

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1111

H.P. 799

House of Representatives, April 11, 1989

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Ed Pert

EDWIN H. PERT, Clerk

Presented by Speaker MARTIN of Eagle Lake.

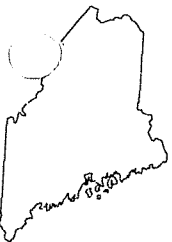
Cosponsored by Senator BRANNIGAN of Cumberland, Representative MANNING of Portland and Representative STROUT of Corinth.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

**An Act to Establish a Special Housing Allowance for the Aid to
Families with Dependent Children Program.**

(EMERGENCY)



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

5 Whereas, housing costs are rising rapidly in all parts of
7 the State; and

9 Whereas, many families receiving Aid to Families with
11 Dependent Children benefits do not have sufficient income to meet
these increasing costs; and

13 Whereas, this creates severe hardship and the threat of
15 homelessness for these families as well as significant costs to
municipalities which must meet these needs through their general
assistance programs; and

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

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

25 **Sec. 1. 22 MRSA §3760-C** is enacted to read:

27 §3760-C. Special needs payment for recipients of Aid to Families
29 with Dependent Children with excessive shelter costs

31 The department shall provide a special needs payment to all
33 recipients of Aid to Families with Dependent Children benefits
35 whose shelter costs are excessive as determined in accordance
37 with rules of the department.

39 For purposes of this section, "shelter costs" means all
41 items considered to be costs of housing in the Aid to Families
43 with Dependent Children basic cost chart found in the Maine
45 Public Assistance Payments Manual.

47 **Sec. 2. Appropriation.** The following funds are appropriated
49 from the General Fund to carry out the purposes of this Act.

	1989-90	1990-91
HUMAN SERVICES, DEPARTMENT OF		
Bureau of Income Maintenance		
Aid to Families with Dependent		
Children		
All Other	\$2,531,960	\$2,626,091

1 Provides funds for special
2 needs payments of up to \$100
3 monthly to families receiving
4 Aid to Families with
5 Dependent Children benefits
6 whose shelter costs exceed
7 75% of their income.

9 **Sec. 3. Appropriation.** The following funds are appropriated
10 from the General Fund to carry out the purposes of this Act.

11 1989-90 1990-91

13 **HUMAN SERVICES, DEPARTMENT OF**

15 **Bureau of Income Maintenance**

17 **General Assistance Reimbursement**
19 **to Cities and Towns**

21 All Other (\$1,532,496) (\$1,544,445)

23 Deappropriates funds no
24 longer needed in this account
25 because of additional housing
26 needs now covered for
27 families receiving Aid to
28 Families with Dependent
29 Children benefits by a
30 special needs payment.

31 **Sec. 4. Allocation.** The following funds are allocated from the
32 Federal Expenditure Fund to carry out the purposes of this Act.

35 1989-90 1990-91

37 **HUMAN SERVICES, DEPARTMENT OF**

39 **Bureau of Income Maintenance**

41 **Aid to Families with Dependent**
42 **Children**

43 All Other \$4,821,979 \$4,727,845

45 Allocates funds for special
46 needs payments of up to \$100
47 monthly to families receiving
48 Aid to Families with
49 Dependent Children payments
50 whose shelter costs exceed
51 75% of their income.

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

3
5 **STATEMENT OF FACT**

7
9 Due to the rise in housing costs, many families receiving
Aid to Families with Dependent Children benefits must supplement
11 their monthly grant with help from their city or town through the
general assistance program. The general assistance program is
13 funded through the local property tax and, in the case of some
municipalities, with state General Fund revenue.

15 This bill would shift the burden for a significant amount of
this cost from the municipalities and the State to the Federal
17 Government, by providing a special housing payment through the
Aid to Families with Dependent Children program to families with
19 very high shelter costs. It is estimated that this legislation
will provide an additional \$80 per month to approximately 45% of
21 the State's Aid to Families with Dependent Children families. It
will result in savings of approximately 3 million dollars of
23 General Fund revenue currently budgeted to reimburse
municipalities under the general assistance program, and
25 approximately \$900,000 of municipal savings over the biennium.