

General Assistance

Arkansas

Bills/Laws

Senate Bill 822/Act 597

Arkansas Stat. 20-86-103

Arkansas Stat. 20-86-110

Arkansas Stat. 20-76-401 (parts 1 and 2)

Arkansas Stat. 20-76-407

Idaho

Bills/Laws

Idaho Code §56-1101 - 1108

Senate Bill 1103

Official Analysis

Senate and House Analysis on Bill 1103

Illinois

Bills/Laws

Letter with suggestions for co-sponsors
on *Retirement Savings for Working
Adults* bill

Public Act 094-1043

Administrative Rules

Illinois Admin Code 114.250

Illinois Admin Code 114.251

Illinois Admin Code 114.252

Illinois Admin Code 114.260

Illinois Department of Human Services
PM 07-01-16-I

Illinois Register Notice of Adopted
Amendment General Assistance

Michigan

Administrative Rules

Michigan Administrative Code 400.7002

Michigan Administrative Code 400.7005

Michigan Administrative Code 400.7016

Michigan Administrative Code 400.3164

Oregon

Bills/Laws

Oregon House Bill 2094

Administrative Rules

Oregon Administrative Rule 813-300-
0120

Texas

Administrative Rules

Email from Don Baylor on
administrative rule change exempting
SEED accounts from asset limits

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 597 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: S3/12/07

A Bill

SENATE BILL 822

5 By: Senators Baker, Argue, Bryles, *Broadway*
6 By: Representatives Kenney, Key, Everett, Norton, *Abernathy*
7
8

9 **For An Act To Be Entitled**

10 AN ACT TO AUTHORIZE THE SECTION 529 PLAN REVIEW
11 COMMITTEE TO CREATE A PILOT PROGRAM TO BE KNOWN
12 AS THE "ASPIRING SCHOLARS MATCHING GRANT PROGRAM"
13 TO MATCH THE CONTRIBUTION MADE INTO AN ACCOUNT
14 FOR A DESIGNATED BENEFICIARY ESTABLISHED UNDER
15 THE ARKANSAS TAX-DEFERRED TUITION SAVINGS
16 PROGRAM; AND FOR OTHER PURPOSES.
17

18 **Subtitle**

19 TO AUTHORIZE THE SECTION 529 PLAN REVIEW
20 COMMITTEE TO CREATE A PILOT PROGRAM TO
21 BE KNOWN AS THE "ASPIRING SCHOLARS
22 MATCHING GRANT PROGRAM".
23
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code Title 6, Chapter 84, Subchapter 1 is amended
28 to add an additional section to read as follows:

29 6-84-114. Aspiring Scholars Matching Grant Program.

30 (a) The Section 529 Plan Review Committee shall develop and implement
31 a pilot program to be known as the "Aspiring Scholars Matching Grant Program"
32 that uses available administrative funds to match a contribution made into an
33 account for a designated beneficiary under this subchapter.

34 (b)(1) An advisory committee shall advise the Section 529 Plan Review
35 Committee on the development and implementation of the Aspiring Scholars



1 Matching Grant Program.

2 (2) The advisory committee shall consist of three (3) members as
3 follows:

4 (A) One (1) member appointed by the Chair of the Senate
5 Committee on Education;

6 (B) One (1) member appointed by the Chair of the House
7 Committee on Education; and

8 (C) One (1) member appointed by the Governor.

9 (c) A Tax-Deferred Tuition Savings Program account shall be exempt for
10 purposes of determining eligibility for Transitional Employment Assistance,
11 Medicaid, and food stamps, provided that the federal rules for these programs
12 permit such an exemption.

13
14 /s/ Baker

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16 APPROVED: 3/28/2007
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LEXSTAT ARK STAT ANN 20-86-103

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*** CURRENT THROUGH THE 2006 FIRST EXTRAORDINARY SESSION ***
*** ANNOTATIONS CURRENT THROUGH DECEMBER 20, 2006 ***

Title 20 Public Health And Welfare
Subtitle 5. Social Services
Chapter 86 Family Savings Initiative Act

GO TO THE ARKANSAS CODE ARCHIVE DIRECTORY

A.C.A. § 20-86-103 (2007)

20-86-103. Purpose.

The purpose of the Family Savings Initiative Act is to provide for the establishment of individual development accounts designed to:

- (1) Provide individuals and families with limited means an opportunity to accumulate assets;
- (2) Facilitate and mobilize savings;
- (3) Promote home ownership, microenterprise development, education, saving for retirement, and automobile purchase; and
- (4) Stabilize families and build communities.

HISTORY: Acts 1999, No. 1217, § 2.

HIERARCHY NOTES:

Tit. 20, Subtit. 5, Ch. 86 Note

LEXSTAT ARK STAT ANN 20-86-110

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*** CURRENT THROUGH THE 2006 FIRST EXTRAORDINARY SESSION ***
*** ANNOTATIONS CURRENT THROUGH DECEMBER 20, 2006 ***

Title 20 Public Health And Welfare
Subtitle 5. Social Services
Chapter 86 Family Savings Initiative Act

GO TO THE ARKANSAS CODE ARCHIVE DIRECTORY

A.C.A. § 20-86-110 (2007)

20-86-110. Effect on other programs.

Funds deposited in an individual development account shall not be counted as income, assets, or resources of the individual in determining financial eligibility for assistance or services pursuant to any federal, federally assisted, state, or municipal program based on need.

HISTORY: Acts 1999, No. 1217, § 15.

HIERARCHY NOTES:

Tit. 20, Subtit. 5, Ch. 86 Note

LEXSTAT ARK STAT ANN 20-76-407

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*** CURRENT THROUGH THE 2006 FIRST EXTRAORDINARY SESSION ***
*** ANNOTATIONS CURRENT THROUGH DECEMBER 20, 2006 ***

Title 20 Public Health And Welfare
Subtitle 5. Social Services
Chapter 76 Public Assistance Generally
Subchapter 4 - Grants of Assistance

GO TO THE ARKANSAS CODE ARCHIVE DIRECTORY

A.C.A. § 20-76-407 (2007)

20-76-407. Micro-lending program and individual development accounts.

(a) (1) In accordance with their personal responsibility agreement, low-income entrepreneurs may escrow profits from their business enterprises which are not reinvested into their businesses into an account which will be placed in a micro-lending program and not be counted against their public assistance benefits until they accumulate an amount to be determined by the Department of Human Services for the period that they are eligible for the Transitional Employment Assistance Program. Under this section, participating low-income entrepreneurs who are otherwise eligible for transitional employment assistance shall not have their benefits reduced and shall not lose any transitional or extended support services available to them as program recipients for the life of the escrow account.

(2) The department will make available a micro-lending program to low-income entrepreneurs. For the purpose of this section, a "low-income entrepreneur" is one who is starting or expanding a business and who meets the eligibility criteria established by the department for the micro-lending program. A "micro-lending program" is one which provides training, technical assistance, and loan funds to low-income entrepreneurs to start or expand a business venture.

(3) Under this section, self-employment shall be considered an allowable work activity. To receive the self-employment exemption outlined in this section, low-income entrepreneurs shall be enrolled in the program and shall be enrolled in a micro-lending program providing entrepreneurship training, technical assistance, and peer support.

(b) The department shall establish an individual development account demonstration project.

(c) Federal funds received by the state pursuant to the Temporary Assistance for Needy Families program shall be available for programs under this section.

HISTORY: Acts 1939, No. 280, § 19; A.S.A. 1947, § 83-124; Acts 1997, No. 1058, § 14; 1999, No. 1567, § 14.

NOTES:

Amendments.

The 1997 amendment rewrote the section.

The 1999 amendment rewrote (a); deleted (b)(2)-(4); and made stylistic changes.

Case Notes

Award of Back Payments.

Award of Back Payments.

Where the State refused to represent plaintiff in establishing her claims for support payments in arrears and acknowledged that it was not entitled to collect the back payments, the State was estopped from claiming in subsequent proceedings that it was entitled to collect the back payments. *Office of Child Support Enforcement v. Wallace*, 328 Ark. 183, 941 S.W.2d 430 (1997).

HIERARCHY NOTES:

Tit. 20, Subtit. 5, Ch. 76 Note

Tit. 20, Subtit. 5, Ch. 76, Subch. 4 Note

Idaho Code § 56-1101

LEXSTAT ID CODE 56-1101

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*** Statutes Current through the 2007 Regular Session ***

*** Annotations current through April 5, 2007 ***

GENERAL LAWS

TITLE 56. PUBLIC ASSISTANCE AND WELFARE

CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

Go to the Idaho Code Archive Directory*Idaho Code § 56-1101 (2007)*

§ 56-1101. Definitions

As used in this chapter, unless the context requires otherwise:

(1) "Account holder" means a member of a low-income household who is the named depositor of an individual development account.

(2) "Board" means the individual development account advisory board as established pursuant to the provisions of this chapter.

(3) "Fiduciary organization" means a nonprofit, fundraising organization that is exempt from taxation under *section 501(c)(3) of the Internal Revenue Code*, approved by the state, including any Indian tribe as defined in section 4(12) of the native American housing assistance and self-determination act of 1996 (*25 U.S.C. section 4103(12)*) and any tribal subsidiary, subdivision, or other wholly owned tribal entity.

(4) "Financial institution" means any state bank, national bank, savings bank, savings and loan association, credit union, insurance company, brokerage firm or other similar entity that insures the deposits of its investors and is authorized to do business in this state.

(5) "Individual development account" means a contract between an account holder and a fiduciary organization, for the deposit of funds into a financial institution by the account holder, and the deposit of matching funds into the financial institution by the fiduciary organization from private and public contributions made to the fiduciary organization for such purpose, to allow the account holder to accumulate assets for use toward achieving a specific purpose approved by the fiduciary organization.

(6) "Low-income household" means a single person or family whose adjusted annual income is less than two hundred percent (200%) of the annual federal poverty guideline.

HISTORY: I.C., § 56-1101, as added by 2002, ch. 149, § 1, p. 435.

NOTES:

COMPILER'S NOTES. *Section 501(c)(3) of the Internal Revenue Code*, referred to in this section, appears as *26 U.S.C. § 501(c)(3)*.

1 of 7 DOCUMENTS

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*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

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Idaho Code § 56-1102 (2007)

§ 56-1102. Legislative findings

The legislature finds that:

- (1) The problem of poverty will not be solved solely by government programs and income subsidies.
- (2) It is in the best interest of all Idahoans to structure incentives in a way that will result in a greater likelihood that low-income and working-poor individuals will attain self-sufficiency.
- (3) It is in the best interest of all Idahoans to encourage low-income individuals, neighborhoods and communities to benefit from the developments achieved through the growth in assets and investments.
- (4) Achieving self-sufficiency and assessing economic opportunity for low-income and working-poor individuals can be addressed through public policy that invests in asset accumulation and is supported by private sector philanthropy.
- (5) Providing a structured savings situation for low-income and working-poor individuals enhances their chances of fulfilling major life goals and opportunities and incorporates them into the economic mainstream.
- (6) The state has an opportunity to take advantage of private and public resources by making the transition to an asset-based antipoverty strategy. Those resources include, but are not limited to, the assets for independence act (*42 U.S.C. section 604*) and the workforce investment act (P.L. 105-220).
- (7) Investment through an individual development account program will help lower-income households obtain the assets they need to succeed. Communities and this state will experience resultant economic and social benefits accruing from the promotion of job training and higher education, home ownership and small business development.
- (8) It is desirable for this state to enact legislation that enables an authorized fiduciary organization sufficient flexibility to receive private, state and federal moneys for individual development accounts. The legislature should periodically review the provisions of this chapter to ensure that this state maximizes the receipt of available federal moneys for individual development accounts.

HISTORY: I.C., § 56-1102, as added by 2002, ch. 149, § 1, p. 435.

NOTES:

COMPILER'S NOTES. The federal Workforce Investment Act, referred to in this section, appears as *20 U.S.C. § 9201 et seq.*

2 of 7 DOCUMENTS

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*** Annotations current through April 5, 2007 ***

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TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

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Idaho Code § 56-1103 (2007)

§ 56-1103. Persons qualifying as account holders

(1) A person who qualifies to become an account holder may enter into an agreement with a fiduciary organization for the establishment of an individual development account.

(2) A person is qualified to become an account holder if the person is a member of a low-income household.

(3) A person applying to establish an account must enroll in a personal development plan developed by the person and the fiduciary organization. The plan must provide the person with financial training and counseling, career or business planning and other services designed to increase the independence of the person and the person's household through achievement of the account's approved purpose.

HISTORY: I.C., § 56-1103, as added by 2002, ch. 149, § 1, p. 435.

3 of 7 DOCUMENTS

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*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

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Idaho Code § 56-1104 (2007)

§ 56-1104. Approved purpose of account -- Emergency withdrawal -- Removal of account holder from program

(1) A person may establish an individual development account only for a purpose approved by a fiduciary organization. Disbursements from an account for an approved purpose shall be made directly by the fiduciary organization on behalf of the account holder but in no event shall the fiduciary organization make a disbursement for an approved purpose directly to the account holder. Purposes that the fiduciary organization may approve are:

(a) Educational costs for any family member eighteen (18) years of age or older, at an accredited institution of postsecondary education.

(b) The purchase of a primary residence. In addition to payment on the purchase price of the residence, account moneys may be used to pay any usual or reasonable settlement, financing or other closing costs. The account holder must not have owned or held any interest in a residence during the three (3) years prior to making the purchase. However, this three (3) year period shall not apply to displaced homemakers or other individuals who have lost home ownership as a result of divorce.

(c) The capitalization of a small business. Account moneys may be used for capital, plant, equipment and inventory expenses or for working capital pursuant to a business plan. The business plan must have been developed through a financial institution, nonprofit microenterprise program or other qualified agent demonstrating business expertise and have been approved by the fiduciary organization. The business plan must include a description of the services or goods to be sold, a marketing plan and projected financial statements.

(2) (a) If an emergency occurs, an account holder may withdraw all or part of the account holder's deposits to an individual development account for a purpose not described in subsection (1) of this section. As used in this paragraph, an approved emergency includes making payments for necessary medical expenses, to avoid eviction of the account holder from the account holder's residence and for necessary living expenses following a loss of employment.

(b) The account holder must reimburse the account for the amount withdrawn under this subsection within twelve (12) months after the date of the withdrawal. Failure of an account holder to make a timely reimbursement to the account is grounds for removing the account holder from the individual development account program. Until the reimbursement has been made in full, an account holder shall not be approved for matching funds or accrued interest on matching funds.

(3) If an account holder withdraws, or directs the withdrawal, of moneys from an individual development account for other than an approved purpose, the fiduciary organization may remove the account holder from the program.

(4) If an account holder moves from the area where the program is conducted or is otherwise unable to continue in the program, the fiduciary organization may remove the account holder from the program.

Idaho Code § 56-1104

(5) If an account holder is removed from the program under subsection (2), (3) or (4) of this section, the account holder shall retain moneys he or she deposited in the account, including interest earned. In the event of the death of the account holder, moneys deposited in the account by the account holder and interest earned on those deposits shall be distributed to the designated beneficiary of the account and, if there is none, then according to the laws of the state of Idaho as moneys of the estate of the account holder. If the account holder is removed from the program or in the event of the account holder's death, all matching deposits in the account and all interest earned on matching deposits shall revert to the fiduciary organization. The fiduciary organization shall use the reverted funds as a source of matching deposits for other accounts.

HISTORY: I.C., § 56-1104, as added by 2002, ch. 149, § 1, p. 435.

4 of 7 DOCUMENTS

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*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

Go to the Idaho Code Archive Directory

Idaho Code § 56-1105 (2007)

§ 56-1105. Required account features -- Matching moneys

(1) The fiduciary organization shall structure the accounts to have the following features:

(a) The fiduciary organization matches amounts deposited by the account holder according to a formula established by the fiduciary organization. The fiduciary organization shall deposit not less than one dollar (\$ 1.00) nor more than five dollars (\$ 5.00) into the account for each one dollar (\$ 1.00) deposited by the account holder.

(b) The matching deposits by the fiduciary organization to the individual development account are placed in a savings account that is controlled by the fiduciary organization and held separately from the savings account of the account holder.

(2) Deposits by a fiduciary organization to an account shall not exceed three thousand dollars (\$ 3,000) in any twelve (12) month period.

(3) The total amount paid into an individual development account during its existence, including amounts from deposits, matching deposits and interest or investment earnings, may not exceed twenty thousand dollars (\$ 20,000).

(4) Nothing in this chapter shall be construed to create an entitlement to matching moneys. The number of individuals who may receive disbursement of matching philanthropic moneys by sponsoring organizations pursuant to the provisions of this chapter shall necessarily be limited by the amount of philanthropic moneys available in any given year for such purpose.

HISTORY: I.C., § 56-1105, as added by 2002, ch. 149, § 1, p. 435.

5 of 7 DOCUMENTS

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*** Statutes Current through the 2007 Regular Session ***
*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

Go to the Idaho Code Archive Directory

Idaho Code § 56-1106 (2007)

§ 56-1106. Individual development account advisory board -- Powers and duties

There is hereby created the individual development account advisory board. The board shall consist of the administrator of the division of financial management or his designee who shall serve as chair, the director of the department of finance or designee, the director of the department of health and welfare or designee, the director of the department of commerce or designee, the chairman of the Idaho state tax commission or designee, and the superintendent of public instruction or designee. A quorum shall be necessary to transact business. Members of the board shall be compensated by their appointing entity. The individual development account board shall:

(1) Develop and administer the individual development account program in a manner consistent with this chapter through the adoption of guidelines and procedures, and rules adopted in compliance with chapter 52, title 67, Idaho Code;

(2) Retain professional services, if necessary, including accountants, auditors, consultants and other experts;

(3) Seek rulings and other guidance, as necessary, from the United States department of the treasury, the internal revenue service and the state tax commission relating to the program;

(4) Make changes to the program required for the participants in the program to obtain the federal income tax benefits or treatment provided by *section 529 of the Internal Revenue Code of 1986*, as amended.

(5) Interpret, in rules, policies, guidelines and procedures, the provisions of this chapter broadly in light of its purpose and objectives; and

(6) Approve fiduciary organizations to implement the individual development account program and administer moneys for individual development account purposes. In making the selections, the board shall consider factors including, but not limited to:

(a) The ability of the fiduciary organization to implement and administer the individual development account program, including the ability to verify account holder eligibility, certify that matching deposits are used only for approved purposes and exercise general fiscal accountability;

(b) The capacity of the fiduciary organization to provide or raise matching funds for the deposits of account holders;

(c) The capacity of the fiduciary organization to provide financial counseling and other related services to account holders;

Idaho Code § 56-1106

(d) The links that the fiduciary organization has to other activities and programs designed to increase the independence of this state's lower-income households through education and training, home ownership and small business development; and

(e) The ability to meet criteria established by the federal government relating to individual development account programs.

HISTORY: I.C., § 56-1106, as added by 2002, ch. 149, § 1, p. 435.

6 of 7 DOCUMENTS

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*** Statutes Current through the 2007 Regular Session ***
*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

Go to the Idaho Code Archive Directory

Idaho Code § 56-1107 (2007)

§ 56-1107. Fiduciary organizations -- Authority and duties

(1) Subject to rules of the individual development account advisory board, a fiduciary organization has sole authority over, and responsibility for, the administration of individual development accounts. The responsibility of the fiduciary organization extends to all aspects of the account program, including marketing to participants, soliciting matching contributions, counseling account holders, providing financial training, and conducting required verification and compliance activities. The fiduciary organization may establish program provisions as the organization believes necessary to ensure account holder compliance with the provisions of this chapter.

(2) A fiduciary organization may act in partnership with other entities, including businesses, government agencies, nonprofit organizations, community development corporations, community action programs, housing authorities and congregations to assist in the fulfillment of fiduciary organization responsibilities under this chapter.

(3) A fiduciary organization may use a reasonable portion of moneys allocated to the individual development account program for administration, operation and evaluation purposes.

(4) A fiduciary organization selected to administer moneys for individual development account purposes or to receive tax deductible contributions shall provide the board with an annual report of the fiduciary organization's individual development account program activity. The report shall be filed no later than ninety (90) days after the end of the fiscal year of the fiduciary organization, or November 1 of each year, whichever occurs first. The report shall include, but not be limited to, the following information for the preceding year:

- (a) The number of individual development accounts administered by the fiduciary organization;
- (b) The amount of deposits and matching deposits for each account;
- (c) The purpose of each account;
- (d) The amount of withdrawals made for approved purposes, and the amount of withdrawals made for nonapproved purposes;
- (e) The determination of whether certain donors are corporations; and
- (f) Any other information the board may require for the purpose of making a return on investment analysis.

HISTORY: I.C., § 56-1107, as added by 2002, ch. 149, § 1, p. 435.

7 of 7 DOCUMENTS

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*** Annotations current through April 5, 2007 ***

GENERAL LAWS
TITLE 56. PUBLIC ASSISTANCE AND WELFARE
CHAPTER 11. IDAHO FAMILY ASSET BUILDING INITIATIVE

Go to the Idaho Code Archive Directory

Idaho Code § 56-1108 (2007)

§ 56-1108. Public assistance -- Eligibility determination

Moneys in an individual development account established pursuant to the provisions of this chapter, or moneys withdrawn from an individual development account on behalf of an account holder for an approved purpose, shall not be counted as an asset of the account holder for the purpose of eligibility determination for any public assistance offered by the state of Idaho or a political subdivision of the state of Idaho.

HISTORY: I.C., § 56-1108, as added by 2002, ch. 149, § 1, p. 435.

SENATE BILL NO. 1103

View [Bill Status](#)

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View [Statement of Purpose / Fiscal Impact](#)

Text to be added within a bill has been marked with Bold and Underline. Text to be removed has been marked with Strikethrough and Italic. How these codes are actually displayed will vary based on the browser software you are using.

This sentence is marked with bold and underline to show added text.

~~This sentence is marked with strikethrough and italic, indicating text to be removed.~~

Bill Status

S1103.....by HEALTH AND WELFARE
PUBLIC ASSISTANCE - Amends existing law relating to public assistance law

to reference a transfer of assets specifically permitted by department rule; to delete language referencing a transfer between spouses or to another for the benefit of a spouse.

02/08 Senate intro - 1st rdg - to printing

02/09 Rpt prt - to Health/Wel

02/16 Rpt out - rec d/p - to 2nd rdg

02/19 2nd rdg - to 3rd rdg

02/22 3rd rdg - PASSED - 32-0-3

AYES -- Bair, Bastian, Bilyeu, Broadsword, Burkett, Cameron, Coiner,

Corder, Darrington, Davis, Fulcher, Gannon, Geddes, Goedde, Hammond,

Heinrich, Hill, Jorgenson, Kelly, Keough, Langhorst, Lodge, Malepeai,

McGee, McKague, McKenzie, Richardson, Schroeder, Siddoway, Stegner,

Stennett, Werk

NAYS -- None

Absent and excused -- Andreason, Little, Pearce

Floor Sponsor - Bair

Title apvd - to House

02/23 House intro - 1st rdg - to Health/Wel

03/09 Rpt out - ref'd to St Aff

03/13 Rpt out - rec d/p - to 2nd rdg

03/14 2nd rdg - to 3rd rdg

03/19 3rd rdg - PASSED - 64-0-6

AYES -- Anderson, Andrus, Barrett, Bayer, Bedke, Bilbao, Black, Block, Bock, Boe, Bolz, Brackett, Bradford, Chadderdon, Chew,

Clark,

Collins, Crane, Durst, Edmunson, Eskridge, Hagedorn, Hart, Henbest,

Henderson, Jaquet, Killen, King, Kren, Labrador, Lake, LeFavour,
Loertscher, Luker, Marriott, Mathews, McGeachin, Mortimer,
Nielsen,
Nonini, Pasley-Stuart, Patrick, Pence, Raybould, Ring, Ringo,
Ruchti,
Rusche, Sayler, Schaefer, Shepherd(2), Shepherd(8), Shirley,
Shively,
Smith(30), Smith(24), Snodgrass, Stevenson, Thayn, Trail, Vander
Woude, Wills, Wood(27), Wood(35)
NAYS -- None
Absent and excused -- Bell, Chavez, Harwood, Moyle, Roberts, Mr.
Speaker
Floor Sponsor - Rusche
Title apvd - to Senate
03/20 To enrol
03/21 Rpt enrol - Pres signed - Sp signed
03/22 To Governor
03/28 Governor signed
Session Law Chapter 248
Effective: 01/01/07

Bill Text

]]]] LEGISLATURE OF THE STATE OF IDAHO]]]]
Fifty-ninth Legislature First Regular Session - 2007

IN THE SENATE

SENATE BILL NO. 1103

BY HEALTH AND WELFARE COMMITTEE

1 AN ACT
2 RELATING TO PUBLIC ASSISTANCE LAW; AMENDING SECTION 56-214,
IDAHO CODE, TO
3 REFERENCE A TRANSFER OF ASSETS SPECIFICALLY PERMITTED BY
DEPARTMENT RULE
4 AND TO DELETE LANGUAGE REFERENCING A TRANSFER BETWEEN
SPOUSES OR TO
5 ANOTHER FOR THE BENEFIT OF A SPOUSE; DECLARING AN EMERGENCY
AND PROVIDING
6 RETROACTIVE APPLICATION.

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Section 56-214, Idaho Code, be, and the
same is hereby
9 amended to read as follows:

10 56-214. AWARD OF PUBLIC ASSISTANCE -- INELIGIBILITY
UPON TRANSFER OF
11 PROPERTY. Upon the completion of the investigation, the state
department shall

12 determine whether the applicant is eligible for public
assistance under the
13 provisions of this act, the type and amount of public
assistance he shall
14 receive, and the date upon which such public assistance shall
begin. Public
15 assistance shall be paid in the manner prescribed by the state
department.

16 (1) Assistance to families with children shall not be
granted under this
17 act to any person who within six (6) months prior to applying
for or at any
18 time during which such assistance is received, has either made
an assignment
19 or transfer of property for the purpose of rendering himself
eligible for
20 assistance under this act, or who has divested himself of
any interest in
21 property without adequate consideration which interest or
proceeds therefrom
22 could reasonably be expected to contribute to the support and
maintenance of
23 such person and his family, except that any person who is
ineligible for pub-
24 lic assistance due solely to such assignment or transfer shall
become eligible
25 provided:

26 (a) There is a showing that such person has caused such
property to be
27 assigned or transferred back to him; or
28 (b) There is a showing that the person to whom such
property is assigned
29 or transferred has, subsequent to such assignment or
transfer, met subsis-
30 tence and medical care costs exclusive of any obligation
for support, of
31 such person or family, according to the department's
assistance standard,
32 equal to, or in excess of, the market value of the property
so assigned or
33 transferred; or
34 (c) There is a showing that the subsistence and medical
care costs of
35 such person, according to the department's assistance
standard, subsequent
36 to such assignment or transfer, equal or exceed the market
value of the
37 property so assigned or transferred.

38 (2) Eligibility for old age assistance under section 56-
207, Idaho Code,
39 or aid to the blind under section 56-208, Idaho Code, or aid to
the disabled
40 under section 56-209a, Idaho Code, shall be determined by
continuing to con-
41 sider as available any resource that was transferred prior to
July 1, 1988,

42 until such resource is fully accounted for under the
provisions of section
43 1613(c) of the social security act as such section read on June
30, 1988.

2

1 (3) Eligibility for medical assistance under section 56-
209b, Idaho Code,
2 shall continue to apply the rules of the director of the
department of health
3 and welfare concerning transfer of property as such rules read
on October 29,
4 1988, to transfers that occur prior to July 1, 1989, to persons
other than to
5 the spouse of the person receiving or applying for medical
assistance, and to
6 interspousal transfers that occur prior to October 1, 1989.
7 (4) The provisions of section 1917(c) of the social
security act as
8 amended by public law 100-360 and further amended by public law
100-485 and as
9 hereafter amended shall apply as of July 1, 1989, to transfers
of assets other
10 than to the spouse, and as of October 1, 1989, to transfers
between spouses,
11 except that such provisions shall not apply either to transfers
that occurred
12 before July 1, 1988, or to transfers that have been fully
accounted for under
13 subsection (3) of this section. Notwithstanding the foregoing,
any transfer of
14 assets not otherwise specifically permitted by federal law
or rule of the
15 **department**, whether or not for fair market value including, but
not limited
16 to, a transfer in the form of an annuity, ~~between spouses or~~
~~to another for~~
17 ~~the benefit of a spouse~~, is presumed to be for the purpose
of sheltering
18 assets to qualify for medical assistance. Such assets
transferred shall be
19 counted as available in determining eligibility, and will
subject the appli-
20 cant to penalties prescribed by the director, unless the
applicant for assis-
21 tance can demonstrate by clear and convincing evidence that the
transfer was
22 intended for another purpose.
23 (5) Any funds, securities, accounts, contracts and all
other property
24 held in or transferred to a special needs trust as provided in
chapter 14,
25 title 68, Idaho Code, section 15-5-409, Idaho Code, and
section 15-5-409a,
26 Idaho Code, shall not be considered by the state department
in determining

27 whether the applicant is eligible for public assistance under
the provisions

28 of this act, so long as the action is permitted under the
provisions of sec-

29 tion 1917(c) and (d) of the social security act, as amended.

30 (6) If any provision of this section or the application
thereof to any

31 person or circumstance is held invalid, such invalidity shall
not affect other

32 provisions or applications of the section that can be given
effect without the

33 invalid provisions or applications, and to this end the
provisions of this

34 section are severable.

35 SECTION 2. An emergency existing therefor, which
emergency is hereby

36 declared to exist, this act shall be in full force and effect on
and after its

37 passage and approval, and retroactively to January 1, 2007.

Statement of Purpose / Fiscal Impact

STATEMENT OF PURPOSE

RS 16847

This bill brings Idaho law into compliance with federal Medicaid law and especially with the provisions of the Deficit Reduction Act, effective February 8, 2006, as specifically set forth in 42 U.S.C. 1396pp(c)(F) and (G), and therefore will allow Medicaid to promulgate regulations which are in compliance with the federal law. This area will be the subject of continued negotiated rule making.

FISCAL NOTE

This bill will have no fiscal impact.

CONTACT:

Name: Robert L. Aldridge, Trust & Estate Professionals of
Idaho, Inc.

Telephone: office: (208) 336-9880 Cell: (208) 631-2481

Senate Health & Welfare Committee

Minutes
2007



inspections.

Mr. Fred Lawson, County Commissioner on the Central District Health Board, spoke in favor of **S 1096**.

Vice Chairman Broadsword provided statistical information in support of this legislation.

MOTION: **Senator Bair** moved to send **S 1096** to the Senate floor with a do pass recommendation. **Senator Werk** seconded, and the motion passed by unanimous voice vote.

S 1102: **Relating to the Long-Term Care Partnership Program**

Mr. Robert Aldridge, Attorney, Trust and Estate Professionals of Idaho, Inc., gave the rationale for **S 1102**. He stated that this legislation brings the statute in compliance with the Federal statute and allows them to proceed with negotiated rule making in this area. **Mr. Aldridge** clarified a question from **Vice Chairman Broadsword** regarding the long-term care benefits and personal assets.

A representative from the Bureau of Financial Operations spoke about the process in place for payments of long-term care benefits. They are coordinating that information with the Attorney General's Office. **Senator Darrington** asked him for clarification about the payment of benefits and asset protection for heirs of the estate as it affects eligibility for Medicaid.

MOTION: **Senator Hammond** moved to send **S 1102** to the Senate floor with a do pass recommendation. **Senator McGee** seconded, and the motion passed by unanimous voice vote.

S 1103: **Relating to Public Assistance Law**

Mr. Aldridge presented the rationale for **S 1103**, which brings Idaho law into compliance with the federal Medicaid law and with the provisions of the Deficit Reduction Act. This area will be the subject of continued negotiated rule making.

Senator Darrington asked **Mr. Aldridge** to clarify prior legislation and the effect on the 2006 legislation for rules relating to eligibility for Medicaid. **Mr. Aldridge** also provided clarification on the rules for **Senator Werk** and **Vice Chairman Broadsword**. In response to a question from **Senator Hammond**, **Mr. Aldridge** explained how assets can be sheltered.

MOTION: **Senator McGee** moved to send **S 1103** to the Senate floor with a do pass recommendation. **Vice Chairman Broadsword** asked if there would be any testimony against **S 1103**. There being none, **Senator Darrington** seconded, and the motion passed by unanimous voice vote.

PRESENTATION: **Chairman Lodge** introduced **Ms. Kathie Garrett**, representing the

MINUTES

HOUSE HEALTH & WELFARE SUBCOMMITTEE
BILBAO SUBCOMMITTEE

DATE: January 22, 2007
TIME: 4:20
PLACE: Room 408
MEMBERS: Chairman Bilbao, Representatives Loertscher, Thayn and Chew
**ABSENT/
EXCUSED:** None

Chairman Bilbao called the meeting to order and asked for the first presentation.

**Docket #
16-0305-0602**

Susie Cummins from the Idaho Department of Health and Welfare said she is a Medicaid Program Specialist and explained 16-0305-0602, the "Deficit Reduction Act of 2005" which was passed into law at the federal level to help reduce and slow the rising costs of Medicaid. She said there is a rule change that requires citizenship documentation and another that extends the period of time for asset transfers to be reviewed from 3 to 5 years. She also told how the penalties are imposed.

Ms. Cummins said all the rule changes are a result of the Federal Law changes passed February 8, 2006, with the purpose of protecting Medicaid for the needy by discouraging sheltering of assets. She explained how the new rules separate annuities and life estates into their own section and clarifies how to treat each of them.

A question was asked if any of the new rules would have an adverse effect for a spouse and the way married couples are evaluated. The answer was no and the new rules even help a spouse. It was also stated that the people involved with the elder laws knew about the rule changes and this hearing and were not in attendance.

Representative Loertscher moved that Docket 16-0305-0602 be recommended to the committee. The motion carried by voice vote.

**Docket #
16-0305-0605**

Susie Cummins presented 16-0305-0605 as a rule change to help protect Medicaid for these who need it by discouraging the sheltering of assets and the rules are necessary because they provide clarifications based on Federal Laws that are used in determining eligibility for Idaho Medicaid assistance and how the rules should be applied.

MOTION: **Representative Thayne** moved that Docket 16-0305-0605 be recommenced to the committee. The motion carried by voice vote.

ADJOURN: Meeting was adjourned at 4:35.

Representative Carlos Bilbao
Chairman

Mary Lou Moon
Secretary

- 16-0601-0601
- 16-0602-0601
- 16-0606-0601
- 22-0104-0601
- 22-0105-0601
- 22-0106-0601
- 27-0101-0603

Responding to a request from **Rep. Bilbao**, **Rep. McGeachin** explained that all those who testified were in support of docket 16-0304-0601. **Rep. Luker** explained this docket exempts one vehicle from the tally of resources which determines food stamp eligibility; previously, only a vehicle worth less than \$4,650 would be exempt; the public testified that families needed a reliable vehicle to seek and maintain employment; in addition, this rule conforms more closely to the intent of the Code of Federal Regulations (CFR). **Rep. Rusche** noted the rule also improves the Department of Health and Welfare's administrative efficiency by saving approximately 15 minutes per application.

MOTION:

Rep. McGeachin moved that the full committee accept the recommendations of Subcommittee 2 to approve, as presented, the 16 dockets listed on page three of the Administrative Rules Final Reports (January 30, 2007). The motion carried by voice vote.

For Subcommittee 3, **Rep. Bilbao** presented recommendations to accept, as presented, the 8 dockets listed on page four of the Administrative Rules Final Reports (January 30, 2007):

- 16-0305-0605
- 16-0310-0603
- 24-0301-0601
- 24-0901-0601
- 24-1201-0601
- 24-1401-0601
- 24-1501-0601
- 24-1501-0602

MOTION:

Rep. Bilbao moved that the full committee accept the recommendations of Subcommittee 3 to approve, as presented, the 8 dockets listed on page four of the Administrative Rules Final Reports (January 30, 2007). The motion carried by voice vote.

ADJOURN:

The meeting adjourned at 4:10 p.m.

Representative Pete Nielsen
Vice Chairman

Rachel Johnstone
Secretary

MINUTES

HOUSE HEALTH AND WELFARE COMMITTEE

- DATE:** March 8, 2007
- TIME:** 2:20 p.m.
- PLACE:** Gold Room
- MEMBERS:** Chair Block, Vice Chair Nielsen, Representatives McGeachin, Bilbao, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Henbest, Rusche, Chew
- GUESTS:** Paige Parker, Senior Legislative Analyst, Legislative Services Office; James Aydelotte, Bureau Chief, Health Policy and Statistics, Department of Health and Welfare; Davalee Leavitt, Department of Health and Welfare; Julie Lynde, Cornerstone Institute of Idaho; Julie Lyons, MD; Bryan Fischer, Executive Director, Idaho Values Alliance; Burke Hays, Planned Parenthood of Idaho; David Ripley, Executive Director, Idaho Chooses Life; Marty Durand, Executive Director, Idaho Women's Network; Jason Herring, Right to Life of Idaho; Katie Hagadone; Hannah Saona, American Civil Liberties Union.
- With a quorum present, **Chair Block** called the meeting to order. The Chair requested a silent roll call and welcomed the guests.
- MOTION:** **Rep. Loertscher** moved to accept the full committee minutes of February 20, as written. The motion carried by voice vote.
- MOTION:** **Rep. Nielsen** moved to accept the full committee minutes of February 22, as corrected. The motion carried by voice vote.
- Chair Block** announced that the Speaker has informed the chairmen that *sine die* will be earlier than expected; this committee is directed to finish all bills by the end of the day on Monday.
- MOTION:** **Rep. Loertscher** moved that the committee refer S1102, S1103, S1170, S1175, and S1047 to the House State Affairs committee. The motion carried by voice vote. **Chair Block** thanked the State Affairs chair.
- SCR112:** **Vice Chair Nielsen** led the committee while **Chair Block** presented SCR112. **Rep. Block** explained this resolution reflects this committee's decision to reject sections 112.02.d and 112.03.a from docket 16-0310-0602 (Medicaid Enhanced Plan benefits); these sections were more restrictive than Idaho's Children's Mental Health Act and the Legislature's Medicaid reforms of 2006 (HB 776 and HCR 48), specifically for children and adults with mental health concerns. Responding to a question from **Rep. Rusche**, **Rep. Block** confirmed these sections related to assessment and diagnosis processes for eligibility.
- MOTION:** **Rep. Loertscher** moved that the committee send SCR112 to the House floor with a do pass recommendation. The motion carried by voice vote. Rep. Rusche will carry SCR112 to the House floor.
- SCR113:** **Rep. Block** presented SCR113, which reflected this committee's decision

Dear Al:

Great to see you today!

I think your plan to have a strong bi-partisan introductory co-sponsor group is a good one. Including Ramstad is a coup and it's a good idea to get him some support.

Here are some suggestions for co-sponsors for Mr. Emanuel's *Retirement Savings for Working Americans Act*.

First Priority:

Republicans: W&M

Phil English – David Stewart 5-5406 david.stewart@mail.house.gov
Lead sponsor of IDA Tax Credit, HR 1514/Automatic IRA
Tell him, "here's one you missed."

Jerry Weller Jeanette Forcash Whitener 5-3635 jeanette.whitener@mail.house.gov
Pat Tiberi Adam Francis 5-5355 Adam.Francis@mail.house.gov

Democrats

W&M Pete Stark Chad Shearer chad.shearer@mail.house.gov 5-5065
Richard Neal Peg McGlinch 5-5601 peg.mcglinch@mail.house.gov
Xavier Becerra Stacey Rolland stacey.rolland@mail.house.gov

Second Priority

Republicans

~~Bill Shuster Elizabeth Carter 5-2431 elizabeth.carter@mail.house.gov
Todd Platts Nate Sloan 5-5836 nate.sloan@mail.house.gov
Christopher Shays Matt Meyer 5-5541 matt.meyer@mail.house.gov
Lee Terry Jennifer Roberts 5-4155 jennifer.roberts@mail.house.gov~~

Democrats

John Lewis Ms. Michaelen Crowell (pronounced crew-ell)
michaelen.crowell@mail.house.gov 5-3801
Lloyd Doggett Caryn Schenewerk 5-4865 caryn.schenewerk@mail.house.gov
Earl Pomeroy Diane Oakley 5-2611 diane.oakley@mail.house.gov
Mike Thompson Elizabeth Thomas 5-3311 elizabeth.thomas@mail.house.gov

As for the briefing, we should be able to have some research papers to present in late June so maybe we can aim for a July (post AMT) briefing.

Best of luck!

AN ACT concerning public aid.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 2. The Department of Human Services Act is amended by adding Section 10-50 as follows:

(20 ILCS 1305/10-50 new)

Sec. 10-50. Illinois Steps for Attaining Higher Education through Academic Development Program established. The Illinois Steps for Attaining Higher Education through Academic Development ("Illinois Steps AHEAD") program is established in the Illinois Department of Human Services. Illinois Steps AHEAD shall provide educational services and post-secondary educational scholarships for low-income middle and high school students. Program components shall include increased parent involvement, creative and engaging academic support for students, career exploration programs, college preparation, and increased collaboration with local schools. The Illinois Department of Human Services shall administer the program. The Department shall implement the program only if federal funding is made available for that purpose. All moneys received pursuant to the federal Gaining Early Awareness and Readiness for Undergraduate Programs shall be deposited into the Gaining Early Awareness and Readiness for Undergraduate Programs Fund, a special fund hereby created in the State treasury. Moneys in this fund shall be appropriated to the Department of Human Services and expended for the purposes and activities specified by the federal agency making the grant. All interest earnings on amounts in the Gaining Early Awareness and Readiness for Undergraduate Programs Fund shall accrue to the Gaining Awareness and Readiness for Undergraduate Programs Fund and be used in accordance with 34 C.F.R. 75.703.

Section 3. The State Finance Act is amended by adding Section 5.663 as follows:

(30 ILCS 105/5.663 new)

Sec. 5.663. The Gaining Early Awareness and Readiness for Undergraduate Programs Fund.

Section 5. The Illinois Public Aid Code is amended by changing Section 5-2 and adding Section 12-4.103a as follows:

(305 ILCS 5/5-2) (from Ch. 23, par. 5-2)

Sec. 5-2. Classes of Persons Eligible. Medical assistance under this Article shall be available to any of the following classes of persons in respect to whom a plan for coverage has been submitted to the Governor by the Illinois Department and approved by him:

1. Recipients of basic maintenance grants under Articles III and IV.

2. Persons otherwise eligible for basic maintenance under Articles III and IV but who fail to qualify thereunder on the basis of need, and who have insufficient income and resources to meet the costs of necessary medical care, including but not limited to the following:

(a) All persons otherwise eligible for basic maintenance under Article III but who fail to qualify under that Article on the basis of need and who meet either of the following requirements:

(i) their income, as determined by the Illinois Department in accordance with any federal requirements, is equal to or less than 70% in fiscal year 2001, equal to or less than 85% in fiscal year 2002 and until a date to be determined by the Department by rule, and equal to or less than 100% beginning on the date determined by the Department by rule, of the nonfarm income official poverty line, as defined by the federal Office of

Management and Budget and revised annually in accordance with Section 673(2) of the Omnibus Budget Reconciliation Act of 1981, applicable to families of the same size; or

(ii) their income, after the deduction of costs incurred for medical care and for other types of remedial care, is equal to or less than 70% in fiscal year 2001, equal to or less than 85% in fiscal year 2002 and until a date to be determined by the Department by rule, and equal to or less than 100% beginning on the date determined by the Department by rule, of the nonfarm income official poverty line, as defined in item (i) of this subparagraph (a).

(b) All persons who would be determined eligible for such basic maintenance under Article IV by disregarding the maximum earned income permitted by federal law.

3. Persons who would otherwise qualify for Aid to the Medically Indigent under Article VII.

4. Persons not eligible under any of the preceding paragraphs who fall sick, are injured, or die, not having sufficient money, property or other resources to meet the costs of necessary medical care or funeral and burial expenses.

5.(a) Women during pregnancy, after the fact of pregnancy has been determined by medical diagnosis, and during the 60-day period beginning on the last day of the pregnancy, together with their infants and children born after September 30, 1983, whose income and resources are insufficient to meet the costs of necessary medical care to the maximum extent possible under Title XIX of the Federal Social Security Act.

(b) The Illinois Department and the Governor shall provide a plan for coverage of the persons eligible under paragraph 5(a) by April 1, 1990. Such plan shall provide

ambulatory prenatal care to pregnant women during a presumptive eligibility period and establish an income eligibility standard that is equal to 133% of the nonfarm income official poverty line, as defined by the federal Office of Management and Budget and revised annually in accordance with Section 673(2) of the Omnibus Budget Reconciliation Act of 1981, applicable to families of the same size, provided that costs incurred for medical care are not taken into account in determining such income eligibility.

(c) The Illinois Department may conduct a demonstration in at least one county that will provide medical assistance to pregnant women, together with their infants and children up to one year of age, where the income eligibility standard is set up to 185% of the nonfarm income official poverty line, as defined by the federal Office of Management and Budget. The Illinois Department shall seek and obtain necessary authorization provided under federal law to implement such a demonstration. Such demonstration may establish resource standards that are not more restrictive than those established under Article IV of this Code.

6. Persons under the age of 18 who fail to qualify as dependent under Article IV and who have insufficient income and resources to meet the costs of necessary medical care to the maximum extent permitted under Title XIX of the Federal Social Security Act.

7. Persons who are under 21 years of age and would qualify as disabled as defined under the Federal Supplemental Security Income Program, provided medical service for such persons would be eligible for Federal Financial Participation, and provided the Illinois Department determines that:

(a) the person requires a level of care provided by a hospital, skilled nursing facility, or intermediate care facility, as determined by a physician licensed to

practice medicine in all its branches;

(b) it is appropriate to provide such care outside of an institution, as determined by a physician licensed to practice medicine in all its branches;

(c) the estimated amount which would be expended for care outside the institution is not greater than the estimated amount which would be expended in an institution.

8. Persons who become ineligible for basic maintenance assistance under Article IV of this Code in programs administered by the Illinois Department due to employment earnings and persons in assistance units comprised of adults and children who become ineligible for basic maintenance assistance under Article VI of this Code due to employment earnings. The plan for coverage for this class of persons shall:

(a) extend the medical assistance coverage for up to 12 months following termination of basic maintenance assistance; and

(b) offer persons who have initially received 6 months of the coverage provided in paragraph (a) above, the option of receiving an additional 6 months of coverage, subject to the following:

(i) such coverage shall be pursuant to provisions of the federal Social Security Act;

(ii) such coverage shall include all services covered while the person was eligible for basic maintenance assistance;

(iii) no premium shall be charged for such coverage; and

(iv) such coverage shall be suspended in the event of a person's failure without good cause to file in a timely fashion reports required for this coverage under the Social Security Act and coverage shall be reinstated upon the filing of such reports if the person remains otherwise

eligible.

9. Persons with acquired immunodeficiency syndrome (AIDS) or with AIDS-related conditions with respect to whom there has been a determination that but for home or community-based services such individuals would require the level of care provided in an inpatient hospital, skilled nursing facility or intermediate care facility the cost of which is reimbursed under this Article. Assistance shall be provided to such persons to the maximum extent permitted under Title XIX of the Federal Social Security Act.

10. Participants in the long-term care insurance partnership program established under the Partnership for Long-Term Care Act who meet the qualifications for protection of resources described in Section 25 of that Act.

11. Persons with disabilities who are employed and eligible for Medicaid, pursuant to Section 1902(a)(10)(A)(ii)(xv) of the Social Security Act, as provided by the Illinois Department by rule.

12. Subject to federal approval, persons who are eligible for medical assistance coverage under applicable provisions of the federal Social Security Act and the federal Breast and Cervical Cancer Prevention and Treatment Act of 2000. Those eligible persons are defined to include, but not be limited to, the following persons:

(1) persons who have been screened for breast or cervical cancer under the U.S. Centers for Disease Control and Prevention Breast and Cervical Cancer Program established under Title XV of the federal Public Health Services Act in accordance with the requirements of Section 1504 of that Act as administered by the Illinois Department of Public Health; and

(2) persons whose screenings under the above program were funded in whole or in part by funds

appropriated to the Illinois Department of Public Health for breast or cervical cancer screening.

"Medical assistance" under this paragraph 12 shall be identical to the benefits provided under the State's approved plan under Title XIX of the Social Security Act. The Department must request federal approval of the coverage under this paragraph 12 within 30 days after the effective date of this amendatory Act of the 92nd General Assembly.

13. Subject to appropriation and to federal approval, persons living with HIV/AIDS who are not otherwise eligible under this Article and who qualify for services covered under Section 5-5.04 as provided by the Illinois Department by rule.

14. Subject to the availability of funds for this purpose, the Department may provide coverage under this Article to persons who reside in Illinois who are not eligible under any of the preceding paragraphs and who meet the income guidelines of paragraph 2(a) of this Section and (i) have an application for asylum pending before the federal Department of Homeland Security or on appeal before a court of competent jurisdiction and are represented either by counsel or by an advocate accredited by the federal Department of Homeland Security and employed by a not-for-profit organization in regard to that application or appeal, or (ii) are receiving services through a federally funded torture treatment center. Medical coverage under this paragraph 14 may be provided for up to 24 continuous months from the initial eligibility date so long as an individual continues to satisfy the criteria of this paragraph 14. If an individual has an appeal pending regarding an application for asylum before the Department of Homeland Security, eligibility under this paragraph 14 may be extended until a final decision is rendered on the appeal. The Department may adopt rules governing the implementation of this paragraph 14.

The Illinois Department and the Governor shall provide a plan for coverage of the persons eligible under paragraph 7 as soon as possible after July 1, 1984.

The eligibility of any such person for medical assistance under this Article is not affected by the payment of any grant under the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act or any distributions or items of income described under subparagraph (X) of paragraph (2) of subsection (a) of Section 203 of the Illinois Income Tax Act. The Department shall by rule establish the amounts of assets to be disregarded in determining eligibility for medical assistance, which shall at a minimum equal the amounts to be disregarded under the Federal Supplemental Security Income Program. The amount of assets of a single person to be disregarded shall not be less than \$2,000, and the amount of assets of a married couple to be disregarded shall not be less than \$3,000.

To the extent permitted under federal law, any person found guilty of a second violation of Article VIIIA shall be ineligible for medical assistance under this Article, as provided in Section 8A-8.

The eligibility of any person for medical assistance under this Article shall not be affected by the receipt by the person of donations or benefits from fundraisers held for the person in cases of serious illness, as long as neither the person nor members of the person's family have actual control over the donations or benefits or the disbursement of the donations or benefits.

(Source: P.A. 93-20, eff. 6-20-03; 94-629, eff. 1-1-06.)

(305 ILCS 5/12-4.103a new)

Sec. 12-4.103a. Assets for Independence Program.

(a) Program established. Subject to available funding and receipt of a federal Assets for Independence grant award, the Department of Human Services shall establish and administer an Assets for Independence Program (Program). The Program shall be

established in accordance with the terms of the Assets for Independence Act (AFIA) as now and hereafter amended (Title IV Community Opportunities, Accountability, and Training and Educational Services Act as amended, Public Law 105-285, 42 U.S.C. 604 note).

(b) Assets for Independence Fund. The Assets for Independence Fund is established. The Fund shall be held by the Secretary or his or her designee as ex-officio custodian thereof separate and apart from all other State funds. The Assets for Independence Fund is authorized to receive grants under AFIA, State moneys appropriated for the Program, and moneys from voluntary donations from individuals, foundations, corporations, and other sources. Moneys in the Assets for Independence Fund shall not be commingled with other State funds, but they shall be deposited as required by law and maintained in a separate account on the books of a savings and loan association, bank, or other qualified financial institution. All interest earnings on amounts within the Assets for Independence Fund shall accrue to the Assets for Independence Fund and shall be used in accordance with the terms of the AFIA. Administrative expenses related to the Program, including the provision of financial education to Program participants, shall be paid from the Assets for Independence Fund in accordance with the terms of AFIA Section 707(c)(3).

(c) Program purpose. The purpose of the Program is to allow eligible low-income Illinois citizens, subject to the availability of State and federal funds and authorization from the Department, to open and maintain an Individual Development Account (IDA) at a federally insured financial institution. Deposits into an IDA that are used for subsequent qualified purchases shall be matched dollar-for-dollar by moneys from the Assets for Independence Fund. Not more than \$2,000 of moneys from the Assets for Independence Fund shall be provided to any one individual. Not more than \$4,000 of moneys from the Assets for Independence Fund shall be provided to any one household.

Assets for Independence Fund moneys not being used to administer the Program shall be used only for qualified purchases, shall be distributed only directly to the vendor of a qualified purchase, and shall require the authorization by signature of the Department's chief financial officer.

(d) Contributions to IDA and use of moneys. An individual may make contributions to his or her IDA only from earned income as defined in Section 911(d)(2) of the Internal Revenue Code of 1986. The moneys deposited into an IDA shall not be commingled with any Assets for Independence Fund moneys. An IDA holder shall have a 36-month period, beginning on the date the Department authorizes the holder to open the IDA, within which to make a qualified purchase. If a qualified purchase is not made within that 36-month period, Assets for Independence Fund moneys earmarked for that individual shall be released, and the Department shall authorize another eligible person to open an IDA. Under no circumstances, and at no time, shall an IDA holder lose the ability to withdraw moneys from his or her IDA.

(e) Qualified purchases. A qualified asset purchase using moneys from an IDA shall be defined in accordance with AFIA Section 404(8) and shall be one or more of the following:

(1) Payment of post-secondary education expenses, if the expenses are paid directly to an eligible educational institution.

(2) Acquisition of a principal residence, if the individual is buying a home for the first time and if the funds are paid directly to the person to whom the amounts required for the purchase are due.

(3) Financing of business capitalization expenses, if the funds are paid directly into a business capitalization account at a federally insured financial institution and are restricted to use solely for qualified business capitalization expenses.

(f) Program eligibility. Program eligibility shall be established by the Department in accordance with AFIA Section 408. Persons eligible to open an IDA and to receive Assets for

Independence Fund moneys are Illinois citizens currently residing in Illinois who are (i) able to demonstrate that they are currently eligible for assistance under the State's Temporary Assistance for Needy Families program or (ii) able to demonstrate that the adjusted gross income of their household in the calendar year preceding the determination of eligibility was equal to or less than 200% of the poverty line, as determined by the Federal Office of Management and Budget. An individual must further demonstrate that the net worth of his or her household, as of the end of the calendar year preceding the determination of eligibility, does not exceed \$10,000, as determined by AFIA Section 408(2)(B). Notwithstanding any other provision of State law, moneys in an Individual Development Account, including accrued interest and matching deposits, shall be disregarded for the purpose of determining the eligibility and benefit levels under this Code in the case of the individual establishing the IDA with respect to any period during which the individual maintains or makes contributions into the IDA. The Department shall approve an individual to open an IDA at a federally insured financial institution upon determining, based on the individual's application, that all eligibility criteria are met and subject to the availability of \$2,000 in Assets for Independence Fund moneys.

Section 99. Effective date. This Act takes effect upon becoming law.

Joint Committee on Administrative Rules

ADMINISTRATIVE CODE

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 120 MEDICAL ASSISTANCE PROGRAMS
SECTION 120.336 EDUCATION BENEFITS

Joint Committee on Administrative Rules

ADMINISTRATIVE CODE

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 114 GENERAL ASSISTANCE
SECTION 114.250 ASSETS

Section 114.250 Assets

- a) The value of non-exempt assets shall be considered in determining eligibility for an assistance payment.

- b) The entire equity value of jointly held assets shall be considered in determining eligibility for an assistance payment, unless:
 - 1) The asset is a joint income tax refund; or

 - 2) The client documents that he/she does not have access to the asset.

Appropriate documents may include, but are not limited to, bank documents, signature cards, trust documents, divorce papers, and papers from court proceedings; or

- 3) The client can document the amount of his legal interest in the asset, and that such amount is less than the entire value of the asset, then the documented amount shall be considered. Appropriate documentation may include, but is not limited to, bank documents, trust documents, signature cards, divorce papers, or court orders; or
- 4) The asset is held jointly with a client of any Illinois Department of Human Services assistance program, other than Food Stamps; or
- 5) The client documents that the asset or a portion of the asset is not owned by the client and the client's accessibility to the asset is changed (see subsections (b)(2) and (b)(3) for documentation examples).

c) Income tax refunds

- 1) Income tax refunds shall be considered available assets and are to be considered against the appropriate nonexempt asset limitation of the assistance unit. One-half of joint tax refunds shall be considered available for each payee.
- 2) A client who declares that less than one-half of the joint income tax was received may claim an exception. Only the amount claimed to be received shall be considered.

d) Trust Fund for the Benefit of a Dependent Child

- 1) When trust fund exists in the name of a child or for the benefit of a child included in the assistance unit and the amount of the trust fund by itself or combined with other nonexempt assets of the assistance unit exceeds the asset disregard, the caretaker shall be allowed 45 days to petition the court for release of the funds. When someone other than the caretaker is the trustee of the trust fund, the caretaker is responsible for taking action within 45 days of the Department's becoming aware of the existence of the trust fund to petition the court to order the trustee to release the funds. The child for whom the trust fund was established shall remain in the assistance unit for the 45 days.

- 2) When the trust fund combined with other nonexempt assets of the assistance unit does not exceed the asset disregard, petitioning the court for release of the funds is not required.

- 3) At the end of 45 days, if the caretaker:
 - A) does not provide verification that the court has been petitioned, the amount of the trust fund shall be considered a nonexempt asset and shall be applied to the asset disregard of the assistance unit. When the trust fund and other nonexempt assets exceed the asset disregard, the child may be deleted or if the child is the only child in the assistance unit, the case may be changed to an adult only case. The eligibility of all other members of the assistance unit shall not be affected unless the child with the trust fund is the only child in the assistance unit, or

 - B) provides verification that the court has been petitioned and the court denied the request for release of the funds, the amount of the trust fund shall be considered an exempt asset, or

 - C) provides verification the court will release the funds for the child, the released amounts shall be considered as follows:

- i) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, payments shall be budgeted as nonexempt unearned income. The caretaker may request the child be removed from the assistance unit if the earmarked income meets the child's needs. The earmarked income shall be considered available to meet the needs of the child only and the other assistance unit members remain eligible.
 - ii) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, a one-time only release of the money shall be considered an asset subject to the asset disregard. If the payment plus other nonexempt assets exceed the asset disregard, the caretaker may choose to delete the child from the assistance unit. The other assistance unit members shall remain eligible.
 - iii) When the petition and court-order direct the money be used for a specific purpose other than the income maintenance needs of the child, the money shall be considered exempt and does not affect eligibility, or
- D) provides verification the court was petitioned but a decision was not made, assistance shall be continued for the child and a control established for 30 days.
- e) Pension plans are exempt from consideration as an asset, including accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan.

(Source: Amended at 29 Ill. Reg. 5487, effective April 1, 2005)

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 114 GENERAL ASSISTANCE
SECTION 114.251 EXEMPT ASSETS

Section 114.251 Exempt Assets

- a) The following assets are exempt from consideration in determining eligibility for assistance:
- 1) Homestead property.
 - 2) Household furnishings.
 - 3) Clothing and personal effects.
 - 4) One motor vehicle.
 - 5) The principal and interest of a court-ordered trust fund established for a child which, upon petition, the court refuses to release and one-time only payments released for a specific purpose other than the income maintenance needs of the child.
 - 6) Donations or benefits from fund raisers held for a seriously ill client provided the client or responsible relative of the client does not have control over the donations or benefits or the disbursement of the donations or benefits and the donations or benefits are not available to the client or the responsible relative.

- b) The following payments are also exempt:
- 1) The value of any savings in which the money is accumulated from the earnings of a child.
 - 2) Any payment received under Title I of P.L. 100-383 of the Civil Liberties Act of 1988 (50 U.S.C. 1989b through 1989b-8).
 - 3) Any payment received under Title II of P.L. 100-383 of the Aleutian and Pribilof Islands Restitution Act (50 U.S.C. 1989c through 1989c-8).
 - 4) Payments made by the Illinois Department of Mental Health and Developmental Disabilities under the Family Assistance Program for Mentally Disabled Children under P.A. 86-921.
 - 5) Disaster relief payments provided by federal, State or local governments or a disaster assistance organization.

(Source: Amended at 21 Ill. Reg. 15545, effective November 26, 1997)

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 114 GENERAL ASSISTANCE
SECTION 114.252 ASSET DISREGARDS

Section 114.252 Asset Disregards

In addition to the exempt assets listed in Section 114.251, the cash value of assets shall be disregarded as follows:

All assets or the cash value of assets other than those listed in Section 114.251 are nonexempt and must be considered in determining initial or continued eligibility for assistance and level of assistance payment. The client's asset disregard is the same as the TANF asset disregard contained in 89 Ill. Adm. Code 112.152.

(Source: Amended at 21 Ill. Reg. 15545, effective November 26, 1997)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

- 15) Summary and Purpose of Rulemaking: This rulemaking is being adopted in accordance with an option provided under Title IV of the Farm Bill (HR 2646-The Food Stamp Reauthorization Act of 2002). Under this provision, states may exclude certain types of resources from consideration as an asset when determining eligibility. This rulemaking exempts pension plans, including accounts solely owned by an individual such as an Individual Retirement Account (IRA), 401 K and Keogh Plan, from consideration as an asset for General Assistance. Implementing this change will simplify the way these assets are considered for the General Assistance Program.

Companion amendments are also being adopted in 89 Ill. Adm. Code 112 and 89 Ill. Adm. Code 121.

- 16) Information and questions regarding this adopted amendment shall be directed to:

Tracie Drew, Bureau Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
3rd Floor, Harris Bldg.
Springfield, Illinois 62762

(217) 785-9772

The full text of Adopted Amendment begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 114
GENERAL ASSISTANCE

SUBPART A: GENERAL PROVISIONS

Section	Description of the Assistance Program
114.1	Description of the Assistance Program
114.2	Determination of Not Employable
114.3	Advocacy Program for Persons Receiving State Transitional Assistance
114.5	Incorporation By Reference

SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

Section	Description of the Assistance Program
114.9	Client Cooperation
114.10	Citizenship
114.20	Residence
114.30	Age
114.40	Relationship
114.50	Living Arrangement
114.52	Social Security Numbers
114.60	Work Registration Requirements (Outside City of Chicago only)
114.61	Individuals Exempt From Work Registration Requirements (Outside City of Chicago only)
114.62	Job Service Registration (Outside City of Chicago only)
114.63	Failure to Maintain Current Job Service Registration (Outside City of Chicago only)
114.64	Responsibility to Seek Employment (Outside City of Chicago only)
114.70	Initial Employment Expenses (Outside City of Chicago only)
114.80	Downstate General Assistance Work and Training Programs
114.85	Downstate General Assistance – Food Stamps Employment and Training Pilot Project
114.90	Work and Training Programs
114.100	General Assistance Jobs Program (Repealed)
114.101	Persons Ineligible for TANF Due to Time Limits

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

SUBPART C: PROJECT ADVANCE

Section

- 114.108 Project Advance (Repealed)
- 114.109 Project Advance Participation Requirements of Adjudicated Fathers (Repealed)
- 114.110 Project Advance Cooperation Requirements of Adjudicated Fathers (Repealed)
- 114.111 Project Advance Sanctions (Repealed)
- 114.113 Project Advance Good Cause for Failure to Comply (Repealed)
- 114.115 Individuals Exempt From Project Advance (Repealed)
- 114.117 Project Advance Supportive Services (Repealed)

SUBPART D: EMPLOYMENT AND TRAINING REQUIREMENTS

Section

- 114.120 Employment and Training Requirements
- 114.121 Persons Required to Participate in Project Chance (Repealed)
- 114.122 Advocacy Program for Persons Who Have Applied for Supplemental Security Income (SSI) Under Title XVI of the Social Security Act (Repealed)
- 114.123 Persons in Need of Work Rehabilitative Services (WRS) to Become Employable (Repealed)
- 114.124 Employment and Training Participation/Cooperation Requirements (Repealed)
- 114.125 Employment and Training Program Orientation (Repealed)
- 114.126 Employment and Training Program Full Assessment Process/Development of an Employment Plan (Repealed)
- 114.127 Employment and Training Program Components (Repealed)
- 114.128 Employment and Training Sanctions (Repealed)
- 114.129 Good Cause For Failure to Cooperate With Work and Training Participation Requirements (Repealed)
- 114.130 Employment and Training Supportive Services (Repealed)
- 114.135 Conciliation and Fair Hearings (Repealed)
- 114.140 Employment Child Care (Repealed)

SUBPART E: FINANCIAL FACTORS OF ELIGIBILITY

Section

- 114.200 Unearned Income
- 114.201 Budgeting Unearned Income
- 114.202 Budgeting Unearned Income of Applicants
- 114.203 Initial Receipt of Unearned Income
- 114.204 Termination of Unearned Income

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

114.210	Exempt Unearned Income
114.220	Education Benefits (Repealed)
114.221	Unearned Income In-Kind
114.222	Earmarked Income
114.223	Lump-Sum Payments
114.224	Protected Income
114.225	Earned Income
114.226	Budgeting Earned Income
114.227	Budgeting Earned Income of Applicants
114.228	Initial Employment
114.229	Termination of Employment
114.230	Exempt Earned Income
114.235	Recognized Employment Expenses
114.240	Income From Work/Study/Training Program (Repealed)
114.241	Earned Income From Self-Employment
114.242	Earned Income From Roomer and Boarder
114.243	Earned Income From Rental Property
114.244	Earned Income In-Kind
114.245	Payments from the Illinois Department of Children and Family Services
114.246	Budgeting Earned Income for Contractual Employees
114.247	Budgeting Earned Income for Non-contractual School Employees
114.250	Assets
114.251	Exempt Assets
114.252	Asset Disregards
114.260	Deferral of Consideration of Assets (Repealed)
114.270	Property Transfers (Repealed)
114.280	Supplemental Payments

SUBPART F: PAYMENT AMOUNTS

Section	
114.350	Payment Levels
114.351	Payment Levels in Group I Counties
114.352	Payment Levels in Group II Counties
114.353	Payment Levels in Group III Counties

SUBPART G: OTHER PROVISIONS

Section	
114.400	Persons Who May Be Included In the Assistance Unit

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

114.401	Eligibility of Strikers
114.402	Special Needs Authorizations (Repealed)
114.403	Institutional Status
114.404	Budgeting
114.405	Budgeting Schedule
114.406	Limitation on Amount of General Assistance to Recipients from Other States (Repealed)
114.408	Responsibility of Sponsors of Non-citizens Entering the Country On or After 8/22/96
114.420	Redetermination of Eligibility
114.430	Extension of Medical Assistance Due to Increased Income from Employment
114.440	Attorney's Fees for VA Appellants
114.442	Attorney's Fees for SSI Applicants

SUBPART H: CHILD CARE

Section	
114.450	Child Care (Repealed)
114.452	Child Care Eligibility (Repealed)
114.454	Qualified Provider (Repealed)
114.456	Notification of Available Services (Repealed)
114.458	Participant Rights and Responsibilities (Repealed)
114.462	Additional Service to Secure or Maintain Child Care Arrangements (Repealed)
114.464	Rates of Payment for Child Care (Repealed)
114.466	Method of Providing Child Care (Repealed)

SUBPART I: TRANSITIONAL CHILD CARE

Section	
114.500	Transitional Child Care Eligibility (Repealed)
114.504	Duration of Eligibility for Transitional Child Care (Repealed)
114.506	Loss of Eligibility for Transitional Child Care (Repealed)
114.508	Qualified Provider (Repealed)
114.510	Notification of Available Services (Repealed)
114.512	Participant Rights and Responsibilities (Repealed)
114.514	Child Care Overpayments and Recoveries (Repealed)
114.516	Fees for Service for Transitional Child Care (Repealed)
114.518	Rates of Payment for Transitional Child Care (Repealed)

AUTHORITY: Implementing Article VI and authorized by Section 12-13 of the Illinois Public

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

Aid Code [305 ILCS 5/Art. VI and 12-13].

SOURCE: Filed effective December 30, 1977; preemptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134, effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; preemptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; preemptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amendment at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979; preemptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; preemptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; amended at 4 Ill. Reg. 27, p. 387, effective June 24, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 37, p. 800, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 27, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1134, effective January 26, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 5 Ill. Reg. 7104, effective June 23, 1981; amended at 5 Ill. Reg. 8041, effective July 27, 1981; amended at 5 Ill. Reg. 8052, effective July 24, 1981; preemptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10131, effective October 1, 1981; amended at 5 Ill. Reg. 10730, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 10760, effective October 1, 1981; amended at 5 Ill. Reg. 10767, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; preemptory amendment at 6 Ill. Reg. 611, effective January 1, 1982; amended at 6 Ill. Reg. 1216, effective January 14, 1982; emergency amendment at 6 Ill. Reg. 2447, effective March 1, 1982, for a maximum of 150 days; preemptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; preemptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; preemptory amendment at 6 Ill. Reg. 6912, effective May 20, 1982; emergency amendment at 6 Ill. Reg. 7299, effective June 2, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 8115, effective July 1, 1982; amended at 6 Ill. Reg. 8142, effective July 1, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

10970, effective August 26, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12293, effective October 1, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; rules repealed, new rules adopted and codified at 7 Ill. Reg. 907, effective January 7, 1983; amended (by adding Sections being codified with no substantive change) at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 9909, effective August 5, 1983; amended (by adding Section being codified with no substantive change) at 7 Ill. Reg. 14747; amended (by adding Section being codified with no substantive change) at 7 Ill. Reg. 16107; amended at 7 Ill. Reg. 16408, effective November 30, 1983; amended at 7 Ill. Reg. 16652, effective December 1, 1983; amended at 8 Ill. Reg. 243, effective December 27, 1983; amended at 8 Ill. Reg. 5233, effective April 9, 1984; amended at 8 Ill. Reg. 6764, effective April 27, 1984; amended at 8 Ill. Reg. 11435, effective June 27, 1984; amended at 8 Ill. Reg. 13319, effective July 16, 1984; amended at 8 Ill. Reg. 16237, effective August 24, 1984; amended (by adding Sections being codified with no substantive change) at 8 Ill. Reg. 17896; amended at 9 Ill. Reg. 314, effective January 1, 1985; emergency amendment at 9 Ill. Reg. 823, effective January 3, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 9557, effective June 5, 1985; amended at 9 Ill. Reg. 10764, effective July 5, 1985; amended at 9 Ill. Reg. 15800, effective October 16, 1985; amended at 10 Ill. Reg. 1924, effective January 17, 1986; amended at 10 Ill. Reg. 3660, effective January 30, 1986; emergency amendment at 10 Ill. Reg. 4646, effective February 3, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 4896, effective March 7, 1986; amended at 10 Ill. Reg. 10681, effective June 3, 1986; amended at 10 Ill. Reg. 11041, effective June 5, 1986; amended at 10 Ill. Reg. 12662, effective July 14, 1986; amended at 10 Ill. Reg. 15118, effective September 5, 1986; amended at 10 Ill. Reg. 15640, effective September 19, 1986; amended at 10 Ill. Reg. 19079, effective October 24, 1986; amended at 11 Ill. Reg. 2307, effective January 16, 1987; amended at 11 Ill. Reg. 5297, effective March 11, 1987; amended at 11 Ill. Reg. 6238, effective March 20, 1987; emergency amendment at 11 Ill. Reg. 12449, effective July 10, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 12948, effective August 1, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 18311, effective November 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 18689, effective November 1, 1987; emergency amendment at 11 Ill. Reg. 18791, effective November 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20129, effective December 4, 1987; amended at 11 Ill. Reg. 20889, effective December 14, 1987; amended at 12 Ill. Reg. 889, effective January 1, 1988; SUBPARTS C, D and E recodified to SUBPARTS E, F and G at 12 Ill. Reg. 2147; Section 114.110 recodified to Section 114.52 at 12 Ill. Reg. 2984; amended at 12 Ill. Reg. 3505, effective January 22, 1988; amended at 12 Ill. Reg. 6170, effective March 18, 1988; amended at 12 Ill. Reg. 6719, effective March 22, 1988; amended at 12 Ill. Reg. 9108, effective May 20, 1988; amended at 12 Ill. Reg. 9699, effective May 24, 1988; amended at 12 Ill. Reg. 9940, effective May 31, 1988; amended at 12 Ill. Reg. 11474, effective June 30, 1988; amended at 12 Ill. Reg. 14255, effective August 30, 1988; emergency amendment at 12 Ill. Reg. 14364, effective September 1, 1988, for a maximum of 150 days; amendment at 12 Ill. Reg. 16729, effective September 30, 1988; amended at 12 Ill.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

Reg. 20171, effective November 28, 1988; amended at 13 Ill. Reg. 89, effective January 1, 1989; amended at 13 Ill. Reg. 1546, effective January 20, 1989; amended at 13 Ill. Reg. 3900, effective March 10, 1989; amended at 13 Ill. Reg. 8580, effective May 20, 1989; emergency amendment at 13 Ill. Reg. 16169, effective October 2, 1989, for a maximum of 150 days; emergency expired March 1, 1990; amended at 13 Ill. Reg. 16015, effective October 6, 1989; amended at 14 Ill. Reg. 746, effective January 1, 1990; amended at 14 Ill. Reg. 3640, effective February 23, 1990; amended at 14 Ill. Reg. 6360, effective April 16, 1990; amended at 14 Ill. Reg. 10929, effective June 20, 1990; amended at 14 Ill. Reg. 13215, effective August 6, 1990; amended at 14 Ill. Reg. 13777, effective August 10, 1990; amended at 14 Ill. Reg. 14162, effective August 17, 1990; amended at 14 Ill. Reg. 17111, effective September 30, 1990; amended at 15 Ill. Reg. 288, effective January 1, 1991; amended at 15 Ill. Reg. 5710, effective April 10, 1991; amended at 15 Ill. Reg. 11164, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 15144, effective October 7, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 3512, effective February 20, 1992; emergency amendment at 16 Ill. Reg. 4540, effective March 10, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 11662, effective July 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 13297, effective August 15, 1992; emergency amendment at 16 Ill. Reg. 13651, effective September 1, 1992, for a maximum 150 days; emergency amendment at 16 Ill. Reg. 14769, effective September 15, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 16276, effective October 1, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 17772, effective November 13, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 18815, effective November 24, 1992; amended at 17 Ill. Reg. 1091, effective January 15, 1993; amended at 17 Ill. Reg. 2277, effective February 15, 1993; amended at 17 Ill. Reg. 3255, effective March 1, 1993; amended at 17 Ill. Reg. 3639, effective February 26, 1993; amended at 17 Ill. Reg. 3255, effective March 1, 1993; amended at 17 Ill. Reg. 6814, effective April 21, 1993; emergency amendment at 17 Ill. Reg. 19728, effective November 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3436, effective February 28, 1994; amended at 18 Ill. Reg. 7390, effective April 29, 1994; amended at 18 Ill. Reg. 12839, effective August 5, 1994; emergency amendment at 19 Ill. Reg. 8434, effective June 9, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15058, effective October 17, 1995; emergency amendment at 20 Ill. Reg. 4445, effective February 28, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 9970, effective July 10, 1996; emergency amendment at 21 Ill. Reg. 682, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 7413, effective May 31, 1997; emergency amendment at 21 Ill. Reg. 8652, effective July 1, 1997, for a maximum of 150 days; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; amended at 21 Ill. Reg. 15545, effective November 26, 1997; emergency amendment at 22 Ill. Reg. 16356, effective September 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 19820, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 588, effective January 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 1619, effective January 20, 1999; amended at 23 Ill. Reg. 6067, effective May 4, 1999; amended at 23 Ill. Reg. 6434, effective May 15, 1999; amended at 23 Ill. Reg. 6948, effective

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

May 30, 1999; emergency amendment at 23 Ill. Reg. 8661, effective July 13, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 13863, effective November 19, 1999; amended at 24 Ill. Reg. 2338, effective February 1, 2000; amended at 24 Ill. Reg. 5688, effective March 20, 2000; amended at 25 Ill. Reg. 10325, effective August 3, 2001; amended at 26 Ill. Reg. 164, effective January 1, 2002; amended at 26 Ill. Reg. 9821, effective June 24, 2002; emergency amendment at 26 Ill. Reg. 11009, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 17198, effective November 15, 2002; amended at 27 Ill. Reg. 7263, effective April 7, 2003; amended at 27 Ill. Reg. 18433, effective November 20, 2003; amended at 28 Ill. Reg. 5682, effective March 22, 2004; amended at 29 Ill. Reg. 5487, effective April 1, 2005.

SUBPART E: FINANCIAL FACTORS OF ELIGIBILITY

Section 114.250 Assets

- a) The value of non-exempt assets shall be considered in determining eligibility for an assistance payment.
- b) The entire equity value of jointly held assets shall be considered in determining eligibility for an assistance payment, unless:
 - 1) The asset is a joint income tax refund; or
 - 2) The client documents that he/she does not have access to the asset. Appropriate documents may include, but are not limited to, bank documents, signature cards, trust documents, divorce papers, and papers from court proceedings; or:
 - 3) The client can document the amount of his legal interest in the asset, and that such amount is less than the entire value of the asset, then the documented amount shall be considered. Appropriate documentation may include, but is not limited to, bank documents, trust documents, signature cards, divorce papers, or court orders; or
 - 4) The asset is held jointly with a client~~client~~(s) of any Illinois Department of Human Services assistance program, other than Food Stamps; or
 - 5) The client documents that the asset or a portion of the asset is not owned by the client and the client's accessibility to the asset is changed (see subsections (b)(2) and (b)(3) ~~above~~ for documentation examples).

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

- c) Income tax refunds
- 1) Income tax refunds shall be considered available assets and are to be considered against the appropriate nonexempt asset limitation of the assistance unit. One-half of joint tax refunds shall be considered available for each payee.
 - 2) A client who declares that less than one-half of the joint income tax was received may claim an exception. Only the amount claimed to be received shall be considered.
- d) Trust Fund for the Benefit of a Dependent Child
- 1) When trust fund exists in the name of a child or for the benefit of a child included in the assistance unit and the amount of the trust fund by itself or combined with other nonexempt assets of the assistance unit exceeds the asset disregard, the caretaker shall be allowed ~~forty-five (45)~~ days to petition the court for release of the funds. When someone other than the caretaker is the trustee of the trust fund, the caretaker is responsible for taking action within ~~forty-five (45)~~ days of the Department's becoming aware of the existence of the trust fund to petition the court to order the trustee to release the funds. The child for whom the trust fund was established shall remain in the assistance unit for the ~~forty-five (45)~~ days.
 - 2) When the trust fund combined with other nonexempt assets of the assistance unit does not exceed the asset disregard, petitioning the court for release of the funds is not required.
 - 3) At the end of ~~forty-five (45)~~ days, if the caretaker:
 - A) does not provide verification that the court has been petitioned, the amount of the trust fund shall be considered a nonexempt asset and shall be applied to the asset disregard of the assistance unit. When the trust fund and other nonexempt assets exceed the asset disregard, the child may be deleted or if the child is the only child in the assistance unit, the case may be changed to an adult only case~~case(s)~~. The eligibility of all other members of the assistance unit shall not be affected unless the child with the trust fund is the only child in the assistance unit, or

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

- B) provides verification that the court has been petitioned and the court denied the request for release of the funds, the amount of the trust fund shall be considered an exempt asset, or
- C) provides verification the court will release the funds for the child, the released ~~amounts~~ amount(s) shall be considered as follows:
- i) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, payments shall be budgeted as nonexempt unearned income. The caretaker may request the child be removed from the assistance unit if the earmarked income meets the child's needs. The earmarked income shall be considered available to meet the needs of the child only and the other assistance unit members remain eligible.
 - ii) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, a one-time only release of the money shall be considered an asset subject to the asset disregard. If the payment plus other nonexempt assets exceed the asset disregard, the caretaker may choose to delete the child from the assistance unit. The other assistance unit members shall remain eligible.
 - iii) When the petition and court-order direct the money be used for a specific purpose other than the income maintenance needs of the child, the money shall be considered exempt and does not affect eligibility, or
- D) provides verification the court was petitioned but a decision was not made, assistance shall be continued for the child and a control established for 30 days.
- e) Pension plans are exempt from consideration as an asset, including accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan.

(Source: Amended at 29 Ill. Reg. 5487, effective April 1, 2005)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Food Stamps
- 2) Code Citation: 89 Ill. Adm. Code 121
- 3) Section Numbers: Adopted Action:
 121.57 Amendment
 121.58 Amendment
- 4) Statutory Authority: Implementing Sections 12-4.4 through 12-4.6 and authorized by Section 12-23 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13].
- 5) Effective Date of Amendments: April 1, 2005
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Do these amendments contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: July 30, 2004; 28 Ill. Reg. 10531
- 10) Has JCAR Issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: No changes were made in the text of the proposed amendments.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will these amendments replace any emergency amendments currently in effect? No
- 14) Are there any amendments pending on this Part: Yes

<u>Section Numbers</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
121.57	Amendment	28 Ill. Reg. 14387; 11-5-04
121.58	Amendment	28 Ill. Reg. 14387; 11-5-04
121.63	Amendment	28 Ill. Reg. 15295; 11-29-04

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 15) Summary and Purpose of Rulemaking: This rulemaking is being adopted in accordance with an option provided under Title IV of the Farm Bill (HR 2646-The Food Stamp Reauthorization Act of 2002). Under this provision, states may exclude certain types of resources from consideration as an asset when determining eligibility. This rulemaking exempts pension plans, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal. Participants in an IRA, 401 K or Keogh Plan are subject to a penalty for withdrawal if funds are distributed before age 59 1/2. Implementing this change will simplify the way these assets are considered for the Food Stamp Program.

Companion amendments are also being adopted in 89 Ill. Adm. Code 112 and 89 Ill. Adm. Code 114.

- 16) Information and questions regarding these adopted amendments shall be directed to:

Tracie Drew, Bureau Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
3rd Floor Harris Bldg.
Springfield, Illinois 62762

(217) 785-9772

The full text of Adopted Amendments begins on the next page:

LEXSEE 28 ILL REG 10519

ILLINOIS REGISTER

ISSUE: Volume 28, Issue 31

ISSUE DATE: July 30, 2004

SUBJECT: NOTICE OF PROPOSED AMENDMENT

AGENCY: DEPARTMENT OF HUMAN SERVICES

28 Ill. Reg. 10519

ILLINOIS ADMINISTRATIVE CODE CITATION: 89 Ill. Adm. Code 114

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 114: GENERAL ASSISTANCE

[A> UPPERCASE TEXT WITHIN THESE SYMBOLS IS ADDED <A]

[D> Text within these symbols is deleted <D]

Star pagination is in accord with Ill. Reg. hardcopy pagination.
To view the next page, type .np* and ENTER.
To view a specific page, transmit p* and the page number. E.G. p*1.

1) Heading of the Part: General Assistance

2) Code Citation: 89 Ill Adm. Code 114

3) Section Number:	Proposed Action:
114.250	Amendment

4) Statutory Authority: Implementing Article VI and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Art. VI and 12-13].

5) A Complete Description of the Subjects and Issues involved: This rulemaking is being proposed in accordance with an option provided under Title IV of the Farm Bill (HR 2646-The Food Stamp Reauthorization Act of 2002). Under this provision, states may exclude certain types of resources from consideration as an asset when determining eligibility. This rulemaking exempts pension plans, including accounts solely owned by an individual such as an Individual Retirement Account (IRA), 401 K and Keogh Plan, from consideration as an asset for General Assistance. Implementing this change will simplify the way these assets are considered for the General Assistance Program.

Companion amendments are also being proposed to 89 Ill. Adm. Code 112 and 89 Ill. Adm. Code 121.

6) Will this rulemaking replace an emergency rule currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? No

9) Are there any other amendments pending on this Part? No

10) Statement of Statewide Policy Objectives (if applicable): This rulemaking does not create or expand a State mandate.

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning these rules within 45 days after the date of this issue of the Illinois Register. All requests and comments should be submitted in writing to:

Tracie Drew, Chief
 Bureau of Administrative Rules and Procedures [*10520]
 Department of Human Services
 100 South Grand Avenue East
 Harris Building, 3rd Floor
 Springfield, Illinois 62762
 (217) 785-9772

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

13) Regulatory agenda on which this rulemaking was summarized: January 2004 [*10521]

TITLE 89: SOCIAL SERVICES
 CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
 SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 114 GENERAL ASSISTANCE

SUBPART A: GENERAL PROVISIONS

Section

- 114.1 Description of the Assistance Program
- 114.2 Determination of Not Employable
- 114.3 Advocacy Program for Persons Receiving State Transitional Assistance
- 114.5 Incorporation By Reference

SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

Section

- 114.9 Client Cooperation
- 114.10 Citizenship
- 114.20 Residence
- 114.30 Age
- 114.40 Relationship
- 114.50 Living Arrangement
- 114.52 Social Security Numbers
- 114.60 Work Registration Requirements (Outside City of Chicago only)
- 114.61 Individuals Exempt From Work Registration Requirements (Outside City of Chicago only)
- 114.62 Job Service Registration (Outside City of Chicago only)

- 114.63 Failure to Maintain Current Job Service Registration (Outside City of Chicago only)
- 114.64 Responsibility to Seek Employment (Outside City of Chicago only)
- 114.70 Initial Employment Expenses (Outside City of Chicago only)
- 114.80 Downstate General Assistance Work and Training Programs
- 114.85 Downstate General Assistance -- Food Stamps Employment and Training Pilot Project
- 114.90 Work and Training Programs
- 114.100 General Assistance Jobs Program (Repealed)
- 114.101 Persons Ineligible for TANF Due to Time Limits [*10522]

SUBPART C: PROJECT ADVANCE

Section

- 114.108 Project Advance (Repealed)
- 114.109 Project Advance Participation Requirements of Adjudicated Fathers (Repealed)
- 114.110 Project Advance Cooperation Requirements of Adjudicated Fathers (Repealed)
- 114.111 Project Advance Sanctions (Repealed)
- 114.113 Project Advance Good Cause for Failure to Comply (Repealed)
- 114.115 Individuals Exempt From Project Advance (Repealed)
- 114.117 Project Advance Supportive Services (Repealed)

SUBPART D: EMPLOYMENT AND TRAINING REQUIREMENTS

Section

- 114.120 Employment and Training Requirements
- 114.121 Persons Required to Participate in Project Chance (Repealed)
- 114.122 Advocacy Program for Persons Who Have Applied for Supplemental Security Income (SSI) Under Title XVI of the Social Security Act (Repealed)
- 114.123 Persons in Need of Work Rehabilitative Services (WRS) to Become Employable (Repealed)
- 114.124 Employment and Training Participation/Cooperation Requirements (Repealed)
- 114.125 Employment and Training Program Orientation (Repealed)
- 114.126 Employment and Training Program Full Assessment Process/Development of an Employment Plan (Repealed)
- 114.127 Employment and Training Program Components (Repealed)
- 114.128 Employment and Training Sanctions (Repealed)
- 114.129 Good Cause For Failure to Cooperate With Work and Training Participation Requirements (Repealed)
- 114.130 Employment and Training Supportive Services (Repealed)
- 114.135 Conciliation and Fair Hearings (Repealed)
- 114.140 Employment Child Care (Repealed)

SUBPART E: FINANCIAL FACTORS OF ELIGIBILITY

Section

- 114.200 Unearned Income
- 114.201 Budgeting Unearned Income
- 114.202 Budgeting Unearned Income of Applicants
- 114.203 Initial Receipt of Unearned Income
- 114.204 Termination of Unearned Income [*10523]
- 114.210 Exempt Unearned Income
- 114.220 Education Benefits (Repealed)
- 114.221 Unearned Income In-Kind
- 114.222 Earmarked Income
- 114.223 Lump-Sum Payments
- 114.224 Protected Income
- 114.225 Earned Income
- 114.226 Budgeting Earned Income
- 114.227 Budgeting Earned Income of Applicants

114.228 Initial Employment
114.229 Termination of Employment
114.230 Exempt Earned Income
114.235 Recognized Employment Expenses
114.240 Income From Work/Study/Training Program (Repealed)
114.241 Earned Income From Self-Employment
114.242 Earned Income From Roomer and Boarder
114.243 Earned Income From Rental Property
114.244 Earned Income In-Kind
114.245 Payments from the Illinois Department of Children and Family Services
114.246 Budgeting Earned Income for Contractual Employees
114.247 Budgeting Earned Income for Non-contractual School Employees
114.250 Assets
114.251 Exempt Assets
114.252 Asset Disregards
114.260 Deferral of Consideration of Assets (Repealed)
114.270 Property Transfers (Repealed)
114.280 Supplemental Payments

SUBPART F: PAYMENT AMOUNTS

Section

114.350 Payment Levels
114.351 Payment Levels in Group I Counties
114.352 Payment Levels in Group II Counties
114.353 Payment Levels in Group III Counties

SUBPART G: OTHER PROVISIONS

Section

114.400 Persons Who May Be Included In the Assistance Unit [*10524]
114.401 Eligibility of Strikers
114.402 Special Needs Authorizations (Repealed)
114.403 Institutional Status
114.404 Budgeting
114.405 Budgeting Schedule
114.406 Limitation on Amount of General Assistance to Recipients from Other States (Repealed)
114.408 Responsibility of Sponsors of Non-citizens Entering the Country On or After 8/22/96
114.420 Redetermination of Eligibility
114.430 Extension of Medical Assistance Due to Increased Income from Employment
114.440 Attorney's Fees for VA Appellants
114.442 Attorney's Fees for SSI Applicants

SUBPART H: CHILD CARE

Section

114.450 Child Care (Repealed)
114.452 Child Care Eligibility (Repealed)
114.454 Qualified Provider (Repealed)
114.456 Notification of Available Services (Repealed)
114.458 Participant Rights and Responsibilities (Repealed)
114.462 Additional Service to Secure or Maintain Child Care Arrangements (Repealed)
114.464 Rates of Payment for Child Care (Repealed)
114.466 Method of Providing Child Care (Repealed)

SUBPART I: TRANSITIONAL CHILD CARE

Section

- 114.500 Transitional Child Care Eligibility (Repealed)
- 114.504 Duration of Eligibility for Transitional Child Care (Repealed)
- 114.506 Loss of Eligibility for Transitional Child Care (Repealed)
- 114.508 Qualified Provider (Repealed)
- 114.510 Notification of Available Services (Repealed)
- 114.512 Participant Rights and Responsibilities (Repealed)
- 114.514 Child Care Overpayments and Recoveries (Repealed)
- 114.516 Fees for Service for Transitional Child Care (Repealed)
- 114.518 Rates of Payment for Transitional Child Care (Repealed)

AUTHORITY: Implementing Article VI and authorized by Section 12-13 of the Illinois Public [*10525]

Aid Code [305 ILCS 5/Art. VI and 12-13].

SOURCE: Filed effective December 30, 1977; preemptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134, effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; preemptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; preemptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amendment at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979; preemptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; preemptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; amended at 4 Ill. Reg. 27, p. 387, effective June 24, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 37, p. 800, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 27, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1134, effective January 26, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 5 Ill. Reg. 7104, effective June 23, 1981; amended at 5 Ill. Reg. 8041, effective July 27, 1981; amended at 5 Ill. Reg. 8052, effective July 24, 1981; preemptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10131, effective October 1, 1981; amended at 5 Ill. Reg. 10730, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 10760, effective October 1, 1981; amended at 5 Ill. Reg. 10767, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; preemptory amendment at 6 Ill. Reg. 611, effective January 1, 1982; amended at 6 Ill. Reg. 1216, effective January 14, 1982; emergency amendment at 6 Ill. Reg. 2447, effective March 1, 1982, for a maximum of 150 days; preemptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; preemptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; preemptory amendment at 6 Ill. Reg. 6912, effective May 20, 1982; emergency amendment at 6 Ill. Reg. 7299, effective June 2, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 8115, effective July 1, 1982; amended at 6 Ill. Reg. 8142, effective July 1, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10970, [*10526] effective August 26, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12293, effective October 1, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; rules repealed, new rules adopted and codified at 7 Ill. Reg. 907, effective January 7, 1983; amended (by adding Sections being codified with no substantive change) at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 9909, effective August 5, 1983; amended (by adding Section being codified with no substantive change) at 7 Ill. Reg. 14747; amended (by adding Section being codified with no substantive change) at 7 Ill. Reg. 16107; amended at 7 Ill. Reg. 16408, effective November 30, 1983; amended at 7 Ill. Reg. 16652, effective December 1, 1983; amended at 8 Ill. Reg. 243, effective December 27, 1983;

amended at 8 Ill. Reg. 5233, effective April 9, 1984; amended at 8 Ill. Reg. 6764, effective April 27, 1984; amended at 8 Ill. Reg. 11435, effective June 27, 1984; amended at 8 Ill. Reg. 13319, effective July 16, 1984; amended at 8 Ill. Reg. 16237, effective August 24, 1984; amended (by adding Sections being codified with no substantive change) at 8 Ill. Reg. 17896; amended at 9 Ill. Reg. 314, effective January 1, 1985; emergency amendment at 9 Ill. Reg. 823, effective January 3, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 9557, effective June 5, 1985; amended at 9 Ill. Reg. 10764, effective July 5, 1985; amended at 9 Ill. Reg. 15800, effective October 16, 1985; amended at 10 Ill. Reg. 1924, effective January 17, 1986; amended at 10 Ill. Reg. 3660, effective January 30, 1986; emergency amendment at 10 Ill. Reg. 4646, effective February 3, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 4896, effective March 7, 1986; amended at 10 Ill. Reg. 10681, effective June 3, 1986; amended at 10 Ill. Reg. 11041, effective June 5, 1986; amended at 10 Ill. Reg. 12662, effective July 14, 1986; amended at 10 Ill. Reg. 15118, effective September 5, 1986; amended at 10 Ill. Reg. 15640, effective September 19, 1986; amended at 10 Ill. Reg. 19079, effective October 24, 1986; amended at 11 Ill. Reg. 2307, effective January 16, 1987; amended at 11 Ill. Reg. 5297, effective March 11, 1987; amended at 11 Ill. Reg. 6238, effective March 20, 1987; emergency amendment at 11 Ill. Reg. 12449, effective July 10, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 12948, effective August 1, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 18311, effective November 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 18689, effective November 1, 1987; emergency amendment at 11 Ill. Reg. 18791, effective November 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20129, effective December 4, 1987; amended at 11 Ill. Reg. 20889, effective December 14, 1987; amended at 12 Ill. Reg. 889, effective January 1, 1988; SUBPARTS C, D and E recodified to SUBPARTS E, F and G at 12 Ill. Reg. 2147; Section 114.110 recodified to Section 114.52 at 12 Ill. Reg. 2984; amended at 12 Ill. Reg. 3505, effective January 22, 1988; amended at 12 Ill. Reg. 6170, effective March 18, 1988; amended at 12 Ill. Reg. 6719, effective March 22, 1988; amended at 12 Ill. Reg. 9108, effective May 20, 1988; amended at 12 Ill. Reg. 9699, effective May 24, 1988; amended at 12 Ill. Reg. 9940, effective May 31, 1988; amended at 12 Ill. Reg. 11474, effective June 30, 1988; amended at 12 Ill. Reg. 14255, effective August 30, 1988; emergency amendment at 12 Ill. Reg. 14364, effective September 1, 1988, for a maximum of 150 days; amendment at 12 Ill. Reg. 16729, effective September 30, 1988; amended at 12 Ill. Reg. 20171, [*10527] effective November 28, 1988; amended at 13 Ill. Reg. 89, effective January 1, 1989; amended at 13 Ill. Reg. 1546, effective January 20, 1989; amended at 13 Ill. Reg. 3900, effective March 10, 1989; amended at 13 Ill. Reg. 8580, effective May 20, 1989; emergency amendment at 13 Ill. Reg. 16169, effective October 2, 1989, for a maximum of 150 days; emergency expired March 1, 1990; amended at 13 Ill. Reg. 16015, effective October 6, 1989; amended at 14 Ill. Reg. 746, effective January 1, 1990; amended at 14 Ill. Reg. 3640, effective February 23, 1990; amended at 14 Ill. Reg. 6360, effective April 16, 1990; amended at 14 Ill. Reg. 10929, effective June 20, 1990; amended at 14 Ill. Reg. 13215, effective August 6, 1990; amended at 14 Ill. Reg. 13777, effective August 10, 1990; amended at 14 Ill. Reg. 14162, effective August 17, 1990; amended at 14 Ill. Reg. 17111, effective September 30, 1990; amended at 15 Ill. Reg. 288, effective January 1, 1991; amended at 15 Ill. Reg. 5710, effective April 10, 1991; amended at 15 Ill. Reg. 11164, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 15144, effective October 7, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 3512, effective February 20, 1992; emergency amendment at 16 Ill. Reg. 4540, effective March 10, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 11662, effective July 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 13297, effective August 15, 1992; emergency amendment at 16 Ill. Reg. 13651, effective September 1, 1992, for a maximum 150 days; emergency amendment at 16 Ill. Reg. 14769, effective September 15, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 16276, effective October 1, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 17772, effective November 13, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 18815, effective November 24, 1992; amended at 17 Ill. Reg. 1091, effective January 15, 1993; amended at 17 Ill. Reg. 2277, effective February 15, 1993; amended at 17 Ill. Reg. 3255, effective March 1, 1993; amended at 17 Ill. Reg. 3639, effective February 26, 1993; amended at 17 Ill. Reg. 3255, effective March 1, 1993; amended at 17 Ill. Reg. 6814, effective April 21, 1993; emergency amendment at 17 Ill. Reg. 19728, effective November 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3436, effective February 28, 1994; amended at 18 Ill. Reg. 7390, effective April 29, 1994; amended at 18 Ill. Reg. 12839, effective August 5, 1994; emergency amendment at 19 Ill. Reg. 8434, effective June 9, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15058, effective October 17, 1995; emergency amendment at 20 Ill. Reg. 4445, effective February 28, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 9970, effective July 10, 1996; emergency amendment at 21 Ill. Reg. 682, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 7413, effective May 31, 1997; emergency amendment at 21 Ill. Reg. 8652, effective July 1, 1997, for a maximum of 150 days; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; amended at 21 Ill. Reg. 15545, effective November 26, 1997; emergency amendment at 22 Ill. Reg. 16356, effective September 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 19820, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 588, effective January 1, 1999, for a

maximum of 150 days; amended at 23 Ill. Reg. 1619, effective January 20, 1999; amended at 23 Ill. Reg. 6067, effective May 4, 1999; amended at 23 Ill. Reg. 6434, effective May 15, 1999; amended at 23 Ill. Reg. 6948, effective [*10528] May 30, 1999; emergency amendment at 23 Ill. Reg. 8661, effective July 13, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 13863, effective November 19, 1999; amended at 24 Ill. Reg. 2338, effective February 1, 2000; amended at 24 Ill. Reg. 5688, effective March 20, 2000; amended at 25 Ill. Reg. 10325, effective August 3, 2001; amended at 26 Ill. Reg. 164, effective January 1, 2002; amended at 26 Ill. Reg. 9821, effective June 24, 2002; emergency amendment at 26 Ill. Reg. 11009, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 17198, effective November 15, 2002; amended at 27 Ill. Reg. 7263, effective April 7, 2003; amended at 27 Ill. Reg. 18433, effective November 20, 2003; amended at 28 Ill. Reg. 5682, effective March 22, 2004; amended at 28 Ill. Reg. ____, effective ____.

SUBPART E: FINANCIAL FACTORS OF ELIGIBILITY

Section 114.250 Assets

- a) The value of non-exempt assets shall be considered in determining eligibility for an assistance payment.
- b) The entire equity value of jointly held assets shall be considered in determining eligibility for an assistance payment, unless:
 - 1) The asset is a joint income tax refund; or
 - 2) The client documents that he/she does not have access to the asset. Appropriate documents may include, but are not limited to, bank documents, signature cards, trust documents, divorce papers, and papers from court proceedings[A> ; OR <A][D> . <D]
 - 3) The client can document the amount of his legal interest in the asset, and that such amount is less than the entire value of the asset, then the documented amount shall be considered. Appropriate documentation may include, but is not limited to, bank documents, trust documents, signature cards, divorce papers, or court orders; or
 - 4) The asset is held jointly with a [A> CLIENT <A][D> client(s) <D] of any Illinois Department of Human Services assistance program, other than Food Stamps; or
 - 5) The client documents that the asset or a portion of the asset is not owned by the client and the client's accessibility to the asset is changed (see subsections (b)(2) and (b)(3) [D> above <D] for documentation examples). [*10529]
- c) Income tax refunds
 - 1) Income tax refunds shall be considered available assets and are to be considered against the appropriate nonexempt asset limitation of the assistance unit. One-half of joint tax refunds shall be considered available for each payee.
 - 2) A client who declares that less than one-half of the joint income tax was received may claim an exception. Only the amount claimed to be received shall be considered.
- d) Trust Fund for the Benefit of a Dependent Child
 - 1) When trust fund exists in the name of a child or for the benefit of a child included in the assistance unit and the amount of the trust fund by itself or combined with other nonexempt assets of the assistance unit exceeds the asset disregard, the caretaker shall be allowed [D> forty-five (<D]45[D>) <D] days to petition the court for release of the funds. When someone other than the caretaker is the trustee of the trust fund, the caretaker is responsible for taking action within [D> forty-five (<D]45[D>) <D] days of the Department's becoming aware of the existence of the trust fund to petition the court to order the trustee to release the funds. The child for whom the trust fund was established shall remain in the assistance unit for the [D> forty-five (<D]45[D>) <D] days.
 - 2) When the trust fund combined with other nonexempt assets of the assistance unit does not exceed the asset disregard, petitioning the court for release of the funds is not required.
 - 3) At the end of [D> forty-five (<D]45[D>) <D] days, if the caretaker:
 - A) does not provide verification that the court has been petitioned, the amount of the trust fund shall be considered a nonexempt asset and shall be applied to the asset disregard of the assistance unit. When the trust fund and other nonexempt assets exceed the asset disregard, the child may be deleted or if the child is the only child in the assistance unit,

the case may be changed to an adult only [A> CASE <A][D> case(s) <D]. The eligibility of all other members of the assistance unit shall not be affected unless the child with the trust fund is the only child in the assistance unit, or [*10530]

B) provides verification that the court has been petitioned and the court denied the request for release of the funds, the amount of the trust fund shall be considered an exempt asset, or

C) provides verification the court will release the funds for the child, the released [A> AMOUNTS <A][D> amount(s) <D] shall be considered as follows:

i) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, payments shall be budgeted as nonexempt unearned income. The caretaker may request the child be removed from the assistance unit if the earmarked income meets the child's needs. The earmarked income shall be considered available to meet the needs of the child only and the other assistance unit members remain eligible.

ii) When the petition and court order direct the money be used for the child's income maintenance needs or do not specify a purpose, a one-time only release of the money shall be considered an asset subject to the asset disregard. If the payment plus other nonexempt assets exceed the asset disregard, the caretaker may choose to delete the child from the assistance unit. The other assistance unit members shall remain eligible.

iii) When the petition and court-order direct the money be used for a specific purpose other than the income maintenance needs of the child, the money shall be considered exempt and does not affect eligibility, or

D) provides verification the court was petitioned but a decision was not made, assistance shall be continued for the child and a control established for 30 days.

[A> E) PENSION PLANS ARE EXEMPT FROM CONSIDERATION AS AN ASSET, INCLUDING ACCOUNTS OWNED SOLELY BY AN INDIVIDUAL, SUCH AS AN INDIVIDUAL RETIREMENT ACCOUNT (IRA), 401 K OR KEOGH PLAN. <A]

(Source: Amended at 28 Ill. Reg. ____, effective ____)

1 of 3 DOCUMENTS

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DEPARTMENT OF SOCIAL SERVICES
FAMILY SERVICES ADMINISTRATION
STATE EMERGENCY RELIEF PROGRAM

MICH. ADMIN. CODE R 400.7002 (2007)

R 400.7002 Definitions; C, D.

Rule 2. As used in these rules:

- (a) "Cash assets" means any of the following:
 - (i) Currency and coins.
 - (ii) Amounts on deposit in banks, savings and loan associations, credit unions, and other financial institutions.
 - (iii) Uncashed checks, drafts, and warrants.
 - (iv) Traveler's checks.
 - (v) Stocks, bonds, and other investments, including negotiable instruments.
 - (vi) Individual retirement accounts.
 - (vii) Keogh plans.
 - (viii) Revocable prearranged funeral contracts.
 - (ix) Nonrecurring lump-sum payments that do not represent an accumulation of monthly benefits.
- (b) "Client" means an applicant for, or recipient of, state emergency relief and includes all members of the relief group.
- (c) "Department" means the state department of social services.
- (d) "Dependent child" means a person who is under the age of 21 and who is living with any of the following:
 - (i) A parent.
 - (ii) An adult relative.
 - (iii) An unrelated adult who functions as a parent.
- (e) "Director" means the director of the department.
- (f) "Divestment" means the disposition of an asset without receiving its market value with the intent of becoming or remaining eligible for, or increasing the amount of, emergency relief or with the intent of avoiding making reimbursement of emergency relief received.
- (g) "Dwelling unit" means a shelter, such as a house, apartment, or mobile home.

2 of 3 DOCUMENTS

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DEPARTMENT OF SOCIAL SERVICES
FAMILY SERVICES ADMINISTRATION
STATE EMERGENCY RELIEF PROGRAM

MICH. ADMIN. CODE R 400.7005 (2007)

R 400.7005 Definitions; I to P.

Rule 5. As used in these rules:

- (a) "Income" means all earned or unearned monies that are received by a client.
- (b) "Infant burial allowance" means the maximum amount that may be approved for the burial, cremation, or other disposition of a child who is less than 1 month of age, a fetus, or a limb.
- (c) "Market value," with respect to an asset, means the price that the owner would receive if he or she disposed of the asset on short notice, possibly without the opportunity to realize the full potential on his or her investment in the asset.
- (d) "Noncash assets" means assets that are not cash assets.
- (e) "Potential resource" means an asset or income that may be available to a client if action is taken to make the asset or income available.
- (f) "Protected cash asset limit" means the maximum total combined cash assets that the members of a relief group which is eligible with respect to cash assets may own.
- (g) "Protected noncash asset limit" means the maximum total combined noncash assets that the members of a relief group which is eligible with respect to noncash assets may own.

3 of 3 DOCUMENTS

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DEPARTMENT OF SOCIAL SERVICES
FAMILY SERVICES ADMINISTRATION
STATE EMERGENCY RELIEF PROGRAM

MICH. ADMIN. CODE R 400.7016 (2007)

R 400.7016 Eligibility; assets.

Rule 16. (1) If the total combined cash assets that are not exempt from consideration of all members of the relief group are more than the protected cash asset limit, the amount in excess of the protected cash asset limit shall be deducted from the cost of resolving the emergency to determine the amount of emergency relief to be issued by the department.

(2) A relief group composed solely of recipients of any of the following shall have automatic eligibility on the basis of noncash assets:

- (a) Aid to dependent children.
- (b) State family assistance.
- (c) State disability assistance.
- (d) Medical assistance.
- (e) Food stamps.
- (f) Supplemental security income paid by the social security administration.

(3) A relief group whose members' equity in noncash assets is more than the protected noncash asset limit for the number of members in the relief group is not eligible for the state emergency relief program.

(4) To be relevant to a determination of eligibility, the assets in question shall be legally available to, and under the control of, the client and shall be salable.

(5) In determining the equity in an asset, the department shall deduct all of the following from the market value of the asset:

- (a) Any encumbrances against the asset.
- (b) The costs incurred in selling the asset.
- (c) An amount to which a person who is not a member of the relief group is equitably entitled.
- (6) All of the following assets are exempt from consideration in determining eligibility for emergency relief:
 - (a) One homestead.
 - (b) Household goods.
 - (c) Personal goods.
 - (d) One burial space per relief group member.
 - (e) Assets that are essential to employment or self-employment, including all of the following:

- (i) Farm livestock and farm equipment.
- (ii) Farmland.
- (iii) Tools, equipment, and machinery.
- (f) One motor vehicle that is used as the primary means of transportation.
- (g) The accumulated earnings of a member of the relief group who is a dependent child when both of the following conditions are met:
 - (i) The accumulated earnings are held in a savings account of which the dependent child who earned the money is the sole tenant.
 - (ii) The accumulated earnings are not commingled with money obtained from any source except the earnings of the dependent child.
- (h) Educational grants and scholarships.
- (i) The total cash surrender value of life insurance policies.
- (j) Irrevocable prepaid burial contracts.
- (7) The protected cash asset limit is \$50.00.
- (8) The protected noncash asset limit is \$1,750.00 for a relief group of 1 person.
- (9) The protected noncash asset limit is \$3,000.00 for a relief group of 2 or more persons.

A-Engrossed
House Bill 2094

Ordered by the House May 10
Including House Amendments dated May 10

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor Theodore R. Kulongoski for Housing and Community Services Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Removes tax credit limit for donations to individual development account fiduciary organizations. Applies to tax years beginning on or after January 1, 2008.]

Allows persons 12 years of age or older to be individual development account holder. Repeals Individual Children's Development Account Program. Allows exclusion of vehicle from net worth calculation for potential account holder. Expands permissible purposes of individual development account.

Eliminates restriction on individual development account size. Limits annual and total amount for deposits of state-directed moneys to accounts.

Revises fiduciary organization qualifications. Specifies required content for personal development plans.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to development accounts for individuals; creating new provisions; amending ORS 458.670,
3 458.680, 458.685, 458.690 and 458.695; repealing ORS 417.900; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **NOTE:** Section 1 was deleted by amendment. Subsequent sections were not renumbered.

6 **SECTION 2.** ORS 458.670 is amended to read:

7 458.670. As used in this section and ORS 458.675 to 458.700, unless the context requires other-
8 wise:

9 (1) "Account holder" means *[a member of a lower income household who is the named depositor*
10 *of an individual development account]* **a resident of this state who:**

11 **(a) Is 12 years of age or older;**

12 **(b) Is a member of a lower income household; and**

13 **(c) Has established an individual development account with a fiduciary organization.**

14 (2) "Fiduciary organization" means **an organization selected under ORS 458.695 to adminis-**
15 **ter state moneys directed to individual development accounts and that is:**

16 (a) A nonprofit, fund raising organization that is exempt from taxation under section 501(c)(3)
17 of the Internal Revenue Code as amended and in effect on *[January 1, 1999]* **December 31, 2006;** or

18 (b) A federally recognized *[Indian tribe or band]* **Oregon Indian tribe that is located, to a**
19 **significant degree, within the boundaries of this state.**

20 (3) "Financial institution" means:

21 (a) An organization regulated under ORS chapters 706 to 716, 722 or 723; or

22 (b) In the case of individual development accounts established for the purpose described in ORS

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 458.685 (1)(c), a financial institution as defined in ORS 348.841.

2 (4) "Individual development account" means a contract between an account holder and a
3 fiduciary organization, for the deposit of funds into a financial institution by the account holder, and
4 the deposit of matching funds into the financial institution by the fiduciary organization, to allow
5 the account holder to accumulate assets for use toward achieving a specific purpose approved by
6 the fiduciary organization.

7 (5) "Lower income household" means a household having an income equal to or less than 80
8 percent of the median household income for the area as determined by the Housing and Community
9 Services Department. In making the determination, the department shall give consideration to any
10 data on area household income published by the United States Department of Housing and Urban
11 Development.

12 (6) "**Resident of this state**" has the meaning given that term in ORS 316.027.

13 **SECTION 3.** ORS 458.680 is amended to read:

14 458.680. (1) A person who qualifies to become an account holder may enter into an agreement
15 with a fiduciary organization for the establishment of an individual development account.

16 (2) [A person qualifies to become an account holder if the person is] **To become an account**
17 **holder a person must, in addition to meeting any other qualifications, be** a member of a lower
18 income household that has a net worth of less than \$20,000. As used in this subsection, "net
19 worth" means the value of all assets owned in whole or part by household members, other than eq-
20 uity in a residence **and in one vehicle**, minus the total debts and obligations of household members,
21 all as measured at the time that the person applies to establish the account.

22 (3) [A person applying to establish an account must enroll in a personal development plan devel-
23 oped by the person and the fiduciary organization. The plan must provide the person with appropriate
24 financial counseling, career or business planning and other services] **Every account holder, with**
25 **support from the fiduciary organization, shall develop a personal development plan to ad-**
26 **advance account holder self-reliance. The personal development plan must include appropriate**
27 **coaching, mentorship, social support, financial adequacy training and asset-specific training**
28 designed to increase the independence of the person and the person's household through achieve-
29 ment of the account's approved purpose.

30 (4) Notwithstanding subsection (1) of this section, a fiduciary organization may refuse to allow
31 a qualified person to establish an account if establishment of the account would result in the mem-
32 bers of a lower income household having more than one account. Notwithstanding subsection (1) of
33 this section, a fiduciary organization shall refuse to allow a qualified person to establish an account
34 if establishment of the account would result in the members of a lower income household having
35 more than two accounts.

36 **SECTION 4.** ORS 458.685 is amended to read:

37 458.685. (1) A person may establish an individual development account only for a purpose ap-
38 proved by a fiduciary organization. Purposes that the fiduciary organization may approve are:

39 (a) The acquisition of post-secondary education or job training.

40 (b) If the account holder has established the account for the benefit of a household member who
41 is under the age of 18 years, the payment of extracurricular nontuition expenses designed to prepare
42 the member for post-secondary education or job training.

43 (c) If the account holder has established a college savings network account under ORS 348.841
44 to 348.873 on behalf of a designated beneficiary, the establishment of an additional college savings
45 network account on behalf of the same designated beneficiary.

1 (d) The purchase of a primary residence. In addition to payment on the purchase price of the
2 residence, account moneys may be used to pay any usual or reasonable settlement, financing or
3 other closing costs. The account holder must not have owned or held any interest in a residence
4 during the three years prior to making the purchase. However, this three-year period shall not apply
5 to displaced homemakers or other individuals who have lost home ownership as a result of divorce.

6 (e) The capitalization of a small business. Account moneys may be used for capital, plant,
7 equipment and inventory expenses or for working capital pursuant to a business plan. The business
8 plan must have been developed by a financial institution, nonprofit microenterprise program or other
9 qualified agent demonstrating business expertise and have been approved by the fiduciary organ-
10 ization. The business plan must include a description of the services or goods to be sold, a marketing
11 plan and projected financial statements.

12 **(f) Improvements, repairs or modifications necessary to make or keep the account hold-**
13 **er's primary dwelling habitable, accessible or visitable for the account holder or a household**
14 **member. This paragraph does not apply to improvements, repairs or modifications made to**
15 **a rented primary dwelling to achieve or maintain a habitable condition for which ORS 90.320**
16 **(1) places responsibility on the landlord. As used in this paragraph, "accessible" and**
17 **"visitable" have the meanings given those terms in ORS 456.508.**

18 **(g) The purchase of equipment, technology or specialized training required to become**
19 **competitive in obtaining or maintaining employment or to start or maintain a business, as**
20 **specified in the account holder's personal development plan for increasing the independence**
21 **of the person.**

22 (2)(a) If an emergency occurs, an account holder may withdraw all or part of the account hold-
23 er's deposits to an individual development account for a purpose not described in subsection (1) of
24 this section. As used in this paragraph, an emergency includes making payments for necessary
25 medical expenses, to avoid eviction of the account holder from the account holder's residence and
26 for necessary living expenses following a loss of employment.

27 (b) The account holder must reimburse the account for the amount withdrawn under this sub-
28 section within 12 months after the date of the withdrawal. Failure of an account holder to make a
29 timely reimbursement to the account is grounds for removing the account holder from the individual
30 development account program. Until the reimbursement has been made in full, an account holder
31 may not withdraw any matching deposits or accrued interest on matching deposits from the account.

32 (3) If an account holder withdraws moneys from an individual development account for other
33 than an approved purpose, the fiduciary organization may remove the account holder from the pro-
34 gram.

35 (4) If an account holder moves from the area where the program is conducted or is otherwise
36 unable to continue in the program, the fiduciary organization may remove the account holder from
37 the program.

38 (5) If an account holder is removed from the program under subsection (2), (3) or (4) of this
39 section, all matching deposits in the account and all interest earned on matching deposits shall re-
40 vert to the fiduciary organization. The fiduciary organization shall use the reverted funds as a
41 source of matching deposits for other accounts.

42 **SECTION 5.** ORS 458.690 is amended to read:

43 458.690. (1) Notwithstanding ORS 315.271, a fiduciary organization selected under ORS 458.695
44 may qualify as the recipient of account contributions that qualify the contributor for a tax credit
45 under ORS 315.271 only if the fiduciary organization structures the accounts to have the following

1 features:

2 (a) The fiduciary organization matches amounts deposited by the account holder according to a
3 formula established by the fiduciary organization. The fiduciary organization shall **maintain on de-**
4 **posit in the account** not less than \$1 nor more than \$5 [*into the account*] for each \$1 deposited by
5 the account holder.

6 (b) The matching deposits by the fiduciary organization to the individual development account
7 are placed in:

8 (A) A savings account jointly held by the account holder and the fiduciary organization and
9 requiring the signatures of both for withdrawals;

10 (B) A savings account that is controlled by the fiduciary organization and is separate from the
11 savings account of the account holder; or

12 (C) In the case of an account established for the purpose described in ORS 458.685 (1)(c), a col-
13 lege savings network account under ORS 348.841 to 348.873, in which the fiduciary organization is
14 the account owner as defined in ORS 348.841.

15 [(2) *Deposits by a fiduciary organization to an account may not exceed \$2,000 in any 12-month*
16 *period. A fiduciary organization may designate a lower amount as a limit on annual matching deposits*
17 *to an account.*]

18 (2) **Account holders may not accrue more than \$3,000 of matching funds under subsection**
19 **(1) of this section from state-directed moneys in any 12-month period. A fiduciary organiza-**
20 **tion may designate a lower amount as a limit on annual matching funds. A fiduciary organ-**
21 **ization shall maintain on deposit sufficient funds to cover the matching deposit agreements**
22 **for all individual development accounts managed by the organization.**

23 (3) [*The total amount paid into an individual development account during its existence, including*
24 *amounts from deposits, matching deposits and interest or investment earnings, may not exceed*
25 *\$20,000.*] **The Housing and Community Services Department shall adopt rules to establish a**
26 **maximum total amount of state-directed moneys that may be deposited as matching funds**
27 **into an individual development account.**

28 **SECTION 6.** ORS 458.695 is amended to read:

29 458.695. The Housing and Community Services Department may select fiduciary organizations
30 to administer moneys directed by the state to individual development account purposes. In making
31 the selections, the department shall consider factors including, but not limited to:

32 (1) The ability of the fiduciary organization to implement and administer the individual devel-
33 opment account program, including the ability to verify account holder eligibility, certify that
34 matching deposits are used only for approved purposes and exercise general fiscal accountability;

35 (2) The capacity of the fiduciary organization to provide or raise matching funds for the deposits
36 of account holders;

37 (3) The capacity of the fiduciary organization to provide [*financial counseling and other related*
38 *services to account holders*] **appropriate support services and general assistance to advance ac-**
39 **count holder self-reliance;** and

40 (4) The links that the fiduciary organization has to other activities and programs designed to
41 increase the independence of this state's lower income households through education and training,
42 home ownership and small business development.

43 **SECTION 7. ORS 417.900 is repealed.**

44 **SECTION 8. The amendments to ORS 458.680 (3) by section 3 of this 2007 Act apply to**
45 **holders of accounts established on or after the effective date of this 2007 Act.**

1 **SECTION 9. This 2007 Act being necessary for the immediate preservation of the public**
2 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
3 **on its passage.**

4

1 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0005 (2007)

813-300-0005 General Purpose

OAR chapter 813, division 300, is promulgated to accomplish the general purposes of *ORS 315.271* and *458.670* through *458.700*, as they pertain to the Housing and Community Services Department and its supervision of individual development accounts ("IDAs"). These statutes, among other things, authorize the creation of IDAs between lower income account holders and authorized fiduciary organizations. Through these IDAs, account holders may deposit funds into cooperating financial institutions so as to accumulate assets that may be used by them in a manner consistent with personal development plans developed in conjunction with their participating fiduciary organization. The fiduciary organizations, in turn, deposit matching funds through the corresponding IDAs into financial institutions so as to augment account holder assets. The fiduciary organizations also provide their expertise in coordination of the personal development plans. Fiduciary organizations largely obtain their matching funds from contributors. Contributions to fiduciary organizations for use as IDA matching deposits may qualify the contributor for a tax credit under *ORS 315.271*.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*
Statutes Implemented: *ORS 315.271, ORS 458.670 - ORS 458.700.*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03

2 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0010 (2007)

813-300-0010 Definitions

As used in these rules, unless the context indicates otherwise:

(1) "Account holder" means a member of a lower income household that has a net worth of less than \$ 20,000 who is the named depositor of an individual development account.

(2) "Contributor" means a person or entity contributing funds to the Department or to a fiduciary organization for the purpose of matching IDA deposits by an account holder or for funding program plan operations.

(3) "Department" means the Housing and Community Services Department established in *ORS 456.555* and, where applicable, its designee.

(4) "Designated beneficiary" means a minor-age member of the account holder's household who is the beneficiary of an IDA used to pay the member's extracurricular non-tuition expenses designed to prepare the member for post-secondary education or job training.

(5) "Fiduciary organization" means a non-profit, fund raising organization that is exempt from taxation under *section 501(c)(3) of the Internal Revenue Code* as amended and in effect on January 1, 1999, or a federally recognized Indian tribe or band, as selected by the department under these rules.

(6) "Fiduciary organization program plan" or "program plan" means a mission statement by a fiduciary organization and the corresponding detailed plan by it for the solicitation of contributions (tax credit or otherwise) and prospective account holders, the management of IDA's and their associated personal development plans, and the operation of the fiduciary organization itself -- all as approved by the Department and with such modifications as the Department may require. A prospective program plan must accompany any application to the Department for its approval of a fiduciary organization.

(7) "Financial institution" means an organization regulated under *ORS Chapters 706 to 716, 722 or 723*, or in the case of an account established for the purpose described in *ORS 458.685(1)(c)* related to college savings plans, a financial institution as defined in *ORS 348.841*.

(8) "Individual development account (IDA)" or "account" means a contract between an account holder and a fiduciary organization, for the deposit of funds into a financial institution by the account holder, and the deposit of matching funds into a financial institution by the fiduciary organization, to allow the account holder to accumulate assets for use toward achieving a specific purpose approved by the fiduciary organization.

(9) "Lower income household" means a household having an income equal to or less than 80 percent of the median household income for the area as determined by the Department, giving consideration to area household data published by the United States Department of Housing and Urban Development.

(10) "Net worth" means the value of all assets owned in whole or part by household members other than equity in a residence, minus the total debts and obligations of household members, all as measured at the time the prospective account holder applies to establish the IDA.

(11) "Oregon individual development account tax credit" or "tax credit" means a credit against taxes otherwise due under ORS Chapter 316, 317, or 318, as allowed in return for contributions to a fiduciary organization for eventual distribution to individual development accounts established under *ORS 458.685*.

(12) "Personal development plan" means a written plan developed jointly by the fiduciary organization and the prospective account holder for an IDA that is designed to provide the account holder with appropriate financial and asset training, counseling, career or business planning and other services that will increase the independence of the account holder and his/her household through achievement of the IDA's approved purposes. The personal development plan must be in conformance with *ORS 458.680*, these rules and other requirements of the Department.

(13) "Related funds" means contributions to fiduciary organizations for IDA program purposes that do not qualify for tax credits and supplemental funding from the Department for IDA program purposes.

(14) "Reverted funds" means matching IDA deposits that devolve to a fiduciary organization because of the termination or revocation of a person as an account holder or unused tax credit contributions or supplemental funds upon termination or revocation of a fiduciary organization or at the expiration of its program plan.

(15) "Supplemental funding" means funds provided by the Department to fiduciary organizations for program plan purposes.

(16) "Tax credit contributor" means a contributor who receives a corresponding tax credit as allowed in *ORS 315.271*.

(17) "Tax credit contributions" means funds obtained from tax credit contributors who, in return, earn a tax credit

(18) "Trust Land" means all lands held in trust by the United States on behalf of an Indian Tribe or individual Indian.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700*.

Statutes Implemented: *ORS 315.271, ORS 458.670-ORS 458.700*.

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03; OHCS 9-2003, f. & cert. ef. 12-19-03

3 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0110 (2007)

813-300-0110 Account Holder and Beneficiary Responsibilities

(1) To be an account holder, eligible persons must apply to a fiduciary organization authorized by the Department and in a manner established by the fiduciary organization as approved by the Department.

(2) Persons selected to be account holders must execute an IDA with their fiduciary organization and, as necessary, with a financial institution, in form and content satisfactory to the Department before they may act as account holders.

(3) Account holders and beneficiaries at all times must comply with applicable law, these rules, applicable orders and directives of the Department and their fiduciary organization, the provisions of their IDA, and their personal development plan.

(4) Account holders at all times must be residents of the State of Oregon. When the account is opened, the applicant to become an account holder must be a member of a lower income household.

(5) Account holders, upon request by the Department or their fiduciary organization, and as otherwise required by the terms of their IDA, must provide evidence satisfactory to the Department and to their fiduciary organization that they and any beneficiaries qualify by residence, income, and age (if applicable) to be account holders or beneficiaries.

(6) Account holders, upon request by the Department or their fiduciary organization, and as otherwise required by the terms of their IDA, must provide evidence satisfactory to the Department and to their fiduciary organization that they and any beneficiaries are complying with the terms of their IDA and its associated personal development plan.

(7) Account holders and their beneficiaries must cooperate fully with the Department and their own fiduciary organization in any review or audit of the IDA, of their personal development plan, or of their eligibility.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*

Statutes Implemented: *ORS 315.271, ORS 458.670 - ORS 458.700.*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03

4 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
 DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0120 (2007)

813-300-0120 Account Holder Use of Funds

(1) Account holders only may withdraw and use IDA deposits in a manner consistent with their IDA, the relevant personal development plan, these rules and any relevant directives of the Department.

(2) Account holders only may withdraw and use IDA deposits for the following purposes as approved by their fiduciary organization:

(a) For the acquisition of post-secondary education or job training;

(b) If the account holder has established the account for the benefit of a designated beneficiary, for the payment of extracurricular nontuition expenses designed to prepare the designated beneficiary for post-secondary education or job training;

(c) To capitalize a small business;

(d) For the purchase of a primary residence;

(e) With respect to account holder deposits only, for an emergency as set forth in *ORS 458.685(2)(a)*; and

(f) If the account holder has established a qualified tuition savings program account under *ORS 348.841* to *348.873* on behalf of a designated beneficiary, the establishment of an additional qualified tuition savings program account on behalf of the same designated beneficiary.

(3) IDA deposits, including the interest earned thereon, withdrawn by the account holder for an emergency as set forth in *ORS 458.685* and *OAR 813-300-0120(2)(e)* above, must be repaid by the account holder within 12 months.

(4) In addition to payment on the purchase price of a residence pursuant to *OAR 813-300-0120(2)(d)* above, appropriate account moneys may be used to pay any usual or reasonable settlement, financing or other closing costs with respect to such residence.

(5) Account holders may not use IDA deposits to purchase a primary residence if they have owned or held any interest in a residence during the three years prior to making the purchase for which they intend to use IDA deposits. This three year restriction shall not apply in the following:

(a) For displaced homemakers or other individuals who have lost homeownership as a result of divorce.

(b) For a tribal member who has an interest in trust land and still has rights to an allotment under the Dawes Act Public Law 280 and amended in 1891, the 1906 Burke Act and the 1910 Omnibus Act Statutes at Large 24, 388-91, NADP Document A1887, but the tribal member faces multiple ownership of his or her land status and cannot successfully achieve sole ownership in order to receive any equity or collateral from that allotment. If the tribal member solely owns a residence on land known as an allotment and has successfully received sole ownership including the receipt of title status report (TSR) through the Bureau of Indian Affairs, they may not use IDA deposits to purchase a primary residence. If the person can receive more than \$ 2500 in equity or collateral of their allotment, the value over \$ 2500 shall be included in their asset limit.

(6) In capitalizing a small business pursuant to *OAR 813-300-0120(2)(c)* above, IDA deposits may be used for capital, plant, equipment and inventory expenses or for working capital pursuant to a business plan approved by the fiduciary organization. To qualify for fiduciary organization approval, the business plan must have been developed by a financial institution, a nonprofit microenterprise program or other qualified agent demonstrating business expertise. The business plan also must include a description of the services or goods to be sold, a marketing plan and projected financial statements.

(7) Account holders must repay moneys improperly taken from IDA deposits including the interest earned thereon, when required by their fiduciary organization or by the Department.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*

Statutes Implemented: *ORS 458.670-458.700*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03; OHCS 9-2003, f. & cert. ef. 12-19-03

5 of 7 DOCUMENTS

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*** IN THE JULY 1, 2007 OREGON BULLETIN ***

CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0160 (2007)

813-300-0160 Department Regulation and Enforcement

(1) The Department may limit, suspend, revoke or terminate its authorization of a fiduciary organization. In addition to, or in lieu of, such action, the Department may require the fiduciary organization to take appropriate remedial action including, without limitation, to complete any or all IDA's current at the time of revocation or termination, to return supplemental funds to the Department, to transfer contributions as required by the Department, and to meet such other requirements and submit to such audits and reviews as the Department deems appropriate.

(2) The Department may refuse to approve any proposed fiduciary organization action requiring such approval. The Department also may condition its approval of any proposed fiduciary organization action requiring such approval.

(3) The Department may require fiduciary organizations to terminate or revise contracts or other engagements with any financial institution, third-party contractor or other program plan partner.

(4) The Department may limit, suspend, revoke or terminate its authorization of a fiduciary organization. In addition to, or in lieu of, such action, the Department may require the fiduciary organization to take appropriate remedial action including, without limitation, to complete any or all IDA's current at the time of revocation or termination, to return supplemental funds to the Department, to transfer contributions as required by the Department, and to meet such other requirements and submit to such audits and reviews as the Department deems appropriate.

(5) The Department may refuse to approve any proposed fiduciary organization action requiring such approval. The Department also may condition its approval of any proposed fiduciary organization action requiring such approval.

(6) The Department may require fiduciary organizations to terminate or revise contracts or other engagements with any financial institution, third-party contractor or other program plan partner.

(7) The Department may require the termination of any individual development account. The Department may require the transfer of any individual development account, including related deposits, from one fiduciary organization to another or to such other fiduciary as the Department determines to be appropriate.

(8) The Department may audit any fiduciary organization, any third-party contractor, and any other program plan partner. The Department also may inspect and copy IDA program documents in the possession or under the control of such entities including, without limitation, any individual development account, any contract or other IDA program agreement, and any personal development plan.

(9) The Department may suspend, terminate or require modifications in personal development plans.

(10) The Department, on its own initiative or at the request of an aggrieved party, may review fiduciary organization decisions with respect to individual development accounts, including but not limited to decisions to withdraw matching funds from individual development accounts or to suspend or terminate matching deposits to deposits made by the account holder.

(11) The Department may suspend, overturn or modify fiduciary organization decisions with respect to individual development accounts including, but not limited to funding decisions.

(10) The Department, on its own initiative or at the request of any aggrieved party, may review other fiduciary organization decisions with respect to program plan matters including, without limitation, decisions made through third-party contractors and other program plan partners.

(11) The Department may suspend, overturn or modify fiduciary organization program plan decisions.

(12) The Department may limit the number of authorized fiduciary organizations eligible to collect tax credit contributions and may limit the amount of tax credit contributions that specific fiduciary organizations may receive in any particular time-period.

(13) The Department may take such other action to regulate and enforce compliance with the IDA program, including these rules, as the Department determines to be necessary or appropriate.

(14) Factors that the Department may consider in taking any regulatory or enforcement action under these rules may include, but are not limited to the following:

- (a) Those factors identified in these rules for the authorization of fiduciary organizations;
- (b) A person or entity's compliance with these rules and other relevant law;
- (c) The efficient and effective operation of the IDA program;
- (d) The integrity of account management; and
- (e) The best interests of account holders and designated beneficiaries.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*

Statutes Implemented: *ORS 315.271, ORS 458.670 - ORS 458.700.*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03

6 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0170 (2007)

813-300-0170 Administrative Review

(1) Account holders and designated beneficiaries aggrieved by any decision of a fiduciary organization to suspend or terminate the account holder's IDA, any decision by the fiduciary organization to suspend or terminate a personal development plan, any decision by the fiduciary organization to withdraw matching IDA deposits, or any decision by the fiduciary organization requiring the account holder to repay withdrawn IDA deposits, may request administrative review by the Department.

(2) The request for administrative review must be in writing, stating the nature of the decision, the reasons why the aggrieved party disagrees with the decision, and the nature of the requested relief.

(3) The request for administrative review must be delivered to the Department within thirty (30) days from the date that the aggrieved party receives written notice of the decision by the fiduciary organization. The aggrieved party simultaneously shall provide a copy of the request for administrative review to the fiduciary organization.

(4) Upon receipt of an appropriate request for administrative review, the Department will make such investigation of the matter as it determines to be appropriate. In making any such investigation, the Department may require and receive from the parties or other participants in the program plan any additional information or require such other proceedings as it deems appropriate.

(5) The Department will provide its written determination on the request for administrative review following the completion of its investigation. The Department also may issue such preliminary orders as it deems appropriate pending the issuance of its written determination.

(6) In its written determination, or in any preliminary order, the Department may reverse, revise, stay, or approve the decision at issue made by the fiduciary organization.

(7) The Department also may enforce its written determinations and preliminary orders by such action as it deems appropriate.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*

Statutes Implemented: *ORS 315.271, ORS 458.670 - ORS 458.700.*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03

7 of 7 DOCUMENTS

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CHAPTER 813 OREGON HOUSING AND COMMUNITY SERVICES
DIVISION 300 INDIVIDUAL DEVELOPMENT ACCOUNTS

Or. Admin. R. 813-300-0180 (2007)

813-300-0180 Waiver

The Department may waive or modify any requirements of OAR 813, division 300, unless such waiver or modification would violate applicable federal or state law.

Statutory Authority: *ORS 456.555, ORS 456.625, ORS 458.700.*

Statutes Implemented: *ORS 315.271, ORS 458.670 - ORS 458.700.*

History: OHCS 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-5-03; OHCS 1-2003, f. & cert. ef. 4-4-03

RE: a few more questions

Subject: RE: a few more questions
From: "Don Baylor" <baylor@cphp.org>
Date: Wed, 11 Jul 2007 17:09:59 -0500
To: "Emily Collins" <emilycollins@povertylaw.org>

Emily,

I had though this change had gone into effect already, but it has not yet. See below for the HHSC correspondence, noting an expected handbook change in October 2007. thanks Don

From: Casso, Sally [<mailto:Sally.Casso@hhsc.state.tx.us>]
Sent: Friday, May 04, 2007 2:34 PM
To: Celia Hagert
Cc: McDaniel, Eric E
Subject: RE: SEED exemption

Celia,

Sorry I had not responded sooner I had been out of pocket. Anyway, we received information from Enterprise Applications (our new automation section) regarding the programming of SEED accounts in GWS and TIERS. TIERS alone would cost the agency over a \$100,000 to get it change program. What we have decided to do is include SEED accounts as an excludable IDA in the handbook and inform staff that if they get a household who has a child with a seed account what they need to do. I will send you the handbook changes as soon as I complete them. The change will more than likely go into the October 2007 revision.

One thing that I would like to request from you or whomever can provide the information regarding the individuals in Austin who have SEED accounts. I would like to check our records to see if any of the children are receiving any benefits and if they accounts were counted or not. I would assume that they would not have money in the accounts that exceed our limits yet, but I would like to make sure.

Sally
Don Baylor
Sr. Policy Analyst
Center for Public Policy Priorities
900 Lydia Street
Austin, Texas 78702
Phone: 512.320.0222, ext. 108
Fax: 512.320.0227

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-----Original Message-----

From: Emily Collins [<mailto:emilycollins@povertylaw.org>]
Sent: Wednesday, July 11, 2007 11:54 AM
To: Don Baylor
Subject: a few more questions

7/12/2007 8:27 AM

Mr. Baylor,

This information looks great. I have two more questions:

- 1) Did you do any media around HB109? If so, can you send me anything you have?
- 2) Do you have any public comment letters to the administrative change to food stamp asset limits? If so, can you send my those?

Thanks again for all of your help!

Emily

1:30

1:45