

**132nd MAINE LEGISLATURE****LD 978****LR 1745(03)****An Act to Increase General Assistance Reimbursement for Municipalities and Indian Tribes****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Health and Human Services****Fiscal Note Required: Yes**

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**Fiscal Note**

	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Projections FY 2027-28</b>	<b>Projections FY 2028-29</b>
<b>Net Cost (Savings)</b>				
General Fund	\$1,821,933	\$1,821,933	\$3,643,867	\$3,643,867
<b>Appropriations/Allocations</b>				
General Fund	\$1,821,933	\$1,821,933	\$3,643,867	\$3,643,867

**Fiscal Detail and Notes**

The bill includes ongoing General Fund appropriations to the Department of Health and Human Services of \$1,821,933 in fiscal year 2025-26 and \$1,821,933 to fund increased state reimbursement of municipal general assistance costs. The bill increases the reimbursement rate from 70% to 75% for costs incurred on or after July 1, 2025 and from 75% to 80% for costs incurred on or after July 1, 2027.

The bill also limits housing assistance provided under general assistance to a maximum of 12 months in a 36-month period. This is estimated to reduce the annual cost of state reimbursement for municipal general assistance by \$3,715,190 beginning in fiscal year 2026-27. Additionally, the bill expands the limitation on exceeding the maximum level of benefits when emergency general assistance is provided for housing. Because the current budget for state reimbursement for general assistance is insufficient to cover projected costs, any reduction in reimbursement costs from these limits would not result in savings to budgeted amounts, but would reduce the amount of the gap between budgeted and actual expenditures.