

**Final Rule**

LSA Document #10-244(F)

**DIGEST**

Amends [470 IAC 10.3-4-2](#) to exempt funds in 529 college savings plans and Coverdell Education Savings Accounts from the asset test for eligibility in the temporary assistance for needy families (TANF) cash assistance program. Amends [470 IAC 10.3-8-1](#) to add caretaker relative to the list of individuals to whom potential harm or the threat of harm should be considered when determining good cause for failing to comply with child support enforcement. Amends [470 IAC 10.3-8-3](#) to implement minimum sanction penalty periods for individuals failing to cooperate with the IMPACT employment and training program. Amends [470 IAC 10.3-10-1](#) to require individuals who, without good cause, are noncompliant with the IMPACT program to complete two weeks of activities to be considered in compliance and therefore eligible to receive TANF assistance. Effective 30 days after filing with the Publisher.

[470 IAC 10.3-4-2](#); [470 IAC 10.3-8-1](#); [470 IAC 10.3-8-3](#); [470 IAC 10.3-10-1](#)

SECTION 1. [470 IAC 10.3-4-2](#) IS AMENDED TO READ AS FOLLOWS:

**[470 IAC 10.3-4-2](#) Real and personal property ownership**

**Authority:** [IC 12-13-2-3](#); [IC 12-13-5-3](#); [IC 12-13-7-5](#); [IC 12-14-28-7](#)

**Affected:** [IC 12-14-2](#); [IC 30-2-10](#)

Sec. 2. (a) The following definitions apply throughout this rule:

(1) "Availability" means that the individual has the right, authority, or ability to liquidate:

(A) the property; or

(B) his or her share of the property.

(2) "Equity value" means the current market value less the total liens or encumbrances against the property.

(3) "Liquid assets" means the cash or financial instruments that are convertible into cash.

(4) "Market value" means the price that the property can reasonably be sold for on the open market.

(b) The limitations set forth in this rule regarding ownership of real and personal property apply to the determination of eligibility for TANF assistance.

(c) An assistance group is ineligible for assistance if the total value of their equity in real and personal property, unless exempted by subsection (d), is in excess of:

(1) one thousand dollars (\$1,000) at application; or

(2) one thousand five hundred dollars (\$1,500), once eligibility is established.

(d) The value of the following items of real and personal property is exempt from consideration in determining eligibility for assistance:

(1) The home that is the usual residence of the assistance group.

(2) Five thousand dollars (\$5,000) of equity in one (1) motor vehicle.

(3) The equity value of any apparatus installed in a motor vehicle for the use or benefit of a disabled person.

(4) All household goods and personal effects.

(5) Livestock, farm implements, and tools used in the production of:

(A) meat;

(B) dairy products; and

(C) produce;

for home consumption.

(6) The proceeds, or any interest earned on the proceeds, of casualty insurance received as a result of:

(A) damage;

(B) destruction;

(C) loss; or

(D) theft;

of exempt real or personal property if the applicant or recipient demonstrates that the proceeds are being used

to replace the damaged, destroyed, lost, or stolen exempt property.

(7) One (1) burial plot and one thousand five hundred dollars (\$1,500) equity value in one (1) written funeral contract for each member of the TANF assistance group.

(8) Real property that is for sale is exempt for one (1) six (6) month period beginning from the date of signature on the agreement to sell the property.

(9) Individual development accounts (IDAs).

**(10) 529 College Saving Plans.**

**(11) Coverdell Education Savings Accounts.**

(e) If the assistance group owns more than one (1) motor vehicle:

(1) the equity exclusion shall be applied against the motor vehicle with the highest equity; and

(2) no equity exclusion shall be applied to the other motor vehicles.

(f) The proceeds from the sale of an item of real or personal property are considered a resource subject to this rule.

(g) Liquid assets that are jointly owned between participating assistance group members and individuals who are nonrecipients are presumed to be available in total to the assistance group member. This presumption of availability may be rebutted as provided in subsection (h).

(h) The presumption of jointly owned liquid assets under subsection (g) may be successfully rebutted under the following circumstances:

(1) Verification of each owner's share.

(2) Assets of the participating assistance group member are not commingled with an individual who is not a participating member of the same assistance group.

(i) Jointly owned real and personal resources that are not liquid assets are presumed to be proportionately available to each of the joint owners.

*(Division of Family Resources; 470 IAC 10.3-4-2; filed Oct 31, 2007, 9:57 a.m.: [20071128-IR-470070087FRA](#); filed Jul 5, 2011, 1:36 p.m.: [20110803-IR-470100244FRA](#))*

SECTION 2. [470 IAC 10.3-8-1](#) IS AMENDED TO READ AS FOLLOWS:

**[470 IAC 10.3-8-1](#) Sanctions for noncompliance with child support enforcement**

**Authority:** [IC 12-13-2-3](#); [IC 12-13-5-3](#); [IC 12-13-7-5](#); [IC 12-14-28-7](#)

**Affected:** [IC 12-14-1-5](#); [IC 12-14-2-24](#); [IC 12-14-7](#)

Sec. 1. (a) Noncompliance with the IV-D child support program, without good cause, shall result in the disqualification of the family from the cash assistance program.

(b) An individual's failure to comply is considered to have ceased when the IV-D agency has determined the applicant or recipient to be in compliance.

(c) If the required child support action would result in harm or threat of harm to the parent, **caretaker relative**, or dependent child, then good cause for failure to comply with the requirements of this section is shown.

*(Division of Family Resources; 470 IAC 10.3-8-1; filed Oct 31, 2007, 9:57 a.m.: [20071128-IR-470070087FRA](#); filed Jul 5, 2011, 1:36 p.m.: [20110803-IR-470100244FRA](#))*

SECTION 3. [470 IAC 10.3-8-3](#) IS AMENDED TO READ AS FOLLOWS:

**[470 IAC 10.3-8-3](#) Sanctions for noncompliance with IMPACT**

**Authority:** [IC 12-13-2-3](#); [IC 12-13-5-3](#); [IC 12-14-28-7](#)

**Affected:** [IC 12-14-5](#)

Sec. 3. (a) ~~Noncompliance~~ **Individuals failing to cooperate** with the provisions of the IMPACT employment and training requirements, without good cause, ~~shall result in the disqualification of the family and their families~~ **will be disqualified** from the cash assistance program **as follows:**

- (1) **First violation: The later of the date they comply or three (3) months.**
- (2) **Second violation: The later of the date they comply or six (6) months.**
- (3) **Third violation: Ineligible for life.**

**(b) When the individual complies, the person is eligible for benefits the month following compliance.**

~~(b)~~ **(c)** Good cause for failure to comply with the requirements of this section shall be limited to the following:

- (1) The required actions were beyond the capability of the individual to perform.
- (2) The agency failed to provide the services needed by the individual to perform the required action.

*(Division of Family Resources; [470 IAC 10.3-8-3](#); filed Oct 31, 2007, 9:57 a.m.: [20071128-IR-470070087FRA](#); filed Jul 5, 2011, 1:36 p.m.: [20110803-IR-470100244FRA](#))*

SECTION 4. [470 IAC 10.3-10-1](#) IS AMENDED TO READ AS FOLLOWS:

**[470 IAC 10.3-10-1](#) Applicant and recipient IMPACT responsibilities**

**Authority:** [IC 12-13](#); [IC 12-14-28-7](#)

**Affected:** [IC 12-14-5](#)

Sec. 1. (a) The requirements of this rule apply to the TANF assistance program.

(b) The IMPACT program provides the following employment and training activities:

(1) Employment services, including the following:

- (A) Job search.
- (B) Job placement.
- (C) Job development.
- (D) On-the-job training.
- (E) Community work experience.
- (F) Other work programs.

(2) Training activities, including the following:

- (A) Job skills assessment.
- (B) Adult basic education.
- (C) High school completion.
- (D) Vocational and other job skills training.

Training and education beyond high school is limited to twelve (12) months. Educational placement is to emphasize vocational skills in a course of study that has the greatest possibility for job placement immediately upon completion. Educational placement must be consistent with the comprehensive assessment completed on the recipient.

(c) The IMPACT program shall be operational statewide.

(d) All:

- (1) applicants for; and
- (2) recipients of;

TANF assistance must comply with the requirements of this section.

(e) Unless exempted under subsection (f), the following participating members of a TANF assistance group are required to participate in the IMPACT program:

- (1) Caretaker relatives.
- (2) Individuals who are at least sixteen (16) years of age.

(f) The following are exempt from participating in the IMPACT program:

- (1) Individuals under sixteen (16) years of age.
- (2) Individuals in their third trimester of pregnancy.
- (3) Individuals responsible for the care for a child under twelve (12) weeks of age.
- (4) Individuals receiving:
  - (A) Supplemental Security Income (SSI);
  - (B) Social Security Disability Assistance (SSDA); or
  - (C) other assistance due to disability.
- (5) Individuals eligible for Medicaid for the disabled or blind.
- (6) Individuals in the SSI application process.
- (7) Individuals sixteen (16) or seventeen (17) years of age who are:
  - (A) full-time students, as defined by the school, attending secondary or elementary school; and
  - (B) not a minor parent TANF head of household.
- (8) Individuals at least sixty (60) years of age.
- (9) Individuals required in the home to care for an incapacitated or disabled household member.

(g) All applicants of TANF assistance who are required to participate will be:

- (1) referred to IMPACT; and
- (2) required to participate in:
  - (A) orientation;
  - (B) assessment; and
  - (C) job search;activities as a condition of eligibility.

(h) All recipients of TANF assistance who are required to participate in the IMPACT program will be referred to IMPACT. IMPACT participants will be considered for placement in an appropriate employment or training activity with an emphasis on immediate job placement, which may be complemented by education or training, consistent with the comprehensive assessment of the recipient.

(i) The following actions constitute failure to cooperate with any of the TANF assistance program provisions administered through IMPACT:

- (1) Failure to:
  - (A) attend orientation or an assessment interview; or
  - (B) go to a job interview.
- (2) Voluntary termination of employment without the prior approval of the division or designee.
- (3) Refusal to accept employment.
- (4) Voluntary reduction of employment hours without the prior approval of the division or designee.
- (5) Refusal to cooperate with any employment or training agency whose services are included on an individual's employability plan.
- (6) Failure to attend seventy-five percent (75%) of the scheduled hours for any activity.
- (7) Termination of employment by the employer, because of disciplinary reasons, for example, firing for good cause.
- (8) Failure to cooperate or accept employment.

(j) An individual's failure to cooperate is considered to have ceased when the participant:

- (1) accepts employment of at least thirty (30) hours per week at minimum wage; or
- (2) ~~agrees to participate~~ **participates** in the program by completing the assigned activity or attending the assigned activity for two (2) weeks.

(k) An individual may be temporarily excused from activities with good cause. Good cause for failure to cooperate with any of the TANF assistance program provisions administered through IMPACT shall be limited to the following reasons:

- (1) The required actions were beyond the capability of the individual to perform.
- (2) The agency did not provide the services needed by the individual to perform the required actions.

(l) Participants who fail to cooperate will be subject to the program penalties specified in [470 IAC 10.3-8-3](#).

(m) All IMPACT participants will be notified of their rights to a hearing when aggrieved by any action resulting from the IMPACT provisions in accordance with [470 IAC 10.3-11-1](#).

(Division of Family Resources; [470 IAC 10.3-10-1](#); filed Oct 31, 2007, 9:57 a.m.: [20071128-IR-470070087FRA](#); errata filed Feb 4, 2008, 10:26 a.m.: [20080213-IR-470070087ACA](#); filed Apr 3, 2009, 2:14 p.m.: [20090429-IR-470080203FRA](#); filed Jul 5, 2011, 1:36 p.m.: [20110803-IR-470100244FRA](#))

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