SENATE No. 38

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Removing Barriers to Financial Stability and Asset Development for Low to Moderate Income Families.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Subsection (b) of section 110 of chapter 5 of the acts of 1995, as most recently amended by section 308 of chapter 159 of the acts of 2000, is further amended by
- 3 striking out said subsection and inserting in place thereof the following new subsection:
- 4 (b) In order to encourage asset development, promote employment, and prevent
- 5 homelessness, the Commissioner is authorized to establish by regulation a maximum allowable
- 6 resource limit for otherwise eligible families and to establish by regulation rules governing the
- 7 extent to which the value of vehicles are or are not countable toward said limit. Notwithstanding
- 8 the foregoing, the maximum allowable resource limit shall not be less than \$5,000 and the rules
- 9 governing vehicles shall provide that at least one motor vehicle used for transportation per
- 10 licensed driver in a household shall not count as a resource.
- SECTION 2. Notwithstanding any general or special law to the contrary, in determining
- eligibility for the program of emergency aid to elders, disabled and children under chapter 117A

of the General Laws, at least one motor vehicle used for transportation per licensed driver in a household shall not count as a resource.

SECTION 3. Notwithstanding any general or special law to the contrary, on or before October 1, 2009, the department of transitional assistance shall establish a generally applicable work expense deduction within the program of transitional aid to families with dependent children at a level intended to cover work expenses incurred by working recipients, including but not limited to payroll deductions, transportation, and clothing expenses. Said work expense deduction shall initially be no less than \$250 and shall thereafter be adjusted annually to reflect inflation.

SECTION 4. Notwithstanding any general or special law to the contrary, payments under state or private work study programs and state grants for education or training shall not be counted as income or a resource in determining eligibility for or benefits levels under the program of emergency aid to elders, disabled and children under chapter 117A of the General Laws and the program of transitional aid to families with dependent children under chapter 118 of the General Laws.

SECTION 5. Notwithstanding any general or special law to the contrary and in order to encourage asset development, promote employment, and prevent homelessness, with respect to the programs of emergency aid to elders, disabled and children under chapter 117A of the general laws and transitional aid to families with dependent children under chapter 118 of the General Laws, the department of transitional assistance shall treat as noncountable with regard to any maximum countable resource limits and the lump sum income rule up to \$10,000 that has been expended or is placed in an Individual Asset Account for later expenditure for costs related

to education or training, transportation to work or to other activities of daily living, obtaining or retaining or maintaining housing, debt reduction, starting a business, health care, basic household necessities, or other responsible expenses as identified by the department.

SECTION 6. Notwithstanding any general or special law to the contrary and in order to simplify administration and encourage asset development, any asset that federal law does not require be counted under the federal supplemental nutrition assistance program shall also not be counted in determining eligibility for benefits under the program of transitional aid to families with dependent children under chapter 118 of the General Laws and the program of emergency aid to elders, disabled and children under chapter 117A of the General Laws or any other state administered program to the extent not inconsistent with federal law. Nothing in the preceding sentence shall be construed to require that any asset that is countable under the federal supplemental nutrition assistance program must be countable under the state cash assistance programs.

SECTION 7. Notwithstanding any general or special law to the contrary, and to the maximum extent possible in light of the need for the commonwealth to meet work participation rates associated with the federal transitional assistance to needy families block grant, the department of transitional assistance shall a) encourage and allow recipients of transitional aid to families with dependent children benefits under chapter 118 of the General Laws to satisfy their work activity requirements, in whole or in part and throughout their periods of time limited benefits and any extension periods, by participating in vocational educational training programs and b) grant extensions of the time limit to enable recipients to complete such programs if they are making satisfactory progress toward an achievable vocational goal.