

TITLE 6. ECONOMIC SECURITY

CHAPTER 14. DEPARTMENT OF ECONOMIC SECURITY

NUTRITION ASSISTANCE PROGRAM

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ARTICLE 1. FOOD STAMPS-GENERAL INFORMATION AND PROVISIONS

~~R6-14-101.~~ Expired

~~R6-14-111.~~ R6-14-101. Definitions and Location of Definitions

For purposes of this Section, the following terms are defined as follows:

1. ~~“Adjusted net income”. Income remaining after all deductions from gross income.~~
2. ~~“Adverse action”. The reduction or termination of program benefits within the certification period. Any action or inaction by the Department which affects the participation of the household in the program, including action to terminate or reduce a benefit.~~
3. ~~“Alien lawfully admitted to the United States”. An alien legally admitted to the United States by the U.S. Immigration and Naturalization Service. An alien legally admitted to the United States may or may not be legally admitted for permanent residence or residing under color of law.~~

4. ~~“Alien lawfully admitted to the United States for permanent residence”. An alien permitted to reside continuously in the United States, as specified by appropriate documentation which the alien must have in the alien’s possession at all times.~~
5. ~~“Allotment”. The total value of coupons a household is authorized to receive during each month or any specified time period.~~
6. ~~“Annualization of income”. The division of yearly gross income by 12 to arrive at the monthly average.~~
7. ~~“Anticipated income”. Income which is not yet available to meet needs but which is expected to become available.~~
8. ~~“Appeal”. An individual’s written statement requesting a hearing to contest action to be taken or previously taken by the Department.~~
9. ~~“Applicant”. A person who applies for program benefits for the that person and/or others.~~
10. ~~“Assets”. All items owned by an individual which have a monetary value.~~
11. ~~“A.T.P.”. Authorization to Participate in the Food Stamp Program.~~
12. ~~“Authorized representative”. A person authorized by an individual to act in the individual’s behalf.~~
13. ~~“Basis of issuance or benefit level”. The amount of coupons for which the household is eligible, based on household size and adjusted net income.~~
14. ~~“Boarding house”. A commercial enterprise which offers meals and lodging for compensation.~~
15. ~~“Certification”. Approval of the household’s application and determination of basis of issuance and period of eligibility.~~

16. ~~“Citizen”. An individual born or naturalized in the United States, which is defined, for program purposes, as the 50 states, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and Swain’s Island.~~
17. ~~“Collateral contact”. An individual, agency, or organization contacted to confirm statements presented by the applicant and/or participant.~~
18. ~~“Color of Law”. A legal status which a lawfully admitted alien may claim if the alien can satisfactorily prove that the alien has continuously resided in the United States since June 30, 1948.~~
19. ~~“Coupon”. Any coupon, stamp, or certification provided pursuant to the Food Stamp Act of 1977 for the purchase of eligible food.~~
20. ~~“Denial”. The formal disapproval of an application for program benefits.~~
21. ~~“Department”. The Department of Economic Security.~~
22. ~~“Drug and/or alcoholic treatment and rehabilitation center”. A center providing treatment and rehabilitation programs by a private nonprofit organization.~~
23. ~~“Earned income”. Compensation received as wages, salaries, commissions, or profit, through employment or self-employment.~~
24. ~~“Eligible food”. Any food for human consumption; seeds and plants to grow foods for the personal consumption of the eligible household; delivered meals and meals served at approved communal dining facilities and rehabilitation treatment centers.~~
25. ~~“Eligibility worker”. Department employee responsible for the determination of eligibility of the applicant households.~~
26. ~~“Equity value”. The fair market value less encumbrances.~~

27. ~~“F.N.S.”. Food and Nutrition Service, a division of the United States Department of Agriculture.~~
28. ~~“Fraud”. An action, punishable by law, in which a person has knowingly, willfully, and with deceitful intent obtained benefits for which the person was not eligible.~~
29. ~~“Hearing”. The process of reviewing a client’s situation for the purpose of deciding whether or not action taken or intended action by the Department is correct.~~
30. ~~“Home visit”. A visit by an Eligibility Worker to the client’s place of residence to verify eligibility factors for program benefits.~~
31. ~~“Home and land contiguous thereto”. The residential real property owned by a client, both land improvements on which client is living, as well as any land immediately touching which is also owned by the client.~~
32. ~~“Identification card”. A card which identifies the bearer as eligible to receive and use food coupons.~~
33. ~~“In kind”. Any gain or benefit which is not in the form of money payable directly to the household, such as meals, clothing, public housing, produce from a garden, and vendor payments.~~
34. ~~“Institution of higher education”. Any institution providing post-high-school education, including, but not limited to, colleges, universities, and vocational or technical schools at the post-high-school level.~~
35. ~~“Liquid resources”. Financial instruments which can be converted to cash quickly (such as stocks, bonds, savings certificates, notes, sales contracts, etc.).~~
36. ~~“Minor child”. A person under age 18 and under parental control.~~

37. ~~“Non-eligible food”. Hot foods and hot food products prepared for immediate over-the-counter service, alcoholic beverages, tobacco, pet foods and supplies, soap, and paper products.~~
38. ~~“Overissuance”. The amount of a coupon allotment received by a household which is in excess of what it was eligible to receive.~~
39. ~~“Parental control”. A child under the age of 18 years and under the control of the parent or any adult other than natural parents (in loco parentis).~~
40. ~~“Project area”. The county or geographic entity designated as the administrative unit for program operations.~~
41. ~~“Recertification”. A re-evaluation of all eligibility factors.~~
42. ~~“Restoration of lost benefits”. Issuance of coupons to an eligible household that did not receive benefits or the correct amount of benefits due to an error caused by the Department.~~
43. ~~“Retroactive benefits”. An issuance of coupons to an eligible household who experienced a delay in the processing of the application.~~
44. ~~“Roomer”. Individual to whom lodging is furnished for compensation.~~
45. ~~“Spouse”. One of 2 individuals who are married to each other under applicable state law or who are living together and holding themselves out to the community as husband and wife.~~
46. ~~“Student”. An individual 18 years of age or older and attending, at least half time, a post-high-school institution of higher education (as defined for program purposes).~~

~~47. "United States citizen". A person who was born in the United States or naturalized in the United States and has maintained United States citizenship status.~~

~~48. "U.S.D.A.". United States Department of Agriculture.~~

~~49. "Vendor payments". Money payments made on behalf of the household to another by a 3rd party.~~

A. Location of Definitions. Definitions applicable to Chapter 14 are found in the following:

<u>"Able-Bodied Adult Without Dependents" or "ABAWD"</u>	<u>R6-14-101(B)</u>
<u>"Administrative Disqualification Hearing"</u>	<u>R6-14-101(B)</u>
<u>"Adverse Action"</u>	<u>R6-14-101(B)</u>
<u>"Appeal"</u>	<u>R6-14-101(B)</u>
<u>"Applicant"</u>	<u>R6-14-101(B)</u>
<u>"Appellant"</u>	<u>R6-14-101(B)</u>
<u>"Authorized Representative"</u>	<u>R6-14-101(B)</u>
<u>"Benefit" or "Benefit Allotment"</u>	<u>R6-14-101(B)</u>
<u>"Benefit Month"</u>	<u>R6-14-101(B)</u>
<u>"Business Day"</u>	<u>R6-14-101(B)</u>
<u>"Case File"</u>	<u>R6-14-101(B)</u>
<u>"Cash Assistance" or "CA"</u>	<u>R6-14-101(B)</u>
<u>"Cash and Nutrition Assistance Policy Manual"</u>	
<u>or "CNAP Manual"</u>	<u>R6-14-101(B)</u>
<u>"Categorically Eligible"</u>	<u>R6-14-101(B)</u>
<u>"Certification"</u>	<u>R6-14-101(B)</u>

<u>"Citizen"</u>	<u>R6-14-101(B)</u>
<u>"Department"</u>	<u>A.R.S. § 41-1951</u>
<u>"Dependent Child"</u>	<u>A.R.S. § 46-101(8)</u>
<u>"Disabled"</u>	<u>R6-14-101(B)</u>
<u>"Earned Income"</u>	<u>R6-14-101(B)</u>
<u>"Effective Date"</u>	<u>R6-14-101(B)</u>
<u>"Elderly"</u>	<u>R6-14-101(B)</u>
<u>"Electronic Benefit Transfer Account" or "EBT Account"</u>	<u>7 CFR 271.2</u>
<u>"Electronic Benefit Transfer Card" or "EBT Card"</u>	<u>7 CFR 271.2</u>
<u>"Expedited Service"</u>	<u>R6-14-101(B)</u>
<u>"Family Assistance Administration" or "FAA"</u>	<u>R6-14-101(B)</u>
<u>"Federal Poverty Level" or "FPL"</u>	<u>R6-14-101(B)</u>
<u>"Fraud"</u>	<u>R6-14-101(B)</u>
<u>"Good Cause"</u>	<u>R6-14-101(B)</u>
<u>"Gross Income"</u>	<u>R6-14-101(B)</u>
<u>"Hearing" or "Fair Hearing"</u>	<u>R6-14-101(B)</u>
<u>"Hearing Officer"</u>	<u>R6-14-101(B)</u>
<u>"Homeless"</u>	<u>R6-14-101(B)</u>
<u>"Household"</u>	<u>R6-14-101(B)</u>
<u>"Institution of Higher Education"</u>	<u>R6-14-101(B)</u>
<u>"Intentional Program Violation" or "IPV"</u>	<u>R6-14-101(B)</u>
<u>"Lead Participant"</u>	<u>R6-14-101(B)</u>

<u>“Minor”</u>	<u>R6-14-101(B)</u>
<u>“Net Income”</u>	<u>R6-14-101(B)</u>
<u>“Noncitizen”</u>	<u>R6-14-101(B)</u>
<u>“Noncitizen Sponsor” or “Sponsor”</u>	<u>R6-14-101(B)</u>
<u>“Notice Date”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Office of Appeals”</u>	<u>R6-14-101(B)</u>
<u>“Overpayment”</u>	<u>R6-14-101(B)</u>
<u>“Physical or Mental Impairment”</u>	<u>R6-14-101(B)</u>
<u>“Qualified Healthcare Professional”</u>	<u>R6-14-101(B)</u>
<u>“Qualified Noncitizen”</u>	<u>R6-14-101(B)</u>
<u>“Questionable Information”</u>	<u>R6-14-101(B)</u>
<u>“Recertification”</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Resources”</u>	<u>R6-14-101(B)</u>
<u>“Self-Employment Income”</u>	<u>R6-14-101(B)</u>
<u>“SNAP”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Act”</u>	<u>42 U.S.C. 7</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-14-101(B)</u>
<u>“Student”</u>	<u>R6-14-101(B)</u>
<u>“Supplemental Security Income” or “SSI”</u>	<u>R6-14-101(B)</u>
<u>“Temporary Assistance for Needy Families” or “TANF”</u>	<u>R6-14-101(B)</u>

<u>“Trafficking”</u>	<u>7 CFR 271.2</u>
<u>“Unearned Income”</u>	<u>R6-14-101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>
<u>“Vendor Payment”</u>	<u>R6-14-101(B)</u>
<u>“Voluntary Quit or Reduction in Work Effort”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Chapter 14:

1. “Able-Bodied Adult Without Dependents” or “ABAWD” means a person 18 years or older and 55 years and younger, who has the capacity to work, does not reside with a Household member under age 18, and does not meet an exemption under [7 CFR 273.24\(c\)](#) or any federal or state law.
2. “Administrative Disqualification Hearing” means a proceeding to determine whether an IPV has occurred.
3. “Adverse Action” means an action or inaction by the Department to limit or disqualify a person from participating in the NA program, or from receiving services or NA Benefits.
4. “Affidavit of Support” means the U.S. Citizenship and Immigration Services [Form I-864](#) or I-864A that a Noncitizen Sponsor completes to show that the Noncitizen has adequate means of financial support and is not likely to become a public charge.
5. “Appeal” means a request for formal review and resolution of an appealable Adverse Action.
6. “Appellant” means the person or group who has filed an Appeal or otherwise requested a Hearing to review and resolve an Adverse Action.

7. "Applicant" means a person who directly, or through an Authorized Representative or responsible person, files an application for NA Benefits with the FAA.
8. "Authorized Representative" means an adult non-Household member designated by the Household to act on the Household's behalf.
9. "Benefit" or "Benefit Allotment" means the total amount of assistance a Household is authorized to receive for a specific Benefit Month.
10. "Benefit Month" means the calendar month for which Benefits are paid.
11. "Business Day" means Monday through Friday, excluding holidays listed in [A.R.S. § 1-301](#).
12. "Case File" means all paper or electronic documentation collected or prepared by the FAA in evaluating and determining eligibility and a Benefit amount, and in performing all case maintenance functions, and retained by the Department per [7 CFR 273.7\(m\)\(3\)\(v\)\(B\)](#).
13. "Cash Assistance" or "CA" means a component of the TANF program administered under [6 A.A.C. 12](#) that provides financial assistance and supportive services to eligible needy families with dependent children and to child-only cases under [42 U.S.C. 601](#) et seq.
14. "Cash and Nutrition Assistance Policy Manual" or "[CNAP Manual](#)" means the online publication containing the Department's policies and procedures for the NA and CA Programs.
15. "Categorically Eligible" means a Household that does not have a Household member who is disqualified from NA, the Household meets all other NA eligibility requirements; and

- a. All Household members are receiving TANF services, TANF CA Benefits, Tribal TANF Benefits, Refugee Cash Assistance, Bureau of Indian Affairs general assistance, or Supplemental Security Income; or
 - b. The Household's gross income is below 185% of the current FPL
16. "Certification" means the process of accepting an application for NA and determining that a Household and its members have completed the requirements and satisfied the criteria to receive NA benefits.
17. "Citizen" means a person born or naturalized in the United States, which is defined for program purposes as the 50 states, the District of Columbia, Puerto Rico, Guam, Virgin Islands, American Samoa, and Swain's Island.
18. "Disabled" means a person who meets one or more of the disability criteria in the definition of "elderly or disabled member" in [7 CFR 271.2](#).
19. "Earned Income" means wages or salaries of an employed Household member or money derived from self-employment of a Household member.
20. "Effective Date" means the date the Department's action becomes operative.
21. "Elderly" means a person who is 60 years or older.
22. "Expedited Service" means providing an eligibility determination and an NA Benefit Allotment no later than the seventh day after the date an application is received to an eligible Household in immediate need under [7 CFR 273.2](#).
23. "Family Assistance Administration" or "FAA" means the administration within the Department's Division of Benefits and Medical Eligibility responsible for providing financial and nutrition assistance to eligible persons and determining medical eligibility.

24. "Federal Poverty Level" or "FPL" means the federal poverty guidelines as published by the U.S. Department of Health and Human Services in the Federal Register.
25. "Fraud" means an action in which a person knowingly, willingly, or with deceitful intent, obtains Benefits for which the person was not eligible by purposefully misrepresenting or omitting material facts and circumstances affecting the person's eligibility or amount of Benefits, or any conduct listed in [A.R.S. § 46-215](#).
26. "Good Cause" means that a person has adequate grounds or reason to take an action or fail to take an action due to circumstances beyond the person's reasonable control. Good Cause is determined by the Department on a case-by-case basis.
27. "Gross Income" means the amount of income before deductions used to determine a Household's eligibility.
28. "Hearing" or "Fair Hearing" means a formal administrative proceeding conducted by a Hearing Officer.
29. "Hearing Officer" means an impartial person, including an Administrative Law Judge or other designee of the Director, who conducts a Hearing.
30. "Homeless" means a Household that lacks a fixed and regular nighttime residence or in which the Household's primary nighttime residence is:
- a. A supervised shelter designed to provide temporary accommodations;
 - b. A halfway house or similar institution that provides temporary residence;
 - c. A temporary accommodation for not more than 90 days in the residence of another person; or

- d. A place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, including a park, a sidewalk, a hallway, a bus station, a lobby, or similar place.
31. “Household” means a person or persons living together, who are either required under [7 CFR 273.1](#), to be included in an Applicant’s request for NA Benefits, or when not required, who the Applicant elects to include in the request for NA Benefits.
32. “Institution of Higher Education” means:
- a. A business, technical, trade, or vocational school that requires a high school diploma or equivalency certificate for enrollment; and
 - b. A college or university that offers degree programs regardless of whether a high school diploma is required.
33. "Intentional Program Violation" or "IPV" means deliberately making false or misleading statements, misrepresenting, concealing or withholding facts, or committing any act that constitutes a violation of the Food and Nutrition Act, the NA regulations, or state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or Trafficking Benefits or EBT Cards.
34. “Lead Participant” means the person selected by the Household to be the primary member of the Household for the work requirements as provided in [7 CFR 273.7\(f\)\(5\)](#).
35. "Minor" means a person under 18 years old who is not legally emancipated.
36. "Net Income" means Gross Income, minus allowable program deductions.
37. "Noncitizen" means a person who is not a U.S. citizen.

38. "Noncitizen Sponsor" or "Sponsor" means a person who signs an Affidavit of Support on behalf of a Noncitizen as a condition of the Noncitizen's entry into the United States under the Family Sponsor Immigration Act of 2002, [8 U.S.C. 1183\(a\)](#).
39. "Notice Date" means the date that appears as the official date of issuance on a document or official written notice the Department sends or gives to an Applicant or Recipient.
40. "Nutrition Assistance" or "NA" means the federal Supplemental Nutrition Assistance Program or SNAP, as administered in Arizona.
41. "Office of Appeals" means the authority within the Department's Appellate Services Administration that conducts a Hearing on an Appeal involving a Department program as authorized by law.
42. "Overpayment" means an NA Benefit Allotment received by a Household for a Benefit Month that exceeds the amount to which the Household was entitled.
43. "Physical or Mental Impairment" means any condition that substantially limits or prevents a person from completing activities of daily living without assistance, as verified by a Qualified Healthcare Professional.
44. "Qualified Healthcare Professional" means a physician, physician assistant, nurse, nurse practitioner, dentist, mental health professional, and others who by virtue of their education, credentials, and experience are permitted by law to evaluate and care for patients.
45. "Qualified Noncitizen" is a person who is not a U.S. citizen or U.S. national, and who has an immigration status as defined under [8 U.S.C. 1641\(b\)](#).

46. “Questionable Information” means information that is inconsistent with written or verbal statements made by the Household, information on current or previous applications, and information available in the Case File.
47. "Recertification" means a re-evaluation of all eligibility factors.
48. "Recipient" means a person receiving NA Benefits.
49. “Resources” means any real or personal property, tangible or intangible, available to a Household.
50. "Self-Employment Income" means income received when self-employed rather than working for an employer.
52. “Supplemental Nutrition Assistance Program” or "SNAP" means the federal program that provides Benefits to supplement the food budget of eligible persons and families to purchase food and move toward self-sufficiency.
53. “Social Security Number” or "SSN" means a nine-digit number issued by the Social Security Administration (SSA) to a Citizen, permanent resident, or temporary resident under the Social Security Act, [42 U.S.C. 405](#).
54. "Student" means a person 18 years or older who is attending, at least half time, a post-high school Institution of Higher Education in a course that is part of a regular college curriculum or in a curriculum that requires a high school diploma or its equivalent.
55. “Supplemental Security Income” or “SSI” means a federal income supplement program under the Social Security Act, [42 U.S.C. 301-1305](#), administered by the SSA to help meet basic needs for food, clothing, and shelter for the aged, blind, and disabled.

56. “Temporary Assistance for Needy Families” or “TANF” means the federal program under the Social Security Act, 42 U.S.C. 601 administered by the Department.
57. “Unearned Income” means income a Household member receives without being required to perform any labor or service as a condition of receiving the income, including annuities, pensions, retirement, child support or alimony, disability, or unemployment insurance.
58. “United States Department of Agriculture, Food and Nutrition Service” or “USDA FNS” means the federal agency that oversees SNAP.
59. “Vendor Payment” means a payment that a person or organization that is not a Household member makes to a third-party vendor to cover a Household expense.
60. “Voluntary Quit or Reduction in Work Effort” means an action to willingly quit a job or reduce work effort without Good Cause.

R6-14-102. Expired Administration

- A.** The NA program provides assistance to eligible persons under the Food and Nutrition Act of 2008, as amended, 7 U.S.C. 2011 et seq; 7 CFR 271 through 7 CFR 283; and the [Personal Responsibility and Work Opportunity Reconciliation Act of 1996 \(PRWORA\)](#), as amended.
- B.** The Department administers NA Benefits in compliance with federal law with exceptions, clarifications, or waivers approved by USDA FNS.

R6-14-103. Expired Confidentiality

- A.** Personally identifiable information.

1. All personally identifiable information concerning an Applicant, Recipient, or a member of a Household in the Department's possession is confidential and not subject to public inspection, except as permitted by A.R.S. § 41-1959 or 7 CFR 272.1 and this Section.
2. An Applicant's, Recipient's, or Household member's personally identifiable information includes:
 - a. Name, address, and phone number;
 - b. SSN and date of birth;
 - c. Unique identifying numbers such as a driver's license number;
 - d. Photographs;
 - e. Information related to social and economic conditions or circumstances;
 - f. Medical data, including diagnosis and history of disease or disability; and
 - g. Any other information that is reasonably likely to permit another person to readily identify the subject of the information.

B. Release of information to Applicants, Recipients, and Household members.

1. An Applicant or Recipient may review and request a copy of the Applicant's or Recipient's Case File at no cost to the Applicant or Recipient any time during the FAA's regular operating hours. The Department may withhold confidential information, such as protected information about another Household member, the names of persons who have disclosed information about the Household without the Household's knowledge, or the nature or status of pending criminal prosecutions.
2. A Dependent Child may review a Case File in which the child is included as a Recipient, only with written permission from the child's parent, legal guardian, or custodian.

C. Release of information to authorized persons and representatives.

An Applicant or Recipient may permit the release of information from the Applicant or Recipient's Case File to another person or representative by executing a release form containing:

1. The specific information the FAA is authorized to release;
2. The person's name or organization to whom the FAA may release information;
3. The release's duration, if limited; and
4. The Applicant's or Recipient's signature and date.

D. Release of information to persons and agencies for official purposes.

1. An official purpose is a purpose directly related to the administration of a public assistance program and includes:

- a. Establishing eligibility;
- b. Determining the amount of an NA Benefit Allotment;
- c. Providing services to Applicants and Recipients;
- d. Investigating or prosecuting civil or criminal proceedings related to an assistance program; or
- e. Evaluating, analyzing, overseeing, and auditing program operations.

2. The Department may release confidential information to the following persons and agencies to the extent required for official purposes:

- a. Department employees;
- b. SSA Employees;
- c. Public assistance agencies of any other U.S. state or territory;

- d. Arizona Attorney General's Office;
- e. Persons connected with the administration of federal or federally assisted programs that provide assistance with food, cash, or services directly to persons based on need;
- f. Government auditors for audits conducted in connection with the administration of any governmental assistance program authorized by law to conduct such audits;
- g. Law enforcement officials, when the release of confidential information is necessary to conduct an investigation, seek prosecution, or conduct a civil or criminal proceeding by or on behalf of the Department or a federal public assistance agency in connection with the administration of a public assistance program; or
- h. The Internal Revenue Service, when release of confidential information is necessary for identifying a person's unclaimed income sources or tax exemptions.

~~R6-14-402.~~ R6-14-104. Computation of Time

A. In computing any time period:

1. The Department does not count the date of the act, event, notice, or default from which a designated time period begins to run as part of the time period; and
2. The Department counts the last day of the designated time period. When the last day falls on a Saturday, Sunday, or Arizona state holiday, the last day is the first Business Day following that day.

B. A document sent by the Department is considered received by an Applicant or Recipient on the date sent to the Applicant's or Recipient's last known street or email address, plus an additional five days only when sent by U.S. mail. The send date is the date shown on the document unless the facts show otherwise.

ARTICLE 2. ~~EXPIRED~~ APPLICATION PROCESS AND PROCEDURES

R6-14-201. ~~Expired~~ Definitions and Location of Definitions

A. Location of Definitions. Definitions applicable to Article 2 are found in the following:

<u>“Able-Bodied Adult Without Dependents” or “ABAWD”</u>	<u>R6-14-101(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>
<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Authorized Representative”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Business Day”</u>	<u>R6-14-101(B)</u>
<u>“Certification”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Earned Income”</u>	<u>R6-14-101(B)</u>
<u>“Effective Date”</u>	<u>R6-14-101(B)</u>
<u>“Electronic Benefit Transfer Card” or “EBT Card”</u>	<u>7 CFR 271.2</u>
<u>“Expedited Service”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Foster Care”</u>	<u>R6-14-201(B)</u>
<u>“Fraud”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Gross Income”</u>	<u>R6-14-101(B)</u>

<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Identifiable Application”</u>	<u>R6-14-201(B)</u>
<u>“Intentional Program Violation” or “IPV”</u>	<u>R6-14-101(B)</u>
<u>“Minor”</u>	<u>R6-14-101(B)</u>
<u>“Notice Date”</u>	<u>7 CFR 271.2</u>
<u>“Quality Control Review”</u>	<u>7 CFR 271.2</u>
<u>“Questionable Information”</u>	<u>R6-14-101(B)</u>
<u>“Recertification”</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Resources”</u>	<u>R6-14-101(B)</u>
<u>“Roomer”</u>	<u>R6-14-201(B)</u>
<u>“Self-Employment Income”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-14-101(B)</u>
<u>“Student”</u>	<u>R6-14-101(B)</u>
<u>“Supplemental Security Income” or “SSI”</u>	<u>R6-14-101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 2:

1. “Foster Care” means a temporary living arrangement approved by the state, or by an agency licensed by the state, to provide care and shelter to a child whose parents are unable to care for them.
2. “Identifiable Application” means a Department-approved application that contains, at a minimum:

- a. The Applicant's legible name and address; and
 - b. The signature, which may be an electronic signature or recorded telephonic signature, under penalty of perjury, of the Applicant, another adult Household member, or the Applicant's Authorized Representative.
3. "Roomer" means a person to whom a Household furnishes lodging for compensation in an arrangement that does not include meals under [7 CFR 273.1](#).

R6-14-202. Expired Application

- A.** A person shall apply for NA Benefits by submitting a Department-approved application to any FAA office in person or by mail, fax, telephone, or online.
- B.** A Household in which all members are Applicants for or recipients of SSI may apply at an SSA office.
- C.** The FAA may receive an Identifiable Application during operating hours. When the Identifiable Application is received outside operating hours, the application date is:
1. The same date when the eligibility interview is completed on the same day the application is received; or
 2. The next Business Day when the eligibility interview is not completed on the same day the application is received.
- D.** The application date for a public institution resident that is submitted before the resident's release from the institution shall be the date of the resident's release.

R6-14-203. Expired Authorized Representative

- A. A Household may designate an Authorized Representative to act on the Household's behalf by completing the Authorized Representative section on the application, or by completing an [Authorized Representative request form](#) available online on the Department website.
- B. An Authorized Representative shall be aware of relevant Household circumstances and shall be authorized to act on the Household's behalf during the application process, during the eligibility interview and verification process, when reporting and verifying changes, in using NA Benefits for the Household, and in the Appeal process.
- C. A Household shall be held liable for incorrect information provided by the Authorized Representative.
- D. The Authorized Representative's designation remains in effect until an adult Household member revokes the authorization, the application is withdrawn or denied, or the NA Benefits eligibility ends.
- E. A Household that resides in an eligible drug or alcohol treatment center, is required to designate a center employee as an Authorized Representative per [7 CFR 273.11\(e\)](#).
- F. An Authorized Representative shall not be:
1. A retailer involved in the acceptance of NA Benefits;
 2. A provider of prepared meals for the Homeless when the provider is representing a [Homeless Household](#);
 3. A Department employee involved in the Certification process or the issuance of NA Benefits unless the designation is approved in writing by the Department employee's management; or

4. A person currently disqualified for an IPV unless no one else is available and the person has been approved by the Department;

G. An Authorized Representative may represent no more than three Households at one time unless the person is an employee of a drug and alcohol treatment center and is designated as the Authorized Representative for Households residing in the center.

H. The FAA shall disqualify an Authorized Representative from representing a Household for up to one year when the FAA determines that the Authorized Representative has knowingly provided false information about Household circumstances or has made improper use of NA Benefits.

R6-14-204. ~~Expired~~ Composition of the Household

The following persons living with an Applicant shall be included in the Applicant's Household unless otherwise specified:

1. The Applicant's spouse;
2. The Applicant's natural, adoptive, or stepchild under age 22 through the last day of the month of the child's 22nd birthday;
3. A Minor, other than a child in Foster Care;
4. A Household's boarders, their spouses and children, who pay a reasonable sum for meals and lodging as defined in [7 CFR 273.1\(b\)\(3\)\(ii\)\(A\) & \(B\)](#), may be included in the Household at the Household's request;
5. Persons in Foster Care, their spouses and children, may be included in the Household at the Household's request; and

6. All other persons who customarily purchase and prepare meals with the Applicant may be included in the Household.

B. The following persons may apply for NA Benefits as a separate Household, even when living with others:

1. A person 60 years or older, and, if married, their spouse if living together, who is unable to purchase and prepare their own meals due to a permanent disability as defined in [45 CFR 233.80](#). The separate Household status is given to the person and their spouse only when the income of others with whom the person and their spouse reside does not exceed 165% of the FPL.

2. Roomers. Persons described in R6-14-204(A)(1) through (3) shall not be considered Roomers.

3. Live-in attendants. Persons described in R6-14-204(A)(1) through (3) shall not be considered live-in attendants.

C. The following persons are ineligible to participate in the NA program as a separate Household or as a member of any Household:

1. A person who does not meet the citizenship or immigration status requirements under R6-14-304.

2. A Student who does not meet Student eligibility under R6-14-306.

3. A person who does not comply with work requirements under Article 8.

4. A person who does not meet the SSN enumeration requirements as specified in [7 CFR 273.6](#).

5. A person found to have committed an IPV under Article 13.

6. A resident of a public institution, as specified in [7 CFR 273.1\(b\)\(7\)\(vi\)](#).
7. A person who is ineligible under [7 CFR 273.11\(m\)](#) due to a drug-related felony conviction and does not meet the requirements of R6-14-310.
8. A person who is fleeing to avoid prosecution or custody for a felony, an attempt to commit a felony, or who is violating a condition of probation or parole is ineligible under [7 CFR 273.11\(n\)](#).
9. A person who is ineligible under [7 CFR 273.24](#).
10. A person convicted after February 8, 2014, of any of the following as specified in [7 CFR 273.11\(s\)](#), and not in compliance with the sentence terms under [7 CFR 273.11\(n\)](#):
 - a. Aggravated sexual abuse;
 - b. Murder;
 - c. A federal or state offense involving sexual assault, domestic violence, dating violence, or stalking as defined in the Violence Against Women Reauthorization Act of 2022, [34 U.S. C. 12291](#); or
 - d. An offense under state law determined by the Attorney General to be equal to an offense described in this Section.
11. A boarder who is a resident of a commercial boarding house, regardless of the number of residents.
12. A Household that includes a member on strike who would not have been eligible for NA Benefits prior to the day of the strike and who is:
 - a. Involved in a strike or other planned stoppage of work by employees;
 - b. Involved in a planned slowdown or planned interruption of operations by employees;

- c. Suspended from employment, but who would be allowed to work when not striking;
- d. On strike, and was exempt from work registration on the day before the strike, only because the Household member was currently employed; or
- e. Participating in a strike or is a member of the striking union, even when the Household member did not vote to strike.

R6-14-205. ~~Expired~~ Household Cooperation

A. As required by [7 CFR 273.2](#), the Applicant or Authorized Representative shall be responsible for:

1. Completing and signing an application;
2. Completing an interview;
3. Providing verification of all mandatory eligibility factors; and
4. Cooperating in a Quality Control Review.

B. The FAA shall determine a Household ineligible when the Household does not cooperate in any review of Household eligibility as part of a Quality Control Review.

R6-14-206. ~~Expired~~ Eligibility Interview

A. Upon receipt of an Identifiable Application, for both an initial and Recertification application, the FAA shall:

1. Complete an interview with the Applicant, another adult Household member, or the Authorized Representative on the same day, when possible.
2. When the interview is not completed on the application file date, the FAA shall provide written notification to the Applicant that the Applicant shall contact the FAA to complete

an interview and shall provide clear instructions for completing the interview, including the calendar date by when the interview shall be completed.

3. The Applicant may request a home-based interview for one of the following hardship reasons:

a. The participant has a disability, is homebound, and is unable to conduct a phone interview;

b. The participant has a valid reason for not being able to conduct a phone interview or appear for an office interview; or

c. Other rare situations.

B. During the interview, an FAA representative shall:

1. Assist the Applicant in completing the application if needed.

2. Provide the Applicant with information explaining:

a. The NA program terms, conditions, and obligations;

b. Any additional verification information as prescribed in R6-14-207 that the Applicant shall provide for the FAA to conclude the eligibility determination;

c. The Department's practice of obtaining eligibility and income information through the state verification and exchange system;

d. The NA program coverage, scope, and related services that may be available to the Applicant;

e. The Applicant's rights, including the right to Appeal any Adverse Action;

f. The requirement to report changes; and

g. Any additional written information as required by USDA FNS or the state of Arizona.

3. Discuss the penalties for perjury and Fraud, as printed on the application.
4. Explain to the Applicant:
 - a. The Applicant is considered to be the Household's main point of contact unless the Applicant designates an Authorized Representative to be the point of contact;
 - b. The members required to be included in the Household for purposes of determining eligibility; and
 - c. Which Household members' income and Resources are considered available to the Household.
5. Review any verification information already provided.

C. The FAA shall provide the Household with follow-up written notification when an interview has not been completed by the calendar date indicated in the initial written notification previously sent to the Household. The Household is responsible for contacting the FAA to complete the interview before the end of the 30-day application period.

D. The FAA shall deny the application when the Applicant fails to complete an interview within the 30-day application period.

R6-14-207. ~~Expired~~ Verification of Eligibility Information.

A. The FAA shall verify the following information per [7 CFR 273.2\(f\)\(1\)](#):

1. Identity;
2. Arizona residency;
3. SSN or receipt of an application for an SSN for each Household member for whom NA Benefits is requested;
4. Questionable Information about Household composition;

5. United States citizenship or immigration status for each Household member for whom NA Benefits is requested;
6. Disability;
7. Student eligibility;
8. Gross Income that is not exempt under [7 CFR 273.2\(f\)\(1\)\(i\)](#);
9. Shelter and utility expenses if the Household wants expenses to be considered toward the NA Benefit Allotment;
10. Allowable medical expenses for Elderly or Disabled members;
11. Dependent care expenses;
12. Exemptions for ABAWD when subject to the time limit; and
13. Questionable Information or discrepancies that affect the Household's eligibility and NA Benefit level.

B. The application form shall contain a notice advising the Applicant that the FAA may contact third parties for information. The Applicant's signature on an application is deemed consent to contact.

C. The FAA shall obtain independent verification or corroboration of information provided by the Household when required by law, or when necessary to determine NA eligibility or benefit level.

D. The FAA shall verify or corroborate information by any reasonable means including:

1. Conducting a computer data match through the state verification and exchange system;
2. Contacting third parties such as employers; or

3. Asking the Applicant to provide written documentation, such as billing statements or pay stubs.

E. An Applicant shall provide the FAA with all requested verification within 10 days from the Notice Date of a written request for such information.

F. At Recertification, the FAA shall request verification when any of the events outlined in [7 CFR 273.2\(f\)\(8\)\(i\)](#) occur.

R6-14-208. ~~Expired~~ Withdrawal of Benefits Application

A. An Applicant may withdraw an application at any time by requesting a withdrawal either verbally or in writing.

B. The FAA shall send a notification to the Household to confirm the voluntary withdrawal and inform the Household of the Household's right to reapply at any time.

R6-14-209. ~~Expired~~ Processing the Benefits Application; Approval; Denials

A. The FAA shall complete the eligibility determination for an initial NA application no later than 30 days following the application date unless:

1. The Household qualifies for Expedited Service as described in R6-14-210;
2. The application is withdrawn; or
3. A delay results from an FAA request for additional verification information as provided in R6-14-207.

B. The FAA shall complete the eligibility determination for a Recertification application prior to the Effective Date of closure when the application is filed on or before the 15th of the month in which the NA Benefits expire. When filed after the 15th of the month of expiration, the FAA shall process the application according to R6-14-209(A).

- C. The FAA shall deny an NA application when the Applicant refuses to cooperate with the application process.
- D. When a Household satisfies all eligibility criteria, the FAA shall compute an NA Benefit amount, approve the application, and send the Applicant an approval notice. The approval notice shall include the amount of assistance, the length of the Certification period, an explanation of the Household's Appeal rights, and other required information per [7 CFR 273.10\(g\)\(1\)\(i\)\(A\)](#).

R6-14-210. ~~Expired~~ Expedited Service

- A. The FAA shall screen new applications for Expedited Service per [7 CFR 273.2\(a\)\(2\)](#).
- B. To be eligible for Expedited Service, the Household shall meet one of the following criteria:
 - 1. The Household has a monthly gross income of less than \$150 and total liquid resources of \$100 or less.
 - 2. The Household's combined monthly gross income and liquid resources are less than their monthly rent or mortgage, and utility allowance to which the Household is entitled under program regulations.
 - 3. The Household is a destitute migrant or seasonal farmworker Household as defined in [7 CFR 273.10\(e\)](#) and their liquid resources do not exceed \$100.
- C. The Household shall have an EBT Card and PIN available to the Household no later than the seventh day following the date the NA application was filed.
- D. A Household entitled to Expedited Service shall have NA Benefits posted to the Household's EBT Card no later than the seventh day following the application date.

- E.** The FAA shall verify the Applicant’s identity before the issuance of NA Benefits. Verification of all other eligibility factors may be postponed.
- F.** The FAA shall issue expedited NA Benefits for an application received:
1. From the 1st through the 15th of the application month, NA Benefits shall be issued for the month of application; and
 2. After the 15th of the application month, NA Benefits shall be issued for the application month and the month after.
- G.** A Household shall provide all requested verification no later than 30 days from the application date. The FAA shall redetermine the Household’s eligibility and NA Benefit Amount past the expedited months of NA Benefits based on the verification provided by the Household.

ARTICLE 3. NON-FINANCIAL ELIGIBILITY CRITERIA

R6-14-301. Definitions and Location of Definitions

- A.** Location of Definitions. Definitions applicable to Article 3 are found in the following:

<u>"Able-Bodied Adult Without Dependents" or "ABAWD"</u>	<u>R6-14-101(B)</u>
<u>“Alien Registration Number”</u>	<u>R6-14-301(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Disabled”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>

<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Institution of Higher Education”</u>	<u>R6-14-101(B)</u>
<u>“Lead Participant”</u>	<u>R6-14-101(B)</u>
<u>“Noncitizen”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Qualified Healthcare Professional”</u>	<u>R6-14-101(B)</u>
<u>"Qualified Noncitizen"</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Disability Insurance” or “SSDI”</u>	<u>R6-14-301(B)</u>
<u>"Student"</u>	<u>R6-14-101(B)</u>
<u>“Voluntary Quit or Reduction in Work Effort”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 3:

1. “Alien Registration Number” means a unique number assigned to a Noncitizen by the U.S. Department of Homeland Security.
2. “Social Security Disability Insurance” or “SSDI” means disability benefits provided under Title II of the Social Security Act and administered by the SSA paid to eligible disabled persons, as well as to certain disabled dependents of eligible disabled persons.

R6-14-302. Non-Financial Eligibility Criteria and Applicant Responsibility

A. A Household shall satisfy all applicable criteria in Article 3 to qualify for NA Benefits.

B. An Applicant or Household member shall cooperate with the FAA as a condition of initial and continuing eligibility. The Applicant or Household member shall:

1. Provide the FAA complete and truthful information;
 2. Inform the FAA of all changes in income, assets, or other Household circumstances affecting eligibility or NA Benefit amount within the timeframes required by the change reporting method assigned to the Household; and
 3. Comply with all the FAA's procedural requirements.
- C. The FAA shall not impose sanctions for failure to comply with a procedural requirement about which the FAA has not advised the Applicant or Recipient in writing.

R6-14-303. Residency

- A. The FAA shall determine eligibility of a Household in which all members are Arizona residents.
- B. An Arizona resident is a person who:
1. Lives in Arizona at the time of completing an application; and
 2. Is not receiving public assistance from another state.
- C. A person terminates Arizona residency by leaving Arizona with the intent to live elsewhere.

R6-14-304. Citizenship and Legal Immigration Status

- A. To qualify for NA Benefits, a Household member shall be a U.S. citizen or a Qualified Noncitizen under [7 CFR 273.4\(a\)](#).
- B. The FAA shall verify U.S. citizenship status or immigration status of Household members for whom NA Benefits are requested. To verify the immigration status of a Noncitizen Household member for whom NA Benefits are requested:

1. The Household shall provide the FAA the Alien Registration Number issued by the U.S. Department of Homeland Security/U.S. Citizenship and Immigration Services, its predecessor or successor; and
2. The FAA shall obtain verification of the legal immigration status from the U.S. Department of Homeland Security/U.S. Citizenship and Immigration Services by using the automated Systematic Alien Verification for Entitlements program.

C. A Noncitizen who is not a Qualified Noncitizen is ineligible for NA Benefits. A Noncitizen who is not a Qualified Noncitizen may serve as the primary payee for the eligible Household members, but the FAA shall exclude the ineligible Noncitizen's needs from the NA Benefit amount.

R6-14-305. Social Security Number

- A. An Applicant shall provide an SSN or verification of having applied for an SSN only for each Household member for whom NA Benefits have been requested. If a Household member does not have an SSN, the FAA shall refer the Household member to a Social Security office.
- B. The FAA shall confirm the validity of an SSN through crossmatching with the SSA.
- C. If a Household member does not provide a valid SSN or proof of having applied for an SSN, the FAA shall disqualify the Household member from NA Benefits unless Good Cause exists.
- D. For Good Cause to exist, documentary evidence or collateral information shall indicate that the Household member has applied for an SSN or made every effort to supply the SSA with

the necessary information to complete an application for an SSN. Good Cause reasons do not include delays due to illness, lack of transportation, or temporary absences.

E. If a Household member establishes Good Cause, the FAA shall allow the Household member to participate for the initial month of NA Benefits application and one following month, after which the Household member shall establish Good Cause monthly for the Household member to continue to be eligible for NA Benefits.

R6-14-306. Students

A. An individual, at least 18 but under age 50, enrolled at least half-time in an Institution of Higher Education shall be ineligible to participate in NA Benefits unless the individual is exempt for at least one of the reasons in R6-14-306(B).

B. A Student is potentially eligible for NA Benefits when the Student:

1. Is employed and paid for at least 80 hours in a 30-day period;
2. Is self-employed at least 20 hours per week and receives weekly earnings equal to the federal minimum wage multiplied by 20 hours.
3. Is participating in a state or federally funded work-study program and receives earnings or tuition credit for the work performed;
4. Attends school as part of a Department approved job training program or a program authorized by [19 U.S.C. 2296](#);
5. Receives CA Benefits or supportive services;
6. Is physically or mentally unfit;
7. Is responsible for the care of a Household member under age 6.

8. Is responsible for the care of a Household member between the ages of 6 and 11 for whom adequate childcare is not available; or
9. Is a single parent or single caretaker enrolled full-time and responsible for the care of a child under age 12.

R6-14-307. Verification of Disability

A. To verify that a Household member is a Disabled Household member, the FAA shall obtain, or the Household shall provide, verification that the Household member:

1. Receives SSDI;
2. Receives SSI due to blindness or disability;
3. Receives federal or state-administered supplemental assistance under the Social Security Act, [42 U.S.C. 1382](#) note;
4. Receives retirement benefits from a governmental agency because of a disability considered permanent under the Social Security Act, [42 U.S.C. 421](#);
5. Receives disability benefits administered by the U.S. Department of Veterans Affairs (VA) for a service-connected or non-service-connected disability and the disability is rated as total, or paid at the total rate by the VA;
6. Is a veteran considered by the VA to need regular aid and attendance or permanently housebound under [38 U.S.C. 1502\(b\) and \(c\)](#);
7. Is a surviving spouse of a veteran and considered by the VA to need regular aid and attendance or permanently housebound, or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support under [38 U.S.C. 1502\(b\) and \(c\)](#);

8. Is a surviving spouse or surviving child of a veteran who receives compensation for a service-connected death or pension benefits for a non-service-connected death under 38 U.S.C. 1311, and has a disability considered permanent under the Social Security Act, 42 U.S.C. 421;
9. Receives a railroad retirement disability annuity under the Railroad Retirement Act of 1974, 45 U.S.C. 231a, and has been determined to qualify for Medicare; or
10. Receives interim assistance benefits pending the receipt of SSI or disability-related medical assistance under the Social Security Act, 42 U.S.C. 1396a; or disability-based state general assistance benefits.

B. When an Elderly and Disabled Household member requests NA Benefits as a separate Household, the FAA shall:

1. Consider the Household member to be Disabled without requiring further verification and shall allow the member to request NA Benefits as a separate Household when it is self-evident that the Household member is unable to purchase and prepare meals due to a severe Physical or Mental Impairment; or
2. Allow the member to request NA Benefits as a separate Household when the Household member provides the FAA verification from a Qualified Healthcare Professional that:
 - a. The Elderly Household member has a disability considered permanent under the Social Security Act or a non-disease-related, severe, permanent disability; and
 - b. The Household member is unable to purchase and prepare meals.

R6-14-308. Time Limit for ABAWDs

A. An ABAWD Household member is limited to three countable months of NA Benefits as defined in [7 CFR 273.24\(b\)\(1\)](#) within a three-year period as determined by the FAA. The three-month time limit does not apply to an ABAWD Household member who:

1. Is working no less than 80 hours per month unless the member missed work temporarily for Good Cause and remains employed. Good Cause includes:
 - a. Personal illness or another Household member's illness requiring the person to miss work;
 - b. A Household emergency; or
 - c. Unavailability of transportation.
2. Is participating in and complying with the requirements of a work program under [7 CFR 273.24\(a\)\(3\)](#), 20 hours per week, averaged monthly, or a minimum of 80 hours per month.
3. Is complying with any combination of subsections (1) and (2) for 20 hours per week, averaged monthly, or a minimum of 80 hours per month.
4. Meets a time limit exception under [7 CFR 273.24\(c\)](#) and applicable federal law.
5. Is exempt under a current ABAWD waiver approved by USDA FNS.

B. An ABAWD whose NA eligibility has ended due to reaching the three-month time limit may regain NA eligibility and receive NA benefits prorated to the date of compliance when during any 30 consecutive days, the ABAWD:

1. Has worked 80 hours or more;
2. Has participated in and complied with the requirements of a work program under [7 CFR 273.24](#) for 80 hours or more;

3. Has performed a combination of work and participation in a work program under 7 CFR 273.24 for 80 hours or more; or
4. Becomes exempt under 7 CFR 273.24(c).

R6-14-309. Voluntary Quit or Reduction in Work Effort

A. Voluntary Quit or Reduction in Work Effort occurs when a Household member:

1. Terminates employment from a job in which the Household member:
 - a. Was employed at least 30 hours per week; or
 - b. Earned weekly income equal to the current federal minimum wage multiplied by 30 hours per week.
2. Reduces the number of hours worked each week from 30 or more to less than 30.

B. The FAA shall disqualify the entire Household when a Household member designated as the Lead Participant voluntarily quits or reduces work effort within 30 days before, or any time after, the application date without Good Cause.

C. When a Household member who is not designated as the Lead Participant voluntarily quits or reduces work effort within 30 days before, or any time after the application date without Good Cause, the FAA shall disqualify the noncompliant Household member and issue NA benefits only for the remaining Household members for the duration of the disqualification period.

D. The FAA shall consider a Household member who is an employee of local, state, or federal government, and who participates in a strike against the government and is dismissed from their job because of participation in the strike, to have voluntarily quit their job without Good Cause under 7 CFR 273.7(j)(3)(ii).

E. The disqualification periods for a Voluntary Quit or Reduction in Work Effort are:

1. One month for the first offense;
2. Three months for the second offense; and
3. Six months for the third and subsequent offenses.

F. The disqualification period for a Voluntary Quit or Reduction in Work Effort applies to all Household members who are not exempt from work requirements as provided in R6-14-802. A Household member who is exempt from work requirements because of employment is not exempt from this rule.

G. Good Cause for a Voluntary Quit or Reduction in Work Effort includes:

1. Circumstances beyond a Household member's control, such as illness of another person in the Household requiring the member's presence, unavailability of transportation, unanticipated emergency, unsuitability of work, or the lack of adequate childcare for children who have reached age 6 but are under age 12.
2. A Household member's inability to write or speak a language necessary for employment.
3. Discrimination by an employer based on age, disability, equal pay/compensation, genetic information, harassment, national origin, pregnancy, race/color, religion, sex, sexual harassment, sexual orientation, or gender identity.
4. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule.
5. Resignation by a Household member under age 60 who is recognized by the employer as retired.

6. Acceptance of new employment of comparable hours and salary to the job that a Household member quit, which, through no fault of the member, subsequently:
 - a. Employment opportunity is rescinded,
 - b. Results in a layoff,
 - c. Results in employment of less than 30 hours per week, or
 - d. Results in weekly earnings of less than the federal minimum wage multiplied by 30 hours.
7. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another, such as migrant farm labor or construction work.
8. Employment or employment opportunity that does not meet the description of suitable employment in [7 CFR 273.7\(h\)](#).

R6-14-310. Felony Drug Conviction; Reinstatement of Eligibility

A Household member convicted of a felony offense that has an element of possession, use, or distribution of a controlled substance occurring after August 22, 1996, shall have the disqualification removed when the Household member has met one of the criteria outlined in [A.R.S. § 46-219](#).

ARTICLE 4. FINANCIAL ELIGIBILITY: RESOURCES

R6-14-401. Definitions and Location of Definitions

Location of Definitions. Definitions applicable to Article 4 are found in the following::

<u>“Adverse Action”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Categorically Eligible”</u>	<u>R6-14-101(B)</u>

<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Noncitizen Sponsor”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Resource”</u>	<u>R6-14-101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>

R6-14-402. Resources; Limitations

- A. A Categorically Eligible Household is exempt from the Resource limits in Article 4.**
- B. To be eligible for NA benefits, the value of the countable Resources of a Household that is not Categorically Eligible shall not exceed the resource limit as defined in [7 CFR 273.8](#). Resource limits are reviewed and adjusted annually by USDA FNS. The amounts are updated in the FAA's automated eligibility system and published on the Department website.**

R6-14-403. Resources; Ownership and Availability

- A. The FAA shall consider Resources that belong to any Household member unless the Resource is excluded.**
- B. The FAA shall deem the Resources belonging to a Noncitizen Sponsor as available to the Household, as provided in R6-14-503.**
- C. The FAA shall consider Resources jointly owned by separate Households as available in the Resources’ entirety to each Household unless:**
 - 1. The Household verifies that the Household does not have full access to the Resource, in which case only the portion to which the Household has access shall be countable; or**

2. The Household verifies that the Household does not have any access to the Resource, in which case the Resource shall not be countable.

D. In determining the Resources of a Household, the FAA shall exclude the Resources listed in [7 CFR 273.8\(e\)](#).

R6-14-404. Transfer of Resources

A. The FAA shall disqualify a Household that knowingly transfers Resources to qualify or attempt to qualify for NA Benefits from participation in the program for up to one year. The FAA shall apply the disqualification period when Resources are transferred during the three months before application or when the Resources are obtained and transferred after the Household is determined eligible for NA Benefits.

B. The disqualification period for Household members applying for NA Benefits shall begin in the month of application.

C. When a Household receives a notice of Adverse Action, the disqualification period for Household members already receiving NA Benefits shall begin in the month of the first NA Benefits to be issued after the notice of Adverse Action has expired unless the Household has requested a Fair Hearing and continued benefits.

D. The FAA shall determine the duration of the disqualification period, as specified in [7 CFR 273.8\(h\)\(4\)](#) based on the amount by which nonexempt transferred Resources when added to other countable Resources, exceed the allowable Resource limits.

ARTICLE 5. FINANCIAL ELIGIBILITY: INCOME

R6-14-501. Definitions and Location of Definitions

A. Location of Definitions. Definitions applicable to Article 5 are found in the following:

<u>“Affidavit of Support”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Certification”</u>	<u>R6-14-101(B)</u>
<u>“CNAP Manual”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Earned Income”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Federal Poverty Level” or “FPL”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Gross Income”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Indigent”</u>	<u>R6-14-501(B)</u>
<u>“Lawful Permanent Resident” or “LPR”</u>	<u>R6-14-501(B)</u>
<u>“Noncitizen”</u>	<u>R6-14-101(B)</u>
<u>“Noncitizen Sponsor” or “Sponsor”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Overpayment”</u>	<u>R6-14-101(B)</u>
<u>“Projected Income”</u>	<u>R6-14-501(B)</u>
<u>“Qualified Noncitizen”</u>	<u>R6-14-101(B)</u>
<u>“Resources”</u>	<u>R6-14-101(B)</u>
<u>“Self-Employment Income”</u>	<u>R6-14-101(B)</u>
<u>“Unearned Income”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 5:

1. "Indigent" means a sponsored Noncitizen who is unable to obtain food and shelter taking into account the Noncitizen's own income plus any cash, food, housing, or other assistance provided by other persons, including the Sponsor(s).
2. "Lawful Permanent Resident" or "LPR" means an immigrant who has been granted authorization by the U.S. Citizenship and Immigration Service to live and work in the United States permanently.
3. "Projected Income" means an estimate of income that a Household is reasonably certain to receive in a specific month, the actual amount of which is unknown but is estimated from available and reliable information.

R6-14-502. Income; In General

- A. The FAA shall treat all income following the provisions of [7 CFR 273.9](#), [7 CFR 273.10](#), [7 CFR 273.11](#), and Article 5 when determining the income eligibility and NA Benefit amount for a Household.
- B. The FAA shall not count the income listed in [7 CFR.273.9\(c\)](#) in determining eligibility and NA Benefit amount.
- C. The FAA shall determine eligibility and NA Benefit amount using sources of Household income received or reasonably certain to be received, including Earned Income, Self-Employment Income, and Unearned Income.
- D. The FAA shall verify all income before determining eligibility and an NA Benefit amount.

R6-14-503. Special Income Provisions: Sponsored Noncitizens

- A. The FAA shall consider the income and Resources of the Sponsor and the Sponsor's spouse as available to the sponsored Qualified Noncitizen and their household and shall be counted per 7 CFR 273.4(c)(2), except when conditions described in 7 CFR 273.4(c)(3) exist.
- B. When the Sponsor's income and Resources are countable, the FAA shall determine whether the Household is Indigent.
1. When determining the amount of Unearned Income included in the calculation, the FAA shall include:
 - a. The actual amount of cash contributions received from the Sponsor;
 - b. The cash value of food, clothing, shelter, and utilities provided by the Sponsor; and
 - c. The cash value of Vendor Payments made by the Sponsor.
 2. When the countable income is below 130% of the FPL, the Household is considered Indigent.
 3. When the Household is determined to be Indigent, the FAA shall not include the Sponsor's income and Resources in the Household's income. The FAA shall count only the actual cash contributions received from the Sponsor as income available to the Household when determining a Household's NA Benefit amount.
- C. When a Household includes both a sponsored Noncitizen and other members, and the provisions of this Section render the Household ineligible, the FAA shall:
1. Disqualify the sponsored Noncitizen and determine the other Household members' eligibility without considering the Sponsor's income and Resources; and
 2. Compute the Household's NA Benefit amount excluding the sponsored Noncitizen member's needs from the computation.

D. Verification and Cooperation

1. The FAA shall assist the Household in obtaining any verification of the Sponsor's income, Resources, or other information.
2. When the Household refuses to provide information needed to determine the Sponsor's income and Resources:
 - a. All sponsored Noncitizens in the Household shall be ineligible for NA Benefits.
 - b. The other Household members may be eligible if the members meet all other eligibility factors.

E. The Household shall report:

1. A change in Sponsor;
2. A change in income due to a change in or loss of the Sponsor or the Sponsor's spouse's employment; and
3. The Sponsor's death.

F. Overpayments. The Sponsor and the Noncitizen are jointly liable for any Overpayment caused by the provision of incorrect or incomplete information unless the Sponsor had Good Cause that would make the Noncitizen solely liable. Good Cause includes:

1. The FAA's failure to inform the Household or the Sponsor that the information was necessary; or
2. Extenuating personal circumstances preventing the Sponsor from providing necessary information.

R6-14-504. Determining Monthly Income

- A. For each person in the Household with income, the FAA shall determine the monthly income reasonably certain to be received during the Certification period under 7 CFR 273.10(c).
- B. Household income shall include income that the Household, or a person whose income is considered available to the Household, has received and is reasonably certain to receive in an NA Benefit Month.
- C. The FAA shall include all Gross Income from every source available to the Household when calculating a Household's income unless specifically excluded in 7 CFR 273 et seq., or other applicable federal or state law, and Article 5 of this Chapter.
- D. The FAA shall convert income received more frequently than monthly into a monthly amount as follows:
 - 1. Multiply the average weekly amounts by 4.3;
 - 2. Multiply the average bi-weekly amounts by 2.15; or
 - 3. Multiply the average semi-monthly amounts by 2.
- E. The FAA shall determine a new calculation of Projected Income:
 - 1. At each review for the Household; and
 - 2. When there is a reported change in any Household member's income or in any person's income considered available to the Household.

ARTICLE 6. DEDUCTIONS AND EXPENSES

R6-14-601. Definitions and Location of Definitions

A. Location of Definitions. Definitions applicable to Article 6 are found in the following::

<u>“Available Resources”</u>	<u>R6-14-601(B)</u>
<u>“CNAP Manual”</u>	<u>R6-14-101(B)</u>

<u>“Disabled”</u>	<u>R6-14-101(B)</u>
<u>“Earned Income”</u>	<u>R6-14-101(B)</u>
<u>“Elderly”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Fraud”</u>	<u>R6-14-101(B)</u>
<u>“Gross Income”</u>	<u>R6-14-101(B)</u>
<u>“Homeless”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Net Income”</u>	<u>R6-14-101(B)</u>
<u>“Self-Employment Income”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-14-101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>
<u>“Vendor Payments”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 6:

1. “Available Resources” means money, goods, or services that a Household can use and in which the Household has a legal interest including a liquidated sum accessible to the Household for support and maintenance.

R6-14-602. ~~Expired~~ Treatment of Deductions and Expenses; In General

- A. The FAA shall subtract allowable deductions from total Gross Income to determine the Household's monthly Net Income when expenses are incurred by the Household.
- B. The FAA shall determine deduction amounts based on allowable expenses, under the provisions of [7 CFR 273.9](#), [7 CFR 273.10](#), and Article 7.

R6-14-603. ~~Expired~~ Deductions from Monthly Income

- A.** The FAA shall apply a standard deduction as contained in [7 CFR 273.9\(d\)\(1\)](#), which amount is established annually by USDA FNS.
- B.** The FAA shall apply a standard 40% deduction to a Household's monthly gross Self-Employment Income when at least one allowable business expense listed in [7 CFR 273.11\(b\)](#) is verified.
- C.** The FAA shall apply a 20% deduction of gross nonexempt Earned Income for each Household member with Earned Income or Self-Employment Income.

 - 1.** The 20% deduction shall apply to income earned by the ineligible or disqualified member and attributed to the Household.
 - 2.** The Earned Income deduction shall not be applied to any portion of income earned under a work supplementation or work support program that is attributable to a federal, state, or local public assistance program.
- D.** The FAA shall not deduct allowable expenses that are covered by Vendor Payments or reimbursements, such as insurance.

R6-14-604. ~~Expired~~ Allowable Shelter and Utility Expense Deduction

- A.** The FAA shall allow an excess shelter deduction for a Household whose total monthly shelter cost, as described in R6-14-604(D), exceeds 50% of the Household's income after all other deductions have been applied. The amount of the excess shelter deduction cannot exceed the maximum shelter deduction amount as determined by USDA FNS under [7 CFR 273.9\(d\)\(6\)\(ii\)](#), except when the Household has a member who is either Elderly or Disabled.

B. The FAA shall allow shelter costs paid by or billed to a Household member who is disqualified for Fraud as a deduction in the shelter costs' entirety. Shelter costs paid by or billed to a Household member who is ineligible due to immigration status or for failure to provide an SSN shall be divided evenly among all Household members and the ineligible person. All except the ineligible Household member's divided share shall be counted as a Household shelter cost.

C. Shelter costs include:

1. Continuing charges for the shelter, including rent, mortgages, property taxes, homeowner or renter insurance for the structure, association fees, or other continuing charges leading to the shelter's ownership; and
2. One of the following applicable utility allowances approved annually by USDA FNS when the Household's utility expenses are billed separately from their rent or mortgage:
 - a. Standard utility allowance based on the size of the Household when the Household incurs heating or cooling expenses;
 - b. Limited utility allowance based on the size of the Household when the Household incurs at least two utility expenses but no heating or cooling expenses; or
 - c. Telephone utility allowance when the Household incurs only telephone costs and does not have any other utility expense.

D. The FAA shall use a standard estimate of shelter expenses as described in [7 CFR 273.9\(d\)\(6\)\(i\)](#) for a Household in which all Household members are Homeless and are not receiving free shelter throughout the calendar month. A Homeless Household that does not incur shelter costs during the month shall not be eligible for the Homeless shelter deduction.

R6-14-605. ~~Expired~~ Dependent Care and Child Support Expense

- A.** The FAA shall apply a dependent care deduction for payments for the care of a Household member who is a child under age 18 or an incapacitated person of any age, that is necessary to enable another Household member to accept or continue employment, to seek employment in compliance with job search criteria, or to attend training or pursue education to prepare for employment. The FAA shall determine the amount of the deduction using the actual costs for care per month for each dependent Household member that are not already paid by another source on the Household's behalf. The FAA shall allow the cost of care provided by a relative who is not a member of the same Household as the person receiving the care.
- B.** The FAA shall allow a court-ordered child support payment made by a Household member to a non-Household member as an expense.

R6-14-606. ~~Expired~~ Excess Medical Expense

As prescribed in [7 CFR 273.9\(d\)\(3\)](#), when the total monthly allowable medical expenses of all Elderly or Disabled members in a Household that are not reimbursed by insurance or a third party exceeds the monthly threshold amount, the Household may be entitled to one of the following medical expense deductions:

1. A standard medical deduction in an amount approved by the USDA FNS; or
2. [The total medical expenses minus the monthly threshold amount described in 7 CFR 273.9\(d\)\(3\)](#) when the total medical expenses exceed the standard medical deduction amount approved by USDA FNS. The Household shall provide verification of the medical expenses that result in a deduction that is higher than the standard medical deduction amount.

R6-14-607. ~~Expired~~ Expenses Exceed Household Income

- A. Expenses exceed Household income when the Household reports expenses that are more than the reported Gross Income and Available Resources.
- B. A Household in which living expenses exceed the income and Available Resources shall provide an explanation or documentation showing how the Household is meeting expenses.

ARTICLE 7. ELIGIBILITY DETERMINATION

R6-14-701. Definitions and Location of Definitions

Location of Definitions. Definitions applicable to Article 7 are found in the following:

<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Benefit Month”</u>	<u>R6-14-101(B)</u>
<u>“Categorically Eligible”</u>	<u>R6-14-101(B)</u>
<u>“Certification”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Disabled”</u>	<u>R6-14-101(B)</u>
<u>“Elderly”</u>	<u>R6-14-101(B)</u>
<u>“Expedited Service”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Federal Poverty Level” or “FPL”</u>	<u>R6-14-101(B)</u>
<u>“Gross Income”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Net Income”</u>	<u>R6-14-101(B)</u>

<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Resource”</u>	<u>R6-14-101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>

R6-14-702. Eligibility for a Household

- A.** The FAA shall determine NA eligibility for a specific Benefit Month based on verification of all non-financial and financial criteria that exist and are reasonably certain to occur, for that month.
- B.** The FAA shall determine a Household eligible for NA Benefits when the Household:
1. Satisfies the nonfinancial eligibility criteria described in Article 3;
 2. Does not exceed the Resource limits described in Article 4; and
 3. Does not exceed the income eligibility standards described in Article 7.

R6-14-703. Income Eligibility Standards

- A.** The FAA shall determine income eligibility based on the Household’s income sources and composition.
- B.** The monthly Gross Income eligibility standard is 130% of the FPL.
- C.** The monthly Net Income eligibility standard is 100% of the FPL.
- D.** A Categorically Eligible Household as described in R6-14-101(B)(15) is deemed to have met the monthly Gross Income eligibility standard and the Net Income eligibility standard.

R6-14-704. Households with Ineligible Household Members

A. The FAA shall exclude ineligible Household members described in Article 2 when determining the NA Benefit Allotment and the appropriate income eligibility standard maximum or level of NA Benefits.

B. The FAA shall count Resources, income, and expenses of ineligible Household members described in Article 2 in determining eligibility and the NA Benefits for the remaining Household members.

R6-14-705. Certification Period

The FAA shall assign the Certification period based on the Household circumstances using the following criteria:

1. A 24-month approval period is assigned when no Household member receives earned income or self-employment income and when all Household members under age 60 have a disability that meets the NA program criteria;
2. A 36-month approval period is assigned when a Household is approved for the [Elderly Simplified Application Project \(ESAP\)](#); or the [Arizona Simplified Nutrition Assistance Program \(AZSNAP\)](#); and
3. All other Households are assigned a 12-month approval period.

R6-14-706. Notice of Eligibility

A. The FAA shall determine eligibility and send a notice as soon as possible, but no later than 30 days after the application date, to a Household eligible for NA Benefits that includes:

1. The NA Benefit amount the Household is eligible to receive for the initial month of application and ongoing months;
2. The beginning and ending dates of the Certification period;

3. Any additional information required from a Household that received Expedited Service in which verification was postponed as described in Article 2;
4. Change reporting responsibilities as described in Article 9;
5. The Household's right to an Appeal as described in Article 12;
6. The Department's contact information when the Household requires assistance; and
7. Information for free legal representation.

B. If the FAA determines a Household is ineligible to receive NA Benefits, the FAA shall send a notice to the Household that includes:

1. The reasons for the Household's ineligibility;
2. The time limit to provide information requested by the FAA but not provided by the Household;
3. The Household's right to an Appeal as described in Article 12;
4. The Department's contact information; and
5. Information for free legal representation.

ARTICLE 8. WORK REQUIREMENTS

R6-14-801. Definitions and Location of Definitions

Location of Definitions. Definitions applicable to Article 8 are found in the following:

<u>"Benefit" or "Benefit Allotment"</u>	<u>R6-14-101(B)</u>
<u>"Department"</u>	<u>A.R.S. § 41-1951</u>
<u>"Family Assistance Administration" or "FAA"</u>	<u>R6-14-101(B)</u>
<u>"Good Cause"</u>	<u>R6-14-101(B)</u>
<u>"Household"</u>	<u>R6-14-101(B)</u>

<u>“Institution of Higher Education”</u>	<u>R6-14-101(B)</u>
<u>“Lead Participant”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Physical or Mental Impairment”</u>	<u>R6-14-101(B)</u>
<u>“SNAP”</u>	<u>R6-14-101(B)</u>

R6-14-802. Work Requirements

A. A Household member between the ages of 16 and 59 shall comply with the work requirements stated in [7 CFR 273.7](#) when not qualified for an exemption under R6-14-802(C).

B. The FAA shall identify Household members who shall meet the work requirements:

1. Before initial approval for NA Benefits;
2. Before being added to the Household for ongoing cases;
3. Every 12 months for ongoing NA Benefits; and
4. When a change occurs in which a previously exempt Household member no longer qualifies for an exemption.

C. Household members qualify for an exemption from work requirements when the Household member is:

1. Age 16 or 17 and:
 - a. Not an NA Lead Participant; or
 - b. Attends school at least half-time as determined by the school; or
 - c. Is enrolled in an employment training program at least half-time as determined by the program.

2. A parent or caregiver who is responsible for the care of a Household member under age 6, or a person of any age who has a Physical or Mental Impairment.
3. Employed or self-employed and is working a minimum of 30 hours per week or earning weekly wages equal to or above the federal minimum wage multiplied by 30 hours.
4. Receiving unemployment insurance, has applied for unemployment insurance, or is appealing an unemployment insurance decision.
5. Enrolled at least half-time in high school, an Institution of Higher Education, or a training program as determined by the school.
6. Unable to work due to a Physical or Mental Impairment.
7. Regularly participating in a drug addiction or alcohol treatment rehabilitation program.
8. A person subject to and complying with any work requirement under Title IV of the Social Security Act.

R6-14-803. Noncompliance with Work Requirements and Good Cause

- A. The FAA shall disqualify a Household when the nonexempt Household member designated as the NA Lead Participant fails to comply with work requirements without Good Cause.
- B. The failure of a nonexempt Household member who is not an NA Lead Participant to comply with work requirements without Good Cause shall result in the noncompliant Household member's disqualification.
- C. The disqualification period shall be:
 1. One month for the first occurrence;
 2. Three months for the second occurrence; and
 3. Six months for the third and subsequent occurrences.

D. Good Cause for failure to comply with work requirements includes:

1. A Household member's illness.
2. Illness of another Household member requiring the Household member's presence.
3. Lack of transportation with no reasonable alternative.
4. Weather conditions that make walking or other forms of transportation unreasonable.
5. Inability to perform activities related to employment, including:
 - a. Unsafe worksite conditions;
 - b. Physical demands of the job;
 - c. Lack of skills, aptitude, or knowledge of the job; or
 - d. Vacancy of the job due to strike, lockout, or other bona fide labor dispute.
6. Unavailable or inadequate childcare based on the child's needs.
7. Other circumstances beyond the Household member's control.

R6-14-804. SNAP Employment & Training (SNAP E&T) Program

- A. The FAA shall inform the Household member of the option to volunteer to participate in the SNAP E&T program, known in Arizona as the SNAP Career Advancement Network or "SNAP CAN" program.
- B. A Household member's participation in certain SNAP CAN activities may meet the NA work requirements.

ARTICLE 9. CHANGES

R6-14-901. Definitions and Location of Definitions

- A. Location of Definitions. Definitions applicable to Article 9 are found in the following:

"Able-Bodied Adult Without Dependents" or "ABAWD"

R6-14-101(B)

<u>“Adequate Notice”</u>	<u>R6-14-901(B)</u>
<u>“Adverse Action”</u>	<u>R6-14-101(B)</u>
<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>
<u>“Authorized Representative”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Cash Assistance” or “CA”</u>	<u>R6-14-101(B)</u>
<u>“Certification”</u>	<u>R6-14-101(B)</u>
<u>“Crossmatch Report”</u>	<u>R6-14-901(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Disabled”</u>	<u>R6-14-101(B)</u>
<u>“Effective Date”</u>	<u>R6-14-101(B)</u>
<u>“Elderly”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Gross Income”</u>	<u>R6-14-101(B)</u>
<u>“Hearing” or “Fair Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Hearing Officer”</u>	<u>R6-14-101(B)</u>
<u>“Homeless”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Intentional Program Violation” or “IPV”</u>	<u>R6-14-101(B)</u>
<u>“Mid-Approval Contact”</u>	<u>R6-14-901(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>

<u>“Overpayment”</u>	<u>R6-14-101(B)</u>
<u>“Questionable Information”</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Unclear Information”</u>	<u>R6-14-901(B)</u>
<u>“Verified Upon Receipt”</u>	<u>R6-14-901(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 9:

1. “Crossmatch Report” means an interface with other sources.
2. “Adequate Notice” means a notice that explains the Department's intended action, the reason for the action, the specific authority for the action, and the Recipient’s Appeal rights, and that is mailed in advance of the Effective Date of the action.
3. "Mid-Approval Contact" means a report that a Household certified for 12 months or more is required to complete halfway through its Certification period to communicate whether changes have occurred in residential address, Household composition, income or income sources, court-ordered child or medical support, and decrease in work hours below 80 hours for ABAWDs; and to report lottery or gambling winnings from a single game that are equal to or greater than the maximum allowable resource limit for a Household with Elderly or Disabled members.
4. “Unclear Information” means information that is not verified, or information that is verified but the state needs additional information to act on the change per [7 CFR 273.12\(c\)\(3\)](#).

5. “Verified Upon Receipt” means the information received by the Department is clear, came from a primary source of information, and is sufficient to allow the Department to determine its effect on the Household’s NA eligibility and Benefit Amount.

R6-14-902. Change Reporting Timeframes

- A. During the eligibility interview, all Applicants shall report any changes that have occurred from the application date through the interview date.
- B. After the approval of NA Benefits, a Household shall report all changes required to be reported no later than the 10th day of the month following the month the change occurred.

R6-14-903. Changes Required to be Reported

A Household shall report changes when:

1. The Household’s monthly Gross Income exceeds 130% of the current FPL for the Household size as determined at approval regardless of subsequent changes;
2. An ABAWD participant’s work hours fall below the required 80 hours per month; or
3. A Household member has lottery or gambling winnings from a single game equal to or greater than the resource limit for a Household with Elderly or Disabled members as determined by USDA FNS under [7 CFR 273.8\(b\)](#) before taxes and other withholdings.

R6-14-904. Change Reporting Methods and Other Sources

- A. A Household may report a change to the FAA in person or by mail, fax, telephone, or online.
- B. The FAA may also receive reported changes to a Household’s circumstance from:
 1. A crossmatch with another agency;
 2. A Crossmatch Report provided to the Department; or
 3. A third party.

R6-14-905. Mid-Approval Contact

- A. At least 30 days before the middle of the Certification period, the FAA shall mail a notice advising the Household of the requirement to complete the Mid-Approval Contact form and instructions for completing the form. FAA shall mail a second notice when the Household does not respond or submits an incomplete response by the date specified on the first notice.**
- B. When the Household fails to respond to the second notice within 10 days from the date specified in the notice, the FAA shall notify the Household in writing of the failure to respond, and the date NA Benefits will terminate, allowing for Adequate Notice.**
- C. When NA Benefits have terminated for failure to comply with the Mid-Approval Contact requirement, and the Household completes the Mid-Approval Contact within 30 days after termination, the FAA shall reopen the case and authorize NA Benefits for eligible Households. The FAA shall prorate the Household's NA Benefit amount for the first month based on the number of days remaining in the month after the date of compliance with the Mid-Approval Contact requirement.**

R6-14-906. FAA Actions on Reported Changes

- A. When a Household reports a change on the Mid-Approval Contact form, the FAA shall send a request for verification, when needed, and effect the changes.**
- B. The FAA shall send a request for verification to the Household and allow the Household at least 10 days from the date of the request to provide verification when:**

 - 1. The reported change contains Questionable Information;**
 - 2. The reported change contains Unclear Information that directly conflicts with information that was available and used by the FAA at the time of Certification, or the Unclear**

Information is a change that the Household is required to report and the change occurred less than 60 days from the date the FAA received the Unclear Information; or

3. The reported change contains Unclear Information that could potentially increase the Household's Benefit Allotment.

C. The FAA shall immediately send a notice to the Household to verify a match received from a prison verification system or a deceased person matching system.

D. The FAA shall redetermine a Household's eligibility or the NA Benefit Allotment when the change reported by the Household already contains sufficient information to effect the change, or when the change reported by a source listed in R6-14-904(B) is clear and Verified Upon Receipt.

E. The FAA shall postpone verification of any Unclear Information until the Household's Mid-Approval Contact or Recertification unless the Unclear Information meets the criteria described in R6-14-906(B)(2);

F. The FAA shall process all changes affecting NA eligibility and Benefit Allotment resulting from federal or state legislative or regulatory changes.

R6-14-907. Effecting Changes

A. The FAA shall determine whether the change results in an increase in NA Benefits, a decrease in NA Benefits, no change in current NA Benefits, or termination of NA Benefits.

B. When the Household provides sufficient verification at the time the change is reported to the FAA on or before the due date on the notice requesting verification, and the FAA can determine the impact of the reported change to NA eligibility or NA Benefit amount, the FAA shall:

1. Increase the NA Benefits with the first allotment issued 10 days after the date the change was reported; or
2. Decrease the NA Benefits with the first allotment issued after the date the change is reported, allowing for advance notice of Adverse Action; or
3. Terminate NA Benefits effective the first possible month allowing for an advance notice of Adverse Action.

C. When the reported change may result in a Benefit Allotment decrease or NA ineligibility and verification is not received on or before the date specified in the notice requesting verification, the FAA shall decrease or terminate NA Benefits the first possible month allowing for advance notice of Adverse Action.

1. The FAA shall keep the case closed when the requested verification is received after the due date but before the Effective Date of termination and the verification shows the Household is no longer eligible for NA Benefits.
2. The FAA shall reopen the case and decrease the NA Benefits effective the month indicated in the advance notice of Adverse Action when the requested verification is received after the due date but before the Effective Date of termination and the verification results in a decrease in NA Benefits.

D. When the reported change may result in an NA Benefit increase and verification is received after the due date indicated in the notice requesting verification, the FAA shall increase the Benefit Allotment with the first NA Benefits issued 10 days after the date the verification is received but no later than the month after the month the verification is received.

E. When a reported change that would result in an NA Benefit increase is not verified, the FAA shall continue the Household's NA Benefits at the level before the reported change.

F. When a change reported by the Household results in no change in NA Benefits or NA eligibility, the FAA shall send the Household notification that there will be no change to the Household's NA Benefits.

R6-14-908. Notice of Adverse Action

A. The FAA shall send a notice of Adverse Action which must be received by the Household no later than 10 days before the Effective Date of the decrease or termination of NA Benefits, except as described in R6-14-908(B)(1)-(7) when Adequate Notice is required. The notice of Adverse Action shall contain:

1. The proposed Adverse Action by the FAA;
2. The reason for the Adverse Action;
3. The Effective Date of the Adverse Action;
4. The name and phone number of the Department office to contact for additional information;
5. Information for free legal representation; and
6. The Household's Appeal rights, including the availability of continued NA Benefits and Overpayment liability while waiting for a Fair Hearing, if the Hearing Officer's decision is not in favor of the Household.

B. The FAA shall send an Adequate Notice when:

1. The Department has information confirming the death of all Household members;

2. The Adverse Action is the result of changes initiated by the state or federal government and may affect the entire caseload or significant portions of the caseload, as described in 7 CFR 273.12(e);
3. The Household makes a written or verbal request for termination;
4. The Household resides in a drug and alcohol treatment center or in a group living arrangement and the residence loses certification of eligibility for NA or is no longer eligible to serve as an Authorized Representative due to disqualification by USDA FNS;
5. The Household's current address is unknown, the Household is not Homeless, and the FAA receives returned mail indicating no forwarding address;
6. The FAA has verified that the Household has been accepted for assistance in another state; or
7. A Household member is disqualified due to an IPV.

R6-14-909. Expired Reinstatement of Benefits

- A. When verification is received within 30 days after the Effective Date of closure, the FAA may reinstate NA Benefits when the Household:
1. Reports and verifies all changes in circumstances that occurred following the Effective Date of ineligibility;
 2. Provides all outstanding information that resulted in the most recent termination of the Household's NA Benefits;
 3. Has at least one full month remaining in the Certification period following the date of compliance; and

4. Is eligible for NA Benefits during the reinstatement month and the remaining months of the Certification period.

B. The FAA shall reinstate NA Benefits within 10 days when:

1. Termination was due to Department error;
2. The Department receives a court order or administrative Hearing decision mandating reinstatement; or
3. The Household files a request for Hearing before the Effective Date of termination or 10 days from the date of the notice, unless the termination was due to a mass change as defined by [7 CFR 273.12\(e\)](#), or past the end of the Certification period.

ARTICLE 10. TRANSITIONAL BENEFIT ASSISTANCE

R6-14-1001. Definitions and Location of Definitions

A. Location of Definitions. Definitions applicable to Article 10 are found in the following:

<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Cash Assistance” or “CA”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Intentional Program Violation” or “IPV”</u>	<u>R6-14-101(B)</u>
<u>“Social Security Number” or “SSN”</u>	<u>R6-14-101(B)</u>
<u>“Trafficking”</u>	<u>7 CFR 271.2</u>
<u>“Transitional Benefit Assistance” or “TBA”</u>	<u>R6-14-1001(B)</u>
<u>“Voluntary Quit or Reduction in Work Effort”</u>	<u>R6-14-101(B)</u>

B. The following definition applies to Article 10:

1. "Transitional Benefit Assistance" or "TBA" means a state option under 7 CFR 273.26 to provide a fixed NA Benefit amount for no more than five consecutive months to a Household receiving both CA and NA when the CA Benefits terminate due to the receipt of excessive income.

R6-14-1002. General Eligibility Requirements

A. A Household that is no longer eligible for CA Benefits due to exceeding the CA income standard or need standard as stated in 6 A.A.C. 12 may potentially be eligible for up to five months of TBA.

B. A Household is eligible for TBA when the Household:

1. Currently receives a monthly NA Benefit Allotment.
2. Timely reports an increase in income exceeding the income limit for CA Benefits.
3. Complies with the SSN enumeration process as stated in Article 3.
4. Complies with the NA Benefits work requirements as stated in Article 8.
5. Has no Household member currently disqualified for:
 - a. Voluntary Quit or Reduction in Work Effort without Good Cause;
 - b. IPV;
 - c. Fleeing felon; or
 - d. Violation of probation or parole.
6. Has no Household member convicted of Trafficking NA Benefits.

R6-14-1003. Benefit Amount

The FAA shall use the Household's total countable income for NA in the month when the last CA Benefit was received to determine the TBA monthly allotment, minus the CA Benefit amount. The FAA shall also use the same Household size and expenses in the month when the last CA Benefit was received.

R6-14-1004. Changes During TBA Period

A. A Household is not required to report changes during the TBA period.

B. The FAA shall review a Household's TBA when:

1. The FAA receives notification that a Household member is no longer living in the home;
2. The Household no longer resides in Arizona;
3. The Household withdraws from TBA; or
4. A Household member has been convicted of an IPV.

ARTICLE 3 11. CLAIMS AGAINST HOUSEHOLDS

~~R6-14-301~~R6-14-1101. Purpose and Definitions and Location of Definitions

~~A. The Department establishes and collects claims under 7 CFR 273.18, Claims against households. This Article clarifies the Department's policies and procedures as permitted in federal regulation.~~

~~B. The definitions in R6-14-111 and the following definitions apply to this Article:~~

- ~~1. "Agency error" or "AE claim" means any claim for an overpayment caused by an action or failure to take action by the Department.~~
- ~~2. "Claim" means the amount of a federal debt owed because Nutrition Assistance benefits were overpaid or benefits were trafficked.~~

3. ~~“Household” means one of the following individuals or groups of individuals, unless otherwise specified under 7 CFR 273.1(b):~~
 - a. ~~Except as contained in (B)(3)(b):~~
 - i. ~~An individual living alone;~~
 - ii. ~~An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from others; or~~
 - iii. ~~A group of individuals who live together and customarily purchase food and prepare meals together for home consumption.~~
 - b. ~~Specific to the Claim Compromise process in R6-14-308, the following persons who are residing together:~~
 - i. ~~Adults who were members of the Nutrition Assistance household for which the claim was established, and who were adults at the time the claim was established, and~~
 - ii. ~~Minor children for whom adult household members are responsible.~~
4. ~~“Inadvertent household error” or “IHE claim” means any claim for an overpayment resulting from a misunderstanding or unintended error on the part of the Nutrition Assistance household. This includes instances when the household received more benefits than it was entitled to receive because the household requested a continuation of benefits, pending a fair hearing decision.~~
5. ~~“Intentional Program Violation” or “IPV claim” means any claim for an overpayment resulting from an individual committing and intending to commit, an IPV under 7 CFR 273.16.~~

6. ~~“Trafficking claim” means any claim for the value of benefits that are trafficked, under 7 CFR 273.18. Trafficking is defined under 7 CFR 271.2.~~

A. Location of Definitions. Definitions applicable to Article 11 are found in the following:

<u>“Administrative Disqualification Hearing”</u>	<u>R6-14-101(B)</u>
<u>"Agency Error" or "AE"</u>	<u>R6-14-1101(B)</u>
<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Business Day”</u>	<u>R6-14-101(B)</u>
<u>“Certification”</u>	<u>R6-14-101(B)</u>
<u>"Claim"</u>	<u>R6-14-1101(B)</u>
<u>“Claim Compromise”</u>	<u>R6-14-1101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Electronic Benefit Transfer Account” or "EBT Account"</u>	<u>7 CFR 271.2</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Hearing” or “Fair Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>"Inadvertent Household Error" or “IHE”</u>	<u>R6-14-1101(B)</u>
<u>“Intentional Program Violation” or “IPV”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Overpayment”</u>	<u>R6-14-101(B)</u>

<u>“Recertification”</u>	<u>R6-14-101(B)</u>
<u>“Trafficking”</u>	<u>7 CFR 271.2</u>
<u>“Wage Garnishment”</u>	<u>R6-14-1101(B)</u>
<u>“USDA FNS”</u>	<u>R6-14-101(B)</u>

B. The following definitions apply to Article 11:

1. “Agency Error” or “AE” means any Claim for an Overpayment caused by the Department's action or failure to take action.
2. “Claim” means the amount of a federal debt owed because NA Benefits were overpaid or Trafficked.
3. “Claim Compromise” means reduction or dismissal of an established Claim.
4. “Inadvertent Household Error” or “IHE” means any Claim for an Overpayment caused by a misunderstanding or unintended error on the Household’s part. This includes instances when the Household received more NA Benefits than it was entitled to receive because the Household requested a continuation of NA Benefits pending a Fair Hearing decision.
5. "Wage Garnishment" means a legal procedure in which a court orders a person's earnings withheld by an employer for payment of a debt.

~~R6-14-302~~R6-14-1102. Claim Calculation; Date of Discovery; Overpayment Period

~~Under 7 CFR 273.18, the Department shall calculate an overpayment of benefits claim by:~~

- ~~A. Date of discovery. The date of discovery is determined when the Department becomes aware of the overpayment.~~
1. ~~For AE claims, the date of discovery is the date the overpayment has been verified or the date the household ultimately fails to respond to or satisfy an overpayment inquiry.~~

- ~~2. For IHE and IPV claims, the date that the Department obtains verification used to calculate the over-issuance.~~
 - ~~3. For claims resulting from trafficking, the date of the court decision, or the date the household signed a waiver of administrative disqualification hearing form or a disqualification consent agreement.~~
- B.** ~~For AE and IHE claims, calculate a claim for the month of the date of discovery and for each prior month, not to exceed 36 months prior to the date of discovery.~~
- C.** ~~For an IPV claim not related to trafficking, calculate a claim back to the month that the IPV first occurred, not to exceed 72 months prior to the date of discovery.~~
- D.** ~~For a claim resulting from trafficking, calculate a claim for the value of the trafficked benefits, as determined under 7 CFR 273.18(c)(2).~~
- A.** Under 7 CFR 273.18, the FAA shall calculate an Overpayment of NA Benefits Claim from the date of discovery.
1. For an AE, the date of discovery is the date the Overpayment is verified, or the date the Household ultimately fails to respond to or satisfy an Overpayment inquiry.
 2. For IHE and IPV, the date of discovery is the date the FAA obtains verification used to calculate the Overpayment.
 3. For a Trafficking Claim, the date of discovery is the court decision date, or the date the Household signed an Administrative Disqualification Hearing waiver form or a disqualification consent agreement.
- B.** For AE and IHE, the FAA shall calculate a Claim for the month of the date of discovery and each prior month, not to exceed 36 months.

C. For an IPV Claim not related to Trafficking, the FAA shall calculate a Claim back to the month the act of IPV first occurred, but no more than 72 months from the date of discovery per 7 CFR 273.18(c)(1).

~~R6-14-303~~R6-14-1103. Determining a Claim Amount

~~A. For all claims other than a claim resulting from trafficking:~~

- ~~1. The Department shall determine whether the overpayment of benefits occurred at the time an eligibility determination was rendered for a new or recertification application or whether the overpayment occurred during an eligible certification period.~~
- ~~2. When it is discovered that the Department rendered an incorrect eligibility determination or issued an incorrect benefit amount because the Department failed to correctly act on information provided on the application or reported by the applicant, or because the applicant failed to provide correct information on the application or prior to application approval, the Department shall re-determine eligibility and a benefit amount for that application and for the months in the certification period, using the application approval or denial policies and procedures that were in effect at the time the eligibility determination for the application was rendered. The Department will not consider information that was not previously reported by the household that would have resulted in an increase in the benefit allotment at the time of initial approval of benefits.
 - ~~a. When it is determined that the household was ineligible, the Department shall establish a claim based on the amount of benefits issued for each month during the certification period that was established when the application was originally~~~~

- ~~approved, minus the amount of benefits that the Department has expunged from the household's EBT benefit account, for each of the corresponding overpaid months.~~
- ~~b. When it is determined that the household was eligible, the Department shall establish a claim based on the amount of benefits that were paid in excess of the correct benefit amount in each month of the certification period, minus the amount of benefits that the Department has expunged from the household's EBT benefit account, for each of the corresponding overpaid months.~~
 - ~~e. When it is determined that the household was eligible and received a smaller benefit amount than it was eligible to receive because the Department failed to correctly act on information provided on the application or reported by the applicant prior to application approval, the Department shall issue a supplement for each month in the certification period that the household was paid less than the correct benefit amount as provided in 7 CFR 273.17.~~
- ~~3. When a change occurred during an eligible certification period:~~
- ~~a. The Department shall process any change that was reported and re-determine a new benefit allotment amount for each affected month in the certification period using the change processing policies and procedures that were in effect for those months under 7 CFR 273.12(e).~~
 - ~~i. The Department shall establish a claim based on the amount of benefits that were paid in excess of the new benefit amount in each affected month of the certification period, minus the amount of benefits that the Department has expunged from the household's EBT benefit account.~~

- ~~ii. The Department shall issue a supplement for each month the household was paid less than the new benefit amount.~~
 - ~~b. When the Department discovers a change which was not reported by the household, the Department shall determine whether the change was required to be reported based on the change reporting requirement assigned to the household for the certification period.
 - ~~i. When the change was not required to be reported the Department shall not process the change for the months in the certification period.~~
 - ~~ii. When the change was required to be reported the Department shall re-determine eligibility and a new benefit allotment amount for each affected month in the certification period using the change processing policies and procedures that were in effect for those months under 7 CFR 273.12(e). The Department shall establish a claim based on the amount of benefits that were paid in excess of the correct benefit amount in each month of the certification period, minus the amount of benefits that the Department has expunged from the household's EBT benefit account.~~~~
- ~~**B. For a claim resulting from trafficking, the Department shall calculate a claim amount based on the entire value of the trafficked benefits.**~~
- A. For a Trafficking Claim, the FAA shall calculate the Claim based on the entire value of the Trafficked NA Benefits as determined by [7 CFR 273.18\(c\)\(2\)](#).**
- B. For all Claims other than a Trafficking Claim:**

1. The FAA shall determine whether the Overpayment of NA Benefits occurred at the time an eligibility determination was rendered for a new or Recertification application, or whether the Overpayment occurred during an eligible Certification period.
2. When the FAA determines that the FAA rendered an incorrect eligibility determination or issued an incorrect NA Benefit amount because the FAA failed to correctly act on information provided on the application or reported by the Applicant, or because the Applicant failed to provide correct information on the application or before application approval, the FAA shall redetermine eligibility and an NA Benefit amount for that application and for the months in the Certification period using the approval or denial policies and procedures in effect at the time the Applicant's eligibility determination was rendered.
 - a. When the FAA determines that a Household is ineligible, the FAA shall establish a Claim based on the NA Benefits issued for each month during the Certification period established when the application was originally approved, minus the NA Benefits the FAA expunged from the Household's EBT Account, for each of the corresponding overpaid months.
 - b. When the FAA determines that a Household is eligible, the FAA shall establish a Claim based on the NA Benefits paid in excess of the correct NA Benefit in each month of the Certification period, minus the NA Benefits the FAA expunged from the Household's EBT Account for each of the corresponding overpaid months.
 - c. When the FAA determines that a Household is eligible and received a smaller NA Benefit than the Household was eligible to receive because the FAA failed to

correctly act on information provided on the application or reported by the Applicant before application approval, the FAA shall issue a supplement for each month in the Certification period that the Household was paid less than the correct NA Benefit as provided in [7 CFR 273.17](#).

3. When a change occurred during an eligible Certification period:
 - a. The FAA shall process any change reported and redetermine a new Benefit Allotment for each affected month in the Certification period using the change processing policies and procedures in effect for those months.
 - i. The FAA shall establish a Claim based on the NA Benefits paid in excess of the new NA Benefit in each affected month of the Certification period, minus the NA Benefits the FAA expunged from the Household's EBT Account.
 - ii. The FAA shall issue a supplement for each month the Household was paid less than the new NA Benefit.
 - b. When the FAA discovers a change not reported by the Household, the FAA shall determine whether the Household was required to report the change for the Certification period.
 - i. When the Household was not required to report the change, the FAA shall not process the change for the months in the Certification period.
 - ii. When the Household was not required to report the change, the FAA shall redetermine the Household's NA eligibility and a new Benefit Allotment for each affected month in the Certification period using the change processing policies and procedures in effect for those months under [7 CFR 273.12\(c\)](#).

iii. The FAA shall establish a Claim based on the NA Benefits paid to the Household in excess of the correct NA Benefit in each month of the Certification period, minus the NA Benefits the FAA expunged from the Household's EBT Account.

~~R6-14-304~~R6-14-1104. Pre-establishment Cost Effectiveness Determination

~~The Department shall not establish an overpayment that is not cost effective using the threshold at 7 CFR 273.18(e)(2)(ii), unless the Department establishes and collects claims under a cost-effectiveness plan approved by the Food and Nutrition Service of the U.S. Department of Agriculture under 7 CFR 273.18(e)(2)(i) that establishes a different threshold.~~

The FAA shall not establish an Overpayment that is not cost effective using the threshold at 7 CFR 273.18(e)(2)(ii) unless the Department implements a cost-effective plan to establish and collect Overpayments using a different threshold, and the plan is approved by USDA FNS.

~~R6-14-305~~R6-14-1105. Notice of Claim

~~To begin collection on a claim, the Department shall send the household a Notice of Claim. At a minimum, the notice shall include all elements required under 7 CFR 273.18(e)(3)(iv).~~

The Department shall send a Household a Notice of Claim to begin collection on a Claim, which shall include, at a minimum, all elements required under 7 CFR 273.18(e)(3).

~~R6-14-306~~R6-14-1106. Acceptable Forms of Payment

The Department may accept all forms of payment, including the methods listed in 7 CFR 273.18(f) to collect a ~~claim~~ Claim.

~~R6-14-307~~R6-14-1107. Collection Methods

~~A. Allotment reduction. When a household is receiving Nutrition Assistance benefits, the Department may use the allotment reduction in 7 CFR 273.18(g)(1).~~

- ~~B. As provided under 7 CFR 273.18(g)(5), the Department may allow a household that is not participating in the Nutrition Assistance program to pay a claim in equal monthly payments in a negotiated repayment agreement. The household shall be responsible to pay a monthly payment in one of the following amounts until the claim is paid in full:~~
- ~~1. An amount equal to the balance of the claim at the time the negotiated repayment agreement is made, divided by 36.~~
 - ~~2. When the amount in (B)(1) is equal to or less than \$10.00, the monthly repayment amount shall be \$10.00.~~
- ~~C. Under 7 CFR 273.18(g)(6), the Department may arrange with a liable individual to intercept his or her unemployment compensation benefits. This collection option may be included as part of a repayment agreement. The Department may also intercept an individual's unemployment compensation benefits by obtaining a court order.~~
- ~~D. Under 7 CFR 273.18(g)(8), the Department may use other collection methods that include:~~
- ~~1. Submitting the claim to the Arizona Department of Revenue for payment through a state tax refund.~~
 - ~~2. Submitting the claim to the Arizona Lottery Commission for payment through a lottery winnings offset.~~
 - ~~3. Submitting the claim to the federal Treasury Offset Program under 7 CFR 273.18(n).~~
 - ~~4. A wage garnishment established through a civil judgment or criminal restitution order.~~
- ~~When the Department has obtained a judgment or order, the Department shall:~~
- ~~a. Send the household a Pre-Garnishment Notice to allow the household to agree to pay the claim in a manner other than wage garnishment; and~~

- ~~b. If the household fails to arrange for payment in response to the Pre-Garnishment Notice, the Department may request the Arizona Attorney General's Office to initiate a wage garnishment under A.R.S. Title 12, Chapter 9, Article 4.1, and that garnishment may continue until the claim is paid in full.~~
- ~~5. Garnishment or levy of monies or property per A.R.S. Title 12, Chapter 9, Article 4.~~
- ~~6. Imposition or enforcement of all liens, including judgment liens imposed under A.R.S. § 33-961.~~
- ~~7. Any other legal or equitable remedy for the collection of debts and judgments.~~
- ~~E. Under 7 CFR 273.18(j) and at the Arizona Attorney General's direction, the Department shall act on behalf of the Food and Nutrition Service of the U.S. Department of Agriculture in any bankruptcy proceeding against a household subject to a claim.~~
- A. Allotment reduction. When a Household is receiving NA Benefits, the Department may use the allotment reduction method described in [7 CFR 273.18\(g\)\(1\)](#).
- B. Monthly payments. Under [7 CFR 273.18\(g\)\(5\)](#), the Department may allow an NA program non-participating Household to pay a Claim in equal monthly payments per a negotiated repayment agreement until the Claim is paid in full.
- C. Other methods. Under [7 CFR 273.18\(g\)\(8\)](#), the Department may use other collection methods.
- D. Under [7 CFR 273.18\(j\)](#), and at the Arizona Attorney General's direction, the Department shall act on the USDA FNS's behalf in any bankruptcy proceeding against a Household subject to a Claim.

~~R6-14-308~~R6-14-1108. **Claim Compromise**

- ~~A. In accordance with the Department's Claim Compromise policy and procedures as contained in the Arizona Cash and Nutrition Assistance Policy manual, the Department may compromise an entire claim or any portion of a claim if it can be reasonably determined that a household's economic circumstances dictate that the claim will not be paid in three years.~~
- ~~B. For purposes of a claim compromise "household" means the following persons who are residing together:~~
- ~~1. Adults who were members of the Nutrition Assistance household for which the claim was established, and who were adults at the time the claim was established, and~~
 - ~~2. Minor children for whom adult household members are responsible.~~
- ~~C. When a household reports that it is unable to pay the claim in the equal monthly increments specified in R6-14-307(A) or (B), the Department shall inform the household that it may request a one-time compromise of the claim and shall provide the household with instructions for requesting a compromise. The Department may compromise the claim by reducing the claim amount and the resulting monthly payment amount when:~~
- ~~1. The household contacts the Department, orally or in writing, and requests a compromise of the claim,~~
 - ~~2. The claim was established as an Agency Error claim or an Inadvertent Household Error claim,~~
 - ~~3. There is no pending Appeal of the claim,~~
 - ~~4. The Department has not previously approved a compromise of the claim, and~~
 - ~~5. The Department approves the compromise request as provided in this Section.~~

- ~~D. When the Department receives a compromise request, and there is no pending appeal of the claim for which the compromise is requested, the Department shall send the household a Financial Statement form requesting necessary information and verification required for the Department to determine eligibility for a claim compromise.~~
- ~~E. The household must return the completed Financial Statement with requested information and verification to the Department no later than the thirtieth calendar day following the date that the Department mailed or otherwise transmitted the Financial Statement to the household. When the household requests assistance or additional time, the Department shall allow an additional thirty calendar days for the household to provide a completed Financial Statement. The Department shall deny the compromise claim request when the Financial Statement is not provided by the household by the thirtieth calendar day or the agreed upon extension date, unless the delay was for good cause. Good cause includes circumstances beyond the household's reasonable control such as illness, illness of another household member requiring the presence of the adult member, or a household emergency.~~
- ~~F. When the Financial Statement is timely provided to the Department, and all information and verification is complete, the Department shall complete the determination of eligibility for a compromise and send a notice no later than the twentieth working day, as defined in R6-14-402, following the date that the Department received the Financial Statement and all required information and verification.~~
- ~~G. When the compromise request is approved the Department shall notify the household of the compromised claim amount, the repayment plan for the new claim amount, and the~~

~~household's right to file an appeal of the Department's action. The compromised claim amount shall be final unless modified by an appeal hearing decision.~~

~~1. The household shall pay a monthly payment in one of the following amounts until the compromised claim balance is paid in full:~~

~~a. An amount equal to the balance of the compromised claim amount, divided by 36.~~

~~b. When the amount in (G)(1)(a) is equal to or less than \$10.00, the monthly payment shall be \$10.00.~~

~~c. When the household is currently participating in the Nutrition Assistance program, the Department shall reduce the household's monthly Nutrition Assistance benefit allotment by the greater of \$10 or 10 percent.~~

~~d. When the household is no longer participating in the Nutrition Assistance program, the household shall be responsible to pay the original claim compromise monthly payment amount calculated in accordance with (G)(1)(a) and (b). The Department shall notify the household of the claim compromise monthly payment obligation.~~

~~2. The approval of a compromise request shall apply only to the household that requested the compromise and does not affect the responsibility of any person:~~

~~a. Who is not a member of the household that requested the compromise, and~~

~~b. Who is responsible for paying the claim under 7 CFR 273.18(a)(4).~~

~~H. When the compromise request is denied the Department shall notify the household of the denial and the household's right to file an appeal of the Department's action.~~

~~I. The household may appeal the following actions or inaction related to a request for a compromise:~~

- ~~1. The Department's inaction or untimely action on processing the compromise request;~~
- ~~2. The amount of the approved compromise balance; or~~
- ~~3. A denial of the compromise request.~~

A. The Department may compromise an entire Claim or any portion of a Claim that has been established as AE or IHE when the FAA reasonably determines that a Household's economic circumstances indicate that the Claim will not be paid in three years.

B. For purposes of a Claim Compromise, "Household" means the following persons:

1. An adult who was a member of the Household at the time of the Overpayment and at the time the Claim Compromise was requested; and
2. A child who was a member of the Household at the time of the Overpayment and was still a minor at the time the Claim Compromise was requested.

C. When a Household reports an inability to pay the Claim in equal monthly increments specified in R6-14-1107(A) or (B), the Department shall inform the Household that the Household may request a Claim Compromise and shall provide the Household with instructions for requesting a compromise.

D. When the FAA receives a Claim Compromise request, and there is no pending Appeal of the Claim for which the compromise is requested, the FAA shall send the Household a form requesting financial information and verification needed by the FAA to determine the Household's eligibility for a Claim Compromise.

E. The Household shall return the completed form with requested financial information and verification no later than the 30th day following the date the FAA mailed or otherwise transmitted the form to the Household.

- F.** When the Household requests assistance or additional time with completing the form or providing requested financial information and verification, the Department shall determine if there is Good Cause for the delay. When there is Good Cause, the Department shall allow an additional 30 days for the Household to provide a completed form.
- G.** The FAA shall deny the compromise request when the Household did not request additional time and when the form is not provided by the 30th day, or by the agreed-upon extension date.
- H.** Good Cause includes circumstances beyond the Household's reasonable control, including illness, illness of another Household member requiring the adult Household member's presence, or a Household emergency.
- I.** When the form is timely provided to the FAA, and all information and verification is complete, the FAA shall determine eligibility for a Claim Compromise and send a notice to the Household no later than the 20th Business Day, following the date the FAA received the form and all required information and verification.
- J.** When the FAA approves a Household's Claim Compromise request, the FAA shall notify the Household of the compromised Claim amount, the repayment plan for the new Claim amount, and the Household's right to file an Appeal. The compromised Claim amount shall be final unless modified by a Fair Hearing decision.
1. When the Household is currently participating in the NA program, the Department shall reduce the Household's monthly Benefit Allotment as authorized by [7 CFR 273.18\(f\)](#).

2. When the Household is no longer participating in the NA program, the Household shall be responsible for paying the original Claim Compromise monthly payment. The FAA shall notify the Household of the Claim Compromise monthly payment obligation.
3. The approval of a Claim Compromise request shall apply only to the Household that requested the compromise and does not affect the responsibility of any person who is:
 - a. Not a Household member who requested the compromise; and
 - b. Responsible for paying the Claim under [7 CFR 273.18\(a\)\(4\)](#).

K. When the FAA denies a Claim Compromise request, the FAA shall notify the Household of the denial and the Household's right to file an Appeal.

L. The Household may Appeal the following actions or inaction related to a request for a compromise:

1. The Department's inaction or untimely action in processing the Claim Compromise request;
2. The approved Claim Compromise balance amount; or
3. A denial of the Claim Compromise request.

~~R6-14-309~~R6-14-1109. **Reinstatement of a Compromised Claim**

~~The Department shall reinstate any compromised portion of a claim when either of the following occurs:~~

- ~~1. A claim becomes delinquent under [7 CFR 273.18\(e\)\(5\)](#).~~
- ~~2. The Department approved a compromise for a claim that was originally established as an Inadvertent Household Error claim and the original claim is later determined to have resulted from an Intentional Program Violation, as evidenced by a signed waiver of an~~

~~Administrative Disqualification Hearing, an Administrative Disqualification Hearing decision, or a decision rendered by a state or federal court in a civil or criminal action.~~

The Department shall reinstate any compromised portion of a Claim when:

1. A Claim becomes delinquent under [7 CFR 273.18\(e\)\(5\)](#); or
2. The FAA approves a compromise for a Claim originally established as an IHE and the original Claim is later determined to have resulted from an IPV, as evidenced by a signed Administrative Disqualification Hearing waiver, an Administrative Disqualification Hearing decision, or a decision rendered by a federal or state court in a civil or criminal action.

~~R6-14-310~~R6-14-1110. Terminating and Writing Off a Claim

~~The Department shall terminate and write off a claim as required under 7 CFR 273.18(e)(8)(ii)(A through E), and may terminate and write off a claim as allowed under 7 CFR 273.18(e)(8)(ii)(F) and (G).~~

- A. The Department shall terminate and write off a Claim as required under [7 CFR 273.18\(e\)\(8\)\(ii\)\(A\)-\(E\)](#).
- B. The Department may terminate and write off a Claim as permitted under [7 CFR 273.18\(e\)\(8\)\(ii\)\(F\) and \(G\)](#).

~~R6-14-311~~R6-14-1111. Claims Established in Another State

~~Under 7 CFR 273.18(i)(2), the Department may accept a claim from another state if the household subject to the claim receives Nutrition Assistance benefits in Arizona, when:~~

1. ~~The Department confirms that the household was notified by the other state of the overpayment, and~~

2. ~~There is no pending or unresolved Fair Hearing or Appeal of the overpayment in the other state, and~~
3. ~~The Department determines with reasonable certainty that the household is able to repay the outstanding claim balance in full within the Nutrition Assistance certification period assigned to the household in Arizona.~~

Under 7 CFR 273.18(i)(2), the Department may accept a Claim from another state if the Household subject to the Claim receives NA Benefits in Arizona, when:

1. The Department confirms the Household was notified by the other state of the Overpayment;
2. There is no pending or unresolved Fair Hearing or Appeal of the Overpayment in the other state; and
3. The Department determines with reasonable certainty that the Household is able to repay the outstanding Claim balance in full within the NA Benefits Certification period assigned to the Household in Arizona.

ARTICLE 4 12. APPEALS AND FAIR HEARINGS

R6-14-1201. Definitions and Location of Definitions

A. Location of Definitions. Definitions applicable to Article 12 are found in the following:

<u>“Adverse Action”</u>	<u>R6-14-101(B)</u>
<u>“Agency Conference”</u>	<u>R6-14-1201(B)</u>
<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Appellant”</u>	<u>R6-14-101(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>

<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Business Day”</u>	<u>R6-14-101(B)</u>
<u>“Case File”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Expedited Service”</u>	<u>R6-14-101(B)</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Hearing” or “Fair Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Hearing Officer”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Mailing Date”</u>	<u>R6-14-1201(B)</u>
<u>“Notice Date”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Office of Appeals”</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Subpoena”</u>	<u>R6-14-1201(B)</u>

B. The following definitions apply to Article 12:

1. "Agency Conference" means an optional meeting between an Appellant and a Department representative the Department makes available to an Appellant before a formal Hearing.
2. “Mailing Date” means the date used in reference to a document sent first class, postage prepaid, through the U.S. Postal Service, or its successor, that is:

- a. Shown on the postmark;
 - b. Shown on the envelope's postage meter mark, if there is no postmark; or
 - c. Entered on the document as the date of its completion, if there is no legible postmark or postage meter mark.
3. "Subpoena" means a written order from the Hearing Officer to appear and provide testimony at the Hearing, to produce documents for inspection and consideration before a Hearing, or both.

~~R6-14-401~~R6-14-1202. Entitlement to a Fair Hearing; Appealable Action

~~Any applicant or recipient who disagrees with any action or inaction by the Department which affects the participation of the household in the program has the right to challenge the action or inaction by requesting an administrative or fair hearing. Administrative hearings are conducted by the Department's Office of Appeals. In this Article, "hearing" refers to a Fair Hearing as required in 7 CFR 273.15.~~

- A. Any Applicant or Recipient who disagrees with any action or inaction by the Department that affects the Household's participation in the NA program has the right to challenge the action or inaction by requesting a Fair Hearing. The Office of Appeals shall conduct a Fair Hearing under applicable federal and state regulations, its rules, policies, procedures, and this Chapter.
- B. For the Fair Hearing process, the Appellant and the Appellant's representative possess all rights consistent with [7 CFR 273.15\(p\)](#).

~~R6-14-402. Computation of Time Repeal~~

- A. ~~In computing any time period:~~

1. ~~“Day” means a calendar day;~~
2. ~~“Working day” means Monday through Friday, excluding federal or Arizona state holidays;~~
3. ~~The Department does not count the date of the act, event, notice, or default from which a designated time period begins to run as part of the time period; and~~
4. ~~The Department counts the last day of the designated time period. When the last day is a Saturday, Sunday, federal holiday or Arizona state holiday, the last day is the first working day following that day.~~

~~**B.** Documents sent by the Department are received by an applicant or recipient on the date sent to the applicant or recipient’s last known street or email address, plus an additional five calendar days only when sent by U.S. mail. The send date is the date shown on the document unless the facts show otherwise.~~

~~**R6-14-403**~~**R6-14-1203. Request for Hearing: Form; Time Limits; Presumptions**

~~**A.** As contained in 7 CFR 273.15(h) a request for a hearing is defined as a clear expression, oral or written, by the household or its representative to the effect that it wishes to appeal a decision or that an opportunity to present its case to a higher authority is desired.~~

~~**B.** An applicant or recipient who wishes to appeal an action or inaction shall make an oral or written request for a hearing to the Department within 90 days of the notice date advising the applicant or recipient of the action, except that a recipient may appeal the current level of benefits at any time within a certification period. Action by the Department shall include a denial of a request for restoration of any benefits lost more than 90 days but less than one year prior to the request for a hearing. An applicant or recipient may file a request for hearing~~

~~in-person or by mail, fax, phone, or Internet. The Department shall provide a form for this purpose. Upon request, the Department shall help an applicant or recipient to file an appeal. If the applicant or recipient makes an oral request for a hearing, the Department shall accept the oral request, record in writing the date of the request and the stated reasons for the hearing, and forward the request to the Office of Appeals. The freedom to make a request for a hearing shall not be limited or interfered with in any way.~~

~~C. An appellant is an applicant or recipient who files an appeal.~~

~~D. The Department shall process any oral or written request for a hearing that contains sufficient information for the Department to determine the appellant's identity.~~

~~E. The Department deems a request for hearing filed:~~

~~1. If the appellant sends the request for hearing by first-class mail through the United States Postal Service to the Department:~~

~~a. On the mailing date as shown by the postmark;~~

~~b. In the absence of a postmark, on the postage meter mark on the envelope in which it is received; or~~

~~c. If not postmarked or postage meter marked or if the mark is illegible, on the date entered on the document as the date of completion.~~

~~2. The date the Department actually receives the request, if not mailed.~~

~~F. A document is timely filed if the appellant can demonstrate that any delay in submission was due to any of the following reasons:~~

~~1. Department error or misinformation;~~

~~2. Delay or other action by the United States Postal Service; or~~

- ~~3. Delay due to the appellant's changing mailing addresses at a time when the appellant had no duty to notify the Department of the change.~~
- ~~G. When the Office of Appeals receives an untimely request for a hearing, the Office of Appeals shall determine whether the delay in submission is excusable, as provided in subsection (F). The Department shall consider an untimely request for a hearing as a request for restoration of lost benefits in accordance with 7 CFR 273.17.~~
- ~~H. An appellant whose appeal the Office of Appeals denies as untimely may petition for review of this issue as provided in R6-14-416.~~
- ~~I. The Department shall expedite a hearing request for any person covered by 7 CFR 273.15(i)(2).~~
- ~~J. The Department shall provide interpreters or other language services at no cost to persons whose primary language is other than English. This shall include explaining the hearing procedures orally in the person's language if the materials are not translated into the person's language.~~
- ~~K. The Department shall offer an agency conference as provided by 7 CFR 273.15(d) to those persons denied expedited service and to any person who requests a conference.~~
- A. A Household member or the Household's representative shall make a written or verbal request for a Hearing to the Department that indicates the Household wishes to Appeal a decision or an Adverse Action. The Department may request clarification of a Household's dispute and request for an Appeal.
- B. A Household member or the Household's representative shall request a Hearing within 90 days of the Notice Date advising the Applicant or Recipient of the Adverse Action.

1. A Recipient may Appeal the current level of NA Benefits at any time within a Certification period.
 2. Action by the Department shall include a denial of a request for restoration of any NA Benefits lost more than 90 days but less than one year before the request for a Hearing.
 3. An Applicant or Recipient may file a Hearing request by completing a Department form and submitting the form in person, by mail, fax, phone, or online as directed on the form.
 4. Upon request, the Department shall assist an Applicant or Recipient with filing an Appeal.
 5. Verbal requests for a Hearing shall be documented by the Department and forwarded to the Office of Appeals.
- C.** The Department shall process any verbal or written request for a Hearing that contains sufficient information for the Department to determine the Appellant's identity.
- D.** The Department shall deem a request for Hearing filed:
1. If the Appellant sends the request for Hearing by mail to the Department, on the Mailing Date.
 2. If the Appellant makes the request in person or by phone, on the date the Department receives the request; or
 3. If the Appellant makes the request electronically, on the date the request is submitted electronically.
- E.** The Department shall consider a request for a Hearing that is not filed according to R6-14-1203(B) as timely if the Hearing Officer determines that that Good Cause exists.

- F. An Appellant whose Appeal the Office of Appeals dismissed as untimely may petition for review of the dismissal as provided in Article 12.
- G. The Department shall expedite a Hearing request for any person categorized in [7 CFR 273.15\(i\)\(2\)](#).
- H. The Department shall provide interpreters or other language services at no cost to persons whose primary language is not English, including explaining the Hearing procedures in the person's language if the materials are not written in their language.
- I. The Department shall offer the Appellant an Agency Conference as provided by [7 CFR 273.15\(d\)](#) to any person denied Expedited Service, and to any person who requests an agency conference to resolve a dispute. The use of an Agency Conference is optional and does not delay or replace the Fair Hearing process. A Fair Hearing shall be provided unless the Appellant withdraws the request for a Hearing as described in this Article.

~~R6-14-404~~R6-14-1204. Stay of Action Pending Appeal

~~As provided by 7 CFR 273.15(k), if the appellant timely requests a fair hearing, the Department shall stay the implementation of an action until the hearing officer renders a final decision on the appeal and the person receives the decision, unless the appellant signs a waiver of continuation of benefits.~~

If an Appellant timely requests a Fair Hearing, the Department shall not proceed with the action until the Hearing Officer makes a final decision on the Appeal and the Appellant receives the decision unless the Appellant signs a waiver of continuation of NA Benefits as described in [7 CFR 273.15\(k\)](#).

~~R6-14-405~~R6-14-1205. Hearings: Location; Notice; Time

- ~~A. The Office of Appeals shall schedule the hearing. The Office of Appeals may schedule a telephonic hearing instead of an in-person hearing or permit a witness or party, upon request, to appear telephonically.~~
- ~~B. Unless the appellant requests an earlier hearing date, the Office of Appeals shall schedule the hearing no earlier than 20 days from the date the Department receives the appellant's request for hearing.~~
- ~~C. The Office of Appeals shall send a notice of hearing to all parties at least 20 days before the hearing date, unless a request for an earlier hearing date is granted under subsection (B).~~
- ~~D. The notice of hearing shall be in writing and shall:~~
- ~~1. Include information on how to request an in-person hearing;~~
 - ~~2. Advise the appellant or the appellant's representative of the name, address, and phone number to notify the Office of Appeals in the event it is not possible for the appellant to attend the hearing;~~
 - ~~3. Specify that the Office of Appeals will dismiss the hearing request if the appellant or the appellant's representative fails to appear for the hearing without good cause;~~
 - ~~4. Include the Office of Appeals hearing procedures and any other information that would provide the appellant with an understanding of the proceedings and that would contribute to the effective presentation of the appellant's case; which shall include a pre-hearing summary prepared by the Department, and~~
 - ~~5. Explain that the appellant or the appellant's representative shall be given adequate opportunity to:~~

- ~~a. Examine the case file prior to the hearing. The contents of the case file including the application form and documents of verification used by the Department to establish the household's ineligibility or eligibility and allotment shall be made available, provided that confidential information, such as the names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release. If requested by the household or its representative, the Department shall provide a free copy of the portions of the case file that are relevant to the hearing. Confidential information that is protected from release and other documents or records which the household will not otherwise have an opportunity to contest or challenge shall not be introduced at the hearing or affect the hearing official's decision.~~
- ~~b. Present the case or have it presented by legal counsel or another person.~~
- ~~c. Bring witnesses.~~
- ~~d. Advance arguments without undue interference.~~
- ~~e. Question or refute any testimony or evidence, including an opportunity to confront and cross-examine adverse witnesses.~~
- ~~f. Submit evidence to establish all pertinent facts and circumstances in the case.~~
- ~~6. The notice shall include information about the availability of free legal services.~~
- A. The Office of Appeals shall conduct a Hearing telephonically unless a party requests an in-person Hearing or other accommodation before the scheduled Hearing date.**
- B. The Office of Appeals shall schedule the Hearing no earlier than 20 days from the date the Department receives the Appellant's request for Hearing.**

C. The Office of Appeals shall send a Hearing notice to all parties at least 20 days before the Hearing.

D. The Office of Appeals shall send a Hearing notice to each party via the U.S. Postal Service, or its successor, or electronically with consent, and shall:

1. Specify the date and time of the Hearing;
2. Include information on how to request an in-person Hearing;
3. Advise the Appellant or the Appellant's representative of the name, address, and phone number to notify the Office of Appeals in the event the Appellant has a conflict with the scheduled Hearing date;
4. Inform the Appellant that the Office of Appeals may dismiss the Hearing request if the Appellant or the Appellant's representative fails to appear for the Hearing without Good Cause;
5. Include the Office of Appeals Hearing procedures and any other information that may provide the Appellant with an understanding of the proceedings and that may contribute to the effective presentation of the Appellant's case, which shall include a Pre-Hearing summary prepared by the Department;
6. Explain that the Appellant or the Appellant's representative may examine and receive a copy of the Case File before the Hearing at no cost to the Appellant; and
7. Include information for free legal representation.

~~R6-14-406~~R6-14-1206. **Postponing the Hearing**

~~A. The appellant may request and is entitled to receive one postponement of the first scheduled hearing. The postponement shall not exceed 30 days and the time limit for action on the~~

~~decision may be extended for as many days as the hearing is postponed. The Office of Appeals may grant subsequent postponements upon a showing of good cause.~~

~~B. When the Office of Appeals reschedules a hearing under this Section, the Office of Appeals shall send the notice of rescheduled hearing at least 11 days prior to the date of the rescheduled hearing, unless the appellant agrees to shorter notice.~~

A. The Appellant is entitled to request and receive one postponement of the first scheduled Hearing.

B. The first scheduled Hearing's postponement shall not exceed 30 days and the time limit for action on the decision may be extended for as many days as the Hearing is postponed.

C. The Office of Appeals may grant subsequent postponements upon a showing of Good Cause under [7 CFR 273.15\(l\)](#).

D. When the Office of Appeals reschedules a Hearing, the Office of Appeals shall send a notice of the rescheduled Hearing to all parties.

~~R6-14-407~~R6-14-1207. **Hearing Officer: Duties and Qualifications**

~~A. The appellant may request and is entitled to receive one postponement of the first scheduled hearing. The postponement shall not exceed 30 days and the time limit for action on the decision may be extended for as many days as the hearing is postponed. The Office of Appeals may grant subsequent postponements upon a showing of good cause.~~

~~B. When the Office of Appeals reschedules a hearing under this Section, the Office of Appeals shall send the notice of rescheduled hearing at least 11 days prior to the date of the rescheduled hearing, unless the appellant agrees to shorter notice.~~

A Hearing Officer shall be qualified to conduct all Hearings under applicable federal and state statutes and regulations, and this Chapter.

~~R6-14-408~~R6-14-1208. Change of Hearing Officer; Challenges for Cause

- ~~A. A party may request a change of hearing officer as prescribed in A.R.S. § 41-1992(B) by filing an affidavit that includes:~~
- ~~1. The case name and number;~~
 - ~~2. The hearing officer assigned to the case; and~~
 - ~~3. The name and signature of the party requesting the change.~~
- ~~B. The party requesting the change shall file the affidavit with the Office of Appeals and send a copy to all other parties at least five days before the hearing date.~~
- ~~C. A party shall request only one change of hearing officer unless that party is challenging a hearing officer for cause under subsection (E).~~
- ~~D. A party may not request a change of hearing officer once the hearing officer has heard and decided a motion except as provided in subsection (E).~~
- ~~E. At any time before a hearing officer renders a final decision under R6-14-414, a party may challenge a hearing officer on the grounds that the hearing officer is not impartial or disinterested in the case.~~
- ~~F. A party who brings a challenge for cause shall file an affidavit as provided in subsection (A) and send a copy of the affidavit to all other parties. The affidavit shall explain the reason why the assigned hearing officer is not impartial or disinterested.~~
- ~~G. When a party files an affidavit for a change in hearing officer as provided in subsection (F), the Office of Appeals shall assign another hearing officer to determine whether the hearing~~

~~officer being challenged shall be removed, unless the hearing officer recuses himself or herself.~~

~~H. The Office of Appeals shall transfer the case to another hearing officer when:~~

- ~~1. A party requests a change as provided in subsections (A) through (D); or~~
- ~~2. The hearing officer is removed for cause, as provided in subsections (E) through (G).~~

~~I. The Office of Appeals shall send the parties written notice of the new hearing officer assignment.~~

A. A party may request a change of Hearing Officer as prescribed in [A.R.S. § 41-1992\(B\)](#) by filing a written request with the Office of Appeals.

B. A party shall request only one change of Hearing Officer unless the party is challenging a Hearing Officer for cause under R6-14-1208(D).

C. A party may not request a change of Hearing Officer after the Hearing Officer has conducted the Hearing and issued a decision on the Appeal.

D. A party may challenge a Hearing Officer for cause by filing a written challenge with the Office of Appeals and sending a copy of the request to all other parties or by challenging the Hearing Officer for cause during a Hearing.

~~R6-14-409~~**R6-14-1209. Subpoenas**

~~A. A party may ask the assigned hearing officer to issue a subpoena for a witness, document, or other physical evidence or to otherwise obtain the requested evidence. Subpoena forms are available to the appellant under R6-14-410(D).~~

~~B. The party seeking the subpoena shall send the hearing officer a written request for a subpoena. The request shall include:~~

- ~~1. The case name and number;~~
- ~~2. The name of the party requesting the subpoena;~~
- ~~3. The name and address of any person to be subpoenaed;~~
- ~~4. A description of any documents or physical evidence the appellant desires the hearing officer to subpoena, including the title, appearance, and location of the item if the appellant knows its location, and the name and address of the person in possession of the item; and~~
- ~~5. A statement about the expected substance of the testimony or other evidence as well as the relevance and importance of the requested testimony or other evidence.~~

~~C. A party shall request a subpoena at least five working days before the hearing date. A party who is unable to request a subpoena at least five days before the hearing date may request a postponement of the hearing. A party may raise the denial of a subpoena request in a petition for review to the Appeals Board, pursuant to R6-14-416.~~

~~D. The hearing officer shall deny the request if the witness's testimony or the physical evidence is not relevant to an issue in the case or is duplicative.~~

~~E. The Office of Appeals shall prepare all subpoenas and serve them by mail, except that the Office of Appeals may serve subpoenas on state employees who are appearing in the course of their jobs, by regular mail, hand-delivered mail, e-mail, or interoffice mail.~~

A party may request the issuance of a Subpoena for witnesses, documents, or other physical evidence under applicable federal and state regulations, and Office of Appeals' rules, policies, and procedures.

R6-14-410. Parties' Rights Repeal.

~~The appellant and the Department have the following rights:~~

- ~~1. The right to request a postponement of the hearing;~~
- ~~2. The right to receive before and during the hearing documents the Department may use at the hearing and a free copy of any documents in the Department's file on the appellant, except documents protected by the attorney-client or work-product privilege or as otherwise protected by federal or state confidentiality laws;~~
- ~~3. The right to request a change of hearing officer;~~
- ~~4. The right to request subpoenas for witnesses and evidence;~~
- ~~5. The right to be represented by an authorized representative, subject to any limitations on the unauthorized practice of law in the Rules of the Supreme Court of Arizona, Rule 31;~~
- ~~6. The right to bring witnesses, present evidence and to confront and cross-examine adverse witnesses;~~
- ~~7. The right to advance arguments without undue interference, to question or refute any testimony or evidence; and~~
- ~~8. The right to further appeal, as provided in R6-14-416 and R6-14-417, if dissatisfied with the Office of Appeals decision.~~

~~**R6-14-411**~~**R6-14-1210.** **Withdrawal of an Appeal**

~~**A.** An appellant may withdraw an appeal at any time prior to the time the hearing officer issues a decision.~~

- ~~1. An appellant may withdraw an appeal orally, either in person or by telephone. The Department may record the audio of the withdrawal. The Department is prohibited from coercion or actions that would influence the person or their representative to withdraw~~

~~the fair hearing request. The Department must provide a written notice within 10 days of the oral request confirming the withdrawal request and providing the person an opportunity to request to reinstate the hearing within 10 days of the date the notice is received as provided in R6-14-402(B).~~

~~2. An appellant may withdraw an appeal by signing a written statement expressing the intent to withdraw. The Department shall make a withdrawal form available for this purpose.~~

~~**B.** The Office of Appeals shall dismiss the appeal when the appellant or the appellant's representative provides a signed withdrawal request to the Department or to the hearing officer prior to the issuance of a hearing decision or when the appellant or the appellant's representative makes such a request on the record during a hearing, or orally as provided in subsection (A)(1).~~

A. An Appellant may withdraw an Appeal either verbally or in writing at any time before the Hearing Officer's decision under [7 CFR 273.15\(j\)\(2\)](#).

B. The Office of Appeals shall dismiss the Appeal when the Appellant or the Appellant's representative provides a signed withdrawal request to the Department or the Hearing Officer before the issuance of a Hearing decision or when the Appellant or the Appellant's representative makes such a request verbally during a Hearing.

~~**R6-14-412**~~**R6-14-1211. Failure to Appear; Default; Reopening**

~~**A.** If an appellant fails to appear at the hearing, the hearing officer shall:~~

~~1. Enter a default and issue a decision dismissing the appeal, except as provided in subsection (B);~~

2. ~~Rule summarily on the available record, or~~
3. ~~Adjourn the hearing to a later date and time.~~

- ~~**B.** The hearing officer shall not enter a default or rule summarily if the appellant notifies the Office of Appeals before the scheduled time of hearing that the appellant cannot attend the hearing because of good cause and still desires a hearing or wishes to have the matter considered on the available record. Good cause includes circumstances beyond the household's reasonable control such as, but not limited to, illness, illness of another no later than household member requiring the presence of the adult member, or a household emergency.~~
- ~~**C.** A party who did not appear at the hearing may file a request to reopen the proceedings no later than 10 days after the hearing. The request shall be in writing, by mail or e-mail, or be made in person or by telephone and shall demonstrate good cause for the party's failure to appear.~~
- ~~**D.** If the hearing officer finds that the party had good cause for failure to appear, the hearing officer shall reopen the proceedings and schedule a new hearing with notice to all interested parties as prescribed in R6-14-405.~~
- ~~**E.** If the hearing officer cannot grant or deny the request to reopen the proceedings based on the information provided, the hearing officer shall set the matter for a hearing to determine whether the party had good cause for failure to appear.~~
- ~~**F.** Good cause, for the purpose of reopening a hearing, is established if the failure to appear at the hearing and the failure to timely notify the hearing officer were beyond the reasonable control of the nonappearing party. Good cause also exists when the nonappearing party~~

~~demonstrates excusable neglect, as used in Arizona Rules of Civil Procedure, Rule 60(b)(1) for both the failure to appear and the failure to timely notify the hearing officer. “Excusable neglect” means an action involving an error such as might be made by a reasonably prudent person who attempts to handle a matter in a prompt and diligent fashion.~~

~~A. If an Appellant fails to appear at the Hearing, the Hearing Officer shall:~~

- ~~1. Issue a decision dismissing the Appeal;~~
- ~~2. Issue a decision on the available record; or~~
- ~~3. Adjourn the Hearing to a later date and time.~~

~~B. A party who did not appear at the Hearing may file a request with the Office of Appeals to reopen the proceedings within 10 Business Days after the scheduled Hearing. The request shall be made in writing and shall demonstrate Good Cause for the party’s failure to appear.~~

~~R6-14-413~~**R6-14-1212. Hearing Proceedings**

~~A. The hearing is a de novo proceeding. The Department has the initial burden of presenting the evidence to support the adverse action being appealed.~~

~~B. The standard of proof is a preponderance of the evidence.~~

~~C. The Arizona Rules of Evidence do not apply at the hearing. The hearing officer may admit and give probative effect to evidence as prescribed in A.R.S. § 41-1062(A).~~

~~D. The Office of Appeals shall audio record all hearings. The Office of Appeals shall also transcribe the proceedings when a transcription is requested by the Appeals Board or when a transcription is required for judicial review under A.R.S. § 41-1993. If a transcript is prepared for any purpose, the appellant is entitled to a copy of the transcription at no cost.~~

- ~~E. A party may, at the party's own expense, arrange to have a court reporter present to transcribe the hearing, provided that such transcription does not delay or interfere with the hearing. The Office of Appeal's recording of the hearing shall constitute the official record of the hearing.~~
- ~~F. The hearing officer shall call the hearing to order and dispose of any prehearing motions or issues.~~
- ~~G. With the consent of the hearing officer, the parties may stipulate to factual findings or legal conclusions.~~
- ~~H. A party may advance arguments without undue interference.~~
- ~~I. A party may testify, present evidence, call witnesses, cross-examine adverse witnesses, and object to evidence. The hearing officer may also take witness testimony or admit evidence on the hearing officer's own motion.~~
- ~~J. The hearing officer shall keep a complete record of all proceedings in connection with an appeal.~~
- ~~K. The hearing officer may request the parties to submit memoranda on issues in the case if the hearing officer finds that the memoranda would assist the hearing officer in deciding the case. The hearing officer shall establish a briefing schedule for any required memoranda.~~
- ~~L. The recording of the hearing, all the evidence presented at the hearing and all papers and requests filed shall constitute the record and shall be available to the household or its representative at any reasonable time for copying and inspection.~~
- A. The Hearing Officer may receive any evidence at the Hearing the Hearing Officer believes is important to the issues.

- B.** The Office of Appeals shall audio record all Hearings and transcribe the proceedings when a transcript is requested by the Appeals Board or when a transcript is required for judicial review under [A.R.S. § 41-1993](#). If a transcript is prepared for any purpose, the Appellant is entitled to a copy of the transcript at no cost.
- C.** The Hearing recording, all the evidence presented at the Hearing, and all documents and requests filed shall constitute the record and shall be available to the Household or its representative at any reasonable time for copying and inspection.
- D.** The Office of Appeals shall keep a complete record of all proceedings in connection with an Appeal per [7 CFR 272.1\(f\)](#).

~~R6-14-414~~R6-14-1213. **Hearing Decision**

- A.** ~~No later than 60 days after the date the appellant files a request for hearing with the Department, the hearing officer shall render a decision based solely on the evidence and testimony produced at the hearing and the applicable law. The 60-day time limit is extended for any delay necessary to accommodate hearing continuances or extensions, or postponements requested by a party.~~
- B.** ~~The hearing decision shall include:~~
- ~~1. Findings of fact concerning the issue on appeal;~~
 - ~~2. Citations to the law and authority applicable to the issue on appeal;~~
 - ~~3. A statement of the conclusions derived from the controlling facts and law and the reasons for the conclusions;~~
 - ~~4. The name of the hearing officer;~~
 - ~~5. The date of the decision;~~

- ~~6. A statement of further appeal rights, a statement of the process required to initiate a further appeal, and the time period for exercising those rights; and~~
- ~~7. That an appeal may result in a reversal of the decision.~~
- ~~C. The Office of Appeals shall send a copy of the decision to each party or the party's representative.~~
- ~~D. When requested by the appellant, the Department, or upon the hearing officer's own motion, the Office of Appeals may amend or vacate a decision to correct clerical errors, including typographical and computational errors.~~
- A. No later than 60 days after the date the Appellant filed a request for Hearing, as increased by any postponement days, the Hearing Officer shall send to the parties a written decision based solely on the evidence and testimony produced at the hearing and applicable law.
- B. The Hearing Officer's decision shall include the information required by [7 CFR 273.15\(q\)](#) and [A.R.S. § 41-1063](#).
- C. The Office of Appeals shall send a copy of the decision to each party.
- D. The Office of Appeals may amend or vacate a decision to correct clerical errors, including typographical and computational errors when requested by the Appellant, the Department, or upon the Hearing Officer's own motion.

~~**R6-14-415**~~**R6-14-1214.** **Effect of the Decision**

- ~~A. If the hearing officer affirms the adverse action against the appellant, the adverse action is effective as of the date of the initial determination of adverse action by the Department. The adverse action remains effective until the appellant appeals and obtains a higher administrative or judicial decision reversing or vacating the hearing officer's decision.~~

~~**B.** If the hearing officer vacates or reverses the Department's decision to take adverse action, the Department shall not take the action or shall reverse any adverse action, unless the Department appeals and obtains a higher administrative or judicial decision reversing or vacating the hearing officer's decision.~~

~~**C.** As specified in 7 CFR 273.15(c) the Department shall:~~

~~1. For decisions that result in an increase in household benefits:~~

~~a. Authorize and deposit a benefit supplement in the household's EBT benefit account within 10 days of the receipt of the hearing decision; or~~

~~b. The Department may take longer than 10 days if it elects to make the decision effective in the household's normal issuance cycle, provided that the issuance will occur within 60 days from the household's request for the hearing.~~

~~2. For decisions that result in a decrease in household benefits the Department shall authorize and deposit a decreased benefit amount in the household's EBT benefit account for the next scheduled issuance following receipt of the hearing decision.~~

A. If a Hearing Officer decides the Department's Adverse Action was correct, the Adverse Action shall be effective on the date of the Department's initial determination of the Adverse Action. The Adverse Action shall remain effective until the Appellant Appeals and obtains a higher administrative or judicial decision changing the Hearing Officer's decision.

B. If a Hearing Officer decides the Department's Adverse Action was incorrect, the Department shall take the action ordered by the Hearing Officer unless the Department disagrees with the Hearing Officer's decision and requests further administrative appeal as prescribed in R6-14-1215.

C. As specified in [7 CFR 273.15\(c\)](#) the Department shall:

1. For decisions that result in an increase in Household NA Benefits:
 - a. Reflect the increase in the Household's EBT Account within 10 days of the receipt of the Hearing Officer's decision; or
 - b. If the Department elects to reflect the increase in the Household's NA benefits effective in the Household's normal issuance cycle, the Department may take longer than 10 days provided that the issuance will occur within 60 days from the Household's request for the Hearing.
2. For decisions that result in a decrease in Household NA Benefits, the Department shall reflect the decrease in the Household's EBT Account in the next scheduled issuance following receipt of the Hearing decision.

~~R6-14-416~~R6-14-1215. Further Administrative Appeal

~~A. A party can appeal an adverse decision issued by a hearing officer to the Department's Appeals Board as prescribed in A.R.S. § 41-1992(C) and (D) by filing a written petition for review with the Office of Appeals within 15 days of the mailing or transmittal date of the hearing officer's decision.~~

~~B. The petition for review shall:~~

- ~~1. Be in writing and filed in person or by mail or fax;~~
- ~~2. Describe why the party disagrees with the hearing officer's decision; and~~
- ~~3. Be signed and dated by the party or the party's representative.~~

A. A party may Appeal a decision issued by a Hearing Officer to the Appeals Board as prescribed in [A.R.S. § 41-1992\(C\)](#) and (D) by filing a written petition for review with the

Office of Appeals within 15 days of the mailing or transmittal date of the Hearing Officer's decision per [7 CFR 273.15\(q\)\(4\)](#).

B. The petition for review shall:

1. Be in writing and filed in person, by mail or through electronic means;
2. Describe why the party disagrees with the Hearing Officer's decision; and
3. Be signed and dated by the party or the party's representative.

~~R6-14-417~~R6-14-1216. Appeals Board

~~A. The Appeals Board shall conduct proceedings in accordance with A.R.S. §§ 41-1992(D) and 23-672.~~

~~B. The Appeals Board shall issue to all parties a final written decision affirming, reversing, setting aside, or modifying the hearing officer's decision based on the complete record, including the audio recording or the transcript of the hearing. The decision of the Appeals Board shall specify the right to further review and the time for filing an application for appeal.~~

~~C. A household appellant adversely affected by an Appeals Board decision may seek judicial review under A.R.S. § 41-1993.~~

A. The Appeals Board shall conduct proceedings according to [A.R.S. § 41-1992\(D\)](#) and [A.R.S. § 23-672](#).

B. The Appeals Board shall issue to all parties a final written decision agreeing or disagreeing with the Hearing Officer's decision based on the complete record, including the audio recording or the Hearing transcript.

C. The Appeals Board’s decision shall specify the party’s rights to appeal the decision and that the appeal request must be filed within 30 days after the date of mailing or electronic transmission of the decision under [A.R.S. § 41-1993](#).

D. An Appellant adversely affected by an Appeals Board decision may seek judicial review under [A.R.S. § 41-1993](#).

ARTICLE 5 13. INTENTIONAL PROGRAM VIOLATION

R6-14-1301. Definitions and Location of Definitions

Location of Definitions. Definitions applicable to Article 13 are found in the following:

<u>“Administrative Disqualification Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Appeal”</u>	<u>R6-14-101(B)</u>
<u>“Appellant”</u>	<u>R6-14-101(B)</u>
<u>“Applicant”</u>	<u>R6-14-101(B)</u>
<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 41-1951</u>
<u>“Earned Income”</u>	<u>R6-14-101(B)</u>
<u>“Electronic Benefit Transfer Account” or “EBT Account”</u>	<u>7 CFR 271.2</u>
<u>“Electronic Benefit Transfer Card” or “EBT Card”</u>	<u>7 CFR 271.2</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Fraud”</u>	<u>R6-14-101(B)</u>
<u>“Good Cause”</u>	<u>R6-14-101(B)</u>
<u>“Hearing or Fair Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Hearing Officer”</u>	<u>R6-14-101(B)</u>

<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Intentional Program Violation” or “IPV”</u>	<u>R6-14-101(B)</u>
<u>“Office of Appeals”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>
<u>“Recipient”</u>	<u>R6-14-101(B)</u>
<u>“Resources”</u>	<u>R6-14-101(B)</u>
<u>“SNAP”</u>	<u>R6-14-101(B)</u>

~~R6-14-501~~R6-14-1302. Intentional Program Violations (IPV); Defined

A. ~~An Intentional Program Violation (IPV) consists of having intentionally:~~

- ~~1. Made a false or misleading statement, or misrepresented, concealed or withheld facts; or~~
- ~~2. Committed any act that constitutes a violation of the Food and Nutrition Act, the Supplemental Nutrition Assistance Program Regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of Supplemental Nutrition Assistance Program benefits or Electronic Benefit Transfer (EBT) cards. In Arizona, the name of the Supplemental Nutrition Assistance Program is the Nutrition Assistance Program.~~

B. ~~For the purpose of imposing sanctions as prescribed in R6-14-505, a person is considered to have committed an IPV if:~~

- ~~1. A person signs a waiver of an Administrative Disqualification Hearing;~~
- ~~2. A person is found to have committed an IPV by an Administrative Disqualification Hearing; or~~

~~3. A person is convicted of a criminal offense the elements of which would constitute an IPV under subsection A above or enters into a disqualification consent agreement for deferred prosecution for fraud in a court of law.~~

A. An IPV consists of a person intentionally:

1. Making a false or misleading statement, or misrepresenting, concealing, or withholding facts; or
2. Committing any act that constitutes a violation of the Food and Nutrition Act, the SNAP regulations, or any state statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or Trafficking SNAP Benefits or EBT Cards.

B. For the purpose of imposing sanctions, the Department considers a person to have committed an IPV if:

1. A person signs an Administrative Disqualification Hearing waiver;
2. A person is found to have committed an IPV through an Administrative Disqualification Hearing; or
3. A person is convicted of a criminal offense, the elements of which would constitute an IPV under R6-14-1302(A), or enters into an agreement to disqualify themselves from the NA program in exchange for deferred prosecution for Fraud in a court of law.

~~R6-14-502~~R6-14-1303. **IPV Administrative Disqualification Hearings; Hearing Waiver**

~~A. Upon receipt of sufficient documentary evidence substantiating that a person has committed an IPV, the Department shall initiate either an Administrative Disqualification Hearing, or a referral for prosecution.~~

- ~~B. When the Department initiates an Administrative Disqualification Hearing, the Department shall mail the person suspected of an IPV written notice of the right to waive the Administrative Disqualification Hearing. This notice shall be sent either by first class mail or certified mail— return receipt requested.~~
- ~~C. The waiver notice of the Administrative Disqualification Hearing shall include the following information as well as the information described in R6-14-503(D):~~
- ~~1. A statement that the Department has determined that the individual suspected of the IPV committed, and intended to commit, one or more acts described in R6-14-501(A) and that the Department has initiated an Administrative Disqualification Hearing against the individual suspected of the IPV.~~
 - ~~2. A summary of the allegations and evidence against the individual suspected of the IPV and notification that the individual suspected of the IPV has the right to examine the case file prior to the hearing and, when requested by the individual or representative, be provided a free copy of any documents in the case file, except documents protected by the attorney-client or work-product privilege or as otherwise protected by federal or state confidentiality laws.~~
 - ~~3. A statement of the right of the individual suspected of the IPV to remain silent concerning the allegation of an IPV, and that anything said or signed by the individual concerning the allegations can be used against the individual suspected of the IPV in a court of law, including signing any part of the waiver.~~
 - ~~4. A statement that signing a waiver of the Administrative Disqualification Hearing will result in disqualification periods as determined by section R6-14-505, a statement of the~~

~~penalty the Department believes is applicable to the case scheduled for a hearing and a reduction in benefits for the period of disqualification, even if the individual suspected of the IPV does not admit to the facts as presented by the Department.~~

- ~~5. A statement that the individual suspected of the IPV does not have to sign a waiver of the Administrative Disqualification Hearing, return the waiver form to the Department or speak to anyone at the Department.~~
- ~~6. A statement of the fair hearing rights of the individual suspected of the IPV and notification that these rights are waived when the individual suspected of the IPV submits a signed waiver of the Administrative Disqualification Hearing form.~~
- ~~7. A statement that waiver of the Administrative Disqualification Hearing does not preclude the State or Federal Government from prosecuting the individual suspected of the IPV for the IPV in a civil or criminal court action, or from collecting any over issuance of Nutrition Assistance benefits.~~
- ~~8. A statement that the individual suspected of the IPV may wish to consult an attorney and a list of any individuals or organizations that provide free legal representation.~~
- ~~9. A statement that Nutrition Assistance benefits will continue and will only be terminated if the following occurs:
 - ~~a. The individual suspected of the IPV signs a notice to waive their rights to an Administrative Disqualification Hearing,~~
 - ~~b. There is an Administrative Disqualification Hearing decision that the individual suspected of the IPV is disqualified,~~
 - ~~e. The individual is determined to no longer be eligible on other grounds, or~~~~

- d. ~~The individual requests that the Nutrition Assistance benefits not be continued in order to avoid a potential over issuance of benefits.~~
- 10. ~~A statement that the remaining adult household members, if any, will be held responsible for repayment of the resulting over issuance claim.~~
- 11. ~~An opportunity for the individual suspected of the IPV to specify whether or not the individual admits to the facts as presented by the Department. This opportunity shall consist of the following statements, and a method for the individual suspected of the IPV to designate the individual's waiver choice:~~
 - a. ~~I admit to the facts as presented and understand that a disqualification penalty will be imposed if I sign this waiver. I understand that if I sign this waiver, there will not be an Administrative Disqualification Hearing; or~~
 - b. ~~I do not admit that the facts as presented are correct in my Nutrition Assistance case. However, I have chosen to sign this waiver of the Administrative Disqualification Hearing. I also understand that a disqualification penalty will be imposed. I understand that if I mark this box, I will not be able to submit additional evidence, have an Administrative Disqualification Hearing, or have the right to administrative appeal; or~~
 - e. ~~I do not admit that the facts as presented are correct in my Nutrition Assistance case. I do not waive my right to require an Administrative Disqualification Hearing where the Department must prove by clear and convincing evidence that I committed, and intended to commit, an Intentional Program Violation.~~

- ~~12. A statement that if the individual suspected of the IPV does not waive their right to an Administrative Disqualification Hearing, then the Department must prove by clear and convincing evidence that the person committed and intended to commit, an Intentional Program Violation. The statement shall also advise the person that they may attend the hearing but are not required to attend. If the person opts to attend the hearing, they may talk to the judge about what happened and present additional evidence to the judge if they want to. The person also has the right to remain silent. The judge will decide if the person will be disqualified from participating in the Nutrition Assistance program.~~
 - ~~13. The telephone number of the appropriate Department unit that the individual may contact to obtain additional information.~~
 - ~~14. A due date that the signed waiver of an Administrative Disqualification Hearing must be provided to the Department so that a hearing will not be held and a signature block for the individual suspected of the IPV, along with a statement that the head of household must also sign the waiver if the individual suspected of the IPV is not the head of household, with an appropriately designated signature block.~~
 - ~~15. If the signed waiver of the Administrative Disqualification Hearing is not returned by the due date, the Department shall schedule the Administrative Disqualification Hearing and shall send the individual suspected of the IPV a written hearing notice as contained in R6-14-503(C).~~
- ~~**D.** For the purpose of imposing sanctions as prescribed in R6-14-505, a timely signed waiver of an Administrative Disqualification Hearing shall have the same effect as an administrative adjudication that an IPV occurred.~~

- A. The Department shall initiate either an Administrative Disqualification Hearing or a referral for prosecution upon receipt of sufficient documentary evidence that substantiates that a person has committed an IPV.
- B. When the Department initiates an Administrative Disqualification Hearing, the Department shall mail the person suspected of an IPV a notice of the right to waive the Administrative Disqualification Hearing. This notice shall be sent either by first class mail or certified mail-return receipt requested.
- C. The Administrative Disqualification Hearing waiver notice shall include the information required by [7 CFR 273.16\(e\)\(3\)\(iii\)](#).
- D. For the purpose of imposing sanctions under R6-14-1306, a timely signed Administrative Disqualification Hearing waiver shall have the same effect as if an IPV administrative adjudication occurred.

~~R6-14-503~~R6-14-1304. Administrative Disqualification Hearings

- ~~A. The rules on fair hearings contained in Article 4 of this Chapter apply to Intentional Program Violation (IPV) Administrative Disqualification Hearings, except as provided in this Article.~~
- ~~B. All IPV Administrative Disqualification Hearings are conducted by the Department's Office of Appeals.~~
- ~~C. If the individual suspected of an IPV does not sign and return the waiver of Administrative Disqualification Hearing by the return date set in the waiver notice, or returns the waiver notice stating they do not waive the Administrative Disqualification Hearing, the Office of Appeals shall send the individual a written hearing notice. The Office of Appeals shall send~~

~~the notice by first class mail, certified mail - return receipt requested, or any other reliable method, no later than 30 days before the scheduled hearing date.~~

D. ~~The hearing notice shall include the following information:~~

- ~~1. The date, time, and place of the hearing;~~
- ~~2. The allegations of an IPV against the individual;~~
- ~~3. A summary of the evidence, how and where the evidence can be examined, and that the individual suspected of the IPV has the right to examine the case file prior to the hearing. When requested by the household or its representative, the Department shall provide a free copy of any documents in the case file, except documents protected by the attorney-client or work-product privilege or as otherwise protected by federal or state confidentiality laws;~~
- ~~4. A notice that the decision will be based solely on information provided by the Department if the individual suspected of the IPV fails to appear at the hearing;~~
- ~~5. A statement that the individual or representative will, upon receipt of the notice, have 10 days from the date of the scheduled hearing to present good cause for failure to appear in order to receive a new hearing;~~
- ~~6. A warning that a determination of IPV will result in disqualification periods as defined by R6-14-505, and a statement of which penalty the Department believes is applicable to the case scheduled for a hearing;~~
- ~~7. A listing of the individual's rights as contained in R6-14-410;~~

8. ~~A statement that the Administrative Disqualification Hearing does not preclude the State or Federal Government from prosecuting the individual for the IPV in a civil or criminal court action, or from collecting any over issuance of Nutrition Assistance benefits;~~
 9. ~~A statement that the individual suspected of the IPV may consult with an attorney and a list of any individuals or organizations known to the Department that provide free legal representation; and~~
 10. ~~A notice that the individual suspected of the IPV has the right to obtain a copy of the Department's published hearing procedures together with an explanation of how the individual suspected of the IPV can obtain these procedures.~~
- ~~E. The hearing officer shall postpone a hearing for up to 30 days if the individual suspected of the IPV files a written or oral request for postponement with the hearing officer no later than 10 days before the hearing date. Any such postponement shall increase the time by which the hearing officer shall issue a decision, as provided in subsection (J).~~
- ~~F. The time and place for the hearing shall be arranged so that the hearing is accessible to the individual suspected of the IPV, including making reasonable accommodations for a person with a disability.~~
- ~~G. At the start of the Administrative Disqualification Hearing, the hearing officer shall advise the individual suspected of the IPV or representative of the right to remain silent during the hearing. The hearing officer shall also advise that if the individual suspected of the IPV or representative chooses not to exercise the right to remain silent, anything they say may be used against them.~~

- ~~H. A hearing officer, as prescribed in R6-14-407, shall conduct the Administrative Disqualification Hearing pursuant to the procedures set forth in R6-14-408, R6-14-409, R6-14-410 and R6-14-413, except as prescribed in this subsection.~~
- ~~I. The Department shall prove by clear and convincing evidence that the household member committed, and intended to commit, an IPV.~~
- ~~J. No later than 90 days from the date of the notice of hearing, as increased by any postponement days, the hearing officer shall send to the individual suspected of the IPV a written decision. The hearing officer shall find whether the evidence shows by clear and convincing evidence that the person committed, and intended to commit, an IPV. The decision shall specify the reasons for the decision, identify the supporting evidence, identify the pertinent regulation, respond to reasoned arguments made by the individual suspected of the IPV or representative, and include appeal rights.~~
- A. The rules on Fair Hearings in Article 12 of this Chapter apply to IPV Administrative Disqualification Hearings, except as provided in this Article.
- B. All IPV Administrative Disqualification Hearings are conducted by the Office of Appeals under applicable federal and state regulations, the Office of Appeals' rules, policies and procedures, and this Chapter.
- C. An IPV Administrative Disqualification Hearing is conducted telephonically unless a party requests an in-person Hearing before the scheduled Hearing date.
- D. If the person suspected of an IPV does not sign and return the Administrative Disqualification Hearing waiver by the return date set in the waiver notice, or returns the waiver notice stating the person does not waive the Administrative Disqualification Hearing,

the Office of Appeals shall send the person and the FAA a Hearing notice by first class mail, certified mail-return receipt requested, or any other reliable or agreed upon method, no later than 30 days before the scheduled Hearing date.

- E. The Hearing notice shall contain all information required by [7 CFR 273.16\(e\)\(3\)\(iii\)](#).
- F. The Hearing Officer shall postpone a Hearing for up to 30 days if either party files a request for postponement with the Hearing Officer no later than 10 days before the Hearing date. Any such postponement shall increase the time by which the Hearing Officer shall issue a decision.
- G. No later than 90 days from the date of the notice of Hearing, as increased by any postponement days, the Hearing Officer shall send to the parties a written decision determining whether the Department proved by clear and convincing evidence that the person intentionally committed an IPV.
- H. The Hearing Officer's decision shall specify the reasons for the decision, identify the supporting evidence, identify the pertinent regulations, respond to arguments supported by evidence, and include the parties' Appeal rights.

~~R6-14-504~~R6-14-1305. Failure to Appear; ~~Default~~; Reopening

- ~~A. If the individual suspected of the IPV fails to appear at the Administrative Disqualification Hearing without good cause, the hearing officer shall conduct the hearing.~~
- ~~B. The hearing officer shall not conduct the hearing if the individual suspected of the IPV notifies the Office of Appeals before the hearing that the individual cannot attend the hearing because of good cause and still desires a hearing. Good cause includes circumstances beyond~~

~~the household's reasonable control such as illness, illness of another household member requiring the presence of the adult member, or a household emergency.~~

- ~~C. An individual suspected of the IPV who did not appear at the hearing may file a request to reopen the Administrative Disqualification Hearing. The request shall be in writing and shall demonstrate good cause for the party's failure to appear.
 - ~~1. The individual suspected of the IPV has 30 days after the date of the written notice of the hearing decision to file a request to reopen the Administrative Disqualification Hearing if the individual did not receive a hearing notice.~~
 - ~~2. In all other instances, the individual suspected of the IPV has 10 days from the hearing date to show good cause why the individual failed to appear.~~~~
- ~~D. The hearing officer shall review the good cause reason submitted by the individual suspected of the IPV and unless the hearing officer can grant or deny the request based on the information provided, shall set the matter for a hearing to determine whether the individual suspected of the IPV had good cause for failing to appear.~~
- ~~E. If the hearing officer finds that the individual suspected of the IPV had good cause for failure to appear, the previous decision shall be vacated and the hearing officer shall reopen the Administrative Disqualification Hearing and schedule a new hearing with notice to all parties. The hearing officer must enter the good cause decision on the record.~~
- ~~F. Good cause, for the purpose of reopening an Administrative Disqualification Hearing, is established if the failure to appear at the hearing and the failure to timely notify the hearing officer were beyond the reasonable control of the individual suspected of the IPV. Good cause also exists when the individual suspected of the IPV demonstrates excusable neglect~~

~~for both the failure to appear and the failure to timely notify the hearing officer. “Excusable neglect” means an action involving an error such as might be made by a reasonably prudent person who attempts to handle a matter in a prompt and diligent fashion.~~

- ~~A. If the person suspected of an IPV fails to appear at the Administrative Disqualification Hearing without Good Cause, the Hearing Officer shall conduct the Hearing with only the Department present.~~
- ~~B. The Hearing Officer shall not conduct the Hearing if the person suspected of an IPV notifies the Office of Appeals before the Hearing that the person cannot attend the Hearing with Good Cause and still desires a Hearing. Good Cause is determined by the Hearing Officer on a case-by-case basis under federal and state regulations, the Office of Appeals’ rules, policies and procedures, and this Chapter.~~
- ~~C. A person suspected of an IPV who did not appear at the Hearing may file a request to reopen the Administrative Disqualification Hearing with the Office of Appeals under federal and state regulations, the Office of Appeals’ rules, policies and procedures, and this Chapter.~~

~~R6-14-505~~**R6-14-1306. Disqualification Sanctions; Notice; Appeal**

- ~~A. A person found to have committed an IPV is disqualified from program participation:~~
 - ~~1. For a period of 12 months for the first IPV, except as provided under subsections (B) through (E);~~
 - ~~2. For a period of 24 months for the second IPV, except as provided in subsections (B) through (E); and~~
 - ~~3. Permanently for the third IPV.~~

- ~~4. The same act of IPV repeated over a period of time shall not be separated so that separate penalties can be imposed.~~
- ~~**B.** Individuals found by any court to have used or received benefits in a transaction involving the sale of a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), shall be ineligible to participate in the program:~~
- ~~1. For a period of 24 months for the first violation; and~~
 - ~~2. Permanently upon the second violation.~~
- ~~**C.** Individuals found by any court to have used or received benefits in a transaction involving the sale of firearms, ammunition or explosives shall be permanently ineligible to participate in the program upon the first violation.~~
- ~~**D.** An individual convicted by any court of having trafficked benefits for an aggregate amount of \$500 or more shall be permanently ineligible to participate in the program upon the first violation.~~
- ~~**E.** Except as provided under subsection (A)(3), an individual found to have made a fraudulent statement or representation with respect to the identity or place of residence of the individual in order to receive multiple Nutrition Assistance benefits simultaneously shall be ineligible to participate in the program for 10 years.~~
- ~~**F.** Upon a determination of IPV, the Department shall notify the disqualified person in writing of the pending disqualification. The written notice shall:~~
- ~~1. Inform the disqualified person of the decision and the reasons for the decision; and~~
 - ~~2. Inform the disqualified person of the date the disqualification will take effect and the duration of the disqualification.~~

~~G. Under 7 CFR 273.11(c)(1), when determining the eligibility and benefit level for the remaining eligible members of the household, the Department shall count the income and resources of the disqualified person in their entirety and the entire household's allowable earned income, standard, medical, dependent care, child support, and excess shelter deductions shall continue to apply to the remaining household members. The Department shall not include the ineligible member when determining the household's size for the purposes of:~~

- ~~1. Assigning a benefit level to the household;~~
- ~~2. Assigning a standard deduction to the household;~~
- ~~3. Comparing the household's monthly income with the income eligibility standards; or~~
- ~~4. Comparing the household's resources with the resource eligibility limits.~~

~~H. Under 7 CFR 273.11 (c)(4) and 7 CFR §273.16(c)(9)(ii) and (f)(3), the Department shall notify the remaining members of their eligibility and benefit level at the same time the excluded member is notified of his or her disqualification.~~

A. A person found to have committed an IPV:

1. Is disqualified from NA program participation:
 - a. For 12 months for the first IPV, except as provided under R6-14-1306(B)-(E);
 - b. For 24 months for the second IPV, except as provided in R6-14-1306(B)-(E); or
 - c. Permanently for the third IPV.
2. Shall not be penalized separately for the same act of IPV repeated over a specific period.

- B.** A person found by any court to have used or received NA Benefits in a transaction involving the sale of a controlled substance, as defined in [21 U.S.C. 802](#), shall be ineligible to participate in the NA program:
1. For 24 months for the first violation; and
 2. Permanently upon the second violation.
- C.** A person found by any court to have used or received NA Benefits in a transaction involving the sale of firearms, ammunition, or explosives shall be permanently ineligible to participate in the NA program.
- D.** A person convicted by any court of having trafficked NA Benefits for an aggregate amount of \$500.00 or more shall be permanently ineligible to participate in the NA program.
- E.** Except as provided under R6-14-1306(A)(1)(c), a person found to have made a fraudulent statement or representation concerning the person's identity or residence to receive multiple NA Benefits simultaneously shall be ineligible to participate in the NA program for 10 years.
- F.** Upon a determination of an IPV, the Department shall notify the disqualified person in writing of the pending disqualification. The written notice shall inform the disqualified person of:
1. The decision and the reasons for the decision; and
 2. The date the disqualification will take effect and the duration of the disqualification.
- G.** Under [7 CFR 273.11\(c\)\(1\)](#), when determining the eligibility and NA Benefit level for the remaining eligible members of the Household, the FAA shall count the income and Resources of the disqualified person in the income and Resources' entirety and the entire Household's allowable Earned Income and its standard, medical, dependent care, child

support, and excess shelter deductions shall continue to apply to the remaining Household members. The FAA shall not include the ineligible member when determining the Household's size in:

1. Assigning an NA Benefit level to the Household;
2. Assigning a standard deduction to the Household;
3. Comparing the Household's monthly income with the income eligibility standards; or
4. Comparing the Household's Resources with the resource eligibility limits.

H. Under 7 CFR 273.11(c)(4), 7 CFR 273.16(e)(9)(ii), and 7 CFR 273.16(f)(3), the FAA shall notify the remaining Household members of their eligibility and NA Benefit level.

~~R6-14-506~~R6-14-1307. **Administrative Disqualification Hearings or Waiver of the Right to a Hearing; Appeal**

A. ~~Upon a determination of IPV through a signed waiver of an Administrative Disqualification Hearing, the individual has no right to further administrative appeal. The individual may seek relief in a court having jurisdiction and may seek a stay or other injunctive relief of a period of disqualification.~~

B. ~~A party may appeal a Hearing Officer's Administrative Disqualification Hearing decision as provided in R6-14-416(A) to the Appeals Board as provided in R6-14-417.~~

C. ~~An individual adversely affected by an Appeals Board decision may seek judicial review under A.R.S. § 41-1993.~~

A. A determination through a signed Administrative Disqualification waiver that a person committed an IPV is not subject to administrative Appeal. The person may seek relief in a

court having jurisdiction and may seek a stay or other injunctive relief for a period of disqualification.

B. A decision by a Hearing Officer adversely affecting a party is not subject to further administrative Appeal per 7 CFR 273.16(e)(8)(ii). However, either party may seek judicial review under A.R.S. § 41-1993(B).

~~R6-14-507~~R6-14-1308. **Honoring Out-of-State IPV Determinations and Sanctions**

~~The Department shall honor sanctions imposed against an applicant or recipient by the agency of another state that administers the Supplemental Nutrition Assistance Program and shall consider prior violations committed in another state when determining the appropriate sanction.~~

The Department shall honor sanctions imposed against an Applicant or Recipient by another state agency that administers SNAP and shall consider prior violations committed in another state when determining the appropriate sanction.

ARTICLE 14. BENEFIT PAYMENTS

R6-14-1401. Definitions and Location of Definitions

Location of Definitions. Definitions applicable to Article 14 are found in the following:

<u>“Benefit” or “Benefit Allotment”</u>	<u>R6-14-101(B)</u>
<u>“Benefit Month”</u>	<u>R6-14-101(B)</u>
<u>“Department”</u>	<u>A.R.S. § 46-101(8)</u>
<u>“Electronic Benefit Transfer Account” or "EBT Account"</u>	<u>7 CFR 271.2</u>
<u>“Electronic Benefit Transfer Card” or "EBT Card"</u>	<u>7 CFR 271.2</u>
<u>“Family Assistance Administration” or “FAA”</u>	<u>R6-14-101(B)</u>
<u>“Fraud”</u>	<u>R6-14-101(B)</u>

<u>“Hearing” or “Fair Hearing”</u>	<u>R6-14-101(B)</u>
<u>“Household”</u>	<u>R6-14-101(B)</u>
<u>“Nutrition Assistance” or “NA”</u>	<u>R6-14-101(B)</u>

R6-14-1402. Benefit Payments

A. The FAA shall deposit NA Benefit payments into an EBT Account that the FAA shall establish for the Household. The primary payee shall be the Applicant, or a person selected by the Household to be the primary payee.

- 1. The FAA or a contracted vendor shall provide the primary payee an EBT Card by mail or by in-office issuance and shall provide the cardholder with instructions for selecting a Personal Identification Number (PIN) and instructions for using the EBT Card to access and use NA Benefits. The primary payee may designate up to two adult alternate cardholders to have access to and use of the NA Benefits in the EBT Account on the Household’s behalf.**
- 2. The FAA shall provide the EBT Card and one replacement card, if requested, at no cost to the Household. A second or subsequent replacement card shall be issued at a cost as determined by the FAA, and the cost shall be deducted from the EBT Account, if applicable.**
- 3. The FAA may waive the replacement fee based on circumstances reported by the cardholder and determined to be acceptable by the FAA.**

B. The FAA shall, with the primary payee’s assistance when possible, select an adult emergency payee who shall act as the primary payee for the EBT Account:

1. At the request of the Arizona Department of Child Safety (DCS) or a tribal child welfare or tribal social services agency, when DCS or the tribal agency determines that the current primary cardholder is not adequately or properly providing for the Household children's basic needs by mismanaging the NA Benefit.
 - a. The emergency payee shall not be a Household member.
 - b. DCS or the tribal agency shall notify the Department when there is no longer a need for an emergency payee.
2. During a disqualification period when the primary payee is disqualified for an IPV or Fraud;
3. In an emergency when there is not enough time to make any other plans for the care and support of the children in the Household. Emergencies include:
 - a. The primary payee's death;
 - b. The primary payee's abandonment or desertion of the children;
 - c. The primary payee's incarceration;
 - d. The primary payee's hospitalization or confinement to an institution; or
 - e. Any other emergency in which the primary payee is unable to provide for the care and basic needs of the children.

C. An emergency payee may be any adult other than:

1. The Department's director;
2. FAA eligibility staff;
3. An employee in the Department's Office of Special Investigations;
4. A Department employee who handles fiscal processes related to the NA program; and

5. Landlords, grocers, or other vendors who deal directly with the assistance unit.

R6-14-1403. Inactive Accounts; Unused Benefits

A. The Household shall retain the right to access the EBT Account for 180 days from the original date of NA Benefit availability, regardless of the NA case's status.

B. When the Household does not access an EBT Account for 90 days, the FAA shall notify the Household in writing that:

1. NA Benefits in the EBT Account have not been used for 90 days, and the date that the NA Benefits were either last used or the original date that NA Benefits were deposited into the EBT Account if the NA Benefits have never been used; or

2. When the NA Benefits in the EBT Account have not been used for 274 days from the date that the NA Benefits were either last used or the original date that the NA Benefits were deposited into the EBT Account if the NA Benefits have never been used, the FAA shall expunge the NA Benefits, and they shall not be reinstated per [7 CFR 274.2\(i\)\(3\)](#).

R6-14-1404. Supplemental Payments

The FAA shall correct underpayments for the current NA Benefit Month by issuing the Household a supplemental payment, regardless of whether the underpaid Household is eligible on the date the supplemental payment is issued.

R6-14-1405. Restoration of Lost Benefits

A. The FAA shall restore NA Benefits to a Household entitled to additional NA Benefits for any month before the current calendar month when one of the following occurs:

1. The loss is caused by the Department's error;

2. An administrative disqualification for an IPV is subsequently reversed; or

3. NA Benefits are found by any judicial action to have been wrongfully withheld.

B. The FAA shall restore NA Benefits for not more than 12 months before whichever of the following occurs first:

1. The date the FAA receives a request for restoration from a Household; or

2. The date the FAA is notified or otherwise discovered that a loss to a Household occurred.

C. The FAA shall restore lost NA Benefits as a result of a judicial action when:

1. The judicial action is the first action the Household has taken to obtain restoration of lost NA Benefits, in which case the NA Benefits shall be restored for not more than 12 months from the date the court action was initiated.

2. The judicial action is a review of a state agency action, in which case the NA Benefits shall be restored for not more than 12 months from:

a. The date the state agency receives a request for restoration; or

b. If no request for restoration is received, the date the Fair Hearing action is initiated.

D. The FAA shall restore NA Benefits regardless of whether the Household is eligible on the date the restored payment is issued.