

SPECIAL SESSION

EIGHTY-NINTH LEGISLATURE

Legislative Document

S. P. 746

House of Representatives, June 6, 1940.

Referred to Committee on Judiciary and sent up for concurrence. 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED FORTY

June 5, 1940

To the President and Members of the Senate:

To the Speaker and Members of the House:

I herewith transmit for the consideration of the Legislature a memorandum received yesterday from the Commissioner of Health and Welfare in reference to the activity known as "Aid to Dependent Children."

As the memorandum indicates, a slight revision in existing State law apparently is necessary in order for the State of Maine to receive the maximum amount provided under Federal law. If such a change were made, it would appear that the State of Maine would benefit on existing cases to the extent of \$15,528 per year from Federal funds. Of this amount, present State funds would benefit to the extent of \$10,200 per year and municipal payments would benefit to the extent of \$5,300 per year.

If, in the opinion of the Legislature, this is sufficient cause to consider an amendment to our existing law, I trust the necessary legislation may be prepared and introduced.

Respectfully submitted,

LEWIS O. BARROWS, Governor.

No. 1241

June <u>3</u> 1940.

To: Governor Barrows

From: Mr. Joel Earnest

Under the provisions of the Social Security Act passed in 1935, federal funds for matching payments for Aid to Dependent Children were limited to children under 16 years of age. A recent amendment to the Social Security Act provides that if the State law permits, federal matching funds may be extended to children between the ages of 16 and 18 years who are regularly attending school. Our State ADC law (Chapter 177, P. L. 1937) defines the term "dependent child" as a child under 16 years of age but provides further that the amount of aid granted for any dependent child shall be determined with due regard to the resources and necessary expenditures of the family. Because of this latter provision, our ADC allowance to the children under 16 usually includes sufficient money to help support children between 16 and 18 years of age in the family who are regularly attending school. In order to secure federal matching funds for payments now being made from State funds in behalf of these older children, it will be necessary to amend the definition of "dependent child" in our State law.

A survey of the 1,434 active ADC cases made by the Bureau of Social Welfare on May 1, 1940 showed that there are 406 children in these families between the ages of 16 and 18 who are regularly attending school. If the definition of "dependent child" in our State law were amended to include these older children, we would receive additional federal funds at the rate of \$15,528.00 per year for assistance now being given wholly from state and town funds toward the support of the 406 children over 16 who are attending school. For example, there is an ADC family consisting of a mother and three children, 13, 15, and 17 years of age respectively. All of the children are attending school and the mother receives an ADC allowance of \$45.00 per month. We are receiving \$15.00 per month from federal funds for this family at present because the Social Security Board pays one-half of an allowance up to a maximum allowance of \$.8.00 per month for the first child; i.e., \$9.00, and one-half of \$12.00 per month; i.e., \$6.00 for each succeeding child. If the definition of "dependent child" in our State law were amended to include children between 16 and 18 regularly attending school, the 17 year old child in this family would also be eligible for participation in payments from federal funds; i.e., onehalf of \$12.00, and we would receive \$21.00 per month from Social Security funds for this family instead of \$15.00 per month as at present. The mother would of course continue to receive the \$45.00 per month which she needs to support her family.

Of the approximately \$15,500.00 additional federal funds which would be received annually by the State of Maine, the sum of \$10,200.00 would be the amount of state funds released and the sum of \$5,300.00 would be the sum of town funds released from payments now being made to present recipients of ADC.

If legislation is drafted to accomplish this purpose, it should presumably be somewhat to the effect that the term "dependent child" should include children between the ages of 16 and 18 years who are regularly attending school, but provide further that such children will only be considered eligible for assistance if there are other children under the age of 16 in the family. This latter proviso, or some similar provision, would be necessary to prevent opening a whole new class of cases for eligibility to ADC unless it is the desire of the legislature to broaden the ADC program.