

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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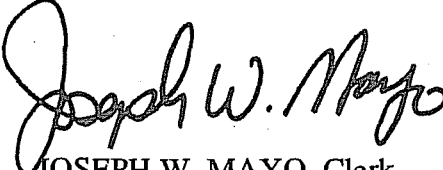
House of Representatives, March 23, 1993

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**An Act to Establish the Child Assistance Demonstration Program.**

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Reference to the Committee on Human Resources suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative CATHCART of Orono.  
Cosponsored by Senator PARADIS of Aroostook and  
Representative: PINEAU of Jay.

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

4 Sec. 1. 22 MRSA c. 1053-B is enacted to read:

6 CHAPTER 1053-B

8 CHILD ASSISTANCE DEMONSTRATION PROGRAM

10 §3763. Authorization of demonstration program; purpose

12 To assist families in achieving economic independence by  
14 providing additional economic incentives for custodial parents to  
16 work and enhanced child support collection services, the  
18 department is authorized to establish the Child Assistance  
20 Demonstration Program, known and cited in this chapter as the  
22 "child assistance program," in accordance with the provisions of  
24 this chapter, in Penobscot County and 2 other counties to be  
26 selected by the department. The department is further authorized  
28 to prepare an application to seek the required federal waiver  
approval under of the United States Social Security Act, Section  
1115; to submit that application to the joint standing committee  
of the Legislature having jurisdiction over human resources  
matters for review and approval; to submit the approved  
application to the federal Department of Health and Human  
Services for waiver approval; and to implement the program  
without further legislative authorization upon approval, except  
as may be required by this chapter.

30 §3764. Eligibility

32 A family is eligible to participate in the child assistance  
program if it meets the following criteria.

34 1. Residence. The family resides in Penobscot County or  
36 one of the other counties selected by the department under  
section 3763.

38 2. Income. The family income is less than 125% of the  
40 federal poverty level.

42 3. Federal eligibility. Upon application, the family  
44 qualifies for federal Aid to Families with Dependent Children  
under chapter 1053, including those eligible under section 3741-D.

46 4. Support order. The custodial parent has a valid support  
order for at least one child in the family.

48 5. Income enhancement. The department determines that  
50 participation will enhance the overall available income to the  
family.

2           6. Agreement; assignment of child support. The custodial  
parent chooses to participate and signs an agreement:

4           A. Affirming that participation in the child assistance  
program as an alternative to participation under chapter  
6           1053 is voluntary; and

8           B. Assigning to the State any right to child support the  
applicant family may have, in accordance with federal  
10           eligibility requirements.

12           §3765. Termination without penalty

14           If a participant chooses to terminate participation in the  
child assistance program, then, upon reapplication for income  
16           assistance under chapter 1053 and a determination of eligibility,  
the participant must be enrolled in the federal Aid to Families  
18           with Dependent Children Program effective from the date of  
reapplication, without penalty. While participating in the child  
20           assistance program, participants retain their rank on any ASPIRE  
program waiting list.

22           §3766. Program services

24           The department shall provide the following services to  
26           program participants:

28           1. Child assistance payments. A maximum monthly child  
assistance payment. The department shall establish a method for  
30           calculating the monthly child assistance payment for each  
participating family and shall make the child assistance payments  
32           to participating families in accordance with rules established  
pursuant to the Maine Administrative Procedure Act and subject to  
34           review and approval by the joint standing committee of the  
Legislature having jurisdiction over human resources matters.  
36           Any child support collected by the State on behalf of a  
participating family must be applied to the family's child  
38           assistance payment. Any amount in excess of the payment accrues  
to the State;

40           2. Child support. Give priority for child support  
collection services for participating families, including the  
42           establishment and enforcement of orders requiring parents to  
provide medical support;  
44

46           3. Special case management. Assign to each participating  
family a case manager specially trained to provide assistance to  
48           participants in financial management and to facilitate access to  
child care and other support services in order to maximize the  
50           financial and other resources available to the family;

2 4. Limits on reduction in payments. Limit decreases in the  
3 basic child assistance payment provided under the child  
4 assistance program to 10% of earnings below the poverty level and  
5 67% of earnings above the poverty level for the family size;

6 5. No debt action. Take no action to recover debts for  
7 public assistance owed to the State by parents participating in  
8 the child assistance program;

10 6. No work hour restrictions. Impose no restrictions on  
11 the number of hours that adults in a participating family may  
12 work, as long as the family otherwise remains eligible for  
13 assistance under this chapter;

14 7. Resource accumulation. Permit a participating family to  
15 accumulate savings and other resources of up to \$10,000 without  
16 penalty as long as the family otherwise remains eligible for  
17 assistance under this chapter;

20 8. Alternative food stamp benefits. Provide food stamp  
21 benefits in the form of equivalent cash rather than food stamp  
22 coupons;

24 9. Medicaid eligibility. Continue Medicaid eligibility for  
25 participating families and establish a method to provide up to 2  
26 years of transitional Medicaid benefits for families losing  
27 eligibility because of increased earnings; and

28 10. Child care. Guarantee work-related child care to all  
29 participating families, including:

32 A. Up to 2 years of transitional child care benefits for a  
33 family losing eligibility because of increased earnings; and

34 B. Child care on the same terms as for ASPIRE participants  
35 for a demonstration program participant who leaves the  
36 program to participate in an education or training program  
37 and is again a recipient of federal Aid to Families with  
38 Dependent Children under chapter 1053.

40 **§3767. Rules; report**

42 The commissioner may adopt rules to implement this chapter.  
43 The commissioner shall submit an annual report by January 15th to  
44 the joint standing committee of the Legislature having  
45 jurisdiction over human resources matters on developments and  
46 progress in the implementation of the Child Assistance  
47 Demonstration Program and the effectiveness of the program.

## STATEMENT OF FACT

2  
4 This bill establishes the Child Assistance Demonstration  
6 Program modeled on similar programs in other states, designed as  
8 an alternative to the federal Aid to Families with Dependent  
10 Children Program to better assist families with child support  
12 orders to achieve economic independence. The Child Assistance  
Demonstration Program must be approved under the waiver  
provisions of the United States Social Security Act, Section 1115  
before it can take effect. If approved, the child assistance  
program would provide the following services to families who  
voluntarily agree to participate:

14 1. Child assistance payments, instead of federal Aid to  
16 Families with Dependent Children Program payments;

18 2. Priority for child support collection;

20 3. Specially trained case managers to assist families in  
22 resource maximization and management;

24 4. Limitations on reductions in child assistance as income  
increases;

26 5. Special rules on work hours, repayment of assistance to  
28 the State and resource accumulation to enhance financial  
independence;

30 6. Food stamp payments in the form of cash; and

32 7. Enhanced Medicaid and child care benefit eligibility.

34 The Joint Standing Committee on Human Resources would  
monitor the child assistance program.