



POLICY CHANGE ALERT #15-019F

TITLE: LEGAL SETTLEMENTS (AMENDED)

ISSUE DATE: 06/11/2015

EFFECTIVE DATE: EFFECTIVE IMMEDIATELY

Summary

Programs Impacted: NA

This Policy Change Alert is being issued to inform staff of the changes to policy regarding legal settlement payments.

For Nutrition Assistance, effective immediately, legal settlement payments not designated to pay for the budgetary unit's expenses are countable as a resource.

NOTE Any amount of a legal settlement that has been designated to pay for the budgetary unit's expenses should be treated as a reimbursement as long as the expense is not considered a **normal living expense as defined in** Standard Basic of Need.

Revision Details

The FAA Policy Manual will be updated to include the information in this Policy Change Alert during one of the next bimonthly revisions. Until then, an alert will be placed in each revised section with a link to this document as a reminder of the policy change.

POLICY REFERENCE: FAA4.H04MM – LEGAL SETTLEMENTS

Legal Settlements are **COUNTABLE as a resource**.

Key the **LS Resource** Code in the **TY** field on **LIAS**.

CA EXCEPTION

Legal Settlements received in payments, less any attorney fees, are COUNTABLE as income in the month received.

Key the OA Unearned Income Code in the INC TYPE field on UNIC.

NA EXCEPTION

Any portion of the settlement that is designated to pay for the budgetary unit's expenses should be treated as a reimbursement.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

NOTE This does not include any expense that is considered a normal living expense as defined in Standard Basic of Need.



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Legal settlement payments made by any of the following are exceptions to this policy and have their own specific policies that must be followed:

- [Agent Orange](#)
- [Hemophilia Relief Fund Settlement](#)
- [Nazi Persecution](#)
- [Phen-Fen](#)
- [Radiation Exposure Compensation Act](#)
- [Spina Bifida](#)
- [USA Patriot Act of 2001](#)
- [Uniform Services Former Spouse Protection Act](#)
- [Victims of Crime Act \(VCA\) Benefits](#)
- [Wartime Relocation of Civilians Law](#)

Please contact the FAA Policy Support Team by phone at **(602) 774-5523** or by e-mail at **FAAPolicyMgmt@azdes.gov** with any questions or concerns regarding this broadcast.

Please consider the environment before printing this broadcast.

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