

MAINE STATE LEGISLATURE

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(EMERGENCY)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 1135

H.P. 881

House of Representatives, March 9, 1983

Referred to the Committee on Health and Institutional Services. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Michaud of E. Millinocket.

Cosponsors: Representative Dudley of Enfield and Senator Redmond of Somerset.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-THREE

AN ACT to Amend the Municipal General
Assistance Reimbursement Law.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Revised Statutes, Title 22, chapter 1251, delegates responsibility to local officials for administering a program of welfare assistance in each of Maine's municipalities; and

Whereas, that law may be interpreted to mean that the officials, in determining need for financial assistance, may exclude as countable income any amount of income they wish in determining individual eligibility for assistance; and

1 Whereas, funds from the General Fund of the State
2 are used to reimburse many of these localities for
3 assistance rendered; and

4 Whereas, some administrators of the program are
5 excluding substantial sums of money readily available
6 to applicants and recipients of local welfare when if
7 counted would reduce payments; and

8 Whereas, costs of these payments based on local
9 exclusions are being passed on to other tax payers
10 not residing in these localities; and

11 Whereas, the costs of these exclusions amount to
12 thousands of dollars each month for the General Fund
13 taxpayer; and

14 Whereas, in the judgment of the Legislature,
15 these facts create an emergency within the meaning of
16 the Constitution of Maine and require the following
17 legislation as immediately necessary for the preser-
18 vation of the public peace, health and safety; now,
19 therefore,

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

22 22 MRSA §4499, as amended by PL 1981, c. 298, is
23 repealed and the following enacting in its place:

24 §4499. Costs; limit

25 1. Reimbursement. When a municipality incurs
26 net general assistance costs in any fiscal year in
27 excess of .0003 of that municipality's 1981 state
28 valuation as determined by the State Tax Assessor in
29 the statement filed by him as provided in Title 36,
30 section 381, the Department of Human Services shall
31 reimburse the municipality for 90% of the amount in
32 excess of those expenditures when the department
33 finds that the municipality has been in compliance
34 with all requirements of this chapter. For the pur-
35 poses of this section, the municipal officers shall
36 submit to the department a monthly return on forms
37 provided by the department stating the amount of net
38 general assistance costs beginning at the end of the

1 month in which the municipality's net general assis-
2 tance costs exceed the ceiling formula stated in this
3 section.

4 2. Assets of applicant. To qualify for reim-
5 bursement of its otherwise proper net general assis-
6 tance expenditures, a municipality shall, when deter-
7 mining an applicant's standard of need, treat as an
8 available asset:

9 A. Income, earned and unearned, available to the
10 applicant;

11 B. Trust fund and similar distributions avail-
12 able to the applicant, including, but not limited
13 to, per capita distributions of income from the
14 Maine Indian Land Claims Settlement Fund, United
15 States Code, Title 25, Section 1724, available to
16 members of the Passamaquoddy Tribe and the
17 Penobscot Nation; and

18 C. Any other income or property, whether tan-
19 gible or intangible, available to the applicant.

20 3. Excluded assets. The following are not
21 available assets within the meaning of subsection 2:

22 A. Income, property or governmental entitlements
23 specifically treated as exempt assets by state or
24 federal law;

25 B. Work-related expenses, whether itemized or by
26 standard deduction, such as taxes, retirement
27 fund contributions, union dues, transportation
28 costs to and from work, special equipment costs
29 and child care expenses; and

30 C. Income of children below the age of 18 years
31 who are full-time students and who are not work-
32 ing full time.

33 Emergency clause. In view of the emergency
34 cited in the preamble, this Act shall take effect
35 when approved.

1 STATEMENT OF FACT

2 Existing law accords municipalities a large mea-
3 sure of discretion in determining what will be
4 treated as exempt or available income and property of
5 a general assistance applicant. This bill estab-
6 lishes criteria for defining income resources and
7 allowable exemptions. It also sets forth clear stan-
8 dards for the reimbursement of municipal costs by the
9 Department of Human Services. It does not interfere
10 with a municipality's decision-making authority as
11 long as state reimbursement is not sought.

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