

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 911

6  
7 H.P. 580

House of Representatives, March 1, 1985

8 Speaker laid before the House and referred to the Committee on Human  
9 Resources. Sent up for concurrence and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Brodeur of Auburn.

Cosponsored by Representative Connolly of Portland.

11  
12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-FIVE  
16

17 AN ACT to Reduce Paperwork and Make Benefits  
18 More Reflective of Need in the Aid to  
19 Families with Dependent Children Program.  
20

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

23 22 MRSA §3760-A is enacted to read:

24 §3760-A. Reporting

25 1. Monthly reporting. Each Aid to Families with  
26 Dependent Children assistance unit whose members have  
27 earned income or recent work histories or which has  
28 income deemed to it from individuals living with the  
29 unit who have earned income or recent work history,  
30 shall be required to submit a monthly report of in-  
31 come and other relevant circumstances affecting eli-  
32 gibility to the department if so required by the  
33 United States Social Security Act, Title 4-A. No  
34 other Aid to Families with Dependent Children assist-  
35 ance unit may be required to report monthly. For the

1 purpose of this section, the term "recent work histo-  
2 ry" means that the assistance unit received earned  
3 income in any one of the 2 months prior to the month  
4 for which assistance is paid.

5 2. Prospective budgeting. The department shall  
6 use prospective budgeting to determine the amount of  
7 assistance for all assistance units not required to  
8 report monthly.

9 3. Report required. The department shall con-  
10 duct a study to determine if:

11 A. Those categories of recipients required to  
12 report monthly under subsection 1, are likely to  
13 incur changes in circumstances from month to  
14 month which impacts their eligibility and amount  
15 of assistance; and

16 B. The administrative cost of requiring those  
17 categories to report monthly will be greater than  
18 the program savings which accrue as a result of  
19 this requirement.

20 If the department finds that the monthly reporting  
21 requirement is not cost effective for any category of  
22 recipients, it shall request a waiver from the Secre-  
23 tary of the Federal Department of Health and Human  
24 Services to exempt these categories.

25 STATEMENT OF FACT

26 Federal law requires certain categories of Aid to  
27 Families with Dependent Children recipients to report  
28 monthly to the Department of Human Services their in-  
29 come and other circumstances affecting eligibility.  
30 All persons required to report monthly must have  
31 their monthly grant amounts calculated retrospective-  
32 ly. This means that their grant amount in a particu-  
33 lar month is based on their income and circumstances  
34 2 months before. If a family loses a source of in-  
35 come, their AFDC grant cannot be increased to compen-  
36 sate for that loss of 2 months.

1           This bill limits the monthly reporting require-  
2           ment to only those assistance units for whom report-  
3           ing is mandatory under federal law. The Department  
4           of Human Services presently requires other recipi-  
5           ents, not required by federal law, to report monthly.

6           This bill also requires that grant amounts for  
7           families not subject to monthly reporting be calcu-  
8           lated prospectively, so that their grant will more  
9           adequately reflect their need.

10           Finally, the bill requires the department to in-  
11           vestigate the cost effectiveness of monthly reporting  
12           for all mandatory reporting families and to seek a  
13           waiver from this system for those categories of re-  
14           cipients for whom it is found noncost effective. Most  
15           research findings now agree that monthly reporting  
16           produces greater administrative cost while failing to  
17           offset that cost through error reduction.

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