Janet T. Mills Governor

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Senator Ned Claxton, Chair Representative Michele Meyer, Chair Members of the Joint Standing Committee on Health and Human Services 100 State House Station Augusta, ME 04333-0100

Dear Senator Claxton, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services:

This letter is to provide you with information that might be helpful to you in your deliberations regarding LD 343. The bill requires the Maine Department of Health and Human Services to annually set aside a specific amount of federal block grants it receives to be directed to vulnerable communities and federally recognized Indian nations, tribes, and bands in the State.

Current block grant funds do currently serve vulnerable communities, including low-income families, individuals with mental health and/or substance use disorders, new parents and families, and others. The block grants are administered statewide by the Department of Health and Human Services, thereby achieving an efficient and effective means of reaching all communities and serving vulnerable communities.

The Department believes there are a number of items that need to be clarified in this bill:

- Is the intent to set aside 20% and 12% (totaling 32% of the total block grant funds) or to set aside 20% of the State's block grant funds, with 12% of that to be directed to Tribes?
- How is the Department expected to define "vulnerable communities"? This could include marginalized racial groups, the LGBT community, individuals in poverty, and more. A better understanding of the intent will be critical to our ability to implement if passed.
- How is it envisioned that disbursements will be made?
- Which block grants would this apply to? The Department receives funds from 8 block grant programs, including Temporary Assistance for Needy Families (TANF), Social Services BG, Community Services BG, Child Care and Development BG, Substance Abuse Prevention and Treatment BG, Title V Maternal and Child Health BG, Preventive Health and Health Services BG, and Mental Health BG. Each of these have Federal parameters within which the Department must operate.

It is also important to note the following:

- Under federal regulations, federally recognized Indian nations, tribes and bands in the State have an option to apply to the U.S. Department of Health and Human Services to

administer their own TANF programs. If approved, those entities would use a portion of the State's TANF funds. Absent an approved Tribal TANF program, it would be federally impermissible to delegate the administration of TANF funds for this purpose.

- Different block grants administered by different agencies within the Department have different missions, and some have federally mandated set-asides. The Department is currently administering those funds in accordance with their respective federally-regulations.
- More than 80% of block grants are currently obligated. Requiring those funds to be redirected could create a disruption in services.

We share the commitment to ensuring that the State is investing in vulnerable and marginalized communities. Additionally, we believe this should be done in a collaborative and planful way to ensure that there is minimal disruption in current services, that these funds are used for services rather than duplicative infrastructure and overhead-related costs, that the Department is still able to operate within federal and state statutory parameters, and that expectations are clearly defined.

We have been in touch with the sponsor and look forward to the opportunity to think together about the goals of this bill. I am happy to answer questions that you may have.

Respectfully,

-DocuSigned by: Molly Bogart \_\_\_\_\_EF8C22FE658D4CF...

Molly Bogart Director of Government Relations