

MAINE STATE LEGISLATURE

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SIMPLE
R. of S.

Date: 5/17/19 Majority

STATE AND LOCAL GOVERNMENT

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 788, L.D. 1065, Bill, "An Act To Expand Health Insurance Coverage To Certain State Employees"

Amend the bill by adding after section 1 the following:

Sec. 2. Calculation and transfer; premium costs. The State Budget Officer shall calculate the amount of increased premium costs that apply to each General Fund account and Highway Fund account for all departments and agencies statewide and transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations and allocations in fiscal years 2019-20 and 2020-21.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Administration - Human Resources 0038**

Initiative: Establishes one Office Associate II position to provide administrative support.

GENERAL FUND	2019-20	2020-21
POSITIONS - LEGISLATIVE COUNT	1,000	1,000
Personal Services	\$54,249	\$75,531
GENERAL FUND TOTAL	<u>\$54,249</u>	<u>\$75,531</u>

Executive Branch Departments and Independent Agencies - Statewide 0017

Initiative: Appropriates and allocates funds to executive branch departments and independent agencies to provide health insurance coverage for seasonal employees.

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to H.P. 788, L.D. 1065

1	GENERAL FUND	2019-20	2020-21
2	All Other	\$1,113,612	\$1,484,815
3			
4	GENERAL FUND TOTAL	<u>\$1,113,612</u>	<u>\$1,484,815</u>
5	HIGHWAY FUND	2019-20	2020-21
6	All Other	\$215,368	\$287,158
7			
8	HIGHWAY FUND TOTAL	<u>\$215,368</u>	<u>\$287,158</u>
9	ADMINISTRATIVE AND FINANCIAL		
10	SERVICES, DEPARTMENT OF		
11	DEPARTMENT TOTALS	2019-20	2020-21
12			
13	GENERAL FUND	\$1,167,861	\$1,560,346
14	HIGHWAY FUND	\$215,368	\$287,158
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$1,383,229</u>	<u>\$1,847,504</u>
17	LEGISLATURE		
18	Legislature 0081		
19	Initiative: Appropriates funds for the Legislature's additional costs of providing health		
20	insurance coverage for session-only employees.		
21	GENERAL FUND	2019-20	2020-21
22	Personal Services	\$64,960	\$32,122
23			
24	GENERAL FUND TOTAL	<u>\$64,960</u>	<u>\$32,122</u>
25	LEGISLATURE		
26	DEPARTMENT TOTALS	2019-20	2020-21
27			
28	GENERAL FUND	\$64,960	\$32,122
29			
30	DEPARTMENT TOTAL - ALL FUNDS	<u>\$64,960</u>	<u>\$32,122</u>
31	SECTION TOTALS	2019-20	2020-21
32			
33	GENERAL FUND	\$1,232,821	\$1,592,468

COMMITTEE AMENDMENT

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1	HIGHWAY FUND	\$215,368	\$287,158
2			
3	SECTION TOTAL - ALL FUNDS	\$1,448,189	\$1,879,626
4			

5 **SUMMARY**

6 This amendment requires the State Budget Officer to calculate the increased cost to
7 state departments and agencies due to the requirements of the bill and transfer the
8 amounts by financial order. This amendment also adds an appropriations and allocations
9 section.

10 **FISCAL NOTE REQUIRED**

11 (See attached)



129th MAINE LEGISLATURE

LD 1065

LR 2017(02)

An Act To Expand Health Insurance Coverage To Certain State Employees

Fiscal Note for Bill as Amended by Committee Amendment "A(H-292)"
 Committee: State and Local Government

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$1,232,821	\$1,592,468	\$1,690,263	\$1,592,468
Highway Fund	\$215,368	\$287,158	\$287,158	\$287,158
Appropriations/Allocations				
General Fund	\$1,232,821	\$1,592,468	\$1,690,263	\$1,592,468
Highway Fund	\$215,368	\$287,158	\$287,158	\$287,158

Fiscal Detail and Notes

This bill requires the State to pay its share of individual premiums for the state employee health insurance plan for a seasonal or session-only employee regardless of whether the employee is in active work status. According to the Department of Administrative and Financial Services (DAFS), there are 351 seasonal executive branch employees, representing 9,105 additional weeks that state departments and agencies would need to pay health insurance premiums. Assuming an average cost of \$270 per employee per week, executive branch departments and agencies would pay an additional \$2,458,350 in health premiums. The bill includes General Fund appropriations of \$1,113,612 in fiscal year 2019-20 and \$1,484,815 in fiscal year 2020-2021 and Highway Fund allocations of \$215,368 in fiscal year 2019-20 and \$287,158 in fiscal year 2020-21 for these costs. The remaining costs will be absorbed by multiple funds across state government.

The bill also includes a General Fund appropriation to the Legislature of \$64,960 in fiscal year 2019-20 and \$32,122 in fiscal year 2020-21 for additional costs of providing health insurance coverage for session-only employees. Costs to the Legislature are slightly lower than to executive branch departments and agencies because the Legislature currently pays a share of health premiums for session only employees who are not in active work status.

DAFS has indicated that it will require \$54,249 in fiscal year 2019-20 and \$75,531 in fiscal year 2020-21 for an Office Associate II position to support the provisions of this bill.