

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1922

H. P. 1859

Office of the Clerk of the House The Committee on Appropriations and Financial Affairs suggested. Approved for introduction by the Legislative Council pursuant to Joint Rule 24. EDWIN H. PERT, Clerk

Presented by Mr. Brenerman of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

AN ACT to Increase State Reimbursement for the Net Costs of Local General Assistance.

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

22 MRSA § 4499, first sentence, as last amended by PL 1977, c. 417, § 10, is further amended to read:

When a municipality incurs net general assistance costs in any fiscal year in excess of .0002 of that municipality's state valuation as determined by the State Tax Assessor in the statement filed by him as provided in Title 36, section 381, the Department of Human Services shall reimburse the municipality for 90% of the amount in excess of such expenditures which the department considers to be reasonable and appropriate.

STATEMENT OF FACT

The purpose of this bill is to increase state reimbursement for the net costs of local general assistance by decreasing the local share factor in the present formula from .0006 times the municipality's state valuation to .0002 times the municipality's state valuation.

The 2nd purpose of this bill is to decrease the property tax burden on the many municipalities in this State whose valuations have doubled since this law was enacted 4 years ago. In that 4 years, the reimbursement formula has remained the same despite the increase in valuation.

Therefore, unless this bill is enacted, many municipalities in the coming year will receive little or no reimbursement for their burgeoning general assistance costs and will be forced to increase their property taxes to pay those costs.