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An Act To Bring Fairness to General Assistance Programs by Changing the Method of Municipal Reimbursement

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 B, §6, is repealed and the following enacted in its place:

1. Departmental reimbursement. The department shall reimburse each municipality or Indian tribe for a portion of the direct costs of paying benefits through its general assistance program if the department finds that the municipality or Indian tribe was in compliance with all requirements of this chapter during the fiscal year for which reimbursement is sought.

A. The amount of reimbursement for a municipality is the greater of:

(1) Fifty percent of all general assistance granted by that municipality; and

(2) Three dollars multiplied by the population of the municipality as determined by the most recent Federal Decennial Census.

B. For an Indian tribe that incurs net general assistance costs in any fiscal year in excess of .0003 of that tribe'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 shall reimburse the Indian tribe for 90% of the amount by which the tribe's general assistance direct costs exceed reimbursement under paragraph A. In addition, the department shall reimburse the tribe for 10% of all general assistance granted by that tribe.

As used in this subsection, "Indian tribe" has the same meaning as in section 411, subsection 8-A.

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

2. Submission of reports. Municipalities and Indian tribes, as defined in subsection 1, shall submit monthly reports as follows of general assistance benefits paid on forms provided by the department.

A. For purposes of this section, those municipalities that received reimbursement at 90% during the previous fiscal year of the State and those municipalities that expect to receive reimbursement at 90% during the current fiscal year of the State must submit monthly reports on forms provided by the department.

~~B. Those municipalities that did not receive reimbursement at 90% during the previous fiscal year and do not expect to receive reimbursement at 90% for the current fiscal year must submit quarterly or semiannual reports on forms provided by the department.~~

SUMMARY

This bill changes the reimbursement of general assistance to municipalities so that they receive either a 50% reimbursement rate from the Department of Health and Human Services or a block grant equal to \$3.00 multiplied by the population of the municipality, whichever is the greater. It repeals the requirement that municipalities incurring net general assistance costs in excess of .0003 of the municipality's most recent state valuation receive a 90% reimbursement rate but maintains this reimbursement rate for the Indian tribes.