

MAINE STATE LEGISLATURE

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Date: 6/2/17 Report A

L.D. 1475
(Filing No. H-401)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
128TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1014, L.D. 1475, Bill, "An Act To Reduce Child Poverty by Leveraging Investments in Families Today"

Amend the bill in section 7 in §3769-F in subsection 1 in paragraph A in the first line (page 8, line 31 in L.D.) by striking out the following: "3-year" and inserting the following: '4-year'

Amend the bill in section 7 in §3769-F in subsection 1 in paragraph A in the 3rd line (page 8, line 33 in L.D.) by striking out the following: "3-year" and inserting the following: '4-year'

Amend the bill in section 7 in §3769-F in subsection 10 in the 2nd line (page 10, line 17 in L.D.) by inserting after the following: "loan payment" the following: ', if any,'

Amend the bill in section 7 in §3769-G in subsection 2 by striking out all of paragraph A (page 11, lines 19 to 23 in L.D.) and inserting the following:

'A. The program must provide grants in those areas of the State where the need is greatest. The department must determine the areas with greatest need by considering a matrix of factors, including general assistance expenditures; waiting lists, if any; the recommendations of experienced homeless services providers and clinicians; and other reliable data relevant to a determination.'

Amend the bill in section 7 in §3769-G by striking out all of subsection 4 (page 12, lines 1 to 3 in L.D.) and inserting the following:

'4. Funds. The department shall use \$1,100,000 in funds from the TANF federal block grant or accrued prior to fiscal year 2017-18 to provide services under this section.'

Amend the bill in section 7 by striking out all of §3769-H.

Amend the bill in section 9 in §5219-S by striking out all of subsections 1 to 3 and inserting the following:

'1. Resident taxpayer. A resident individual with one or more minor dependents is allowed a credit against the tax otherwise due under this Part in the amount of 15% of the federal earned income tax credit if taxable income is equal to or less than 100% of the

COMMITTEE AMENDMENT

1 federal poverty level, as defined in Title 22, section 3762, subsection 1, paragraph C, and
2 10% of the federal earned income tax credit if taxable income is between 101% and
3 150% of the federal poverty level for the same taxable year. All other resident
4 individuals, regardless of whether they have minor dependents, are allowed a credit
5 against the tax otherwise due under this Part in the amount of 5% of the federal earned
6 income credit for the same taxable year, except that for tax years beginning in 2009 and
7 2010, the applicable percentage is 4%.

8 **2. Nonresident taxpayer.** A nonresident individual with one or more minor
9 dependents is allowed a credit against the tax otherwise due under this Part in the amount
10 of 15% of the federal earned income tax credit if taxable income is equal to or less than
11 100% of the federal poverty level, as defined in Title 22, section 3762, subsection 1,
12 paragraph C, and 10% of the federal earned income tax credit if taxable income is
13 between 101% and 150% of the federal poverty level for the same taxable year. All other
14 nonresident individuals, regardless of whether they have minor dependents, are allowed a
15 credit against the tax otherwise due under this Part in the amount of 5% of the federal
16 earned income credit for the same taxable year, except that for tax years beginning in
17 2009 and 2010, the applicable percentage is 4%, multiplied by the ratio of the individual's
18 Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to
19 the individual's entire federal adjusted gross income, as modified by section 5122.

20 **3. Part-year resident taxpayer.** An individual with one or more minor dependents
21 who files a return as a part-year resident in accordance with section 5224-A is allowed a
22 credit against the tax otherwise due under this Part in the amount of 15% of the federal
23 earned income tax credit if taxable income is equal to or less than 100% of the federal
24 poverty level, as defined in Title 22, section 3762, subsection 1, paragraph C, and 10% of
25 the federal earned income tax credit if taxable income is between 101% and 150% of the
26 federal poverty level for the same taxable year. All other individuals who file returns as
27 part-year residents, regardless of whether they have minor dependents, are allowed a
28 credit against the tax otherwise due under this Part in the amount of 5% of the federal
29 earned income credit for the same taxable year, except that for tax years beginning in
30 2009 and 2010, the applicable percentage is 4%, multiplied by a ratio, the numerator of
31 which is the individual's Maine adjusted gross income as defined in section 5102,
32 subsection 1-C, paragraph A for that portion of the taxable year during which the
33 individual was a resident plus the individual's Maine adjusted gross income as defined in
34 section 5102, subsection 1-C, paragraph B for that portion of the taxable year during
35 which the individual was a nonresident and the denominator of which is the individual's
36 entire federal adjusted gross income, as modified by section 5122.'

37 Amend the bill in section 11 in the 3rd and 4th lines (page 14, lines 21 and 22 in
38 L.D.) by striking out the following: "sections 3769-F and 3769-H" and inserting the
39 following: 'section 3769-F'

40 Amend the bill by inserting after section 11 the following:

41 **'Sec. 12. Appropriations and allocations.** The following appropriations and
42 allocations are made.

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

44 **Additional Support for People in Retraining and Employment 0146**

1 Initiative: Provides allocations to increase the payment rates to the 75th percentile of
 2 local market rates for payments the department makes on behalf of recipients of benefits
 3 under the Additional Support for People in Retraining and Employment - Temporary
 4 Assistance for Needy Families program.

5	FEDERAL BLOCK GRANT FUND	2017-18	2018-19
6	All Other	\$580,909	\$774,546
7			
8	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$580,909</u>	<u>\$774,546</u>

9 **Child Care Services 0563**

10 Initiative: Provides funding to increase the payment rates to the 75th percentile of local
 11 market rates for payments the department makes on behalf of recipients of benefits under
 12 the child care subsidy program.

13	GENERAL FUND	2017-18	2018-19
14	All Other	\$3,043,965	\$4,058,620
15			
16	GENERAL FUND TOTAL	<u>\$3,043,965</u>	<u>\$4,058,620</u>

17 **Temporary Assistance for Needy Families 0138**

18 Initiative: Provides allocations to increase the payment rates to the 75th percentile of
 19 local market rates for payments the department makes on behalf of recipients of benefits
 20 under the Temporary Assistance for Needy Families program.

21	FEDERAL BLOCK GRANT FUND	2017-18	2018-19
22	All Other	\$1,258,083	\$1,677,444
23			
24	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$1,258,083</u>	<u>\$1,677,444</u>

25 **Temporary Assistance for Needy Families 0138**

26 Initiative: Provides allocations for multiple program changes in the Temporary Assistance
 27 for Needy Families program.

28	FEDERAL BLOCK GRANT FUND	2017-18	2018-19
29	All Other	\$36,539,678	\$41,438,158
30			
31	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$36,539,678</u>	<u>\$41,438,158</u>

32 **Temporary Assistance for Needy Families 0138**

33 Initiative: Provides allocations for one Statistician III position to collect data to measure
 34 the status of child and family economic security and establish benchmarks on an annual

COMMITTEE AMENDMENT "A" to H.P. 1014, L.D. 1475

1 basis to monitor year-to-year improvement in the well-being of families with children in
2 the State.

3	FEDERAL BLOCK GRANT FUND	2017-18	2018-19
4	POSITIONS - LEGISLATIVE COUNT	1,000	1,000
5	Personal Services	\$71,834	\$74,468
6	All Other	\$8,926	\$9,015
7			
8	FEDERAL BLOCK GRANT FUND TOTAL	<u>\$80,760</u>	<u>\$83,483</u>

9	HEALTH AND HUMAN SERVICES,		
10	DEPARTMENT OF (FORMERLY DHS)		
11	DEPARTMENT TOTALS	2017-18	2018-19
12			
13	GENERAL FUND	\$3,043,965	\$4,058,620
14	FEDERAL BLOCK GRANT FUND	\$38,459,430	\$43,973,631
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$41,503,395</u>	<u>\$48,032,251</u>
17			

18 **SUMMARY**

19 This amendment, which is the majority report of the committee, makes the following
20 changes to the bill.

21 1. It removes from the bill the program that reduces energy use and improves heating
22 affordability.

23 2. It changes the enrollment period for participants in the Working Cars for Working
24 Families Program from 3 years to 4 years. It also clarifies that participants must
25 designate 15% of the monthly loan payment for deposit only if they have a loan.

26 3. It makes minor changes to the factors to be considered in making grants under the
27 Addiction Prevention and Family Stabilization Program. It also removes the years for
28 which the \$1,100,000 in TANF funds must be used.

29 4. It clarifies that taxpayers with one or more minor dependents are eligible for the
30 enhanced earned income tax credit in the bill.

31 The amendment adds an appropriations and allocations section.

32 **FISCAL NOTE REQUIRED**

33 (See attached)



128th MAINE LEGISLATURE

LD 1475

LR 1316(02)

An Act To Reduce Child Poverty by Leveraging Investments in Families Today

Fiscal Note for Bill as Amended by Committee Amendment *A (H-401)*

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$3,043,965	\$4,058,620	\$4,058,620	\$4,058,620
Appropriations/Allocations				
General Fund	\$3,043,965	\$4,058,620	\$4,058,620	\$4,058,620
Federal Block Grant Fund	\$38,459,430	\$43,973,631	\$43,985,098	\$43,996,973
Revenue				
Federal Block Grant Fund	\$39,709,431	\$45,223,631	\$45,235,097	\$45,246,971

Fiscal Detail and Notes

The bill includes General Fund appropriations to the Department of Health and Human Services of \$3,043,965 in fiscal year 2017-18 and \$4,058,620 in fiscal year 2018-19 to increase the payment rates to the 75th percentile of local market rates for payments the department makes on behalf of recipients of benefits under the child care subsidy program. Federal Block Grant Fund allocations are also included of \$38,459,430 in fiscal year 2017-18 and \$43,973,631 in fiscal year 2018-19 for multiple program changes in the Temporary Assistance for Needy Families program.

The provision in this bill that requires the Department of Health and Human Services to provide the Maine State Housing Authority (MSHA) with a fee to administer the voucher program for housing assistance is anticipated to be sufficient to cover the costs to MSHA and additional General Fund appropriations will not be required.