

# **125th MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2011

**Legislative Document** 

No. 1370

H.P. 1009

House of Representatives, March 31, 2011

# An Act To Amend the Laws Governing General Assistance Programs

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

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HEATHER J.R. PRIEST Clerk

Presented by Representative CUSHING of Hampden. Cosponsored by Senator MASON of Androscoggin and Representatives: CURTIS of Madison, HARVELL of Farmington, PARKER of Veazie, SANDERSON of Chelsea, STRANG BURGESS of Cumberland.

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

Sec. 1. 22 MRSA §4301, sub-§6, as amended by PL 1991, c. 622, Pt. M, §20, is
 further amended to read:

6. Household. "Household" means an individual or a group of individuals who 4 share a dwelling unit. When an applicant shares a dwelling unit with one or more 5 individuals, even when a landlord-tenant relationship may exist between individuals 6 7 residing in the dwelling unit, eligible applicants may receive assistance for no more than their pro rata share of the actual costs of the shared basic needs of that household 8 9 according to the maximum levels of assistance established in the municipal ordinance. 10 The pro rata share is calculated by dividing the maximum level of assistance available to the entire household by the total number of household members. The income of 11 household members not legally liable for supporting the household is considered 12 available to the applicant only when there is a pooling of income. 13

14 Sec. 2. 22 MRSA §4301, sub-§7, as amended by PL 2003, c. 510, Pt. C, §6, is 15 further amended to read:

7. Income. "Income" means any form of income in cash or in kind received by the 16 17 household, including net remuneration for services performed, cash received on either 18 secured or unsecured credit, any payments received as an annuity, retirement or disability benefits, veterans' pensions, workers' compensation, unemployment benefits, benefits 19 20 under any state or federal categorical assistance program, supplemental security income, 21 social security and any other payments from governmental sources, unless specifically prohibited by any law or regulation, court ordered support payments, income from 22 23 pension or trust funds and household income from any other source, including relatives or 24 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
- 32 C. Earned income of children below the age of 18 years who are full-time students 33 and who are not working full time.
- 34 In determining need, the period of time used as a basis for the calculation is the 30-day 35 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 36 income does not exceed the income standards established by the municipality. 37 38 Notwithstanding this prospective calculation, if any applicant or recipient receives a lump 39 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 40 portion of the lump sum payment that the applicant or recipient has spent to purchase 41

1 basic necessities, including but not limited to: all basic necessities provided by general 2 assistance; reasonable payment of funeral or burial expenses for a family member; 3 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 4 5 purchase of a motor vehicle essential for employment, education, training or other day-to-6 day living necessities; repayments of loans or credit, the proceeds of which can be 7 verified as having been spent on basic necessities; and payment of bills earmarked for the 8 purpose for which the lump sum is paid. All income received by the household between 9 the receipt of the lump sum payment and the application for assistance is added to the 10 remainder of the lump sum. The period of proration is then determined by dividing the 11 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 12 That dividend represents the period of proration determined by the 13 guidelines. 14 administrator to commence on the date of receipt of the lump sum payment. The prorated 15 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. 16

- Sec. 3. 22 MRSA §4315, 3rd ¶, as amended by PL 1993, c. 410, Pt. AAA, §9, is
   further amended to read:
- 19 If the fair hearing officer finds that a recipient made a false representation to the 20 overseer in violation of this section, that recipient is required to reimburse the 21 municipality for any assistance rendered for which that recipient was ineligible and is 22 ineligible from receiving further assistance for a period of <u>120</u> <u>180</u> days.
- Sec. 4. 22 MRSA §4315, first ¶, as amended by PL 1993, c. 410, Pt. AAA, §9, is
   further amended to read:

Whoever knowingly and willfully makes any false representation of a material fact to the overseer of any municipality or to the department or its agents for the purpose of causing that or any other person to be granted assistance by the municipality or by the State is ineligible for assistance for a period of <u>120</u> <u>180</u> days and is guilty of a Class E crime.

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   Sec. 5. 22 MRSA §4316-A, sub-§1, as amended by PL 1993, c. 410, Pt. AAA,

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   §10, is further amended to read:
- **1. Ineligibility for assistance.** An applicant is ineligible for assistance for 120 180
   days in all municipalities in the State when any municipality establishes that the
   applicant, without just cause:
- A. Refuses to search for employment when that search is reasonable and
   appropriate;
- B. Refuses to register for work;
- 38 C. Refuses to accept a suitable job offer under this section;
- 39 D. Refuses to participate in a training, educational or rehabilitation program that
   40 would assist the applicant in securing employment;

- F. Refuses to perform or willfully fails to perform a job assigned under subsection
   2; or
- 3 G. Willfully performs a job assigned under subsection 2 below the average 4 standards of that job.
- 5 If a municipality finds that an applicant has violated a work-related rule without just 6 cause, under this subsection or subsection 1-A, it is the responsibility of that applicant to 7 establish the presence of just cause.
- 8 Sec. 6. 22 MRSA §4316-A, sub-§1-A, as enacted by PL 1993, c. 410, Pt. AAA,
   9 §10, is amended to read:
- 10 1-A. Period of ineligibility. An applicant, whether an initial or repeat applicant,
  11 who quits work or is discharged from employment due to misconduct as defined in Title
  12 26, section 1043, subsection 23, is ineligible to receive assistance for 120 180 days after
  13 the applicant's separation from employment.
- 14 **Sec. 7. 22 MRSA §4316-A, sub-§4,** as amended by PL 1993, c. 410, Pt. AAA, 15 §10, is further amended to read:
- 16 **4.** Eligibility regained. A person who has been disqualified by any municipality for 17 not complying with any work requirement of this section may regain eligibility during the 120 day 180-day period by becoming employed or otherwise complying with the work 18 requirements of this section. An applicant who is disqualified due to failure to comply 19 20 with the municipal work program may be given only one opportunity to regain eligibility 21 during the 120 day 180-day disqualification period, except that if an applicant who regains eligibility is again disqualified for failing to comply with the municipal work 22 23 program within the initial period of disqualification, the applicant is ineligible for 24 assistance for  $\frac{120}{120}$  180 days and does not have the opportunity to requalify during the 25 120-day 180-day period.
- Sec. 8. 22 MRSA §4317, 4th ¶, as amended by PL 1993, c. 410, Pt. AAA, §11, is
   further amended to read:
- An applicant who forfeits receipt of or causes reduction in benefits from another public assistance program or private assistance program, including but not limited to unemployment insurance benefits, because of fraud, misrepresentation or a knowing or intentional violation of program rules or a refusal to comply with program rules without just cause is not eligible to receive general assistance to replace the forfeited assistance for the duration of the forfeiture.
- 34 Sec. 9. 36 MRSA §6216, 2nd ¶, as amended by PL 1989, c. 614, is further 35 amended to read:
- Benefits received under this chapter may not be included as income for purposes of any state or municipally administered public benefit program but may be considered and as income for purposes of determining eligibility for abatement under section 841, subsection 2.

Sec. 10. Municipal access to the automated client eligibility system. The 1 2 Department of Health and Human Services shall develop an implementation plan 3 providing municipalities with electronic access to the automated client eligibility system for purposes of verifying general assistance program applicant eligibility. The plan must 4 5 be submitted to the Joint Standing Committee on Health and Human Services no later than January 15, 2012. The plan must include: an implementation timetable that provides 6 7 electronic access to municipalities by December 31, 2012; the standards that must be 8 adhered to by municipalities choosing to access the system; and a standard confidentiality 9 agreement that must be signed by the municipal officers before access is provided.

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### SUMMARY

11 This bill seeks to make several changes to the laws governing the administration of the general assistance programs. The bill clarifies the calculation for determining the pro 12 rata share of the assistance to be provided to eligible household members and requires 13 that the lump sum income proration calculation be based only on actual household need, 14 and not on the greater of the need or 150% of federal poverty level, as is currently 15 required. It increases general assistance program ineligibility from 120 days to 180 days 16 for fraud or a work requirement violation. It amends the provisions governing the use of 17 potential resources to include private assistance programs, such as unemployment 18 insurance benefits, and allows refunds provided under the Maine Residents Property Tax 19 20 Program, also known as the Circuitbreaker Program, to count as income in the calculation of general assistance program eligibility. The bill also directs the Department of Health 21 22 and Human Services to develop a plan to provide municipalities with electronic access to 23 the State's automated client eligibility system for determining general assistance program applicant eligibility. Electronic access must be provided to municipalities no later than 24 December 31, 2012. 25