

## ONE HUNDRED AND NINTH LEGISLATURE

### Legislative Document

No. 601

S. P. 216 In Senate, February 16, 1979 Referred to the Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

Presented by Senator McBreairty of Aroostook.

Cosponsor: Senator O'Leary of Oxford.

MAY M. ROSS, Secretary of the Senate

## STATE OF MAINE

#### IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-NINE

# 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:

Sec. 1. 22 MRSA § 4499, first sentence, as last amended by PL 1977, c. 717, § 1, is repealed and the following enacted in its place:

The Department of Human Services shall reimburse each municipality for 90% of the net general assistance costs which exceed a mill rate set by the department mutiplied by the 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 shall adjust the mill rate to cause an annual expenditure by the State equal to .00012 times the total state valuation for that year.

Sec. 2. Effective date. This Act shall become effective July 1, 1980.

#### STATEMENT OF FACT

The purpose of this bill is to provide for the annual adjustment of the mill factor for setting reimbursement payments to municipalities for general assistance expenses. The factor is adjusted annually to compensate for increases in state valuation. The current appropriation for general assistance reimbursements to municipalities is divided by current state valuation to establish the .00012 index. This index will be applied against future state valuations to set the expenditure level for the reimbursement program. The expenditure level will determine the adjustment needed in the mill factor.