

MAINE STATE LEGISLATURE

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MAJORITY
APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1097, L.D. 1540, Bill, "An Act to Establish a State Disaster Relief Trust Fund"

Amend the bill by striking out all of section 1 and inserting in its place the following:

'Sec. 1. 37-B MRSA §745 is enacted to read:

§745. Disaster Relief Trust Fund

1. Fund established. There is established the Disaster Relief Trust Fund, referred to in this section as the "fund," to be administered by the agency.

2. Sources of fund. The following must be paid into the fund:

A. All money appropriated for inclusion in the fund;

B. At the close of each fiscal year, an amount transferred from the General Fund as may be available from time to time until a maximum of \$2,000,000 is available to be used for purposes specified in subsection 3;

C. All interest from investment of the fund; and

D. Any other money deposited in the fund to implement the provisions of this subchapter.

3. Use of fund. The fund must be the first resource utilized when section 742 or 744 is invoked.'

COMMITTEE AMENDMENT

2 Further amend the bill by inserting at the end before the
summary the following:

4
6 **FISCAL NOTE**

8 This bill establishes a Disaster Relief Trust Fund as a
General Fund general ledger account. This fund may receive
10 General Fund appropriations and transfers from the General Fund
at the end of a fiscal year. The balance in the fund may not
12 exceed \$2,000,000. Interest earned on the balances in the fund
accrues to the fund. The amount of the reductions of General
14 Fund revenue from interest earnings can not be determined at this
time. Expenditures from the fund will be authorized by financial
16 order as the first resource utilized in the event of emergency or
disaster proclamations pursuant to the Maine Revised Statutes,
18 Title 37-B, section 742 or 744.'

20 **SUMMARY**

22 This amendment strikes those provisions of the original bill
24 that would have capitalized the Disaster Relief Trust Fund by
imposing a surcharge on homeowners' and business property
26 insurance policies. In its place are provisions that allow the
fund to receive General Fund appropriations, transfers from the
28 General Fund at the end of a fiscal year in an amount not to
exceed \$2,000,000 in any fiscal year, any federal money deposited
30 in the fund and all interest earned on the fund's balance.

32 The amendment authorizes the Disaster Relief Trust Fund to
be the first resource utilized when the Maine Revised Statutes,
34 Title 37-B, section 742, regarding emergency proclamation or
Title 37-B, section 744, regarding disaster relief, is invoked by
36 the Governor.

38 The amendment also adds a fiscal note to the bill.