

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

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

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

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

**1. Departmental reimbursement.** When a municipality incurs net general assistance costs in any fiscal year in excess of ~~.0003~~.00025 of that municipality's most recent state valuation relative to the state fiscal year for which reimbursement is being issued, as determined by the State Tax Assessor in the statement 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 when the department finds that the municipality has been in compliance with all requirements of this chapter. If a municipality elects to determine need without 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 municipality for 66 2/3% of the amount in excess of such expenditures when the department finds that the municipality has otherwise been in compliance with all requirements of this chapter.

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

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

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

B. Ten percent of all general assistance granted.

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

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

### **SUMMARY**

This bill makes two changes to the general assistance state reimbursement system. First, the bill amends the calculation used to trigger 90% state reimbursement for general assistance expenses

from .0003% of state valuation to .00025% of state valuation. Second, the bill requires the State to reimburse municipalities 60% of the total direct general assistance related expense, rather than 50% as required by current law.