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Date: (Filing No. H-)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 592, L.D. 945, “An Act to Allow Maine Families to Increase Their Savings by Removing Asset Limits for Eligibility for the Temporary Assistance for Needy Families Program”

Amend the bill by striking out the title and substituting the following:

'An Act to Allow Maine Families to Increase Their Savings by Changing the Asset Limits for Eligibility for the Temporary Assistance for Needy Families Program'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 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. For the purpose of determining eligibility for TANF, the department may impose an asset limit of not less than \$10,000 per family and must exempt from the asset limit one vehicle for each licensed driver in the family. 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. 2. 22 MRSA §3762, sub-§11, as enacted by PL 1997, c. 530, Pt. A, §16, is amended to read:

11. Treatment of lump sum income. For the purpose of determining eligibility for ~~and the amount of~~ assistance under TANF, the department shall treat any nonrecurring lump sum income received by a family ~~in accordance with this subsection~~ as an asset, and not as income, in the month the lump sum payment is received. To the extent that any nonrecurring lump sum income remains after the month it was received, the department shall continue to consider the income as an asset in accordance with this section.

COMMITTEE AMENDMENT

1 A. Nonrecurring lump sum income includes, but is not limited to, personal injury
2 awards, lottery winnings, inheritances and similar nonrecurring forms of income. It
3 does not include income earmarked by the payor for particular expenses such as awards
4 or insurance proceeds earmarked for medical expenses, attorney's fees or the
5 replacement of lost property. Proceeds from the conversion of a nonliquid asset to a
6 liquid asset must be treated as an asset and not as nonrecurring lump sum income.

7 ~~B. Up to \$10,000 of nonrecurring lump sum income must be disregarded as income~~
8 ~~and excluded as an asset if used for the following purposes within 30 days of its receipt:~~

9 ~~(1) Deposit in a separate identifiable account, approved by the department.~~
10 ~~Withdrawals from such an account may only be for the purposes identified in~~
11 ~~subparagraphs (2) to (6) and paragraph C;~~

12 ~~(2) Expenses for education or job training to attend an accredited or approved~~
13 ~~postsecondary education or training institution;~~

14 ~~(3) The purchase or repair of a home that is the family's principal residence;~~

15 ~~(4) The purchase or repair of a vehicle used for transportation to work or to attend~~
16 ~~an education or training program;~~

17 ~~(5) Capital to start a small business for any family member 18 years of age or~~
18 ~~older; or~~

19 ~~(6) Placement in a family development account authorized by state law, to the~~
20 ~~extent that the total balance of such an account remains below \$10,000.~~

21 ~~C. The department shall disregard from income and exclude as an asset nonrecurring~~
22 ~~lump sum income used within 30 days of receipt or money withdrawn from an account~~
23 ~~established pursuant to paragraph B, subparagraph (1) or (6), if it is used for the~~
24 ~~purposes stated in paragraph B, subparagraphs (2) to (6) or to meet the following needs:~~

25 ~~(1) Health care costs of a household member that are medically necessary and that~~
26 ~~are not covered by public or private insurance;~~

27 ~~(2) To address an emergency that may cause the loss of shelter, employment or~~
28 ~~other basic necessities; or~~

29 ~~(3) To address other essential family needs approved by the department.~~

30 ~~D. Nonrecurring lump sum income in excess of the asset limit established in the TANF~~
31 ~~program that is used for purposes other than those enumerated in paragraphs B or C~~
32 ~~and nonrecurring lump sum income in excess of \$10,000 plus that asset limit must be~~
33 ~~counted as income and cause the household to be disqualified from receiving TANF~~
34 ~~assistance under this chapter. The household is disqualified for a period of months~~
35 ~~calculated by dividing the income countable under this paragraph by the standard of~~
36 ~~need established by the department for the household.'~~

37 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
38 number to read consecutively.

39 **SUMMARY**

40 This amendment replaces the bill and does the following.

