY AFFECT SNAP ELIGIBILITY, INCLUDING A CHANGE IN
12 UNEMPLOYMENT BENEFITS, EMPLOYMENT STATUS OR WAGES.

13 4. ON AT LEAST A MONTHLY BASIS, REVIEW THE DEPARTMENT OF ECONOMIC
14 SECURITY'S INFORMATION THAT IDENTIFIES INDIVIDUALS WHO HAVE HAD A CHANGE
15 IN CIRCUMSTANCES THAT MAY AFFECT SNAP ELIGIBILITY, INCLUDING POTENTIAL
16 CHANGES IN RESIDENCY AS IDENTIFIED BY OUT-OF-STATE ELECTRONIC BENEFIT
17 TRANSFER CARD TRANSACTIONS.

18 5. ON AT LEAST A MONTHLY BASIS, REVIEW INFORMATION THAT IS PROVIDED
19 BY THE STATE DEPARTMENT OF CORRECTIONS AND THAT IDENTIFIES INDIVIDUALS WHO
20 HAVE HAD A CHANGE IN CIRCUMSTANCES THAT MAY AFFECT SNAP ELIGIBILITY.

21 6. ON AT LEAST A QUARTERLY BASIS, REVIEW INFORMATION THAT IS
22 PROVIDED BY THE DEPARTMENT OF REVENUE AND THAT IDENTIFIES HOUSEHOLDS THAT
23 HAVE HAD A CHANGE IN CIRCUMSTANCES THAT MAY AFFECT SNAP ELIGIBILITY,
24 INCLUDING POTENTIAL CHANGES IN INCOME, WAGES OR RESIDENCY AS IDENTIFIED BY
25 TAX RECORDS.

26 7. ON AT LEAST A QUARTERLY BASIS, POST ON THE DEPARTMENT'S PUBLIC
27 WEBSITE THE FOLLOWING AGGREGATED AMOUNTS THAT WERE OBTAINED FROM
28 NONCOMPLIANCE AND FRAUD INVESTIGATIONS RELATED TO SNAP, EXCLUDING
29 CONFIDENTIAL AND PERSONALLY IDENTIFIABLE INFORMATION:

30 (a) THE NUMBER OF SNAP CASES THAT WERE INVESTIGATED FOR INTENTIONAL
31 PROGRAM VIOLATIONS OR FRAUD.

32 (b) THE NUMBER OF SNAP CASES THAT WERE REFERRED TO THE ATTORNEY
33 GENERAL'S OFFICE FOR PROSECUTION.

34 (c) THE AMOUNT OF IMPROPER PAYMENTS AND EXPENDITURES.

35 (d) THE AMOUNT OF MONIES RECOVERED.

36 (e) THE AMOUNT OF MONIES SPENT FOR IMPROPER PAYMENTS AND INELIGIBLE
37 RECIPIENTS AS A PERCENTAGE OF CASES THAT WERE INVESTIGATED AND REVIEWED.

38 (f) THE AMOUNT OF MONIES SPENT BY ELECTRONIC BENEFIT CARD
39 TRANSACTIONS THAT OCCURRED OUTSIDE OF THIS STATE, CATEGORIZED BY STATE.

40 B. ON AT LEAST A MONTHLY BASIS, THE DEPARTMENT OF HEALTH SERVICES
41 AND THE DEPARTMENT OF ECONOMIC SECURITY SHALL REVIEW THE FOLLOWING
42 INFORMATION FROM FEDERAL SOURCES TO ASSESS A RECIPIENT'S CONTINUED
43 ELIGIBILITY FOR SNAP:

44 1. EARNED INCOME INFORMATION, DEATH REGISTER INFORMATION,
45 INCARCERATION RECORDS, SUPPLEMENTAL SECURITY INCOME INFORMATION,

1 BENEFICIARY RECORDS, EARNINGS INFORMATION AND PENSION INFORMATION THAT IS
2 MAINTAINED BY THE UNITED STATES SOCIAL SECURITY ADMINISTRATION.

3 2. INCOME AND EMPLOYMENT INFORMATION THAT IS MAINTAINED IN THE
4 NATIONAL DIRECTORY OF NEW HIRES DATABASE AND CHILD SUPPORT ENFORCEMENT
5 DATA THAT IS MAINTAINED BY THE UNITED STATES DEPARTMENT OF HEALTH AND
6 HUMAN SERVICES.

7 3. PAYMENT AND EARNINGS INFORMATION THAT IS MAINTAINED BY THE
8 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

9 4. NATIONAL FLEEING FELON INFORMATION THAT IS MAINTAINED BY THE
10 UNITED STATES FEDERAL BUREAU OF INVESTIGATION.

11 C. IF THE DEPARTMENT RECEIVES INFORMATION THAT IDENTIFIES AN
12 INDIVIDUAL WHO IS ENROLLED IN SNAP AND THAT INDICATES A CHANGE IN
13 CIRCUMSTANCES THAT MAY AFFECT THAT INDIVIDUAL'S SNAP ELIGIBILITY, THE
14 DEPARTMENT SHALL REVIEW THAT INDIVIDUAL'S CASE.

15 D. FOR THE PURPOSES OF THIS SECTION:

16 1. "DEPARTMENT" MEANS THE DEPARTMENT OF ECONOMIC SECURITY.

17 2. "SNAP" MEANS THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

18 46-233. Supplemental nutrition assistance program; mandatory
19 employment and training

20 THE DEPARTMENT OF ECONOMIC SECURITY SHALL REQUIRE ABLE-BODIED ADULTS
21 WHO ARE UNDER SIXTY YEARS OF AGE AND WHO ARE RECEIVING SUPPLEMENTAL
22 NUTRITION ASSISTANCE TO PARTICIPATE IN A MANDATORY EMPLOYMENT AND TRAINING
23 PROGRAM, AS PRESCRIBED IN 7 UNITED STATES CODE SECTION 2015(d), UNLESS THE
24 RECIPIENT IS:

25 1. IN COMPLIANCE WITH THE WORK REGISTRATION REQUIREMENTS UNDER
26 TITLE IV OF THE SOCIAL SECURITY ACT OR THE FEDERAL-STATE UNEMPLOYMENT
27 COMPENSATION SYSTEM. A RECIPIENT WHO IS NONCOMPLIANT WITH THE WORK
28 REGISTRATION REQUIREMENTS UNDER TITLE IV OF THE SOCIAL SECURITY ACT OR THE
29 FEDERAL-STATE UNEMPLOYMENT COMPENSATION SYSTEM IS NONCOMPLIANT WITH THE
30 WORK REQUIREMENTS OF 7 UNITED STATES CODE SECTION 2015(d).

31 2. A PARENT OR OTHER MEMBER OF A HOUSEHOLD WHO IS RESPONSIBLE FOR
32 THE CARE OF AN INCAPACITATED PERSON OR A DEPENDENT CHILD WHO IS UNDER SIX
33 YEARS OF AGE.

34 3. A BONA FIDE STUDENT WHO IS ENROLLED AT LEAST HALF TIME IN ANY
35 RECOGNIZED SCHOOL, TRAINING PROGRAM OR INSTITUTION OF HIGHER EDUCATION
36 UNLESS THE RECIPIENT IS INELIGIBLE TO PARTICIPATE PURSUANT TO 7 UNITED
37 STATES CODE SECTION 2015(e).

38 4. A REGULAR PARTICIPANT IN A DRUG ADDICTION OR AN ALCOHOLIC
39 TREATMENT AND REHABILITATION PROGRAM.

40 5. EMPLOYED AT LEAST THIRTY HOURS PER WEEK OR RECEIVES WEEKLY
41 EARNINGS THAT EQUAL THE MINIMUM HOURLY RATE UNDER THE FAIR LABOR STANDARDS
42 ACT OF 1938 (52 STAT. 1060; 29 UNITED STATES CODE SECTION 201), MULTIPLIED
43 BY THIRTY HOURS.

1 6. SIXTEEN, SEVENTEEN OR EIGHTEEN YEARS OF AGE AND IS NOT THE HEAD
2 OF A HOUSEHOLD OR ATTENDS SCHOOL OR IS ENROLLED IN AN EMPLOYMENT TRAINING
3 PROGRAM ON AT LEAST A HALF-TIME BASIS.

4 46-234. Department of economic security; supplemental
5 nutrition assistance program; work requirement
6 waivers; discretionary exemption prohibition

7 A. THE DEPARTMENT OF ECONOMIC SECURITY MAY NOT SEEK, APPLY FOR,
8 ACCEPT OR RENEW ANY WORK REQUIREMENT WAIVER FOR ABLE-BODIED ADULTS WITHOUT
9 DEPENDENTS PURSUANT TO 7 UNITED STATES CODE SECTION 2015(o)(4) UNLESS:

- 10 1. IT IS REQUIRED BY FEDERAL LAW.
11 2. IT IS AUTHORIZED BY STATE LAW.

12 B. THE DEPARTMENT OF ECONOMIC SECURITY MAY NOT EXERCISE THIS
13 STATE'S OPTION TO PROVIDE ANY EXEMPTIONS FROM THE WORK REQUIREMENT UNDER
14 7 UNITED STATES CODE SECTION 2015(o)(6)(F) UNLESS AUTHORIZED BY STATE LAW.

15 Sec. 7. Section 46-297.01, Arizona Revised Statutes, is amended to
16 read:

17 46-297.01. Electronic benefit transfer cards; replacements;
18 out-of-state spending; fraud investigation

19 A. The department shall send each recipient who requests two
20 replacement cards within a twelve-month period a letter informing the
21 recipient that another request will initiate an investigation by the
22 department to determine whether there is fraud. If a third-party vendor
23 is administering replacement cards directly to recipients, the vendor
24 shall notify the department after a recipient requests a second
25 replacement card in a twelve-month period and makes any subsequent request
26 thereafter.

27 B. After a recipient's request for a third replacement card within
28 any twelve-month period, and any subsequent request thereafter, the
29 department shall schedule an interview with the recipient and, if the
30 department has been granted a waiver, determine whether there is fraud
31 before issuing a new card. The recipient's request for a fourth
32 replacement card requires the department to schedule an interview with the
33 recipient to determine whether there is fraud before issuing a new card.
34 The department shall request any necessary federal waivers to comply with
35 this section.

36 C. If a recipient uses more than ten percent of the recipient's
37 electronic benefit transfer card balance in a six-month period on
38 out-of-state purchases, the department shall schedule an interview with
39 the recipient to determine whether there is fraud.

40 D. ON AT LEAST A MONTHLY BASIS, THE DEPARTMENT SHALL USE THE DATA
41 FROM AN ELECTRONIC BENEFIT TRANSFER CARD TO IDENTIFY ANY INDIVIDUAL WHO
42 HAS MADE PURCHASES EXCLUSIVELY OUT-OF-STATE OVER A NINETY-DAY PERIOD. THE
43 DEPARTMENT SHALL CONTACT THE INDIVIDUAL WHO IS IDENTIFIED WITHIN THIRTY
44 DAYS TO DETERMINE WHETHER THAT INDIVIDUAL RESIDES IN THIS STATE. IF THE
45 INDIVIDUAL DOES NOT RESIDE IN THIS STATE, THE DEPARTMENT SHALL REMOVE THAT

1 INDIVIDUAL WITHIN THIRTY DAYS AFTER CONTACTING THE INDIVIDUAL. WITHIN
2 FIFTEEN DAYS AFTER THE INDIVIDUAL'S REMOVAL, THE DEPARTMENT SHALL REFER
3 THE INDIVIDUAL TO THE UNITED STATES ATTORNEY'S OFFICE FOR THE DISTRICT
4 WHERE THE INDIVIDUAL CLAIMS TO RESIDE.

5 Sec. 8. Department of economic security; drug testing; TANF
6 cash benefits recipients

7 During fiscal year 2025-2026, the department of economic security
8 shall screen and test each adult recipient who is otherwise eligible for
9 temporary assistance for needy families cash benefits and who the
10 department has reasonable cause to believe engages in the illegal use of
11 controlled substances. Any recipient who tests positive for the use of a
12 controlled substance that was not prescribed for the recipient by a
13 licensed health care provider is ineligible to receive benefits for a
14 period of one year.