MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

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No. 1268

H.P. 868

House of Representatives, April 7, 2015

An Act To Reform Welfare by Establishing Bridges to Sustainable Employment

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

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative GATTINE of Westbrook.
Cosponsored by Senator HASKELL of Cumberland and
Representatives: Speaker EVES of North Berwick, HAMANN of South Portland, ROTUNDO of Lewiston, STUCKEY of Portland, Senator: SAVIELLO of Franklin.

Be it enacted by the People of the State of Maine as follows: Sec. 1. 22 MRSA §3732, sub-§9 is enacted to read:

- 9. Eligible applicants with irregular hours of employment. The department shall establish rules that provide for reliable and uninterrupted access to subsidized child care for eligible applicants with irregular hours of employment.
 - **Sec. 2. 22 MRSA §3736, sub-§3** is enacted to read:
 - 3. Application; effective date. If an applicant for child care programs administered under this chapter is determined eligible, child care assistance begins on the date of application and must be provided retroactively to the date of application.
- Sec. 3. 22 MRSA §3762, sub-§3, as amended by PL 2013, c. 368, Pt. OO, §3 and Pt. UUU, §1 and affected by Pt. UUU, §2, is further amended to read:
 - **3. Administration.** The department may administer and operate a program of aid to needy dependent children, called "Temporary Assistance for Needy Families" or "TANF," who are deprived of support or care due to the death, continued absence, physical or mental incapacity of a parent or the unemployment or underemployment of the principal wage earner in accordance with the United States Social Security Act, as amended by PRWORA and DRA, and this Title.
 - A. The department shall adopt rules as necessary to implement and administer the program. The rules must include eligibility criteria, budgeting process, benefit calculation and confidentiality. The confidentiality rules must ensure that confidentiality is maintained for TANF recipients at least to the same extent that confidentiality was maintained for families in the Aid to Families with Dependent Children program unless otherwise required by federal law or regulation.
 - B. The department may use funds, insofar as resources permit, provided under and in accordance with the United States Social Security Act or state funds appropriated for this purpose or a combination of state and federal funds to provide assistance to families under this chapter. In addition to assistance for families described in this subsection, funds must be expended for the following purposes:
 - (1) To continue the pass-through of the first \$50 per month of current child support collections and the exclusion of the \$50 pass-through from the budget tests and benefit calculations;
 - (2) To provide financial assistance to noncitizens legally admitted to the United States who are receiving assistance under this subsection as of July 1, 2011. Recipients of assistance under this subparagraph are limited to the categories of noncitizens who would be eligible for the TANF programs but for their status as aliens under PRWORA. Eligibility for the TANF program for these categories of noncitizens must be determined using the criteria applicable to other recipients of assistance from the TANF program. Any household receiving assistance as of July 1, 2011 may continue to receive assistance, as long as that household remains eligible, without regard to interruptions in coverage or gaps in eligibility

1 2 3 4	for service. A noncitizen legally admitted to the United States who is neither receiving assistance on July 1, 2011 nor has an application pending for assistance on July 1, 2011 that is later approved is not eligible for financial assistance through a state-funded program unless that noncitizen is:
5 6	(a) Elderly or disabled, as described under the laws governing supplemental security income in 42 United States Code, Sections 1381 to 1383f (2010);
7	(b) A victim of domestic violence;
8 9 10 11	(c) Experiencing other hardship, such as time necessary to obtain proper work documentation, as defined by the department by rule. Rules adopted by the department under this division are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A; or
12 13 14	(d) Unemployed but has obtained proper work documentation, as defined by the department by rule. Rules adopted by the department under this division are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A;
15 16 17 18	(3) To provide benefits to eertain 2-parent families whose deprivation is based on physical or mental incapacity with children using the same eligibility requirements as apply to families headed by a single custodial parent or caretaker relative;
19 20 21 22 23 24 25	(4) To provide an assistance program for needy children, 19 to 21 years of age, who are in full-time attendance in secondary school. The program is operated for those individuals who qualify for TANF under the United States Social Security Act, except that they fail to meet the age requirement, and is also operated for the parent or caretaker relative of those individuals. Except for the age requirement, all provisions of TANF, including the standard of need and the amount of assistance, apply to the program established pursuant to this subparagraph;
26 27 28 29 30	(5) To provide assistance for a pregnant woman who is otherwise eligible for assistance under this chapter, except that she has no dependents under 19 years of age. An individual is eligible for the monthly benefit for one eligible person if the medically substantiated expected date of the birth of her child is not more than 90 days following the date the benefit is received;
31 32 33 34 35 36 37	(6) To provide a special housing allowance for TANF families whose shelter expenses for rent, mortgage or similar payments, homeowners insurance and property taxes equal or exceed 75% of their monthly income. The special housing allowance is limited to \$200 per month for each family. For purposes of this subparagraph, "monthly income" means the total of the TANF monthly benefit and all income countable under the TANF program, plus child support received by the family, excluding the \$50 pass-through payment;
38 39 40	(7) In determining benefit levels for TANF recipients who have earnings from employment, the department shall disregard from monthly earnings the following:
41	(a) One hundred and eight dollars:

1 2	(b) Fifty percent of the remaining earnings that are less than the federal poverty level; and
3 4 5	(c) All actual child care costs necessary for work, except that the department may limit the child care disregard to \$175 per month per child or \$200 per month per child under 2 years of age or with special needs;
6 7 8 9 10	(7-A) In determining eligibility and benefit levels, the department may apply a gross income test only to applicants and not recipients and shall disregard the following from the monthly earnings of recipients for the first 2 months of employment during a period of continuous receipt of assistance uninterrupted by a break in assistance of one month or more:
11	(a) 100% of all earned income; and
12 13 14	(b) All actual child care costs necessary for work, except that the department may limit the child care disregard to \$175 per month per child or \$200 per month per child under 2 years of age or with special needs;
15 16 17 18 19	(7-B) In determining eligibility and benefit levels, the department may apply a gross income test only to applicants and not recipients and shall disregard the following from the monthly earnings of recipients from the beginning of the 3rd month of employment during a period of continuous receipt of assistance uninterrupted by a break in assistance of one month or more:
20	(a) Two hundred and fifty dollars;
21 22	(b) Fifty percent of the remaining earnings that are less than the federal poverty level; and
23 24 25	(c) All actual child care costs necessary for work, except that the department may limit the child care disregard to \$175 per month per child or \$200 per month per child under 2 years of age or with special needs;
26 27 28 29	(8) In cases when the TANF recipient has no child care cost, the monthly TANF benefit is the maximum payment level or the difference between the countable earnings and the standard of need established by rule adopted by the department, whichever is lower;
30 31 32 33 34 35 36	(9) In cases when the TANF recipient has child care costs, the department shall determine a total benefit package, including TANF cash assistance, determined in accordance with subparagraph (7) subparagraphs (7-A) and (7-B) and additional child care assistance, as provided by rule, necessary to cover the TANF recipient's actual child care costs up to the maximum amount specified in section 3782-A, subsection 5. The benefit amount must be paid as provided in this subparagraph.
37 38 39 40 41	(a) Before the first month in which child care assistance is available to an ASPIRE-TANF recipient under this paragraph and periodically thereafter, the department shall notify the recipient of the total benefit package and the following options of the recipient: to receive the total benefit package directly; or to have the department pay the recipient's child care assistance

directly to the designated child care provider for the recipient and pay the balance of the total benefit package to the recipient.

- (b) If an ASPIRE-TANF recipient notifies the department that the recipient chooses to receive the child care assistance directly, the department shall pay the total benefit package to the recipient.
- (c) If an ASPIRE-TANF recipient does not respond or notifies the department of the choice to have the child care assistance paid directly to the child care provider from the total benefit package, the department shall pay the child care assistance directly to the designated child care provider for the recipient. The department shall pay the balance of the total benefit package to the recipient;
- (10) Child care assistance under this paragraph must be paid by the department in a prompt manner that permits an ASPIRE-TANF recipient to access child care necessary for work; and
- (11) The department shall adopt rules pursuant to Title 5, chapter 375 to implement this subsection. Rules adopted pursuant to this subparagraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Sec. 4. 22 MRSA §3763, sub-§8,** as amended by PL 2005, c. 522, §1, is further amended to read:
- **8. Alternative aid.** The department shall provide alternative aid to applicants who seek short-term assistance in order to obtain or retain employment. The applicants must meet the eligibility requirements established by rule adopted pursuant to section 3762, subsection 3, paragraph A. Two-parent families are eligible for alternative aid using the same eligibility requirements as families headed by a single custodial parent or caretaker relative. The alternative aid may not exceed 3 times the value of the monthly TANF grant for which the applicant's family is eligible. An eligible applicant may receive alternative aid no more than once during any 12-month period. If the family reapplies for TANF within 3 months of receiving alternative aid, the family shall 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.

Sec. 5. 22 MRSA §3782-A, sub-§1-A is enacted to read:

1-A. Specialized navigator services for employment supports. The department shall appoint a navigator to provide specialized navigator services for each participating family to assist that family in understanding rules and policies that provide support to those with earned income. The navigator shall offer each participating family the opportunity for an in-person meeting to learn how earned income affects benefit levels and transitional work supports including child care, transportation, medical and food assistance. The navigator shall advise the family on ways to maximize opportunities to achieve earned income without a corresponding loss of benefits and strategies to increase wages and improve employment prospects.

Sec. 6. 22 MRSA §3788, sub-§6-A is enacted to read:

6-A. Structured pathways development. The department shall collaborate with the Department of Labor, employers in the State, the Maine Community College System and the University of Maine System to establish structured pathways leading to education, training and employment opportunities for any person eligible for the TANF program whether or not the person is receiving TANF cash assistance under the ASPIRE-TANF program. Structured pathways combine basic skills instruction with professional technical instruction leading to postsecondary credentials for jobs in demand in the State offering high wages and opportunities for career advancement. Pathways participants must be provided the same support services available to ASPIRE-TANF participants pursuant to this section. Pathways may include a transitional job, subsidized employment or an apprenticeship model that combines with a public-private partnership involving both employment and education when necessary and appropriate to the needs of the pathways participant. Any subsidized employment position established pursuant to this subsection must meet the requirements of Title 26, section 2171-A.

- Sec. 7. Department of Health and Human Services to convene a working group to improve employment outcomes through improved access to reliable transportation. The Commissioner of Health and Human Services, or the commissioner's designee, shall convene a working group to review and make recommendations to establish a program to provide access to reliable transportation for families that qualify for assistance under the Temporary Assistance for Needy Families, or TANF, program, whether or not they receive TANF cash assistance at the time they are working or are actively seeking employment. The commissioner or the commissioner's designee shall convene the first meeting of the working group no later than October 1, 2015.
- **1. Members.** The working group consists of 7 voting members. The commissioner, or the commissioner's designee, shall serve as a voting member. The commissioner shall appoint the following 6 additional members:
 - A. A representative of a nonprofit agency in the State with experience administering a program that facilitates the purchase of motor vehicles by persons with low income;
 - B. A representative of a nonprofit community action agency in the State with experience in the provision of transportation to persons with low income;
 - C. A representative of the Department of Transportation who is familiar with federal programs or other programs intended to provide transportation assistance for working families;
 - D. A representative of an advocacy organization representing the interests of persons with low income who has expertise in policy and legal matters relating to public assistance programs;
 - E. An employee employed by a career center that works directly with persons with low income who are employed or seeking employment; and
- F. A person with a low income who has experienced difficulty in obtaining or maintaining employment because of a lack of access to reliable transportation.

The commissioner shall arrange for the working group to consult as necessary and appropriate with nonprofit organizations within New England whose mission is to create economic opportunity by providing affordable and reliable transportation options for needy persons.

2. Duties. The working group shall:

- A. Review other transportation access programs in New England and elsewhere designed to provide access to affordable transportation for persons with low income who are employed or seeking employment, including car donation programs, low-interest loan programs, public or private nonprofit transportation providers and ride assistance programs;
- B. Examine past experience of the Department of Health and Human Services in implementing similar transportation access programs and evaluate the successes and failures of those transportation access programs;
- C. Determine what the standards for affordability must be to ensure that the transportation access program is administered in a manner that will best ensure access to needed transportation by families with low income;
- D. Examine opportunities to purchase or arrange for the donation of retired state or municipal vehicles to benefit recipients of the transportation access program; and
- E. Recommend methods and standards of administration that will, to the greatest extent feasible, ensure accountability, cost-effectiveness and uniform statewide access to transportation access program assistance.
- **3. Report.** No later than January 1, 2016, the Commissioner of Health and Human Services shall submit the report of the working group with recommendations, a copy of proposed rules pursuant to subsection 4, and any suggested legislation to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services.
- 4. Rulemaking. No later than February 1, 2016, the Department of Health and Human Services shall provisionally adopt major substantive rules in accordance with the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A that amend its Rule Chapter 331: Public Assistance Manual (TANF Temporary Assistance for Needy Families) consistent with the recommendations of the working group established in this section implementing a transportation access program for persons with low income who are employed or seeking employment. The Department of Health and Human Services is authorized to adopt emergency rules under Title 5, sections 8054 and 8073 as necessary to implement this subsection without the necessity of demonstrating that immediate adoption is necessary to avoid a threat to public health, safety or general welfare. The Department of Health and Human Services may use federal funds provided under the federal Social Security Act, Title IV, Part A or state funds that are used to meet the federal maintenance of effort requirements under TANF for costs associated with the implementation of a transportation access program.

1 SUMMARY

This bill makes the following changes to the laws governing public assistance, which are intended to provide bridges to employment:

- 1. Child care assistance begins on the date of application if the applicant is eligible;
- 2. The Department of Health and Human Services is directed to establish rules to provide uninterrupted access to subsidized child care for eligible persons with irregular hours of employment;
- 3. It provides Temporary Assistance for Needy Families, or TANF, benefits and alternative aid benefits to 2-parent families based on the same eligibility requirements as single-parent families have;
- 4. It changes the income amounts for TANF recipients who have employment earnings that are disregarded in calculating TANF benefits;
- 5. It directs the Department of Health and Human Services to set up specialized navigator services related to employment in the Additional Support for People in Retraining and Employment Temporary Assistance for Needy Families program so that families receiving TANF benefits understand how earned income affects benefit levels and work supports;
- 6. It requires the Department of Health and Human Services, Department of Labor, Maine employers, the Maine Community College System and the University of Maine System to establish structured pathways leading to education, training and employment opportunities for persons eligible for TANF; and
- 7. It requires the Commissioner of Health and Human Services to convene a working group to review and make recommendations to establish a program to provide access to reliable transportation for families that qualify for assistance under TANF. The commissioner must report the findings of the working group to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services by January 1, 2016. The Department of Health and Human Services must amend its TANF rules to incorporate the findings of the working group.