

MAINE STATE LEGISLATURE

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L.D. 1402

Date: 6/15/15

Majority

(Filing No. H- 420)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 951, L.D. 1402, Bill, "An Act To Reward Work Performed by Welfare Recipients"

Amend the bill by striking out all of section 1 and inserting the following:

Sec. 1. 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 must be provided retroactively to the date of application.

Sec. 2. 22 MRSA §3762, sub-§3, ¶B, as amended by PL 2013, c. 368, Pt. OO, §3 and amended by Pt. UUU, §1 and affected by §2, is further amended to read:

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 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

COMMITTEE AMENDMENT

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on July 1, 2011 that is later approved is not eligible for financial assistance through a state-funded program unless that noncitizen is:

(a) Elderly or disabled, as described under the laws governing supplemental security income in 42 United States Code, Sections 1381 to 1383f (2010);

(b) A victim of domestic violence;

(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

(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;

(3) To provide benefits to certain 2-parent families whose deprivation is based on physical or mental incapacity;

(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;

(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;

(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;

~~(7) In determining benefit levels for TANF recipients who have earnings from employment, the department shall disregard from monthly earnings the following:~~

~~(a) One hundred and eight dollars;~~

~~(b) Fifty percent of the remaining earnings that are less than the federal poverty level; and~~

1 ~~(e) All actual child care costs necessary for work, except that the department~~
2 ~~may limit the child care disregard to \$175 per month per child or \$200 per~~
3 ~~month per child under 2 years of age or with special needs;~~

4 (7-A) In determining eligibility and benefit levels, the department may apply a
5 gross income test only to applicants and not recipients of assistance.

6 (7-B) In determining benefit levels, the department shall disregard the following
7 amounts from monthly earnings:

8 (a) For a recipient employed 40 or more hours per week and who meets
9 work participation requirements as defined in federal TANF rules, 100% of
10 the gross earned income for the first full month of employment and the next
11 consecutive month of employment, 75% of the gross earned income for the
12 next 6 consecutive months of employment and \$108 and 50% of the
13 remaining gross earned income for each additional consecutive month of
14 employment thereafter;

15 (b) For a recipient employed less than 40 hours per week and who meets
16 work participation requirements as defined in federal TANF rules, 100% of
17 the gross earned income for the first full month of employment, 75% of the
18 gross earned income for the next 6 consecutive months of employment and
19 \$108 and 50% of the remaining gross earned income for each additional
20 consecutive month of employment thereafter;

21 (c) For all other recipients with earnings from employment, \$108 and 50%
22 of the remaining gross earned income; and

23 (d) All actual child care costs necessary for work, except that the department
24 may limit the amount disregarded for actual child care costs to \$175 per
25 month per child or \$200 per month per child under 2 years of age or with
26 special needs.

27 The department may disregard 100% of earnings for a recipient under
28 subparagraphs (a) and (b) only one time in a 12-month period;

29 (8) In cases when the TANF recipient has no child care cost, the monthly TANF
30 benefit is the maximum payment level or the difference between the countable
31 earnings and the standard of need established by rule adopted by the department,
32 whichever is lower;

33 (9) In cases when the TANF recipient has child care costs, the department shall
34 determine a total benefit package, including TANF cash assistance, determined in
35 accordance with subparagraph ~~(7)~~ (7-B) and additional child care assistance, as
36 provided by rule, necessary to cover the TANF recipient's actual child care costs
37 up to the maximum amount specified in section 3782-A, subsection 5. The
38 benefit amount must be paid as provided in this subparagraph.

39 (a) Before the first month in which child care assistance is available to an
40 ASPIRE-TANF recipient under this paragraph and periodically thereafter, the
41 department shall notify the recipient of the total benefit package and the

1 following options of the recipient: to receive the total benefit package
2 directly; or to have the department pay the recipient's child care assistance
3 directly to the designated child care provider for the recipient and pay the
4 balance of the total benefit package to the recipient.

5 (b) If an ASPIRE-TANF recipient notifies the department that the recipient
6 chooses to receive the child care assistance directly, the department shall pay
7 the total benefit package to the recipient.

8 (c) If an ASPIRE-TANF recipient does not respond or notifies the
9 department of the choice to have the child care assistance paid directly to the
10 child care provider from the total benefit package, the department shall pay
11 the child care assistance directly to the designated child care provider for the
12 recipient. The department shall pay the balance of the total benefit package
13 to the recipient;

14 (10) Child care assistance under this paragraph must be paid by the department
15 in a prompt manner that permits an ASPIRE-TANF recipient to access child care
16 necessary for work; and

17 (11) The department shall adopt rules pursuant to Title 5, chapter 375 to
18 implement this subsection. Rules adopted pursuant to this subparagraph are
19 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.'

20 Amend the bill by inserting after section 3 the following:

21 **'Sec. 4. Appropriations and allocations.** The following appropriations and
22 allocations are made.

23 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

24 **Temporary Assistance for Needy Families 0138**

25 Initiative: Provides funding to families with income less than 200% of the federal poverty
26 guidelines by placing funds in family development accounts.

27	FEDERAL BLOCK GRANT FUND	2015-16	2016-17
28	All Other	\$500,000	\$500,000
29			
30	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$500,000</u>	<u>\$500,000</u>

31 **Temporary Assistance for Needy Families 0138**

32 Initiative: Provides funding to revise the earnings from employment the Department of
33 Health and Human Services disregards when determining benefit levels for recipients
34 under the Temporary Assistance for Needy Families program.

1	FEDERAL BLOCK GRANT FUND	2015-16	2016-17
2	All Other	\$982,969	\$1,310,625
3			
4	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$982,969</u>	<u>\$1,310,625</u>

5 **Temporary Assistance for Needy Families 0138**

6 Initiative: Provides funding to increase the number of months eligible individuals may
7 receive transitional transportation benefits from 12 months to 18 months.

8	FEDERAL BLOCK GRANT FUND	2015-16	2016-17
9	All Other	\$581,908	\$775,878
10			
11	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$581,908</u>	<u>\$775,878</u>

12 **HEALTH AND HUMAN SERVICES,**
13 **DEPARTMENT OF (FORMERLY DHS)**
14 **DEPARTMENT TOTALS**

15		2015-16	2016-17
16	FEDERAL BLOCK GRANT FUND	\$2,064,877	\$2,586,503
17			
18	DEPARTMENT TOTAL - ALL FUNDS	<u>\$2,064,877</u>	<u>\$2,586,503</u>
19			

20 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
21 section number to read consecutively.

22 **SUMMARY**

23 This amendment, which is the majority report of the committee, modifies the section
24 of the bill relating to determination of benefit levels and eligibility for temporary
25 assistance for needy families, TANF. It provides that a gross income test may only be
26 applied to applicants and not recipients of assistance. It also directs the Department of
27 Health and Human Services, in determining benefit levels, to disregard the following
28 amounts of earnings:

29 1. For a recipient employed 40 or more hours per week and who meets work
30 participation requirements as defined in federal TANF rules, 100% of the gross earned
31 income for the first full month of employment and the next consecutive month of
32 employment, 75% of the gross earned income for the next 6 consecutive months of
33 employment and \$108 and 50% of the remaining gross earned income for each additional
34 consecutive month of employment thereafter;

35 2. For a recipient employed less than 40 hours per week and who meets work
36 participation requirements as defined in federal TANF rules, 100% of the gross earned
37 income for the first full month of employment, 75% of the gross earned income for the
38 next 6 consecutive months of employment and \$108 and 50% of the remaining gross
39 earned income for each additional consecutive month of employment thereafter;

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COMMITTEE AMENDMENT "A" to H.P. 951, L.D. 1402

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3. For all other recipients with earnings from employment, \$108 and 50% of the remaining earnings; and

4. All actual child care costs necessary for work, except that the department may limit the amount disregarded for actual child care costs to \$175 per month per child or \$200 per month per child under 2 years of age or with special needs.

This amendment also provides that if an applicant for child care programs is determined eligible, child care assistance must be provided retroactively to the date of application. The amendment adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)



127th MAINE LEGISLATURE

LD 1402

LR 2006(02)

An Act To Reward Work Performed by Welfare Recipients

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-420)

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Appropriations/Allocations				
Federal Block Grant Fund	\$2,064,877	\$2,586,503	\$2,586,503	\$2,586,503
Revenue				
Federal Block Grant Fund	\$2,064,877	\$2,586,503	\$2,586,503	\$2,586,503

Fiscal Detail and Notes

This bill includes a Federal Block Grant Fund allocation to the Department of Health and Human Services (DHHS) of \$2,064,877 in fiscal year 2015-16 and \$2,586,503 in fiscal year 2016-17 to increase payments to recipients from revising the earnings from employment the DHHS disregards when determining benefit levels for recipients under the Temporary Assistance for Needy Families program, to increase the number of months eligible individuals may receive transitional transportation benefits from 12 months to 18 months and to promote financial literacy and healthy saving habits of families with income less than 200% of the federal poverty guidelines by placing funds in family development accounts. Any additional cost from making child care assistance retroactive to the application date is expected to be minor and absorbed within existing budgeted resources.