

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1637

H.P. 1182

House of Representatives, May 11, 1989

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

EDWIN H. PERT, Clerk

Presented by Representative KILKELLY of Wiscasset.

Cosponsored by Senator HOLLOWAY of Lincoln, Senator DUTREMBLE of York and Representative MARSANO of Belfast.

STATE OF MAINE

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

Resolve, to Create a Demonstration Project to Provide Self-employment Opportunities for Participants of the Additional Support for People in Retraining and Education Program.



1 **Sec. 1. Demonstration project. Resolved:** That the Department of
2 Human Services, Bureau of Income Maintenance, shall develop as a
3 demonstration project a self-employment opportunity project for
4 recipients of Aid to Families with Dependent Children.

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6 Under the project, counselors will be trained to work
7 effectively with recipients of Aid to Families with Dependent
8 Children who are interested in pursuing self-employment. These
9 counselors shall include Bureau of Income Maintenance eligibility
10 workers, staff of the Additional Support for People in Retraining
11 and Education Program and employees of publicly funded small
12 businesses. The Bureau of Income Maintenance shall designate one
13 person in each office to become familiar with policies and
14 regulations affecting self-employment. Recipients of Aid to
15 Families with Dependent Children who are interested in pursuing
16 self-employment shall be referred to those trained individuals.

17
18 Under the project, technical assistance and entrepreneurship
19 training programs that are tailored to the needs of Aid to
20 Families with Dependent Children recipients shall be developed.
21 The providers of training and technical assistance, who shall be
22 identified through a request-for-proposal process, shall ensure
23 that an evaluation of the project by an unaffiliated firm is
24 conducted.

25
26 In addition, the bureau shall develop, publish and
27 distribute a guidebook that clarifies pertinent policies and
28 regulations and that will serve as a resource for small business
29 counselors and others seeking to assist Aid to Families with
30 Dependent Children recipients interested in self-employment.

31
32 Participants in the demonstration project who complete
33 entrepreneurship training and pursue self-employment shall be
34 eligible for 2-year transitional self-employment opportunity
35 grants in amounts equivalent to grants to beneficiaries of Aid to
36 Families with Dependent Children; and be it further

37
38 **Sec. 2. Results of project. Resolved:** That the results of this
39 project shall be published in a final report to be submitted to
40 the Joint Standing Committee on Human Resources no later than
41 February 1, 1992. The report to the Legislature shall include
42 recommendations of any changes to laws and rules that are
43 necessary to implement the project on an ongoing basis; and be it
44 further

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46 **Sec. 3. Appropriation. Resolved:** That the following funds are
47 appropriated from the General Fund to carry out the purposes of
48 this resolve.

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1989-90 1990-91

HUMAN SERVICES, DEPARTMENT OF
Bureau of Income Maintenance

All Other \$45,025 \$355,700

Provides \$7,300 in fiscal year 1989-90 and \$75,700 in fiscal year 1990-91 to provide supportive services to participants in the demonstration project; provides \$37,725 in fiscal year 1989-90 and \$280,000 in fiscal year 1990-91 for transitional self-employment opportunity grants for participants in the demonstration project.

STATEMENT OF FACT

This resolve creates a self-employment opportunity demonstration project for recipients of Aid to Families with Dependent Children. The project would use existing Additional Support for People in Retraining and Education Program funds, economic development set-asides and newly appropriated General Fund money to support the implementation of the demonstration project.

Under current law, regulations governing asset limitations, capital investment and income limitations severely limit the ability of recipients of Aid to Families with Dependent Children to start a small business. The proposed project would remove the constraints of these federal regulations for a limited number of recipients of Aid to Families with Dependent Children by providing the state funding as an alternative source of support.