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Majority

L.D. 1109 (Filing No. S-273)

HEALTH AND HUMAN SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

128TH LEGISLATURE

FIRST REGULAR SESSION

9 COMMITTEE AMENDMENT "A" to S.P. 363, L.D. 1109, Bill, "An Act To 10 Improve General Assistance Reimbursements"

11 Amend the bill by striking out the title and substituting the following:

12 'An Act Relating to the Costs of Administering General Assistance'

Amend the bill by striking out everything after the enacting clause and before thesummary and inserting the following:

15 'Sec. 1. 22 MRSA §4311, sub-§1, as amended by PL 2015, c. 267, Pt. SSSS, §1,
16 is further amended to read:

17 Departmental reimbursement. When a municipality incurs net general 1. 18 assistance costs in any fiscal year prior to July 1, 2015 in excess of .0003 of that 19 municipality's most recent state valuation relative to the state fiscal year for which 20 reimbursement is being issued, as determined by the State Tax Assessor in the statement 21 filed as provided in Title 36, section 381, the Department of Health and Human Services shall reimburse the municipality for 90% of the amount in excess of these expenditures 22 23 when the department finds that the municipality has been in compliance with all 24 requirements of this chapter. If a municipality elects to determine need without 25 consideration of funds distributed from any municipally-controlled trust fund that must otherwise be considered for purposes of this chapter, the department shall reimburse the 26 27 municipality for 66 2/3% of the amount in excess of such expenditures when the 28 department finds that the municipality has otherwise been in compliance with all 29 requirements of this chapter.

The department shall reimburse each municipality and each Indian tribe 70% of the direct costs incurred by that municipality or tribe on or after July 1, 2015 for the general assistance program granted by that municipality or tribe. For the purposes of this subsection, "Indian tribe" has the same meaning as in section 411, subsection 8-A.

34 Sec. 2. 22 MRSA §4311, sub-§1-D is enacted to read:

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COMMITTEE AMENDMENT "A" to S.P. 363, L.D. 1109

1-D. Municipal administrative expenses. Each municipality and Indian tribe is 1 2 responsible for 30% of the costs incurred for its general assistance program. Costs accrued by the municipality or the tribe for administering its general assistance program 3 4 must be included in the municipality's or tribe's 30% of costs as long as the department 5 determines that the costs are appropriate. The department shall adopt rules to determine appropriate costs for administration. Rules adopted pursuant to this subsection are 6 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. For the 7 purposes of this subsection, "Indian tribe" has the same meaning as in section 411, 8 9 subsection 8-A.

10 Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

12 HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

13 General Assistance - Reimbursement to Cities and Towns 0130

14 Initiative: Provides funding to account for increased costs to the State for the general 15 assistance program due to the inclusion of administrative costs in the 30% of general 16 assistance costs that are the responsibility of municipalities.

| 17 | | GENERAL FUND | 2017-18 | 2018-19 |
|----------------|---|--------------------|----------------|----------------|
| 18 | | All Other | \$3,433,962 | \$3,433,962 |
| 19 20 21 | , | GENERAL FUND TOTAL | \$3,433,962 | \$3,433,962 |

SUMMARY

This amendment, which is the majority report of the committee, replaces the bill and changes the title. It requires a municipality or Indian tribe to be responsible for 30% of the costs of its general assistance program and specifies that the costs incurred by the municipality or Indian tribe for administering the program count toward the 30%. It requires the Department of Health and Human Services to adopt routine technical rules to establish appropriate costs for administration.

This amendment also provides funding for increased costs to the State for the general
assistance program.

| 31 | FISCAL NOTE REQUIRED |
|----|----------------------|
| 32 | (See attached) |

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COMMITTEE AMENDMENT



128th MAINE LEGISLATURE

LD 1109

LR 1843(02)

An Act To Improve General Assistance Reimbursements

Fiscal Note for Bill as Amended by Committee Amendment 'A'' (S-273) Committee: Health and Human Services Fiscal Note Required: Yes

| | Fiscal Note | | | |
|--|-------------|-------------|---------------------------|---------------------------|
| | FY 2017-18 | FY 2018-19 | Projections FY 2019-20 | Projections FY 2020-21 |
| Net Cost (Savings) General Fund | \$3,433,962 | \$3,433,962 | \$3,433,962 | \$3,433,962 |
| Appropriations/Allocations General Fund | \$3,433,962 | \$3,433,962 | \$3,433,962 | \$3,433,962 |

Fiscal Detail and Notes

The bill includes General Fund appropriations to the Department of Health and Human Services of \$3,433,962 beginning in fiscal year 2017-18 to account for increased costs to the State for the general assistance program due to the inclusion of administrative costs in the 30% of general assistance costs that are the responsibility of municipalities.