

MAINE STATE LEGISLATURE

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L.D. 978

Date: 6/17/25 MINORITY

(Filing No. H-75A)

HEALTH AND HUMAN SERVICES

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

132ND LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to H.P. 638, L.D. 978, "An Act to Increase General Assistance Reimbursement for Municipalities and Indian Tribes"

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

Sec. 1. 22 MRSA §4308, sub-§1-A, as enacted by PL 2011, c. 655, Pt. R, §2, is amended to read:

1-A. Limit on housing assistance. Except as provided in subsections 1-B and 2, housing assistance provided pursuant to this chapter is limited to a maximum of 9 months during the period from July 1, 2012 to June 30, 2013. Beginning July 1, 2025, except as provided in subsections 1-B and 2, housing assistance provided pursuant to this chapter is limited to a maximum of 12 months in a 36-month period.

Sec. 2. 22 MRSA §4308, sub-§2, as amended by PL 2023, c. 643, Pt. II, §1, is further amended by amending the 2nd blocked paragraph to read:

A municipality may not exceed maximum levels of assistance established pursuant to section 4305 for an applicant household for more than 30 days in a 12-month period when assistance is granted for housing ~~in a hotel, motel, inn or other lodging place as defined in section 2491, subsection 7-F.~~

Sec. 3. 22 MRSA §4311, sub-§1, as amended by PL 2015, c. 267, Pt. SSSS, §1, is further amended to read:

1. Departmental reimbursement. When a municipality incurs net general assistance costs in any fiscal year prior to July 1, 2015 in excess of .0003 of that municipality's most recent state valuation relative to the state fiscal year for which reimbursement is being issued, as determined by the State Tax Assessor in the statement filed as provided in Title 36, section 381, the Department of Health and Human Services shall reimburse the municipality for 90% of the amount in excess of these expenditures when the department finds that the municipality has been in compliance with all requirements of this chapter. If a municipality elects to determine need without consideration of funds distributed from any

~~municipally-controlled~~ municipally controlled trust fund that must otherwise be considered for purposes of this chapter, the department shall reimburse the municipality for 66 2/3% of the amount in excess of such expenditures when the department finds that the municipality has otherwise been in compliance with all requirements of this chapter.

The department shall reimburse each municipality and each Indian tribe 70% of the direct costs incurred by that municipality or tribe on or after July 1, 2015 and before July 1, 2025 for the general assistance program granted by that municipality or tribe. ~~For the purposes of this subsection, "Indian tribe" has the same meaning as in section 411, subsection 8-A.~~

The department shall reimburse each municipality and Indian tribe as follows:

A. Beginning July 1, 2025, the department shall reimburse each municipality and each Indian tribe 75% of the direct costs incurred by that municipality or tribe for costs incurred on or after July 1, 2025 and before July 1, 2027; and

B. Beginning July 1, 2027, the department shall reimburse each municipality and each Indian tribe 80% of the direct costs incurred by that municipality or tribe for costs incurred on or after July 1, 2027.

For the purposes of this subsection, "Indian tribe" has the same meaning as in section 411, subsection 8-A.

Sec. 4. 22 MRSA §4323, sub-§6, as enacted by PL 2023, c. 575, §6, is repealed.

Sec. 5. 22 MRSA §4327, as enacted by PL 2023, c. 575, §7, is amended to read:

§4327. Reporting

The department shall use municipal reports, ~~data from the statewide online database required under section 4323, subsection 6~~ and other metrics to generate a general assistance report to be submitted to the joint standing committee of the Legislature having jurisdiction over general assistance matters no later than January 30, 2026 and no later than January 30th of each odd-numbered calendar year thereafter. The initial report must include recommendations regarding a potential extension of the general assistance eligibility period beyond the 30-day limit established in section 4310, subsection 4. All reports must include metrics for: the number of individuals and families who received funds; the basic necessities for which those funds were provided; ~~the length of time those funds were received;~~ which municipalities accessed technical assistance and the number of times that technical assistance was requested, including instances outside of normal business hours; the type of technical assistance municipalities required; the number of calls to the department's general assistance hotline; and the number and content of complaints received and additional metrics as determined necessary by the department. The report must also include data illustrating municipal poverty levels, or regional or county poverty data when municipal-level poverty data is unavailable, and data regarding the use of other public benefit programs such as the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families program in each municipality.

Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

General Assistance - Reimbursement to Cities and Towns 0130

COMMITTEE AMENDMENT "B" to H.P. 638, L.D. 978

1 Initiative: Provides funding for increased state reimbursement of the costs of municipal
2 general assistance.

3	GENERAL FUND	2025-26	2026-27
4	All Other	\$1,821,933	\$1,821,933
5			
6	GENERAL FUND TOTAL	\$1,821,933	\$1,821,933

7
8 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
9 number to read consecutively.

10 **SUMMARY**

11 This amendment replaces the bill. The amendment provides that, beginning July 1,
12 2025, housing assistance is limited to a maximum of 12 months in a 36-month period.
13 Current law provides that individuals eligible for emergency general assistance, including
14 individuals experiencing or facing homelessness, and certain individuals with severe and
15 persistent mental or physical conditions are exempt from this limitation. The amendment
16 provides that a municipality may not exceed maximum levels of assistance established
17 pursuant to the Maine Revised Statutes, Title 22, section 4305 for an applicant household
18 for more than 30 days in a 12-month period when assistance is granted for housing. The
19 amendment also requires the Department of Health and Human Services to reimburse
20 municipalities and Indian tribes 75% of the direct costs incurred by that municipality or
21 tribe for costs incurred on or after July 1, 2025 and before July 1, 2027 and that beginning
22 July 1, 2027, the department must reimburse each municipality and each Indian tribe 80%
23 of the direct costs incurred by that municipality or tribe for costs incurred on or after July
24 1, 2027. Finally, the amendment removes the requirement that the department, beginning
25 July 1, 2025, provide overseers access to an Internet-based, real-time database containing
26 the information necessary to properly determine eligibility of an applicant for general
27 assistance.

28 **FISCAL NOTE REQUIRED**
29 (See attached)

**132nd MAINE LEGISLATURE****LD 978****LR 1745(03)****An Act to Increase General Assistance Reimbursement for Municipalities and Indian Tribes****Fiscal Note for Bill as Amended by Committee Amendment****Committee: Health and Human Services****Fiscal Note Required: Yes****B (H-754)**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$1,821,933	\$1,821,933	\$3,643,867	\$3,643,867
Appropriations/Allocations				
General Fund	\$1,821,933	\$1,821,933	\$3,643,867	\$3,643,867

Fiscal Detail and Notes

The bill includes ongoing General Fund appropriations to the Department of Health and Human Services of \$1,821,933 in fiscal year 2025-26 and \$1,821,933 to fund increased state reimbursement of municipal general assistance costs. The bill increases the reimbursement rate from 70% to 75% for costs incurred on or after July 1, 2025 and from 75% to 80% for costs incurred on or after July 1, 2027.

The bill also limits housing assistance provided under general assistance to a maximum of 12 months in a 36-month period. This is estimated to reduce the annual cost of state reimbursement for municipal general assistance by \$3,715,190 beginning in fiscal year 2026-27. Additionally, the bill expands the limitation on exceeding the maximum level of benefits when emergency general assistance is provided for housing. Because the current budget for state reimbursement for general assistance is insufficient to cover projected costs, any reduction in reimbursement costs from these limits would not result in savings to budgeted amounts, but would reduce the amount of the gap between budgeted and actual expenditures.