**Section 117.10 Payee For Financial Assistance**

a) The assistance grant shall be paid to an individual designated as the payee on the warrant or the individual authorized to use the Electronic Benefits Transfer (EBT) card or, for direct deposit accounts, the person in whose name the bank account is established.

b) The individual receiving assistance shall be designated as the payee with the following exceptions:

1) When a client has a judicially-appointed conservator or guardian, payment shall be made to the conservator or guardian unless other arrangements are made with the Department by the conservator or guardian.

2) In a situation where no specified relative is available to act as payee, another person may act as Temporary Grantee for a period not to exceed 90 days.

3) When a minor parent and his or her dependent child are required to live with the minor parent's parent, legal guardian, or other adult relative, or in an adult-supervised supportive living arrangement, then, where possible, the TANF cash benefit amount will be paid to the adult who is responsible for supervising the minor parent. Otherwise, the minor parent will receive the TANF cash benefit amount.

4) For AABD clients under the age of 18, the client will not be the payee unless the client lives independently, is capable of managing his or her own affairs, does not have a guardian, and is approved for direct payment by the local office administrator. In all other situations, a representative payee must be assigned.

5) For AABD clients age 18 and over, unless the client has a legally-appointed guardian or the client is determined to be physically or mentally unable to manage the grant, the client will be the payee or the client may choose to have a representative payee. If the client has a legally-appointed guardian, the legally-appointed guardian will be assigned as the payee. If the client is physically or mentally unable to manage the grant, a representative payee must be assigned.

6) A Protective Payment Plan (PPP) is initiated by the Department when a client has demonstrated mismanagement of funds to the detriment of the welfare of the client or family. Examples include but are not limited to:

A) A client defaults on an agreement made with a utility company and the Department in the client's behalf. In this instance, when the protective payee receives the assistance payment, payment on current and back utility charges only shall be paid by the payee; the balance of the payment shall be forwarded to the client each month.

B) For TANF only – When a child in the assistance unit is determined to be neglected by the Department of Children and Family Services under Section 3 of the Abused and Neglected Child Reporting Act [325 ILCS 5/3] and 89 Ill. Adm. Code 300.Appendix B.

C) For TANF only – The case involves a record establishing that a parent or relative has been found guilty of public assistance fraud under Article VIIIA of the Illinois Public Aid Code [305 ILCS 5/Art. VIIIA].

D) Nonpayment of rent for two months shall be considered as evidence of grant mismanagement.

E) Substance abuse by the caretaker relative is identified and another family member or friend is ensuring that the family's needs are being met.

F) For TANF only – the health and well-being of a child in the assistance unit is at risk, as indicated by lack of regular school attendance, as defined by the school.

G) Repeated loss of both the EBT card and Personal Identification Number (PIN) is a basis for a determination of client mismanagement and authorization of a PPP.

c) Notice shall be sent to the client before a PPP is initiated. The notice shall inform the client of the right to appeal inclusion in a PPP. (See 89 Ill. Adm. Code 14.)

d) The protective payee shall not receive compensation for the protective payee duties and must agree to assume responsibility for the expenditure of the assistance payment in behalf of the client.

e) The client's landlord or a vendor of goods or services to the client, with the exception of private welfare and social service agencies, shall not be designated as protective payee.

f) The Department may designate private welfare or social service agencies to serve as protective payees.

g) When no other suitable payee is available, the Department may appoint a member of its staff to act as protective payee. However, the staff acting as protective payee may not be:

1) a person determining the client's eligibility or level of assistance;

2) a person handling fiscal processing relating to the recipient;

3) investigative staff; or

4) a local office administrator.

h) The need for continuation of a PPP and the performance of the protective payee shall be reviewed and evaluated by the Department as often as circumstances indicate, or, for TANF cases, at least every 12 months.

(Source: Amended at 30 Ill. Reg. 11549, effective June 20, 2006)