

DRAFT (11/07/2024)

An Act to Increase 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 2015, c.267, Pt. SSSS, §1, is further amended to read:

1. Departmental reimbursement. When a municipality incurs net general assistance costs in any fiscal year prior to July 1, 2015 in excess of .0003 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.

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 and until June 30, 2025 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.~~

Beginning July 1, 2025, the department shall reimburse each municipality and each Indian tribe 90% of the direct costs incurred by that municipality or tribe 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.

Sec. 2. 22 MRSA §4311, sub-§1-B, as amended by PL 2015, c. 267, Pt. SSSS, §1, is further amended to read:

1-B. Reimbursement for administrative expenses. The department shall reimburse each municipality for ~~the costs of~~ a portion of the direct costs of processing applications and paying benefits incurred prior to July 1, 2015 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 administrative reimbursement to each municipality must be an amount equal to \$10 per application submitted for reimbursement of directly incurred costs as allowed by this section.

~~A. Fifty percent of all general assistance granted by that municipality below the .0003% 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.~~

Sec. 2. 22 MRSA §4311, sub-§2, as amended by PL 2015, c.267, Pt. SSSS, §1, is further amended to read:

2. Submission of reports. Each municipality shall report on a schedule determined by the department through rulemaking the direct cost of paying benefits through the general assistance program and the administration thereof on forms for reimbursement provided by the department.

Rules adopted pursuant to this subsection are ~~routine technical~~ major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

Summary

This bill increases the municipal reimbursement for costs associated with the General Assistance program by (1) increasing, from 70% to 90%, the amount of state reimbursement for the direct costs of general assistance incurred by each municipality and Indian tribe; and (2) requiring state reimbursement for a portion of administrative cost on a per submitted application basis. The bill also requires that the rules adopted pursuant to these sections are major substantive rather than routine technical.