

# MAINE STATE LEGISLATURE

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L.D. 1019

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STATE OF MAINE

5

HOUSE OF REPRESENTATIVES

6

127TH LEGISLATURE

7

FIRST REGULAR SESSION

8

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 702, L.D. 1019, 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, 2016 and June 30, 2017"

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Amend the amendment by striking out all of Part H.

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Amend the amendment by striking out all of Part J and inserting the following:

15

'PART J

16

Sec. J-1. 36 MRSA §4102, sub-§5, as enacted by PL 2011, c. 380, Pt. M, §9, is amended to read:

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5. **Maine exclusion amount.** For estates of decedents dying on or after January 1, 2013, but before January 1, 2016, "Maine exclusion amount" means \$2,000,000. For estates of decedents dying on or after January 1, 2016, "Maine exclusion amount" means the basic exclusion amount determined for the calendar year in accordance with the Code, Section 2010(c)(3).

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Sec. J-2. 36 MRSA §4103, sub-§1, as enacted by PL 2011, c. 380, Pt. M, §9, is amended to read:

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1. **Imposition of tax.** A tax is imposed on the transfer of the Maine taxable estate of every person who, at the time of death, was a resident of this State. The amount of tax is determined as provided in this section.

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A. If the Maine taxable estate is ~~\$2,000,000~~ or less than or equal to the Maine exclusion amount, the tax is \$0.

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B. If the Maine taxable estate is more than ~~\$2,000,000~~ the Maine exclusion amount but no more than ~~\$5,000,000~~ the Maine exclusion amount plus \$3,000,000, the tax is 8% of the excess over ~~\$2,000,000~~ the Maine exclusion amount.

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C. If the Maine taxable estate is more than ~~\$5,000,000~~ the Maine exclusion amount plus \$3,000,000 but no more than ~~\$8,000,000~~ the Maine exclusion amount plus

34

HOUSE AMENDMENT



1 shareholders. The application must include a list of all qualifying shareholders and must  
2 be updated annually to reflect changes in the ownership and residency of qualifying  
3 shareholders. The exemption is equal to the ~~amount~~ amounts specified in ~~subsection~~  
4 subsections 1 and 1-B multiplied by the number of units in the cooperative property  
5 occupied by qualifying shareholders. A cooperative housing corporation that receives an  
6 exemption pursuant to this section shall apportion the property tax reduction resulting  
7 from the exemption among the qualifying shareholders on a per unit basis. Any  
8 supplemental assessment resulting from disqualification for exemption must be applied in  
9 the same manner against the qualifying shareholders for whom the disqualification  
10 applies.

11 **Sec. K-4. 36 MRSA §685, sub-§2**, as amended by PL 2005, c. 2, Pt. F, §4 and  
12 affected by §5, is further amended to read:

13 **2. Entitlement to reimbursement by the State; calculation.** A municipality that  
14 has approved homestead exemptions under this subchapter may recover from the State  
15 ~~50% of the taxes lost by reason of the exemptions upon proof in a form satisfactory to the~~  
16 ~~bureau. The bureau shall reimburse the Unorganized Territory Education and Services~~  
17 ~~Fund for 50% of taxes lost by reason of the exemption.;~~

18 A. Fifty percent of the taxes lost by reason of the exemptions under section 683,  
19 subsection 1; and

20 B. For taxes lost by reason of additional exemptions under section 683, subsection  
21 1-B, 50% of the taxes lost for property tax years beginning April 1, 2016 and 75% of  
22 the taxes lost for subsequent property tax years.

23 The municipality must provide proof in a form satisfactory to the bureau. The bureau  
24 shall reimburse the Unorganized Territory Education and Services Fund in the same  
25 manner for taxes lost by reason of the exemptions.'

26 Amend the amendment by striking out all of Part L and inserting the following:

27 **'PART L**

28 **Sec. L-1. 30-A MRSA §5681, sub-§5**, as amended by PL 2009, c. 213, Pt. S, §4  
29 and affected by §16, is further amended to read:

30 **5. Transfers to funds.** No later than the 10th day of each month, the State  
31 Controller shall transfer to the Local Government Fund 5% of the receipts during the  
32 previous month from the taxes imposed under Title 36, Parts 3 and 8, and Title 36,  
33 section 2552, subsection 1, paragraphs A to F and L, and credited to the General Fund  
34 without any reduction, except that for fiscal years 2015-16, 2016-17, 2017-18 and 2018-  
35 19 the amount transferred is 2% of the receipts during the previous month from the taxes  
36 imposed under Title 36, Parts 3 and 8, and Title 36, section 2552, subsection 1,  
37 paragraphs A to F and L, and credited to the General Fund without any reduction, and  
38 except that the postage, state cost allocation program and programming costs of  
39 administering state-municipal revenue sharing may be paid by the Local Government  
40 Fund. A percentage share of the amounts transferred to the Local Government Fund each  
41 month must be transferred to the Disproportionate Tax Burden Fund and distributed  
42 pursuant to subsection 4-B as follows:

- 1 C. For months beginning on or after July 1, 2009 but before July 1, 2010, 15%;
- 2 D. For months beginning on or after July 1, 2010 but before July 1, 2011, 16%;
- 3 E. For months beginning on or after July 1, 2011 but before July 1, 2012, 17%;
- 4 F. For months beginning on or after July 1, 2012 but before July 1, 2013, 18%;
- 5 G. For months beginning on or after July 1, 2013 but before July 1, 2014, 19%; and
- 6 H. For months beginning on or after July 1, 2014, 20%.'

7 Amend the amendment by striking out all of Part EE and inserting the following:

8 **'PART EE**

9 **Sec. EE-1. 20-A MRSA §11475, sub-§2**, as enacted by PL 1997, c. 732, §4, is  
10 amended to read:

11 **2. Lump-sum payments.** A participation agreement may permit a participant to  
12 make one or more lump-sum deposits to an account for the benefit of a specific  
13 beneficiary. ~~Lump-sum deposits may be made through the assignment of state tax~~  
14 ~~refunds.~~

15 **Sec. EE-2. 36 MRSA §5111, sub-§1-D**, as enacted by PL 2013, c. 368, Pt. Q,  
16 §4, is amended to read:

17 **1-D. Single individuals and married persons filing separate returns; tax years**  
18 **beginning 2014 and 2015.** For tax years beginning ~~on or after January 1, in 2014 or~~  
19 ~~2015~~, for single individuals and married persons filing separate returns:

20 If Maine Taxable income is:	The tax is:
21 At least \$5,200 but less than \$20,900	6.5% of the excess over \$5,200
22 \$20,900 or more	\$1,021 plus 7.95% of the excess over
23	\$20,900

24  
25 **Sec. EE-3. 36 MRSA §5111, sub-§§1-E and 1-F** are enacted to read:

26 **1-E. Single individuals and married persons filing separate returns; tax years**  
27 **beginning 2016.** For tax years beginning in 2016, for single individuals and married  
28 persons filing separate returns:

29 <u>If Maine taxable income is:</u>	<u>The tax is:</u>
30 <u>Less than \$21,050</u>	<u>5.8% of the Maine taxable income</u>
31 <u>At least \$21,050 but less than \$37,500</u>	<u>\$1,221 plus 6.75% of the excess over</u>
32	<u>\$21,050</u>
33 <u>\$37,500 or more</u>	<u>\$2,331 plus 7.15% of the excess over</u>
34	<u>\$37,500</u>

35

1           **1-F. Single individuals and married persons filing separate returns; tax years**  
2 **beginning 2017.** For tax years beginning on or after January 1, 2017, for single  
3 individuals and married persons filing separate returns:

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$21,050</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$21,050 but less than \$50,000</u>	<u>\$1,221 plus 6.75% of the excess over</u> <u>\$21,050</u>
<u>\$50,000 or more</u>	<u>\$3,175 plus 7.15% of the excess over</u> <u>\$50,000</u>

10  
11           **Sec. EE-4. 36 MRS §5111, sub-§2-D**, as enacted by PL 2013, c. 368, Pt. Q,  
12 §6, is amended to read:

13           **2-D. Heads of households; tax years beginning 2014 and 2015.** For tax years  
14 beginning ~~on or after January 1, in~~ 2014 ~~or 2015~~, for unmarried individuals or legally  
15 separated individuals who qualify as heads of households:

<u>If Maine Taxable income is:</u>	<u>The tax is:</u>
<u>At least \$7,850 but less than \$31,350</u>	<u>6.5% of the excess over \$7,850</u>
<u>\$31,350 or more</u>	<u>\$1,528 plus 7.95% of the excess over</u> <u>\$31,350</u>

20  
21           **Sec. EE-5. 36 MRS §5111, sub-§§2-E and 2-F** are enacted to read:

22           **2-E. Heads of households; tax years beginning 2016.** For tax years beginning in  
23 2016, for unmarried individuals or legally separated individuals who qualify as heads of  
24 households:

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$31,550</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$31,550 but less than \$56,250</u>	<u>\$1,830 plus 6.75% of the excess over</u> <u>\$31,550</u>
<u>\$56,250 or more</u>	<u>\$3,497 plus 7.15% of the excess over</u> <u>\$56,250</u>

31  
32           **2-F. Heads of households; tax years beginning 2017.** For tax years beginning on  
33 or after January 1, 2017, for unmarried individuals or legally separated individuals who  
34 qualify as heads of households:

<u>If Maine taxable income is:</u>	<u>The tax is:</u>
<u>Less than \$31,550</u>	<u>5.8% of the Maine taxable income</u>
<u>At least \$31,550 but less than \$75,000</u>	<u>\$1,830 plus 6.75% of the excess over</u> <u>\$31,550</u>



1 JJ. For tax years beginning on or after January 1, 2016, an amount equal to the  
2 taxpayer base multiplied by the following fraction:

3 (1) For single individuals and married persons filing separate returns, the  
4 numerator is the taxpayer's Maine adjusted gross income less \$70,000, except  
5 that the numerator may not be less than zero, and the denominator is \$75,000. In  
6 no case may the fraction contained in this subparagraph produce a result that is  
7 more than one. The \$70,000 amount used to calculate the numerator in this  
8 subparagraph must be adjusted for inflation in accordance with section 5403,  
9 subsection 3;

10 (2) For individuals filing as heads of households, the numerator is the taxpayer's  
11 Maine adjusted gross income less \$105,000, except that the numerator may not  
12 be less than zero, and the denominator is \$112,500. In no case may the fraction  
13 contained in this subparagraph produce a result that is more than one. The  
14 \$105,000 amount used to calculate the numerator in this subparagraph must be  
15 adjusted for inflation in accordance with section 5403, subsection 3; or

16 (3) For individuals filing married joint returns or surviving spouses, the  
17 numerator is the taxpayer's Maine adjusted gross income less \$140,000, except  
18 that the numerator may not be less than zero, and the denominator is \$150,000.  
19 In no case may the fraction contained in this subparagraph produce a result that is  
20 more than one. The \$140,000 amount used to calculate the numerator in this  
21 subparagraph must be adjusted for inflation in accordance with section 5403,  
22 subsection 3.

23 For purposes of this paragraph, "taxpayer base" means either the taxpayer's  
24 applicable standard deduction amount for the taxable year determined under section  
25 5124-B or, if itemized deductions are claimed, the taxpayer's itemized deductions  
26 claimed for the taxable year determined under section 5125.

27 **Sec. EE-9. 36 MRSA §5122, sub-§2, ¶M-1**, as amended by PL 2013, c. 546,  
28 §13, is further amended to read:

29 M-1. For tax years beginning on or after January 1, 2014, for each individual who is  
30 a primary recipient of retirement plan benefits under an employee retirement plan or  
31 an individual retirement account, an amount that is the lesser of the aggregate of  
32 retirement plan benefits under employee retirement plans or individual retirement  
33 accounts included in the individual's federal adjusted gross income and the pension  
34 deduction amount reduced by the total amount of the individual's social security  
35 benefits and railroad retirement benefits paid by the United States, but not less than  
36 \$0. ~~The social security benefits and railroad retirement benefits reduction does not~~  
37 ~~apply to benefits paid under a military retirement plan.~~

38 For purposes of this paragraph, the following terms have the following meanings.

39 (1) "Employee retirement plan" means a state, ~~or~~ federal ~~or~~ military retirement  
40 plan or any other retirement benefit plan established and maintained by an  
41 employer for the benefit of its employees under the Code, Section 401(a), Section  
42 403 or Section 457(b), except that distributions made pursuant to a Section  
43 457(b) plan are not eligible for the deduction provided by this paragraph if they

1 are made prior to age 55 and are not part of a series of substantially equal  
2 periodic payments made for the life of the primary recipient or the joint lives of  
3 the primary recipient and that recipient's designated beneficiary. "Employee  
4 retirement plan" does not include a military retirement plan or survivor benefits  
5 under such a plan.

6 (2) "Individual retirement account" means an individual retirement account  
7 under Section 408 of the Code, a Roth IRA under Section 408A of the Code, a  
8 simplified employee pension under Section 408(k) of the Code or a simple  
9 retirement account for employees under Section 408(p) of the Code.

10 (3) "Military retirement plan" means retirement plan benefits received as a result  
11 of service in the active or reserve components of the Army, Navy, Air Force,  
12 Marines or Coast Guard.

13 (4) "Pension deduction amount" means \$10,000 for tax years beginning on or  
14 after January 1, 2014.

15 (5) "Primary recipient" means the individual upon whose earnings or  
16 contributions the retirement plan benefits are based or the surviving spouse of  
17 that individual.

18 (6) "Retirement plan benefits" means employee retirement plan benefits, except  
19 pick-up contributions for which a subtraction is allowed under paragraph E,  
20 reported as pension or annuity income for federal income tax purposes and  
21 individual retirement account benefits reported as individual retirement account  
22 distributions for federal income tax purposes. "Retirement plan benefits" does  
23 not include distributions that are subject to the tax imposed by the Code, Section  
24 72(t);

25 **Sec. EE-10. 36 MRS §5122, sub-§2, ¶M-2** is enacted to read:

26 M-2. For tax years beginning on or after January 1, 2016:

27 (1) For each individual who is a primary recipient of retirement plan benefits, the  
28 reduction is the sum of:

29 (a) Excluding military retirement plan benefits, an amount that is the lesser  
30 of the aggregate of retirement plan benefits under employee retirement plans  
31 or individual retirement accounts included in the individual's federal adjusted  
32 gross income and the pension deduction amount. The amount claimed under  
33 this division must be reduced by the total amount of the individual's social  
34 security benefits and railroad retirement benefits paid by the United States,  
35 but not less than \$0; and

36 (b) An amount equal to the aggregate of retirement benefits under military  
37 retirement plans included in the individual's federal adjusted gross income;  
38 and

39 (2) For purposes of this paragraph, the following terms have the following  
40 meanings.

1                   (a) "Employee retirement plan" means a state, federal or military retirement  
2                   plan or any other retirement benefit plan established and maintained by an  
3                   employer for the benefit of its employees under the Code, Section 401(a),  
4                   Section 403 or Section 457(b), except that distributions made pursuant to a  
5                   Section 457(b) plan are not eligible for the deduction provided by this  
6                   paragraph if they are made prior to age 55 and are not part of a series of  
7                   substantially equal periodic payments made for the life of the primary  
8                   recipient or the joint lives of the primary recipient and that recipient's  
9                   designated beneficiary.

10                   (b) "Individual retirement account" means an individual retirement account  
11                   under Section 408 of the Code, a Roth IRA under Section 408A of the Code,  
12                   a simplified employee pension under Section 408(k) of the Code or a simple  
13                   retirement account for employees under Section 408(p) of the Code.

14                   (c) "Military retirement plan" means retirement plan benefits received as a  
15                   result of service in the active or reserve components of the Army, Navy, Air  
16                   Force, Marines or Coast Guard.

17                   (d) "Pension deduction amount" means \$10,000 for tax years beginning in  
18                   2014.

19                   (e) "Primary recipient" means the individual upon whose earnings or  
20                   contributions the retirement plan benefits are based or the surviving spouse of  
21                   that individual.

22                   (f) "Retirement plan benefits" means employee retirement plan benefits,  
23                   except pick-up contributions for which a subtraction is allowed under  
24                   paragraph E, reported as pension or annuity income for federal income tax  
25                   purposes and individual retirement account benefits reported as individual  
26                   retirement account distributions for federal income tax purposes.  
27                   "Retirement plan benefits" does not include distributions that are subject to  
28                   the tax imposed by the Code, Section 72(t);

29                   **Sec. EE-11. 36 MRSA §5122, sub-§2, ¶T**, as amended by PL 2005, c. 519, Pt.  
30                   LLL, §1 and c. 622, §26, is repealed.

31                   **Sec. EE-12. 36 MRSA §5122, sub-§2, ¶Y**, as amended by PL 2007, c. 539, Pt.  
32                   CCC, §6 and c. 689, §1 and affected by §4, is repealed.

33                   **Sec. EE-13. 36 MRSA §5124-A**, as amended by PL 2013, c. 368, Pt. TT, §9, is  
34                   further amended to read:

35                   **§5124-A. Standard deduction; resident before 2016**

36                   ~~The~~ For tax years beginning before January 1, 2016, the standard deduction of a  
37                   resident individual is equal to the standard deduction as determined in accordance with  
38                   the Code, Section 63, except that, for tax years beginning in 2013, the standard deduction  
39                   is \$10,150 in the case of individuals filing a married joint return and surviving spouses  
40                   permitted to file a joint return and \$5,075 in the case of a married individual filing a  
41                   separate return.

1           **Sec. EE-14. 36 MRSA §5124-B** is enacted to read:

2           **§5124-B. Standard deduction; resident on or after January 1, 2016**

3           For tax years beginning on or after January 1, 2016, the standard deduction of a  
4           resident individual is equal to the sum of the basic standard deduction and any additional  
5           standard deduction.

6           **1. Basic standard deduction.** The basic standard deduction is:

7           A. For single individuals and married persons filing separate returns, the basic  
8           standard deduction is \$11,600;

9           B. For individuals filing as heads of household, the basic standard deduction is the  
10           amount allowed under paragraph A multiplied by 1.5; and

11           C. For individuals filing married joint returns or surviving spouses, the basic  
12           standard deduction is the amount allowed under paragraph A multiplied by 2.

13           **2. Additional standard deduction.** The additional standard deduction is the amount  
14           allowed under the Code, Section 63(c)(3).

15           **Sec. EE-15. 36 MRSA §5125, sub-§3, ¶C**, as amended by PL 2003, c. 390, §34,  
16 is further amended to read:

17           C. Reduced by any amount of deduction attributable to income taxable to financial  
18 institutions under chapter 819; and

19           **Sec. EE-16. 36 MRSA §5125, sub-§3, ¶D**, as amended by PL 2011, c. 380, Pt.  
20 N, §8 and affected by §§19 and 20, is further amended to read:

21           D. Reduced by any amount attributable to interest or expenses incurred in the  
22 production of income exempt from tax under this Part; and

23           **Sec. EE-17. 36 MRSA §5125, sub-§3, ¶E**, as amended by PL 2011, c. 380, Pt.  
24 N, §9 and affected by §§19 and 20, is repealed.

25           **Sec. EE-18. 36 MRSA §5125, sub-§5**, as enacted by PL 2013, c. 590, §1, is  
26 repealed.

27           **Sec. EE-19. 36 MRSA §5213-A** is enacted to read:

28           **§5213-A. Sales tax fairness credit**

29           For tax years beginning on or after January 1, 2016, individuals are allowed a credit  
30           as computed under this section against the taxes imposed under this Part.

31           **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
32           following terms have the following meanings.

33           A. "Base credit" means:

34           (1) For an individual income tax return claiming one personal exemption, \$125;

35           (2) For an individual income tax return claiming 2 personal exemptions, \$175;

1                   (3) For an individual income tax return claiming 3 personal exemptions, \$200;  
2                   and

3                   (4) For an individual income tax return claiming 4 or more personal exemptions,  
4                   \$225.

5                   For the purposes of this paragraph, personal exemption does not include a personal  
6                   exemption for an individual who is incarcerated.

7                   B. "Income" means federal adjusted gross income increased by the following  
8                   amounts:

9                   (1) Trade or business losses; capital losses; any net loss resulting from  
10                   combining the income or loss from rental real estate and royalties, the income or  
11                   loss from partnerships and S corporations, the income or loss from estates and  
12                   trusts, the income or loss from real estate mortgage investment conduits and the  
13                   net farm rental income or loss; any loss associated with the sale of business  
14                   property; and farm losses included in federal adjusted gross income;

15                   (2) Interest received to the extent not included in federal adjusted gross income;

16                   (3) Payments received under the federal Social Security Act and railroad  
17                   retirement benefits to the extent not included in federal adjusted gross income;  
18                   and

19                   (4) The following amounts deducted in arriving at federal adjusted gross income:

20                   (a) Educator expenses pursuant to the Code, Section 62(a)(2)(D);

21                   (b) Certain business expenses of performing artists pursuant to the Code,  
22                   Section 62(a)(2)(B);

23                   (c) Certain business expenses of government officials pursuant to the Code,  
24                   Section 62(a)(2)(C);

25                   (d) Certain business expenses of reservists pursuant to the Code, Section  
26                   62(a)(2)(E);

27                   (e) Health savings account deductions pursuant to the Code, Section  
28                   62(a)(16) and Section 62(a)(19);

29                   (f) Moving expenses pursuant to the Code, Section 62(a)(15);

30                   (g) The deductible part of self-employment tax pursuant to the Code, Section  
31                   164(f);

32                   (h) The deduction for self-employed SEP, SIMPLE and qualified plans  
33                   pursuant to the Code, Section 62(a)(6);

34                   (i) The self-employed health insurance deduction pursuant to the Code,  
35                   Section 162(1);

36                   (j) The penalty for early withdrawal of savings pursuant to the Code, Section  
37                   62(a)(9);

- 1           (k) Alimony paid pursuant to the Code, Section 62(a)(10);
- 2           (l) The IRA deduction pursuant to the Code, Section 62(a)(7);
- 3           (m) The student loan interest deduction pursuant to the Code, Section
- 4           62(a)(17);
- 5           (n) The tuition and fees deduction pursuant to the Code, Section 62(a)(18);
- 6           and
- 7           (o) The domestic production activities deduction pursuant to the Code,
- 8           Section 199.

9           **2. Credit for resident taxpayer.** A resident individual is allowed a credit equal to  
10 the applicable base credit amount, subject to the phase-out provisions under subsection 4.

11           **3. Credit for part-year resident taxpayer.** A taxpayer who files a return as a part-  
12 year resident in accordance with section 5224-A is allowed a credit equal to the  
13 applicable base credit amount, subject to the phase-out provisions under subsection 4,  
14 multiplied by a ratio, the numerator of which is the individual's income as modified by  
15 section 5122 for that portion of the taxable year during which the individual was a  
16 resident plus the individual's income from sources within this State, as determined under  
17 section 5142, for that portion of the taxable year during which the individual was a  
18 nonresident and the denominator of which is the individual's entire income, as modified  
19 by section 5122.

20           **4. Phase-out of credit.** The credit allowed under this section is phased out as  
21 follows.

22           A. For single individuals, the credit is reduced by \$10 for every \$500 or portion  
23 thereof that exceeds \$20,000 of the income.

24           B. For unmarried individuals or legally separated individuals who qualify as heads of  
25 households, the credit is reduced by \$15 for every \$750 or portion thereof that  
26 exceeds \$30,000 of the income.

27           C. For individuals filing married joint returns or surviving spouses permitted to file  
28 joint returns, the credit is reduced by \$20 for every \$1,000 or portion thereof that  
29 exceeds \$40,000 of the income.

30           **5. Refundability of credit.** The tax credit allowed under this section is refundable.

31           **6. Limitations.** The following individuals do not qualify for the credit under this  
32 section:

33           A. Married taxpayers filing separate returns; or

34           B. Individuals who do not qualify as resident individuals because they do not meet  
35 the requirements of section 5102, subsection 5102, subsection 5, paragraph A.

36           **Sec. EE-20. 36 MRSA §5215, sub-§6-C** is enacted to read:

37           **6-C. Application.** Except for the credit allowed with respect to the carry-over of  
38 unused credit amounts pursuant to subsection 4, the tax credit allowed under this section  
39 does not apply to tax years beginning on or after January 1, 2016.

1           **Sec. EE-21. 36 MRSA §5216-C**, as enacted by PL 1999, c. 475, §6 and affected  
2 by §7, is repealed.

3           **Sec. EE-22. 36 MRSA §5217, sub-§5** is enacted to read:

4           **5. Application.** Except for the credit allowed with respect to the carry-over of  
5 unused credit amounts pursuant to subsection 3, the credit allowed under this section does  
6 not apply to tax years beginning on or after January 1, 2016.

7           **Sec. EE-23. 36 MRSA §5217-C, sub-§4** is enacted to read:

8           **4. Application.** Except for the credit allowed with respect to the carry-over of  
9 unused credit amounts pursuant to subsection 3, the tax credit allowed under this section  
10 does not apply to tax years beginning on or after January 1, 2016.

11           **Sec. EE-24. 36 MRSA §5218, sub-§4**, as amended by PL 2003, c. 391, §10, is  
12 further amended to read:

13           **4. Refund.** The credit allowed by this section may result in a refund of up to \$500.  
14 ~~In except, in the case of a nonresident individual, the refundable portion of the credit may~~  
15 ~~not exceed \$500 multiplied by the ratio of the individual's Maine adjusted gross income,~~  
16 ~~as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal~~  
17 ~~adjusted gross income, as modified by section 5122 reduce the Maine income tax to less~~  
18 ~~than zero.~~ In the case of an individual who files a return as a part-year resident in  
19 accordance with section 5224-A, the refundable portion of the credit may not exceed  
20 \$500 multiplied by a ratio, the numerator of which is the individual's Maine adjusted  
21 gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of  
22 the taxable year during which the individual was a resident plus the individual's Maine  
23 adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that  
24 portion of the taxable year during which the individual was a nonresident and the  
25 denominator of which is the individual's entire federal adjusted gross income, as modified  
26 by section 5122.

27           **Sec. EE-25. 36 MRSA §5219-A**, as amended by PL 2003, c. 390, §§46 and 47, is  
28 repealed.

29           **Sec. EE-26. 36 MRSA §5219-C**, as amended by PL 2007, c. 627, §90, is  
30 repealed.

31           **Sec. EE-27. 36 MRSA §5219-M, sub-§4, ¶C**, as enacted by PL 2001, c. 358,  
32 Pt. M, §4 and affected by §6, is amended to read:

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

36           **Sec. EE-28. 36 MRSA §5219-M, sub-§7** is enacted to read:

37           **7. Application.** Except for the credit allowed with respect to the carry-over of  
38 unused credit amounts pursuant to subsection 5, the tax credit allowed under this section  
39 does not apply to tax years beginning on or after January 1, 2016.

40           **Sec. EE-29. 36 MRSA §5219-O, sub-§5** is enacted to read:

1           **5. Application.** Except for the credit allowed with respect to the carry-over of  
2 unused credit amounts pursuant to subsection 4, the tax credit allowed under this section  
3 does not apply to tax years beginning on or after January 1, 2016.

4           **Sec. EE-30. 36 MRSA §5219-Q, sub-§5** is enacted to read:

5           **5. Application.** Except for the credit allowed with respect to the carry-over of  
6 unused credit amounts pursuant to subsection 4, the tax credit allowed under this section  
7 does not apply to tax years beginning on or after January 1, 2016.

8           **Sec. EE-31. 36 MRSA §5219-S, sub-§4**, as enacted by PL 2007, c. 693, §31, is  
9 amended to read:

10           **4. Limitation.** ~~The credit allowed by this section may not reduce the Maine income~~  
11 ~~tax to less than zero~~ is refundable.

12           **Sec. EE-32. 36 MRSA §5219-X, sub-§5**, as enacted by PL 2003, c. 698, §1, is  
13 amended to read:

14           **5. Application.** This section applies to tax years beginning on or after January 1,  
15 2004. Except for the credit allowed with respect to the carry-over of unused credit  
16 amounts pursuant to subsection 3, the tax credit allowed under this section does not apply  
17 to tax years beginning on or after January 1, 2016.

18           **Sec. EE-33. 36 MRSA §5403**, as repealed and replaced by PL 2013, c. 551, §4, is  
19 repealed and the following enacted in its place:

20           **§5403. Annual adjustments for inflation**

21           On or about September 15th of each year as specified in subsections 1 to 6, the  
22 assessor shall multiply the cost-of-living adjustment for taxable years beginning in the  
23 succeeding calendar year by the following:

24           **1. Individual income tax rate tables.** For the tax rate tables in section 5111:

25           A. Beginning in 2016 and each year thereafter, by the lowest dollar amounts of the  
26 tax rate tables specified in section 5111, subsections 1-F, 2-F and 3-F, except that for  
27 the purposes of this paragraph, notwithstanding section 5402, subsection 1-B, the  
28 "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month  
29 period ending June 30th of the preceding calendar year divided by the Chained  
30 Consumer Price Index for the 12-month period ending June 30, 2015; and

31           B. Beginning in 2017 and each year thereafter, by the highest taxable income dollar  
32 amount of each tax rate table, except that for the purposes of this paragraph,  
33 notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the  
34 Chained Consumer Price Index for the 12-month period ending June 30th of the  
35 preceding calendar year divided by the Chained Consumer Price Index for the 12-  
36 month period ending June 30, 2016;

37           **2. Standard deductions.** By the dollar amount contained in section 5124-B,  
38 subsection 1, paragraph A, except that for the purposes of this subsection,  
39 notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the  
40 Chained Consumer Price Index for the 12-month period ending June 30th of the

1 preceding calendar year divided by the Chained Consumer Price Index for the 12-month  
2 period ending June 30, 2015;

3 **3. Itemized deductions.** By the dollar amount of the itemized deduction limitation  
4 amount in section 5125, subsection 4;

5 **4. Individual income tax standard deduction and itemized deduction phase-out.**  
6 Beginning in 2017 and each year thereafter, by the dollar amount contained in the  
7 numerator of the fraction specified in section 5122, subsection 1, paragraph JJ,  
8 subparagraphs (1), (2) and (3), except that for the purposes of this subsection,  
9 notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the  
10 Chained Consumer Price Index for the 12-month period ending June 30th of the  
11 preceding calendar year divided by the Chained Consumer Price Index for the 12-month  
12 period ending June 30, 2016;

13 **5. Sales tax fairness credit.** For the sales tax fairness credit:

14 A. Beginning in 2017 and each year thereafter, by the base credit amount in section  
15 5213-A, subsection 1, paragraph A, subparagraph (1), except that for the purposes of  
16 this paragraph, notwithstanding section 5402, subsection 1-B, the "cost-of-living  
17 adjustment" is the Chained Consumer Price Index for the 12-month period ending  
18 June 30th of the preceding calendar year divided by the Chained Consumer Price  
19 Index for the 12-month period ending June 30, 2016. If the base credit amount,  
20 adjusted by application of the cost-of-living adjustment, is not a multiple of \$5, any  
21 increase must be rounded to the next lowest multiple of \$5;

22 B. Beginning in 2017 and each year thereafter, the base credit amount in section  
23 5213-A, subsection 1, paragraph A, subparagraphs (2) to (4) is equal to the base  
24 credit amount determined in accordance with paragraph A, multiplied by the  
25 following applicable factor:

26 (1) For section 5213-A, subsection 1, paragraph A, subparagraph (2), 1.4;

27 (2) For section 5213-A, subsection 1, paragraph A, subparagraph (3), 1.6; and

28 (3) For section 5213-A, subsection 1, paragraph A, subparagraph (4), 1.8.

29 If the base credit amount, adjusted by application of the appropriate factor, is not a  
30 multiple of \$5, any increase must be rounded to the next lowest multiple of \$5; and

31 C. Beginning in 2016 and each year thereafter, by the dollar amount of the income  
32 threshold set forth in section 5213-A, subsection 4, except that for the purposes of  
33 this paragraph, notwithstanding section 5402, subsection 1-B, the "cost-of-living  
34 adjustment" is the Chained Consumer Price Index for the 12-month period ending  
35 June 30th of the preceding calendar year divided by the Chained Consumer Price  
36 Index for the 12-month period ending June 30, 2015; and

37 **6. Property tax fairness credit.** Beginning in 2015 and each year thereafter, the  
38 benefit base amounts in section 5219-KK, subsection 1, paragraph A.

39 Except for subsection 5, paragraphs A and B, if the dollar amount of each item,  
40 adjusted by the application of the cost-of-living adjustment, is not a multiple of \$50, any  
41 increase must be rounded to the next lowest multiple of \$50.



1           **3-B. Grocery staples.** "Grocery staples" means food products ordinarily consumed  
2 for human nourishment.

3 "~~Grocery staples" does not include spirituous, malt or vinous liquors; soft drinks, iced tea,~~  
4 ~~sodas or beverages such as are ordinarily dispensed at bars or soda fountains or in~~  
5 ~~connection with bars or soda fountains; medicines, tonics, vitamins and preparations in~~  
6 ~~liquid, powdered, granular, tablet, capsule, lozenge or pill form, sold as dietary~~  
7 ~~supplements or adjuncts, except when sold on the prescription of a physician; water,~~  
8 ~~including mineral bottled and carbonated waters and ice; dietary substitutes; candy and~~  
9 ~~confections; and prepared food.;~~

10           A. Spirituous, malt or vinous liquors;

11           B. Medicines, tonics, vitamins and preparations in liquid, powdered, granular, tablet,  
12 capsule, lozenge or pill form, sold as dietary supplements or adjuncts, except when  
13 sold on the prescription of a physician;

14           C. Water, including mineral bottled and carbonated waters and ice;

15           D. Dietary substitutes;

16           E. Candy and confections, including but not limited to confectionery spreads. As  
17 used in this paragraph, "candy" means a preparation of sugar, honey or other natural  
18 or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients  
19 or flavorings in the form of bars, drops or pieces;

20           F. Prepared food; and

21           G. The following food and drinks ordinarily sold for consumption without further  
22 preparation:

23           (1) Soft drinks and powdered and liquid drink mixes except powdered milk,  
24 infant formula, coffee and tea;

25           (2) Sandwiches and salads;

26           (3) Supplemental meal items such as corn chips, potato chips, crisped vegetable  
27 or fruit chips, potato sticks, pork rinds, pretzels, crackers, popped popcorn,  
28 cheese sticks, cheese puffs and dips;

29           (4) Fruit bars, granola bars, trail mix, breakfast bars, rice cakes, popcorn cakes,  
30 bread sticks and dried sugared fruit;

31           (5) Nuts and seeds that have been processed or treated by salting, spicing,  
32 smoking, roasting or other means;

33           (6) Desserts and bakery items, including but not limited to doughnuts, cookies,  
34 muffins, dessert breads, pastries, croissants, cakes, pies, ice cream cones, ice  
35 cream, ice milk, frozen confections, frozen yogurt, sherbet, ready-to-eat pudding,  
36 gelatins and dessert sauces; and

37           (7) Meat sticks, meat jerky and meat bars.

1           As used in this paragraph, "without further preparation" does not include combining  
2           an item with a liquid or toasting, microwaving or otherwise heating or thawing a  
3           product for palatability rather than for the purpose of cooking the product.

4           "Grocery staples" includes bread and bread products, jam, jelly, pickles, honey,  
5           condiments, maple syrup, spaghetti sauce or salad dressing when packaged as a separate  
6           item for retail sale.

7           **Sec. QQQQ-3. 36 MRS §1752, sub-§14-F** is enacted to read:

8           **14-F. Soft drinks.** "Soft drinks" means nonalcoholic beverages that contain natural  
9           or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or  
10           milk products; that contain soy, rice or similar milk substitutes; or that contain greater  
11           than 50% vegetable or fruit juice by volume.

12           **Sec. QQQQ-4. 36 MRS §1760, sub-§§98 and 99** are enacted to read:

13           **98. Certain veterans' support organizations.** Sales to incorporated nonprofit  
14           organizations organized for the purpose of providing direct supportive services in the  
15           State to veterans and their families living with service-related post-traumatic stress  
16           disorder or traumatic brain injury.

17           **99. Nonprofit library collaboratives.** Sales to nonprofit collaboratives of  
18           academic, public, school and special libraries that provide support for library resource  
19           sharing, promote quality library information services and support the cultural, educational  
20           and economic development of the State.

21           **Sec. QQQQ-5. 36 MRS §1811, first ¶,** as repealed and replaced by PL 2013,  
22           c. 588, Pt. E, §11, is amended to read:

23           A tax is imposed on the value of all tangible personal property, products transferred  
24           electronically and taxable services sold at retail in this State. The rate of tax is 7% on the  
25           value of liquor sold in licensed establishments as defined in Title 28-A, section 2,  
26           subsection 15, in accordance with Title 28-A, chapter 43; 7% on the value of rental of  
27           living quarters in any hotel, rooming house or tourist or trailer camp; 10% on the value of  
28           rental for a period of less than one year of an automobile, of a pickup truck or van with a  
29           gross vehicle weight of less than 26,000 pounds rented from a person primarily engaged  
30           in the business of renting automobiles or of a loaner vehicle that is provided other than to  
31           a motor vehicle dealer's service customers pursuant to a manufacturer's or dealer's  
32           warranty; 7% on the value of prepared food; and 5% on the value of all other tangible  
33           personal property and taxable services and products transferred electronically.  
34           Notwithstanding the other provisions of this section, from October 1, 2013 to ~~June 30~~  
35           December 31, 2015, the rate of tax is 8% on the value of rental of living quarters in any  
36           hotel, rooming house or tourist or trailer camp; 8% on the value of prepared food; 8% on  
37           the value of liquor sold in licensed establishments as defined in Title 28-A, section 2,  
38           subsection 15, in accordance with Title 28-A, chapter 43; and 5.5% on the value of all  
39           other tangible personal property and taxable services and products transferred  
40           electronically. Notwithstanding the other provisions of this section, beginning January 1,  
41           2016, the rate of tax is 9% on the value of rental of living quarters in any hotel, rooming  
42           house or tourist or trailer camp; 8% on the value of prepared food; 8% on the value of  
43           liquor sold in licensed establishments as defined in Title 28-A, section 2, subsection 15,  
44           in accordance with Title 28-A, chapter 43; and 5.5% on the value of all other tangible

1 personal property and taxable services and products transferred electronically. Value is  
2 measured by the sale price, except as otherwise provided. The value of rental for a period  
3 of less than one year of an automobile or of a pickup truck or van with a gross vehicle  
4 weight of less than 26,000 pounds rented from a person primarily engaged in the business  
5 of renting automobiles is the total rental charged to the lessee and includes, but is not  
6 limited to, maintenance and service contracts, drop-off or pick-up fees, airport  
7 surcharges, mileage fees and any separately itemized charges on the rental agreement to  
8 recover the owner's estimated costs of the charges imposed by government authority for  
9 title fees, inspection fees, local excise tax and agent fees on all vehicles in its rental fleet  
10 registered in the State. All fees must be disclosed when an estimated quote is provided to  
11 the lessee.

12 **Sec. QQQQ-6. 36 MRSA §1812, sub-§1, ¶F** is enacted to read:

13 F. If the tax rate is 9%:

<u>Amount of Sale Price</u>	<u>Amount of Tax</u>
14 <u>\$0.01 to \$0.05, inclusive</u>	14 <u>0¢</u>
15 <u>.06 to .11, inclusive</u>	15 <u>1¢</u>
16 <u>.12 to .22, inclusive</u>	16 <u>2¢</u>
17 <u>.23 to .33, inclusive</u>	17 <u>3¢</u>
18 <u>.34 to .44, inclusive</u>	18 <u>4¢</u>
19 <u>.45 to .56, inclusive</u>	19 <u>5¢</u>
20 <u>.57 to .67, inclusive</u>	20 <u>6¢</u>
21 <u>.68 to .78, inclusive</u>	21 <u>7¢</u>
22 <u>.79 to .89, inclusive</u>	22 <u>8¢</u>
23 <u>.90 to 1.00, inclusive</u>	23 <u>9¢</u>

25 **Sec. QQQQ-7. Application date.** This Part applies to sales occurring on or after  
26 January 1, 2016 except that the section of this Part that amends the Maine Revised  
27 Statutes, Title 36, section 1811, first paragraph, applies to sales occurring on or after July,  
28 2015 and the sections that enact Title 36, section 1760, subsections 98 and 99, apply to  
29 sales occurring on or after October 1, 2015.'

30 Amend the amendment by inserting after Part SSSS the following:

31 **'PART TTTT**

32 **Sec. TTTT-1. 22 MRSA §3736, sub-§3** is enacted to read:

33 **3. Application; effective date.** If an applicant for child care programs administered  
34 under this chapter is determined eligible, child care assistance must be provided  
35 retroactively to the date of application.

36 **Sec. TTTT-2. 22 MRSA §3762, sub-§3, ¶B**, as amended by PL 2013, c. 368,  
37 Pt. OO, §3 and Pt. UUU, §1 and affected by §2, is enacted to read:

38 B. The department may use funds, insofar as resources permit, provided under and in  
39 accordance with the United States Social Security Act or state funds appropriated for  
40 this purpose or a combination of state and federal funds to provide assistance to

1 families under this chapter. In addition to assistance for families described in this  
2 subsection, funds must be expended for the following purposes:

3 (1) To continue the pass-through of the first \$50 per month of current child  
4 support collections and the exclusion of the \$50 pass-through from the budget  
5 tests and benefit calculations;

6 (2) To provide financial assistance to noncitizens legally admitted to the United  
7 States who are receiving assistance under this subsection as of July 1, 2011.  
8 Recipients of assistance under this subparagraph are limited to the categories of  
9 noncitizens who would be eligible for the TANF programs but for their status as  
10 aliens under PRWORA. Eligibility for the TANF program for these categories of  
11 noncitizens must be determined using the criteria applicable to other recipients of  
12 assistance from the TANF program. Any household receiving assistance as of  
13 July 1, 2011 may continue to receive assistance, as long as that household  
14 remains eligible, without regard to interruptions in coverage or gaps in eligibility  
15 for service. A noncitizen legally admitted to the United States who is neither  
16 receiving assistance on July 1, 2011 nor has an application pending for assistance  
17 on July 1, 2011 that is later approved is not eligible for financial assistance  
18 through a state-funded program unless that noncitizen is:

19 (a) Elderly or disabled, as described under the laws governing supplemental  
20 security income in 42 United States Code, Sections 1381 to 1383f (2010);

21 (b) A victim of domestic violence;

22 (c) Experiencing other hardship, such as time necessary to obtain proper  
23 work documentation, as defined by the department by rule. Rules adopted by  
24 the department under this division are routine technical rules as defined by  
25 Title 5, chapter 375, subchapter 2-A; or

26 (d) Unemployed but has obtained proper work documentation, as defined by  
27 the department by rule. Rules adopted by the department under this division  
28 are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A;

29 (3) To provide benefits to certain 2-parent families whose deprivation is based on  
30 physical or mental incapacity;

31 (4) To provide an assistance program for needy children, 19 to 21 years of age,  
32 who are in full-time attendance in secondary school. The program is operated for  
33 those individuals who qualify for TANF under the United States Social Security  
34 Act, except that they fail to meet the age requirement, and is also operated for the  
35 parent or caretaker relative of those individuals. Except for the age requirement,  
36 all provisions of TANF, including the standard of need and the amount of  
37 assistance, apply to the program established pursuant to this subparagraph;

38 (5) To provide assistance for a pregnant woman who is otherwise eligible for  
39 assistance under this chapter, except that she has no dependents under 19 years of  
40 age. An individual is eligible for the monthly benefit for one eligible person if  
41 the medically substantiated expected date of the birth of her child is not more  
42 than 90 days following the date the benefit is received;

- 1 (6) To provide a special housing allowance for TANF families whose shelter  
2 expenses for rent, mortgage or similar payments, homeowners insurance and  
3 property taxes equal or exceed 75% of their monthly income. The special  
4 housing allowance is limited to \$200 per month for each family. For purposes of  
5 this subparagraph, "monthly income" means the total of the TANF monthly  
6 benefit and all income countable under the TANF program, plus child support  
7 received by the family, excluding the \$50 pass-through payment;
- 8 (7) In determining benefit levels for TANF recipients who have earnings from  
9 employment, the department shall disregard from monthly earnings the  
10 following:
- 11 (a) One hundred and eight dollars;
- 12 (b) Fifty percent of the remaining earnings that are less than the federal  
13 poverty level; and
- 14 (c) All actual child care costs necessary for work, except that the department  
15 may limit the child care disregard to \$175 per month per child or \$200 per  
16 month per child under 2 years of age or with special needs;
- 17 (7-A) In determining eligibility and benefit levels, the department may apply a  
18 gross income test only to applicants and not to recipients;
- 19 (8) In cases when the TANF recipient has no child care cost, the monthly TANF  
20 benefit is the maximum payment level or the difference between the countable  
21 earnings and the standard of need established by rule adopted by the department,  
22 whichever is lower;
- 23 (9) In cases when the TANF recipient has child care costs, the department shall  
24 determine a total benefit package, including TANF cash assistance, determined in  
25 accordance with subparagraph (7) and additional child care assistance, as  
26 provided by rule, necessary to cover the TANF recipient's actual child care costs  
27 up to the maximum amount specified in section 3782-A, subsection 5. The  
28 benefit amount must be paid as provided in this subparagraph.
- 29 (a) Before the first month in which child care assistance is available to an  
30 ASPIRE-TANF recipient under this paragraph and periodically thereafter, the  
31 department shall notify the recipient of the total benefit package and the  
32 following options of the recipient: to receive the total benefit package  
33 directly; or to have the department pay the recipient's child care assistance  
34 directly to the designated child care provider for the recipient and pay the  
35 balance of the total benefit package to the recipient.
- 36 (b) If an ASPIRE-TANF recipient notifies the department that the recipient  
37 chooses to receive the child care assistance directly, the department shall pay  
38 the total benefit package to the recipient.
- 39 (c) If an ASPIRE-TANF recipient does not respond or notifies the  
40 department of the choice to have the child care assistance paid directly to the  
41 child care provider from the total benefit package, the department shall pay

1 the child care assistance directly to the designated child care provider for the  
2 recipient. The department shall pay the balance of the total benefit package  
3 to the recipient;

4 (10) Child care assistance under this paragraph must be paid by the department  
5 in a prompt manner that permits an ASPIRE-TANF recipient to access child care  
6 necessary for work; and

7 (11) The department shall adopt rules pursuant to Title 5, chapter 375 to  
8 implement this subsection. Rules adopted pursuant to this subparagraph are  
9 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

10 **Sec. TTTT-3. 22 MRSA §3762, sub-§8, ¶B,** as amended by PL 2013, c. 97, §1,  
11 is further amended to read:

12 B. The department shall provide limited transitional transportation benefits to meet  
13 employment-related costs to ASPIRE-TANF program participants who lose  
14 eligibility for TANF assistance due to employment. The department may also make  
15 transitional transportation benefits available to families in which one or both adults  
16 are working and who, although they remain financially eligible for TANF benefits,  
17 request that their benefits be terminated. Benefits may be provided for up to ~~42~~ 18  
18 months following loss of TANF eligibility. The department may adopt rules that  
19 impose a weekly limit on available transitional transportation benefits and that  
20 require a contribution from each participant toward the cost of transportation.

21 **Sec. TTTT-4. 22 MRSA §3769-D** is enacted to read:

22 **§3769-D. Temporary Assistance for Needy Families block grant; family**  
23 **development accounts**

24 In fiscal year 2016-17 and annually thereafter, the Department of Health and Human  
25 Services may use \$500,000 in funds provided under the Temporary Assistance for Needy  
26 Families block grant to promote financial literacy and healthy savings habits of families  
27 with income less than 200% of the federal poverty guidelines through the placement of  
28 funds in family development accounts established pursuant to Title 10, chapter 110,  
29 subchapter 4-A.

30 **PART UUUU**

31 **Sec. UUUU-1. 22 MRSA §4311,** as amended by PL 2013, c. 368, Pt. OO, §§10  
32 and 11, is further amended to read:

33 **§4311. State reimbursement to municipalities; reports**

34 **1. Departmental reimbursement.** When a municipality incurs net general  
35 assistance costs in any fiscal year prior to July 1, 2015 in excess of .0003 of that  
36 municipality's most recent state valuation relative to the state fiscal year for which  
37 reimbursement is being issued, as determined by the State Tax Assessor in the statement  
38 filed as provided in Title 36, section 381, the Department of Health and Human Services  
39 shall reimburse the municipality for 90% of the amount in excess of these expenditures  
40 when the department finds that the municipality has been in compliance with all

1 requirements of this chapter. If a municipality elects to determine need without  
2 consideration of funds distributed from any municipally-controlled trust fund that must  
3 otherwise be considered for purposes of this chapter, the department shall reimburse the  
4 municipality for 66 2/3% of the amount in excess of such expenditures when the  
5 department finds that the municipality has otherwise been in compliance with all  
6 requirements of this chapter.

7 The department shall reimburse each municipality and each Indian tribe 70% of the direct  
8 costs incurred by that municipality or tribe on or after July 1, 2015 for the general  
9 assistance program granted by that municipality or tribe. For the purposes of this  
10 subsection, "Indian tribe" has the same meaning as in section 411, subsection 8-A.

11 **1-A. Municipalities reimbursed.** When a municipality pays for expenses approved  
12 pursuant to section 4313 for hospital inpatient or outpatient care at any hospital on behalf  
13 of any person who is otherwise eligible and who would have been entitled to receive  
14 payments for hospital care if that care had been rendered prior to May 1, 1984, for  
15 services under the Catastrophic Illness Program, section 3185, the department shall  
16 reimburse the municipality for 100% of those payments.

17 **1-B. Reimbursement for administrative expenses.** The department shall  
18 reimburse each municipality for the costs of a portion of the direct costs of paying  
19 benefits incurred prior to July 1, 2015 through its general assistance program if the  
20 department finds that the municipality was in compliance with all requirements of this  
21 chapter during the fiscal year for which reimbursement is sought. The amount of  
22 reimbursement to each municipality must be an amount equal to:

23 A. Fifty percent of all general assistance granted by that municipality below the  
24 .0003% of all state valuation amount; or

25 B. Ten percent of all general assistance granted.

26 Each municipality shall elect to be reimbursed under paragraph A or B at the beginning  
27 of the fiscal year for which reimbursement is sought.

28 Notwithstanding any other provision of law, this subsection takes effect on July 1, 1989.

29 **1-C. Indian tribe reimbursement.** The department shall reimburse each Indian  
30 tribe for the costs of a portion of the direct costs of paying benefits through its general  
31 assistance program if the department finds that the Indian tribe was in compliance with all  
32 requirements of this chapter during the fiscal year for which those benefits are sought.

33 The amount of reimbursement must be calculated for each fiscal year by adding 10% of  
34 all general assistance granted up to the threshold amount to 100% of all general assistance  
35 granted above the threshold amount.

36 For the purposes of this subsection, "Indian tribe" has the same meaning as in section  
37 411, subsection 8-A. For purposes of this subsection, "threshold amount" means 0.0003  
38 of the Indian tribe's most recent state valuation, as determined by the State Tax Assessor  
39 in the statement filed as provided in Title 36, section 381, relative to the year for which  
40 reimbursement is being issued.

41 **2. Submission of reports.** ~~Municipalities~~ Each municipality shall submit reports as  
42 follows report on a schedule determined by the department through rulemaking the direct

1 cost of paying benefits through the general assistance program on forms for  
2 reimbursement provided by the department.

3 ~~A. For purposes of this section, those municipalities that received reimbursement at~~  
4 ~~90% during the previous fiscal year of the State and those municipalities that expect~~  
5 ~~to receive reimbursement at 90% during the current fiscal year of the State must~~  
6 ~~submit monthly reports on forms provided by the department.~~

7 ~~B. Those municipalities that did not receive reimbursement at 90% during the~~  
8 ~~previous fiscal year and do not expect to receive reimbursement at 90% for the~~  
9 ~~current fiscal year must submit quarterly or semiannual reports on forms provided by~~  
10 ~~the department.~~

11 ~~Indian tribes must submit monthly reports on forms provided by the department.~~

12 Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5,  
13 chapter 375, subchapter 2-A.

14 **3. Claims.** The Department of Health and Human Services may refuse to accept and  
15 pay any claim for reimbursement that is not submitted by a municipality to the  
16 department within 90 days of the payment on which that claim is based or at the end of  
17 the reporting period for which reimbursement is sought unless just cause exists for failure  
18 to file a timely claim.

19 **PART VVVV**

20 **Sec. VVVV-1. 22 MRSA §3104-A, sub-§1,** as amended by PL 2013, c. 368, Pt.  
21 OO, §§1 and 2, is further amended to read:

22 **1. Food assistance.** The department shall provide food assistance to households that  
23 would be eligible for assistance under the federal Food Stamp Act of 1977, 7 United  
24 States Code, Section 2011 et seq. and under the federal Food and Nutrition Act of 2008  
25 but for provisions of Sections 401, 402 and 403 of the Personal Responsibility and Work  
26 Opportunity Reconciliation Act of 1996 that are receiving food assistance under this  
27 subsection as of July 1, 2011. Any household receiving assistance as of that date may  
28 continue to receive assistance, as long as that household remains eligible, without regard  
29 to interruptions in coverage or gaps in eligibility for service. A noncitizen legally  
30 admitted to the United States who is neither receiving assistance on July 1, 2011 nor has  
31 an application pending for assistance on July 1, 2011 that is later approved is not eligible  
32 for food assistance through a state-funded program unless that noncitizen is:

33 A. Elderly or disabled, as described under the laws governing supplemental security  
34 income in 42 United States Code, Sections 1381 to 1383f (2010);

35 B. A victim of domestic violence; or

36 ~~C. Experiencing other hardship, such as time necessary to obtain proper work~~  
37 ~~documentation, as defined by the department by rule. Rules adopted by the~~  
38 ~~department under this paragraph are routine technical rules as defined by Title 5,~~  
39 ~~chapter 375, subchapter 2-A; or~~

1 ~~D. Unemployed but has obtained proper work documentation, as defined by the~~  
2 ~~department by rule. Rules adopted by the department under this paragraph are~~  
3 ~~routine technical rules as defined by Title 5, chapter 375, subchapter 2 A.~~

4 E. A person who has the express intent, as soon as that person is permitted to do so,  
5 to:

6 (1) Apply for United States citizenship; and

7 (2) Find employment.

8 A person who meets the requirements of this paragraph is eligible for assistance for a  
9 period not to exceed 240 days from the date of application for asylum. The benefits  
10 of a person who fails to comply with the requirements of subparagraph (1) or (2)  
11 must be terminated.

12 **Sec. VVVV-2. 22 MRSA §3273, sub-§9, ¶A,** as enacted by PL 1997, c. 643, Pt.  
13 WW, §1, is amended to read:

14 A. The department shall provide assistance to all aliens lawfully residing in the  
15 United States who would be eligible for assistance under the federal supplemental  
16 security income program, 42 United States Code, Section 1381, et seq. except for the  
17 provisions of Sections 401, 402 and 403 of the Personal Responsibility and Work  
18 Opportunity Reconciliation Act of 1996 and who are receiving assistance under this  
19 section on July 1, 2015. A household that is receiving assistance under this section as  
20 of July 1, 2015 may continue to receive assistance as long as that household remains  
21 eligible and continues to receive assistance. A noncitizen who is not receiving  
22 assistance on July 1, 2015 and who does not have an application pending on that date  
23 for assistance that is later approved is ineligible for assistance through a state-funded  
24 program unless that noncitizen meets one of the exceptions specified in section  
25 3104-A, subsection 1, paragraph A, B or E.

26 **Sec. VVVV-3. 22 MRSA §3762, sub-§3, ¶B,** as amended by PL 2013, c. 368,  
27 Pt. OO, §3 and amended by Pt. UUU, §1 and affected by §2, is further amended to read:

28 B. The department may use funds, insofar as resources permit, provided under and in  
29 accordance with the United States Social Security Act or state funds appropriated for  
30 this purpose or a combination of state and federal funds to provide assistance to  
31 families under this chapter. In addition to assistance for families described in this  
32 subsection, funds must be expended for the following purposes:

33 (1) To continue the pass-through of the first \$50 per month of current child  
34 support collections and the exclusion of the \$50 pass-through from the budget  
35 tests and benefit calculations;

36 (2) To provide financial assistance to noncitizens legally admitted to the United  
37 States who are receiving assistance under this subsection as of July 1, 2011.  
38 Recipients of assistance under this subparagraph are limited to the categories of  
39 noncitizens who would be eligible for the TANF programs but for their status as  
40 aliens under PRWORA. Eligibility for the TANF program for these categories of  
41 noncitizens must be determined using the criteria applicable to other recipients of  
42 assistance from the TANF program. Any household receiving assistance as of

1 July 1, 2011 may continue to receive assistance, as long as that household  
2 remains eligible, without regard to interruptions in coverage or gaps in eligibility  
3 for service. A noncitizen legally admitted to the United States who is neither  
4 receiving assistance on July 1, 2011 nor has an application pending for assistance  
5 on July 1, 2011 that is later approved is not eligible for financial assistance  
6 through a state-funded program unless that noncitizen is:

7 (a) Elderly or disabled, as described under the laws governing supplemental  
8 security income in 42 United States Code, Sections 1381 to 1383f (2010);

9 (b) A victim of domestic violence; or

10 (c) ~~Experiencing other hardship, such as time necessary to obtain proper~~  
11 ~~work documentation, as defined by the department by rule. Rules adopted by~~  
12 ~~the department under this division are routine technical rules as defined by~~  
13 ~~Title 5, chapter 375, subchapter 2-A; or A person who has the express intent,~~  
14 as soon as that person is permitted to do so, to:

15 (i) Apply for United States citizenship; and

16 (ii) Find employment.

17 A person who meets the requirements of this division is eligible for  
18 assistance for a period not to exceed 240 days from the date of application for  
19 asylum. The benefits of a person who fails to comply with the requirements  
20 of subdivision (i) or (ii) must be terminated;

21 ~~(d) Unemployed but has obtained proper work documentation, as defined by~~  
22 ~~the department by rule. Rules adopted by the department under this division~~  
23 ~~are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A;~~

24 (3) To provide benefits to certain 2-parent families whose deprivation is based on  
25 physical or mental incapacity;

26 (4) To provide an assistance program for needy children, 19 to 21 years of age,  
27 who are in full-time attendance in secondary school. The program is operated for  
28 those individuals who qualify for TANF under the United States Social Security  
29 Act, except that they fail to meet the age requirement, and is also operated for the  
30 parent or caretaker relative of those individuals. Except for the age requirement,  
31 all provisions of TANF, including the standard of need and the amount of  
32 assistance, apply to the program established pursuant to this subparagraph;

33 (5) To provide assistance for a pregnant woman who is otherwise eligible for  
34 assistance under this chapter, except that she has no dependents under 19 years of  
35 age. An individual is eligible for the monthly benefit for one eligible person if  
36 the medically substantiated expected date of the birth of her child is not more  
37 than 90 days following the date the benefit is received;

38 (6) To provide a special housing allowance for TANF families whose shelter  
39 expenses for rent, mortgage or similar payments, homeowners insurance and  
40 property taxes equal or exceed 75% of their monthly income. The special

1 housing allowance is limited to \$200 per month for each family. For purposes of  
2 this subparagraph, "monthly income" means the total of the TANF monthly  
3 benefit and all income countable under the TANF program, plus child support  
4 received by the family, excluding the \$50 pass-through payment;

5 (7) In determining benefit levels for TANF recipients who have earnings from  
6 employment, the department shall disregard from monthly earnings the  
7 following:

8 (a) One hundred and eight dollars;

9 (b) Fifty percent of the remaining earnings that are less than the federal  
10 poverty level; and

11 (c) All actual child care costs necessary for work, except that the department  
12 may limit the child care disregard to \$175 per month per child or \$200 per  
13 month per child under 2 years of age or with special needs;

14 (8) In cases when the TANF recipient has no child care cost, the monthly TANF  
15 benefit is the maximum payment level or the difference between the countable  
16 earnings and the standard of need established by rule adopted by the department,  
17 whichever is lower;

18 (9) In cases when the TANF recipient has child care costs, the department shall  
19 determine a total benefit package, including TANF cash assistance, determined in  
20 accordance with subparagraph (7) and additional child care assistance, as  
21 provided by rule, necessary to cover the TANF recipient's actual child care costs  
22 up to the maximum amount specified in section 3782-A, subsection 5. The  
23 benefit amount must be paid as provided in this subparagraph.

24 (a) Before the first month in which child care assistance is available to an  
25 ASPIRE-TANF recipient under this paragraph and periodically thereafter, the  
26 department shall notify the recipient of the total benefit package and the  
27 following options of the recipient: to receive the total benefit package  
28 directly; or to have the department pay the recipient's child care assistance  
29 directly to the designated child care provider for the recipient and pay the  
30 balance of the total benefit package to the recipient.

31 (b) If an ASPIRE-TANF recipient notifies the department that the recipient  
32 chooses to receive the child care assistance directly, the department shall pay  
33 the total benefit package to the recipient.

34 (c) If an ASPIRE-TANF recipient does not respond or notifies the  
35 department of the choice to have the child care assistance paid directly to the  
36 child care provider from the total benefit package, the department shall pay  
37 the child care assistance directly to the designated child care provider for the  
38 recipient. The department shall pay the balance of the total benefit package  
39 to the recipient;

1 (10) Child care assistance under this paragraph must be paid by the department  
2 in a prompt manner that permits an ASPIRE-TANF recipient to access child care  
3 necessary for work; and

4 (11) The department shall adopt rules pursuant to Title 5, chapter 375 to  
5 implement this subsection. Rules adopted pursuant to this subparagraph are  
6 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

7 **PART WWWW**

8 **Sec. WWWW-1. 36 MRSA §2551, sub-§1-I** is enacted to read:

9 **1-I. Business.** "Business" means a commercial activity engaged in as a means of  
10 livelihood or profit or an entity that engages in such activities.

11 **Sec. WWWW-2. 36 MRSA §2551, sub-§2**, as amended by PL 2005, c. 12, Pt.  
12 TTT, §2 and affected by §4, is further amended to read:

13 **2. Cable and satellite television or radio services.** "~~Extended cable~~ Cable and  
14 satellite television or radio services" means all cable and satellite television service that is  
15 in addition to the minimum service that can be purchased from a cable or satellite  
16 television ~~supplier or radio services~~, including the installation or use of associated  
17 equipment, for which a charge is made. ~~It does not include installation of the associated~~  
18 ~~equipment for which a separate charge is levied.~~

19 **Sec. WWWW-3. 36 MRSA §2552, sub-§1**, as amended by PL 2013, c. 331, Pt.  
20 C, §14 and c. 368, Pt. OOOO, §§2 to 4, is further amended to read:

21 **1. Rate.** A Effective January 1, 2016, a tax at the rate of ~~5%~~ 6% is imposed on the  
22 value of the following services sold in this State:

- 23 A. ~~Extended cable~~ Cable and satellite television or radio services;
- 24 B. Fabrication services;
- 25 C. Rental of video media and video equipment;
- 26 D. Rental of furniture, audio media and audio equipment pursuant to a rental-  
27 purchase agreement as defined in Title 9-A, section 11-105;
- 28 E. Telecommunications services;
- 29 F. The installation, maintenance or repair of telecommunications equipment;
- 30 G. Private nonmedical institution or personal home care services;
- 31 H. Community support services for persons with mental health diagnoses;
- 32 I. Community support services for persons with intellectual disabilities or autism;
- 33 J. Home support services;
- 34 L. Ancillary services; and
- 35 M. Group residential services for persons with brain injuries.



HOUSE AMENDMENT "*B*" to COMMITTEE AMENDMENT "A" to H.P. 702, L.D. 1019

1	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$0	\$10,338,750
3			
4	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$10,338,750</u>

5 **Revenue Services, Bureau of 0002**

6 Initiative: Establishes 2 Tax Examiner positions beginning January 2017 to assist in the  
 7 implementation of tax changes and provides funding for associated All Other costs. All  
 8 Other costs include funding for outreach efforts to publicize the new Sales Tax Fairness  
 9 Credit and other tax changes.

10	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
11	POSITIONS - LEGISLATIVE COUNT	0.000	2.000
12	Personal Services	\$0	\$64,412
13	All Other	\$0	\$233,894
14			
15	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$298,306</u>

16 **ADMINISTRATIVE AND FINANCIAL**  
 17 **SERVICES, DEPARTMENT OF**  
 18 **DEPARTMENT TOTALS**

19		<b>2015-16</b>	<b>2016-17</b>
20	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$10,637,056</b>
21			
22	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u>\$0</u>	<u>\$10,637,056</u>

23 **ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**

24 **Office of Tourism 0577**

25 Initiative: Allocates funds to reflect the additional revenue due to the increase in the  
 26 meals and lodging tax rate.

27	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
28	All Other	\$0	\$1,866,521
29			
30	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$0</u>	<u>\$1,866,521</u>

31 **ECONOMIC AND COMMUNITY**  
 32 **DEVELOPMENT, DEPARTMENT OF**  
 33 **DEPARTMENT TOTALS**

34		<b>2015-16</b>	<b>2016-17</b>
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1	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$1,866,521</b>
2			
3	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$1,866,521</b>
4	<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)</b>		
5	<b>Developmental Services Waiver - MaineCare 0987</b>		
6	Initiative: Provides funding to reduce the waiting list for community-based services		
7	provided under the MaineCare Benefits Manual, Chapters II and III, Section 21: Home		
8	and Community Benefits for Members with Intellectual Disabilities or Autistic Disorder.		
9	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
10	All Other	\$2,323,614	\$2,327,665
11			
12	<b>GENERAL FUND TOTAL</b>	<b>\$2,323,614</b>	<b>\$2,327,665</b>
13	<b>Medicaid Services - Developmental Services 0705</b>		
14	Initiative: Provides funding to reduce the waiting list for community-based services		
15	provided under the MaineCare Benefits Manual, Chapters II and III, Section 21: Home		
16	and Community Benefits for Members with Intellectual Disabilities or Autistic Disorder.		
17	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
18	All Other	\$357,150	\$359,986
19			
20	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$357,150</b>	<b>\$359,986</b>
21	<b>Medicaid Services - Developmental Services 0705</b>		
22	Initiative: Provides funding to reduce the waiting list for community-based services		
23	provided under the MaineCare Benefits Manual, Chapters II and III, Section 18: Home		
24	and Community-Based Services for Adults with Brain Injury.		
25	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
26	All Other	\$115,278	\$115,991
27			
28	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$115,278</b>	<b>\$115,991</b>
29	<b>Medicaid Waiver for Brain Injury Residential /Community Serv Z160</b>		
30	Initiative: Provides funding to eliminate the waiting list for community-based services		
31	provided under the MaineCare Benefits Manual, Chapters II and III, Section 18: Home		
32	and Community-Based Services for Adults with Brain Injury.		

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 702, L.D. 1019

1	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$750,000	\$750,000
3			
4	<b>GENERAL FUND TOTAL</b>	<u>\$750,000</u>	<u>\$750,000</u>
5	<b>HEALTH AND HUMAN SERVICES,</b>		
6	<b>DEPARTMENT OF (FORMERLY BDS)</b>		
7	<b>DEPARTMENT TOTALS</b>	<b>2015-16</b>	<b>2016-17</b>
8			
9	<b>GENERAL FUND</b>	<b>\$3,073,614</b>	<b>\$3,077,665</b>
10	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$472,428</b>	<b>\$475,977</b>
11			
12	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u><b>\$3,546,042</b></u>	<u><b>\$3,553,642</b></u>
13	<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)</b>		
14	<b>Medical Care - Payments to Providers 0147</b>		
15	Initiative: Provides funding to reduce the waiting list for community-based services		
16	provided under the MaineCare Benefits Manual, Chapters II and III, Section 21: Home		
17	and Community Benefits for Members with Intellectual Disabilities or Autistic Disorder.		
18	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
19	All Other	\$4,462,233	\$4,512,064
20			
21	<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<u>\$4,462,233</u>	<u>\$4,512,064</u>
22	<b>Medical Care - Payments to Providers 0147</b>		
23	Initiative: Provides funding to eliminate the waiting list for community-based services		
24	provided under the MaineCare Benefits Manual, Chapters II and III, Section 18: Home		
25	and Community-Based Services for Adults with Brain Injury.		
26	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
27	All Other	\$1,440,286	\$1,453,837
28			
29	<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<u>\$1,440,286</u>	<u>\$1,453,837</u>
30	<b>Medical Care - Payments to Providers 0147</b>		
31	Initiative: Provides additional funding to increase the reimbursement increase provided in		
32	Part A for adult family care services at residential care facilities from 3% to 4%		
33	beginning July 1, 2015.		

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 702, L.D. 1019

1	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$20,747	\$20,747
3			
4	GENERAL FUND TOTAL	<u>\$20,747</u>	<u>\$20,747</u>
5	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
6	All Other	\$27,331	\$27,331
7			
8	FEDERAL EXPENDITURES FUND TOTAL	<u>\$27,331</u>	<u>\$27,331</u>
9	<b>Medical Care - Payments to Providers 0147</b>		
10	Initiative: Provides additional funding to increase the reimbursement increase provided in		
11	Part A for private non-medical institutions from 3% to 4% beginning July 1, 2015.		
12	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
13	All Other	\$905,639	\$901,588
14			
15	GENERAL FUND TOTAL	<u>\$905,639</u>	<u>\$901,588</u>
16	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
17	All Other	\$1,296,283	\$1,300,334
18			
19	FEDERAL EXPENDITURES FUND TOTAL	<u>\$1,296,283</u>	<u>\$1,300,334</u>
20	<b>Nursing Facilities 0148</b>		
21	Initiative: Provides additional funding for nursing home reimbursements.		
22	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
23	All Other	\$1,000,000	\$1,000,000
24			
25	GENERAL FUND TOTAL	<u>\$1,000,000</u>	<u>\$1,000,000</u>
26	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
27	All Other	\$1,981,288	\$2,000,319
28			
29	FEDERAL EXPENDITURES FUND TOTAL	<u>\$1,981,288</u>	<u>\$2,000,319</u>

1	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$190,295	\$191,510
3			
4	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$190,295</u>	<u>\$191,510</u>
5	<b>Temporary Assistance for Needy Families 0138</b>		
6	Initiative: Provides funding to families with income less than 200% of the federal poverty		
7	guidelines by placing funds in family development accounts.		
8	<b>FEDERAL BLOCK GRANT FUND</b>	<b>2015-16</b>	<b>2016-17</b>
9	All Other	\$500,000	\$500,000
10			
11	<b>FEDERAL BLOCK GRANT FUND TOTAL</b>	<u>\$500,000</u>	<u>\$500,000</u>
12	<b>Temporary Assistance for Needy Families 0138</b>		
13	Initiative: Provides funding to increase the number of months eligible individuals may		
14	receive transitional transportation benefits from 12 months to 18 months.		
15	<b>FEDERAL BLOCK GRANT FUND</b>	<b>2015-16</b>	<b>2016-17</b>
16	All Other	\$775,878	\$775,878
17			
18	<b>FEDERAL BLOCK GRANT FUND TOTAL</b>	<u>\$775,878</u>	<u>\$775,878</u>
19	<b>HEALTH AND HUMAN SERVICES,</b>		
20	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
21	<b>DEPARTMENT TOTALS</b>	<b>2015-16</b>	<b>2016-17</b>
22			
23	<b>GENERAL FUND</b>	\$1,926,386	\$1,922,335
24	<b>FEDERAL EXPENDITURES FUND</b>	\$9,207,421	\$9,293,885
25	<b>OTHER SPECIAL REVENUE FUNDS</b>	\$190,295	\$191,510
26	<b>FEDERAL BLOCK GRANT FUND</b>	\$1,275,878	\$1,275,878
27			
28	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u>\$12,599,980</u>	<u>\$12,683,608</u>
29	<b>SECTION TOTALS</b>	<b>2015-16</b>	<b>2016-17</b>
30			
31	<b>GENERAL FUND</b>	\$5,000,000	\$15,637,056
32	<b>FEDERAL EXPENDITURES FUND</b>	\$9,207,421	\$9,293,885
33	<b>OTHER SPECIAL REVENUE FUNDS</b>	\$662,723	\$2,534,008
34	<b>FEDERAL BLOCK GRANT FUND</b>	\$1,275,878	\$1,275,878
35		<u></u>	<u></u>



1           5. This amendment also eliminates the credit for contributions to family development  
2 account reserve funds, the retirement and disability credit and the forest management  
3 planning income tax credit and removes refundability of the Maine child care credit  
4 refundable for nonresident taxpayers.

5           6. This amendment also amends the law governing the cost-of-living adjustment of  
6 individual income tax rate brackets and the maximum itemized deduction amount and the  
7 benefit base amounts in the sales tax fairness credits in order to reflect amendments to the  
8 individual income tax rate schedules, enactment of the sales tax fairness credit and phase-  
9 out of the standard and itemized deduction deductions for individuals with income  
10 exceeding certain levels.

11           7. This amendment phases out the value of the standard deduction amount or  
12 itemized deduction amount, whichever applies, for taxpayers whose Maine adjusted gross  
13 income exceeds \$70,000 for single individuals and married persons filing separate  
14 returns; \$105,000 for individuals filing as heads of households; and \$140,000 for  
15 individuals filing married joint returns or as a surviving spouse.

16           8. This amendment provides an income tax exemption for all military retirement plan  
17 benefits.

18           9. This amendment establishes, for tax years beginning after 2015, separate Maine  
19 standard deduction amounts that previously were equal to the federal standard deduction  
20 amounts.

21           10. This amendment repeals the exception to the itemized deductions limitation  
22 applicable to charitable contributions that had applied to tax years beginning after  
23 December 31, 2015.

24           11. This amendment enacts an income tax credit to provide sales tax relief for low-  
25 income and middle-income families by providing a base credit that is based on the  
26 number of persons claimed as dependents on an income tax return and phased out as  
27 family income increases.

28           12. This amendment makes the earned income credit refundable for tax years  
29 beginning on or after January 1, 2016.

30           This amendment provides that the sales tax rate on prepared food and liquor and  
31 continues at 8%, that the sales tax on lodging continues at 8% until January 1, 2016,  
32 when it increases to 9% and the sales tax rate on other tangible personal property and  
33 taxable services continues at 5.5% after June 30, 2015. This amendment also expands the  
34 list of food products that are not exempt as grocery staples and are thus subject to sales  
35 tax. This Part also provides an exemption from sales tax for certain nonprofit library  
36 collaboratives and veterans' support organizations.

37           This amendment makes the following changes to the laws governing public  
38 assistance, which are intended to reward work performed by families receiving public  
39 assistance.

- 40           1. Child care assistance begins on the date of application if the applicant is eligible.  
41           2. It eliminates the "gross income test" for working TANF recipients.

1           3. It increases the number of months eligible individuals may receive transitional  
2 transportation benefits from 12 months to 18 months.

3           4. It authorizes the Department of Health and Human Services, beginning in fiscal  
4 year 2016-17, to use \$500,000 from the Temporary Assistance for Needy Families block  
5 grant to promote financial literacy and healthy savings habits of families with income less  
6 than 200% of the federal poverty guidelines by placing funds in family development  
7 accounts.

8           This amendment changes the reimbursement rates paid by the State for municipal  
9 general assistance to 70% of the direct costs incurred by a municipality or Indian tribe  
10 beginning with costs incurred on or after July 1, 2015.

11           This amendment also removes the state reimbursement for administrative costs of a  
12 municipality or Indian tribe and changes the reimbursement reporting to a monthly basis  
13 for all municipalities and Indian tribes.

14           This amendment changes the eligibility requirements of a noncitizen legally admitted  
15 to the United States for the Temporary Assistance for Needy Families program, food  
16 assistance and supplemental security income by requiring the noncitizen to apply for  
17 United States citizenship and find employment as soon as that noncitizen is permitted to  
18 do so. If the noncitizen is eligible, the assistance may not be provided for more than 240  
19 days from the date the noncitizen applies for asylum. The benefits of a noncitizen who  
20 fails to comply with these requirements are terminated.

21           This amendment also limits eligibility for noncitizens for supplemental security  
22 income to those who are receiving such assistance on July 1, 2015 or who have an  
23 application pending on that date that is later approved, unless the noncitizen is elderly,  
24 disabled or a victim of domestic violence.

25           This amendment extends the service provider tax to basic cable and satellite  
26 television and radio and interstate and international telecommunication services sold to a  
27 business. It also enacts service provider tax exemptions for sales to certain nonprofit  
28 library collaboratives and certain veterans' support organizations.

29           This amendment adds funding for:

- 30           1. The increase in the homestead property tax exemption amount;
- 31           2. The reduction of the waiting list for community-based services for MaineCare  
32 members with intellectual disabilities or autistic disorder and adults with brain injury;
- 33           3. Nursing home reimbursements; and

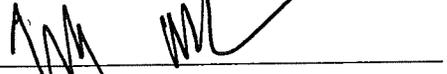
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4. An increase from 12 to 18 in the number of months an individual may receive transitional transportation benefits under the Temporary Assistance for Needy Families program.

**FISCAL NOTE REQUIRED**

(See attached)

SPONSORED BY: 

(Representative MCCABE)

TOWN: Skowhegan

**127th MAINE LEGISLATURE****LD 1019****LR 1852(28)**

**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, 2016 and June 30, 2017**

**Fiscal Note for House Amendment *B* to Committee Amendment "A"**

**Sponsor: Rep. McCabe of Skowhegan**

**Fiscal Note Required: Yes**

**Fiscal Note**

	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Projections FY 2017-18</b>	<b>Projections FY 2018-19</b>
<b>Net Cost (Savings)</b>				
General Fund	(\$637,580)	\$3,632,371	(\$24,875,471)	(\$27,025,678)
<b>Appropriations/Allocations</b>				
General Fund	\$5,000,000	(\$12,337,944)	\$18,450,311	\$25,412,350
Federal Expenditures Fund	\$9,207,421	\$9,293,885	\$9,293,885	\$9,293,885
Other Special Revenue Funds	\$662,723	\$823,473	\$1,439,681	\$1,449,856
Federal Block Grant Fund	\$1,275,878	\$1,275,878	\$1,275,878	\$1,275,878
<b>Revenue</b>				
General Fund	\$42,637,580	(\$52,970,315)	\$43,325,782	\$52,438,028
Other Special Revenue Funds	\$4,550,998	\$6,625,828	(\$89,445,696)	(\$93,375,242)
<b>Transfers</b>				
General Fund	(\$37,000,000)	\$37,000,000	\$0	\$0
Other Special Revenue Funds	\$37,000,000	(\$37,000,000)	\$0	\$0

**Fiscal Detail and Notes**

This fiscal note reflects the incremental impact of the amendment when compared to Committee Amendment A. The amendment increases General Fund appropriations by \$5,000,000 in fiscal year 2015-16 and decreases General Fund appropriations by \$12,337,944 in fiscal year 2016-17. It increases General Fund revenue by \$42,637,580 in fiscal year 2015-16 and decreases General Fund revenue by \$52,970,315 in fiscal year 2016-17. The fiscal note reflects the amendment's elimination of the one-day internal transfer between Other Special Revenue Funds and the General Fund. A balanced budget for the 2016-2017 biennium is maintained.