

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 1252

S.P. 438

March 8, 2007

An Act To Amend State Funding Reimbursement under the General Assistance Program

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator ROSEN of Hancock.

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

2 **Sec. 1. 22 MRSA §4311, sub-§1**, as amended by PL 1993, c. 410, Pt. AAA, §7
3 and PL 2003, c. 689, Pt. B, §6, is further amended to read:

4 **1. Departmental reimbursement.** When a municipality incurs net general
5 assistance costs in any fiscal year in excess of ~~.0003~~ .00025 of that municipality's most
6 recent state valuation relative to the state fiscal year for which reimbursement is being
7 issued, as determined by the State Tax Assessor in the statement filed as provided in Title
8 36, section 381, the Department of Health and Human Services shall reimburse the
9 municipality for 90% of the amount in excess of these expenditures when the department
10 finds that the municipality has been in compliance with all requirements of this chapter.
11 If a municipality elects to determine need without consideration of funds distributed from
12 any municipally-controlled trust fund that must otherwise be considered for purposes of
13 this chapter, the department shall reimburse the municipality for 66 2/3% of the amount
14 in excess of such expenditures when the department finds that the municipality has
15 otherwise been in compliance with all requirements of this chapter.

16 **Sec. 2. 22 MRSA §4311, sub-§1-B**, as amended by PL 1991, c. 9, Pt. U, §8, is
17 further amended to read:

18 **1-B. Reimbursement for direct expenses.** The department shall reimburse each
19 municipality for the costs of a portion of the direct costs of paying benefits through its
20 general assistance program if the department finds that the municipality was in
21 compliance with all requirements of this chapter during the fiscal year for which
22 reimbursement is sought. The amount of reimbursement to each municipality must be an
23 amount equal to:

24 A. ~~Fifty~~ Sixty percent of all general assistance granted by that municipality below
25 the ~~.0003%~~ .00025% of all state valuation amount; or

26 B. Ten percent of all general assistance granted.

27 Each municipality shall elect to be reimbursed under paragraph A or B at the beginning
28 of the fiscal year for which reimbursement is sought.

29 Notwithstanding any other provision of law, this subsection takes effect on July 1, 1989.

30 **SUMMARY**

31 This bill makes two changes to the general assistance state reimbursement system.
32 First, the bill amends the calculation used to trigger 90% state reimbursement for general
33 assistance expenses from .0003% of state valuation to .00025% of state valuation.
34 Second, the bill requires the State to reimburse municipalities 60% of the total direct
35 general assistance related expense, rather than 50% as required by current law.