

MAINE STATE LEGISLATURE

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17
P. 613

L.D. 1950

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HUMAN RESOURCES

Reported by: Senator Paradis of Arundstunuk

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STATE OF MAINE
SENATE
116TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 729, L.D. 1950, Bill, "An Act to Establish the Project Opportunity Demonstration Program"

Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting in its place the following:

Sec. 1. 10 MRSA §929-B, sub-§3, ¶E, as enacted by PL 1993, c. 410, Pt. MMM, §1, is amended to read:

E. Identification of:

- (1) The types of industries and jobs with significant growth potential in the State;
- (2) The State's evolving industrial base;
- (3) The dynamic national and international markets;
- (4) Existing efforts to convert military economies to civilian economies; and
- (5) Other relevant studies and evaluations in the private and public sector dealing with the long-term economic growth of the State; and
- (6) The work force challenges faced by welfare recipients and strategies to address their economic and related needs.

COMMITTEE AMENDMENT

2 Sec. 2. 22 MRSA §3741-E, sub-§5, as enacted by PL 1993, c.
385, §8, is amended to read:

4
5. **Exception.** Notwithstanding subsection 4, the department
6 may use up to 20% of ASPIRE-JOBS Program funds to serve persons
7 regardless of their date of participation in the ASPIRE-JOBS
8 Program orientation. The department may also use ASPIRE-JOBS
9 Program funds to serve persons regardless of their date of
10 participation in the ASPIRE-JOBS Program orientation when other
11 organizations or agencies provide benefits to ~~that participant~~
12 those participants that are equal to or greater than the value of
13 services that the ~~person~~ persons are eligible to receive under
14 the rules of the ASPIRE-JOBS Program. ~~This subsection is~~
15 ~~repealed June 30, 1994.~~

16 Sec. 3. 22 MRSA §§3741-K and 3741-L are enacted to read:

17
18 **§3741-K. Project Opportunity**

19
20 1. Definitions. As used in this section, unless the
21 context otherwise indicates, the following terms have the
22 following meanings.

23
24 A. "AFDC" means Aid to Families with Dependent Children.

25
26 B. "Participant" means a recipient of AFDC benefits who
27 participates in the project.

28
29 C. "Project" means Project Opportunity, the demonstration
30 project authorized by this section.

31
32 D. "Project area" means the departmental regions in which
33 the project is operated, as authorized by subsection 2.

34
35 2. Authorization; purpose; duration; scope. By October 1,
36 1994, the department shall apply to the Federal Government for a
37 waiver under the federal Social Security Act, Section 1115 to
38 establish a demonstration project, known as Project Opportunity.
39 The purpose of the project is to demonstrate that changes in the
40 AFDC and ASPIRE-JOBS programs are effective in providing
41 increased opportunities for employment and assisting recipients
42 to become self-sufficient. The following provisions apply to the
43 project.

44
45 A. The project must be for 4 years, except that the
46 department, as part of the waiver application, reserves the
47 right to withdraw after 2 years if the goals of the project
48 are not being met.

2 B. The project must be conducted in Regions II and V, as
3 described in section 6-A.

4 3. Participation. Participation in the project is
5 voluntary and is governed by the following provisions.

6 A. The maximum number of participants is 500 over the life
7 of the project.

10 B. Participants are required to engage in at least 20 hours
11 per week of training, education or employment.

12 C. Priority for participation in the project must be
13 assigned in accordance with section 3741-E.

16 D. AFDC benefits for participants must be calculated in the
17 same manner as for AFDC recipients who are not participants.

18 4. Employment opportunities. Participants who have
19 completed an ASPIRE-JOBS education or training component or who
20 are otherwise determined appropriate by department staff are
21 eligible for enhanced employment opportunities in accordance with
22 the following provisions.

24 A. The department shall enter into contracts with private
25 and nonprofit businesses to provide additional employment
26 opportunities for participants. A contract must include,
27 but is not limited to, a requirement that the employer
28 recruit volunteer mentors from among more experienced
29 employees to assist participants in becoming oriented to
30 work and the workplace.

32 B. A business that hires a recipient of AFDC under this
33 subsection is eligible to receive a subsidy for each
34 recipient employed by that business. The subsidy is limited
35 to a total of \$3,780 per placement, to be paid over no more
36 than 18 months. If the employer and the participant's case
37 manager agree, the subsidy may be discontinued after 9
38 months and the balance of the total available amount for the
39 participant may be converted to a voucher to be used by the
40 participant to purchase education, training or support
41 services consistent with the employment development plan and
42 approved by the case manager.

44 C. The number of participants an employer employs at one
45 time may not exceed 10% of the total number of that
46 employer's employees or one participant, whichever is
47 greater. The commissioner may waive the limit in special
48 circumstances.

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COMMITTEE AMENDMENT "A" to S.P. 729, L.D. 1950

2 D. The department shall adopt rules in accordance with Title 5, chapter 375 to:

4 (1) Specify which public and private sector employers are eligible to receive subsidies under this subsection;

6 (2) Establish criteria by which employers may be excluded from participation in the project for failure to abide by project requirements or for demonstrated unwillingness to comply with the stated intent of the project; and

8 (3) Prohibit employers that have shown a pattern of terminating participants from employing additional participants.

10 E. The department shall ensure that jobs made available to participants under this subsection:

12 (1) Are in conformity with the Federal Unemployment Tax Act, Section 3304(a)(5);

14 (2) Are not used to displace existing employees; and

16 (3) Do not pay wages that are less than the wages paid for similar jobs by the employer and in the local economy with appropriate adjustments for experience and training.

18 F. With input from the participant, the case manager shall prepare an employment development plan designed to assist the participant to remove employment barriers, acquire work skills and obtain unsubsidized employment. The case manager shall periodically review the employment development plan and assess the participant's progress in accordance with rules for the ASPIRE-JOBS Program.

20 G. The department shall promote the federal Targeted Jobs Tax Credit with employers.

22 H. The department, in consultation with the Department of Labor, shall develop a job inventory of sufficient size to accommodate participants. In consultation with a participant, the department shall match the profile of that participant with the needs of an employer.

24 I. An employer who terminates employment of a participant is required to notify the department immediately.

2 5. Project funds. The project must be undertaken within
3 the department's existing resources. When the department is able
4 to document savings in the AFDC program that have accrued because
5 of the project, the department shall provide the documentation to
6 the joint standing committees of the Legislature having
7 jurisdiction over human resource matters and appropriations and
8 advise those committees that the department intends to seek
9 legislative approval to transfer the savings to the ASPIRE-JOBS
10 Program.

11 6. Allocation of resources. The department shall allocate
12 ASPIRE-JOBS Program resources among regions of the State using
13 the per AFDC case formula in effect on the effective date of this
14 section.

15 7. Extension of Medicaid and child-care benefits. A family
16 ineligible for AFDC benefits as the result of successful
17 participation in the project is deemed eligible for Medicaid as a
18 recipient of AFDC benefits and, in addition, is eligible for
19 extended medical assistance and child care as described in the
20 federal Family Support Act of 1988, Public Law 100-485. For that
21 family and any family who resides in the project area and loses
22 eligibility for the cash payment due to increased hours of
23 employment, increased wages or employment of the principal wage
24 earner in a family receiving AFDC benefits, the eligibility
25 period for medical assistance and child-care benefits is extended
26 from 12 to 24 months. The family is required to contribute to
27 the cost of that care in accordance with sections 3741-G and
28 3741-I.

29 8. Data; reports. The department shall compile data
30 regarding the project that includes, but is not limited to, the
31 following information:

32 A. The extent to which the earnings and benefits of
33 participants increased;

34 B. The extent to which AFDC benefits paid to participants
35 were reduced;

36 C. The number of participants who became employed, whose
37 employment increased in hours, who were promoted by
38 employers or who accepted better positions with new
39 employers and a description of the mechanisms used by or on
40 behalf of those participants to obtain, increase or improve
41 employment;

42 D. The number of participants whose employment decreased in
43 hours or ceased and the reasons for those changes in
44 employment; and
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A of 8

2 E. The savings per participant in the AFDC program.

4 By December 1, 1996, the department shall submit a report to the
joint standing committee of the Legislature having jurisdiction
6 over human resource matters. The report must include, but is not
limited to, the data required by this subsection, any
8 recommendations the department proposes for changing the project
and the department's recommendation regarding whether or not to
10 continue the project.

12 §3741-L. Family planning services

14 To the extent funds permit, the department, in cooperation
with the grant manager of the State's family planning system,
16 shall develop and implement an intensive outreach program to
provide family planning services to recipients of Aid to Families
18 with Dependent Children. The target population must include, but
is not limited to, recipients who are minors. The department
20 shall work with the grant manager to identify funds that may be
matched with federal funds to support the outreach program.

22 Sec. 4. 22 MRSA §3760-C, as amended by PL 1993, c. 410, Pt.
24 TT, §1, is repealed and the following enacted in its place:

26 §3760-C. Households headed by minor parents

28 In order to receive Aid to Families with Dependent Children
benefits, a parent who is under 18 years of age and has never
30 been married and a dependent child in that parent's care must
reside in the household of a parent, legal guardian or other
32 adult relative of that minor parent or in an adult-supervised
supportive living arrangement unless:

34 1. No living parent or legal guardian. The minor parent
36 does not have a living parent or legal guardian whose whereabouts
is known;

38 2. Residence with parent or guardian not permitted. A
40 living parent or legal guardian of the minor parent does not
allow the minor parent to live in the parent's or guardian's home;

42 3. Lived apart for at least one year. The minor parent
44 lived apart from the minor's own parent or legal guardian for a
period of at least one year before either the birth of the
46 dependent child or the minor parent's application for Aid to
Families with Dependent Children benefits;

48 4. Health or safety jeopardized. The physical or emotional
50 health or safety of the minor parent or dependent child would be

jeopardized if they resided in the same residence with the minor parent's parent or legal guardian; or

5. Other good cause. There exists other good cause, as that term is defined by the department through rulemaking under the Maine Administrative Procedure Act.

Sec. 5. Link to economic development. The Maine Aid to Families with Dependent Children Advisory Council, as established by the Maine Revised Statutes, Title 5, section 12004-I, subsection 36, shall offer to assist the Maine Economic Growth Council in meeting its responsibilities under Title 10, section 929-B, subsection 3, paragraph E and shall provide any other assistance the Maine Economic Growth Council needs to address the challenges of welfare recipients.

Sec. 6. Link to Maine Quality Centers. If Maine Quality Centers are established to meet the work force education and training needs of new and expanding businesses in the State, the Department of Human Services shall ensure that the Maine Quality Centers are aware of the ASPIRE-JOBS Program and that participants of that program are considered for employment and career advancement opportunities coordinated by the Maine Quality Centers.

Sec. 7. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1994-95

HUMAN SERVICES, DEPARTMENT OF

Family Services Program

Positions	(-13.5)
Personal Services	(\$576,916)
All Other	(751,898)
TOTAL	(\$1,328,814)

Provides for the deappropriation of funds to incorporate these funds with existing ASPIRE-JOBS funds. This combination will maximize matching for federal funding.

Welfare Employment, Education and Training

Positions	(13.5)
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COMMITTEE AMENDMENT "A" to S.P. 729, L.D. 1950

2	Personal Services	\$576,916
	All Other	751,898
4	TOTAL	<hr/> \$1,328,814

6 Provides for the appropriation of funds
8 resulting from the combination of funds from
the Family Services Program account.

10 DEPARTMENT OF HUMAN SERVICES
12 TOTAL

\$-0-

14 Sec. 8. Allocation. The following funds are allocated from the
Federal Expenditure Fund to carry out the purposes of this Act.

16 HUMAN SERVICES, DEPARTMENT OF 1994-95
18

Family Services Program

20	Positions	(-15.0)
22	Personal Services	(\$558,925)
	All Other	(939,766)
24	TOTAL	<hr/> (\$1,498,691)

26 Provides for the deallocation of funds to
28 incorporate these funds with existing
ASPIRE-JOBS funds. This combination will
30 maximize matching for federal funding.

32 Welfare Employment, Education
and Training

34	Positions	(15.0)
36	Personal Services	\$558,925
	All Other	939,766
38	TOTAL	<hr/> \$1,498,691

40 Provides for the allocation of funds
42 resulting from the combination of funds from
the Family Services Program account.

44 DEPARTMENT OF HUMAN SERVICES
46 TOTAL

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48 Further amend the bill by inserting at the end before the
statement of fact the following:

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FISCAL NOTE

This bill transfers a General Fund appropriation of \$1,328,814 and a Federal Expenditure Fund allocation of \$1,498,691 from the Family Services Program to the Welfare, Employment, Education and Training program within the Department of Human Services.

The department is directed to apply for a demonstration waiver to establish a voluntary program for up to 500 Aid to Families with Dependent Children recipients in 2 regions of the State. The additional savings and costs associated with the project, including the business subsidy and extended Medicaid and child care costs, will depend on the actual waivers, if any, that are granted. The bill requires that the demonstration project be operated within existing resources.

The department may also experience an increase in Federal Expenditure Fund revenue, which may require an allocation if the department is able to generate additional matching funds utilizing a portion of the State's family planning system funds as the required state match.

The Department of Labor will incur some minor additional costs to provide consultation to the Department of Human Services to develop a certain job inventory. These costs can be absorbed within the department's existing budgeted resources.

The additional costs to identify the work force challenges faced by welfare recipients can be absorbed by the Maine Economic Growth Council utilizing existing budgeted resources.'

STATEMENT OF FACT

This amendment replaces the bill. It differs from the bill as follows.

The bill authorizes the Department of Human Services to seek a waiver of certain federal provisions of Aid to Families with Dependent Children and ASPIRE-JOBS programs to establish the Project Opportunity Demonstration Program in 3 department regions of the State for 5 years. This amendment limits the demonstration to 2 regions for 4 years, with an option to withdraw after 2 years if the program is not successful.

The amendment removes provisions in the bill that deny additional AFDC funds for children born while a family is

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R of S
COMMITTEE AMENDMENT "A" to S.P. 729, L.D. 1950

2 receiving AFDC and that direct the department to assess income
from domestic associates of recipients.

4 The amendment makes participation in the demonstration
project voluntary. Priority for participation is assigned in the
6 same manner as for other ASPIRE-JOBS participants.

8 Like the bill, the amendment provides subsidies to employers
who hire demonstration project participants. The amendment
10 allows the option of converting the subsidy to a participant
voucher after 9 months if the employer and the case manager agree.
12

14 The bill provides for the transfer of funds from savings by
the AFDC program to the ASPIRE-JOBS Program. The amendment
requires the Department of Human Services to notify the
16 appropriate joint standing committees of the Legislature when it
has documented savings in the AFDC program and intends to seek
18 legislative approval to transfer the savings to the ASPIRE-JOBS
Program. No anticipated savings are transferred in the
20 amendment. As in the bill, Family Services Program funds are
transferred to the ASPIRE-JOBS Program to enhance federal
22 matching funds.

24 The amendment directs the department to work with family
planning services providers to develop an outreach program for
26 AFDC recipients, with particular emphasis on recipients who are
minors.
28

30 The amendment adds to the list of responsibilities of the
Maine Economic Growth Council the identification of the work
force challenges faced by welfare recipients and strategies to
32 address their economic and related needs. It also directs the
Maine Aid to Families with Dependent Children Advisory Council to
34 offer assistance to the Maine Economic Growth Council in carrying
out those tasks.
36

38 The amendment requires the Department of Human Services to
ensure that the Maine Quality Centers, if they are established,
are aware of the ASPIRE-JOBS Program and consider AFDC recipients
40 for training through the centers.

42 The amendment also adds a fiscal note to the bill.