

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2025

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Legislative Document

No. 1988

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H.P. 1336

House of Representatives, June 11, 2025

### **An Act to Address Funding Needs for State Employees Affected by Federal Funding Disruptions**

(EMERGENCY)

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Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

*Robert B. Hunt*

ROBERT B. HUNT  
Clerk

Presented by Representative GATTINE of Westbrook. (GOVERNOR'S BILL)

1       **Emergency preamble.** Whereas, acts and resolves of the Legislature do not  
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3       **Whereas,** uncertainty and lack of clarity surrounds the distribution of federal funding  
4 to state agencies; and

5       **Whereas,** without federal funding, certain state agencies may have to lay off valuable  
6 state employees; and

7       **Whereas,** if there are unavoidable layoffs, the State is bound, by contractual  
8 obligations, to give 10 days' notice of an impending layoff to any bargaining unit employee;  
9 and

10       **Whereas,** any state employee subject to a layoff due to lack of federal funding may  
11 qualify for unemployment benefits; and

12       **Whereas,** state agencies will have to fund these unemployment benefits, which were  
13 likely not accounted for in prior budgeting; and

14       **Whereas,** it is critically important that this legislation take effect before the expiration  
15 of the 90-day period; and

16       **Whereas,** in the judgment of the Legislature, these facts create an emergency within  
17 the meaning of the Constitution of Maine and require the following legislation as  
18 immediately necessary for the preservation of the public peace, health and safety; now,  
19 therefore,

20       **Be it enacted by the People of the State of Maine as follows:**

21       **Sec. 1. Transfer from Reserve for General Fund Operating Capital to**  
22 **Department of Administrative and Financial Services, Departments and**  
23 **Agencies - Statewide program, General Fund account.** Notwithstanding any  
24 provision of law to the contrary, the State Controller may transfer up to \$2,500,000 from  
25 the balance available in the Reserve for General Fund Operating Capital to the Departments  
26 and Agencies - Statewide program, General Fund account within the Department of  
27 Administrative and Financial Services to address funding needs related to layoff  
28 obligations for state employees affected by federal funding disruptions that are not  
29 otherwise directly chargeable to those federal funding sources.

30       **Sec. 2. Transfer to Department of Administrative and Financial Services,**  
31 **Departments and Agencies - Statewide program, General Fund account;**  
32 **special account funding.** Notwithstanding any provision of law to the contrary, the State  
33 Controller may authorize the transfer of Personal Services expenditures to address funding  
34 needs related to layoff obligations for state employees affected by federal funding  
35 disruptions that are not otherwise directly chargeable to those federal funding sources from  
36 any federal fund account to the Departments and Agencies - Statewide program, General  
37 Fund account within the Department of Administrative and Financial Services.  
38 Expenditures may be transferred in circumstances in which federal funding has been  
39 appropriated or awarded and has been unexpectedly removed, to help cover the 10-day  
40 notice period that is contractually required when a state employee is laid off and to cover  
41 shortfalls in an agency's unemployment fund due to these unexpected layoffs.

**Sec. 3. Transfer to Reserve for General Fund Operating Capital.**

Notwithstanding any provision of law to the contrary, the State Controller on or before June 30, 2026 shall transfer the unobligated balance from the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services to the Reserve for General Fund Operating Capital.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

## SUMMARY

This bill addresses funding needs related to layoff obligations for state employees affected by potential federal funding disruptions in the following ways.

It authorizes the transfer of up to \$2,500,000 from the balance available in the Reserve for General Fund Operating Capital to the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services.

It authorizes the transfer of Personal Services expenditures from any federal fund account to the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services.

It requires the State Controller, on or before June 30, 2026, to transfer the unobligated balance from the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services to the Reserve for General Fund Operating Capital.