

# MAINE STATE LEGISLATURE

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M  
R. of S.

L.D. 300

DATE: *May 24, 2001*

(Filing No. S-256)

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STATE OF MAINE  
SENATE  
120TH LEGISLATURE  
FIRST REGULAR SESSION

SENATE AMENDMENT "*N*" to COMMITTEE AMENDMENT "A" to H.P. 256, L.D. 300, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2002 and June 30, 2003"

Amend the amendment in Part A in section 25 under the caption "**DEPARTMENT OF THE SECRETARY OF STATE**" in the first part relating to "**\*\*SUMMARY - DEPARTMENT OF THE SECRETARY OF STATE**" under the heading "Other Special Revenue Funds" by striking out all of the 2nd line (page 165, line 48 in amendment) and inserting in its place the following:

'Positions - Legislative Count (20.500) (20.500)'

Further amend the amendment in Part A by striking out all of section 26 and inserting in its place the following:

'**Sec. A-26. Appropriations and allocations.** The following appropriations and allocations are made as corrections to amounts in section 25 of this Part.

	<b>FY 2001-02</b>	<b>FY 2002-03</b>
<b>CONSERVATION, DEPARTMENT OF</b>		
<b>Land Use Regulation Commission</b>		
* General Fund		
Personal Services	\$10,285	\$10,285
General Fund: Total	10,285	10,285

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**GOVERNOR BAXTER SCHOOL FOR  
THE DEAF**

**Governor Baxter School for  
the Deaf**

Federal Expenditures Fund		
Personal Services		(764)
All Other		764
		<hr/>
Federal Expenditures Fund: Total		0
Other Special Revenue Funds		
Personal Services		(10,129)
All Other		10,129
		<hr/>
Other Special Revenue Funds: Total		0

**EXECUTIVE DEPARTMENT**

**Blaine House**

* General Fund		
All Other	10,000	
	<hr/>	
General Fund: Total	10,000	

**MAINE FIRE PROTECTION SERVICES  
COMMISSION**

**Maine Fire Protection Services  
Commission**

* General Fund		
Personal Services	(14,720)	(14,720)
All Other	14,720	14,720
	<hr/>	<hr/>
General Fund: Total	0	0

**SECTION SUMMARY**

	2001-02	2002-03
Section Summary - All Funds	20,285	10,285
Section Summary - General Fund	20,285	10,285
Section Summary - Federal Expenditures Fund	0	0
Section Summary - Other Special Revenue Funds	0	0

Further amend the amendment by striking out all of Parts C,  
M, O and P.

2 Further amend the amendment by striking out all of Part Q  
and inserting in its place the following:

4  
6 **PART Q**

8 **Sec. Q-1. 36 MRSA §5219-M, sub-§1, ¶A,** as enacted by PL 1997,  
c. 557, Pt. B, §10 and affected by §14 and Pt. G, §1, is amended  
10 to read:

12 A. "High-technology activity" means:

14 (1) The design, creation and production of computer  
software, computer equipment, supporting communications  
16 components and other accessories that are directly  
associated with computer software and computer  
18 equipment; and

20 (2) The provision of Internet ~~or~~ ~~electronic~~  
~~communications~~ access services ~~or~~ ~~support~~ ~~access~~ ~~to~~  
22 ~~electronic~~ ~~media~~ and data ~~and~~ ~~associated~~ ~~communications~~  
~~support,~~ ~~or~~ advanced telecommunications ~~capability~~ ~~as~~  
24 ~~that~~ ~~term~~ ~~is~~ ~~defined~~ ~~in~~ ~~the~~ ~~federal~~ ~~Telecommunications~~  
~~Act~~ ~~of~~ ~~1996,~~ ~~Section~~ ~~706~~ ~~(e)~~ ~~(1)~~ services.

26 **Sec. Q-2. 36 MRSA §5219-M, sub-§1, ¶C,** as amended by PL 1997,  
28 c. 668, §31 and affected by §42, is further amended to read:

30 C. "Eligible equipment" means all computer equipment,  
electronics components and accessories, communications  
32 equipment and computer software placed into service in the  
State and used primarily in high-technology activity,  
34 provided that otherwise eligible equipment used in wire line  
telecommunications must be capable of transmitting data at  
36 200 kilobits or more per second in at least one direction  
and otherwise eligible equipment used in wireless  
38 telecommunications equipment must be capable of transmitting  
data at 42 kilobits or more per second in at least one  
40 direction.

42 **Sec. Q-3. 36 MRSA §5219-M, sub-§1-A,** as enacted by PL 1997,  
c. 668, §32 and affected by §42, is amended to read:

44 **1-A. Credit allowed.** The following persons are allowed a  
46 credit as follows.

48 A. Unless entitlement to the credit is waived by the user  
pursuant to paragraph B:

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SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
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2 (1) A person engaged primarily in high technology  
4 activity that purchases and uses eligible equipment in  
6 that activity may claim a credit in the amount of that  
8 person's investment credit base ~~of the eligible~~  
equipment subject to the limitations provided by  
subsection 4; or

10 (2) A person engaged primarily in a high technology  
12 activity that leases and uses eligible equipment in  
14 that activity may claim a credit in the amount of the  
16 lease payments made on the eligible equipment in each  
18 tax year, except that if the eligible equipment is  
depreciable by that person for federal income tax  
purposes, the credit is based on that person's  
investment credit base ~~of the eligible equipment~~  
subject to the limitations provided by subsection 4.

20 B. When a lessor or sublessor provides the assessor with  
22 satisfactory evidence that the lessee or sublessee,  
24 respectively, of eligible equipment has waived its right to  
claim a credit under this section that the lessee or  
sublessee is otherwise entitled to claim with respect to  
that equipment:

26 (1) A person that purchases and leases eligible  
28 equipment to another person engaged primarily in high  
30 technology activity for use by that person in that  
32 activity may claim a credit in the amount of that  
34 person's investment credit base ~~of the eligible~~  
equipment to the extent of the credits waived by the  
lessee, net of any lease payments received for the  
eligible equipment in the taxable year, subject to the  
limitations provided by subsection 4; and

36 (2) A person that leases and subleases eligible  
38 equipment to another person engaged primarily in high  
40 technology activity for use by that person in that  
42 activity may claim a credit in the amount of the lease  
44 payments made on the eligible equipment in each tax  
46 year, net of sublease payments received in the taxable  
48 year, except that if the eligible equipment is  
depreciable by that person for federal income tax  
purposes, the credit is based on that person's  
investment credit base ~~of the eligible equipment~~  
to the extent of the credits waived by the sublessee subject  
to the limitations provided by subsection 4.

50 **Sec. Q-4. 36 MRSA §5219-M, sub-§§4 and 5,** as amended by PL  
1997, c. 668, §34 and affected by §42, are repealed and the  
following enacted in their place:

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2           4. Limitations. The credit allowed by this section,  
including amounts carried to the tax year pursuant to subsection  
4           5, may not be used:

6           A. To reduce a person's tax liability under this Part to  
less than zero;

8           B. To reduce a person's tax liability under this Part to  
less than the amount of the taxpayer's tax liability in the  
10           preceding taxable year after the allowance of any other  
12           credits taken pursuant to this chapter; or

14           C. Except as otherwise provided by subsection 5, paragraph  
B, to reduce a person's tax liability by more than \$100,000,  
16           after the allowance of all other tax credits except for the  
credits allowed under sections 5216-C and 5219-L.

18           5. Carry over to succeeding years. Unused credits may be  
20           carried forward to succeeding tax years as follows.

22           A. A person entitled to a credit under this section for any  
taxable year may carry over and apply to the tax liability  
24           for any one or more of the next succeeding 5 taxable years  
the portion of any unused credits.

26           B. Unused credits for which a person was eligible, but did  
28           not claim, for tax years ending prior to January 1, 2001 may  
be carried forward and applied to the tax liability for any  
30           one or more of the next succeeding 10 taxable years to the  
extent that those credits relate to equipment that meets the  
32           definition of eligible equipment in effect for tax years  
beginning on or after January 1, 2001. Credits carried  
34           forward that are allowed to a person pursuant to this  
paragraph are limited to \$100,000 per year, except that if a  
36           person's investment credit base for any taxable year  
beginning on or after January 1, 2001 is less than \$100,000,  
38           the credit allowed under this paragraph may be increased by  
an amount equal to the difference between \$100,000 and the  
40           person's investment credit base, provided that the credit  
allowed by this section may in no event exceed \$200,000.

42           **Sec. Q-5. 36 MRSA §5219-M, sub-§6,** as amended by PL 1997, c.  
44           668, §34 and affected by §42, is further amended to read:

46           **6. Corporations filing combined return.** In the case of  
corporations filing a combined return, a credit generated by an  
48           individual member corporation under the provisions of this  
section must first be applied against the tax liability  
50           attributable to that company under this Part. A member

# SENATE AMENDMENT

2 corporation with an excess high-technology investment tax credit  
3 may apply its excess credit against the tax liability of other  
4 group members to the extent that the other member corporations  
5 can use additional credits under the limitations of subsection  
6 4. Unused, unexpired credits generated by a member corporation  
7 may be carried over from year to year by the individual  
8 corporation that generated the credit, subject to the ~~limitation~~  
9 limitations in subsection 5, and the rules set forth in this  
10 paragraph for applying the credit to the tax liability of other  
11 group members are applicable in the years to which credits are  
12 carried forward.

13  
14 **Sec. Q-6. Application.** Those sections of this Part that  
15 affect the Maine Revised Statutes, Title 36, section 5219-M apply  
16 to tax years beginning on or after January 1, 2001.

## 18 PART R

19  
20 **Sec. R-1. Transfer of funds.** Notwithstanding any other  
21 provision of law, the State Controller shall lapse to General  
22 Fund unappropriated surplus the balance remaining in the Other  
23 Special Revenue Medical Care - Payments to Providers program  
24 within the Department of Human Services that results from revenue  
25 collected by the Bureau of Revenue Services within the Department  
26 of Administrative and Financial Services pursuant to the Maine  
27 Revised Statutes, Title 36, former section 2801-A and transferred  
28 to that Other Special Revenue program within the Department of  
29 Human Services. That amount is estimated to be \$2,544,189 on  
30 June 30, 2001. Effective July 1, 2001, all revenue collected  
31 pursuant to Title 36, former section 2801-A must be credited to  
32 General Fund undedicated revenue by the Bureau of Revenue  
33 Services within the Department of Administrative and Financial  
34 Services.'

35 Further amend the amendment by striking out all of Part U,  
36 section 2.

37  
38 Further amend the amendment by striking out all of Parts V  
39 and X.

40  
41 Further amend the amendment by striking out all of Part Y  
42 and inserting in its place the following:

## 44 PART Y

45  
46 **Sec. Y-1. Appropriation.** The following funds are appropriated  
47 from the General Fund to carry out the purposes of this Part.  
48

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SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256, L.D. 300

HUMAN SERVICES, DEPARTMENT OF

Low-cost Drugs for Maine's Elderly

New Initiative: Deappropriates funding in excess of projected expenditures.

<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
All Other	(\$2,000,000)	(\$2,000,000)

PART Z

Sec. Z-1. 20-A MRS §15602, sub-§§15 and 15-A are enacted to read:

15. Cushion in fiscal year 2001-02. The following cushion is established for fiscal year 2001-02.

A. A school administrative unit is eligible for a cushion if it meets the following criteria:

(1) The school administrative unit's fiscal year 2000-01 mills raised for education as calculated by the department is equal to or greater than 8.33 mills;

(2) The school administrative unit's per pupil fiscal capacity for operating costs in 2001-02 is equal to or less than \$700,942; and

(3) The school administrative unit's state share of subsidy for fiscal year 2001-02 for operating costs and program costs, excluding the state share of bus purchases plus minimum subsidy, is less than the state share of subsidy for fiscal year 2000-01 for operating costs and program costs, excluding the state share of bus purchases plus minimum subsidy, and the 2000-01 cushion provision.

B. A school administrative unit that is eligible for a cushion based on the criteria set forth in paragraph A must receive a cushion equal to the lesser of:

(1) The amount that the school administrative unit's state share of subsidy for fiscal year 2001-02 for operating costs and program costs, excluding the state share of bus purchases plus minimum subsidy, is less than the amount that the school administrative unit's state share of subsidy would have been for fiscal year 2001-02 for operating costs and program costs,

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2 excluding the state share of bus purchases plus minimum  
3 subsidy, if the per pupil guarantee had been \$4,307,  
4 the reduction percentage had been 9.97% and the  
5 statewide factor had been .54552. This amount may be  
6 prorated, so that the statewide sum of all cushion  
7 amounts does not exceed \$5,200,000; or

8 (2) The amount that the school administrative unit's  
9 state share of subsidy for fiscal year 2001-02 for  
10 operating costs and program costs, excluding the state  
11 share of bus purchases plus minimum subsidy, is less  
12 than the state share of subsidy for fiscal year 2000-01  
13 for operating costs and program costs, excluding the  
14 state share of bus purchases plus minimum subsidy, and  
15 the 2000-01 cushion provision.

16 15-A. Tier 2 cushion in fiscal year 2001-02. The following  
17 tier 2 cushion is established for fiscal year 2001-02. This  
18 cushion must be calculated and distributed after distribution of  
19 the cushion set forth in subsection 15.

20 A school administrative unit is eligible for a prorated share of  
21 the 2nd tier cushion of \$1,000,000 if the school administrative  
22 unit meets the following criteria:

23 A. The school administrative unit has a per pupil valuation  
24 of less than \$400,000; and

25 B. The school administrative unit's state share of subsidy  
26 for fiscal year 2001-02 for operating costs and program  
27 costs, excluding the state share of bus purchases plus  
28 minimum subsidy and the 2001-02 initial cushion set forth in  
29 subsection 15, is less than the school administrative unit's  
30 state share of subsidy for fiscal year 2000-01 for operating  
31 costs and program costs, excluding the state share of bus  
32 purchases plus minimum subsidy and the 2000-01 cushion  
33 provision.

34 Sec. Z-2. 20-A MRS §15653, sub-§1, as amended by PL 1999, c.  
35 731, Pt. D, §2, is further amended to read:

36 1. Per pupil guarantee. The Legislature shall annually  
37 establish a per pupil guarantee. For fiscal year 1999-00, the  
38 per pupil guarantee is \$4,020 and, for fiscal year 2000-01, the  
39 per pupil guarantee is \$4,307 and, for fiscal year 2001-02, the  
40 per pupil guarantee target is \$4,687. In the subsequent 2 fiscal  
41 years, it is the intent of the Legislature to achieve the per  
42 pupil guarantee targets established in this subsection.

43 ~~B. For fiscal year 2001-02 the per pupil guarantee target~~  
44 ~~is \$4,687.~~

2 C. For fiscal year 2002-03 the per pupil guarantee target  
is \$5,204.

4  
6 The intent of the Legislature is to achieve a per pupil guarantee  
that matches projected spending in fiscal year 2002-03.  
Beginning in fiscal year 2001-02 2002-03, if the appropriation  
8 and any increase in the mill rate determined by the Legislature  
to be needed under this section are not sufficient to achieve  
10 both the targeted reduction percentage in section 15603,  
subsection 26-A, paragraph F and the targeted per pupil  
12 guarantee, then the per pupil guarantee must advance toward the  
targeted per pupil guarantee in the same proportion as the  
14 reduction percentage is lowered toward the targeted reduction  
percentage.

16 **Sec. Z-3. 20-A MRSA §15653, sub-§4**, as amended by PL 1999, c.  
18 731, Pt. D, §3, is further amended to read:

20 **4. Statewide local share.** For fiscal year 2000-01 2001-02,  
the statewide local share amount of the operating costs  
22 allocation is based on the sum of the amounts determined by  
multiplying for each unit 7.02 7.57 mills times the unit's  
24 property fiscal capacity. In subsequent years the mill rate is  
7.02 7.57 mills, except that the Legislature shall determine if  
26 an increase is needed to achieve the targeted per pupil guarantee  
under this section.

28 **Sec. Z-4. Learning results implementation.** The Commissioner of  
30 Education may expend and disburse from the Adjustments and  
Miscellaneous Costs Appropriation an amount not to exceed  
32 \$1,300,000 in order to carry out the purposes of Public Law 1995,  
chapter 649, sections 5 and 8.

34 **Sec. Z-5. Basic elementary and secondary per pupil operating rates.**  
36 The basic elementary per pupil operating rate for fiscal year  
2001-02 is \$4,416, and the basic secondary per pupil operating  
38 rate for fiscal year 2001-02 is \$5,101. The foundation per pupil  
operating rate for fiscal year 2001-02 is \$4,629.

40 **Sec. Z-6. Per pupil guarantee and statewide factor.** The per pupil  
42 guarantee for the 2001-02 fiscal year is \$4,687. The statewide  
factor for fiscal year 2001-02 is .60290.

44 **Sec. Z-7. Foundation allocation.** The foundation allocation of  
46 state and local funds for fiscal year 2001-02 for the purposes  
listed in this section is as follows.

48 **2001-02**

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SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
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		<b>TOTAL</b>
2	<b>Operating</b>	
4	Per Pupil Guarantee pursuant to the	
	Maine Revised Statutes, Title 20-A,	
6	section 15653, subsection 1	\$1,005,944,328
8	<b>Program Costs</b>	
10	Early Childhood	783,846
12	Special Education (Local)	162,112,589
14	Special Education (Tuition and Board)	15,209,459
16	Vocational Education	28,084,448
18	Transportation Operating	68,215,340
20	Bus Purchases	5,000,000
22	<b>Program Cost Total</b>	<hr/> 279,405,682
24	Less Percentage Reduction pursuant to	
	the Maine Revised Statutes, Title 20-A,	
26	section 15603, subsection 26-A, paragraph F	(13,914,403)
28	<b>Adjusted Program Cost Total</b>	<hr/> 265,491,279
30	<b>Foundation Total - Combined Adjusted Operating and Program Cost</b>	<hr/> \$1,271,435,607

32           **Sec. Z-8. Foundation subsidy indexes.** This section establishes  
 34 mill rates pursuant to the Maine Revised Statutes, Title 20-A,  
 36 chapter 606 as follows: operating cost millage, 8.04 mills;  
 program millage limit, 1.43 mills.

38           **Sec. Z-9. Foundation reduction percentages.** This section  
 40 establishes reduction percentages as follows: program cost  
 reduction percentage, 4.98%; transportation operating reduction  
 percentage, 4.98%.

42           **Sec. Z-10. Foundation appropriation.** The foundation  
 44 appropriation provided for General Purpose Aid for Local Schools  
 46 for the fiscal year beginning July 1, 2001 and ending June 30,  
 2002 is calculated as follows.

48		<b>2001-02</b>	<b>2001-02</b>
50		<b>TOTAL</b>	<b>STATE</b>

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SENATE AMENDMENT "jv" to COMMITTEE AMENDMENT "A" to H.P. 256, L.D. 300

2	<b>Foundation Total - Combined Adjusted Operating and Program Cost</b>	\$1,271,435,607	\$598,988,391
4	Minimum State Subsidy	1,869,352	1,869,352
6	<b>ADJUSTED FOUNDATION ALLOCATION</b>		
8	<b>TOTAL</b>	<u>\$1,273,304,959</u>	<u>\$600,857,743</u>

10       **Sec. Z-11. Debt service allocation.** The debt service allocation  
12 of state and local funds for fiscal year 2001-02 for the purposes  
14 listed in this section is as follows.

14			<b>2001-02</b>
16			<b>TOTAL</b>
18	<b>Debt Service Costs</b>		
20	Principal and Interest		\$72,157,115
22	Approved Leases		7,493,693
24	Insured Value Factor		2,702,356
26	<b>Debt Service Cost Total</b>		<u>82,353,164</u>
28	Less Percentage Reduction of Insured Value Factor pursuant to the Maine Revised Statutes, Title 20-A, section 15603, subsection 26-A, paragraph F		(134,577)
32	<b>Adjusted Debt Service Cost Total</b>		<u>\$82,218,587</u>

34       **Sec. Z-12. Debt service subsidy indexes.** This section  
36 establishes mill rates pursuant to the Maine Revised Statutes,  
38 Title 20-A, chapter 606 as follows: operating cost millage, 8.04  
40 mills; debt service millage limit, 0.50 mills.

42       **Sec. Z-13. Debt service reduction percentages.** This section  
44 establishes reduction percentages as follows: insured value  
46 factor reduction percentage, 4.98%.

48       **Sec. Z-14. Debt service appropriation.** The debt service  
50 appropriation provided for General Purpose Aid for Local Schools  
for the fiscal year beginning July 1, 2001 and ending June 30,  
2002 is calculated as follows.

48		<b>2001-02</b>	<b>2001-02</b>
50		<b>TOTAL</b>	<b>STATE</b>

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**ADJUSTED DEBT SERVICE ALLOCATION**

2 **TOTAL** \$82,218,587 \$58,446,035

4  
6 **2001-02** **2001-02**  
**TOTAL** **STATE**

8 **COMBINED ADJUSTED FOUNDATION AND**  
9 **ADJUSTED DEBT SERVICE ALLOCATIONS**

10 **TOTAL** \$1,355,523,546 \$659,303,778

12 **Sec. Z-15. Adjustments and miscellaneous costs appropriation.** The  
13 adjustments and miscellaneous costs appropriation of state funds  
14 for fiscal year 2001-02 for the purposes listed in this section  
15 is as follows.

16  
17  
18 **2001-02**  
**TOTAL**

20 **Adjustments and Miscellaneous Costs**

22	Cost of Geographic Isolation Adjustments	\$350,000
24	Cost of Quality Incentive Adjustments	0
26	Audit Adjustments	0
28	Cost of Reimbursement for Private School Services	201,000
30	Special Education Tuition and Board for State Wards and Other Pupils Placed Directly by the State	8,100,000
34	State Agency Clients	21,042,552
36	English as a 2nd Language	1,920,000
38	Out-of-district Placements	3,405,156
40	Long-term Drug Treatment Centers	65,952
42	Contract for Cost-of-education and Income Data	0
44	Learning Results Implementation	1,300,000
46	FY 2001-02 Cushion	5,200,000
48	FY 2001-02 2nd Tier Cushion	1,000,000
50		

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2 **Total Adjustments** \$42,584,660

4 **Sec. Z-16. Adjustments and miscellaneous costs appropriation.** The  
adjustments and miscellaneous costs appropriation provided for  
6 General Purpose Aid for Local Schools for the fiscal year  
beginning July 1, 2001 and ending June 30, 2002 is calculated as  
8 follows.

	2001-02 TOTAL	2001-02 STATE
<b>ADJUSTMENTS AND MISCELLANEOUS</b>		
14 <b>COSTS TOTAL</b>	\$42,584,660	\$42,584,660
<b>FOUNDATION, DEBT SERVICE AND</b>		
<b>ADJUSTMENTS AND MISCELLANEOUS</b>		
18 <b>COSTS TOTAL</b>	\$1,398,108,206	\$701,888,438

20 **Sec. Z-17. Limit of State's obligation.** If the State's continued  
obligation for any individual program contained in sections 7,  
22 10, 11, 14, 15 and 16 of this Part exceeds the level of funding  
provided for that program, any unexpended balances occurring in  
24 other programs may be applied to avoid proration of payments for  
any individual program. Any unexpended balances from sections 7,  
26 10, 11, 14, 15 and 16 of this Part may not lapse but must be  
carried forward for the same purpose.

28 **Sec. Z-18. Appropriations.** Sections 2 to 16 of this Part may  
30 not be construed to require the State to provide payments that  
exceed the appropriation of funds for General Purpose Aid for  
32 Local Schools for the fiscal year beginning July 1, 2001 and  
ending June 30, 2002.

34 **Sec. Z-19. Component funding.** In accordance with the Maine  
36 Revised Statutes, Title 20-A, section 15607, subsection 3,  
component funding within the General Purpose Aid for Local  
38 Schools General Fund account for fiscal year 2001-02 is as  
follows.

	2001-02
42 Foundation	\$600,857,743
44 Debt Service	58,446,035
46 Adjustments	42,584,660
48 <b>TOTALS</b>	<b>\$701,888,438</b>

50 **Sec. Z-20. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of

# SENATE AMENDMENT

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SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
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this Part.

2

2001-02

4

**EDUCATION, DEPARTMENT OF**

6

**General Purpose Aid for  
Local Schools**

8

10

All Other \$1,550,000

12

Provides additional funding for the first tier of cushion and funding for a 2nd tier of cushion to assist school administrative units with low valuation.

14

16

18

**PART AA**

20

**Sec. AA-1. 28-A MRSA §403**, as amended by PL 1997, c. 755, §1, is repealed.

22

**Sec. AA-2. 28-A MRSA §453-B**, as repealed and replaced by PL 1993, c. 509, §5, is repealed and the following enacted in its place:

24

26

**§453-B. License fees**

28

The initial license fee for an agency liquor store is \$2,000 and the renewal fee for an annual license is \$300.

30

32

**Sec. AA-3. Closure of 14 state liquor stores.** Notwithstanding any other provision of law, the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations is directed to implement the closure of 8 state liquor stores by December 31, 2001. No sooner than June 1, 2002, but not later than December 31, 2002, the department is directed to close an additional 6 state liquor stores and to close additional stores based on the recommendations of the Commission to Develop a Plan to Implement the Closure of State Liquor Stores.

34

36

38

40

42

**Sec. AA-4. State liquor stores to be closed.**

44

**1. Replacement of state liquor stores.** The Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations may license up to 6 agency stores in a municipality with a population over 20,000 where a state liquor store has been closed and up to 3 agency stores in a municipality where a state liquor store has been closed. The

46

48

2 Department of Administrative and Financial Services, Bureau of  
3 Alcoholic Beverages and Lottery Operations shall establish  
4 monthly discounts for all agency stores. The issuance of an  
5 agency liquor store license and the operation of agency liquor  
6 stores licensed pursuant to this Part are governed by the Maine  
7 Revised Statutes, Title 28-A, chapter 19.

8 **2. Requirement of at least one replacement agency liquor**  
9 **store before closing.** A state liquor store may not be closed  
10 unless at least one replacement agency liquor store with a  
11 federal wholesale registration and licensed as a reselling agent  
12 has been licensed within 10 miles of the state store being closed  
13 or unless the Director of the Bureau of Alcoholic Beverages and  
14 Lottery Operations within the Department of Administrative and  
15 Financial Services determines that reasonable alternative access  
16 is available to persons who previously purchased spirits from the  
17 state liquor store being closed.

18 **3. Assistance to employees.** The State shall provide  
19 assistance within existing programs to employees who are laid off  
20 as a result of the closing of state liquor stores. This  
21 assistance may include, but is not limited to, retraining, career  
22 planning and assistance in obtaining other employment and may be  
23 provided before or after an employee leaves state employment.

24 **4. Funding employee assistance.** Notwithstanding any other  
25 provision of law, the State Budget Officer is authorized to  
26 transfer by financial order upon approval of the Governor amounts  
27 between line categories within the Alcoholic Beverages - General  
28 Operations program during fiscal year 2001-02 to provide up to  
29 \$450,000 to fund employee assistance costs for full-time and  
30 part-time state liquor store employees for whom reasonable  
31 alternative state government employment is not available or can  
32 not be found, and the Department of Administrative and Financial  
33 Services, Bureau of Employee Relations shall negotiate with the  
34 applicable bargaining agent regarding the assistance provided as  
35 well as the eligibility criteria for assistance. The State  
36 Budget Officer shall provide quarterly status reports to the  
37 joint standing committees of the Legislature having jurisdiction  
38 over appropriations and financial affairs and legal and veterans  
39 affairs beginning April 30, 2001. The report must include an  
40 update on the implementation of this section and all transfers  
41 from the General Fund Salary Plan program.

42 **Sec. AA-5. Commission to Develop a Plan to Implement the Closure**  
43 **of State Liquor Stores.** The Commission to Develop a Plan to  
44 Implement the Closure of State Liquor Stores is established in  
45 accordance with the following.

46 **1. Membership.** The commission consists of the following  
47  
48



R of S.

SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

members:

2

A. Two Senators, appointed by the President of the Senate;

4

B. Two members of the House of Representatives, appointed  
by the Speaker of the House;

6

8

C. One member representing the employees of state liquor  
stores, appointed jointly by the President of the Senate and  
the Speaker of the House;

10

12

D. Two owners of agency liquor stores, appointed jointly by  
the President of the Senate and the Speaker of the House;

14

16

E. One representative of the Department of Administrative  
and Financial Services, Bureau of Alcoholic Beverages and  
Lottery Operations, appointed by the Governor; and

18

20

F. One representative of the Department of Public Safety,  
Bureau of Liquor Enforcement, appointed by the Governor.

22

**2. Appointments; meetings.** Appointments must be made no  
later than 30 days after the effective date of this Act. The  
first named Senate member is the Senate chair; the first named  
House member is the House chair. The appointing authorities  
shall notify the Executive Director of the Legislative Council  
once the appointments have been made. The Executive Director of  
the Legislative Council shall notify the chairs when all  
appointments have been made. The chairs of the commission shall  
call and convene the first meeting of the commission any time  
after the effective date of this Act.

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**3. Duties.** The commission shall develop a plan to  
effectuate an appropriate statewide liquor distribution system.  
In developing its plan, the commission shall consider the effects  
on wholesale distribution and sales of closing state liquor  
stores and consider strategies for moving to a system that relies  
on agency stores for all retail sales to the extent that does not  
negatively affect state revenue.

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**4. Report.** The commission shall submit its report,  
together with legislation necessitated by the closing of state  
liquor stores, to the Second Regular Session of the 120th  
Legislature no later than January 31, 2002. If the commission  
requires an extension of time to make its report, it may apply to  
the Legislative Council, which may grant the extension.

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**5. Staff assistance.** Upon approval of the Legislative  
Council, the Office of Policy and Legal Analysis shall provide  
staffing assistance to the commission.

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R. of S.

SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

**SERVICES, DEPARTMENT OF**

2

**Alcoholic Beverages - General  
Operation**

4

6

Unallocated (\$100,684) (\$1,998,640)

8

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Deallocates funds from savings that result from closing 8 state liquor stores by December 31, 2001, the elimination of discount store provisions and closing an additional 6 state liquor stores by December 31, 2002 but no earlier than June 1, 2002.

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**Sec. AA-8. Calculation and transfer.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585, in fiscal year 2001-02 and 2002-03 the State Budget Officer shall calculate the amounts in section 7 of this Part that apply against each affected line category based on information submitted by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations and shall transfer the calculated amounts by financial order upon the approval of the Governor. These transfers must be considered adjustments to allocations in fiscal years 2001-02 and 2002-03. The State Budget Officer shall provide the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over legal and veterans affairs with a report of the transferred amounts no later than September 30, 2002.

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**PART BB**

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**Sec. BB-1. Liquidation of securities.** Notwithstanding any provisions of law, the Treasurer of State shall transfer \$1,000,000 from the Abandoned Property Fund to the unappropriated surplus of the General Fund no later than June 30, 2002 and \$1,000,000 from the Abandoned Property Fund to the unappropriated surplus of the General Fund no later than June 30, 2003. Funds to be transferred result from the liquidation of securities held in excess of 3 years.

48

**PART CC**

50

**Sec. CC-1. 5 MRSA §1513, sub-§1-S** is enacted to read:

**SENATE AMENDMENT**

R. of S.

2            **1-S. Transfer from Maine Rainy Day Fund; Maine State Prison**  
 3            **demolition.** Notwithstanding subsection 2 and section 1585, an  
 4            amount not to exceed \$3,800,000 in fiscal year 2001-02 may be  
 5            transferred from the available balance in the Maine Rainy Day  
 6            Fund to the Capital Construction/Repairs/Improvements - Admin  
 7            program in the Department of Administrative and Financial  
 8            Services to be made available by financial order upon the  
 9            recommendation of the State Budget Officer and approval of the  
 10           Governor to be used for the demolition and site remediation of  
 11           the Maine State Prison in Thomaston. Funds transferred from the  
 12           Maine Rainy Day Fund for this purpose in fiscal year 2001-02 may  
 13           only be in addition to other funds made available by the  
 14           Legislature.

16           **Sec. CC-2. Transfer to Capital Construction/Repairs/Improvements -**  
 17           **Admin.** Notwithstanding any other provision of law, at the close  
 18           of fiscal year 2000-01, the State Controller shall transfer to  
 19           the Capital Construction/Repairs/Improvements - Admin program in  
 20           the Department of Administrative and Financial Services from the  
 21           available balance remaining in the General Fund after the  
 22           deduction of all appropriations, financial commitments or other  
 23           designated funds an amount not to exceed \$3,800,000 for the  
 24           demolition and site remediation of the Maine State Prison at  
 25           Thomaston. These funds may be made available by financial order  
 26           for expenditure by allotment in fiscal year 2001-02 upon the  
 27           recommendation of the State Budget Officer and approval of the  
 28           Governor. Funds transferred into the Capital  
 29           Construction/Repairs/Improvements - Admin program in the  
 30           Department of Administrative and Financial Services for this  
 31           purpose do not lapse but must be carried forward from year to  
 32           year until the purposes of the transfer have been fulfilled.

34           **Sec. CC-3. Sale of land; proceeds transferred.** The Commissioner  
 35           of Administrative and Financial Services shall transfer all  
 36           proceeds from the sale of land consisting of the site of the  
 37           former Maine State Prison in Thomaston to the Maine Rainy Day  
 38           Fund.

**PART DD**

42           **Sec. DD-1. Working capital advance.** Beginning July 1, 2003,  
 43           the State Controller is authorized to provide an annual advance  
 44           up to \$25,500,000 from the General Fund to the Fund for a Healthy  
 45           Maine established in the Maine Revised Statutes, Title 22,  
 46           section 1511 to provide funds for allocations from the Fund for a  
 47           Healthy Maine. These funds must be returned to the General Fund  
 48           as the first priority from the amounts credited to the Fund

R of S

SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

for a Healthy Maine pursuant to the Maine Revised Statutes, Title  
22, section 1511, subsection 2, paragraph A.

**Sec. DD-2. Transfer.** On or before June 30, 2003, the State  
Controller shall transfer \$12,000,000 from the Fund for a Healthy  
Maine established in the Maine Revised Statutes, Title 22,  
section 1511 to the General Fund.

**PART EE**

**Sec. EE-1. Lapsed balance.** Notwithstanding any other  
provision of law, the State Controller shall lapse \$4,000,000  
from the General Fund Salary Plan program to General Fund  
unappropriated surplus at the close of the fiscal year ending  
June 30, 2001.

**PART FF**

**Sec. FF-1. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of  
this Part.

**2002-03**

**EDUCATION, DEPARTMENT OF**

**General Purpose Aid for Local Schools**

All Other (\$13,420,153)

Deappropriates funds from  
General Purpose Aid for Local  
Schools.

**DEPARTMENT OF EDUCATION  
TOTAL**

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(13,420,153)

**MAINE MARITIME ACADEMY**

**Maine Maritime Academy**

All Other (192,132)

Deappropriates funds from the  
Maine Maritime Academy.

**MAINE MARITIME ACADEMY  
TOTAL**

R. of S.

SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

(192,132)

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**BOARD OF TRUSTEES OF THE  
MAINE TECHNICAL COLLEGE SYSTEM**

**Maine Technical College System -  
Board of Trustees of the**

All Other (1,009,155)

Deappropriates funds from the  
Maine Technical College  
System.

**BOARD OF TRUSTEES OF THE  
MAINE TECHNICAL COLLEGE SYSTEM  
TOTAL**

(1,009,155)

**BOARD OF TRUSTEES OF THE  
UNIVERSITY OF MAINE SYSTEM**

**Educational and General  
Activities - University of  
Maine System**

All Other (4,338,583)

Deappropriates funds from the  
University of Maine System.

**BOARD OF TRUSTEES OF THE  
UNIVERSITY OF MAINE SYSTEM  
TOTAL**

(4,338,583)

**TOTAL APPROPRIATIONS**

(\$18,960,023)

**PART GG**

**Sec. GG-1. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of  
this Part.

**2001-02                      2002-03**

**ECONOMIC AND COMMUNITY  
DEVELOPMENT, DEPARTMENT OF**

**Forum Francophone**

2 All Other \$75,000 \$75,000  
4  
6 Provides funding for office  
8 space and expenses. It is  
10 the intent of the Legislature  
12 that legislative funding for  
14 the Forum Francophone Des  
16 Affaires not continue beyond  
18 the end of fiscal year  
20 2002-03 without affirmative  
22 action by the Legislature.

**PART HH**

18 **Sec. HH-1. 36 MRSA §5122, sub-§2, ¶L**, as amended by PL 1999,  
20 c. 708, §35 and c. 731, Pt. S, §2 and affected by §4 and amended  
22 by c. 790, Pt. A, §49, is repealed and the following enacted in  
its place:

24 L. For income tax years beginning on or after January 1,  
26 2000, an amount equal to the total premiums spent for  
28 qualified long-term care insurance contracts as defined in  
the Code, Section 7702B(b), as long as the amount subtracted  
is reduced by the long-term care premiums claimed as an  
itemized deduction pursuant to section 5125;

30 **Sec. HH-2. 36 MRSA §5122, sub-§2, ¶M**, as enacted by PL 1999,  
32 c. 708, §36 and c. 731, Pt. S, §3 and affected by §4, is repealed  
and the following enacted in its place:

34 M. An amount, for each recipient of benefits under an  
36 employee retirement plan, that is the lesser of:

38 (1) Six thousand dollars reduced by the total amount  
40 of social security benefits and railroad retirement  
42 benefits paid by the United States, but not less than  
\$0. The reduction does not apply to benefits paid  
under a military retirement plan; or

44 (2) The aggregate of benefits received under employee  
46 retirement plans and included in federal adjusted gross  
income.

48 For purposes of this paragraph, "employee retirement plan"  
50 means a state, federal or military retirement plan or any  
other retirement benefit plan established and maintained by  
an employer for the benefit of its employees under Section

401(a), Section 403 or Section 457(b) of the Code.  
"Employee retirement plan" does not include an individual  
retirement account under Section 408 of the Code, a Roth IRA  
under Section 408A of the Code, a rollover individual  
retirement account, a simplified employee pension under  
Section 408(k) of the Code or an ineligible deferred  
compensation plan under Section 457(f) of the Code. For  
purposes of this paragraph, "military retirement plan" means  
benefits received as a result of service in the active or  
reserve components of the Army, Navy, Air Force, Marines or  
Coast Guard;

**Sec. HH-3. 36 MRSA §5122, sub-§2, ¶N is enacted to read:**

N. Interest or dividends on obligations or securities of  
this State and its political subdivisions and authorities to  
the extent included in federal adjusted gross income;

**Sec. HH-4. Application.** That section of this Part that  
repeals and replaces the Maine Revised Statutes, Title 36,  
section 5122, subsection 2, paragraph M applies to tax years  
beginning on or after January 1, 2001.

**PART II**

**Sec. II-1. Reimbursement to home care agencies.** The Department  
of Human Services shall increase payments for wages and benefits  
for nonadministrative personnel at home care agencies. The  
department shall verify that these funds have been distributed as  
directed to nonadministrative staff.

**Sec. II-2. Appropriation.** The following funds are appropriated  
from the General Fund to carry out the purposes of this Part.

	2000-01	2001-02	2002-03
<b>HUMAN SERVICES, DEPARTMENT OF</b>			
<b>Medical Care - Payments to Providers</b>			
All Other		\$268,284	\$268,284
Provides funds to increase wages and benefits by 2.5% for nonadministrative personnel employed in home care agencies.			



2 **Long-term Care - Human Services**

4 All Other 257,764 257,764

6 Provides funds to increase  
wages and benefits by 2.5%  
8 for nonadministrative  
personnel employed in home  
10 care agencies.

12 **Nursing Facilities**

14 All Other (\$2,650,384) (2,735,525) (2,830,790)

16 Deappropriates funds based on  
a reprojection of estimates.

18  
20 **DEPARTMENT OF HUMAN  
SERVICES**

22 **TOTAL APPROPRIATIONS** (\$2,650,384) (\$2,209,477) (\$2,304,742)

24 **Sec. II-3. Allocation.** The following funds are allocated from  
the Federal Expenditures Fund to carry out the purposes of this  
Part.

26  
28 **2001-02 2002-03 2003-04**

30 **HUMAN SERVICES,  
DEPARTMENT OF**

32 **Medical Care - Payments  
to Providers**

34 All Other \$531,739 \$534,422

36 Provides for the federal  
38 match to increase wages and  
benefits for  
40 nonadministrative personnel  
employed in home care  
42 agencies.

44 **Nursing Facilities**

46 All Other (5,252,953) (5,421,698) (5,639,557)

48 Provides for the deallocation  
of federal matching funds  
50 based on a reprojection of  
estimates.

2 DEPARTMENT OF HUMAN  
SERVICES  
4 TOTAL ALLOCATIONS (\$5,252,953) (\$4,889,959) (\$5,105,135)

6  
8 PART JJ

10 Sec. JJ-1. Cost-of-living adjustment. Any facility that accepts  
the cost-of-living adjustment for fiscal years 2001-02 and  
12 2002-03 provided in this Act must provide an increase of no less  
than 3% in salaries and benefits to all front-line employees in  
14 each of those fiscal years according to the "Principles of  
Reimbursement for Nursing Facilities." For purposes of this  
16 section, "front-line employees" means all employees who work in  
the facility, excluding the administrator.

18 Sec. JJ-2. Appropriation. The following funds are  
20 appropriated from the General Fund to carry out the purposes of  
this Part.

22 2001-02 2002-03

24 HUMAN SERVICES, DEPARTMENT OF  
26 Nursing Facilities

28 All Other \$2,094,236 \$2,157,063

30 Provides funds for a  
cost-of-living adjustment for  
32 nursing facilities pursuant  
to the "Principles of  
34 Reimbursement for Nursing  
Facilities."

36 Sec. JJ-3. Allocation. The following funds are allocated from  
38 the Federal Expenditures Fund to carry out the purposes of this  
Part.

40 2001-02 2002-03

42 HUMAN SERVICES, DEPARTMENT OF  
44 Nursing Facilities

46 All Other \$4,150,776 \$4,296,869

48 Provides for the federal  
50 match for a cost-of-living

adjustment for nursing  
facilities.

**PART KK**

**Sec. KK-1. Reimbursement to agencies.** The Department of Mental Health, Mental Retardation and Substance Abuse Services shall increase reimbursement to agencies under contract to provide mental health and mental retardation services to adults and children. The increase in reimbursement must be used to increase payments for wages and benefits for direct care personnel. Increased payments for wages must be adjusted by 2.5% in fiscal year 2001-02. The appropriations and allocations provided in this section apply to all providers of mental health and mental retardation services, except for programs that would otherwise receive a cost-of-living adjustment pursuant to a different provision of law or rule. The department shall verify at the annual audit, or in other financial reviews as appropriate, that these funds have been distributed as directed to direct care staff.

**Sec. KK-2. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Part.

	2001-02	2002-03
<b>MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES, DEPARTMENT OF</b>		
<b>Mental Retardation Services - Community</b>		
All Other	\$69,831	\$69,831
Provides funds to increase payments for wages and benefits by 2.5% in fiscal year 2001-02 for direct care personnel employed by certain agencies providing mental retardation services.		
<b>Medicaid Services - Mental Retardation</b>		
All Other	540,793	540,793

2 Provides funds to increase  
4 payments for wages and  
6 benefits by 2.5% in fiscal  
8 year 2001-02 for direct care  
personnel employed by certain  
agencies providing mental  
retardation services.

**10 Mental Health Services - Children**

12 All Other 229,991 229,991

14 Provides funds to increase  
16 payments for wages and  
18 benefits by 2.5% in fiscal  
20 year 2001-02 for direct care  
22 personnel employed by certain  
agencies providing mental  
health and mental retardation  
services.

**24 Mental Health Services -  
Child Medicaid**

26 All Other 234,187 234,187

28 Provides funds to increase  
30 payments for wages and  
32 benefits by 2.5% in fiscal  
34 year 2001-02 for direct care  
personnel employed by certain  
agencies providing mental  
health and mental  
retardation services.

**36 Mental Health Services - Community**

38 All Other 458,775 458,775

40 Provides funds to increase  
42 payments for wages and  
44 benefits by 2.5% in fiscal  
46 year 2001-02 for direct care  
personnel employed by certain  
agencies providing mental  
health services.

**50 Mental Health Services -  
Community Medicaid**

2 All Other 484,818 484,818  
 4 Provides funds to increase  
 6 payments for wages and  
 8 benefits by 2.5% in fiscal  
 10 year 2001-02 for direct care  
 personnel employed by certain  
 agencies providing mental  
 health services.

12 **DEPARTMENT OF MENTAL HEALTH,**  
 14 **MENTAL RETARDATION AND SUBSTANCE**  
**ABUSE SERVICES**  
 16 **TOTAL**

\$2,018,395 \$2,018,395

18 **Sec. KK-3. Allocation.** The following funds are allocated from  
 the Federal Expenditures Fund to carry out the purposes of this  
 Part.

20 2001-02 2002-03

22 **HUMAN SERVICES, DEPARTMENT OF**

24 **Medical Care - Payments**  
 26 **to Providers**

28 All Other \$2,496,920 \$2,509,518  
 30 Provides for the federal  
 32 match to increase payments  
 for wages and benefits for  
 34 direct care personnel  
 employed by certain agencies  
 36 providing mental health and  
 mental retardation services.

38 **PART LL**

40 **Sec. LL-1. Medicaid reimbursement for hospice care.** By April 1,  
 42 2002, the Department of Human Services shall adopt rules  
 increasing the reimbursement for hospice care for routine home  
 44 care services to provide for reimbursement at the level paid  
 under the Medicare program plus an additional 23%. Rules adopted  
 46 pursuant to this section are routine technical rules as provided  
 in Title 5, chapter 375, subchapter II-A.

48 **Sec. LL-2. Report.** By January 1st of each year, the  
 50 Department of Human Services shall conduct an annual cost benefit

analysis to determine savings generated by implementing section 1  
of this Part and report the results of the analysis to the joint  
standing committee of the Legislature having jurisdiction over  
health and human services matters.

**Sec. LL-3. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of  
this Part.

2001-02 2002-03

**HUMAN SERVICES, DEPARTMENT OF**

**Medical Care - Payments to Providers**

All Other \$44,386 \$186,750

Provides funds to increase  
the reimbursement for hospice  
care for routine home care  
services to 23% above the  
Medicare rate effective April  
1, 2002.

**Sec. LL-4. Allocation.** The following funds are allocated from  
the Federal Expenditures Fund to carry out the purposes of this  
Part.

2001-02 2002-03

**HUMAN SERVICES, DEPARTMENT OF**

**Medical Care - Payments to Providers**

All Other \$87,973 \$372,046

Provides funds for the  
federal match to increase the  
reimbursement for hospice  
care for routine home care  
services to 23% above the  
Medicare rate effective April  
1, 2002.

**PART MM**

**Sec. MM-1. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of

this Part.

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2001-02                      2002-03

**MAINE HOSPICE COUNCIL**

**Maine Hospice Council**

All Other    \$25,000                      \$25,000

Provides ongoing funds to support volunteer hospice programs.

**PART NN**

**Sec. NN-1. 5 MRSA §12004-I, sub-§18-C** is enacted to read:

<u>18-C.</u>	<u>Advisory</u>	<u>Expenses</u>	<u>20-A MRSA</u>
<u>Education</u>	<u>Board of the</u>	<u>only</u>	<u>\$19109</u>
	<u>Maine</u>		
	<u>Learning</u>		
	<u>Technology</u>		
	<u>Endowment</u>		

**Sec. NN-2. 20-A MRSA §19101**, as enacted by PL 1999, c. 731, Pt. FFF, §1, is amended to read:

**§19101. Establishment of Maine Learning Technology Endowment; source of funds**

The Maine Learning Technology Endowment, referred to in this chapter as the "endowment," is established. The endowment consists of certain funds dedicated by the Legislature and by other private and public sources for the advancement of learning technology for kindergarten to grade 12 in Maine.

**Sec. NN-3. 20-A MRSA §19102**, as enacted by PL 1999, c. 731, Pt. FFF, §1, is amended to read:

**§19102. Endowment purpose and plan**

**1. Purpose.** The endowment must be used to enable the full integration of appropriate learning technologies into teaching and learning for the State's elementary and secondary students. The endowment must be managed and governed in a manner that provides for the financially sustainable support, use and integration of learning technology in Maine schools as determined by the Legislature.

2           **2. Learning technology plan.** The use of the endowment must  
3 be based on a state learning technology plan, referred to in this  
4 section as the "plan," developed annually beginning for school  
5 year 2002-03 by the commissioner with the advice of the advisory  
6 board established under section 19109 and adopted by the  
7 Legislature. The annual plan must be designed to achieve the  
8 goal of preparing students for a future economy that relies on  
9 technology and innovation.

10           The plan developed annually by the commissioner and the advisory  
11 board must include, but is not limited to, consideration of the  
12 following:

13           A. The appropriate structure, governance and oversight of  
14 the endowment;

15           B. The current use of learning technology in classrooms in  
16 the State;

17           C. The current readiness of faculty to use technology in  
18 teaching;

19           D. The professional development needed to integrate  
20 technology into classroom teaching;

21           E. Assessment of the strategy and goals for improving and  
22 equalizing access to and the use of learning technology in  
23 all schools;

24           F. A plan for implementing the plan in several phases, with  
25 Phase I implementing the plan for all schools, students and  
26 teachers at the 7th and 8th grade levels;

27           G. Strategies that coordinate the resources and goals of  
28 the endowment and the plan with a network of schools and  
29 libraries in the State administered by the Public Utilities  
30 Commission and the telecommunications education access fund;

31           H. Strategies that coordinate learning technology in  
32 kindergarten to grade 12 education with initiatives and  
33 resources of the State's postsecondary education  
34 institutions; and

35           I. Data tracking and assessment of the progress of  
36 implementing the goals of the endowment and the plan.

37           **3. Guiding principles for plan.** The plan must be  
38 consistent with the following guiding principles:  
39



2 A. Equity. The plan must promote equal opportunity for and  
4 provide meaningful access to learning technology resources  
for students who are economically disadvantaged or have  
special needs;

6 B. Integration with the system of learning results  
8 established in section 6209. The plan must support student  
10 achievement of the system of learning results through the  
integration of learning technologies that are  
content-focused and that add value to existing instructional  
methods;

12 C. Sustainability and avoidance of obsolescence. The plan  
14 must provide future sustainability of learning technology  
16 resources to adapt to future educational needs and to avoid  
obsolescence of learning technology resources;

18 D. Teacher preparation and professional development. The  
20 plan must provide effective preparation, professional  
22 development and training programs for teachers and other  
educators in the use and integration of learning technology  
tools in curriculum development, instructional methods and  
student assessment systems; and

24 E. Economic development. The plan must foster economic  
26 development across all regions of the State and the  
28 preparation of students for an economy that is dependent  
upon technology.

30 **Sec. NN-4. 20-A MRSA §19103**, as enacted by PL 1999, c. 731,  
Pt. FFF, §1, is repealed and the following enacted in its place:

32 **§19103. Finances of endowment**

34 **1. Endowment assets.** The endowment includes all assets,  
36 funds and holdings held in the name of, on behalf of or for the  
38 benefit of the endowment. This is a nonlapsing fund the sources  
40 of which include all appropriations and allocations by the  
Legislature to the endowment; cash, stocks, cash equivalents or  
42 the equivalent value of goods and services that are consistent  
with the guiding principles established under section 19102,  
subsection 3 from any other source, whether public or private,  
44 designated for deposit into or credited to the endowment; and  
interest or other income or assets of the endowment.

46 **2. Fundraising plan.** The commissioner and the Commissioner  
48 of Administrative and Financial Services shall, for the duration  
of the endowment, identify and submit grant and fundraising  
proposals in support of the priorities of the learning technology  
50 plan established pursuant to section 19102 to federal, corporate,

foundation or other 3rd-party sources as appropriate.

In conjunction with the advisory board established under section 19109, the commissioner and the Commissioner of Administrative and Financial Services shall develop a plan for fundraising and identifying grant sources that is designed to raise sufficient funds to enable the learning technology plan to expand to the secondary school level. The fundraising plan must identify specific funding sources, as appropriate, timelines and an assessment of the probability of success.

In order to preserve the integrity of the educational purposes of the learning technology plan, all fundraising and grant proposals must be consistent with the goals and terms of the learning technology plan. The commissioner and the Commissioner of Administrative and Financial Services in conjunction with the advisory board established under section 19109 shall develop any necessary guidelines for fundraising and grant proposals in order to carry out this requirement.

**Sec. NN-5. 20-A MRSA §19104**, as enacted by PL 1999, c. 731, Pt. FFF, §1, is repealed and the following enacted in its place:

**§19104. Fiduciary roles and responsibilities**

The Commissioner of Administrative and Financial Services, referred to in this section as the "commissioner," shall act as fiduciary and fiscal agent with respect to the management and administration of the endowment. The commissioner may accept donations to the endowment consistent with the guiding principles established under section 19102, subsection 3. The commissioner shall ensure that donations to the endowment are segregated from other state assets, separately accounted for and held in trust on behalf of the State for the purposes specified in this chapter and for no other purpose. The commissioner shall enter into and administer an investment contract for the investment of endowment funds by an appropriate entity, including, but not limited to, the Board of Trustees of the Maine State Retirement System or another entity approved by the commissioner. The Treasurer of State shall review the proposed investment contract to ensure that the proposed investment management fees are reasonable for the investment management services provided.

**1. Investment of endowment.** If the commissioner determines that the Board of Trustees of the Maine State Retirement System is the appropriate entity to provide for the investment of endowment funds, the following provisions apply.

A. The Board of Trustees of the Maine State Retirement System shall invest the endowment in the same manner and

2 according to the same investment policy and practices by  
3 which the board invests the assets of the Maine State  
4 Retirement System.

6 B. The Board of Trustees of the Maine State Retirement  
7 System shall treat the endowment as held in trust on behalf  
8 of the State for the purposes specified in this chapter and  
9 no other and shall separately account for the endowment as  
10 investment assets, attributing to the endowment its  
11 proportional share of investment returns and of investment  
12 management costs and expenses, including costs and expenses  
13 of the retirement system arising because of its investment  
14 of the endowment.

16 C. The commissioner and the Board of Trustees of the Maine  
17 State Retirement System shall develop jointly a memorandum  
18 of understanding, setting out their mutual understanding of  
19 the investment of the endowment, the related investment  
20 accounting and investment return and expense attribution.

22 2. Audit of endowment. The commissioner shall ensure  
23 adequate audit of the investment management of the endowment and  
24 the expenditures of the endowment each state fiscal year. If the  
25 investment of the endowment is managed by the Board of Trustees  
26 of the Maine State Retirement System, the audit must be conducted  
27 within the scope of the annual audit of the Maine State  
28 Retirement System or through separate audit as considered  
29 appropriate by the Board of Trustees of the Maine State  
30 Retirement System. Any separate audit must be reported to the  
31 Governor, the Legislature, the commissioner and the State  
32 Controller in as timely a manner as possible after the close of  
33 each state fiscal year.

34 3. Use of endowment. In addition to the budgeting  
35 guidelines pursuant to section 19105, in accordance with the  
36 annual learning technology plan established pursuant to section  
37 19102, the income from the endowment may be used for necessary  
38 audit services, legal expenses, investment management fees and  
39 services and general administrative expenses related to the  
40 management and administration of the endowment. The principal  
41 and income of the endowment may not be used to implement the  
42 fundraising plan required pursuant to section 19103, subsection 2.

44 4. Endowment term. The commissioner shall manage the  
45 endowment as follows:

46 A. Prior to January 8, 2003 the commissioner shall take all  
47 reasonable and prudent steps to manage the investment,  
48 expenditures and cash flow of the endowment to ensure that  
49 the initial principal of the endowment, consisting of  
50 the initial principal of the endowment, consisting of

2 General Fund money appropriated by the State, is maximized  
and, to the greatest extent feasible, not diminished; and

4 B. After January 7, 2003:

6 (1) If contributions consistent with the guiding  
principles established under section 19102, subsection  
8 3 totaling \$15,000,000 are received or pledged from  
other sources by January 7, 2003, the commissioner  
10 shall operate the endowment in a manner consistent with  
the learning technology plan in order to maintain in  
12 perpetuity any balances remaining at the close of the  
2006-2007 school year. The commissioner shall take all  
14 reasonable and prudent steps to manage the investment,  
expenditures and cash flow of the endowment to ensure  
16 that the initial principal of the endowment is  
maximized and, to the greatest extent feasible, not  
18 diminished; or

20 (2) If the \$15,000,000 goal established in  
subparagraph (1) is not achieved by January 7, 2003,  
22 the endowment ceases to operate as an endowment and the  
commissioner shall manage the assets of the former  
24 endowment, including the use of the principal, in a  
manner that implements the learning technology plan  
26 through at least June 30, 2006.

28 In the annual learning technology plan submitted in the Second  
Regular Session of the 120th Legislature pursuant to section  
30 19102, subsection 2, the commissioner shall provide to the  
Governor and the Legislature the status of efforts to raise  
32 necessary contributions and recommendations concerning the  
management of the endowment.

34 For purposes of this subsection, the term "contributions" means,  
without limitation, cash, stocks, cash equivalents or the  
36 equivalent value of goods and services but does not include funds  
from the General Fund, the Telecommunications Education Access  
38 Fund, the Maine Schools and Libraries Network account or the  
standard federal E-rate program. In the event that the  
40 \$15,000,000 contribution goal is not achieved by January 7, 2003,  
the balance of any and all contributions to the endowment must be  
42 dedicated to the learning technology plan unless a contributor  
expressly provides otherwise in a written instrument at the time  
44 of a contribution.

46 **Sec. NN-6. 20-A MRSA §§19105 to 19110 are enacted to read:**

48 **§19105. Commissioner's recommendation for annual learning**  
50 **technology plan; guidelines and funding level**

2           1. Annual plan recommendation. Prior to December 15th of  
4           each year, the commissioner, after consultation with the advisory  
6           board established under section 19109 and the Commissioner of  
8           Administrative and Financial Services and after receiving the  
10          approval of the state board, shall recommend to the Governor and  
            the Department of Administrative and Financial Services, Bureau  
            of the Budget the funding level for implementing the annual  
            learning technology plan.

12          2. Budget development. The commissioner, with the  
14          assistance of the Commissioner of Administrative and Financial  
16          Services, shall prepare an annual budget for the implementation  
18          of the annual learning technology plan and exercise budgetary  
20          responsibility to carry out the plan. Annually, by January 1st,  
22          beginning on January 1, 2002, in addition to complying with the  
24          provisions of Title 5, sections 1665 and 1666, the commissioner  
26          shall present the operating budget for the endowment to the  
            Governor and the Legislature for review by the joint standing  
            committee of the Legislature having jurisdiction over education  
            matters and the joint standing committee of the Legislature  
            having jurisdiction over appropriations and financial affairs.  
            The commissioner may make expenditures only in accordance with an  
            allocation approved by the Legislature, and any liability or  
            obligation may not be incurred under this chapter beyond the  
            amount allocated by the Legislature.

28          3. Guidelines. The recommended funding level for the  
30          annual learning technology plan must include the known  
            obligations and estimates of the following:

32           A. The level of expenditure for purchases of portable  
34           computing devices or the anticipated principal and interest  
36           costs for the year of allocation for leases and other  
            appropriate financing arrangements, including leases under  
            which the learning technology plan may apply the lease  
            payments to the purchase of those devices;

38           B. The level of expenditures for software and services such  
40           as technical support and education intranet services;

42           C. Funds designated by the commissioner for professional  
44           development programs and services;

46           D. Funds designated by the commissioner for the  
48           expenditures for the alternative equivalent value factor.  
            For purposes of this paragraph, "alternative equivalent  
            value factor" means the ratio of funding provided to school  
50           administrative units that choose to provide an alternative  
            equivalent learning technology plan that meets the guiding

principles described in section 19102, subsection 3;

E. Funds designated by the commissioner for the purchase of kindergarten to grade 12 educational materials, including library databases; and

F. Funds designated by the commissioner for the purpose of making adjustments to the cash flow of revenues generated from the endowment.

4. Funding level. The Governor shall include in the Governor's biennial or supplemental budget submission, as applicable, an allocation from the endowment necessary to implement the learning technology plan.

**§19106. Governor's funding level recommendation**

The Department of Administrative and Financial Services, Bureau of the Budget shall annually certify to the Legislature the funding level that the Governor recommends for the annual learning technology plan. The Governor's recommendations must be transmitted to the Legislature within the time schedules set forth by Title 5, section 1666.

**§19107. Actions by Legislature**

The Legislature annually, prior to March 15th, shall enact legislation to allocate the funding level necessary to implement the annual learning technology plan. The Legislature may allocate for expenditure by the commissioner for eligible kindergarten to grade 12 schools and eligible programs under the commissioner's jurisdiction all the resources available for the programs involved in the annual learning technology plan.

**§19108. Actions by department**

Within the annual allocation, the department shall follow the procedures established under this section.

1. Cash flow. For the purpose of cash flow, the commissioner may pay the full payment amounts due on leases under which the learning technology plan may apply the lease payments to the purchase of portable computing devices, and the required amount to offset the payments may be transferred to the debt service portion of the account from other operating accounts.

2. Report by commissioner. The commissioner annually shall provide the advisory board with evaluation and outcome data relative to the implementation of the learning technology plan.

**§19109. Advisory board**

2  
3       The Advisory Board of the Maine Learning Technology  
4       Endowment, referred to in this chapter as the "advisory board,"  
5       is established to advise the commissioner and the Legislature on  
6       matters related to the development of policies for the learning  
7       technology plan and the deployment of endowment proceeds to  
8       implement the learning technology plan.

10       1. Membership. In appointing the initial public members to  
11       the advisory board, the Governor, the President of the Senate and  
12       the Speaker of the House shall give proper consideration to the  
13       appointment of members of the Task Force on the Maine Learning  
14       Technology Endowment so that there may be continuity of policy  
15       development. In the appointment of public members to the  
16       advisory board the Governor, the President of the Senate and the  
17       Speaker of the House shall give proper consideration to members  
18       with experience or special knowledge in one or more of the  
19       following areas: education, business or economic development,  
20       technology, finance, library services and postsecondary  
21       education. Proper consideration also must be given to achieving  
22       statewide geographical representation, cultural equity and gender  
23       equity. The advisory board consists of 12 voting members as  
24       follows:

26               A. Eight public members, 4 of whom must be appointed by the  
27               Governor, 2 of whom must be appointed by the President of  
28               the Senate and 2 of whom must be appointed by the Speaker of  
29               the House;

30               B. One member who is a member of the state board, appointed  
31               by the chair of the state board;

32               C. One member representing public postsecondary education  
33               institutions who is employed by a public postsecondary  
34               education institution, appointed by the Governor;

35               D. One member representing the Maine State Library,  
36               appointed by the Director of the Maine State Library; and

37               E. One member representing the Public Utilities Commission,  
38               appointed by the chair of the Public Utilities Commission.

39       2. Chair. The advisory board shall choose annually one of  
40       its members to serve as chair. The chair may be elected to no  
41       more than 3 consecutive terms.

42       3. Meetings. The advisory board shall meet at least 3  
43       times each year.

2 4. Quorum. Each member of the advisory board is entitled  
to one vote. A majority of voting members of the advisory board  
constitutes a quorum for the transaction of any official business.

4  
6 5. Terms of members. Except as provided by the terms of  
initial appointments in this section, the terms of the members of  
the advisory board are for 3 years. Members may be appointed for  
consecutive terms. New members must be appointed consistent with  
subsection 1, paragraphs A to E. Members representing the state  
board, public postsecondary education institutions, the Maine  
State Library and the Public Utilities Commission may serve on  
the advisory board only as long as they hold office in the  
respective entity. Terms of the initial appointments must be  
staggered as follows:

16 A. Terms expiring January 1, 2004 include one member  
appointed by the Speaker of the House, one member appointed  
by the President of the Senate, one member appointed by the  
Governor and the member representing the Maine State Library;

20 B. Terms expiring January 1, 2005 include one member  
appointed by the Speaker of the House, one member appointed  
by the President of the Senate, one member appointed by the  
Governor and the member representing public postsecondary  
education institutions; and

26 C. Terms expiring January 1, 2006 include 2 members  
appointed by the Governor, the member representing the state  
board and the member representing the Public Utilities  
Commission.

32 6. Expenses. Members of the advisory board must be  
compensated according to the provisions of Title 5, chapter 379.

34  
36 7. Appointment. When a member leaves the advisory board,  
the appropriate appointing authority shall appoint a new member  
to serve out the remainder of the term.

38  
40 8. Staffing assistance. The commissioner and the  
Commissioner of Administrative and Financial Services shall  
provide appropriate staff support to the advisory board.

42 **§19110. Powers and duties of advisory board**

44  
46 The powers and duties of the advisory board include the  
following.

48 1. Annual learning technology plan. The advisory board  
shall advise the commissioner in developing an annual learning  
technology plan as described in section 19102, which must provide



the basis for the annual allocation of funds by the Legislature  
from the endowment.

2. Learning technology standards and measurements. To  
measure the effectiveness of the learning technology plan, the  
advisory board may establish standards and methods of measuring  
progress in the levels of academic achievement for students who  
participate in the learning technology plan. The advisory board  
may also establish standards and methods of measuring progress in  
the professional development of teachers who participate in the  
learning technology programs funded by the learning technology  
plan, as well as the impact of the learning technology plan on  
parents and lifelong learners and the economic impact on  
communities across the State. The advisory board may assess the  
impacts of the learning technology plan according to these  
standards and measurements.

3. Scope of assessment role. As part of its assessment  
role, the advisory board also may consider relevant strategic  
issues necessary to develop, maintain and support the achievement  
of the goals of the learning technology plan. These issues may  
include, but are not limited to, collaboration with the state  
board regarding the implications of the learning technology plan  
for pre-service teacher preparation and for standards-based  
teacher certification in the State as well as collaboration with  
other state agencies and state policymakers related to other  
strategic issues necessary to ensure the most cohesive system  
possible for planning, action and service in providing  
kindergarten to grade 12 educational opportunities.

4. Annual report. The advisory board shall report annually  
to the joint standing committee of the Legislature having  
jurisdiction over education matters and the joint standing  
committee of the Legislature having jurisdiction over  
appropriations and financial affairs on the general status of the  
finances and operations of the endowment and the learning  
technology plan, including the results of the assessments  
pursuant to subsections 2 and 3.

**Sec. NN-7. Annual learning technology plan.** For the 2002-2003  
school year, notwithstanding the Maine Revised Statutes, Title  
20-A, chapter 801, and for the purposes of presenting the  
learning technology plan to be developed annually by the  
Commissioner of Education in consultation with the Advisory Board  
of the Maine Learning Technology Endowment pursuant to Title  
20-A, chapter 801, the following components of the learning  
technology plan that were recommended by the Task Force on the  
Maine Learning Technology Endowment must be recommended by the  
Commissioner of Education and the Advisory Board of the Maine  
Learning Technology Endowment to be adopted,

as appropriate, for implementation in the 2002-2003 school year.  
2 This annual learning technology plan must include the following  
4 elements as described in the Final Report of the Task Force on  
the Maine Learning Technology Endowment.

6 **1. Goal.** The goal of the Maine Learning Technology  
Endowment is to ensure a necessary level of access to technology,  
8 the Internet and training and learning opportunities for all  
public school students in the 7th and 8th grades and their  
10 teachers.

12 **2. Local participation.** All school administrative units  
may participate in the learning technology plan by submitting a  
14 letter of intent indicating their willingness to participate.  
All students educated at public expense are eligible to  
16 participate in the program.

18 **3. Phase-in approach.** The learning technology plan must  
begin in school year 2002-2003 with a phase-in approach that  
20 begins with 7th grade students and extends in school year  
2003-2004 to 8th grade students in public schools and then,  
22 dependent on the availability of funds, encompasses a high school  
expansion. The initial phase of the recommended program over the  
24 first 2 years must target all schools, students and teachers at  
the 7th and 8th grade levels. Phase I must encompass  
26 approximately 242 schools with grade 7 or grade 8, 32,500  
students and 2330 teachers. As soon as practicable, based on  
28 3rd-party fundraising or improved revenue and cost projections,  
the program may expand to all schools, students and teachers in  
30 grades 9 to 12. The Commissioner of Education and the advisory  
board annually shall assess the feasibility and recommended  
32 strategy for the expansion of the program to the high school  
level. The task force plan must serve as the learning technology  
34 plan in school year 2002-2003. The Commissioner of Education is  
authorized to take all steps reasonably necessary to implement  
36 Phase I of the plan for school year 2002-2003 and, for that  
school year only, to make expenditures and incur liabilities or  
38 obligations without prior approval under the Maine Revised  
Statutes, Title 20-A, section 19105, subsection 2.  
40 Notwithstanding the Maine Revised Statutes, Title 20-A, section  
19104, subsection 4 and section 19105, subsection 2, the  
42 commissioner may use a portion of the initial principal of the  
Maine Learning Technology Endowment to ensure the timely start-up  
44 and implementation of Phase I of the learning technology plan.

46 **4. Coordination, utilization and expansion of existing  
technology infrastructure.** The learning technology plan requires  
48 the utilization of the Maine School and Library Network account,  
the Telecommunications Education Access Fund and the federal  
50 E-rate program to enable and complement the technology components

2 that are supported by the Maine Learning Technology Endowment.  
3 Appropriate policymaking entities shall collaborate to ensure  
4 that the overall learning technology infrastructure of the State  
5 functions and expands in a coordinated fashion. The Public  
6 Utilities Commission shall enter appropriate orders or take  
7 appropriate actions to ensure that capacity is developed and  
8 expanded to provide external and internal network connections,  
9 technical support and toll-free home network access as  
10 recommended in the Final Report of the Task Force on the Maine  
Learning Technology Endowment.

12 **5. Plan.** The learning technology plan must provide for:

14 A. Portable computing devices for every student and teacher  
15 with functional software appropriate to grade level;

16 B. Obtaining basic research information and databases;

18 C. An alternative equivalent value factor option to school  
19 administrative units if they meet the standards of the  
20 learning technology plan;

22 D. Teacher technology and professional development;

24 E. External and internal networks and technical support;

26 F. Costs for replacement of portable computing devices,  
27 servers and other equipment; and

30 G. An evaluation component.

32 **Sec. NN-8. Fundraising plan.** The fundraising plan required by  
33 the Maine Revised Statutes, Title 20-A, section 19103 must be  
34 part of the learning technology plan submitted to the Second  
35 Regular Session of the 120th Legislature in accordance with Title  
36 20-A, section 19102.

38 **Sec. NN-9. Transfer of funds.** Notwithstanding the Maine  
39 Revised Statutes, Title 20-A, Part 9, the Commissioner of  
40 Administrative and Financial Services shall transfer \$20,000,000  
41 from the Maine Learning Technology Endowment to the  
42 unappropriated surplus of the General Fund no later than August  
43 1, 2001.

44 **Sec. NN-10. Transfer of interest earned.** All income interest  
45 earned from the investment of endowment funds before August 1,  
46 2001 must be transferred from the Maine Learning Technology  
47 Endowment fund account held by the Board of Trustees of the Maine  
48 State Retirement System to the undedicated General Fund account  
49 in the Department of Administrative and Financial Services by  
50 September 1, 2001.

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**PART OO**

**Sec. OO-1. Working capital advance.** Notwithstanding the Maine Revised Statutes, Title 22, section 1511, the State Controller is authorized to advance to the Maine Rx Dedicated Fund in the Department of Human Services \$1,700,000 from the Fund for a Healthy Maine on July 1, 2001. These funds may be allotted by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These funds must be returned to the Fund for a Healthy Maine from the Maine Rx Dedicated Fund no later than June 30, 2010.

**Sec. OO-2. Allocation.** The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Part.

	<b>2001-02</b>	<b>2002-03</b>
<b>ATTORNEY GENERAL, DEPARTMENT OF THE</b>		
<b>Administration - Attorney General</b>		
Positions - Legislative Count	(1.000)	(1.000)
Personal Services	\$56,781	\$62,411
All Other	6,219	3,109
Allocates funds for an Assistant Attorney General position and related operating costs due to the implementation of the Maine Rx Program.		
<b>DEPARTMENT OF THE ATTORNEY GENERAL</b>		
<b>TOTAL</b>	<u>63,000</u>	<u>65,520</u>
<b>HUMAN SERVICES, DEPARTMENT OF</b>		
<b>Maine Rx Program</b>		
Positions - Legislative Count	(4.000)	(4.000)
Personal Services	160,000	166,400
All Other	1,857,200	4,769,583
Allocates funds to implement the Maine Rx Program		

R/S

SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

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including funds for 4  
positions and related costs.

<b>DEPARTMENT OF HUMAN SERVICES</b>		
<b>TOTAL</b>	2,017,200	4,935,983
<b>TOTAL ALLOCATIONS</b>	<u>\$2,080,200</u>	<u>\$5,001,503</u>

**PART PP**

**Sec. PP-1. Capital Construction-Repairs-Improvements-Renovation of State Facilities.** Notwithstanding any other provision of law, \$512,384 in fiscal year 2001-02 in Capital Construction-Repairs-Improvements-Renovation of State Facilities account must lapse to the General Fund unappropriated surplus.

**Sec. PP-2. Transfer.** Notwithstanding any other provision of law, the State Controller shall transfer \$600,000 at the close of fiscal year 2000-01 from the Department of Human Services, Child Support Collections, Other Special Revenue account, representing a portion of the State's share of Child Support collections earned but not transferred, to the Temporary Assistance for Needy Families Other Special Revenue account.

**Sec. PP-3. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Part.

**2001-02**

**HUMAN SERVICES, DEPARTMENT OF  
Temporary Assistance for Needy Families**

All Other (\$600,000)

Deappropriates funds due to an increase in Other Special Revenue funds based on the State's share of one-time child support collections earned and transferred to the Temporary Assistance for Needy Families program.



1 than June 1, 2002, but not later than December 31, 2002, and  
2 establishes a commission to develop a plan to implement an  
appropriate statewide liquor distribution system.

4  
6 2. It eliminates Part O, which increased the cigarette tax,  
and Part P, which increased the sales tax on prepared food.

8 3. It replaces Part C and it provides additional funding  
for the first tier of cushion and new funding for a 2nd tier of  
10 cushion for general purpose aid for local schools.

12 4. It lapses \$4,000,000 from the General Fund salary plan  
program at the close of fiscal year 2000-01.

14  
16 5. It transfers \$12,000,000 to the General Fund from the  
estimated remaining balance in the Fund for a Healthy Maine at  
the end of fiscal year 2002-03. To address the cash flow needs  
18 of the programs funded from the Fund for a Healthy Maine, the  
amendment authorizes a working capital advance from the General  
20 Fund to avoid delays in program implementation until the April  
2004 Tobacco Settlement Payment is received. Fiscal year 2003-04  
22 is the first year when no January payment is scheduled.

24 6. It replaces Part V, which provided for the demolition of  
the Maine State Prison in Thomaston as an appropriation.  
26 Instead, the amendment funds the demolition through the use of  
lapsed balances, or the Maine Rainy Day Fund if lapsed balances  
28 are insufficient to fund the cost. It also dedicates the  
proceeds of the sale of the Maine State Prison to the Maine Rainy  
30 Day Fund.

32 7. It strikes Part X, which established the Tourism  
Marketing Promotion Fund that was funded through an increase of  
34 the tax on prepared foods.

36 8. It transfers \$2,000,000 from the Abandoned Property Fund  
resulting from the liquidation of securities held in excess of 3  
38 years to the unappropriated surplus of the General Fund.

40 9. It reduces a portion or all of the General Fund  
appropriations in fiscal year 2002-03 representing the growth  
42 over fiscal year 2001-02 funding for general purpose aid for  
local schools and the public higher education institutions.

44  
46 10. It provides funds for the Department of Human Services  
to increase wages and benefits for nonadministrative personnel  
employed in nursing facilities and home care agencies.

48  
50 11. It provides funding for the Department of Mental  
Health, Mental Retardation and Substance Abuse Services to

2 increase payments for wages and benefits for direct care  
3 personnel employed by certain agencies providing mental health  
4 and mental retardation services to adults and children.

6 12. It clarifies the application of the high-technology  
7 investment tax credit and makes changes to limitations on the  
8 credit.

10 13. It provides a working capital advance of \$1,700,000  
11 from the Fund for a Healthy Maine to provide start-up funds for  
12 the Maine Rx Program and allocates funds to implement the Maine  
13 Rx Program.

14 14. It requires the Medicaid reimbursement rate for routine  
15 home care under the hospice program to be set at the Medicare  
16 rate plus 23% beginning April 1, 2002.

18 15. It provides ongoing funds for the Maine Hospice Council  
19 to support volunteer hospice programs.

20 16. It provides that military retirement benefits are not  
21 subject to the offset for social security and railroad retirement  
22 benefits effective for tax years beginning on or after January 1,  
23 2001. In the same Part, this amendment also corrects a conflict  
24 created by Public Law 1999, chapters 708 and 731, each of which  
25 enacted a new Maine Revised Statutes, Title 36, section 5122,  
26 subsection 2, paragraph M. This amendment resolves the conflict  
27 by reallocating one of the new paragraphs to be the Maine Revised  
28 Statutes, Title 36, section 5122, subsection 2, paragraph N.

30 17. It revises the hospital assessment revenue projections  
31 to reflect a recent acceptance of an offer in compromise.

34 18. It removes amounts reserved for the Healthy Maine  
35 Prescription Program, L.D. 1790.

36 19. It appropriates \$75,000 in each year of the biennium to  
37 the Forum Francophone Des Affairs. This amendment also expresses  
38 the intent of the Legislature that such legislative funding will  
39 not continue beyond the end of fiscal year 2002-03 without  
40 affirmative action by the Legislature.

42 20. This amendment amends the laws related to the Maine  
43 Learning Technology Endowment. It transfers \$20,000,000 of the  
44 original amount appropriated to the Maine Learning Technology  
45 Endowment, plus an estimated \$3,000,000 in interest income earned  
46 from the investment of the \$50,000,000 in the endowment by August  
47 1, 2001, to the General Fund. It requires the State to raise a  
48 minimum of \$15,000,000 in contributions from nonstate sources by  
49 January 8, 2003 in order to establish the endowment. Failure of  
50



**RdS**

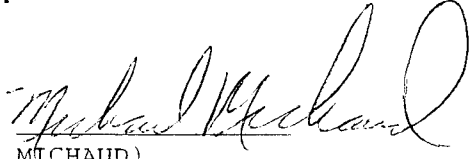
SENATE AMENDMENT "N" to COMMITTEE AMENDMENT "A" to H.P. 256,  
L.D. 300

2 the State to raise these contributions from nonstate sources by  
3 this date will result in the removal of the limitation on the  
4 endowment principal in implementing the learning technology plan  
5 in fiscal years 2002-03 to 2005-06. It stipulates that the  
6 principal and income of the endowment may not be used to  
7 implement the fundraising plan. It allows limited use of the  
8 initial principal to ensure timely start-up and implementation of  
9 Phase I of the task force plan. It establishes a mechanism to  
10 allow donors to redirect their contributions to the endowment if  
11 the State fails to raise sufficient contributions by January 8,  
12 2003.

13  
14 21. It lapses \$512,384 of balances available within the  
15 Department of Administrative and Financial Services resulting  
16 from savings in the amounts appropriated from the renovation of  
17 the State Office Building.

18 22. It recognizes General Fund savings in the Temporary  
19 Assistance to Needy Families program as a result of a recognition  
20 of the State's share of child support collections earned but not  
21 yet transferred.

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**SENATE AMENDMENT**