906.1 SANCTIONED INDIVIDUALS

Individual sanctions may be imposed on some individuals for failure to comply with work and/or substance abuse eligibility requirements, and apply to:

A. Children 16 or 17, not the head of household and not in school, who fail to comply with work requirements

B. Minor parents or adults who fail to comply with substance abuse treatment programs, including initial screening

C. Minor parents who are not the head of household, who refuse to sign the drug screening authorization form (DHR/FIA #1176)

906.2 THE INCOME OF A SANCTIONED CHILD

A. A child is:

1. An individual under age 18, considered a child on the case

2. An individual under age 19, still in school but expected to graduate before the end of the year, considered a child on the case

B. All unearned income of a sanctioned child is counted

C. The earned income of a sanctioned child is disregarded

906.3 INCOME OF AN INDIVIDUALLY SANCTIONED ADULT

A. All of the earned and unearned income of an individually sanctioned adult is counted

B. The needs of the sanctioned adult are removed from the grant.

- The needs are the difference between the grant with and without the sanctioned individual included.

EXAMPLES:

Example 1. Mr. Talbot is receiving TCA for himself, his 17-year old son, and his 10-month-old daughter. His son is not in school and will not comply with work requirements. This is the son's third instance of non-compliance. The 17-year old delivers newspapers on the weekends and earns $25 per week.
He also receives a monthly contribution of $50 from his grandmother because he is her only grandchild. Mr. Talbot works part-time and earns $200 a month. He pays $24 a week for child care.

<table>
<thead>
<tr>
<th>$200</th>
<th>Mr. Talbot’s gross monthly earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 80</td>
<td>40% disregard</td>
</tr>
<tr>
<td>$ 120</td>
<td>Countable earnings</td>
</tr>
</tbody>
</table>

$120 Countable earnings
-100 Child care expense
$ 20 Net countable earnings
+50 Son’s unearned income contribution from his grandmother
$ 70 Total countable monthly income

$574 TCA benefit amount for 3
- 453 TCA benefit for 2
$ 121 Needs of the son

$574 TCA benefit
- 70 Countable monthly income
$ 504 Unemployment insurance benefits monthly amount
- 121 Needs of the sanctioned child
$383 TCA benefit

Food Supplement Program (FSP) participation and medical assistance coverage continue for Mr. Talbot, his son, and his daughter. For FSP, the $121 is included as phantom income.

Example 2. Mrs. Montgomery is receiving assistance for herself, and 3 children. She receives unemployment insurance benefits of $200 a month and her needs are being removed from the TCA assistance unit for not complying with substance abuse screening.

<table>
<thead>
<tr>
<th>$695</th>
<th>TCA benefit amount for 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>-121</td>
<td>Needs of Mrs. Montgomery ($695 - $574= $ 121)</td>
</tr>
<tr>
<td>$574</td>
<td>Unemployment insurance benefits monthly amount</td>
</tr>
<tr>
<td>- 200</td>
<td>TCA benefit grant amount</td>
</tr>
</tbody>
</table>

FSP participation and medical assistance coverage continue for Mrs. Montgomery and her family. Her unemployment insurance benefits are available to the assistance unit even though she is not in the assistance unit. $121 is phantom income.