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## **An Act To Assist Children Who Are Not Receiving Court-ordered Child Support Payments**

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

**Sec. 1. 22 MRSA §3173, 2nd ¶**, as repealed and replaced by PL 1979, c. 127, §144, is amended to read:

The department is authorized and empowered to make all necessary rules and regulations consistent with the laws of the State for the administration of these programs including, but not limited to, establishing conditions of eligibility and types and amounts of aid to be provided, and defining the term "medically indigent," and the type of medical care to be provided. The department shall exclude unpaid court-ordered child support from calculations to determine eligibility for applicants who are entitled to receive court-ordered child support as part of their income. In administering programs of aid, the department shall, among other services, emphasize developing and providing financial support for preventive health care and home health care in order to assure that a comprehensive range of health care services is available to Maine citizens. Preventive health services shall include, but need not be limited to, programs such as early periodic screening, diagnosis and treatment; public school nursing services; child and maternal health services; and dental health education services. To meet the expenses of emphasizing preventive health care and home health care, the department is authorized to expend for each type of care no less than 1.5% of the total sum of all funds available to administer medical or remedial care and services eligible for participation under the United States Social Security Act, Title XIX and amendments and successors to it.

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

A. The department shall adopt rules as necessary to implement and administer the program. The rules must include eligibility criteria, budgeting process, benefit calculation and confidentiality. The rules must exclude unpaid court-ordered child support from calculations to determine eligibility for applicants who are entitled to receive court-ordered child support as part of their income. The confidentiality rules must ensure that confidentiality is maintained for TANF recipients at least to the same extent that confidentiality was maintained for families in the Aid to Families with Dependent Children program unless otherwise required by federal law or regulation.

**Sec. 3. 22 MRSA §4301, sub-§7**, as amended by PL 2003, c. 510, Pt. C, §6, is further amended to read:

**7. Income.** "Income" means any form of income in cash or in kind received by the household, including net remuneration for services performed, cash received on either secured or unsecured credit, any payments received as an annuity, retirement or disability benefits, veterans' pensions, workers' compensation, unemployment benefits, benefits under any state or federal categorical assistance program, supplemental security income, social security and any other payments from governmental sources, unless

specifically prohibited by any law or regulation, ~~court-ordered~~court-ordered support payments to the extent the payments are received, income from pension or trust funds and household income from any other source, including relatives or unrelated household members.

The following items are not available within the meaning of this subsection and subsection 10:

- A. Real or personal income-producing property, tools of trade, governmental entitlement specifically treated as exempt assets by state or federal law;
- B. Actual work-related expenses, whether itemized or by standard deduction, such as taxes, retirement fund contributions, union dues, transportation costs to and from work, special equipment costs and child care expenses; ~~or~~
- C. Earned income of children below the age of 18 years who are full-time students and who are not working full time; or
- D. Unpaid court-ordered child support payments.

In determining need, the period of time used as a basis for the calculation is the 30-day period commencing on the date of the application. This prospective calculation does not disqualify an applicant who has exhausted income to purchase basic necessities if that income does not exceed the income standards established by the municipality. Notwithstanding this prospective calculation, if any applicant or recipient receives a lump sum payment prior or subsequent to applying for assistance, that payment must be prorated over future months. The period of proration is determined by disregarding any portion of the lump sum payment that the applicant or recipient has spent to purchase basic necessities, including but not limited to: all basic necessities provided by general assistance; reasonable payment of funeral or burial expenses for a family member; reasonable travel costs related to the illness or death of a family member; repair or replacement of essentials lost due to fire, flood or other natural disaster; repair or purchase of a motor vehicle essential for employment, education, training or other day-to-day living necessities; repayments of loans or credit, the proceeds of which can be verified as having been spent on basic necessities; and payment of bills earmarked for the purpose for which the lump sum is paid. All income received by the household between the receipt of the lump sum payment and the application for assistance is added to the remainder of the lump sum. The period of proration is then determined by dividing the remainder of the lump sum payment by the greater of the verified actual monthly amounts for all of the household's basic necessities or 150% of the applicable federal poverty guidelines. That dividend represents the period of proration determined by the administrator to commence on the date of receipt of the lump sum payment. The prorated sum for each month must be considered available to the household for 12 months from the date of application or during the period of proration, whichever is less.

**Sec. 4. Exclude unpaid court-ordered child support from eligibility criteria.** The Department of Health and Human Services shall amend all applicable rules, within the parameters of federal law, to exclude unpaid court-ordered child support payments from calculations determining eligibility for public assistance programs including, but not limited to, programs that provide cash, vouchers or electronic benefit transfer payments to families for assistance with food, home heating fuel,

medical care or other living expenses. Changes to these rules are considered routine technical rules, as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A, for the purposes of this section.

## **SUMMARY**

This bill requires the Department of Health and Human Services to exclude unpaid court-ordered child support payments from the calculation of income in determining eligibility for public assistance.