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H.P. 951

House of Representatives, May 12, 2015

An Act To Reward Work Performed by Welfare Recipients

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

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative FREDETTE of Newport. (GOVERNOR'S BILL) Cosponsored by President THIBODEAU of Waldo and Representatives: DUNPHY of Embden, FOLEY of Wells, SANDERSON of Chelsea, Senators: BRAKEY of Androscoggin, KATZ of Kennebec.

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

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Sec. 1. 22 MRSA §3762, sub-§3, ¶B, as amended by PL 2013, c. 368, Pt. OO, §3 and 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:

- 9 (1) To continue the pass-through of the first \$50 per month of current child 10 support collections and the exclusion of the \$50 pass-through from the budget 11 tests and benefit calculations;
- 12 (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. 13 Recipients of assistance under this subparagraph are limited to the categories of 14 15 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 16 noncitizens must be determined using the criteria applicable to other recipients of 17 assistance from the TANF program. Any household receiving assistance as of 18 July 1, 2011 may continue to receive assistance, as long as that household 19 20 remains eligible, without regard to interruptions in coverage or gaps in eligibility 21 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 22 23 on July 1, 2011 that is later approved is not eligible for financial assistance 24 through a state-funded program unless that noncitizen is:
- 25 (a) Elderly or disabled, as described under the laws governing supplemental
 26 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
- 32 (d) Unemployed but has obtained proper work documentation, as defined by
 33 the department by rule. Rules adopted by the department under this division
 34 are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A;
- 35 (3) To provide benefits to certain 2-parent families whose deprivation is based on
 36 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,

1 2	all provisions of TANF, including the standard of need and the amount of assistance, apply to the program established pursuant to this subparagraph;
3 4 5 6 7	(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;
8 9 10 11 12 13 14	(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;
15 16 17	(7) In determining benefit levels for TANF recipients who have earnings from employment, the department shall disregard from monthly earnings the following:
18	(a) One hundred and eight dollars;
19 20	(b) Fifty percent of the remaining earnings that are less than the federal poverty level; and
21 22 23	(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;
24 25 26 27 28 29	(d) For a recipient employed 40 or more hours per week and who meets work participation requirements as defined in federal TANF rules, 100% of the gross earned income for the first full month of employment and the next consecutive month of employment, 75% of the gross earned income for the next 6 consecutive months of employment and 50% of the gross earned income for each additional consecutive month of employment thereafter; and
30 31 32 33 34 35	(e) For a recipient employed less than 40 hours per week and who meets work participation requirements as defined in federal TANF rules, 100% of the gross earned income for the first full month of employment, 75% of the gross earned income for the next 6 consecutive months of employment and 50% of the gross earned income for each additional consecutive month of employment thereafter.
36 37	The department may disregard 100% of earnings for a recipient under this subparagraph only one time in a 12-month period;
38 39 40 41	(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;

1 2 3 4 5 6	(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) 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.
7 8 9 10 11 12 13	(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.
14 15 16	(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.
17 18 19 20 21 22	(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;
23 24 25	(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
26 27 28	(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.
29 30	Sec. 2. 22 MRSA §3762, sub-§8, ¶B, as amended by PL 2013, c. 97, §1, is further amended to read:
31 32 33 34 35 36 37 38 39	B. The department shall provide limited transitional transportation benefits to meet employment-related costs to ASPIRE-TANF program participants who lose eligibility for TANF assistance due to employment. The department may also make transitional transportation benefits available to families in which one or both adults are working and who, although they remain financially eligible for TANF benefits, request that their benefits be terminated. Benefits may be provided for up to $\frac{12}{12}$ <u>18</u> months following loss of TANF eligibility. The department may adopt rules that impose a weekly limit on available transitional transportation benefits and that require a contribution from each participant toward the cost of transportation.

40 Sec. 3. 22 MRSA §3769-D is enacted to read:

1§3769-D. Temporary Assistance for Needy Families block grant; family2development accounts

In fiscal year 2016-17 and annually thereafter, the Department of Health and Human
 Services may use \$500,000 in funds provided under the Temporary Assistance for Needy
 Families block grant to promote financial literacy and healthy saving habits of families
 with income less than 200% of the federal poverty guidelines through the placement of
 funds in family development accounts established pursuant to Title 10, chapter 110,
 subchapter 4-A.

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SUMMARY

10 This bill revises the earnings from employment the Department of Health and Human 11 Services disregards when determining benefit levels for recipients under the Temporary 12 Assistance for Needy Families program in order to provide recipients who are working 13 with a greater earnings disregard depending on the amount of hours they work per week 14 and whether or not they are meeting federal work participation requirements.

15 The bill also increases the number of months eligible individuals may receive 16 transitional transportation benefits from 12 months to 18 months.

17 The bill also authorizes the Department of Health and Human Services, beginning in 18 fiscal year 2016-17, to use \$500,000 from the Temporary Assistance for Needy Families 19 block grant to promote financial literacy and healthy saving habits of families with 20 income less than 200% of the federal poverty guidelines by placing funds in family 21 development accounts.