

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1609

H. P. 1386

House of Representatives, April 13, 1977

On motion of Mrs. Berube of Lewiston, referred to the Committee on Human Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Davies of Orono.

Cosponsor: Mr. Connolly of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Provide Annual Updating of Determinations of Need Under the
"Aid to Families With Dependent Children" Program.**

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

22 MRSA § 3741-A is enacted to read:

§ 3741-A. Determination of need

Each year the Department of Human Services shall update the schedules used in determining need for recipients of Aid to Families With Dependent Children in line with changes in the cost of living during the previous year. The updating shall be based on the cost-of-living statistics of the U.S. Department of Labor. The updated schedules for use in making determinations of need shall go into effect on July 1st of each year.

STATEMENT OF FACT

Under current policy, determination of need under the Aid to Families With Dependent Children (AFDC) program is based on 1969 Department of Labor cost-of-living figures which have not been adjusted to account for inflation since 1969. The ratable reduction plan establishes the percentage of "need" which the State will pay to recipients based on the amount of money available from the State. The recipient is allowed to earn up to the difference between the determination of need and the actual amount of the AFDC grant. Enactment of this bill will result in larger determinations of need but not larger grants. The benefit to recipients is the greater difference between need and grant amount which will allow recipients to earn more without losing money from their grants.