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Legislative Document

No. 166

S.P. 58

In Senate, January 19, 2017

An Act To Increase Reimbursement for Child Care Services

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

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator LIBBY of Androscoggin.
Cosponsored by Representative HANDY of Lewiston and
Senators: CHIPMAN of Cumberland, KATZ of Kennebec, Representatives: CHACE of
Durham, MADIGAN of Waterville.

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

2 **Sec. 1. 22 MRSA §3737, sub-§4** is enacted to read:

3 **4. Child care rates.** The department shall establish payment rates for child care
4 services that are at least equal to the 75th percentile of local market rates for the various
5 categories of child care services. The payment rates for child care services for children
6 with special needs must be higher than the 75th percentile of local market rates.

7 **Sec. 2. 22 MRSA §3762, sub-§3, ¶B,** as amended by PL 2015, c. 267, Pt. RRRR,
8 §2, is further amended to read:

9 B. The department may use funds, insofar as resources permit, provided under and in
10 accordance with the United States Social Security Act or state funds appropriated for
11 this purpose or a combination of state and federal funds to provide assistance to
12 families under this chapter. In addition to assistance for families described in this
13 subsection, funds must be expended for the following purposes:

14 (1) To continue the pass-through of the first \$50 per month of current child
15 support collections and the exclusion of the \$50 pass-through from the budget
16 tests and benefit calculations;

17 (2) To provide financial assistance to noncitizens legally admitted to the United
18 States who are receiving assistance under this subsection as of July 1, 2011.
19 Recipients of assistance under this subparagraph are limited to the categories of
20 noncitizens who would be eligible for the TANF programs but for their status as
21 aliens under PRWORA. Eligibility for the TANF program for these categories of
22 noncitizens must be determined using the criteria applicable to other recipients of
23 assistance from the TANF program. Any household receiving assistance as of
24 July 1, 2011 may continue to receive assistance, as long as that household
25 remains eligible, without regard to interruptions in coverage or gaps in eligibility
26 for service. A noncitizen legally admitted to the United States who is neither
27 receiving assistance on July 1, 2011 nor has an application pending for assistance
28 on July 1, 2011 that is later approved is not eligible for financial assistance
29 through a state-funded program unless that noncitizen is:

30 (a) Elderly or disabled, as described under the laws governing supplemental
31 security income in 42 United States Code, Sections 1381 to 1383f (2010);

32 (b) A victim of domestic violence;

33 (c) Experiencing other hardship, such as time necessary to obtain proper
34 work documentation, as defined by the department by rule. Rules adopted by
35 the department under this division are routine technical rules as defined by
36 Title 5, chapter 375, subchapter 2-A; or

37 (d) Unemployed but has obtained proper work documentation, as defined by
38 the department by rule. Rules adopted by the department under this division
39 are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A;

40 (3) To provide benefits to certain 2-parent families whose deprivation is based on
41 physical or mental incapacity;

- 1 (4) To provide an assistance program for needy children, 19 to 21 years of age,
2 who are in full-time attendance in secondary school. The program is operated for
3 those individuals who qualify for TANF under the United States Social Security
4 Act, except that they fail to meet the age requirement, and is also operated for the
5 parent or caretaker relative of those individuals. Except for the age requirement,
6 all provisions of TANF, including the standard of need and the amount of
7 assistance, apply to the program established pursuant to this subparagraph;
- 8 (5) To provide assistance for a pregnant woman who is otherwise eligible for
9 assistance under this chapter, except that she has no dependents under 19 years of
10 age. An individual is eligible for the monthly benefit for one eligible person if
11 the medically substantiated expected date of the birth of her child is not more
12 than 90 days following the date the benefit is received;
- 13 (6) To provide a special housing allowance for TANF families whose shelter
14 expenses for rent, mortgage or similar payments, homeowners insurance and
15 property taxes equal or exceed 75% of their monthly income. The special
16 housing allowance is limited to \$200 per month for each family. For purposes of
17 this subparagraph, "monthly income" means the total of the TANF monthly
18 benefit and all income countable under the TANF program, plus child support
19 received by the family, excluding the \$50 pass-through payment;
- 20 (7) In determining benefit levels for TANF recipients who have earnings from
21 employment, the department shall disregard from monthly earnings the
22 following:
- 23 (a) One hundred and eight dollars;
- 24 (b) Fifty percent of the remaining earnings that are less than the federal
25 poverty level; and
- 26 (c) All actual child care costs necessary for work, except that the department
27 may limit the child care disregard to \$175 per month per child or \$200 per
28 month per child under 2 years of age or with special needs;
- 29 (7-A) In determining eligibility and benefit levels, the department may apply a
30 gross income test only to applicants and not to recipients;
- 31 (8) In cases when the TANF recipient has no child care cost, the monthly TANF
32 benefit is the maximum payment level or the difference between the countable
33 earnings and the standard of need established by rule adopted by the department,
34 whichever is lower;
- 35 (9) In cases when the TANF recipient has child care costs, the department shall
36 determine a total benefit package, including TANF cash assistance, determined in
37 accordance with subparagraph (7) and additional child care assistance, as
38 provided by rule, necessary to cover the TANF recipient's actual child care costs
39 up to the maximum amount specified in section 3782-A, subsection 5, paragraph
40 B. The benefit amount must be paid as provided in this subparagraph.
- 41 (a) Before the first month in which child care assistance is available to an
42 ASPIRE-TANF recipient under this paragraph and periodically thereafter, the
43 department shall notify the recipient of the total benefit package and the

1 following options of the recipient: to receive the total benefit package
2 directly; or to have the department pay the recipient's child care assistance
3 directly to the designated child care provider for the recipient and pay the
4 balance of the total benefit package to the recipient.

5 (b) If an ASPIRE-TANF recipient notifies the department that the recipient
6 chooses to receive the child care assistance directly, the department shall pay
7 the total benefit package to the recipient.

8 (c) If an ASPIRE-TANF recipient does not respond or notifies the
9 department of the choice to have the child care assistance paid directly to the
10 child care provider from the total benefit package, the department shall pay
11 the child care assistance directly to the designated child care provider for the
12 recipient. The department shall pay the balance of the total benefit package
13 to the recipient;

14 (10) Child care assistance under this paragraph must be paid by the department
15 in a prompt manner that permits an ASPIRE-TANF recipient to access child care
16 necessary for work; and

17 (11) The department shall adopt rules pursuant to Title 5, chapter 375 to
18 implement this subsection. Rules adopted pursuant to this subparagraph are
19 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

20 **Sec. 3. 22 MRSA §3762, sub-§8, ¶E**, as enacted by PL 2009, c. 291, §6, is
21 repealed and the following enacted in its place:

22 E. The department shall establish payment rates for child care services that are at
23 least equal to the 75th percentile of local market rates for the various categories of
24 child care services. The payment rates for child care services for children with
25 special needs must be higher than the 75th percentile of local market rates.

26 **Sec. 4. 22 MRSA §3782-A, sub-§5**, as enacted by PL 1997, c. 530, Pt. A, §19, is
27 repealed and the following enacted in its place:

28 **5. Child care during participation in employment, education and training.** The
29 department shall provide child care in accordance with federal law and this Title when the
30 child care is necessary to permit a TANF-eligible family member to participate in the
31 ASPIRE-TANF program.

32 A. The department shall establish payment rates for child care services that are at
33 least equal to the 75th percentile of local market rates for the various categories of
34 child care services. The payment rates for child care services for children with
35 special needs must be higher than the 75th percentile of local market rates.

36 B. The department shall provide an ASPIRE-TANF program participant's actual cost
37 for child care up to the maximum rate authorized by federal law. In determining the
38 maximum rate, the State shall use a method that results in an amount that equals, or
39 most closely approaches, the actual market rate in different regions of the State for
40 various types of child care services received by families in the State participating in
41 the ASPIRE-TANF program.

