

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 945

H.P. 592

House of Representatives, March 2, 2023

**An Act to Allow Maine Families to Increase Their Savings by
Removing Asset Limits for Eligibility for the Temporary Assistance
for Needy Families Program**

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

A handwritten signature in black ink that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative MEYER of Eliot.
Cosponsored by Senator CARNEY of Cumberland and
Representatives: BRENNAN of Portland, CLOUTIER of Lewiston, CRAVEN of Lewiston,
GATTINE of Westbrook, LaROCHELLE of Augusta, MADIGAN of Waterville, RANA of
Bangor, SHAGOURY of Hallowell.

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

2 **Sec. 1. 22 MRSA §3762, sub-§3, ¶A**, as enacted by PL 1997, c. 530, Pt. A, §16,
3 is amended to read:

4 A. The department shall adopt rules as necessary to implement and administer the
5 program. The rules must include eligibility criteria, budgeting process, benefit
6 calculation and confidentiality. The department may not impose an asset test or limit
7 for eligibility for the program. The confidentiality rules must ensure that
8 confidentiality is maintained for TANF recipients at least to the same extent that
9 confidentiality was maintained for families in the Aid to Families with Dependent
10 Children program unless otherwise required by federal law or regulation.

11 **Sec. 2. 22 MRSA §3762, sub-§11**, as enacted by PL 1997, c. 530, Pt. A, §16, is
12 amended to read:

13 **11. Treatment of lump sum income.** For the purpose of determining eligibility for
14 and the amount of assistance under TANF, the department shall treat any nonrecurring
15 lump sum income received by a family in accordance with this subsection.

16 A. Nonrecurring lump sum income includes, but is not limited to, personal injury
17 awards, lottery winnings, inheritances and similar nonrecurring forms of income. It
18 does not include income earmarked by the payor for particular expenses such as awards
19 or insurance proceeds earmarked for medical expenses, attorney's fees or the
20 replacement of lost property. ~~Proceeds from the conversion of a nonliquid asset to a~~
21 ~~liquid asset must be treated as an asset and not as nonrecurring lump sum income.~~

22 B. Up to \$10,000 of nonrecurring lump sum income must be disregarded as income
23 ~~and excluded as an asset~~ if used for the following purposes within 30 days of its receipt:

- 24 (1) Deposit in a separate identifiable account, approved by the department.
25 Withdrawals from such an account may only be for the purposes identified in
26 subparagraphs (2) to (6) and paragraph C;
- 27 (2) Expenses for education or job training to attend an accredited or approved
28 postsecondary education or training institution;
- 29 (3) The purchase or repair of a home that is the family's principal residence;
- 30 (4) The purchase or repair of a vehicle used for transportation to work or to attend
31 an education or training program;
- 32 (5) Capital to start a small business for any family member 18 years of age or
33 older; or
- 34 (6) Placement in a family development account authorized by state law, to the
35 extent that the total balance of such an account remains below \$10,000.

36 C. The department shall disregard from income ~~and exclude as an asset~~ nonrecurring
37 lump sum income used within 30 days of receipt or money withdrawn from an account
38 established pursuant to paragraph B, subparagraph (1) or (6), if it is used for the
39 purposes stated in paragraph B, subparagraphs (2) to (6) or to meet the following needs:

- 40 (1) Health care costs of a household member that are medically necessary and that
41 are not covered by public or private insurance;

- 1 (2) To address an emergency that may cause the loss of shelter, employment or
 - 2 other basic necessities; or
 - 3 (3) To address other essential family needs approved by the department.
- 4 D. Nonrecurring ~~lump sum income in excess of the asset limit established in the TANF~~
5 ~~program that is used for purposes other than those enumerated in paragraphs B or C~~
6 ~~and nonrecurring~~ lump sum income in excess of \$10,000 ~~plus that asset limit~~ must be
7 counted as income and cause the household to be disqualified from receiving TANF
8 assistance under this chapter. The household is disqualified for a period of months
9 calculated by dividing the income countable under this paragraph by the standard of
10 need established by the department for the household.

11 **SUMMARY**

12 This bill directs the Department of Health and Human Services to establish eligibility
13 rules for the Temporary Assistance for Needy Families program that do not include an asset
14 test or limit and removes references to the asset limit in statute.