



**MAINE MUNICIPAL
ASSOCIATION SINCE 1936**

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Testimony of the Maine Municipal Association

In Support of

LD 1664, *An Act to Increase Reimbursement Under the General Assistance Program*

&

LD 1732, *An Act to Expand the General Assistance Program*

May 5, 2023

Senator Baldacci, Representative Meyer and members of the Health and Human Services Committee My name is Kate Dufour, and I am testifying in support of LD 1664 and LD 1732 on behalf of the 70 municipal leaders elected by their peers to serve on the Association's Legislative Policy Committee and directed to establish positions on bills of municipal interest

In each fall of an even numbered year, our newly elected policy committee meets to establish MMA's two-year legislative platform Our 2023-2024 platform includes LD 1664 and LD 1732, which Sen Moore and Rep Meyer have graciously agreed to sponsor on our behalf

GA Funding. LD 1664 is elegant in its simplicity, as it seeks to increase from 70% to 90% state reimbursement to municipalities for the direct aid provided to eligible applicants As shown in the attached table extracted from OFPR's 2022, *Summary of Major State Funding Distributed to Municipalities and Counties* report, it is no surprise to see that GA expenditures are on the rise

Between 2013 and 2022, the state's share for GA expenditures was roughly \$11.2 million, annually However, as of late, the lingering effects of a global pandemic and the resulting flight to Maine, the rapid conversion of year-round housing to short-term rentals, a booming housing market, and the increasing costs of necessities are all impacting the GA program In 2023, state reimbursement under the GA program jumped to \$23 million, increasing the combined state and municipal expenditure to an all-time high of \$32 million

In addition to reducing the burden placed on the property taxpayers, the increase in state reimbursement will help to offset the cost of administering the program which is currently solely borne by the property taxpayers

GA Program Reform. The Association's more complex GA related bill seeks to address some of the issues raised by the municipal officials entrusted to administer the program and are being advanced by a working group of municipal leaders and GA administrators from rural, suburban, and urban communities The concern among members of the MMA working group is that while the program, which was once a resource of last resort, has morphed into a program that is necessary to supplement other state and federal assistance programs, the laws and rules guiding the program's implementation have not kept up with the evolving environment The changes proposed in the bill seek to modernize the program by addressing accountability and resources

Training With respect to accountability, the bill requires that municipal officials who are responsible for administering the program receive training within 120 days of appointment or election to that office. To mitigate the cost of the mandate on property taxpayers, the proposal further directs the Department of Health and Human Services to provide the training at no cost and make it accessible either in-person, online or via a pre-recorded video. The bill also includes a provision requiring state agency officials who are responsible for the administration, implementation, and enforcement of the program to participate in an annual training program.

Emergency Assistance. This bill is not without its pain points, however, as the proposal requires the implementation of after-hours emergency assistance procedures during regular municipal office hours should the GA office be closed at the time an individual requests and is in urgent need of assistance.

Municipality of Responsibility. Additionally, the bill amends the “municipality of responsibility” statutes to shift the costs of providing aid more fairly among all communities thereby relieving the pressures placed on municipalities that host accommodations and services, such as hotels, shelters, nursing homes and social services providers. To that end, in situations where an administrator helps someone relocate to another municipality, the sending municipality would be liable to fund the assistance provided to relocated individuals for six months, rather than the 30 days as provided for in existing statute. That section of the bill also amends the statute regarding placements in institutions, making the community to which the applicant intends to return responsible for 12 months of assistance, rather than six months.

State Reimbursement. In exchange, however, the bill seeks more adequate reimbursement from the state. In addition to increasing state reimbursement for the direct aid provided, the proposal seeks reimbursement for a portion of administrative expenses and for the costs associated with providing temporary housing, interpreter services and above maximum limit emergency assistance.

State Assistance & Resources Since municipal officials are required by state statute to aid when individuals are in need, regardless of the time of day, the bill requires the state to provide in-person technical assistance 24 hours a day. To better inform municipalities of the requirements of the program, the bill also requires the state to provide a written response within 24 hours of a municipal program-related inquiry, including a reference to the statute or rule used to issue the guidance.

Finally, the bill directs the state to provide municipal administrators access to a statewide database to assist in the process of properly determining an applicant’s eligibility.

MMA is available and willing to work with the Committee, sponsors and interested parties to develop consensus on the best path forward.

Thank you for considering the municipal perspective on this issue. If you have any questions about the Association’s position on this bill, please do not hesitate to contact me at kdufour@memun.org or 1-800-452-8786.

EXHIBIT B
GENERAL ASSISTANCE
MUNICIPAL REIMBURSEMENT
(Actual Expenditures Except Where Noted)

FISCAL YEAR	GENERAL FUND REIMBURSEMENT	OTHER SPECIAL REVENUE FUNDS REIMBURSEMENT ⁽¹⁾	TOTAL
2004	\$5,479,942	\$0	\$5,479,942
2005	\$5,887,901	\$0	\$5,887,901
2006	\$5,553,604	\$0	\$5,553,604
2007	\$6,445,772	\$0	\$6,445,772
2008	\$7,022,826	\$0	\$7,022,826
2009	\$7,549,259	\$0	\$7,549,259
2010	\$9,640,062	\$0	\$9,640,062
2011	\$8,428,252	\$3,196,196	\$11,624,449
2012	\$11,955,996	\$1,241,765	\$13,197,761
2013	\$10,120,515	\$1,329,808	\$11,450,322
2014	\$12,175,547	\$325,795	\$12,501,342
2015	\$8,770,855	\$142,634	\$8,913,489
2016	\$8,947,107	\$594,561	\$9,541,668
2017	\$11,602,032	\$286,187	\$11,888,219
2018	\$11,148,326	\$287,560	\$11,435,886
2019	\$8,657,179	\$188,116	\$8,845,295
2020	\$7,224,252	\$213,007	\$7,437,259
2021	\$15,102,336	\$157,888	\$15,260,224
2022	\$14,458,698	\$119,168	\$14,577,866
2023 ⁽²⁾	\$10,398,875	\$12,397,870	\$22,796,745

⁽¹⁾ The Other Special Revenue Funds funding source for fiscal years beginning with 2011 reflects authorized transfers and recouped federal benefits

⁽²⁾ Budgeted through 130th Legislature, 2nd Regular Session

(Excludes federal reimbursement for Emergency Assistance)