

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1412

S. P. 461

In Senate, March 14, 1973

Reported by Senator Sewall of Penobscot from the Committee on Appropriations and Financial Affairs, pursuant to Joint Order (S. P. 443) and printed under Joint Rules No. 18.

HARRY N. STARBRANCH, Secretary

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Providing Appropriations for Priority Social Service Programs within the Department of Health and Welfare for the Fiscal Years Ending June 30, 1973 and June 30, 1974 and June 30, 1975.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the said 90-day period will not terminate until after the beginning of the next fiscal year; and

Whereas, recent changes in federal law, regulations and policy restrict the use of federal funds to certain types of social services that will benefit only Maine's citizens with certain levels of income; and

Whereas, the 106th Legislature and its research staff have analyzed, reviewed and evaluated the several types of social services which no longer qualify for federal funds; and

Whereas, the 106th Legislature recognizes that certain social services qualify for state funding of a portion of their cost because they provide priority benefits in the several counties to the elderly and to children who are not receiving welfare; and

Whereas, these certain priority types of social services were previously funded by the Legislature only through March 15, 1973; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the fol-

lowing legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

PART A

Sec. 1. Statement of intent. Part A of this legislation provides for funding with an appropriation from the General Fund certain priority social services from March 15, 1973 to June 30, 1973. The federal funds for these and some other programs were cut back by recent changes in federal law, regulations and policy. This Legislature had been requested to fund all of the several services for the remainder of the fiscal year ending June 30, 1973. The purpose of the appropriation in Part A of this legislative Act is to appropriate state funds for services, which have priority, are of more than local scope and were selected after analysis and evaluation of their merits. It is the intent of this Act to responsibly guide the resources provided to the State of Maine by its citizens, and to select only certain programs for state funding. As recommended earlier in Chapter 7, Private and Special Law (L. D. 394), the Legislature again urges municipalities and private social agencies to select certain social services for funding wholly or in part at the community level from the resources made available by State and Federal Revenue Sharing Acts and by private sources.

Sec. 2. Appropriations for necessary expenditures of State Government. In order to provide for the continuation of certain priority social services, as listed in section 3 of this Part, which benefit the elderly and children who are not recipients of Aid to the Aged, Blind and Disabled or Aid to Families and Dependent Children; and in order to continue certain priority social services to people who were receiving services previously funded by federal legislation, especially under Titles IV-A and XVI of the Social Security Act of 1935, as amended, prior to implementation of the aforementioned restrictions, the following sum, or as much thereof as shall be found necessary, is appropriated for the fiscal year ending June 30, 1973 out of moneys in the General Fund not otherwise appropriated or provided by law. Upon receipt of allotments duly approved by the Governor and Council based upon work programs submitted to the State Budget Officer, the State Controller shall authorize expenditure of these appropriations and revenues accruing thereto, together with expenditures for other purposes necessary to the conduct of State Government on the basis of such allotments and not otherwise.

Sec. 3. High priority social services. In order to responsibly use the financial resources of the State of Maine and to offer effective, high quality social services to the elderly and to children, it is declared that the following types of social services are of such priority that they shall be eligible to receive a portion of this appropriation to continue services previously operated with the federal resources especially of Titles IV-A and XVI of the Social Security Act:

Homemakers
 Developmental Daycare
 Services to the Mentally Retarded

Meals for Older People
 Mental Health Services
 Programs of the Elderly
 Transportation

Sec. 4. Appropriation. There is appropriated from the General Fund to the Department of Health and Welfare the sum of \$391,000 to carry out Part A of this Act. The breakdown shall be as follows:

1972-73

HEALTH AND WELFARE, DEPARTMENT OF

Priority Social Services	
(Supplemental Social Services)	
Personal Services	(5) \$ 20,000
All Other	\$370,000
Capital Expenditures	\$ 1,000

All other provides \$366,000 to continue certain priority social services from March 15, to June 30, 1973. The balance of this appropriation is to meet necessary administrative costs in preparation for the 7-1-73 initiation of the Priority Social Services Program.

Provides emergency funds for continuation of Social Services curtailed due to federal restrictions.

The commissioner is authorized to establish rules and procedures to implement the intent of this legislation.

In the event the appropriation is not adequate, each grant shall be reduced by an equal proportion of the demonstrated need.

It is the intent of the Legislature that funds appropriated by Part A of this Act shall be used solely and exclusively to sustain for a period of time ending June 30, 1973, certain priority social services previously funded by federal dollars via contracts between the Department of Health and Welfare and selected human services agencies. These funds shall be used only to maintain a level of service to people not receiving welfare who formerly were eligible for benefits under federal legislation and who are no longer eligible or would be denied such benefits under recently established federal laws or regulations. The level of service to be maintained, i.e., the type of client served and the kind, scope and quantity of service shall not exceed that specified in such contracts that were in force between the department and such agencies during the 4th quarter of calendar year 1972.

These funds shall not be used to initiate new or expand existing services in any way.

Any unused balances of this appropriation remaining with the Department of Health and Welfare or with human services agencies on or after June 30, 1973 shall be returned to the General Fund by appropriate fiscal procedures.

If any human services agency uses any portion of the funds herein appropriated for any other purpose than that authorized by this Act, they shall

forfeit to the Treasurer of State, to be deposited in the General Fund, an amount equal to those funds used contrary to the dictates of this Act.

PART B

Sec. 1. R. S., T. 22, Subtitle 4, additional. Title 22 of the Revised Statutes is amended by adding a new Subtitle 4 to read as follows:

SUBTITLE 4. PRIORITY SOCIAL SERVICES

PART 1

ADMINISTRATION

CHAPTER 1501

PRIORITY SOCIAL SERVICES

§ 6101. Short title

This subtitle may be cited as the "Priority Social Services Act of 1973."

§ 6102. Objectives

The objectives of this Act are:

1. To secure and maintain maximum independence and dignity in a family and home environment for people capable of self-care with the benefit of priority social services;
2. To remove individual and social barriers to personal and economic independence for citizens; and
3. To better utilize existing resources available at the national, state and local levels in order to improve the effectiveness of priority social services.

§ 6103. Purpose

To achieve this objective, it is the purpose of this subtitle:

1. To establish a state authorized and funded program to finance a portion of the expenditures for certain priority social services;
2. To appropriate funds primarily for contractual purchase of social services from private, nonprofit or public social agencies on the condition that they are earned or matched by other funds;
3. To provide social services to residents who do not qualify for social services paid for under national legislation, especially Titles IV and XVI of the Social Security Act or their successors;
4. To require the greater availability and more equitable distribution of certain priority social services throughout the State as a network of coordinated services in proportion to the need for such services in each part of the State;
5. To establish, through reorganization and reassignment of duties and functions, unified administration of state funded and federally funded social

service programs so that the state operations will be integrated for programs which are similar in nature, client group or administration;

6. To require maximum coordination of programs and resources, especially full use of federal resources to the extent reasonably feasible within their limiting constraints, prior to obligation of state funds; and

7. To require proper accounting of expenditures and maximum program accountability and evaluation for all social services funded by state revenues.

§ 6104. Definitions

For the purposes of this Act, unless the context otherwise indicates, the following words shall have the following meanings:

1. Agreement. "Agreement" means a legally binding document between 2 parties including such document as is commonly referred to as purchase of services, contract, grant or accepted proposal;

2. Commissioner. "Commissioner" means the Commissioner of the Department of Health and Welfare or his successors;

3. Department. "Department" means the Maine Department of Health and Welfare;

4. Director. "Director" means the director, services for aging unit or its successors, Department of Health and Welfare;

5. Household. "Household" means household as defined for purposes of the state income tax;

6. Household income. "Household income" means all income received by all persons of a household, as defined for income tax purposes, in a calendar year while members of the household;

7. Income. "Income" means the sum of Maine adjusted gross income determined in accordance with the Revised Statutes, Title 36, Part 8, the amount of capital gains excluded from adjusted gross income, alimony, support money, nontaxable strike benefits, the gross amount of any pension or annuity including railroad retirement benefits, all payments received under the Federal Social Security Act, State unemployment insurance laws and veterans disability pensions, nontaxable interest received from the Federal Government or any of its instrumentalities, workmen's compensation and the gross amount of "loss of time" insurance, cash public assistance and relief. It does not include gifts from nongovernmental sources or surplus foods or other relief in kind supplied by a governmental agency or property tax relief for the elderly;

8. Manager. "Manager" means the manager, office of Resource Development;

9. Nonprofit organization. "Nonprofit organization" as applied to any agency, institution or organization which is, or is owned and operated by one or more corporations or associations no part of the net earnings of which

inures, or may lawfully inure, to the benefit of any private shareholder or individual and which has a territory of operations that may extend to a neighborhood or community region or the State of Maine;

10. Office. "Office" means the Office of Resource Development, Department of Health and Welfare;

11. Public. "Public" means municipal, county and other governmental bodies which are political subdivisions within the State of Maine;

12. Unit. "Unit" means the Services for Aging unit or its successors, Department of Health and Welfare.

PART 2

PRIORITY SOCIAL SERVICES PROGRAM

CHAPTER 1503

PRIORITY SOCIAL SERVICES PROGRAM

§ 6105. Priority Social Services Program

There is established the "Priority Social Services Program." This program shall provide certain priority social services to residents of the State by encouraging and assisting qualified community, regional and state level, private nonprofit and public nonstate government social agencies to develop greater capacity, to foster the development and provision of priority social services programs by entering into coordinated, cooperative agreements between the State of Maine and such agencies. The program shall begin effective July 1, 1973, except that prior to that date the Department of Health and Welfare is authorized to perform, within the limits of available funds, any and all actions necessary to initiate a properly administered program.

§ 6106. Office of Resource Development

There is created within the Department of Health and Welfare the Office of Resource Development, which shall be organizationally located so that it is under the direct, immediate and full supervision of the commissioner; and which shall be a functional unit responsible for administration of the Priority Social Services Program, and such other functions that may be assigned to it by this Act or the commissioner. The office shall be under the direction of a manager.

§ 6107. Powers and duties

This office shall have the powers and duties to:

1. Encourage and assist development of more effective and more coordinated use of existing and new resources and social services available to Maine's residents;

2. Serve as a clearinghouse for information related to the field of social services and gather knowledge and statistics on social services, using existing sources of knowledge and data to the fullest extent possible;

3. Prepare, publish and disseminate educational materials dealing with social services for Maine's citizens;

4. Convene and conduct conferences of such authorities and officials of public and private nonprofit organizations concerned with the development and operation of social service programs intended to benefit citizens as the manager deems necessary or proper for the development and implementation of the intent and objectives of this Act;

5. Provide or coordinate the provision of information, technical assistance and consultation about the field of social services to public and private nonprofit organizations and provide such help in accord with the intent and objectives of this Act;

6. Coordinate and assist in the planning, development and establishment by public or private nonprofit organizations of social service, programs intended to benefit residents and which are in accord with the intent and objectives of this Act;

7. Function as the organizational unit of the department to carry out the department's designation as the single organizational unit of Maine State Government with primary responsibility for conduct of: the Priority Social Services Program, except as much of the program as is the designated responsibility of another unit of the department as specified in section 6108 and the purchase of service, grant or contract provisions of Title IV-A of the Social Security Act of 1935, as amended.

8. Function as the organizational unit of the department to carry out the department's designation as the single organizational unit of Maine State Government to develop and administer social service programs for Maine's citizens, including programs of the federal government relating to social service programs requiring actions within the State, and including programs authorized by this Act, which are not specific responsibility of another state agency under provisions of federal or state law;

9. Carry on a continuing evaluation of the social services programs and activities affecting Maine's residents, to determine the needs and priorities for types of social services; the types of services available; the number, location and characteristics of people served by each type of service; the amount, type and source of resources supporting types of services, the administrative adequacy and capacity of social service agencies; and the quality and quantity of types of social services; as well as to determine the value and impact of programs operated by or administered with the assistance of the State and Federal Governments; including social services as authorized by this and the several Acts and amendments to them enacted by the People of the State of Maine; and those authorized by these United States Acts and amendments to them: the Social Security Act of 1935, the Economic Opportunity Act of 1965, and similar Acts.

10. Prepare, adopt and administer policies, priorities, procedures, rules and regulations to govern its affairs and the development and operation of programs and activities conducted under the authority and in accordance with the purpose and objectives of this Act, especially such rules and regulations as may be necessary to carry out the designation of beneficiaries in section

6112, and to define contractual terms, conditions of agreements, quality of performance standards and such other rules as are necessary for the proper administration of Part B;

11. Provide for the coordination of state and federal programs and activities related to social services in accord with the purpose and objectives of this Act;

12. Administer in accordance with the intent and objectives of this Act, or within any limitation which may apply from the sources of such funds, any funds from any source for the benefit of Maine's residents in need of social services;

13. Assist the commissioner in all matters pertaining to social services;

14. Develop, in cooperation with other agencies, a plan for meeting the needs for trained personnel in the field of social services and for training persons for carrying out social services related to the intent and objectives of this Act; and conduct and provide for the conducting of such training;

15. Perform other functions necessary to the powers and duties expressly stated in this Act.

§ 6108. Designation of responsibility for elderly services

The services for aging unit, Department of Health and Welfare or its successors, is designated as the single organizational unit of Maine State Government with primary responsibility for conduct of so much of the Priority Social Services Program as pertains directly to older people of the State, such as these types of social services: Meals for older people, transportation and coordinated elderly programs; and the purchase of service, grant or contract provisions of Title XVI, or its successors of the Social Security Act of 1935, as amended.

The policies, procedures, rules, regulations and all other matters pertinent to operation of the Priority Social Services Program shall be identical for that portion administered by the Office of Resource Development and by the services for aging unit, except as specified otherwise in Part B.

§ 6109. State agencies to cooperate

State agencies proposing to establish programs substantially related to objectives of this Act shall consult with the office or unit prior to the establishment of such services and state agencies administering such programs shall cooperate fully with the office and unit in carrying out such services.

§ 6110. Designation of priority social services

The following types of social services, or so much of expenditures for these types of social services which do not qualify under federal legislation, especially Titles IV-A and XVI of the Social Security Act or their successors, for payment from federal sources via federal allotments, reimbursements, contracts, grants or other fiscal procedures are designated as priority social services, which shall qualify for payment of expenditures from state funds appropriated by this and other Acts of the People of the State of Maine:

Homemaker—Health Aide Services;
Developmental Daycare;
Services for the Mentally Retarded;
Meals for Older People;
Mental Health Services;
Coordinated Elderly Programs;
Transportation Services.

§ 6III. Cost sharing of expenditures

1. To encourage and assist development of more effective and more coordinated use of existing and new resources and inter-agency cooperation, as well as combined, joint funding of social services; expenditures for priority social services shall be shared either by the beneficiary of each service to the extent possible within the resources available to the beneficiary in accordance with subsection 2; or by the agency providing the social service; by available federal resources as discussed in subsection 3; or by the State of Maine in a total amount not to exceed that specified in each agreement and in a proportion not to exceed the percent of expenditures for each type of service specified in subsection 4.

2. Fees for services. Private, nonprofit and public agencies operating social services as authorized and funded in part under the priority social services program may charge fees or accept contributions to the agency from beneficiaries for actual provision of priority social services. Fees charges will be in accordance with a graduated fee scale. This scale shall not require charges to lower income beneficiaries.

The Department of Health and Welfare may establish and enforce adherence to a graduated fee scale that applies uniformly throughout the State for each type of service and based upon a resident's ability to pay. Social agencies making charges for priority social services shall do so in accordance with the graduated fee scale established by the department.

3. Use of Federal Government resources. All resources available from the United States Government to support all or part of the cost of a priority social service shall be utilized to the fullest extent reasonably feasible within their limiting constraints, prior to obligation of state funds. State funds appropriated for the Priority Social Services Program shall be expended only for types of social services and only for providing social services to classes of beneficiaries of priority social services which do not qualify for funding from Federal Government resources, especially Titles IV-A and XVI of the Social Security Act or their successors. Failure to qualify may be due to constraints on federal programs limiting use of federal funds to certain segments of the population or certain definitions of types of service or due to the absence of available federal funds, or other reasonable causes.

4. Maximum state share of costs. State funds appropriated for priority social services may be used to pay a portion of expenditures under each agreement for each type of social service in an amount not to exceed the maximum percentage for state funds of the total expenditures for each type of priority

social service as specified below. The maximum percentage for state funds of the total expenditures for each type of service shall not exceed:

- 75% for homemaker service;
- 50% for developmental daycare;
- 75% for services for the mentally retarded;
- 50% for meals for older people;
- 50% for mental health services;
- 50% for transportation services;
- 50% for coordinated elderly programs.

State funds shall be expended by a contractee only when the nonstate share of total expenditures under each agreement includes expenditure of an amount of funds which is equal to 25% of the nonstate share and which is provided by municipal, county or other political subdivisions other than the State or Federal Government.

5. Maximum use of nonstate resources. State funds paying a portion of expenditures for priority social services shall be valid only when "earned" or "matched" by expenditure of nonstate resources. The expenditure of such resources shall be in an amount at least equal to the minimum percentage for nonstate resources of the total expenditures for each type of priority social service as specified below. The minimum percentage for nonstate resources of the total expenditures for each type of service shall be:

- 25% for homemaker service;
- 50% for developmental daycare;
- 25% for services to the mentally retarded;
- 50% for meals for older people;
- 50% for mental health services;
- 50% for coordinated elderly programs;
- 50% for transportation services.

Nonstate resources authorized to qualify to earn or match state funds shall include private funds such as gifts, grants, fees for service or contributions; in-kind resources that are actual out of pocket expenditures or actual loss of revenue related directly and essentially as an integral part of the operation of a priority social service; and public revenues such as municipal taxes, a municipal or county amount of federal revenue sharing funds, other appropriate federal resources and state revenue sharing funds and such other public resources as may be received by, generated by or available to a municipal or county government or other political subdivision or quasi-governmental bodies.

Any portion of state funds appropriated for priority social services may be used to earn federal funds to offer social services to residents who do not qualify for social services payable under Titles IV-A and XVI of the Social Security Act.

§ 6112. Designation of beneficiaries

A resident of the State of Maine and members of his immediate family and household, who does not qualify for social services funded wholly or in part

by the Federal Government and who does not have total household income in excess of the amounts specified below, is qualified to be a beneficiary of priority social services. A resident's inability to qualify for federally funded social services may result from the absence of such services within an area reasonably proximate to his residence, or may result from the absence of available federal funds, or may result from his being a member of a segment of the population who is not eligible for such services, especially as provided by Titles IV-A and XVI of the Social Security Act, or from other reasonable causes.

During the 3 months immediately preceding the month in which delivery of social services is initiated, and thereafter during the 3 months ending on the annual anniversary of the month in which delivery of social services was initiated, the total household income of the beneficiary shall not exceed:

Type of Household	Maximum Income for 3 Months
Single person household with head of the household age 65 or over	\$625
Two or more persons household with head of household age 65 or over	\$1,000
Single person household with head of the household age 64 or under	\$750
Two or more persons household with head of the household age 64 or under	\$1,125

§ 6113. Initiation of the program

1. Effective with passage of this Act, the department is authorized to immediately commence administrative preparations for initiation of the program no later than July 1, 1973. Appropriations to meet necessary administrative costs between the effective date of this Act and June 30, 1973 are provided in Part A of this Act. To pay the essential and necessary costs of administering this program on or after July 1, 1973, the department is authorized, via appropriate fiscal procedures to retain up to 5% of the total amount of expenditures governed by each agreement.

2. As of July 1, 1973, all responsibilities and functions given to the Office of Resource Development, or to Services for Aging, by this Act shall be effectively held by those offices. To achieve this objective, it is the intent of Legislature that the department shall transfer position count to said offices from existing personal services count previously authorized. Personnel of said offices shall work in coordination and cooperation with other units of State Government.

3. Agreements shall become effective on the first day of a quarter of the fiscal year. Applications proposing execution of an agreement may be received by May 15th, August 15th, November 15th or February 15th in order to be eligible for execution of an agreement effective with the quarter of the fiscal year immediately following such date.

Sec. 2. Appropriation. There is appropriated from the General Fund to the Department of Health and Welfare the sum of \$2,640,500 to carry out the purposes of Part B of this Act. The breakdown shall be as follows:

	1973-74	1974-75
HEALTH AND WELFARE, DEPARTMENT OF		
Priority Social Services		
Personal Services	(5) \$ 56,000	(5) \$ 58,000
All Other	904,000	1,097,000
Priority Social Services—		
Older Americans		
All Other	237,000	288,500
	<u>\$1,197,000</u>	<u>\$1,443,500</u>

Any authorization for operation of programs or providing appropriations contained in this Act shall expire on June 30, 1975 and may be renewed only by additional enactments of law.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

The purpose of this bill is reflected in the emergency preamble.