

OFFICE OF POLICY AND LEGAL ANALYSIS

Date: April 22, 2021
To: Joint Standing Committee on Health & Human Services
From: Anna Broome, Legislative Analyst

LD 910 An Act To Amend the General Assistance Laws Governing Reimbursement

SUMMARY: This bill requires the State to provide 100% reimbursement for general assistance costs to Indian tribes. It requires municipalities to be reimbursed 90% for general assistance costs when the general assistance costs are in excess of .0003 of that municipality's most recent state valuation relative to the state fiscal year for which reimbursement is being issued. The new departmental reimbursement to municipalities begins July 1, 2022.

ISSUES FROM TESTIMONY:

- Recognizes the disproportionate burden on service center communities. It was 90% until 2015. In 2019, nearly 74% of total GA benefits were distributed to eligible applicants in Bangor, Lewiston and Portland. 30-50% of people in homeless shelters in Portland come from towns outside of Portland.
- DHHS opposes due to significant GF impact. Uniform reimbursement rate prevents incentivized spending.

ADDITIONAL INFORMATION REQUESTED BY COMMITTEE:

- Same language as LD 1403 in the 129th and majority language proposal in the biennial budget.
- Executive Orders 29 and 29-A FY 19/20: temporary 60 day eligibility, applications considered emergency, just cause provisions, 100% for tribes, CARES act funding not considered income.

FISCAL IMPACT:

OFPR preliminary fiscal impact statement: Ongoing GF appropriations of \$1,685,442 beginning in FY 2021-22 for a 90% reimbursement rate for general assistance expenditures incurred in excess of .0003 of a municipalities most recent state valuation in any fiscal year.