

|                | L D 2247  |  |  |
|----------------|---|--|--|
| 1              | L.D. 2247<br>Date: $4 - 15 - 08$ (Filing No. H- $1013$ )  |  |  |
| 2              | Date: $4 - 15 - 0.8$ (Filing No. H- $10/3$ )  |  |  |
| 3              | Reproduced and distributed under the direction of the Clerk of the House.   |  |  |
| 4              | STATE OF MAINE  |  |  |
| 5              | HOUSE OF REPRESENTATIVES  |  |  |
| 6              | 123RD LEGISLATURE   |  |  |
| 7              | FIRST SPECIAL SESSION   |  |  |
| 8<br>9         | HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1608,<br>L.D. 2247, Bill, "An Act To Continue Maine's Leadership in Covering the Uninsured"  |  |  |
| 10<br>11<br>12 | Amend the amendment on page 2 in Part E in §6915 in the first paragraph in the 4th line (page 2, line 40 in amendment) by striking out the following: ", revenues transferred pursuant to Title 36, chapters 703 and 704"   |  |  |
| 13<br>14<br>15 | Amend the amendment on page 2 in Part E in §6915 in the first paragraph in the 8th and 9th lines (page 3, lines 3 and 4 in amendment) by striking out the following: "and revenues transferred pursuant to Title 36, chapters 703 and 704 in the preceding month" |  |  |
| 16<br>17       | Amend the amendment on page 3 by striking out all first 13 indented paragraphs (page 3, lines 7 to 30 in amendment) and inserting in its place the following:   |  |  |
| 18             | 'Amend the bill in Part E by striking out all of sections 4 to 14.'   |  |  |
| 19             | Amend the amendment on page 3 by inserting after Part E, section 14 the following:  |  |  |
| 20<br>21       | 'Amend the bill in Part E by striking out all of section 16 (page 16, lines 6 to 9 in L.D.)'  |  |  |
| 22             | Amend the amendment by striking out all of Part F and inserting the following:  |  |  |
| 23             | 'PART F   |  |  |
| 24<br>25       | Sec. F-1. Appropriations and allocations. The following appropriations and allocations are made.  |  |  |
| 26             | DIRIGO HEALTH   |  |  |
| 27             | Dirigo Health Fund 0988   |  |  |
| 28<br>29       | Initiative: Deallocates funds for Dirigo Health costs that were funded by the savings offset payment.   |  |  |
| 30             | DIRIGO HEALTH FUND 2007-08 2008-09  |  |  |

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## HOUSE AMENDMENT

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1608, L.D. 2247

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| 1 | All Other                | \$0 | (\$32,900,000) |
|---|--------------------------|-----|----------------|
| 2 |                          |     |                |
| 3 | DIRIGO HEALTH FUND TOTAL | \$0 | (\$32,900,000) |
| 4 | Dirigo Health Fund 0988  |     |                |

5 Initiative: Allocates Dirigo Health funds from a health access surcharge of 1.8% on all 6 paid claims.

| 7<br>8  | DIRIGO HEALTH FUND<br>All Other | <b>2007-08</b><br>\$0 | <b>2008-09</b><br>\$33,000,000 |
|---------|---------------------------------|-----------------------|--------------------------------|
| 9<br>10 | DIRIGO HEALTH FUND TOTAL        | \$0                   | \$33,000,000                   |
| 11      | DIRIGO HEALTH                   |                       |                                |
| 12      | DEPARTMENT TOTALS               | 2007-08               | 2008-09                        |
| 13      |                                 |                       |                                |
| 14      | DIRIGO HEALTH FUND              | \$0                   | \$100,000                      |
| 15      |                                 |                       |                                |
| 16      | DEPARTMENT TOTAL - ALL FUNDS    | \$0                   | \$100,000                      |
| 17      | <b>9</b> · ·                    |                       |                                |

18 Amend the amendment by relettering or renumbering any nonconsecutive Part letter 19 or section number to read consecutively.

SUMMARY

This amendment removes the tax on tobacco products as proposed in the bill and Committee Amendment "A," as a source of funding for the Dirigo Health program.

| 23 | FISCAL NOTE REQUIRED       |
|----|----------------------------|
| 24 | (See attached)             |
|    | AI BA                      |
| 25 | SPONSORED BY: 1 5th 1      |
| 26 | (Representative BRAUTIGAM) |
| 27 | TOWN: Falmouth             |

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**HOUSE AMENDMENT** 



## **123rd MAINE LEGISLATURE**

LD 2247

LR 3143(18)

## An Act To Continue Maine's Leadership in Covering the Uninsured

Fiscal Note for House Amendment """ to Committee Amendment "A" Sponsor: Rep. Brautigam of Falmouth Fiscal Note Required: Yes

**Fiscal Note** 

|                                    | 2007-08 | 2008-09        | Projections<br>2009-10     | Projections<br>2010-11 |
|------------------------------------|---------|----------------|----------------------------|------------------------|
| Net Cost (Savings)<br>General Fund | \$0     | \$860,397      | \$889,514                  | \$885,311              |
|                                    | ψυ      | 4000,577       | 400 <i>7</i> , <i>5</i> 14 | 4005,511               |
| .ppropriations/Allocations         |         |                |                            |                        |
| General Fund                       | \$0     | (\$43,857)     | \$0                        | \$0                    |
| Dirigo Health Fund                 | \$0     | (\$28,502,356) | (\$28,874,381)             | (\$28,900,390)         |
| Revenue                            |         |                |                            |                        |
| General Fund                       | \$0     | (\$904,254)    | (\$889,514)                | (\$885,311)            |
| Other Special Revenue Funds        | \$0     | (\$48,595)     | (\$48,792)                 | (\$48,561)             |
| Dirigo Health Fund                 | \$0     | (\$28,502,356) | (\$28,874,381)             | (\$28,900,390)         |

## **Fiscal** Detail and Notes

The fiscal note reflects the incremental difference between the amendment and Committee Amendment "A".

This amendment eliminates the proposed increases in the cigarette tax and other tobacco products tax, which reduces General Fund revenue by \$904,254 in fiscal year 2008-09 and reduces revenue for the Dirigo Health Fund by \$28,502,356 in fiscal year 2008-09. It also eliminates the General Fund appropriation of \$43,857 in fiscal year 2008-09 for Maine Revenue Services.

The amendment's elimination of the cigarette and other tobacco products tax revenue would also reduce the contribution Dirigo Health would make to the Maine Individual Reinsurance Association beginning July 1, 2009.

| Dirigo Health Fund Summary                | 2008-09        | Projections<br>2009-10 | Projections<br>2010-11 |
|---|----------------|------------------------|------------------------|
| Levenue Changes:                          |                |                        |                        |
| Elimination of the Savings Offset Payment | (\$32,900,000) | (\$32,800,000)         | (\$32,800,000)         |
| Paid Claims Surcharge                     | \$33,000,000   | \$37,080,000           | \$38,192,400           |

| Revenue Changes                           | \$100,000      | \$4,280,000    | \$5,392,400    |
|---|----------------|----------------|----------------|
| Allocation Changes:                       |                |                |                |
| Payment to Reinsurance Program            | \$0.00         | \$7,416,000    | \$7,638,480    |
| Elimination of the Savings Offset Payment | (\$32,900,000) | (\$32,800,000) | (\$32,800,000) |
| Paid Claims Surcharge                     | \$33,000,000   | \$29,664,000   | \$30,553,920   |
| Allocation Changes                        | \$100,000      | \$4,280,000    | \$5,392,400    |