

L.D. 1922

STATE OF MAINE HOUSE OF REPRESENTATIVES 108TH LEGISLATURE SECOND REGULAR SESSION

(Filing No. H-1182)

HOUSE AMENDMENT " A " to COMMITTEE AMENDMENT "A" to H.P. 1859, L.D. 1922, Bill, "AN ACT to Increase State Reimbursement for the Net Costs of Local General Assistance."

Amend the amendment by striking out everything after the first paragraph and inserting in its place the following:

22 MRSA \$4499, as last amended by PL 1977, c. 417, \$10, is repealed and the following enacted in its place:

## 54499. Costs; limit

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When a municipality incurs net general assistance costs in any fiscal year, the Department of Human Services shall reimburse the municipality based upon one of the following formulas, using whichever formula provides the greater amount of reimbursement to that municipality.

1. Formula A. Formula A: When a municipality incurs net general assistance costs in any fiscal year in excess of .0006 of that municipality's state valuation as determined by the State Tax Assessor in the statement filed by him as provided HOUSE AMENDMENT " A " to COMMITTEE AMENDMENT "A" to H.P. 1859, L.D. 1922

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in Title 36, section 381, the Separtment shall reimburse the municipality for 100% of the amount in excess of the expenditures which the department considers to be reasonable and appropriate. For the purposes of this section, the municipal officers shall submit to the Department of Human Services a monthly return on forms provided by the department stating the amount of net general assistance costs.

2. Formula B. Formula B: When a municipality incurs net general assistance costs in any fiscal year, the pepartment shall reimburse the municipality for 30% of the expenditures which the pepartment considers to be reasonable and appropriate. For the purposes of this section, the municipal officers shall submit to the Department of Human Services a monthly return on forms provided by the department, stating the amount of net general assistance costs for each month in which expenses are incurred.

The Department of Human Services shall reimburse communities under precluded / Formula B unless annually notified in writing by May 1st, by the municipality that reimbursement for the subsequent fiscal year shall be completed under Formula A.

## Statement of Fact

This amendment will enable communities to select one of 2 alternate methods for state reimbursement of general assistance costs. The first method is a continuation of the current formula of .0006 of the municipalities state valuation. Under this method, 100% of all expenditures in excess of this Page 3. HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 1859, L.D. 1922

threshold level are reimbursed. The second method is 30% state reimbursement of all local general assistance costs.

The amendment will provide state assistance to all communities with general assistance costs. Less than 20 municipalities will be helped if the current .0006 formula is retained.

The Department of Human Services has indicated the amendment will not have any additional costs.

## Filed by Mr. Burns of Anson.

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