



118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1309

H.P. 946

House of Representatives, March 4, 1997

An Act to Provide for the Interception of an Individual's Unemployment Compensation to Repay an Overissue of Food Stamp Coupons.

Submitted by the Department of Labor pursuant to Joint Rule 204. Reference to the Committee on Labor suggested and ordered printed.

1). Monto

JOSEPH W. MAYO, Clerk

Presented by Representative PENDLETON of Scarborough.

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

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Sec. 1. 26 MRSA §1044, sub-§3 is amended to read:

No assignment of benefits; exemptions. Any assignment, 3. pledge or encumbrance of any right to benefits which are or may 6 become due or payable under this chapter shall-be is void. Such rights to benefits shall-be are exempt from levy, execution, 8 attachment or any other remedy whatsoever provided for the collection of debt. Benefits received by any individual, so long 10 as they are not mingled with other funds of the recipient, shall 12 be are exempt from any remedy whatsoever for the collection of all debts except debts incurred for necessaries furnished to such that individual or his--spease the individual's or dependents 14 during the time when such that individual was unemployed. No 16 waiver of any exemption provided for in this subsection shall-be is valid. This subsection does not apply to any amount deducted or collected under this chapter. 1.8

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Sec. 2. 26 MRSA §1191, sub-§10 is enacted to read:

22 <u>10. Food stamp overissues deducted and withheld from benefits.</u> Food stamp overissues must be deducted and withheld
24 from benefits as follows:

- A. An individual filing a new claim for unemployment compensation on or after October 1, 1997, shall, at the time of filing such claim, disclose whether that individual owes an uncollected overissue, as defined in the federal Food
 Stamp Act of 1977, 7 United States Code, Section 2022(c)(1), of food stamp coupons. The commissioner shall notify the state food stamp agency enforcing the obligation of any individual who discloses that that individual owes food
 stamp overissues and who is determined to be eligible for unemployment compensation.
- B. The commissioner shall deduct and withhold from any unemployment compensation payable to an individual who owes an uncollected overissue:
- (1) The amount specified by the individual to the commissioner to be deducted and withheld under this subsection;
- (2) The amount determined pursuant to an agreement
 46 submitted to the state food stamp agency under the federal Food Stamp Act of 1977, 7 United States Code,
 48 Section 2022(c)(3)(A); or
- 50 (3) Any amount otherwise required to be deducted and withheld from unemployment compensation pursuant to the

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Federal Food Stamp Act of 1977, 7 United States Code, Section 2022,(c)(3)(B).

<u>C. Any amount deducted and withheld under this subsection</u> must be paid by the commissioner to the appropriate state food stamp agency.

8 D. Any amount deducted and withheld under paragraph C must be treated for all purposes as if it were paid to the 10 individual as unemployment compensation and paid by the individual to the state food stamp agency as repayment of 12 the individual's uncollected overissue.

14E. For purposes of this subsection, the term "unemployment
compensation" means any compensation payable under this16chapter including amounts payable by the commissioner
pursuant to an agreement under any federal law providing for18compensation, assistance or allowances with respect to
unemployment.

This subsection applies only if arrangements have been made for reimbursement by the state food stamp agency for all the administrative costs incurred by the commissioner under this subsection that are attributable to the repayment of uncollected overissues to the state food stamp agency.

SUMMARY

The Federal Government enacted Public Law 104-193, commonly 32 called the "welfare reform" bill in August of 1996. This law requires that a state food stamp agency must collect any 34 overissue of food stamp coupons issued "to a household" by withholding amounts from unemployment compensation payable to "a 36 member of the household." This bill is necessary to bring Maine law into conformity with federal law. The Maine Revised 38 Statutes, Title 26, section 1044, subsection 3 is amended for purposes of clarification.

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