

MAINE STATE LEGISLATURE

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L.D. 1606

Date: 4-4-16

(Filing No. S- 465)

APPROPRIATIONS AND FINANCIAL AFFAIRS

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**STATE OF MAINE
SENATE
127TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "B" to S.P. 647, L.D. 1606, Bill, "An Act To Provide Funding to the Maine Budget Stabilization Fund"

Amend the bill in section 1 in the 2nd line (page 1, line 16 in L.D.) by striking out the following: "\$67,292,995" and inserting the following: '\$55,500,000'

Amend the bill by striking out all of section 2 and inserting the following:

'Sec. 2. Transfer to Maine Budget Stabilization Fund; other distributions for fiscal year 2015-16. Notwithstanding the Maine Revised Statutes, Title 5, sections 1507, 1511, 1519 and 1536, the State Controller shall transfer, at the close of fiscal year 2015-16 from the unappropriated surplus of the General Fund, an amount equal to the amount available from the unappropriated surplus after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made, as follows:

- 1. As the first priority, 90% to the Maine Budget Stabilization Fund established in the Maine Revised Statutes, Title 5, section 1532;
- 2. As the 2nd priority, the following transfers must be made in the following priority:
 - A. First, an amount up to \$350,000 to the State Contingent Account pursuant to Title 5, section 1507;
 - B. Second, an amount up to \$1,000,000 to the Loan Insurance Reserve pursuant to Title 5, section 1511;
 - C. Third, an amount up to \$2,500,000 to the Reserve for General Fund Operating Capital; and
 - D. Fourth, an amount up to \$4,000,000 to the Retiree Health Insurance Internal Service Fund, pursuant to section 1519; and
- 3. As a 3rd priority, if any funds remain after the transfers pursuant to subsections 1 and 2, 80% of the remaining funds must be transferred to the Maine Budget Stabilization Fund and 20% of the remaining funds must be transferred to the Tax Relief Fund for Maine Residents established in section 1518-A.'

COMMITTEE AMENDMENT

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SUMMARY

This amendment is the minority report of the committee. This amendment reduces the amount of the unappropriated surplus transferred to the Maine Budget Stabilization Fund in fiscal year 2015-16 to \$55,500,000 and eliminates the transfer in fiscal year 2016-17. This amendment also establishes a priority for the transfer of the uncommitted balances after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made in fiscal year 2015-16. The first priority is that 90% of the unappropriated surplus is transferred to the Maine Budget Stabilization Fund; the remaining 10% is distributed on a priority basis in the same manner as specified in the so-called cascade established in the Maine Revised Statutes, Title 5, section 1536, including requiring 80% of the funds remaining after those distributions to be transferred to the Maine Budget Stabilization Fund and 20% transferred to the Tax Relief Fund for Maine Residents.

**FISCAL NOTE REQUIRED
(See Attached)**



127th MAINE LEGISLATURE

LD 1606

LR 2716(03)

An Act To Provide Funding to the Maine Budget Stabilization Fund

Fiscal Note for Bill as Amended by Committee Amendment "B" (S-465)
Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Fiscal Note

| | FY 2015-16 | FY 2016-17 | Projections FY 2017-18 | Projections FY 2018-19 |
|---------------------------|----------------|------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$55,500,000 | \$0 | \$0 | \$0 |
| Transfers | | | | |
| General Fund | (\$55,500,000) | \$0 | \$0 | \$0 |

Fiscal Detail and Notes

This bill transfers \$55,500,000 in fiscal year 2015-16 from the unappropriated surplus of the General Fund to the Maine Budget Stabilization Fund and makes changes to the year-end distribution from the unappropriated surplus of the General Fund (the so-called cascade) for fiscal year 2015-16.