

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

COMMITTEE AMENDMENT "A" to H.P. 1467, L.D. 1726, Bill,
"AN ACT Relating to Verifying Facts Supporting the Eligibility
of Applicants for Aid for Families with Dependent Children."

Amend said Bill by inserting before the enacting clause
the following:

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

Whereas, the United States Department of Health, Education
and Welfare can reduce federal matching funds available to
a state for the Aid to Families with Dependent Children Program
if the state's error rate in administering the program is
greater than that provided for by federal guidelines; and

Whereas, Maine's error rate exceeds those federal guidelines
and is currently increasing because of cutbacks in staff ordered
in the last special session; and

Whereas, this legislation, which would decrease Maine's
error rate, must be enacted as soon as soon as possible to
prevent loss of federal matching funds; and

Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health
and safety; now, therefore, '

Further amend said Bill by striking out everything after the enacting clause and inserting in place thereof the following:

'Sec. 1. 22 MRSA §3757 is enacted to read:

§3757. Substantiation of eligibility

The department shall appropriately substantiate the facts supporting eligibility stated in any application for aid to families with dependent children before approving the application.

"Appropriately substantiate" shall be interpreted to mean that the department must assure itself of the eligibility of the family for public assistance benefits. To obtain such assurance, it shall contact, as appropriate, the local town official in the town of residence, banks or savings institutions, vital records, specific public court files, etc.

Sec. 2. Authorization. There are authorized for the Department of Health and Welfare, Bureau of Social Welfare, the following positions to carry out the purposes of this Act. The breakdown shall be as follows:

	<u>1974-75</u>	<u>1975-76</u>	<u>1976-77</u>
HEALTH AND WELFARE, DEPARTMENT OF			
Bureau of Social Welfare			
Personal Services	(35)--	(35)--	(35)--

These positions shall be funded in the fiscal years 1976 and 1977 from those funds recovered from overpayments and ineligibility only. Eligible recipients receiving proper payments shall not have such grants reduced for the purpose of funding these positions.

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

Statement of Fact

By regulation, the Federal Department of Health, Education and Welfare can reduce the federal matching funds available for the Aid to Families with Dependent Children program if the state's error rate exceeds the established federal percentage levels for errors in ineligible grants and for cases where overpayments occur. Maine's error rate exceeds the established federal levels and is increasing due to cutbacks in staff ordered in the last special session.

This amendment directs the department to substantiate the eligibility of any applicants for AFDC payments. The legislation provides for additional personnel to carry out the substantiation procedures. The amendment also adds an emergency preamble and emergency clause to the bill for reasons stated in the emergency preamble.

Reported by the Committee on Performance Audit.

Reproduced and distributed under the direction of the Clerk
of the House.
5/20/75

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