

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1997

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Legislative Document

No. 1661

S.P. 542

In Senate, March 25, 1997

**An Act to Implement the Recommendations of the Blue Ribbon  
Commission on Hunger and Food Security.**

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Reference to the Committees on Labor and Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator BENOIT of Franklin.  
Cosponsored by Representative: LOVETT of Scarborough.

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

2  
4       Sec. 1. 5 MRSA §10-A is enacted to read:

6       §10-A. Out-of-poverty wage

8       The State may not pay any employee less than \$6.05 per hour  
10       direct compensation. The Bureau of Human Resources shall  
12       annually adjust the minimum amount of direct compensation to  
14       equal the hourly wage that, based on 2,080 hours worked, is  
16       sufficient to produce an annual income equal to the United States  
18       Department of Health and Human Services' most recently defined  
20       poverty level for a family of 3.

22       Sec. 2. 5 MRSA §1825-B, sub-§11 is enacted to read:

24       11. Contract compensation. A contract or subcontract under  
26       a contract with a private entity to provide personal services or  
28       goods and personal services to or for the State may not be  
30       entered into, given or renewed by the State unless the contract  
32       requires prescribed rates of compensation as determined by the  
34       Bureau of Human Resources.

36       A. The Bureau of Human Resources shall establish a  
38       classification of jobs and wages for the classes of personal  
40       services required under each contract and subcontract.

42       B. The classification of jobs and wages must include direct  
44       compensation of at least \$6.05 per hour and indirect  
46       compensation in the form of payments to health benefit plans  
48       and retirement plans. The Bureau of Human Resources shall  
annually adjust the minimum amount of direct compensation to  
equal the hourly wage that, based on 2,080 hours worked, is  
sufficient to produce an annual income equal to the United  
States Department of Health and Human Services' most  
recently defined poverty level for a family of 3.

C. Limited-period positions utilized to replace persons on  
leave of absence for less than one year are not covered by  
the requirements of this subsection.

D. The Bureau of Human Resources shall adopt rules to  
implement this subsection. Rules adopted pursuant to this  
subsection are major substantive rules as defined in Title  
5, chapter 375, subchapter II-A.

Sec. 3. 20-A MRSA §6602, sub-§1, as amended by PL 1991, c. 9,  
Pt. II, §3, is further amended to read:

2           **1. Participation.** A public school must participate in the  
National School Lunch Program. It must provide Type A meals as  
4           determined by the United States Department of Agriculture. A  
public school in which 40% 35% or more of children in attendance  
6           are eligible for free or reduced-price meals under applicable  
federal regulations may shall provide to kindergarten and other  
8           part-day students a meal that meets the requirements of the  
National School Breakfast Program. When fees are permissible for  
10          those breakfasts, schools must charge and collect a fee for each  
reduced-price breakfast that is equal to the maximum fee  
12          permitted under federal law and a fee 5¢ above that for each  
full-price breakfast. The money collected through those fees  
14          must be used by schools to offset the costs of providing  
breakfasts under this subsection. The department may establish a  
16          hardship grant program to assist schools in starting a school  
breakfast program.

18                   **Sec. 4. 22 MRSA §3109** is enacted to read:

20           **§3109. Office of Food Security**

22           **1. Office established.** There is established within the  
department the Office of Food Security, referred to in this  
24          section as the "office." The office shall coordinate and monitor  
all programs of the department directed at providing food  
26          security for families and ending hunger in the State. The office  
shall coordinate with the Department of Agriculture, Food and  
28          Rural Resources and the Executive Department, State Planning  
Office to develop and implement programs directed toward  
30          achieving food security and ending hunger in the State. The  
office shall encourage cooperation between and may make grants to  
32          public and private agencies for the purpose of increasing food  
security and ending hunger.

34                   **2. Food security outreach program.** The office shall  
undertake an outreach program to inform potentially eligible  
36          persons and assist them in applying for the food programs  
throughout the State, such as food stamps, school meals, the  
38          summer feeding program and the Women, Infants and Children  
Special Supplemental Food Program.

42                   **3. Maine Food Security Fund.** The Maine Food Security Fund  
is established. The fund receives money deposited by the  
44          Treasurer of State pursuant to Title 29-A, section 468 and Title  
36, section 5287, money appropriated or allocated by the  
46          Legislature and any money contributed voluntarily to the fund.  
All money deposited in the fund and the earnings on that remain  
48          in the fund to be used for the purposes of this section and for  
necessary administrative and personnel costs associated with the  
50          office. The Commissioner of Human Services shall submit an

2 annual report on the Maine Food Security Fund to the joint  
3 standing committee of the Legislature having jurisdiction over  
4 human services matters. The commissioner shall submit a budget  
5 for each biennium in accordance with Title 5, sections 1663 to  
6 1666. The State Controller shall authorize expenditures from the  
7 fund as allocated by the Legislature.

8 **Sec. 5. 26 MRSA §664, sub-§1**, as enacted by PL 1995, c. 305,  
9 §1, is amended to read:

10 **1. Minimum wage.** The minimum hourly wage, beginning October  
11 15, 1997, is \$4.25-per-hour 25¢ more than the highest federal  
12 minimum wage. If the highest federal minimum wage is increased  
13 in excess of \$4.25-per-hour, the minimum wage must be increased  
14 to the same amount, effective on the same date as the increase in  
15 the federal minimum wage, but in no case may the minimum wage  
16 exceed \$5.15-per-hour. The minimum hourly wage established by  
17 this section must be increased on April 1, 1998 and each April  
18 1st thereafter by the percent increase, if any, in the state  
19 average weekly wage for the preceding calendar year as determined  
20 by the Bureau of Unemployment Compensation.

21 **Sec. 6. 26 MRSA §1193, sub-§1, ¶A**, as repealed and replaced by  
22 PL 1991, c. 560, §2, is amended to read:

23 **A.** For the week in which the claimant left regular  
24 employment voluntarily without good cause attributable to  
25 that employment. The disqualification continues until the  
26 claimant has earned 4 times the claimant's weekly benefit  
27 amount in employment by an employer. A claimant may not be  
28 disqualified under this paragraph if:

29 (1) The leaving was caused by the illness or  
30 disability of the claimant or an immediate family  
31 member and the claimant took all reasonable precautions  
32 to protect the claimant's employment status by promptly  
33 notifying the employer of the reasons for the absence  
34 and by promptly requesting reemployment when again able  
35 to resume employment;

36 (2) The leaving was necessary to accompany, follow or  
37 join the claimant's spouse in a new place of residence  
38 and the claimant can clearly show within 14 days of  
39 arrival at the new place of residence an attachment to  
40 the new labor market, and the claimant is in all  
41 respects able, available and actively seeking suitable  
42 work;

43 (3) The leaving was in good faith in order to accept  
44 new employment on a permanent full-time basis and the  
45

2 new employment did not materialize for reasons  
attributable to the new employing unit; or

4 (4) The leaving was necessary to protect the claimant  
6 from domestic abuse and the claimant made all  
reasonable efforts to preserve the employment; or

8 (5) The leaving was necessary because of a failure of  
10 child care or transportation arrangements necessary for  
12 employment and the claimant made all reasonable efforts  
to preserve the employment and make other child care or  
transportation arrangements.

14 **Sec. 7. 26 MRSA §1195, sub-§1-A** is enacted to read:

16 1-A. State "on" indicator. The following provisions apply  
18 to eligibility for extended benefits after October 1, 1997.

20 A. For weeks beginning after October 1, 1997, there is a  
state "on" indicator for a week if:

22 (1) The average rate of seasonally adjusted total  
24 unemployment in this State, as determined by the United  
26 States Secretary of Labor, for the period consisting of  
the most recent 3 months for which data for all states  
are published before the close of that week equals  
6.5%; and

28 (2) The average rate of seasonally adjusted total  
30 unemployment in this State, as determined by the United  
32 States Secretary of Labor, for the 3-month period  
34 referred to in subparagraph (1) equals or exceeds 110%  
of the average rate for either or both of the  
corresponding 3-month periods ending in the 2 preceding  
calendar months.

36 B. For periods for which there is a state "on" indicator  
38 under paragraph A, and effective with respect to weeks  
40 beginning in a high unemployment period, the total extended  
42 benefit amount payable to any eligible individual with  
respect to the applicable benefit year is the lesser of the  
following amounts:

44 (1) Eighty percent of the total amount of regular  
46 benefits that were payable to the individual under this  
chapter in the applicable year;

48 (2) Twenty times the weekly benefit amount that was  
50 payable to the individual under this chapter for a week  
of total unemployment in the applicable year; or

2           (3) Forty-six times the weekly benefit amount that was  
4           payable to the individual under this chapter for a week  
6           of total unemployment in the applicable benefit year,  
8           reduced by the total amount of regular benefits that  
          were paid, or deemed paid, to the individual under this  
          chapter with respect to the benefit year.

10           For purposes of this subsection, "high employment period" means  
12           any period during which an extended benefit period would be in  
14           effect under paragraph A except that the seasonally adjusted  
          total unemployment rate under paragraph A, subparagraph (1) must  
          equal or exceed 8%.

16           Sec. 8. 29-A MRS §468 is enacted to read:

18           §468. Food security registration plate

20           1. Food security plate. The Secretary of State, upon  
22           receiving an application and evidence of payment of the excise  
24           tax required by Title 36, section 1482, the registration fee  
26           required by section 501 and the administrative fee and voluntary  
          contribution provided for in subsection 2, shall issue a  
          registration certificate and a set of food security registration  
          plates to be used in lieu of regular registration plates. These  
          plates must bear identification numbers and letters.

28           2. Administrative fee and contribution to the Maine Food  
30           Security Fund. Food security registration plates are not  
32           required for registration of a motor vehicle. A person may  
34           contribute to the Maine Food Security Fund by applying for the  
          special registration plates and submitting, in addition to the  
          regular motor vehicle registration fee, a sum of \$20, which is  
          credited as follows:

36           A. Fourteen dollars to the Maine Food Security Fund  
38           established in Title 22, section 3109; and

40           B. Six dollars to the Highway Fund for administrative and  
          production costs.

42           3. Design. The Secretary of State shall determine a design  
44           for the food security registration plates. The design must  
46           accommodate the use of numbers and letters as provided in section  
48           453. Upon request, the Secretary of State shall issue food  
50           security registration plates that are also vanity plates. Food  
          security vanity plates must be issued in accordance with the  
          provisions of this section and section 453. The annual service  
          fee of \$15 for vanity plates is credited to the Highway Fund.

2 4. Renewal fee. In addition to the regular motor vehicle  
4 registration fee prescribed by law, the annual renewal  
6 contribution for food security registration plates is \$15, which  
8 must be deposited with the Treasurer of State and credited as  
10 follows:

12 A. Fourteen dollars to the Maine Food Security Fund,  
14 established in Title 22, section 3109; and

16 B. One dollar to the Highway Fund for administrative and  
18 production costs.

20 5. Reimbursement for production and issuance costs. The  
22 Treasurer of State shall transfer annually from the Maine Food  
24 Security Fund to the Highway Fund \$6 for each initial set of food  
26 security registration plates issued and \$1 for each renewal of  
28 food security registration plates. This transfer is to reimburse  
30 the Secretary of State for costs associated with production and  
32 issuance of plates.

34 **Sec. 9. 36 MRSA §5219-L** is enacted to read:

36 **§5219-L. Earned income tax credit**

38 A taxpayer is allowed a refundable credit against the tax  
40 otherwise due under this Part. The amount of the credit is equal  
42 to 25% of the amount allowed as an earned income tax credit on  
44 the taxpayer's federal income tax return.

46 **Sec. 10. 36 MRSA §5220, sub-§7** is enacted to read:

48 7. Persons not required to file. Notwithstanding any other  
provisions of this Part, resident and nonresident individuals who  
are not required to file a federal tax return for the taxable  
year are not required to file a state income tax return and owe  
no tax under this Part.

50 **Sec. 11. 36 MRSA §5287** is enacted to read:

52 **§5287. Food security voluntary checkoff**

54 1. Maine Food Security Fund. Taxpayers who, when filing  
56 their return, are entitled to a refund under this Part may  
58 designate that a part of that refund be paid into the Maine Food  
60 Security Fund established in Title 22, section 3109. A taxpayer  
62 who is not entitled to a refund under this Part may contribute to  
64 the Maine Food Security Fund by including with that taxpayer's  
66 return sufficient funds to make the contribution. Each  
68 individual income tax return form must contain a designation in



2 substantially the following form: "Contribution to Maine Food  
3 Security Fund: ( ) \$5, ( ) \$10, ( ) \$25 or ( ) Other \$ ."

4 **2. Contributions credited to the Maine Food Security Fund.**  
5 The State Tax Assessor shall determine annually the total amount  
6 contributed pursuant to subsection 1. Prior to the beginning of  
7 the next year, the State Tax Assessor shall deduct the cost of  
8 administering the checkoff, but not exceeding \$5,000 annually,  
9 and report the remainder to the Treasurer of State, who shall  
10 credit that amount to the Maine Food Security Fund, established  
11 in Title 22, section 3109.

12  
13 **Sec. 12. Department of Human Services; Medicaid waiver.** The  
14 Department of Human Services shall take all actions necessary to  
15 apply for and secure a waiver under the federal Medicaid program  
16 to provide Medicaid coverage for families whose incomes do not  
17 exceed 185% of the federal poverty guidelines.

18  
19 **Sec. 13. Transitional child care.** When allocating funds under  
20 the federal Temporary Assistance to Needy Families block grant,  
21 the Department of Human Services shall maintain at least the same  
22 level of funding for transitional child care as provided in  
23 fiscal year 1996-97. The department shall seek any federal  
24 waivers necessary to comply with this section.

25  
26 **Sec. 14. Commission established.** The Maine Millenium  
27 Commission on Hunger and Food Security, referred to in this  
28 section as the "commission," is established.

29  
30 **1. Members.** The commission consists of 15 members  
31 appointed in September 1999 as follows: one Senator from the  
32 joint standing committee of the Legislature having jurisdiction  
33 over health and human services matters, appointed by the  
34 President of the Senate; 3 Representatives from the joint  
35 standing committee of the Legislature having jurisdiction over  
36 health and human services matters, appointed by the Speaker of  
37 the House of Representatives; one representative of the  
38 Department of Human Services, appointed by the Commissioner of  
39 Human Services; and 10 representatives of the general public,  
40 including representatives of business, labor, religion, private  
41 nonprofit charitable organizations, low-income organizations and  
42 agriculture and antihunger organizations, 4 of whom are appointed  
43 by the Governor, 3 by the President of the Senate and 3 by the  
44 Speaker of the House of Representatives.

45  
46 **2. Organizational meeting.** The commission shall hold an  
47 organizational meeting, called by the Chair of the Legislative  
48 Council, by December 1, 1999 and shall elect from among the  
49 members a chair and a vice-chair for the commission.

50



2           3. It establishes a state earned income tax credit equal to  
4           25% of the federal earned income tax credit.

6           4. It provides that persons not required to file for  
8           federal income tax purposes are not required to file for state  
10           income tax purposes and are not required to pay state income tax.

12           5. It reestablishes state participation in extended  
14           unemployment benefits.

16           6. It establishes that failure of child care or  
18           transportation arrangements necessary for work are not grounds  
20           for denying unemployment benefits.

22           7. It maintains transitional child care benefits at a  
24           minimum of the level for fiscal year 1996-97.

26           8. It requires the Department of Human Services to apply  
28           for a federal waiver to permit Medicaid coverage to families up  
30           to 185% of federal poverty guidelines.

32           9. It requires a school to participate in the school  
34           breakfast program if at least 35% of the students are eligible  
36           for free or reduced-price meals and permits the Department of  
38           Education to establish hardship grants to assist schools in  
40           compliance.

42           10. It establishes the Office of Food Security within the  
44           Department of Human Services to coordinate and monitor food  
46           assistance programs and administer a food security outreach  
            program and the Maine Food Security Fund.

            11. It provides for food security motor vehicle  
            registration plates with revenues distributed to the Maine Food  
            Security Fund.

            12. It provides a voluntary food security income tax  
            checkoff.

            13. It creates the Maine Millenium Commission on Hunger and  
            Food Security to evaluate the actions taken under the  
            recommendation of the Blue Ribbon Commission on Hunger and Food  
            Security and investigate the condition of the State with regard  
            to hunger and food security. The commission conducts its review  
            in the years 2000 and 2001 and reports to the Legislature that  
            convenes in December 2001.