

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 563

H.P. 421

House of Representatives, January 19, 1999

**An Act to Create Accountability for Money Spent on Auto Insurance for
Participants in the TANF Program.**

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative KASPRZAK of Newport.
Cosponsored by Senator DAVIS of Piscataquis and
Representatives: BRAGDON of Bangor, HEIDRICH of Oxford, McALEVEY of Waterboro,
McKENNEY of Cumberland, PINKHAM of Lamoine, USHER of Westbrook,
WATERHOUSE of Bridgton.

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

Sec. 1. 22 MRSA §3761, sub-§3 is enacted to read:

3. Insurance payments. The department shall pay emergency aid used for the payment of insurance on an automobile directly to the insurance agency or carrier on behalf of the applicant or TANF recipient. If automobile insurance that was paid by the department under this subsection is cancelled and a refund is due, the insurance agency or carrier shall pay the refund to the department.

Sec. 2. 22 MRSA §3763, sub-§§8 and 9, as enacted by PL 1997, c. 530, Pt. A, §16, are amended to read:

8. Alternative aid. To assist applicants who seek short-term assistance to obtain or retain employment, the department shall pay one-time voucher payments of up to 3 times the monthly TANF grant for which the family is eligible. If the family reapplies for TANF within 3 months of receiving alternative aid, the family must repay any alternative aid received in excess of the amount that the family would have received on TANF. The method of repayment must be the same as that used for the repayment of unintentional overpayments in the TANF program.

The department shall pay alternative aid used for the payment of insurance on an automobile directly to the insurance agent or carrier on behalf of the applicant or TANF recipient. If automobile insurance that was paid by the department under this subsection is cancelled and a refund is due, the insurance agency or carrier shall pay the refund to the department.

9. Emergency assistance. The department shall establish and operate a program of emergency assistance to needy families with children. This program must provide benefits to needy families with children in emergency situations in which the family is deprived of the basic necessities essential to its support, including but not limited to, fire and other natural disasters, terminations of utility service or lack of adequate shelter.

A. In determining what constitutes an emergency with respect to utility terminations, the department shall grant assistance when an otherwise qualified family has received a disconnection notice and has exhausted their ability to negotiate and pay the terms of a reasonable payment arrangement.

2 B. The program may not be used to supplant local
responsibility for operating or funding a general assistance
4 program.

6 C. The department may not expend more than \$750,000 annually
of state general assistance funds for the purposes of
8 covering the cost of services set out in this subsection.

10 The department shall pay emergency assistance used for the
12 payment of insurance on an automobile directly to the insurance
14 agent or carrier on behalf of the applicant or TANF recipient.
If automobile insurance that was paid by the department under
this subsection is cancelled and a refund is due, the insurance
agency or carrier shall pay the refund to the department.

16 SUMMARY

18 This bill requires automobile insurance that is paid by the
20 Department of Human Services through the emergency assistance
Temporary Assistance for Needy Families program to be paid
22 directly to the insurance carrier or agency and any refund to be
paid to the department.