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STATE OF MAINE
SENATE
126TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT " " to COMMITTEE AMENDMENT "A" to H.P. 1312, L.D. 1822, Bill, "An Act To Increase Integrity in the Temporary Assistance for Needy Families Program through Restriction of Expenditures "

Amend the amendment by striking out all of sections 1 to 5 and inserting the following:

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); ¶

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 and 12 are enacted to read:

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

A. TANF benefits may not be expended on, and retailers and vendors may not accept TANF benefits through electronic benefits transfer system debit cards for:

- (1) Tobacco products, as defined in Title 22, 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;

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

3                   (5) Bail, as defined in Title 15, section 1003, subsection 1.

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

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

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

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

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

16                  **12. Required agreement.** A recipient of TANF benefits shall enter into an  
17                  agreement with a representative of the department that the recipient agrees not to expend  
18                  TANF benefits in violation of subsection 11 and agrees that a violation will result in the  
19                  penalties specified in subsection 11, paragraph B.

20                  **Sec. 5. Department of Health and Human Services to educate recipients**  
21                  **of the Temporary Assistance for Needy Families program.** The Department of  
22                  Health and Human Services shall develop an education program for recipients of benefits  
23                  under the Temporary Assistance for Needy Families program, referred to in this section  
24                  as "TANF," that emphasizes that those benefits under TANF are to be used for supporting  
25                  dependent children. The program must educate TANF recipients regarding the agreement  
26                  entered into by the recipient pursuant to the Maine Revised Statutes, Title 22, section  
27                  3763, subsection 12, including but not limited to:

28                         1. Appropriate, approved and specific uses of TANF benefits;

29                         2. Refraining from using the electronic benefits transfer system to pay for tobacco  
30                         products, liquor products, gambling activities, lotteries or bail, including refraining from  
31                         using the electronic benefits transfer system at automated teller machines to withdraw  
32                         TANF benefits as cash, which is then used to pay for those products or activities; and

33                         3. The prohibition on using the electronic benefits transfer system for transactions  
34                         for unauthorized spending pursuant to the Maine Revised Statutes, Title 22, section 23  
35                         and section 3763, subsection 11.

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

- 1 1. Administrative costs of implementation and costs of enforcing the prohibitions;
- 2 2. Number of recipients who have been finally determined by the department to have
- 3 violated the prohibitions;
- 4 3. Status of and final adjudication of any judicial appeals of determinations by the
- 5 department;
- 6 4. Number of individuals who have been penalized under Title 22, section 3763,
- 7 subsection 11, paragraph B, segregated by the categories of penalty described in that
- 8 paragraph; and
- 9 5. Dollar amount of any funds recovered as a result of enforcement of penalties
- 10 described in Title 22, section 3763, subsection 11, paragraph B.

11 The Department of Health and Human Services shall report this information, along  
12 with recommendations and any suggested legislation, to the joint standing committee of  
13 the Legislature having jurisdiction over health and human services matters no later than  
14 March 15, 2015.'

15 **SUMMARY**

16 This amendment restores the provisions of the bill that prohibit benefits under the  
17 Temporary Assistance for Needy Families program from being expended on tobacco,  
18 imitation liquor, liquor, gambling, lotteries or bail. In addition, this amendment provides  
19 that retailers and vendors may not accept TANF benefits through electronic benefits  
20 transfer system debit cards for those prohibited expenditures. This amendment specifies  
21 that the recipient of Temporary Assistance for Needy Families program benefits must  
22 agree to refrain from expending the benefits in violation of the law. This amendment  
23 provides for the education of Temporary Assistance for Needy Families program  
24 recipients regarding the appropriate, approved and prohibited uses of Temporary  
25 Assistance for Needy Families program benefits. In addition, the Department of Health  
26 and Human Services is directed to collect information on the cost and impact of  
27 implementing and enforcing the restrictions on the use of Temporary Assistance for  
28 Needy Families program benefits for tobacco and liquor products, gambling activities,  
29 lotteries and bail. The department is required to report its findings, including  
30 recommendations and suggested legislation, to the joint standing committee of the  
31 Legislature having jurisdiction over health and human services matters no later than  
32 March 15, 2015.

33 **FISCAL NOTE REQUIRED**

34 **(See attached)**

35 SPONSORED BY: \_\_\_\_\_

36 (Senator PATRICK)

37 COUNTY: Oxford