

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 Improve the General Assistance Program

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

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

3-B. Temporary maximum levels. Notwithstanding subsection 3-A, municipalities shall establish an aggregate maximum level of assistance that is ~~110%~~150% of the applicable existing housing fair market rents as established by the United States Department of Housing and Urban Development pursuant to 24 Code of Federal Regulations, Section 888.115, applying the zero-bedroom level for one person, the one-bedroom level for 2 persons, the 2-bedroom level for 3 persons, the 3-bedroom level for 4 persons and the 4-bedroom level for 5 persons. For each additional person, the aggregate maximum level increases by \$75. For the purposes of this subsection, municipalities with populations greater than 10,000 are deemed Standard Metropolitan Statistical Areas in those counties for which there are 2 fair market rent values and the aggregate maximum level of assistance for all Standard Metropolitan Statistical Areas is the average of the fair market rental values for the Standard Metropolitan Statistical Areas and areas that are not Standard Metropolitan Statistical Areas for each county in which there are 2 fair market rental values.

Beginning October 2005 and annually thereafter, the aggregate maximum level of assistance must be established at the greater of ~~110%~~150% of the fair market rents as determined in this subsection and the amount achieved by annually increasing the most recent aggregate maximum level of assistance by the percentage increase in the federal poverty level of the current year over the federal poverty level of the prior year.

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

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 B, §6, is repealed and the following enacted in its place:

§ 4311. State reimbursement to municipalities; reports

1. Departmental reimbursement. The department shall reimburse each municipality for the costs of a portion of 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. Eighty percent of all general assistance granted by that municipality; or

B. Ten percent of all general assistance granted until the municipality incurs net general assistance costs in any fiscal year 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, at which time the department shall reimburse the municipality, in addition to the above amount, 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.

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

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

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

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

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

General Assistance - Reimbursement to Cities and Towns 0130

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

GENERAL FUND	2009-10	2010-11
All Other	\$8,800,000	\$8,800,000
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GENERAL FUND TOTAL	\$8,800,000	\$8,800,000

SUMMARY

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