

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1950

S.P. 729

In Senate, March 1, 1994

An Act to Establish the Project Opportunity Demonstration Program.

(EMERGENCY)

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator HARRIMAN of Cumberland. (GOVERNOR'S BILL).
Cosponsored by Representative FOSS of Yarmouth and
Representatives: AIKMAN of Poland, BARTH of Bethel, CARR of Sanford, KERR of Old
Orchard Beach, MacBRIDE of Presque Isle, PENDEXTER of Scarborough, REED of Falmouth.

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

Whereas, the current welfare system creates disincentives for a welfare customer to obtain self-sufficiency; and

Whereas, neither welfare customers nor the general public support the current system; and

Whereas, discussions of alternative welfare systems are progressing and experimental changes are being encouraged by the Federal Government; and

Whereas, the ASPIRE-JOBS Program, which exists to assist welfare customers in employment, education and training activities, is hampered in its efforts by lack of funding and exemptions from active participation for 16,000 out of 22,000 welfare customers in the State; and

Whereas, as a result of recent changes enacted by the Legislature, some progress has been made in helping Aid to Families with Dependent Children customers to become self-sufficient; and

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

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

Sec. 1. 22 MRSA §3741-E, sub-§5, as enacted by PL 1993, c. 385, §8, is amended to read:

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

Sec. 2. 22 MRSA §3741-K is enacted to read:

§3741-K. Project Opportunity Demonstration Program

2 1. Authorization, duration and purpose of demonstration
3 program. The department is authorized to obtain a waiver from
4 the Federal Government to establish the Project Opportunity
5 Demonstration Program, referred to in this section as the
6 "program," under the federal Social Security Act, Section 1115.
7 The program must be made available in areas served by Regions I,
8 II and IV of the Bureau of Income Maintenance. These areas
9 include York, Cumberland, Penobscot, Piscataquis, Washington,
10 Hancock, Androscoggin, Franklin and Oxford counties.

11 The purpose of this program is to demonstrate that changes in the
12 Aid to Families with Dependent Children and ASPIRE-JOBS programs
13 are effective in providing increased opportunities for employment
14 and increased responsibility for the financial support of
15 dependent children by the caretaker relative.

16 The department shall obtain any exemptions and waivers from
17 federal statutes and regulations necessary to qualify the program
18 as a federally approved demonstration project under Section 1115
19 of the Social Security Act, 42 United States Code, Section 1315
20 and Section 17 of the Food Stamp Act, 7 United States Code,
21 Section 2026.

22 The program must be conducted over a period of 5 years.

23 In order to facilitate implementation of the program at the
24 earliest possible date with maximum federal financial
25 participation, the department is directed to expedite the
26 acquisition of federal waiver and amendment approvals in close
27 and continuous coordination with appropriate federal officials
28 and to prepare and submit completely and in a timely manner all
29 forms and data required by those officials. The department is
30 authorized to make such changes to the program as are necessary
31 to achieve federal waiver approval. Any such changes must be, in
32 the judgment of the commissioner, the fewest necessary to achieve
33 federal approval for the program.

34 2. Family benefits capped. Except as otherwise provided in
35 this section, in determining the level of benefits for which a
36 family residing in an area served by the program is eligible, the
37 department may not increase the payment level due to an increase
38 in family size beyond that which corresponds to the family size
39 at the time of application or determination of eligibility,
40 whichever is later. If a child is born to the family while a
41 member of the family is a recipient of Aid to Families with
42 Dependent Children benefits, the payment level may not increase
43 to that ordinarily paid to that larger family. This limitation
44 does not apply:

45

2 A. When a child who meets the eligibility requirements and
3 is not the biological child of a recipient of Aid to
4 Families with Dependent Children benefits establishes
5 residence with a family receiving benefits;

6 B. When the mother of a child is pregnant with the child at
7 the time of application or determination of eligibility;

8
9 C. When the recipient of Aid to Families with Dependent
10 Children benefits is participating in a family planning plan
11 to prevent conception. It is the responsibility of the
12 department to inform in writing and orally all applicants
13 for and recipients of Aid to Families with Dependent
14 Children benefits of the policy that prohibits an increase
15 in Aid to Families with Dependent Children benefits due to
16 the birth of an additional family member and refer the
17 family members to a qualified family planning provider. It
18 is the responsibility of the person applying for or
19 receiving Aid to Families with Dependent Children benefits
20 to follow through on the referral and provide documentation
21 of participation in a family planning plan; or

22
23 D. In situations meeting additional criteria developed by
24 the department under which children not originally included
25 in the Aid to Families with Dependent Children benefit at
26 the time of application or determination of eligibility may
27 be included at a later date.

28
29 If there is a break in eligibility and the family applies again
30 for Aid to Families with Dependent Children benefits, the
31 department shall determine a new payment level by reference to
32 the family's size at the time of the new application or
33 determination of eligibility, whichever is later, only if every
34 member of the family requesting Aid to Families with Dependent
35 Children benefits has not received Aid to Families with Dependent
36 Children benefits in the last 12 months.

37 Families that reside in an area served by the program and move to
38 an area of the State not served by the program are subject to the
39 provisions of this subsection.

40
41 3. ASPIRE-JOBS full participation. Notwithstanding
42 sections 3741-A, 3741-C and 3741-E, section 3785, subsections 1
43 and 11 and section 3789, all exemptions from participation in the
44 ASPIRE-JOBS Program are eliminated for participants in the
45 Project Opportunity Demonstration Program. As a condition of
46 eligibility, the caretaker relative must participate for at least
47 20 hours per week in training, education or employment
48 opportunities designed to improve employability.

2 The department shall work with the federal Department of Health
4 and Human Services to increase the types of opportunities
6 accepted by the Federal Government for inclusion in the count of
8 individuals participating in the ASPIRE-JOBS Program for federal
10 funding purposes.

12 4. Employment opportunities. Additional employment
14 opportunities for participants in the Project Opportunity
16 Demonstration Program are governed by the following.

18 A. The department shall enter into an agreement with
20 private and nonprofit businesses to provide additional
22 employment opportunities for recipients of Aid to Families
24 with Dependent Children benefits.

26 B. Businesses that hire a recipient of Aid to Families with
28 Dependent Children benefits may receive a reimbursement for
30 each recipient whom they employ. Reimbursement is limited
32 to \$3,780 per placement and, except in unusual
34 circumstances, may not be paid for more than 18 months.
36 Starting with a \$380 monthly reimbursement per placement,
38 the subsidy is provided on a gradually decreasing scale of
40 \$20 per month over the 18-month period.

42 C. The department shall adopt by rule a method to determine
44 which employers, including public and private sector
46 employers, within the State may have the opportunity to
48 employ program participants. An employer is not required to
50 participate in the program.

52 D. The maximum number of program participants that any
54 employer is authorized to employ at one time may not exceed
56 10% of the total number of the employer's employees.
58 However, each employer may employ one program participant.
60 The Director of the Bureau of Income Maintenance may waive
62 the limit in special circumstances.

64 E. The department, by rule, may:

66 (1) Establish criteria for excluding employers from
68 participation in the program for failure to abide by
70 program requirements or other demonstrated
72 unwillingness to comply with the stated intent of the
74 program; and

76 (2) Provide that employers that have shown a pattern
78 of terminating program participants are ineligible to
80 employ additional participants.

2 F. The department shall ensure that jobs made available to
3 program participants:

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

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

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

11 G. This program is available to a Project Opportunity
12 Demonstration Program participant who has completed an
13 ASPIRE-JOBS education or training component or who is
14 determined eligible to participate by department staff.

15 H. With input from a Project Opportunity Demonstration
16 Program participant, a case manager shall prepare an
17 employment development plan designed to assist the
18 participant in removing barriers to employment, acquiring
19 work skills and obtaining unsubsidized employment. The case
20 manager shall periodically review the employment development
21 plan and assess the participant's progress in accordance
22 with rules for the ASPIRE-JOBS Program.

23 I. The department, in consultation with the Department of
24 Labor, shall develop a job inventory of sufficient size to
25 accommodate the participants who desire to work in the
26 program. In consultation with a participant, the department
27 shall match the profile of that participant with the needs
28 of an employer.

29 J. The department shall enter into a contract with an
30 employer participating in the program. The contract must
31 stipulate that the employer, among other conditions, shall
32 recruit volunteer mentors from among other more experienced
33 employees to assist a program participant in becoming
34 oriented to work and the workplace.

35 K. Employers who terminate employment of an individual
36 participating in the program are required to notify the
37 department immediately.

38 L. Individuals hired by employers under this section who
39 terminate employment within the subsidy period without good
40 cause must be sanctioned and have eligibility for Aid to
41 Families with Dependent Children benefits determined in the

2 same manner as individuals sanctioned for nonparticipation
3 in the ASPIRE-JOBS Program.

4 5. Extension of Medicaid and child-care benefits. A family
5 ineligible for Aid to Families with Dependent Children benefits
6 as the result of the hiring by an employer of a family member who
7 is participating in the Project Opportunity Demonstration Program
8 is deemed eligible for Medicaid as a recipient of Aid to Families
9 with Dependent Children benefits and, in addition, is eligible
10 for extended medical assistance and child care as described in
11 the Family Support Act of 1988, Public Law 100-485. For such a
12 family and any family who resides in the project area who loses
13 eligibility for the cash payment due to increased hours of
14 employment, increased wages or employment of the principle wage
15 earner in a family receiving Aid to Families with Dependent
16 Children benefits, the eligibility period for medical assistance
17 and child-care benefits is extended from 12 to 24 months. The
18 family is required to contribute to the cost of that care as
19 established by a fee schedule determined by the department based
20 on the family's ability to pay. Such a schedule must be adopted
21 in accordance with the Maine Administrative Procedure Act.

22 6. Assessment of income of domestic associates. The
23 department shall explore and pursue all means legally possible to
24 assess income from domestic associates while they are residing
25 with a family receiving Aid to Families with Dependent Children
26 benefits.

27 7. Repeal. This section is repealed on July 1, 2001.

28
29 Sec. 3. 22 MRSA §3758, sub-§§3 and 4, as enacted by PL 1975, c.
30 441, §1, are repealed.

31 Sec. 4. 22 MRSA §3758, sub-§8 is enacted to read:

32
33 8. Aid to families with dependent children for education,
34 training and employment. Notwithstanding any other provision of
35 law, the department is authorized to transfer to the ASPIRE-JOBS
36 account up to 12 months of any aid to families with dependent
37 children funds that represent aid to families with dependent
38 children cost savings due to an ASPIRE-JOBS participant's
39 obtaining employment. These transferred funds may be carried
40 forward in the ASPIRE-JOBS account for a period of up to 12
41 months.

42
43 Sec. 5. 22 MRSA §3760-C, as amended by PL 1993, c. 410, Pt.
44 TT, §1, is repealed and the following enacted in its place:

45 §3760-C. Households headed by minor parents

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49
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2 In order to receive Aid to Families with Dependent Children
3 benefits, a parent who is under 18 years of age and has never
4 been married and a dependent child in that parent's care must
5 reside in the household of a parent, legal guardian or other
6 adult relative or in an adult-supervised supportive living
7 arrangement unless:

8 1. No living parent or legal guardian. The minor parent
9 has no living parent or legal guardian whose whereabouts is known;

10 2. Residence with parent or guardian not permitted. No
11 living parent or legal guardian of the minor parent allows the
12 minor parent to live in the parent or guardian's home;

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

18 4. Health or safety jeopardized. The physical or emotional
19 health or safety of the minor parent or dependent child would be
20 jeopardized if they resided in the same residence with the minor
21 parent's parent or legal guardian; or

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

25 **Sec. 6. Appropriation.** The following funds are appropriated
26 from the General Fund to carry out the purposes of this Act.

27 1994-95

28 **HUMAN SERVICES, DEPARTMENT OF**

29 **Aid to Families with Dependent**
30 **Children**

31 All Other (\$427,734)

32 Provides for the deappropriation of funds
33 representing Aid to Families with Dependent
34 Children cost savings due to ASPIRE-JOBS
35 participants obtaining employment. These
36 savings will be appropriated to the
37 ASPIRE-JOBS Program to provide services to
38 additional ASPIRE-JOBS participants.

2 **Family Services Program**

4	Positions	(-14.0)
4	Personal Services	(\$576,916)
6	All Other	(751,989)
6		<hr/>
8	TOTAL	(\$1,328,905)

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

14 **Aid to Families with Dependent
Children**

16	All Other	(\$73,500)
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18 Provides for the deappropriation of funds as
20 a result of savings from limiting increased
22 payment for additional children.

24 **DEPARTMENT OF HUMAN SERVICES
TOTAL**

(\$1,830,139)

26 **Sec. 7. Allocation.** The following funds are allocated from the
28 Federal Expenditure Fund to carry out the purposes of this Act.

1994-95

30 **HUMAN SERVICES, DEPARTMENT OF**

32 **Aid to Families with Dependent
Children**

34	All Other	(\$695,523)
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36 Provides for the deallocation of funds
38 representing Aid to Families with Dependent
40 Children cost savings due to ASPIRE-JOBS
42 participants obtaining employment. These
44 savings will be appropriated to the
ASPIRE-JOBS Program to provide services to
additional ASPIRE-JOBS participants.

46 **Family Services Program**

48	Positions	(-14.0)
	Personal Services	(\$558,925)
	All Other	(939,766)

2	TOTAL	(\$1,498,691)
4	Provides for the deallocation of funds to	
6	incorporate these funds with existing	
	ASPIRE-JOBS funds. This combination will	
8	maximize matching for federal funding.	
10	Aid to Families with Dependent Children	
12	All Other	(\$119,511)
14	Provides for the deallocation of funds as a	
16	result of savings from limiting increased	
	payment for additional children.	
18	DEPARTMENT OF HUMAN SERVICES	
	TOTAL	(\$2,313,725)
20	Sec. 8. Appropriation. The following funds are appropriated	
22	from the General Fund to carry out the purposes of this Act.	
24		1994-95
26	HUMAN SERVICES, DEPARTMENT OF	
28	Welfare Employment, Education and Training	
30	Positions	(14.0)
32	Personal Services	\$576,916
	All Other	1,253,223
34		
36	Provides for the appropriation of funds	
38	resulting from the combination of funds from	
40	the Family Services Program account and the	
42	Aid to Families with Dependent Children cost	
44	savings resulting from the employment of	
46	ASPIRE-JOBS participants and the limitation	
48	of additional children on the Aid to	
	Families with Dependent Children grant. By	
	maximizing matching for federal funding and	
	utilizing Aid to Families with Dependent	
	Children savings more ASPIRE-JOBS	
	participants will be served, further	
	reducing Aid to Families with Dependent	
	Children costs.	

2 DEPARTMENT OF HUMAN SERVICES
TOTAL

\$1,830,139

4 Sec. 9. Allocation. The following funds are allocated from the
Federal Expenditure Fund to carry out the purposes of this Act.

6 1994-95

8 HUMAN SERVICES, DEPARTMENT OF
10 Welfare Employment, Education
12 and Training

14	Positions	(14.0)
	Personal Services	\$558,925
16	All Other	1,754,800

18 Provides for the allocation of funds
20 resulting from the combination of funds from
the Family Services Program account and the
22 Aid to Families with Dependent Children cost
savings resulting from the employment of
24 ASPIRE-JOBS participants and the limitation
of additional children on the Aid to
26 Families with Dependent Children grant. By
maximizing matching for federal funding and
utilizing Aid to Families with Dependent
28 Children savings more ASPIRE-JOBS
30 participants will be served, further
reducing Aid to Families with Dependent
32 Children costs.

34 DEPARTMENT OF HUMAN SERVICES
TOTAL

\$2,313,725

36 Emergency clause. In view of the emergency cited in the
preamble, this Act takes effect when approved.

40 STATEMENT OF FACT

42 The purpose of this bill is to continue and strengthen
welfare reform efforts by providing more education, training and
44 work opportunities for recipients of Aid to Families with
Dependent Children, or "AFDC."

46 The bill authorizes the Department of Human Services to seek
48 a waiver of certain federal provisions of AFDC and ASPIRE-JOBS
programs. The bill establishes the Project Opportunity

2 Demonstration Program in 3 department regions of the State. In
3 order to increase the employability and financial responsibility
4 of caretaker relatives of children receiving AFDC, the program
5 requires level funding for families receiving AFDC in which
6 children are born and participation in the ASPIRE-JOBS Program by
7 all AFDC caretaker relatives. Each recipient is expected to
8 participate at least 20 hours per week in activities that lead to
9 self-sufficiency. This eliminates exemptions for program
10 participants currently available for the following:

- 11 1. Parents of children under 3 years of age;
- 12 2. Spouses of principal wage earners receiving benefits as
13 unemployed parents; and
- 14 3. Custodial parents under the age of 20 years.

15
16 This bill also provides monetary benefits for employers who
17 hire a participant in the Project Opportunity Demonstration
18 Program; extension of transitional medical and child care
19 benefits to 24 months for eligible participants in the project
20 areas; and revisions of the fee for transitional medical and
21 child care so that a gradual increase in responsibility for
22 payment of those services takes place.
23

24
25 The bill provides for the transfer of funds from savings by
26 the AFDC program to the ASPIRE-JOBS program.
27

28
29 The bill also changes the requirement for a parent who is a
30 minor to live with a parent, legal guardian or other adult
31 relative or in an adult-supervised living arrangement to bring
32 the state statute in line with federal regulations.
33

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37
38 This document has not yet been reviewed to determine the
39 need for cross-reference, stylistic and other technical
40 amendments to conform existing law to current drafting standards.