

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 451

H.P. 361

House of Representatives, February 1, 2001

**An Act to Create Accountability for Money Spent on Auto Insurance for
Participants in the Temporary Assistance for Needy Families Program.**

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

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative KASPRZAK of Newport.
Cosponsored by Senator DAVIS of Piscataquis and
Representatives: ANNIS of Dover-Foxcroft, DUPREY of Hampden, GLYNN of South
Portland, LABRECQUE of Gorham, MURPHY of Berwick, WATERHOUSE of Bridgton.

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

2
3 **Sec. 1. 22 MRSA §3761, sub-§3** is enacted to read:

4
5 **3. Insurance payments.** The department shall pay emergency
6 aid used for the payment of insurance on an automobile directly
7 to the insurance agency or carrier on behalf of the applicant or
8 recipient of assistance under the Temporary Assistance for Needy
9 Families program under Chapter 1053-B. If automobile insurance
10 that was paid by the department under this subsection is
11 cancelled and a refund is due, the insurance agency or carrier
12 shall pay the refund to the department.

13 **Sec. 2. 22 MRSA §3763, sub-§§8 and 9,** as enacted by PL 1997, c.
14 530, Pt. A, §16, are amended to read:

15
16 **8. Alternative aid.** To assist applicants who seek
17 short-term assistance to obtain or retain employment, the
18 department shall pay one-time voucher payments of up to 3 times
19 the monthly TANF grant for which the family is eligible. If the
20 family reapplies for TANF within 3 months of receiving
21 alternative aid, the family must repay any alternative aid
22 received in excess of the amount that the family would have
23 received on TANF. The method of repayment must be the same as
24 that used for the repayment of unintentional overpayments in the
25 TANF program.

26
27 The department shall pay alternative aid used for the payment of
28 insurance on an automobile directly to the insurance agent or
29 carrier on behalf of the applicant or TANF recipient. If
30 automobile insurance that was paid by the department under this
31 subsection is cancelled and a refund is due, the insurance agency
32 or carrier shall pay the refund to the department.

33
34 **9. Emergency assistance.** The department shall establish
35 and operate a program of emergency assistance to needy families
36 with children. This program must provide benefits to needy
37 families with children in emergency situations in which the
38 family is deprived of the basic necessities essential to its
39 support, including but not limited to, fire and other natural
40 disasters, terminations of utility service or lack of adequate
41 shelter.

42
43 **A.** In determining what constitutes an emergency with
44 respect to utility terminations, the department shall grant
45 assistance when an otherwise qualified family has received a
46 disconnection notice and has exhausted their ability to
47 negotiate and pay the terms of a reasonable payment
48 arrangement.

49
50

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

16
18 **SUMMARY**

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