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No. 1475

H.P. 1014

House of Representatives, April 18, 2017

An Act To Reduce Child Poverty by Leveraging Investments in Families Today

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

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Speaker GIDEON of Freeport.
Cosponsored by Senator MAKER of Washington and
Representatives: DENNO of Cumberland, GATTINE of Westbrook, GOLDEN of Lewiston,
HIGGINS of Dover-Foxcroft, McELWEE of Caribou, TALBOT ROSS of Portland, TUELL of
East Machias, Senator: JACKSON of Aroostook.

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

2 **Sec. 1. 22 MRSA §3109** is enacted to read:

3 **§3109. Promoting accountable public programs that reduce child poverty and**
4 **increase sustainable employment for low-income families with children**

5 The department shall implement a system of accountability to measure the
6 performance of certain programs administered by the department under this subtitle by
7 examining the outcomes of participating families with children on an annual basis. The
8 department shall establish benchmarks to measure, over time, the extent to which these
9 programs have helped to alleviate poverty and hardship among families with children
10 through increased employment, earnings, education and training and the provision of
11 individualized services for those with barriers to employment.

12 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
13 following terms have the following meanings.

14 A. "Federal poverty level" has the same meaning as in section 3762, subsection 1,
15 paragraph C.

16 B. "TANF" has the same meaning as in section 3762, subsection 1, paragraph E.

17 **2. Identify measures of child and family economic security.** Beginning October
18 15, 2017 and annually thereafter, the department shall obtain and compile the following
19 data for the State on an annual basis from those sources reasonably available to the
20 department, including data collected and maintained by the department, data available
21 from other state or federal agencies and such other data as can reasonably be obtained
22 from other public or private sources upon request. The data must include:

23 A. The number and percentage of children living at or below 100% of the federal
24 poverty level;

25 B. The number and percentage of households headed by single parents with related
26 children living at or below 100% of the federal poverty level;

27 C. The number and percentage of children living at or below 50% of the federal
28 poverty level;

29 D. The ratio of families with children receiving TANF cash assistance to the number
30 of families with children and income at or below 100% of the federal poverty level;

31 E. The ratio of families with children receiving TANF cash assistance to the number
32 of families with children and income at or below 50% of the federal poverty level;

33 F. The number and percentage of households with children who are homeless;

34 G. The number and percentage of individuals and children found to be food insecure
35 by the United States Department of Agriculture;

36 H. The number and percentage of individuals and children found to have very low
37 food security by the United States Department of Agriculture;

38 I. For all families that exit TANF cash assistance:

1 (1) The number and percentage of families with earnings in the month of TANF
2 exit and the number and percentage of exiting families with earnings that are
3 below 100%, at least 100% but not more than 150%, at least 151% but not more
4 than 200% and in excess of 200% of the federal poverty level;

5 (2) The number and percentage of families with earnings in excess of \$5,000 per
6 quarter in the 2nd quarter and in the 4th quarter after the quarter of exit from
7 TANF; and

8 (3) The mean and median amount of earnings for families in the 2nd quarter and
9 in the 4th quarter after the quarter of exit from TANF;

10 J. Median and mean wages for families with earnings that have children in the
11 household and receive food supplement benefits pursuant to section 3104;

12 K. The number and percentage of adult parents or caretaker relatives receiving
13 TANF cash assistance that have a high school degree or have successfully completed
14 a general educational development examination or its equivalent, and the number and
15 percentage of those adult parents or caretaker relatives that left TANF in the prior
16 year that have a high school degree or have successfully completed a general
17 educational development examination or its equivalent; and

18 L. The number and percentage of adult parents or caretaker relatives receiving
19 TANF cash assistance that have a postsecondary degree or a postsecondary credential
20 and the number and percentage of those adult parents or caretaker relatives that left
21 TANF in the prior year that have a postsecondary degree or postsecondary credential.

22 **3. Benchmarks established.** The department shall examine and use the data related
23 to measures of child and family economic security and employment compiled pursuant to
24 subsection 2 to establish proposed benchmarks on an annual basis to serve as a standard
25 against which progress related to improvements in the well-being of families with
26 children in the State may be measured. Beginning January 15, 2018 and annually
27 thereafter, the department shall present proposed benchmarks to the joint standing
28 committee of the Legislature having jurisdiction over human services matters along with
29 data compiled pursuant to subsection 2 for the current year and comparative data for the 3
30 prior years for the committee's review. The committee's review must include the
31 opportunity for public comment on the department's proposed benchmarks. After the
32 committee's review and by March 15th annually, the department shall finalize
33 benchmarks for the following year.

34 **4. Report.** By January 15, 2019 and annually thereafter, the department shall report
35 on its progress in meeting benchmarks established for the preceding year, along with
36 proposed benchmarks for the subsequent year, to the joint standing committee of the
37 Legislature having jurisdiction over human services matters. If the department does not
38 successfully meet the benchmarks established for the preceding year, it shall identify
39 those obstacles that prevented it from meeting the benchmarks and present a plan for
40 addressing the obstacles so that the department will be more successful in meeting the
41 new benchmarks proposed for the following year. The joint standing committee of the
42 Legislature having jurisdiction over human services matters shall conduct a public
43 hearing on the department's plan and may introduce any legislation that it considers
44 necessary to improve the department's ability to meet benchmarks in future years.

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

2 **4. Child care rates.** Beginning October 1, 2017, the department shall establish rates
3 for child care that are at least equal to the 75th percentile of local market rates for various
4 categories of child care and higher rates for children with special needs.

5 **Sec. 3. 22 MRSA §3762, sub-§3, ¶B,** as amended by PL 2015, c. 267, Pt. RRRR,
6 §2, is further amended to read:

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

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

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

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

30 (b) A victim of domestic violence;

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

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

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

40 (4) To provide an assistance program for needy children, 19 to 21 years of age,
41 who are in full-time attendance in secondary school. The program is operated for

1 those individuals who qualify for TANF under the United States Social Security
2 Act, except that they fail to meet the age requirement, and is also operated for the
3 parent or caretaker relative of those individuals. Except for the age requirement,
4 all provisions of TANF, including the standard of need and the amount of
5 assistance, apply to the program established pursuant to this subparagraph;

6 (5) To provide assistance for a pregnant woman who is otherwise eligible for
7 assistance under this chapter, except that she has no dependents under 19 years of
8 age. An individual is eligible for the monthly benefit for one eligible person if
9 the medically substantiated expected date of the birth of her child is not more
10 than 90 days following the date the benefit is received;

11 (6) To provide a special housing allowance for TANF families whose shelter
12 expenses for rent, mortgage or similar payments, homeowners insurance and
13 property taxes equal or exceed ~~75%~~ 50% of their monthly income. The special
14 housing allowance is limited to ~~\$200~~ \$300 per month for each family. For
15 purposes of this subparagraph, "monthly income" means the total of the TANF
16 monthly benefit and all income countable under the TANF program, plus child
17 support received by the family, excluding the \$50 pass-through payment;

18 (6-A) Beginning October 1, 2017, to provide housing assistance in the form of a
19 voucher provided directly to the landlord, lessor or other housing provider for
20 TANF families whose shelter expenses equal or exceed 50% of their monthly
21 income. This housing assistance must be administered through the Maine State
22 Housing Authority and provided with funds from the TANF federal block grant
23 or federal maintenance of effort funds. The department shall provide a reasonable
24 administrative fee to the Maine State Housing Authority for the cost of
25 administering the housing assistance program. The following conditions apply to
26 the provision of housing assistance under this subparagraph:

27 (a) A TANF family may receive housing assistance under this subparagraph
28 if the family's rental cost meets the fair market rent standards published by
29 the United States Department of Housing and Urban Development pursuant
30 to 24 Code of Federal Regulations, Section 888.115 for the area in which the
31 family's housing is located and meets any housing quality standards adopted
32 by the Maine State Housing Authority;

33 (b) A TANF family receiving housing assistance shall pay the same portion
34 of the family's income toward rent as required by the formula used by the
35 housing choice voucher program administered by the United States
36 Department of Housing and Urban Development, Office of Public and Indian
37 Housing, Office of Housing Choice Vouchers;

38 (c) A TANF family who receives housing assistance under this subparagraph
39 is not eligible to receive the special housing allowance under subparagraph
40 (6);

41 (d) Any otherwise eligible TANF family who receives housing assistance
42 under this subparagraph remains eligible notwithstanding receipt of this
43 assistance; and

1 (e) A TANF family who is ineligible for or who cannot accept a housing
2 choice voucher under this subparagraph and whose shelter expenses for rent,
3 mortgage or similar costs and homeowner's insurance and property taxes
4 equal or exceed 50% of the family's monthly income is eligible to receive a
5 special housing allowance provided under subparagraph (6).

6 The department shall adopt routine technical rules, as defined in Title 5, chapter
7 375, subchapter 2-A, to implement the provisions of this subparagraph;

8 (7) In determining benefit levels for TANF recipients who have earnings from
9 employment, the department shall disregard from monthly earnings the
10 following:

- 11 (a) One hundred and eight dollars;
- 12 (b) Fifty percent of the remaining earnings that are less than the federal
13 poverty level; and
- 14 (c) All actual child care costs necessary for work, except that the department
15 may limit the child care disregard to \$175 per month per child or \$200 per
16 month per child under 2 years of age or with special needs;

17 (7-A) In determining eligibility and benefit levels, the department may apply a
18 gross income test only to applicants and not to recipients;

19 (8) In cases when the TANF recipient has no child care cost, the monthly TANF
20 benefit is the maximum payment level or the difference between the countable
21 earnings and the standard of need established by rule adopted by the department,
22 whichever is lower;

23 (9) In cases when the TANF recipient has child care costs, the department shall
24 determine a total benefit package, including TANF cash assistance, determined in
25 accordance with subparagraph (7) and additional child care assistance, as
26 provided by rule, necessary to cover the TANF recipient's actual child care costs
27 up to the maximum amount specified in section 3782-A, subsection 5. The
28 benefit amount must be paid as provided in this subparagraph.

29 (a) Before the first month in which child care assistance is available to an
30 ASPIRE-TANF recipient under this paragraph and periodically thereafter, the
31 department shall notify the recipient of the total benefit package and the
32 following options of the recipient: to receive the total benefit package
33 directly; or to have the department pay the recipient's child care assistance
34 directly to the designated child care provider for the recipient and pay the
35 balance of the total benefit package to the recipient.

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

39 (c) If an ASPIRE-TANF recipient does not respond or notifies the
40 department of the choice to have the child care assistance paid directly to the
41 child care provider from the total benefit package, the department shall pay
42 the child care assistance directly to the designated child care provider for the

1 recipient. The department shall pay the balance of the total benefit package
2 to the recipient;

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

6 (11) The department shall adopt rules pursuant to Title 5, chapter 375 to
7 implement this subsection. Rules adopted pursuant to this subparagraph are
8 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A; ~~and~~

9 (12) Beginning October 1, 2017, the department shall establish rates for child
10 care that are at least equal to the 75th percentile of local market rates for various
11 categories of child care and higher rates for children with special needs.

12 **Sec. 4. 22 MRSA §3762, sub-§8, ¶G** is enacted to read:

13 G. The department shall make transitional housing assistance available to:

14 (1) A family who loses eligibility for TANF as a result of increased earnings or
15 an increase in the number of hours worked or a family in which one or both
16 adults are working and who, although the family remains financially eligible for
17 TANF benefits, requests that the family's benefits be terminated and:

18 (a) Whose shelter expenses equal or exceed 50% of the family's monthly
19 income notwithstanding any receipt of housing assistance under this section;

20 (b) Whose income does not exceed 50% of the median income for the
21 county or metropolitan area in which the family lives; and

22 (c) Who is participating in a work activity that may be counted in
23 accordance with 45 Code of Federal Regulations, Section 261.31 except for
24 temporary periods of unemployment that may not exceed 4 months.

25 Housing assistance under this paragraph must be administered by the Maine State
26 Housing Authority in the same manner as provided for in subsection 3, paragraph B,
27 subparagraph (6-A). The family's percentage of rent must increase relative to the
28 family's earnings in the same manner as the housing choice voucher program
29 administered by the United States Department of Housing and Urban Development,
30 Office of Public and Indian Housing, Office of Housing Choice Vouchers.

31 A transitional TANF family that is ineligible for or cannot accept a housing choice
32 voucher under this paragraph and whose shelter expenses for rent, mortgage or
33 similar costs and homeowner's insurance and property taxes equal or exceed 50% of
34 the family's monthly income is eligible to receive a special housing allowance
35 provided under subparagraph (6) as long as the family is otherwise eligible in
36 accordance with this paragraph.

37 **Sec. 5. 22 MRSA §3763, sub-§8,** as amended by PL 2005, c. 522, §1, is further
38 amended to read:

39 **8. Alternative aid.** The department shall provide alternative aid within 2 business
40 days of the submission of a completed application to applicants who seek short-term

1 assistance in order to obtain or retain employment. The applicants must meet the
2 eligibility requirements established by rule adopted pursuant to section 3762, subsection
3 3, paragraph A. Two-parent families are eligible for alternative aid using the same
4 eligibility standards and requirements as families headed by a single custodial parent or
5 caretaker relative. Following a determination that an individual is eligible to receive
6 alternative aid, the department shall assist the individual in identifying a qualified vendor
7 and provide assurance of payment to that vendor within 5 working days of approval of
8 the application. The alternative aid may not exceed ~~3~~ 4 times the value of the monthly
9 TANF grant for which the applicant's family is eligible for a full month. An eligible
10 applicant may receive alternative aid no more than once during any 12-month period. If
11 the family reapplies for TANF within 3 months of receiving alternative aid, the family
12 shall repay any alternative aid received in excess of the amount that the family would
13 have received on TANF. The method of repayment must be the same as that used for the
14 repayment of unintentional overpayments in the TANF program.

15 The department shall provide applicants with the names and contact information for
16 vendors approved in its vendor payment system, and advise applicants of how a vendor
17 may gain department approval to receive vendor payments to facilitate prompt provision
18 of aid under this subsection.

19 **Sec. 6. 22 MRSA §3769-C, sub-§1**, as amended by PL 2001, c. 439, Pt. CC, §1
20 and PL 2003, c. 689, Pt. B, §6, is further amended to read:

21 **1. Amount of assistance.** It is the goal of this section to provide low-income
22 families with children sufficient income to meet their most basic needs. If the
23 commissioner determines that unexpended funds are available within the Department of
24 Health and Human Services state or federal ASPIRE or TANF accounts, the
25 commissioner may, by rule, use those funds to increase the maximum levels of assistance
26 in the TANF Program.

27 A. Beginning October 1, 2001, the department shall use unexpended funds in the
28 TANF program to increase the maximum amount of TANF assistance by an amount
29 equal to 5% of the maximum payments that were in effect on January 1, 2001, and
30 shall increase the standard of need to maintain the same differential between the
31 maximum payment and the standard of need that was in effect on January 1, 2001.
32 Initial applicants for assistance may not become eligible for assistance as a result of
33 any increase in the standard of need required by this paragraph.

34 B. Beginning with the 2004-2005 fiscal biennium, the commissioner must continue
35 the 5% benefit increase provided for in paragraph A in the department's current
36 services budget request for the TANF block grant.

37 C. Beginning October 1, 2017, the department shall increase the maximum amount
38 of monthly TANF assistance by an amount equal to the percentage increase required
39 to raise the maximum amount of monthly assistance for a family of 3 with an adult
40 included to the average maximum amount of monthly assistance for a family of 3 in
41 the other New England states rounded to the nearest dollar.

42 D. Beginning January 1, 2018, the department shall increase the maximum amount
43 of monthly TANF assistance by an amount equal to the increase, if any, in the cost of

1 living. The increase in the cost of living must be measured by the percentage
2 increase, if any, as of August of the previous year over the level as of August of the
3 year preceding that year in the Consumer Price Index for Urban Wage Earners and
4 Clerical Workers, CPI-W, for the Northeast Region, or its successor index, as
5 published by the United States Department of Labor, Bureau of Labor Statistics or its
6 successor agency, with the amount of the increase rounded to the nearest dollar.

7 **Sec. 7. 22 MRSA §§3769-E to 3769-H** are enacted to read:

8 **§3769-E. TANF reserve**

9 **1. Reserve established.** A TANF reserve is established for the purposes specified in
10 this section. The reserve must be funded with an amount equal to 25% of the State's
11 TANF block grant that must be designated from the accrued amount of unobligated and
12 unliquidated funds available from the TANF block grant in years prior to federal fiscal
13 year 2017.

14 **2. Allocations from the TANF reserve; purpose.** The TANF reserve must be used
15 to prevent any loss of services or assistance under this chapter or chapter 1054, 1054-A or
16 1054-B that would otherwise occur as a result of insufficient State maintenance of effort
17 or federal block grant funds.

18 **3. Report by State Controller.** The State Controller shall report at least annually on
19 the TANF reserve on or before January 15th to the joint standing committee of the
20 Legislature having jurisdiction over appropriations and financial affairs and the joint
21 standing committee of the Legislature having jurisdiction over health and human services
22 matters. The report must summarize the status of and activity in the TANF reserve.

23 **§3769-F. Working Cars for Working Families Program**

24 There is established the Working Cars for Working Families Program, referred to in
25 this section as "the program," to help families with children obtain or retain sustainable
26 employment by providing them with access to reliable, affordable transportation. The
27 program provides eligible families, as determined under subsection 4, with loans to
28 purchase vehicles or with donated vehicles as described in subsection 7.

29 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
30 following terms have the following meanings.

31 A. "Enrollment period" means the 3-year period following the date an individual has
32 been approved for program participation. If an individual's participation in the
33 program is terminated by the department before the end of the 3-year period, the
34 enrollment period ends on the date the department terminates the individual's
35 participation in the program.

36 B. "Pilot period" means fiscal years 2017-18, 2018-19, 2019-20 and 2020-21.

37 **2. Funding established.** For fiscal years 2017-18 to 2020-21, the department shall
38 use \$10,000,000 in funds provided under the TANF federal block grant and accrued prior
39 to fiscal year 2017-18 to fund the program.

1 **3. Administration.** The department may contract with a private nonprofit agency or
2 agencies to administer the program established by this section in fiscal years 2017-18 to
3 2020-21. The agency or agencies must provide services to eligible families statewide and
4 have demonstrated capacity to work with low-income families and provide case
5 management assistance. Nothing in this section may be construed to mean that the
6 department, or any agency delivering program services under contract with the
7 department, is required to obligate or expend any funds beyond existing funds available
8 to them under this section.

9 **4. Eligibility requirements.** Within the limits of available program resources, an
10 individual is eligible for services under this program as determined by the department if
11 the individual's family:

12 A. Includes a minor child or children living in the household;

13 B. Has income that is less than 200% of the federal poverty guidelines;

14 C. Is engaged in employment, or is participating in a training or education program
15 directly leading to employment, including but not limited to the Parents as Scholars
16 Program established pursuant to section 3790, the Competitive Skills Scholarship
17 Program established pursuant to Title 26, section 2033 or any program approved by a
18 career center administered by the Department of Labor;

19 D. Would have improved access to sustainable employment or preparation for
20 employment as a result of program participation;

21 E. Has the financial ability or necessary resources available to insure and maintain a
22 vehicle, including resources that may be available through the ASPIRE-TANF
23 Program under section 3782-A or alternative aid under section 3763; and

24 F. Agrees to participate in a case management program under subsection 8 designed
25 to improve understanding of the responsibilities of car ownership as a condition of
26 program eligibility.

27 **5. Application; decision; appeal.** The department shall give an individual the
28 opportunity to make a written application for the program and the individual must be
29 given a prompt written decision in response to that application. Any decision related to
30 eligibility for the program under this section must include notice that the decision may be
31 appealed by the individual through a request for a hearing within 30 days of receipt of the
32 decision in accordance with rules adopted by the department. The 30-day appeal period
33 may be extended if the claimant can show good cause for failing to appeal within the
34 30-day period.

35 **6. Vehicles provided.** Under the program, the agency or agencies administering the
36 program shall obtain reliable vehicles and provide them to eligible individuals. The
37 amount of any payment by an individual must be established using a sliding scale, which
38 may include down payment assistance, designed to ensure affordability and the greatest
39 likelihood of successful program participation. The sliding scale must provide that no
40 monthly payment for a program vehicle is due, nor does one accrue, from any individual
41 whose family income is at or below 100% of the federal poverty guidelines.

1 **7. Program vehicles; reliability.** All vehicles donated or subject to loans under this
2 program must be assessed prior to acceptance into the program to determine that they are
3 sufficiently reliable to ensure, to the greatest extent feasible, a family's successful
4 participation in the program. A program administrator shall have the option of repairing
5 or selling any vehicle that does not meet the standard of reliability established for
6 acceptance into the program. Any proceeds from such sale must be reinvested in the
7 program.

8 **8. Case management services.** Agencies administering the program must provide
9 case management services to participating individuals to ensure that they will have
10 information about the basic responsibilities of car ownership and the support necessary to
11 participate successfully in the program.

12 **9. Registration, insurance and repairs.** Agencies administering the program shall
13 use 10% of funds provided by the department to establish a reserve fund for emergencies
14 related to repairs or other necessary costs essential for maintaining a vehicle for eligible
15 participants.

16 **10. Participant savings account.** A participant in the program must designate 15%
17 of the participant's monthly loan payment for deposit in a separate identifiable account
18 that may be used during the period of enrollment only for program vehicle repairs,
19 insurance or registration costs for a program vehicle or other transportation-related
20 purposes. The participant's payment must be matched by the program administrator with
21 funds available to the program. Any balance available in such an account at the end of
22 the participant's enrollment period must be provided to the program participant.

23 **11. Obligated funds carried over beyond pilot period.** Any funds provided under
24 this section may be carried forward beyond the pilot period to continue to provide
25 program services to an eligible participant for the duration of that participant's enrollment
26 period as long as those funds were obligated prior to the expiration of the pilot period.

27 **12. Program evaluation.** The department shall submit a report by January 15, 2022
28 to the joint standing committee of the Legislature having jurisdiction over human services
29 matters evaluating the program. The report must include:

30 A. The number of families and individuals participating in the program for each year
31 of the pilot period, indicating the number receiving a donated vehicle and those who
32 participated through a loan agreement;

33 B. The number of participants engaged in employment or participating in an
34 education or training program at the time the participants entered the program;

35 C. The number and percentage of participants that successfully completed an
36 education or training program while participating in the program;

37 D. The number and percentage of participants that were continuously employed
38 throughout the participants' period of participation;

39 E. The number and percentage of participants who experienced an increase in wages
40 or hours of employment throughout their period of enrollment;

1 F. The number and percentage of participants that defaulted on a loan and were
2 terminated from the program as a result; and

3 G. The number and percentage of participants that left the program prior to the end
4 of the participants' enrollment period.

5 After reviewing the evaluation, the committee may introduce legislation, including
6 emergency legislation, to continue or modify the program established under this section.

7 **§3769-G. Addiction prevention and family stabilization**

8 **1. Establishment; purpose.** The Addiction Prevention and Family Stabilization
9 Program, referred to in this section as "the program," is established to provide:

10 A. To homeless youth under 25 years of age at high risk of addiction to opioids or
11 addicted to opioids, case management, education, employment and housing services,
12 including the provision of housing to prevent homelessness; and

13 B. To parents suffering from addiction seeking to support or reunite with the parents'
14 minor children, housing stabilization support and services, including the provision of
15 housing as necessary to prevent homelessness.

16 **2. Requirements.** The department shall award grants under the program to
17 contractors in accordance with the following requirements and under the following
18 conditions.

19 A. The program must provide grants in those areas of the State where the need is
20 greatest. The department must determine the areas with greatest need by examining a
21 matrix of factors, including general assistance expenditures; the existence of waiting
22 lists, if any; the existence of experienced homeless services providers and clinicians;
23 and other reliable data relevant to a determination.

24 B. Participation in the program by an individual must be voluntary and may not be
25 required as a condition of eligibility for any public assistance program that assists an
26 individual in meeting the individual's basic needs, but may satisfy any such
27 requirements if applicable to a particular program and met on a voluntary basis.

28 C. The program must coordinate with emergency shelters, street outreach providers
29 and clinical and other health services necessary to assist persons with substance use
30 disorder in recovery.

31 D. The program may serve individuals with incomes at or below 200% of the federal
32 poverty level as defined in section 3762, subsection 1, paragraph C.

33 **3. Administration; operation by outside entity; grants; costs.** The department
34 shall administer the program. The department may contract with entities not in State
35 Government to provide housing and other services authorized under the program and
36 award grants to such entities under a competitive bid process. The department may use a
37 portion of the funding provided for the program for the administrative costs of the
38 department.

1 **4. Funds.** For fiscal years 2017-18 to 2020-21, the department shall use \$1,100,000
2 in funds provided under the TANF federal block grant and accrued prior to fiscal year
3 2017-18 to fund the program.

4 **§3769-H. Increased affordability; reduced energy use for low-income homeowners**
5 **with children**

6 **1. Program established.** The department may contract with a private nonprofit
7 agency or agencies to administer a program to reduce energy use and improve heating
8 affordability for low-income families with children in fiscal years 2017-18 to 2020-21.
9 The agency or agencies must have experience providing services to low-income families
10 statewide and have demonstrated capacity to work with low-income homeowners to
11 improve heating affordability and reduce energy use. For fiscal years 2017-18 to 2020-
12 21, the department shall use \$5,000,000 in unobligated funds provided under the TANF
13 federal block grant and accrued in fiscal years prior to fiscal year 2016-17 to assist
14 qualifying low-income families with children with incomes under 200% of the federal
15 poverty level, as defined in section 3762, subsection 1, paragraph C, in obtaining heat
16 pumps to reduce their heating costs and increase their economic stability.

17 **2. Report.** The department shall submit a report by January 15, 2020 to the joint
18 standing committee of the Legislature having jurisdiction over human services matters
19 evaluating the program established by this section along with data demonstrating the
20 effectiveness of the program in reducing heating costs and increasing economic stability
21 for low-income families with children. After reviewing the evaluation, the committee is
22 authorized to introduce legislation to the Second Regular Session of the 129th
23 Legislature, including emergency legislation, to continue or modify the program
24 established under this section.

25 **Sec. 8. 22 MRSA §3790, sub-§3-A** is enacted to read:

26 **3-A. Coordination with state educational institutions and programs.** The
27 department shall accept a referral from an educational institution or program that is part
28 of the University of Maine System; the Maine Community College System; Jobs for
29 Maine's Graduates, established in Title 20-A, section 6901; an adult education program
30 established in Title 20-A, chapter 315; or the career centers established by the
31 Department of Labor made on behalf of an eligible applicant for the program as long as
32 the referral includes a written statement signed by the prospective student expressing a
33 desire to enroll in the program. Such a statement, along with a referral, must be
34 considered an application for enrollment in the program and must be processed in
35 accordance with department rule. The department shall notify these institutions or
36 programs of the opportunity to refer prospective students in accordance with this
37 subsection and provide them with a referral form and statement to be signed by the
38 student to be used for application purposes under this subsection.

39 **Sec. 9. 36 MRSA §5219-S,** as amended by PL 2015, c. 328, §8, is further
40 amended to read:

1 **§5219-S. Earned income credit**

2 **1. Resident taxpayer.** A resident individual is allowed a credit against the tax
3 otherwise due under this Part in the amount of 15% of the federal earned income tax
4 credit if taxable income is equal to or less than 100% of the federal poverty level, as
5 defined in Title 22, section 3762, subsection 1, paragraph C; 10% of the federal earned
6 income tax credit if taxable income is between 101% and 150% of the federal poverty
7 level; and 5% of the federal earned income credit for all other resident individuals for the
8 same taxable year, except that for tax years beginning in 2009 and 2010, the applicable
9 percentage is 4%.

10 **2. Nonresident taxpayer.** A nonresident individual is allowed a credit against the
11 tax otherwise due under this Part in the amount of 15% of the federal earned income tax
12 credit if taxable income is equal to or less than 100% of the federal poverty level, as
13 defined in Title 22, section 3762, subsection 1, paragraph C; 10% of the federal earned
14 income tax credit if taxable income is between 101% and 150% of the federal poverty
15 level; and 5% of the federal earned income credit for all other resident individuals for the
16 same taxable year, except that for tax years beginning in 2009 and 2010, the applicable
17 percentage is 4%, multiplied by the ratio of the individual's Maine adjusted gross income,
18 as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal
19 adjusted gross income, as modified by section 5122.

20 **3. Part-year resident taxpayer.** An individual who files a return as a part-year
21 resident in accordance with section 5224-A is allowed a credit against the tax otherwise
22 due under this Part in the amount of 15% of the federal earned income tax credit if
23 taxable income is equal to or less than 100% of the federal poverty level, as defined in
24 Title 22, section 3762, subsection 1, paragraph C; 10% of the federal earned income tax
25 credit if taxable income is between 101% and 150% of the federal poverty level; and 5%
26 of the federal earned income credit for all other individuals who file returns as part-year
27 residents for the same taxable year, except that for tax years beginning in 2009 and 2010,
28 the applicable percentage is 4%, multiplied by a ratio, the numerator of which is the
29 individual's Maine adjusted gross income as defined in section 5102, subsection 1-C,
30 paragraph A for that portion of the taxable year during which the individual was a
31 resident plus the individual's Maine adjusted gross income as defined in section 5102,
32 subsection 1-C, paragraph B for that portion of the taxable year during which the
33 individual was a nonresident and the denominator of which is the individual's entire
34 federal adjusted gross income, as modified by section 5122.

35 **4. Limitation.** The credit allowed by this section may not reduce the Maine income
36 tax to less than zero, except that for tax years beginning on or after January 1, 2016, the
37 credit allowed under subsections 1 and 3 is refundable.

38 **5. Payment.** The bureau shall estimate the portion of the cost to provide a
39 refundable tax credit under this section to households with qualifying children with
40 incomes at or below 150% of the federal poverty level, as defined in Title 22, section
41 3762, subsection 1, paragraph C. The amount determined necessary for the payment of
42 refunds to these households at or below 150% of the federal poverty level must be
43 allocated from federal Temporary Assistance for Needy Families block grant funds and

1 transferred to the Department of Administrative and Financial Services for deposit in the
2 General Fund for payment of these costs.

3 **6. Protection from loss of benefits.** Notwithstanding any other provision of law,
4 any refund made to an individual under this section may not be taken into account as
5 income and may not be taken into account as resources for a period of 12 months from
6 receipt of the refund for purposes of determining the eligibility of the individual for
7 benefits or assistance or the amount or extent of benefits or assistance under any federal
8 program or any state or local program based on need.

9 **Sec. 10. Funding.** Any administrative, technological or other costs associated with
10 the purposes of this Act for families eligible for the Temporary Assistance for Needy
11 Families, TANF, program must be funded by using the federal block grant funding
12 allocated to the Department of Health and Human Services within the state family
13 assistance grant of the TANF program or existing state maintenance of effort funds,
14 which may be replaced with federal block grant funds at no additional cost to the General
15 Fund, except that funds for the purposes related to amendment of the Maine Revised
16 Statutes, Title 22, section 3737, subsection 4 must be funded using the federal block grant
17 funding allocated to the Department of Health and Human Services within the child care
18 development block grant.

19 **Sec. 11. Rulemaking.** By October 1, 2017, the Department of Health and Human
20 Services shall adopt routine technical rules, as defined in the Maine Revised Statutes,
21 Title 5, chapter 375, subchapter 2-A, to implement the provisions of Title 22, sections
22 3769-F and 3769-H, including a rule defining good cause for purposes of Title 22, section
23 3769-F, subsection 5.

24 SUMMARY

25 This bill makes the following changes to the laws governing public assistance. The
26 bill is intended to help alleviate poverty and hardship among families with children
27 through increased employment, earnings, education and training and the provision of
28 support and individualized services for those with particular barriers to employment. The
29 bill:

30 1. Requires the Department of Health and Human Services to collect data to measure
31 the status of child and family economic security and establish benchmarks on an annual
32 basis to monitor year-to-year improvement in the well-being of families with children in
33 the State;

34 2. Directs the Department of Health and Human Services to increase access to
35 high-quality child care services by establishing rates that are equal to the 75th percentile
36 of local market rates for various categories of child care and higher rates for children with
37 special needs for services provided through the child care development block grant and
38 the temporary assistance to needy families block grant;

39 3. Establishes a voucher program to improve housing stability and reduce risk of
40 homelessness through the Maine State Housing Authority. The voucher program provides

- 1 housing assistance in the form of a voucher to Temporary Assistance for Needy Families,
2 TANF, families and TANF transitional families whose shelter expenses equal or exceed
3 50% of their monthly income;
- 4 4. Amends the alternative aid provisions to help families facing an emergency that
5 threatens their ability to get or keep a job by extending program eligibility to 2-parent
6 families, requiring that assistance be provided more promptly and modifying the amount
7 of aid that may be available to address an emergency;
- 8 5. Provides an increase in the monthly TANF maximum benefit. It requires that
9 Maine's TANF benefit equal the average TANF benefit in other New England states;
- 10 6. Establishes a pilot program that provides access to reliable transportation for
11 working low-income families with children or those engaged in a training program
12 directly leading to employment;
- 13 7. Establishes a program that increases heating affordability and reduces energy use
14 among low-income homeowners with children;
- 15 8. Establishes a TANF reserve fund using accrued but unobligated and unliquidated
16 funds from the TANF federal assistance grant to maintain eligibility and services when
17 adequate funding is not otherwise available;
- 18 9. Allows the Department of Health and Human Services to accept referrals from
19 educational institutions and similar programs in the State for eligible parents for the
20 Parents as Scholars Program;
- 21 10. Increases the value of the state earned income credit for working families whose
22 incomes are below 150% of the federal poverty level;
- 23 11. Ensures that funding to provide the eligibility and services established by this bill
24 will come from the state family assistance grant and the child care development block
25 grant; and
- 26 12. Establishes the Addiction Prevention and Family Stabilization Program.