

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 1303

H.P. 906

House of Representatives, March 31, 2009

An Act To Improve the General Assistance Program

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative STUCKEY of Portland.

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

2 **Sec. 1. 22 MRSA §4305, sub-§3-B,** as amended by PL 2005, c. 231, §1, is
3 further amended to read:

4 **3-B. Temporary maximum levels.** Notwithstanding subsection 3-A, municipalities
5 shall establish an aggregate maximum level of assistance that is ~~440%~~ 150% of the
6 applicable existing housing fair market rents as established by the United States
7 Department of Housing and Urban Development pursuant to 24 Code of Federal
8 Regulations, Section 888.115, applying the zero-bedroom level for one person, the one-
9 bedroom level for 2 persons, the 2-bedroom level for 3 persons, the 3-bedroom level for 4
10 persons and the 4-bedroom level for 5 persons. For each additional person, the aggregate
11 maximum level increases by \$75. For the purposes of this subsection, municipalities with
12 populations greater than 10,000 are deemed Standard Metropolitan Statistical Areas in
13 those counties for which there are 2 fair market rent values and the aggregate maximum
14 level of assistance for all Standard Metropolitan Statistical Areas is the average of the fair
15 market rental values for the Standard Metropolitan Statistical Areas and areas that are not
16 Standard Metropolitan Statistical Areas for each county in which there are 2 fair market
17 rental values.

18 Beginning October 2005 and annually thereafter, the aggregate maximum level of
19 assistance must be established at the greater of ~~440%~~ 150% of the fair market rents as
20 determined in this subsection and the amount achieved by annually increasing the most
21 recent aggregate maximum level of assistance by the percentage increase in the federal
22 poverty level of the current year over the federal poverty level of the prior year.

23 For the purposes of this subsection, "federal poverty level" means that measure defined
24 by the federal Department of Health and Human Services and updated annually in the
25 Federal Register under authority of 42 United States Code, Section 9902(2).

26 **Sec. 2. 22 MRSA §4311,** as amended by PL 1995, c. 696, Pt. A, §39 and PL 2003,
27 c. 689, Pt. B, §6, is repealed and the following enacted in its place:

28 **§4311. State reimbursement to municipalities; reports**

29 **1. Departmental reimbursement.** The department shall reimburse each
30 municipality for the costs of a portion of its general assistance program if the department
31 finds that the municipality was in compliance with all requirements of this chapter during
32 the fiscal year for which reimbursement is sought. The amount of reimbursement to each
33 municipality must be an amount equal to:

34 A. Eighty percent of all general assistance granted by that municipality; or

35 B. Ten percent of all general assistance granted until the municipality incurs net
36 general assistance costs in any fiscal year in excess of .0003 of that municipality's
37 most recent state valuation relative to the state fiscal year for which reimbursement is
38 being issued, as determined by the State Tax Assessor in the statement filed as
39 provided in Title 36, section 381, at which time the department shall reimburse the
40 municipality, in addition to the above amount, for 90% of the amount in excess of
41 these expenditures when the department finds that the municipality has been in

1 compliance with all requirements of this chapter. If a municipality elects to
2 determine need without consideration of funds distributed from any municipally
3 controlled trust fund that must otherwise be considered for purposes of this chapter,
4 the department shall reimburse the municipality for 66 2/3% of the amount in excess
5 of such expenditures when the department finds that the municipality has otherwise
6 been in compliance with all requirements of this chapter.

7 **1-A. Municipal reimbursement for catastrophic illness.** When a municipality
8 pays for expenses approved pursuant to section 4313 for hospital inpatient or outpatient
9 care at any hospital on behalf of any person who is otherwise eligible and who would
10 have been entitled to receive payments for hospital care if that care had been rendered
11 prior to May 1, 1984 for services under the catastrophic illness program, section 3185, the
12 department shall reimburse the municipality for 100% of those payments.

13 **2. Submission of reports.** Municipalities must submit monthly, quarterly or
14 semiannual reports on forms provided by the department in accordance with department
15 rules.

16 **3. Claims.** The department may refuse to accept and pay any claim for
17 reimbursement that is not submitted by a municipality to the department within 90 days
18 of the payment on which that claim is based or at the end of the reporting period for
19 which reimbursement is sought unless just cause exists for failure to file a timely claim.

20 **Sec. 3. Appropriations and allocations.** The following appropriations and
21 allocations are made.

22 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

23 **General Assistance - Reimbursement to Cities and Towns 0130**

24 Initiative: Appropriates funds for general assistance reimbursement to cities and towns to
25 bring funding to levels appropriate to meet the needs of people experiencing economic
26 hardship.

27

28 GENERAL FUND	2009-10	2010-11
29 All Other	\$8,800,000	\$8,800,000
30		
31 GENERAL FUND TOTAL	<u>\$8,800,000</u>	<u>\$8,800,000</u>

32 **SUMMARY**

33 This bill changes the general assistance reimbursement rate methodology, which has
34 been in place since 1991. It replaces the 50 percent/90 percent option with a flat
35 reimbursement of 80% of all general assistance. The bill raises the temporary maximum
36 levels of assistance to 150% of the applicable existing housing fair market rents. The bill
37 also makes an ongoing General Fund appropriation of \$8,800,000 for general assistance
38 reimbursement to cities and towns to bring funding to levels appropriate to meet the
39 needs of people experiencing economic hardship.