



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1386

H.P. 997

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House of Representatives, April 27, 1989

Reference to the Committee on Human Resources suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative MANNING of Portland.

STATE OF MAINE

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

An Act to Correct Errors and Inconsistencies Regarding Reporting Requirements in the General Assistance Laws. 1

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

Sec. 1. 22 MRSA §4305, sub-§4, as amended by PL 1985, c. 489, §§4 and 14, is repealed and the following enacted in its place:

4. Ordinance filed. Each municipality shall file a copy of its general assistance ordinance and copies of any forms it uses with the Department of Human Services. Any time a municipality amends its ordinance it shall file a copy of the amendment with the department.

Within 60 days of receiving an ordinance, the department shall review it for compliance with the law. If the department finds 13 that the ordinance complies with the law, it shall provide the 15 municipality with a written certificate of compliance. If the department finds that the ordinance is not in compliance with the law, the department shall notify the municipality in writing 17 specifying what provisions violate the law and provide the 19 municipality with suggested alternative lanquage. The municipality shall have 30 days to appeal the department's 21 decision, pursuant to section 4323, or 60 days to amend its ordinance. If the department fails to provide written notice to the municipality regarding whether the ordinance complies with 23 the law, the ordinance shall be deemed to comply with the law.

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Sec. 2. 22 MRSA §4311, sub-§1-B, as enacted by PL 1987, c. 833, is amended to read:

29 1-B. Reimbursement administrative expenses. The for department shall reimburse each municipality for the 31 administrative costs of its general assistance program if the department finds that the municipality was in compliance with all 33 requirements of this chapter during the fiscal year for which The amount of reimbursement to each reimbursement is sought. municipality shall be an amount equal to: 35

A. Fifty percent of all general assistance granted to by that municipality below the ---,0003%-of--all .0003 of that
 <u>municipality's 1981</u> state valuation amount; or

B. Reasonable administrative costs of the municipality's general assistance program, defined as 10% of met gross
general assistance cost.

Each municipality shall elect to be reimbursed under paragraph A or B at the beginning of the fiscal year for which reimbursement
is sought and shall elect at that time to file monthly, quarterly or annual reports. The department shall notify each municipality
annually of this requirement and the reporting requirements and shall provide copies of the report forms necessary to meet the requirements of this section.

- Notwithstanding any other provision of law, this subsection shall take effect on July 1, 1989.
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Sec. 3. 22 MRSA §4311, sub-§2, as amended by PL 1985, c. 567, is repealed and the following enacted in its place:

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2. Submission of reports. Municipalities shall submit reports as follows. All reports shall be considered requests for reimbursement.

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A. Municipalities which received reimbursement during the previous year pursuant to subsection 1, must submit monthly reports on forms provided by the department.

B. All other municipalities must submit quarterly or annual17reports.

19 Sec. 4. 22 MRSA §4311, sub-§3, as enacted by PL 1983, c. 577, §1, is repealed and the following enacted in its place:

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3. Refusal to pay. The Department of Human Services may refuse to reimburse any municipality which fails, without good cause, to submit its reports within 90 days of the end of the period covered by the report. The department shall establish standards to determine good cause by rule.

STATEMENT OF FACT

The purpose of this bill is to correct several errors or 33 inconsistencies regarding state reimbursement to municipalities for general assistance expenses. Section 1 of the bill expands the Department of Human Services' responsibility to review all 35 general assistance ordinances by requiring the department to 37 notify the municipality if an ordinance complies with the law. If the ordinance is in compliance with the law, the department would be required to send a certificate of compliance to the 39 municipality to inform the municipality that the ordinance has been reviewed and meets the requirements of the law. If the 41 ordinance doesn't meet the requirements of the law, then the department would be required to notify the municipality and 43 inform it of the problem and provide suggested corrective language. If the department fails to notify the municipality in 45 writing within 60 days of receiving the ordinance, the ordinance will be considered in compliance with the law. 47

Beginning in July 1989, all municipalities which spend any funds on general assistance will be entitled to receive at least
 50% reimbursement starting with the first dollar spent;

1 municipalities which reach the .0003% of their 1981 valuation threshold would also continue to receive 90% reimbursement. 3 Section 2 corrects an error by clarifying that the threshold level is .0003 of the municipality's 1981 valuation. Public Law 1987, chapter 833, inadvertently read .0003% of all state 5 valuation. Section 2 also requires the department to notify each 7 municipality of the reimbursement provisions annually and requires municipalities to choose when they will file their expenditure statements. 9

Section 3 specifies that those municipalities which received 90% reimbursement during the previous year will be required to file monthly reports as they currently are required to file while all other municipalities will be required to file quarterly or annual reports. All reports will be considered requests for reimbursement, since all municipalities which spend funds on general assistance will be entitled to receive reimbursement.

19 Section 4 clarifies when the department may refuse to pay reimbursement to a municipality by allowing the department to 21 consider good cause if a municipality files a report later than 90 days after the period of the report. This is intended to 23 clarify that the State recognizes its responsibility to provide partial funding of general assistance expenses and will not 25 withhold reimbursement unless a municipality refuses to comply with the reporting requirements without good cause.

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