

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2252

H. P. 2093

House of Representatives, February 25, 1976

Reported by Mrs. Berube from Committee on Performance Audit pursuant to H. P. 529 and printed under Joint Rules No. 3.

EDWIN H. PERT, Clerk

Filed under Joint Rule 3, pursuant to H. P. 529.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

**AN ACT to Require an Annual Adjustment in the Standard of Need for
Families Receiving Aid to Dependent Children.**

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

Sec. 1. 22 MRSA § 3759 is enacted to read:

§ 3759. Standard of need

1. Adjustments in standard of need. On the date this section becomes effective, and on July 1st of each year thereafter, the department shall adjust the standard of need for families receiving aid to dependent children to equal the most recent lower budget level for families of varying sizes as computed for Portland, Maine, by the United States Department of Labor, Bureau of Labor Statistics.

2. Payments. No family receiving aid to dependent children shall receive a payment less than the amount it received or would have received effective October 1, 1975, unless:

A. Such payment has to be reduced because of changes in federal laws or regulations or changes in the circumstances of the family; or

B. The Legislature has approved a decrease in payments to all families receiving aid to dependent children.

Sec. 2. P&SL 1975, c. 78, § 18, that part under the caption "Human Services, Department of Health and Welfare, Aid to Families with Dependent Children," last ¶ relating to "All Other" is repealed as follows:

~~To the extent the Department may utilize a rateable reduction of budget standard to determine payments to AFDC recipients the percentage once established shall not be decreased without prior legislative approval.~~

STATEMENT OF FACT

This Act requires the Department of Human Services to adjust annually the standard of need for families receiving aid to dependent children. This annual adjustment will result in a more accurate reflection of the gap between the dollar amount AFDC clients actually receive and the dollar amount they need to live in minimum decency and health.

In addition, the Act provides that the AFDC payment levels in effect on October 1, 1975, cannot be reduced without legislative approval.

Chapter 78 of the Private and Special Laws of 1975 provides that if the department makes AFDC payments which are rateably reduced, the department cannot reduce the percentage of the standard of need which is paid to AFDC clients "without prior legislative approval." This Act repeals this language in Chapter 78 for the following reasons:

(1) Annual adjustments in the standard of need will result in increases in the standard of need;

(2) Under Chapter 78, funding the existing percentage of an increased standard of need would require additional state dollars, unless the Legislature approves a decrease in the percentage; and

(3) By deleting the above language in Chapter 78, the department will not need legislative approval to decrease the percentage of the standard of need it pays to AFDC clients.

This Act is based on the findings of the Committee on Performance Audit with respect to H. P. 529, a study of the Aid to Families with Dependent Children Program.