

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 1910

H.P. 1351

House of Representatives, January 4, 2006

An Act To Create Employment Opportunities for People with Disabilities

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative LERMAN of Augusta.
Cosponsored by Representative: Speaker RICHARDSON of Brunswick, Senator: BARTLETT of Cumberland.

Be it enacted by the People of the State of Maine as follows:

PART A

Sec. A-1. 36 MRSA §5219-Z is enacted to read:

§5219-Z. Disability employment tax credit

1. Credit. A taxpayer constituting an employing unit is allowed a credit against the tax imposed by this Part for the wages paid to each qualified employee in an amount equal to:

A. Fifty percent of up to the first \$6,000 of the wages paid to the qualified employee during the first year of employment; and

B. Thirty percent of up to the first \$6,000 of the wages paid to the qualified employee during the 2nd year of employment.

2. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043.

B. "Qualified employee" means an individual who:

(1) Meets the definition of an individual with a disability under the federal Americans with Disabilities Act of 1990; and

(2) Has a disability that constitutes an impediment to obtaining or maintaining employment or to making the transition from school to work.

3. Limitation. The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this Part.

PART B

Sec. B-1. 36 MRSA §5219-Y is enacted to read:

§5219-Y. Earned income tax credit for individuals with disabilities

1 1. Credit allowed. A taxpayer with a disability is allowed
 2 a credit against the taxes otherwise due under this Part equal to
 3 25% of the tax otherwise imposed on that individual by this Part.
 4 In no case may this credit reduce the Maine income tax to less
 5 than zero. For purposes of this section, "taxpayer with a
 6 disability" means a taxpayer who meets the definition of an
 7 individual with a disability under the federal Americans with
 8 Disabilities Act of 1990 and has a disability that constitutes an
 9 impediment to obtaining or maintaining employment or to making
 10 the transition from school to work.

11 2. Refund. If the credit allowed by this section exceeds
 12 the taxpayer's liability under this Part, the credit allowed by
 13 this section may result in a refund in the amount by which the
 14 credit exceeds the liability.

16

17 **PART C**

18

19 **Sec. C-1. 5 MRSA Pt. 29** is enacted to read:

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21 **PART 29**

22

23 **EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES**

24

25 **CHAPTER 611**

26

27 **DUTIES OF THE STATE**

28

29 **§23001. Duties of State**

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31 In order to provide equal opportunity in all aspects of
 32 State Government to qualified individuals with disabilities, each
 33 department, agency and instrumentality of the State shall:

34

35 1. Periodic review. Review, on a periodic basis, the
 36 adequacy of hiring, placement and advancement practices within
 37 that department, agency or instrumentality of the State with
 38 respect to individuals with disabilities;

39

40 2. Plan. Develop by January 1, 2007 and update annually
 41 thereafter a plan to increase the opportunities for individuals
 42 with disabilities to be employed by that department, agency or
 43 instrumentality of the State. This plan must include a
 44 description of the extent to which the special needs of employees
 45 who are individuals with disabilities are being met;

46

47 3. Outsourcing; leases. In its contracts governing
 48 functions and duties that are outsourced and in its contracts

governing leased space, include provisions that encourage the employment of individuals with disabilities;

4. Outreach. Expand its outreach efforts, using both traditional and nontraditional methods, to make qualified individuals with disabilities aware of available employment opportunities within that department, agency or instrumentality of the State; and

5. Accommodate. Increase its efforts to accommodate individuals with disabilities.

PART D

Sec. D-1. Expand flexibility for individuals with intellectual disabilities. The Department of Health and Human Services shall amend its rules to provide greater flexibility for individuals with intellectual disabilities to receive day habilitation services and supportive employment services. The department shall expand to a maximum of 8 hours per day and 5 days per week the number of hours of day habilitation services and supportive employment services an individual with intellectual disabilities may receive. The department shall increase the cap on the reimbursement for day habilitation services and supportive employment services to an amount that covers a maximum of 40 service hours per week. Rules adopted pursuant to this Part are major substantive rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

PART E

Sec. E-1. Media campaign. The Department of Economic and Community Development and the Department of Labor shall jointly initiate a media campaign designed to increase statewide awareness of issues affecting individuals with disabilities, including, but not limited to, the following:

1. The State's duties and responsibilities concerning the employment of individuals with disabilities pursuant to the Maine Revised Statutes, Title 5, Part 29;

2. The availability of tax credits for employers of persons with disabilities pursuant to Title 36, section 5219-Z;

3. The availability of tax credits for individuals with disabilities pursuant to Title 36, section 5219-Y; and

2 4. Other programs and services available to individuals
with disabilities under state and federal law.

4
6 **SUMMARY**

8 This bill accomplishes the following.

10 1. Part A, which is based on a similar law in Maryland,
12 establishes a state tax credit that allows employers a tax credit
for employees with disabilities.

14 2. Part B allows a taxpayer with a disability a refundable
16 earned income tax credit equal to 25% of the tax otherwise
imposed.

18 3. Part C directs each agency, department and
20 instrumentality of State Government to take steps to increase
employment opportunities for individuals with disabilities.

22 4. Part D directs the Department of Health and Human
24 Services to amend its rules to provide greater flexibility for
individuals with intellectual disabilities to receive day
26 habilitation services and supportive employment services. This
Part also directs the department to increase the available number
of hours and to increase the cap on the reimbursement for day
28 habilitation services and supportive employment services to an
amount that covers a maximum of 40 service hours per week.

30 5. Part E directs the Department of Economic and Community
32 Development and the Department of Labor to jointly initiate a
media campaign designed to educate and inform the people of the
34 State regarding issues affecting individuals with disabilities.