

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Ensure the Integrity of the Temporary Assistance for Needy Families Program

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

Sec. 1. 22 MRSA §23, sub-§1, ¶B, as corrected by RR 2011, c. 2, §23, is amended to read:

B. A gambling facility, as defined in Title 8, section 1001, subsection 16, except that use of the electronic benefits transfer system is permitted in any portion of the premises of a gambling facility that is set aside separately for the sale primarily of staple foods as defined in 7 United States Code, Section 2012(r); ~~or~~

Sec. 2. 22 MRSA §23, sub-§1, ¶C, as enacted by PL 2011, c. 687, §4, is amended to read:

C. A retail establishment that provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment; or

Sec. 3. 22 MRSA §23, sub-§1, ¶D is enacted to read:

D. A tobacco specialty store, as defined in section 1541, subsection 7.

Sec. 4. 22 MRSA §3763, sub-§11 is enacted to read:

11. Prohibited expenditures. The expenditure of TANF benefits is governed by this subsection.

A. TANF benefits may not be expended on:

(1) Tobacco products, as defined in section 1551, subsection 3;

(2) Imitation liquor and liquor, as defined in Title 28-A, section 2, subsections 13 and 16, respectively;

(3) Gambling activity, as defined in Title 8, section 1001, subsection 15; or

(4) Lotteries conducted by the State pursuant to Title 8, chapter 14-A or the Tri-state Lotto Commission pursuant to Title 8, chapter 16.

B. An eligible recipient of cash assistance from the TANF program who knowingly makes a prohibited purchase in violation of paragraph A is subject to the following penalties:

(1) For a first offense, a warning that includes an explanation, both orally and in writing, of the purposes of the TANF program and a clear delineation of those items for which TANF benefits may not be expended;

(2) For a 2nd offense, a period of disqualification for benefits that does not exceed 3 months; and

(3) For a 3rd and subsequent offense, a period of disqualification for benefits that does not exceed 6 months.

The department may disqualify an eligible recipient only after notice and opportunity for a hearing pursuant to rules adopted by the department.

Sec. 5. Department of Health and Human Services to educate recipients of the Temporary Assistance for Needy Families program. The Department of Health and Human Services shall develop an education program for recipients of benefits under the Temporary Assistance for Needy Families program, referred to in this section as "TANF," that emphasizes that those benefits under TANF are to be used for supporting dependent children. The program must educate TANF recipients regarding:

1. Appropriate, approved and specific uses of TANF benefits;
2. Refraining from using the electronic benefits transfer system to pay for tobacco products, liquor products, gambling activities or lotteries, including refraining from using the electronic benefits transfer system at automated teller machines to withdraw TANF benefits as cash, which is then used to pay for those products or activities; and
3. The prohibition on using the electronic benefits transfer system for unauthorized transactions and prohibited expenditures pursuant to the Maine Revised Statutes, Title 22, section 23 and section 3763, subsection 11.

Sec. 6. Department of Health and Human Services to collect information on purchases of certain items. The Department of Health and Human Services shall collect information on the costs and impact of implementing and enforcing the prohibitions set forth in the Maine Revised Statutes, Title 22, section 3763, subsection 11, including the:

1. Administrative costs of implementation and costs of enforcing the prohibitions;
2. Number of recipients who have been finally determined by the department to have violated the prohibitions;
3. Status of and final adjudication of any judicial appeals of determinations by the department;
4. Number of individuals who have been penalized under Title 22, section 3763, subsection 11, paragraph B, segregated by the categories of penalty described in that paragraph; and
5. Dollar amount of any benefits not distributed as a result of enforcement of penalties described in Title 22, section 3763, subsection 11, paragraph B.

The Department of Health and Human Services shall report this information, along with recommendations and any suggested legislation regarding the integrity of the Temporary Assistance for Needy Families program, to the joint standing committee of the Legislature having jurisdiction over health and human services matters no later than March 15, 2017.

SUMMARY

This bill prohibits the use of the electronic benefits transfer system at tobacco specialty stores. It requires the Department of Health and Human Services to develop an education program for recipients of benefits under the Temporary Assistance for Needy Families program that emphasizes that those benefits are to be used for supporting dependent children and are not to be used to pay for tobacco products, liquor products, gambling activities or lotteries. It establishes penalties for benefit recipients who knowingly make a purchase prohibited by statute. In addition, the Department of Health and Human Services must collect information on the use of Temporary Assistance for Needy Families program benefits for tobacco and liquor products, gambling activities and lotteries. The department is required to report its findings, including recommendations and suggested legislation, to the joint standing committee of the Legislature having jurisdiction over health and human services matters no later than March 15, 2017.