

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1830

H.P. 1382

House of Representatives, June 20, 2001

**An Act Concerning Tax Anticipation Notes and Authorizing
Expenditures for Funding among Pharmaceutical Benefits Programs.**

(EMERGENCY)

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

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative BERRY of Livermore. (GOVERNOR'S BILL)
Cosponsored by Senator GOLDTHWAIT of Hancock and
Representative NASS of Acton, Senator: MILLS of Somerset.

~~fiscal year 1995-96, the sum may not exceed \$182,000,000, and for~~
2 ~~fiscal year 1996-97, the sum may not exceed \$190,000,000~~
4 ~~\$100,000,000.~~

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

8 2001-02

10 **TREASURER OF STATE,**
12 **OFFICE OF**

14 **Debt Service - Treasury**

16 All Other \$5,000,000

18 Provides funds to meet the
19 debt service payments related
20 to a \$100,000,000 tax
21 anticipation note authority
22 for fiscal year 2001-02.

24 **PART B**

26 **Sec. B-1. 22 MRSA §258, sub-§8** is enacted to read:

28 8. Transition. When benefits are not available under this
29 section, the commissioner may provide benefits under
30 pharmaceutical benefits programs that were in effect on May 26,
31 2001.

32 **Sec. B-2. Transfer of General Fund and Fund for a Healthy Maine**
34 **funding.** Notwithstanding any other provision of law, the
35 Commissioner of Human Services is authorized to transfer
36 appropriations from the General Fund and Other Special Revenue
37 allocations from the Fund for a Healthy Maine legislatively
38 authorized to the Department of Human Services for operation of
39 the elderly low-cost drug program pursuant to the Maine Revised
40 Statutes, Title 22, section 254. Transfers under this section
41 are limited to transfers from the Medical Care - Payments to
42 Providers program to the Elderly Low-cost Drug program as a
43 separate program for budget purposes. Transfers under this
44 section may be accomplished by financial order upon the
45 recommendation of the State Budget Officer and approval of the
46 Governor.

48 **Sec. B-3. Transfer of Other Special Revenue funding.**
Notwithstanding any other provision of law, the Commissioner of

2 Human Services is authorized to transfer Other Special Revenue
3 allocations legislatively authorized to the Department of Human
4 Services for purposes of providing prescription drug benefits
5 under the Healthy Maine Prescription Program under the Maine
6 Revised Statutes, Title 22, section 258. Transfers under this
7 section are limited to transfers from the Medical Care - Payments
8 to Providers program to the Maine Rx Program under the Maine
9 Revised Statutes, Title 22, section 2681. Transfers under this
10 section may be accomplished by financial order upon the
11 recommendation of the State Budget Officer and approval of the
12 Governor.

13 **Sec. B-4. Retroactivity.** Section 1 of this Part applies
14 retroactively to May 26, 2001.

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

17 **FISCAL NOTE**

18 **2001-02**

19 **APPROPRIATIONS/ALLOCATIONS**

20 General Fund \$5,000,000

21 **REVENUES**

22 General Fund \$5,000,000

23 This bill increases the tax anticipation note authorization
24 level from \$30,000,000 to \$100,000,000 and includes a General
25 Fund appropriation of \$5,000,000 in fiscal year 2001-02 for the
26 Office of the Treasurer of State for the debt service payments
27 related to a \$100,000,000 tax anticipation note expected to be
28 issued for fiscal year 2001-02. Interest earnings attributable
29 to the tax anticipation note will increase General Fund revenue
30 in fiscal year 2001-02 by approximately \$5,000,000.

31 This bill also authorizes the Department of Human Services
32 to transfer legislatively authorized prescription drug benefit
33 funding by financial order.

34 These provisions are also included in Committee Amendment
35 "A" to L.D. 855, the Part II budget.

SUMMARY

2

4 Part A of this bill provides authority for the Treasurer of
6 State to borrow in anticipation of taxes through tax anticipation
8 note authority not to exceed \$100,000,000. The bill also
10 provides a General Fund appropriation to pay the debt service
12 requirements in fiscal year 2001-02 from the use of tax
14 anticipation note authority up to \$100,000,000. The debt service
16 requirements in fiscal year 2001-02 will be offset from increased
18 General Fund revenue from investment income earnings estimated at
20 \$5,000,000 from the proceeds of the tax anticipation note
22 authority.

24 Part B of this bill authorizes the expenditure of funding
26 among pharmaceutical benefits programs administered by the
28 Department of Human Services.