

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

FIRST SPECIAL SESSION
November 13, 2002 to November 14, 2002

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

FIRST REGULAR SESSION
December 4, 2002 to June 14, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
FEBRUARY 13, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 13, 2003

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2003

PUBLIC LAWS OF THE STATE OF MAINE
AS PASSED AT
THE FIRST SPECIAL SESSION OF THE
ONE HUNDRED AND TWENTIETH
LEGISLATURE
2001

CHAPTER 714

H.P. 1746 - L.D. 2220

An Act to Make Supplemental
Appropriations and Allocations for
the Expenditures of State
Government and to Change Certain
Provisions of the Law Necessary to
the Proper Operations of State
Government for the Fiscal Year
Ending June 30, 2003

Be it enacted by the People of the State of Maine as follows:

PART A

Sec. A-1. Supplemental appropriations and allocations. There are appropriated and allocated from various funds for the fiscal year ending June 30, 2003, to the departments listed, the following sums.

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF 18**

Departments and Agencies - Statewide 0016

Initiative: Provides for the deappropriation of funds resulting from the curtailment of fiscal year 2002-03 expenditures from departments and agencies statewide, as authorized by Financial Order #05723 F3 and further amended by Financial Order #05871 F3 and Financial Order #06004 F3 and a pending order for the Department of Behavioral and Developmental Services.

General Fund	2002-03
Personal Services	(\$1,641,023)
All Other	(49,088,754)
Capital Expenditures	(1,600,160)
Total	(52,329,937)

Other Special Revenue Funds	2002-03
All Other	(195,000)
Total	(195,000)

Departments and Agencies - Statewide 0016

Initiative: Provides for the deappropriation of funds from the curtailment of fiscal year 2002-03 expenditures resulting from savings in Maine State Retirement System Administration in departments and agencies statewide, as authorized by Financial Order #05838 F3.

General Fund	2002-03
Personal Services	(200,000)

Departments and Agencies - Statewide 0016

Initiative: Provides for the deappropriation of funds from the curtailment of fiscal year 2002-03 expenditures resulting from 3 temporary days off without pay for state employees in departments and agencies statewide, as authorized by Financial Order #05844 F3.

General Fund	2002-03
Personal Services	(2,974,032)

Departments and Agencies - Statewide 0016

Initiative: Provides for the deallocation of funds resulting from savings in the Highway Fund from 3 temporary days off without pay for state employees in departments and agencies statewide, as authorized by Executive Order 07 FY 01/02.

Highway Fund	2002-03
Personal Services	(622,356)

Departments and Agencies - Statewide 0016

Initiative: Provides for the deallocation of funds resulting from savings in Other Special Revenue funds from 3 temporary days off without pay for state employees in departments and agencies statewide, as authorized by Executive Order 07 FY 01/02.

Other Special Revenue Funds	2002-03
Personal Services	(910,497)

Departments and Agencies - Statewide 0016

Initiative: Provides for the deallocation of funds resulting from savings in the Fund for a Healthy Maine from 3 temporary days off without pay for state employees in departments and agencies statewide, as authorized by Executive Order 07 FY 01/02.

Fund for a Healthy Maine	2002-03
Personal Services	(9,318)

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

GENERAL FUND	(55,503,969)
HIGHWAY FUND	(622,356)
OTHER SPECIAL REVENUE FUNDS	(1,105,497)
FUND FOR A HEALTHY MAINE	(9,318)

DEPARTMENT TOTAL - ALL FUNDS	(57,241,140)
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ARTS COMMISSION, MAINE 94W

Arts - Administration 0178

Initiative: Provides for the deappropriation of New Century Program Grants for fiscal year 2002-03.

General Fund	2002-03
All Other	(16,728)

ARTS COMMISSION, MAINE 94W

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(16,728)
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DEPARTMENT TOTAL - ALL FUNDS	(16,728)

CONSERVATION, DEPARTMENT OF 04

Boating Facilities Program 0226

Initiative: Provides for the deappropriation of funds to achieve savings.

General Fund	2002-03
All Other	(5,730)

CONSERVATION, DEPARTMENT OF 04

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(5,730)
<hr/>	
DEPARTMENT TOTAL - ALL FUNDS	(5,730)

DEVELOPMENT FOUNDATION, MAINE 99D

Maine Development Foundation 0198

Initiative: Provides for the deappropriation of funds to achieve savings.

General Fund	2002-03
All Other	(8,000)

DEVELOPMENT FOUNDATION, MAINE 099D

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(8,000)
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DEPARTMENT TOTAL - ALL FUNDS	(8,000)

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF 19

Administration - Economic and Community Development 0069

Initiative: Provides for the deappropriation of funds to achieve savings.

General Fund	2002-03
All Other	(1,000,000)

Forum Francophone 0882

Initiative: Provides for the deappropriation of the balance of funds for this program.

General Fund	2002-03
All Other	(15,000)

Office of Tourism 0577

Initiative: Provides for the deappropriation of funds to achieve savings.

General Fund	2002-03
All Other	(121,463)

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF 19

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(1,136,463)
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DEPARTMENT TOTALS - ALL FUNDS	(1,136,463)

EDUCATION, DEPARTMENT OF 05

Health Insurance - Retired Teachers 0854

Initiative: Provides for the deappropriation of funds by postponing the 2nd 5% increase for Teacher Retiree Health that was due to be effective on April 1, 2003.

General Fund	2002-03
All Other	(384,146)

EDUCATION, DEPARTMENT OF 05

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(384,146)
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DEPARTMENT TOTALS - ALL FUNDS	(384,146)

HISTORIC PRESERVATION COMMISSION, MAINE 94P

Maine Historic Preservation Commission 0036

Initiative: Provides for the deappropriation of New Century Program Grants for fiscal year 2002-03.

General Fund	2002-03
All Other	(30,726)

HISTORIC PRESERVATION COMMISSION, MAINE 94P

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(30,726)
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DEPARTMENT TOTALS - ALL FUNDS	(30,726)

HOUSING AUTHORITY, MAINE STATE 99H

Temporary Housing Assistance 0714

Initiative: Provides for the deappropriation of funds to eliminate funding for the Temporary Housing Assistance Program.

General Fund	2002-03
All Other	(52,500)

HOUSING AUTHORITY, MAINE STATE 99H

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(52,500)
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DEPARTMENT TOTALS - ALL FUNDS	(52,500)

HUMANITIES COUNCIL, MAINE 95H

Maine Humanities Council 0942

Initiative: Provides for deappropriation of New Century Program Grants for fiscal year 2002-03.

General Fund	2002-03
All Other	(7,623)

**HUMANITIES COUNCIL, MAINE 95H
DEPARTMENT TOTALS**

GENERAL FUND	(7,623)
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DEPARTMENT TOTALS - ALL FUNDS	(7,623)

HUMAN SERVICES, DEPARTMENT OF 10A

Purchased Social Services 0228

Initiative: Provides for the one-time deappropriation of funds and one-time allocation of TANF reserve funds in the Purchased Social Services Block Grant account to be used for the transfer of state purchased child care services costs.

General Fund	2002-03
All Other	(2,900,000)
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Total	(2,900,000)

Federal Block Grant Fund	2002-03
All Other	3,900,000

Total	<hr/> 3,900,000
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Child Care Services 0583

Initiative: Provides for the one-time allocation of TANF reserve funds in the Child Care Development Fund account to be used for the transfer of home visitation costs funded by the Fund for a Healthy Maine.

Federal Block Grant Fund	2002-03
All Other	1,200,000

FHM - Purchased Social Services 0961

Initiative: Provides for the one-time deallocation of Fund for a Healthy Maine funds for purchased child care social services to be replaced with TANF Block Grant reserve funds in the Child Care Development Fund.

Fund for a Healthy Maine	2002-03
All Other	(1,200,000)

FHM - Home Visitation 0953-06

Initiative: Provides for the one-time deallocation of funds from the Fund for a Healthy Maine for Home Visitation that will be replaced by TANF reserve funds in the Social Services Block Grant account.

Fund for a Healthy Maine	2002-03
All Other	(1,000,000)

Medical Care - Payments to Providers 0147

Initiative: Provides for the deappropriation and allocation of funds associated with changes in the way the MaineCare Program reimburses medical and remedial private nonmedical institutions for personal care services to allow for federal match.

General Fund	2002-03
All Other	(5,000,000)
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Total	(5,000,000)

Federal Expenditures Fund	2002-03
All Other	5,000,000
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Total	5,000,000

Medical Care - Payments to Providers 0147

Initiative: Deappropriates and allocates funds on a one-time basis associated with increasing the federal share of school-based rehabilitation services for allowable cost-of-living adjustments for federal fiscal years 1999-00, 2000-01 and 2001-02. Any additional actions needed to secure these federal funds will be the responsibility of the Department of Human Services and the Department of Education and will not be the responsibility of individual school districts.

General Fund	2002-03
All Other	(5,000,000)

Federal Expenditures Fund	2002-03
All Other	5,000,000

Medical Care - Payments to Providers 0147

Initiative: Deappropriates and allocates funds on a one-time basis associated with increased federal funding from the State Child Health Insurance Program, SCHIP, for state expenditures.

General Fund	2002-03
All Other	(1,000,000)

Federal Block Grant Fund	2002-03
All Other	1,000,000

Medical Care - Payments to Providers 0147

Initiative: Provides for the allocation of funds to increase rates for municipally funded ambulance services to that of usual charges.

Federal Expenditures Fund	2002-03
All Other	442,073

Medical Care - Payments to Providers 0147

Initiative: Provides for the allocation of funds to match existing state child welfare funds spent by the Bureau of Child and Family Services for children served in private nonmedical institutions.

Federal Expenditures Fund	2002-03
All Other	550,000

Nursing Facilities 0148

Initiative: Provides for the deappropriation and deallocation of funds associated with the one-year suspension of the law that allows nonprofit nursing facilities to be reimbursed for a return on net assets.

General Fund	2002-03
All Other	(118,380)
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Total	(118,380)
Federal Expenditures Fund	2002-03
All Other	(235,839)
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Total	(235,839)

Nursing Facilities 0148

Initiative: Provides for the deappropriation and deallocation of funds associated with the delay of the law that lowered the minimum occupancy percentages for nursing facilities.

General Fund	2002-03
All Other	(66,142)
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Total	(66,142)
Federal Expenditures Fund	2002-03
All Other	(129,904)
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Total	(129,904)

Bureau of Elder and Adult Services 0140

Initiative: Deappropriates funds on a one-time basis from the Bureau of Elder and Adult Services administrative account by deferring some information technology spending until fiscal year 2003-04.

General Fund	2002-03
All Other	(42,861)

Bureau of Medical Services 0129

Initiative: Provides for the allocation of federal funds for a state planning grant to assess different plans to provide access to health care in Maine.

Federal Expenditures Fund	2002-03
All Other	1,283,426

**HUMAN SERVICES, DEPARTMENT OF 10A
DEPARTMENT TOTALS**

GENERAL FUND	(14,127,383)
FEDERAL EXPENDITURES FUND	11,909,756
FEDERAL BLOCK GRANT FUND	6,100,000
FUND FOR A HEALTHY MAINE	(2,200,000)
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DEPARTMENT TOTALS - ALL FUNDS	1,682,373

MUSEUM, MAINE STATE 94M

Administration 0180

Initiative: Provides for deappropriation of New Century Program Grants for fiscal year 2002-03.

General Fund	2002-03
All Other	(3,165)

MUSEUM, MAINE STATE 94M

DEPARTMENT TOTALS	2002-03
GENERAL FUND	(3,165)

DEPARTMENT TOTALS - ALL FUNDS	(3,165)
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TREASURER OF STATE (OFFICE OF) 28

Debt Services 0021

Initiative: Provides for the deappropriation of funds from \$3,876,375 in savings on debt service due to lower interest and premium on tax anticipation notes, TAN, and \$1,260,424 in savings due to lower interest and additional savings on General Obligation bonds.

General Fund	2002-03
All Other	(5,136,799)

TREASURER OF STATE (OFFICE OF) 28 DEPARTMENT TOTALS	2002-03
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GENERAL FUND	(5,136,799)
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DEPARTMENT TOTALS - ALL FUNDS	(5,136,799)
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SECTION TOTALS 2002-03

GENERAL FUND	(76,413,232)
FEDERAL EXPENDITURES FUND	11,909,756
FEDERAL BLOCK GRANT FUND	6,100,000
OTHER SPECIAL REVENUE FUNDS	(1,105,497)
HIGHWAY FUND	(622,356)
FUND FOR A HEALTHY MAINE	(2,209,318)

SECTION TOTALS - ALL FUNDS	(\$62,340,647)
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Sec. A-2. Appropriations and allocations.

The following appropriations and allocations are made.

ATTORNEY GENERAL, DEPARTMENT OF

Chief Medical Examiner - Office of 0412

Initiative: Appropriates one-time funds to support a contract for assistance with the backlog of autopsies.

General Fund	2002-03
All Other	50,000

ATTORNEY GENERAL, DEPARTMENT OF 26 DEPARTMENT TOTALS	2002-03
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GENERAL FUND	50,000
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DEPARTMENT TOTALS - ALL FUNDS	50,000
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**BEHAVIORAL AND DEVELOPMENTAL SERVICES,
DEPARTMENT OF 14**

Mental Health Services - Community 0121

Initiative: Appropriates funds to partially offset a reduction contained in the statewide curtailment deappropriation in Part A, section 1 of this Act.

General Fund	2002-03
All Other	300,000
BEHAVIORAL AND DEVELOPMENTAL SERVICES, DEPARTMENT OF 14 DEPARTMENT TOTALS	
	2002-03
GENERAL FUND	300,000
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DEPARTMENT TOTAL - ALL FUNDS	300,000
SECTION TOTALS	
	2002-03
GENERAL FUND	350,000
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SECTION TOTALS - ALL FUNDS	\$350,000

PART B

Sec. B-1. PL 2001, c. 358, Pt. JJ, §1 is repealed.

Sec. B-2. Bureau of General Services Planning and Construction account: lapsed balances. Notwithstanding any other provision of law, \$1,285,000 of unencumbered balance forward in fiscal year 2002-03 in the Bureau of General Services Planning and Construction General Fund account in the Department of Administrative and Financial Services lapses to the General Fund in fiscal year 2002-03.

Sec. B-3. Capital Construction and Improvement Reserve Fund account: lapsed balances. Notwithstanding any other provision of law, \$1,720,608 of unencumbered balance forward in fiscal year 2002-03 in the Capital Construction and Improvement Reserve Fund General Fund account in the Department of Administrative and Financial Services lapses to the General Fund in fiscal year 2002-03.

Sec. B-4. General Fund Salary Plan: lapsed balances. Notwithstanding any other provision of law, \$6,708,171 of unencumbered balance forward in fiscal year 2002-03 in the General Fund Salary Plan account in the Department of Administrative and Financial Services lapses to the General Fund in fiscal year 2002-03.

Sec. B-5. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$2,431 from the Bureau of Revenue Services Other Special Revenue funds account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-6. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$38,626 from the Bureau of General Services Energy Conservation Other Special Revenue

funds account in the Department of Administration and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-7. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$200 from the Energy Costs - Stripper Well Other Special Revenue funds account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-8. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$200,000 from the Public Improvements - Planning/Construction - Admin Other Special Revenue funds account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-9. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$10,362,638 from the Fund for a Healthy Maine Other Special Revenue funds account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-10. Transfer of funds. Notwithstanding the Maine Revised Statutes, Title 20-A, Part 9, the Commissioner of Administrative and Financial Services shall transfer \$9,600,000 from the Maine Learning Technology Endowment to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-11. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$10,000,000 from the Operating Capital of the General Fund to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. B-12. Transfer of funds. Notwithstanding any other provision of law, on or before June 30, 2003, the State Controller shall transfer \$9,300,000 from the unallocated surplus of the Highway Fund to the unappropriated surplus of the General Fund as reimbursement for funds provided for highway improvement projects.

Sec. B-13. Calculation and transfer. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in Part A, section 1 that applies against each Other Special Revenue funds account and the Fund for a Healthy Maine for all departments and agencies from the requirement that state employees take 3 days off without pay in fiscal year 2002-03 pursuant to Executive Order 07 FY 01/02 and shall transfer the

calculated amount to the General Fund by financial order upon the approval of the Governor. This transfer is considered an adjustment to allocations in fiscal year 2002-03 including allocations from the Fund for a Healthy Maine. The State Budget Officer shall provide the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amount no later than January 15, 2003. The following Other Special Revenue funds accounts are exempt from these calculations: the Public Reserved Lands Management Fund account and the Submerged Lands Fund account in the Department of Conservation and the Baxter State Park Authority account.

Sec. B-14. Calculation and transfer. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in Part A, section 1 that applies against each Highway Fund account for all departments and agencies from the requirement that state employees take 3 days off without pay in fiscal year 2002-03 pursuant to Executive Order 07 FY 01/02 and shall transfer the calculated amount to the General Fund by financial order upon the approval of the Governor. This transfer is considered an adjustment to allocations in fiscal year 2002-03. The State Budget Officer shall provide the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amount no later than January 15, 2003.

Sec. B-15. Statewide curtailment of General Fund expenditures in fiscal year 2002-03. Notwithstanding any other provision of law, the State Budget Officer shall transfer by financial order upon the approval of the Governor the amounts identified in the fiscal year 2002-03 Personal Services, All Other and Capital Expenditures appropriations and allocations of the accounts in Financial Order #05723 F3, as adjusted by Financial Order #05871 F3 and Financial Order #06004 F3 and any subsequent financial orders, for all departments and agencies up to the amount of the deappropriations and deallocations in Part A, section 1 of this Act. These transfers are considered adjustments to appropriations and allocations in fiscal year 2002-03.

Sec. B-16. Statewide curtailment of General Fund expenditures in fiscal year 2002-03. Notwithstanding any other provision of law, the State Budget Officer shall transfer by financial order upon the approval of the Governor the amounts identified in the fiscal year 2002-03 Personal Services appropriations of the General Fund accounts in Financial Order #05838 F3 that represent savings in Maine State Retirement System administration. These transfers are considered adjustments to appropriations in fiscal year 2002-03.

Sec. B-17. Statewide curtailment of General Fund expenditures in fiscal year 2002-03. Notwithstanding any other provision of law, the State Budget Officer shall transfer by financial order upon the approval of the Governor the amounts identified in the fiscal year 2002-03 Personal Services appropriations of the General Fund accounts in Financial Order #05844 F3 that represent savings from the requirement that state employees take 3 days off without pay in fiscal year 2002-03 pursuant to Executive Order 07 FY 01/02. These transfers are considered adjustments to appropriations in fiscal year 2002-03.

Sec. B-18. Retroactivity. That section of this Part that repeals Public Law 2001, chapter 358, Part JJ, section 1 is retroactive to June 4, 2001.

PART C

Sec. C-1. Division of Quality Assurance and Regulation account: lapsed balances. Notwithstanding any other provision of law, \$6,071 of unencumbered balance forward in fiscal year 2002-03 in the Division of Quality Assurance and Regulation General Fund account in the Department of Agriculture, Food and Rural Resources lapses to the General Fund in fiscal year 2002-03.

Sec. C-2. Pollution Control Structures account: lapsed balances. Notwithstanding any other provision of law, \$154,000 of unencumbered balance forward in fiscal year 2002-03 in the Pollution Control Structures General Fund account in the Department of Agriculture, Food and Rural Resources lapses to the General Fund in fiscal year 2002-03.

PART D

Sec. D-1. Contingent Account - Attorney General account: lapsed balances. Notwithstanding any other provision of law, \$17,657 of unencumbered balance forward in fiscal year 2002-03 in the Contingent Account - Attorney General General Fund account in the Department of the Attorney General lapses to the General Fund in fiscal year 2002-03.

PART E

Sec. E-1. Disproportionate Share - Bangor Mental Health Institute account: lapsed balances. Notwithstanding any other provision of law, \$163 of unencumbered balance forward in fiscal year 2002-03 in the Disproportionate Share - Bangor Mental Health Institute General Fund account in the Department of Behavioral and Developmental Services lapses to the General Fund in fiscal year 2002-03.

Sec. E-2. Medicaid Match - MR account: lapsed balances. Notwithstanding any other provision of law, \$35,989 of unencumbered balance forward in fiscal year 2002-03 in the Medicaid Match - MR General Fund account in the Department of Behavioral and Developmental Services lapses to the General Fund in fiscal year 2002-03.

Sec. E-3. MH Services Child Medicaid account: lapsed balances. Notwithstanding any other provision of law, \$40,459 of unencumbered balance forward in fiscal year 2002-03 in the MH Services Child Medicaid General Fund account in the Department of Behavioral and Developmental Services lapses to the General Fund in fiscal year 2002-03.

Sec. E-4. MH Services Community Medicaid account: lapsed balances. Notwithstanding any other provision of law, \$2,113,059 of unencumbered balance forward in fiscal year 2002-03 in the MH Services Community Medicaid General Fund account in the Department of Behavioral and Developmental Services lapses to the General Fund in fiscal year 2002-03.

PART F

Sec. F-1. Division of Forest Fire Control account: lapsed balances. Notwithstanding any other provision of law, \$1,000 of unencumbered balance forward in fiscal year 2002-03 in the Division of Forest Fire Control General Fund account in the Department of Conservation lapses to the General Fund in fiscal year 2002-03.

Sec. F-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$4,138 from the Municipal Recreation Fund Other Special Revenue funds account in the Department of Conservation to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. F-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$1,797 from the Conservation Central Admin Other Special Revenue funds account in the Department of Conservation to the unappropriated surplus of the General Fund no later than June 30, 2003 pursuant to Financial Order 05870 F3.

Sec. F-4. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$1,494 from the Maine Rivers Coordination Other Special Revenue funds account in the Department of Conservation to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. F-5. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$64,796 from the Keep Maine Scenic Other Special Revenue funds account in the Department of Conservation to the unappropriated surplus of the General Fund no later than June 30, 2003 pursuant to Financial Order 05870 F3 and Financial Order 06037 F3.

Sec. F-6. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$5,445 from the Treat ME Right Other Special Revenue funds account in the Department of Conservation to the unappropriated surplus of the General Fund no later than June 30, 2003 pursuant to Financial Order 05870 F3.

PART G

Sec. G-1. Department of Corrections account: lapsed balances. Notwithstanding any other provision of law, \$10,721 of unencumbered balance forward in fiscal year 2002-03 in the Correctional Medical Services Fund General Fund account in the Department of Corrections lapses to the General Fund in fiscal year 2002-03.

PART H

Sec. H-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$976 from the Veterans Services Other Special Revenue funds account in the Department of Defense, Veterans and Emergency Management to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. H-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$62,200 from the Dam Repair and Reconstruction Fund Other Special Revenue funds account in the Department of Defense, Veterans and Emergency Management to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. H-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$570 from the MEMA - Hazardous Material Other Special Revenue funds account in the Department of Defense, Veterans and Emergency Management to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART I

Sec. I-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$75,250 from the Administration - Economic and Community Development Other Special Revenue funds account in the Department of

Economic and Community Development to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. I-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$51,000 from the Maine Biomedical Research Fund Other Special Revenue funds account in the Department of Economic and Community Development to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. I-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer from the Department of Economic and Community Development Economic Opportunity Fund Other Special Revenue funds account the available cash balance, including any interest accrued, to the unappropriated surplus of the General Fund no later than June 30, 2003. The cash balance is estimated to be \$25,774.

Sec. I-4. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$17,600 from the Job Retention Program Other Special Revenue funds account in the Department of Economic and Community Development to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART J

Sec. J-1. Education in Unorganized Territory account: lapsed balances. Notwithstanding any other provision of law, \$2,000,000 of unencumbered balance forward in fiscal year 2002-03 in the Education Unorganized Territory General Fund account in the Department of Education lapses to the General Fund in fiscal year 2002-03.

Sec. J-2. School Breakfast Program account: lapsed balances. Notwithstanding any other provision of law, \$113,430 of unencumbered balance forward in fiscal year 2002-03 in the School Breakfast Program General Fund account in the Department of Education lapses to the General Fund in fiscal year 2002-03.

PART K

Sec. K-1. Land and Water Quality account: lapsed balances. Notwithstanding any other provision of law, \$6,244 of unencumbered balance forward in fiscal year 2002-03 in the Land and Water Quality General Fund account in the Department of Environmental Protection lapses to the General Fund in fiscal year 2002-03.

Sec. K-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$120,000 from the Adminis-

trative Services Unit - ACE Cluster Other Special Revenue funds account in the Department of Environmental Protection to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. K-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$125,000 from the Maine Environmental Protection Fund Other Special Revenue funds account in the Department of Environmental Protection to the unappropriated surplus of the General Fund no later than June 30, 2003. This transfer constitutes full repayment of the Working Capital Advance provided to the Maine Environmental Protection Fund by the General Fund in Public Law 1987, chapter 884, Part A, section 3.

PART L

Sec. L-1. Land for Maine's Future Fund account: lapsed balances. Notwithstanding any other provision of law, \$59,261 of unencumbered balance forward in fiscal year 2002-03 in the Land for Maine's Future General Fund account in the Executive Department lapses to the General Fund in fiscal year 2002-03.

Sec. L-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$42,093 from the Weatherization and Repair Other Special Revenue funds program in the Executive Department to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. L-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$91,018 from the Low Income Home Energy Assistance Other Special Revenue funds program in the Executive Department to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART M

Sec. M-1. Transfer of funds. Notwithstanding any other provision of law, \$235,333 must be transferred from the Northern Maine Transmission Corporation Fund in the Finance Authority of Maine to the General Fund as undedicated revenue no later than June 30, 2003.

PART N

Sec. N-1. Transfer of funds. Notwithstanding any other provision of law, on June 30, 2003, the State Controller shall transfer \$2,500,000 from the Maine Clean Election Fund Other Special Revenue funds account in the Commission on Governmental Ethics and Elections Practices to the unappropriated surplus of the General Fund.

PART O

Sec. O-1. Affordable Healthcare account: lapsed balances. Notwithstanding any other provision of law, \$49,000 of unencumbered balance forward in fiscal year 2002-03 in the Affordable Healthcare General Fund account in the Department of Human Services lapses to the General Fund in fiscal year 2002-03.

Sec. O-2. Medical Care Services account: lapsed balances. Notwithstanding any other provision of law, \$477,746 of unencumbered balance forward in fiscal year 2002-03 in the Medical Care Services General Fund account in the Department of Human Services lapses to the General Fund in fiscal year 2002-03.

Sec. O-3. Nursing Facilities account: lapsed balances. Notwithstanding any other provision of law, \$3,191,659 of unencumbered balance forward in fiscal year 2002-03 in the Nursing Facilities General Fund account in the Department of Human Services lapses to the General Fund in fiscal year 2002-03.

Sec. O-4. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$73,586 from the Nursing Facilities Other Special Revenue funds account in the Department of Human Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. O-5. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$88,000 from the Control Over Plumbing Other Special Revenue funds account in the Department of Human Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. O-6. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$38,276 from the Child and Family Services - Regional Other Special Revenue funds account in the Department of Human Services to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. O-7. ASPIRE account: lapsed balances. Notwithstanding any other provision of law, \$179,914 of unencumbered balance forward in fiscal year 2002-03 in the ASPIRE General Fund account in the Department of Human Services lapses to the General Fund in fiscal year 2002-03.

Sec. O-8. Drugs for Maine's Elderly account: lapsed balances. Notwithstanding any other provision of law, \$99,395 of unencumbered balance forward in fiscal year 2002-03 in the Drugs for

Maine's Elderly General Fund account in the Department of Human Services lapses to the General Fund in fiscal year 2002-03.

PART P

Sec. P-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$78,718 from the Courts - Supreme, Superior and District Federal Expenditures Fund account in the Judicial Department to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART Q

Sec. Q-1. Governor's Training Initiative account: lapsed balances. Notwithstanding any other provision of law, \$864,898 of unencumbered balance forward in fiscal year 2002-03 in the Governor's Training Initiative Program General Fund account in the Department of Labor lapses to the General Fund in fiscal year 2002-03.

PART R

Sec. R-1. Legislative account: lapsed balances. Notwithstanding any other provision of law, \$200,000 of unencumbered balance forward in fiscal year 2002-03 in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2002-03.

PART S

Sec. S-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer from the Other Special Revenue funds accounts listed below all available cash balances, including any interest accrued, to the unappropriated surplus of the General Fund no later than June 30, 2003. Following the transfer, the State Controller shall close these accounts. The estimated cash balance by account is identified below.

CONSERVATION, DEPARTMENT OF	
Maine Public Education Trust Fund	\$17,860
EDUCATION, DEPARTMENT OF	
MELLON III GRANT	\$60
LABOR, DEPARTMENT OF	
Occupational Information Commission	\$100
ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF	
A & C - Conference Account	\$48
MAINE POTATO BOARD	
Maine Potato Board	\$3

PART T

Sec. T-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$239 from the Groundfish Hatchery Fund Other Special Revenue funds account in the Department of Marine Resources to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART U

Sec. U-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$6,106 from the Conference Seminar and Workshop Other Special Revenue funds account in the Department of Professional and Financial Regulation to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART V

Sec. V-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$3,710 from the State Bureau of Investigation Other Special Revenue funds account in the Department of Public Safety to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. V-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$1,107 from the Traffic Safety Division Other Special Revenue funds account in the Department of Public Safety to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. V-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$1,022 from the Traffic Safety Commission Vehicle Enforcement Other Special Revenue funds account in the Department of Public Safety to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART W

Sec. W-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$20,000 from the Public Utilities Commission Reimbursement Fund Other Special Revenue funds account in the Public Utilities Commission to the unappropriated surplus of the General Fund no later than June 30, 2003.

Sec. W-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$4,279 from the Public Utilities Commission Miscellaneous Other Special Revenue funds account in the Public Utilities Com-

mission to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART X

Sec. X-1. 33 MRSA §1963, sub-§§1 and 2, as enacted by PL 1997, c. 508, Pt. A, §2 and affected by §3, are amended to read:

1. Highest bidder. Except as otherwise provided in this section, the administrator, ~~within 3 years after the receipt of abandoned property, shall~~ may sell ~~it~~ unclaimed property anytime 90 days or more after it has been advertised pursuant to section 1960. The sale must be to the highest bidder at public sale at a location in the State; or via electronic medium available to citizens of the State that, in the judgment of the administrator, affords the most favorable market for the property. The administrator may decline the highest bid and reoffer the property for sale if the administrator considers the bid to be insufficient. The administrator need not offer the property for sale if the administrator considers that the probable cost of sale will exceed the proceeds of the sale. A sale held under this section must be preceded by a single publication of notice, at least 3 weeks before sale, in a newspaper of general circulation in the county in which the ~~property is to be sold~~ the State.

2. Securities. Securities listed on an established stock exchange must be sold at prices prevailing on the exchange at the time of sale. Other securities may be sold over the counter at prices prevailing at the time of sale or by any reasonable method selected by the administrator. If securities are sold by the administrator before the expiration of ~~3 years~~ one year after their delivery to the administrator, a person making a claim under this Act before the end of the ~~3 years~~ one-year period is entitled to the proceeds of the sale of the securities or the market value of the securities at the time the claim is made, whichever is greater, plus dividends, interest and other increments thereon up to the time the claim is made, less any deduction for expenses of sale. A person making a claim under this Act after the expiration of the ~~3 years~~ one-year period is entitled to receive the securities delivered to the administrator by the holder, if they still remain in the custody of the administrator, or the net proceeds received from sale and is not entitled to receive any appreciation in the value of the property occurring after delivery to the administrator, except in a case of intentional misconduct or malfeasance by the administrator.

Notwithstanding this subsection, the administrator may sell the securities of any single issue whose custodial costs are likely to exceed its value anytime 90 days or more after they have been advertised pursuant to section 1960. A person making a claim under this Act after these securities have been sold is

only entitled to the net proceeds received from the sale.

PART Y

Sec. Y-1. 30-A MRSA §5681, sub-§5, ¶¶A and B, as amended by PL 2001, c. 559, Pt. G, §1, are further amended to read:

- A. For months beginning before ~~May~~ July 1, 2003, 5.1%; and
- B. For months beginning on or after ~~May~~ July 1, 2003, 5.2%.

PART Z

Sec. Z-1. 36 MRSA §1760, sub-§31, ¶A, as amended by PL 2001, c. 709, §1, is further amended to read:

- A. For use by the purchaser directly and primarily in the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or in the production of tangible personal property pursuant to a contract with the United States Government or any agency thereof, or, ~~in the case of sales occurring on or after March 1, 2003 but prior to July 1, 2003, in the generation of digital television broadcast signals or, in the case of sales occurring after June 30, 2003, in the generation of radio and television broadcast signals by broadcast stations regulated under 47 Code of Federal Regulations, Part 73.~~ This exemption applies even if the purchaser sells the machinery or equipment and leases it back in a sale and leaseback transaction. This exemption also applies whether the purchaser agrees before or after the purchase of the machinery or equipment to enter into the sale and leaseback transaction and whether the purchaser's use of the machinery or equipment in production commences before or after the sale and leaseback transaction occurs. ~~As used in this paragraph, "digital television broadcast signal" means an over the air signal transmitted by a television station licensed under 47 Code of Federal Regulations, Part 73; and~~

PART AA

Sec. AA-1. 36 MRSA §112, sub-§12, as enacted by PL 2001, c. 559, Pt. GG, §2 and affected by §26, is repealed.

Sec. AA-2. 36 MRSA §5122, sub-§1, ¶N, as amended by PL 2001, c. 700, §3, is further amended to read:

- N. For any taxable year beginning in 2002, 2003 or 2004, an amount equal to the net increase in

depreciation attributable to a 30% bonus depreciation deduction claimed by the taxpayer pursuant to Section 101 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147 with respect to property placed in service during the taxable year, ~~multiplied by the factor obtained by subtracting from the number 1.0 the conformity factor calculated by the State Tax Assessor under section 112, subsection 12;~~

Sec. AA-3. 36 MRSA §5122, sub-§2, ¶Q, as enacted by PL 2001, c. 559, Pt. GG, §12 and affected by §26, is amended to read:

- Q. For tax years beginning in ~~2003, 2004 or, 2005 or 2006~~, an amount equal to 1/3 of any amount added back to federal adjusted gross income by the taxpayer for the 2002 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2005 or 2006 tax years and the amount to be subtracted pursuant to this paragraph in the 2004 tax year is an amount equal to ~~2/3 of~~ the amount added back pursuant to subsection 1, paragraph N: for tax years beginning in 2002;

Sec. AA-4. 36 MRSA §5122, sub-§2, ¶¶R and S are enacted to read:

- R. For tax years beginning in 2005, 2006 or 2007, an amount equal to 1/3 of any amount added back to federal adjusted gross income by the taxpayer for the 2003 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2006 or 2007 tax years and the amount to be subtracted pursuant to this paragraph in the 2005 tax year is an amount equal to the amount added back pursuant to subsection 1, paragraph N for tax years beginning in 2003; and

- S. For tax years beginning in 2006, 2007 or 2008, an amount equal to 1/3 of any amount added back to federal adjusted gross income by the taxpayer for the 2004 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2007 or 2008 tax years and the amount to be subtracted pursuant to this paragraph in the 2006 tax year is an amount equal to the amount added back pursuant to subsection 1, paragraph N for tax years beginning in 2004.

Sec. AA-5. 36 MRSA §5200-A, sub-§1, ¶N, as amended by PL 2001, c. 700, §5, is further amended to read:

- N. For any taxable year beginning in 2002, 2003 or 2004, an amount equal to the net increase in depreciation attributable to a 30% bonus depre-

ciation deduction claimed by the taxpayer pursuant to Section 101 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147 with respect to property placed in service during the taxable year, ~~multiplied by the factor obtained by subtracting from the number 1.0 the conformity factor calculated by the State Tax Assessor under section 112, subsection 12;~~

Sec. AA-6. 36 MRSA §5200-A, sub-§2, ¶¶L and M, as enacted by PL 2001, c. 559, Pt. GG, §18 and affected by §26, are amended to read:

L. An amount equal to the absolute value of any net operating loss arising from a tax year beginning or ending in 2001 for which federal taxable income was increased under subsection 1, paragraph M and that, pursuant to Section 102 of the federal Job Creation and ~~Work~~ Worker Assistance Act of 2002, Public Law 107-147, was carried back more than 2 years to the taxable year for federal income tax purposes, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is either within 2 years prior to the year in which the loss arose or within the allowable federal period for carry-over of net operating losses; and
- (3) The amount has not been previously used as a modification pursuant to this subsection; ~~and~~

M. For tax years beginning in ~~2003, 2004 or 2005~~ or 2006, any amount equal to 1/3 of any amount added back to federal taxable income by the taxpayer for the 2002 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2005 or 2006 tax years and the amount to be subtracted pursuant to this paragraph in the 2004 tax year is an amount equal to ~~2/3 of~~ the amount added back pursuant to subsection 1, paragraph N;

Sec. AA-7. 36 MRSA §5200-A, sub-§2, ¶¶N and O are enacted to read:

N. For tax years beginning in 2005, 2006 or 2007, an amount equal to 1/3 of any amount added back to federal taxable income by the taxpayer for the 2003 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2006 or 2007 tax years and the amount to be subtracted pursuant to this paragraph in the 2005 tax year is an amount equal to the amount

added back pursuant to subsection 1, paragraph N; and

O. For tax years beginning in 2006, 2007 or 2008, an amount equal to 1/3 of any amount added back to federal taxable income by the taxpayer for the 2004 tax year pursuant to subsection 1, paragraph N, except with respect to 3-year property, in which case this paragraph does not apply to 2007 or 2008 tax years and the amount to be subtracted pursuant to this paragraph in the 2006 tax year is an amount equal to the amount added back pursuant to subsection 1, paragraph N.

PART BB

Sec. BB-1. 36 MRSA §6654, as amended by PL 2001, c. 358, Pt. H, §1 and affected by §3, is further amended to read:

§6654. Claim for reimbursement

A person entitled to reimbursement of property taxes paid with respect to eligible property pursuant to section 6652 may file a ~~single claim annually~~ for reimbursement with the State Tax Assessor. The reimbursement claim must be filed with the State Tax Assessor ~~beginning any time after the last property tax payment in a calendar year has been made but no later than April 1st of the following calendar year~~ on or after August 1st and on or before the following December 31st for property taxes paid during the preceding calendar year for which no previous reimbursement pursuant to this chapter has been made. ~~The~~ For good cause, the State Tax Assessor may at any time extend ~~for good cause the date on which the time for filing a claim for reimbursement is due, but in no event may a claim be allowed if it is submitted later than~~ for a period not exceeding 60 days after from the original due date. Except as otherwise provided, the claim must be accompanied by the statement obtained by the claimant pursuant to section 6653. If the claimant requests reimbursement of an amount of tax that differs from the amount of tax specified for the eligible property in the statement provided by the assessor or assessors of the taxing jurisdiction, the claimant must attach to the claim form an explanation of the reasons for that difference and the State Tax Assessor shall determine the correct amount of reimbursement to which the claimant is entitled, taking into consideration both the statement from the assessor or assessors and the taxpayer's explanation. If, for any reason, the claimant is unable to obtain the statement specified in section 6653 from the assessor or assessors within the time specified in section 6653, the claimant must attach to the claim form an explanation of the amount of reimbursement requested and the State Tax Assessor shall process the claim without that statement.

Sec. BB-2. 36 MRSA §6656, as amended by PL 2001, c. 358, Pt. H, §2 and affected by §3, is further amended to read:

§6656. Payment of claims

Except as provided in section 6652, subsection 3, upon receipt of a timely and properly completed claim for reimbursement, the State Tax Assessor shall certify that the claimant is eligible for reimbursement and shall pay the amount claimed from the General Fund ~~at any time after receipt of the claim but in any event by November 1st or within 180 90 days after the due date receipt of the claim, whichever is later.~~ For those claims for which payments are withheld pursuant to section 6652, subsection 3, reimbursement must be paid within ~~180 90~~ 90 days after the assessor receives notification under that subsection that the report has been received.

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

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF 18**

**Business Equipment Tax Reimbursement
(BETR) 0806**

Initiative: Provides for the deappropriation of funds from savings achieved through a change in the filing date to August 1st for reimbursement purposes.

General Fund	2002-03
All Other	(\$47,970,000)

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

	2002-03
GENERAL FUND	(47,970,000)
<hr/>	
DEPARTMENT TOTAL - ALL FUNDS	(\$47,970,000)

Sec. BB-4. Application. Those sections of this Part that amend the Maine Revised Statutes, Title 36, sections 6654 and 6656 apply to unreimbursed property taxes paid on or after January 1, 2002.

PART CC

Sec. CC-1. 22 MRSA §§3175-A and 3175-B are enacted to read:

§3175-A. Delinquent nursing home taxes to be withheld from Medicaid payments

Whenever the commissioner receives written notice from the State Tax Assessor that a nursing home is delinquent by more than 30 days in making a health care provider tax payment required by Title 36, section 2873, the commissioner shall, upon 10 days' written

notice, withhold the outstanding amount of tax, together with any applicable interest and penalties, from the nursing home's Medicaid payments. All amounts withheld by the commissioner pursuant to this section are deemed to be health care provider tax payments by the nursing home and must be transferred within 30 days to the State Tax Assessor, who shall apply the amount in question to the nursing home's tax account.

§3175-B Delinquent residential treatment facility taxes to be withheld from Medicaid payments

Whenever the commissioner receives written notice from the State Tax Assessor that a residential treatment facility is delinquent by more than 30 days in making a health care provider tax payment required by Title 36, section 2873, the commissioner shall, upon 10 days' written notice, withhold the outstanding amount of tax, together with any applicable interest and penalties, from the residential treatment facility's Medicaid payments. All amounts withheld by the commissioner pursuant to this section are deemed to be health care provider tax payments by the residential treatment facility and must be transferred within 30 days to the State Tax Assessor, who shall apply the amount in question to the residential treatment facility's tax account.

Sec. CC-2. 36 MRSA §191, sub-§2, ¶R, as repealed and replaced by PL 1995, c. 625, Pt. A, §47, is amended to read:

R. The disclosure to the Department of Human Services, ~~Bureau of Medical Services~~ or the Department of Behavioral and Developmental Services of information relating to the administration and collection of the tax imposed by chapter ~~369 373~~;

Sec. CC-3. 36 MRSA c. 373 is enacted to read:

CHAPTER 373

HEALTH CARE PROVIDER TAX

§2871. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Annual gross patient services revenue. "Annual gross patient services revenue" means gross charges, excluding any grants, donations or research funding.

2. Annual net operating revenue. "Annual net operating revenue" means gross charges less any

amounts allowable as bad debts, charity care or payer discounts.

3. Fiscal year. "Fiscal year" means the state fiscal year.

4. Nursing home. "Nursing home" means a facility providing nursing facility services and licensed under Title 22, chapter 405 to provide nursing facility services.

5. Nursing facility services. "Nursing facility services" means nursing care or rehabilitative services provided in a nursing home, by or under the direction of a physician, for the accommodation of convalescents or other persons who are not acutely ill and not in need of inpatient hospital care, but who do require skilled nursing care and related medical services.

6. Residential treatment facility. "Residential treatment facility" means an intermediate care facility for the mentally retarded, or a level I assisted living facility for the mentally retarded, that falls within the definitions provided by the United States Social Security Act, 42 United States Code, Section 1396(d) and that provides services to individuals with developmental disabilities and that is not state-operated. "Residential treatment facility" also means a community-based facility that provides similar services to the developmentally disabled under a waiver granted pursuant to the United States Social Security Act, 42 United States Code, Section 1396n(c) to the extent permitted by federal law and regulations.

7. Taxable revenues. "Taxable revenues" means annual gross patient services revenue in the case of a residential treatment facility and annual net operating revenue in the case of a nursing home.

§2872. Tax imposed; fiscal years beginning 2002

For fiscal years beginning on or after July 1, 2002, in addition to all other fees and taxes assessed or imposed by the Maine Revised Statutes, a tax is imposed annually against each residential treatment facility and nursing home located in the State calculated as follows.

1. Residential treatment facilities. The tax imposed against each residential treatment facility is equal to 6% of its annual gross patient services revenue for the fiscal year.

2. Nursing homes. The tax imposed against each nursing home is equal to 6% of its annual net operating revenue for the fiscal year attributable to the provision of nursing facility services.

The tax imposed by this section is an obligation of the provider pursuant to section 2873 and may not be billed to a patient as a separately stated charge.

§2873. Return and payment of tax; application of revenues

1. Monthly returns required; payment of estimated tax liability. On or before the 15th day of each month, each person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor. Each return must be accompanied by a payment of an amount equal to 1/12 of the person's estimated tax liability for the entire current fiscal year. A person may estimate its tax liability for the current fiscal year by applying the tax rates provided by section 2872 to the most recent fiscal year for which relevant taxable revenues have been finally determined and are no longer open to audit adjustment or correction, provided that the fiscal year in question began no earlier than 3 years prior to the beginning of the current fiscal year. Once a taxpayer has made its first monthly payment for a fiscal year pursuant to this subsection, the monthly amount must remain fixed throughout the fiscal year unless the assessor authorizes a change. If the person's estimated annual tax liability as reported and paid pursuant to this subsection does not equal the tax imposed on that person by section 2872, any adjustments necessary to reconcile the estimated tax with the correct tax amount must be made pursuant to subsection 2.

2. Reconciliation return required. On or before October 15, 2003 and each October 15th thereafter, each person subject in a prior fiscal year or fiscal years to the tax imposed by the chapter shall submit a reconciliation return on a form prescribed and furnished by the assessor. The reconciliation return must account for any adjustments necessary to reconcile the annual tax for a prior fiscal year estimated pursuant to subsection 1 with the person's correct tax liability, and the person must submit with the reconciliation return payment of any amount due for the prior fiscal year or fiscal years. The taxpayer may also claim on the reconciliation return a refund or credit for any overpayment of tax. The determination of amounts due or overpaid is calculated by comparing the tax originally estimated and paid in the prior fiscal year or fiscal years with the tax imposed by section 2872 on taxable revenues actually received, together with any audit adjustments or corrections of which the person has knowledge on or before September 15th immediately preceding the due date of the return. The obligation to file a reconciliation return with respect to a particular fiscal year continues until the relevant taxable revenues for that fiscal year have been finally determined and are no longer open to audit adjustment or correction and the person has reported those revenues on a reconciliation return.

3. Audit period to remain open; accrual of penalties and interest. Notwithstanding any other provision of law, the tax imposed against a person by

section 2872 for any fiscal year remains open to audit and further assessment by the assessor until the person's taxable revenues for that fiscal year have been finally determined. Any underestimates of tax liability reported and paid pursuant to subsection 1 are subject to an assessment of interest at the rate provided in section 186 from the date or dates of underpayment until payment is made, unless the estimated tax liability was calculated by applying the tax rates provided by section 2872 to the most recent fiscal year for which relevant taxable revenues have been finally determined, in which case no interest may accrue prior to the date on which the reconciliation return for the year is due. Any amount of tax that is reported on a reconciliation return required by subsection 2 but not paid at the time the reconciliation return is filed is subject to the accrual of interest as provided by section 186, as well as to any applicable provisions of section 187-B, including, without limitation, the penalty provided by section 187-B, subsection 2 for failure to pay a tax.

4. Application of revenues. Revenues derived by the tax imposed by this chapter must be credited to a General Fund suspense account. On the last day of each month, the State Controller shall make the following transfers:

A. All revenues received by the assessor during the month pursuant to this chapter from nursing homes net of refunds must be credited to the Nursing Facilities Other Special Revenue funds account in the Department of Human Services. The Commissioner of Human Services is authorized to make revenue transfers from the Nursing Facilities Other Special Revenue funds account to the Medical Care - Payments to Providers Other Special Revenue funds account and the Long Term Care - Human Services Other Special Revenue funds account in amounts not to exceed legislative allocations in any fiscal year; and

B. All revenues received by the assessor during the month pursuant to this chapter from residential treatment facilities net of refunds must be credited to the Residential Treatment Facilities Assessment Other Special Revenue funds account in the Department of Behavioral and Developmental Services.

Sec. CC-4. Residential Treatment Facilities Assessment Other Special Revenue funds program. There is created in the Department of Behavioral and Developmental Services an Other Special Revenue funds program to be known as the "Residential Treatment Facilities Assessment," which is composed of a portion of the assessment set forth in the Maine Revised Statutes, Title 36, chapter 373. Funds in the Residential Treatment Facilities Assess-

ment may be expended only for behavioral and developmental services and may be expended only upon allocation by the Legislature. Any unexpended funds remaining at the end of each fiscal year may not lapse but must be carried forward to be used for the same purposes.

Sec. CC-5. Appropriations and allocations. The following appropriations and allocations are made.

BEHAVIORAL AND DEVELOPMENTAL SERVICES, DEPARTMENT OF 14

Residential Treatment Facilities Assessment (New)

Initiative: Provides for the allocation of funds from revenue generated by the imposition of an assessment on residential treatment facilities for individuals with developmental disabilities.

Other Special Revenue Funds	2002-03
All Other	\$1,358,000

BEHAVIORAL AND DEVELOPMENTAL SERVICES, DEPARTMENT OF 14

DEPARTMENT TOTALS	2002-03
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OTHER SPECIAL REVENUE FUNDS	1,358,000
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DEPARTMENT TOTAL - ALL FUNDS	1,358,000
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SECTION TOTALS	2002-03
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OTHER SPECIAL REVENUE FUNDS	1,358,000
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SECTION TOTALS - ALL FUNDS	\$1,358,000
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Sec. CC-6. Appropriations and allocations. The following appropriations and allocations are made.

HUMAN SERVICES, DEPARTMENT OF 10A

Medical Care - Payments to Providers 0147

Initiative: Provides for the allocation of funds to increase payments for private duty nursing/personal care; elderly and adults with disabilities waiver; adult day health care; adult family home care; and medical and remedial private, nonmedical institution services.

Other Special Revenue Funds	2002-03
All Other	\$1,614,000

Total	1,614,000
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Federal Expenditures Fund	2002-03
All Other	1,900,000

Total	1,900,000
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Nursing Facilities 0148

Initiative: Allocates dedicated revenue from the nursing facility tax in the MaineCare Program for program expenses.

Other Special Revenue Funds	2002-03
All Other	9,500,000

Nursing Facilities 0148

Initiative: Provides for the allocation of funds required to make the payment of a nursing facility net operating revenue assessment an allowable cost under the MaineCare Program.

Other Special Revenue Funds	2002-03
All Other	5,111,000

Total	5,111,000
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Federal Expenditures Fund	2002-03
All Other	10,724,459

Total	10,724,459
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Nursing Facilities 0148

Initiative: Provides for the allocation of funds to increase recruitment and retention of direct care staff for nursing facilities.

Other Special Revenue Funds	2002-03
All Other	5,447,000

Total	5,447,000
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Federal Expenditures Fund	2002-03
All Other	9,821,558

Total	9,821,558
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Long Term Care - Human Services 0420

Initiative: Provides for the allocation of funds to increase payments to improve recruitment and retention of direct care staff in the Home Based Care Program for elders and adults with disabilities.

Other Special Revenue Funds	2002-03
All Other	486,000

**HUMAN SERVICES, DEPARTMENT OF 10A
DEPARTMENT TOTALS**

OTHER SPECIAL REVENUE FUNDS	22,158,000
FEDERAL EXPENDITURES FUND	22,446,017

DEPARTMENT TOTALS - ALL FUNDS	44,604,017
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SECTION TOTALS

OTHER SPECIAL REVENUE FUNDS	22,158,000
FEDERAL EXPENDITURES FUND	22,446,017

SECTION TOTALS - ALL FUNDS	\$44,604,017
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Sec. CC-7. Rulemaking. The Commissioner of Human Services shall adopt rules necessary for the

proper implementation of this Part. Rules adopted pursuant to this section are routine technical rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

Sec. CC-8. Application date; retroactivity. The sections of this Part that enact taxes on residential treatment facilities and nursing homes take effect with regard to each of those classes of facilities when the Commissioner of Human Services notifies the State Tax Assessor that, based on representations from the United States Department of Health and Human Services, the tax imposed by the Maine Revised Statutes, Title 36, section 2872 on that class of facilities is a permissible health care related tax as defined in Title 42, Part 433, Section 68 of the Code of Federal Regulations. Once effective, this Part applies retroactively to July 1, 2002. The first tax returns and payments required by this Part must be made on the first filing date that falls more than 45 days after the certification by the Commissioner of Human Services to the State Tax Assessor or on the first filing date that falls more than 45 days after the effective date of this Part, whichever occurs later. On the same filing date, persons subject to the health care provider tax required by Title 36, chapter 373 must file a return and make payment of all tax amounts for fiscal year 2002-03 that would otherwise have become due since July 1, 2002 had this Part been in effect at that time. If certification by the Commissioner of Human Services to the State Tax Assessor does not occur prior to June 30, 2003, this Part does not take effect.

Sec. CC-9. Effective dates. Section 5 of this Part takes effect when the Commissioner of Human Services notifies the State Tax Assessor that the tax on residential treatment facilities is a permissible health care related tax as specified in section 8 of this Part; and section 6 of this Part takes effect when the Commissioner of Human Services notifies the State Tax Assessor that the tax on nursing homes is a permissible health care related tax as specified in section 8 of this Part.

PART DD

Sec. DD-1. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF 18**

Bureau of Revenue Services 0002

Initiative: Provides for the appropriation of funds for required programming services to the Maine Automated Taxpayer System, MATS, to properly manage, account and report for the addition of the proposed assessment on service providers.

General Fund	2002-03
All Other	\$72,500

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF 18	
DEPARTMENT TOTALS	2002-03
GENERAL FUND	72,500
DEPARTMENT TOTAL - ALL FUNDS	72,500

**BEHAVIORAL AND DEVELOPMENTAL SERVICES,
DEPARTMENT OF 14**

Medicaid Services - Mental Retardation 0705

Initiative: Provides for the deappropriation of funds related to the tax on residential treatment facilities for individuals with developmental disabilities.

General Fund	2002-03
All Other	(900,000)

BEHAVIORAL AND DEVELOPMENTAL SERVICES DEPARTMENT OF 14	
DEPARTMENT TOTALS	2002-03
GENERAL FUND	(900,000)
DEPARTMENT TOTAL - ALL FUNDS	(900,000)

HUMAN SERVICES, DEPARTMENT OF 10A

Medical Care - Payments to Providers 0147

Initiative: Provides for the deappropriation and allocation of funds associated with a Medicaid waiver that would allow for a portion of the Healthy Maine Prescription Program to be paid for with federal funds.

General Fund	2002-03
All Other	(6,500,000)

Total	(6,500,000)
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Federal Expenditures Fund	2002-03
All Other	24,000,000

Total	24,000,000
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Nursing Facilities 0148

Initiative: Provides for the deappropriation of funds related to the nursing facility tax in the MaineCare Program.

General Fund	2002-03
All Other	(9,500,000)

HUMAN SERVICES, DEPARTMENT OF 10A	
DEPARTMENT TOTALS	2002-03
GENERAL FUND	(16,000,000)
FEDERAL EXPENDITURES FUND	24,000,000
DEPARTMENT TOTAL - ALL FUNDS	8,000,000

SECTION TOTALS	
	2002-03
GENERAL FUND	(16,827,500)
FEDERAL EXPENDITURES FUND	24,000,000

SECTION TOTALS - ALL FUNDS	\$7,172,500
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PART EE

Sec. EE-1. 20-A MRSA §13451, sub-§3, ¶¶B and C, as enacted by PL 2001, c. 559, Pt. N, §1, are amended to read:

B. Thirty-five percent from July 1, 2002 to ~~March 31~~, June 30, 2003; and

C. Forty percent after ~~March 31~~, June 30, 2003.

PART FF

Sec. FF-1. 20-A MRSA §15602, sub-§17 is enacted to read:

17. Curtailment. The following curtailment is established for fiscal year 2002-03.

A. An amount equal to \$10,000,000 must be reduced from the following components of general purpose aid to local schools:

(1) The state share of the adjusted debt service allocation component must be reduced by \$2,000,000;

(2) The state share of the adjustments and miscellaneous costs component must be reduced by \$680,096, resulting in a 1.37% reduction for each of the categories in this component; and

(3) The state share of the foundation component including minimum subsidy must be reduced by \$7,319,904 by a method that preserves the equalizing intent of the original distribution.

B. The method of curtailment for the foundation component including minimum subsidy must be calculated as follows.

(1) The state share of each school administrative unit's curtailment amount must equal each school administrative unit's state share of the foundation plus minimum subsidy multiplied by the unit's local share percentage, as determined by the School Finance Act of 1995, and this amount must be prorated so that the statewide sum of all the foundation and minimum subsidy curtailment does not exceed \$7,319,904.

(2) The foundation plus minimum subsidy curtailment amount for each school administrative unit may not exceed the total state share of foundation plus minimum subsidy for that unit.

PART GG

Sec. GG-1. Suspended application. Notwithstanding Public Law 2001, chapter 439, Part CCC, section 1, the sections of the Medicaid principles of reimbursement for nursing facilities adopted pursuant to Public Law 2001, chapter 439, Part CCC, section 1 may not be applied for state fiscal year 2002-03.

PART HH

Sec. HH-1. PL 2001, c. 666, Pt. B is amended to read:

Sec. B-1. Rules regarding penalties for occupancy declines for nursing facilities. The Department of Human Services shall amend the rules regarding the principles of reimbursement for nursing facilities regarding fixed costs to apply the existing occupancy adjustment when the occupancy for nursing facilities greater than 60 beds falls below 85% and when the occupancy for facilities of 60 beds or fewer falls below 80%. The rules amended pursuant to this section must apply to reimbursement rates for services provided beginning ~~January~~ July 1, 2003. Rules adopted pursuant to this section are routine technical rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter II-A.

PART II

Sec. II-1. 22 MRSA §3162, sub-§3, ¶I, as enacted by PL 2001, c. 677, §1, is repealed.

Sec. II-2. 24-A MRSA §4346, sub-§5, ¶H, as enacted by PL 2001, c. 708, §3, is repealed.

PART JJ

Sec. JJ-1. 10 MRSA c. 14, as amended, is repealed.

Sec. JJ-2. 10 MRSA §1023-K, sub-§3, as amended by PL 1999, c. 684, §2, is further amended to read:

3. Application of fund. The fund may be applied to carry out any power of the authority under or in connection with section 1026-P, including, but not limited to, the pledge or transfer and deposit of money in the fund as security for and the application of the fund to pay principal, interest and other amounts due on insured loans. ~~Pursuant to subsection 3 A, the fund may be used by the authority to fund the High-pollution Vehicle Retirement Pilot Program established under chapter 14.~~ The fund may be used for direct loans to finance all or part of any clean fuel vehicle project when the authority determines that:

A. The applicant demonstrates a reasonable likelihood that the applicant will be able to repay the loan;

B. The applicant demonstrates a reasonable likelihood that the applicant will not be able to obtain the funds necessary to undertake all or any part of the project from any other source, including a loan insured under section 1026-P;

C. The project is technologically feasible; and

D. The project will contribute to a reduction of or more efficient use of fossil fuels.

The authority shall adopt rules for determining eligibility, project feasibility, terms, conditions and security for loans under this section. Rules adopted pursuant to this section are routine technical rules under Title 5, chapter 375, subchapter II-A. Money in the fund not currently needed to meet the obligations of the authority as provided in this section may be invested in such a manner as permitted by law.

Sec. JJ-3. 10 MRSA §1023-K, sub-§3-A, as enacted by PL 1999, c. 684, §3, is repealed.

Sec. JJ-4. 10 MRSA §1023-K, sub-§4, as amended by PL 2001, c. 367, §3, is further amended to read:

4. Accounts within fund. The authority may divide the fund into separate accounts as it determines necessary or convenient for carrying out this section, including, but not limited to, accounts reserved for direct loan funds ~~and accounts reserved for funds for the redemption of vouchers and payments to automobile scrappers in accordance with section 394, subsections 4 and 4 A.~~

Sec. JJ-5. Clean Fuel Vehicle Fund; lapsed balances. The following funds in the Clean Fuel Vehicle Fund within the Finance Authority of Maine lapse to the General Fund in fiscal year 2002-03:

1. Notwithstanding any other provision of law, \$69,468 of the funds in the account created within the Clean Fuel Vehicle Fund for the purpose of paying incentive vouchers and making payments to automobile scrappers under the High-pollution Vehicle Retirement Pilot Program established under the Maine Revised Statutes, Title 10, chapter 14 lapses to the General Fund in fiscal year 2002-03. Notwithstanding any other provisions of this Part, the Finance Authority of Maine shall use remaining funds in that account to pay up to \$51,000 in incentive vouchers authorized by the Department of Environmental Protection prior to October 8, 2002 and to pay up to \$10,150 in payments to automobile scrappers authorized by the Department of Environmental Protection prior to

October 8, 2002. The Finance Authority of Maine shall make those remaining payments in accordance with the provisions of Title 10, former sections 393 and 394 in effect on October 8, 2002; and

2. Notwithstanding any other provision of law, \$107,404 in funds in the account created within the Clean Fuel Vehicle Fund for the purpose of providing loans to finance all or part of any clean fuel vehicle project under Title 10, section 1023-K lapses to the General Fund in fiscal year 2002-03.

PART KK

Sec. KK-1. Transfer of former Caribou Armory building to Town of Caribou. Notwithstanding any other provision of law, the Adjutant General may transfer the former Caribou Armory building, located at 55 Bennett Drive, Caribou, to the City of Caribou in lieu of payment due for any unpaid real estate taxes for the new Caribou Armory building located at York and Sincock streets, Tax Map 29, lots 13 and 13b. The Adjutant General is not authorized to transfer the organizational maintenance shop or the metal storage building located at 55 Bennett Drive.

PART LL

Sec. LL-1. 20-A MRSA §10402, sub-§§4 and 6, as enacted by PL 2001, c. 658, §2, are amended to read:

4. Fiscal matters. The responsibility for funding the council ~~must~~ may be shared ~~equally~~ between government and the private sector. The Maine Development Foundation shall serve as the council's fiscal agent, providing regular financial reports to the council on funds received and expended and an annual audit. The Maine Development Foundation shall seek funds and accept gifts to support the council's objectives.

6. Report. ~~Beginning in January 2003, the~~ The council shall report annually by January 31st to the Legislature and the joint standing committee of the Legislature having jurisdiction over education matters. The council shall report on implementation of its long-term plan and recommended changes to the long-term plan.

Sec. LL-2. PL 2001, c. 658, §3 is amended to read:

Sec. 3. Initial members. The initial members of the Maine Higher Educational Attainment Council established in the Maine Revised Statutes, Title 20-A, section 10401 must be appointed ~~by September 1, 2002~~ within 60 days of the President of the Maine Development Foundation's certifying to the Executive Director of the Legislative Council that private sector funding has been secured for the Higher Educational

Attainment Council or within 60 days of the effective date of a General Fund appropriation for the Higher Educational Attainment Council, whichever is earlier.

Sec. LL-3. PL 2001, c. 658, §5 is enacted to read:

Sec. 5. Contingent effective date. Those sections of this Act that enact the Maine Revised Statutes, Title 5, section 12004-G, subsection 10-B and Title 20-A, chapter 406 take effect only if the President of the Maine Development Foundation certifies to the Executive Director of the Legislative Council that private sector funding has been secured for the Higher Educational Attainment Council or a General Fund appropriation is made for the Higher Educational Attainment Council.

Sec. LL-4. Retroactivity. This Part applies retroactively to April 10, 2002.

PART MM

Sec. MM-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$20,000 from the Statewide Single Audit Other Special Revenue funds account in the Department of Audit to the unappropriated surplus of the General Fund no later than June 30, 2003.

PART NN

Sec. NN-1. 22 MRSA §3175-C is enacted to read:

§3175-C. Delinquent hospital taxes to be withheld from Medicaid payments

When the commissioner receives written notice from the State Tax Assessor that a hospital is delinquent by more than 30 days in making a health care provider tax payment required by Title 36, section 2883, the commissioner shall, upon 10 days' written notice, withhold the outstanding amount of tax, together with any applicable interest and penalties, from the hospital's Medicaid payments. All amounts withheld by the commissioner pursuant to this section are deemed to be health care provider tax payments by the hospital and must be transferred within 30 days to the State Tax Assessor, who shall apply the amount in question to the hospital's tax account.

Sec. NN-2. 36 MRSA c. 375 is enacted to read:

CHAPTER 375

HOSPITAL TAX

§2881. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Gross patient services revenue. "Gross patient services revenue" means gross charges, excluding any grants, donations or research funding.

2. Hospital. "Hospital" means an acute care health care facility with permanent inpatient beds planned, organized, operated and maintained to offer for a continuing period of time facilities and services for the diagnosis and treatment of illness, injury and deformity; with a governing board, and an organized medical staff, offering continuous 24-hour professional nursing care; with a plan to provide emergency treatment 24 hours a day and including other services as defined in the "Regulations for Licensure of General and Specialty Hospitals in the State of Maine," as amended; and that is licensed under Title 22, chapter 405 as a general hospital, specialty hospital or critical access hospital. For purposes of this chapter, "hospital" does not include a nursing home or a publicly owned specialty hospital.

3. Inpatient hospital services. "Inpatient hospital services" means services that are furnished in a hospital by or under the direction of a physician or a dentist for the care and treatment of an inpatient.

4. Outpatient hospital services. "Outpatient hospital services" means preventive, diagnostic, therapeutic, rehabilitative or palliative services provided in a hospital to an outpatient.

5. Publicly owned specialty hospital. "Publicly owned specialty hospital" means a publicly owned hospital that is primarily engaged in providing psychiatric services for the diagnosis, treatment and care of persons with mental illness and that is licensed as a specialty hospital by the Department of Human Services.

6. Taxable revenues. "Taxable revenues" means gross patient services revenue.

7. Tax year. "Tax year" means the hospital payment year, as defined by the Department of Human Services, ending in state fiscal year 1999-00.

§2882. Tax imposed

For state fiscal year 2002-03, a tax is imposed against each hospital in the State. The tax is equal to .135% of gross patient services revenue for the tax year as identified on the hospital's annual financial statement for that year on file with the Department of Human Services as of October 18, 2002, for inpatient and outpatient services attributable to all private and public payors.

§2883. Return and payment of tax; application of revenues

1. Return required. A person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the assessor and pay the tax by the 30th day following the effective date of this section.

2. Application of revenues. All revenues received by the assessor under this chapter must be credited to the General Fund.

PART OO

Sec. OO-1. 22 MRSA §1511, sub-§9 is enacted to read:

9. Working capital advance. Beginning July 1, 2003, the State Controller is authorized to provide an annual advance up to \$37,500,000 from the General Fund to the fund to provide money for allocations from the fund. This money must be returned to the General Fund as the first priority from the amounts credited to the fund pursuant to subsection 2, paragraph A.

Sec. OO-2. PL 2001, c. 358, Pt. Y, §1 is repealed.

PART PP

Sec. PP-1. 21-A MRSA §1020-A, sub§§4-A and 5-A are enacted to read:

4-A. Basis for penalties. The penalty for late filing of a report required under this subchapter, except for accelerated campaign finance reports required pursuant to section 1017, subsection 3-B, is a percentage of the total contributions or expenditures for the filing period, whichever is greater, multiplied by the number of calendar days late, as follows:

- A. For the first violation, 1%;
- B. For the 2nd violation, 3%; and
- C. For the 3rd and subsequent violations, 5%.

Any penalty of less than \$5 is waived.

Violations accumulate on reports with filing deadlines in a 2-year period that begins on January 1st of each even-numbered year. Waiver of a penalty does not nullify the finding of a violation.

A report required to be filed under this subchapter that is sent by certified or registered United States mail and postmarked at least 2 days before the deadline is not subject to penalty.

A registration or report may be provisionally filed by transmission of a facsimile copy of the duly executed report to the commission, as long as an original of the same report is received by the commission within 5 calendar days thereafter.

The penalty for late filing of an accelerated campaign finance report as required in section 1017, subsection 3-B may be up to but no more than 3 times the amount by which the contributions received or expenditures obligated or made by the candidate exceed the applicable Maine Clean Election Fund disbursement amount, per day of violation. The commission shall make a finding of fact establishing when the report was due prior to imposing a penalty under this subsection. A penalty for failure to file an accelerated campaign finance report must be made payable to the Maine Clean Election Fund. In assessing a penalty for failure to file an accelerated campaign finance report, the commission shall consider the existence of mitigating circumstances. For the purposes of this subsection, "mitigating circumstances" has the same meaning as in subsection 2.

5-A. Maximum penalties. Penalties assessed under this subchapter may not exceed:

A. Five thousand dollars for reports required under section 1017, subsection 2, paragraphs B, C, D, E or H; section 1017, subsection 3-A, paragraphs B, C, D or F; section 1017, subsection 4; and section 1019;

B. Five thousand dollars for state party committee reports required under section 1017-A, subsection 4, paragraphs A and C and section 1018, subsection 2;

C. One thousand dollars for reports required under section 1017, subsection 2, paragraphs A and F; section 1017, subsection 3-A, paragraphs A and E; and state party committee reports required to be filed under section 1017-A, subsection 4, paragraph B;

D. Five hundred dollars for municipal, district and county committees for reports required under section 1017-A, subsection 4, paragraphs A, B and C and section 1018, subsection 2; or

E. Three times the unreported amount for reports required under section 1017, subsection 3-B, if the unreported amount is less than \$5,000 and the commission finds that the candidate in violation has established, by a preponderance of the evidence, that a bona fide effort was made to file an accurate and timely report.

Sec. PP-2. Retroactivity. This Part applies retroactively to August 1, 2002.

PART QQ

Sec. QQ-1. BETR Reimbursement Loan Fund. The BETR Reimbursement Loan Fund, referred to in this section as the "fund," is created under the jurisdiction and control of the Finance Authority of Maine, referred to in this Part as the "authority."

1. Sources of money. The fund consists of:

A. All money appropriated or allocated for inclusion in the fund, from whatever source;

B. Subject to any pledge, contract or other obligation, all interest, dividends or other pecuniary gains from investment of money from the fund;

C. Subject to any pledge, contract, fee or other obligation, any money that the authority receives in repayment of advances from the fund; and

D. Any other money available to the authority and directed by the authority to be paid into the fund.

2. Application of fund. Money in the fund may be applied to carry out any power of the authority under or in connection with the BETR Reimbursement Loan Program under this Part or to pay obligations incurred in connection with the fund. Money in the fund not needed currently to meet the obligations of the authority as provided in this section may be invested in a manner permitted by law. Up to 1% of the fund may be used to pay the costs of administration of the BETR Reimbursement Loan Program established in section 2 of this Part.

3. Accounts within fund. The authority may divide the fund into separate accounts it determines necessary or convenient for carrying out this section.

4. Revolving fund. The fund is a nonlapsing, revolving fund. All money in the fund must be continuously applied by the authority to carry out this Part.

Sec. QQ-2. BETR Reimbursement Loan Program. The BETR Reimbursement Loan Program, referred to in this section as the "program," is established to provide loans to businesses that exhibit a substantial hardship resulting from the change in timing of the application for and receipt of BETR Reimbursement in 2003 as set out in Part BB of this Act.

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

A. "BETR" means the business equipment tax reimbursement program established under the Maine Revised Statutes, Title 36, chapter 915.

B. "Bureau" means the Department of Administrative and Financial Services, Bureau of Revenue Services.

C. "Eligible borrower" means a business that demonstrates to the authority that:

(1) It has been certified by the bureau as predetermined to be eligible for BETR reimbursement in 2003;

(2) It will suffer a substantial hardship as determined by the authority as a result of the change in timing of the application for and receipt of reimbursement under BETR as set out in Part BB of this Act; and

(3) It is likely to be able to repay the loan authorized by this section.

D. "Predetermined to be eligible" means that the business has filed a complete application for reimbursement with the bureau under BETR, and the bureau has determined that the business meets the criteria for eligibility and the amount of reimbursement to which the business will be entitled.

2. Loan authority. The authority may provide a loan to an eligible borrower who files an application with the authority by April 1, 2003 pursuant to rules adopted under this section.

3. Loan terms and conditions. Loans provided under this section may not exceed 90% of the amount of potential BETR reimbursement certified by the bureau.

The authority may establish prudent terms and conditions for loans, including a pledge of the BETR reimbursement and any other collateral the authority determines to be prudent. Loan terms may not extend beyond November 18, 2003. The interest rate charged on each loan may not exceed the prime rate of interest plus 2%, as determined by the authority. The authority may further assist the borrower by allowing for the accrual of interest until BETR reimbursement is received. The authority may charge a loan origination fee of 1%, payment of which may be deferred until receipt of BETR reimbursement.

4. Bureau assistance. The bureau shall coordinate a process with the authority to provide certification of businesses that are predetermined to be eligible for BETR reimbursement in 2003. The certification by the bureau must specify the amount of reimbursement for which an eligible borrower will be eligible.

5. Repayment of loans. The authority shall provide the bureau with the list of businesses that obtained loans under this section. The bureau shall pay BETR reimbursements for those businesses to the authority and the business as copayees, subject to available appropriations. Any amount received from the bureau in excess of the amount of the loan, the origination fee and accrued interest must be paid to the eligible borrower.

6. Rulemaking. The authority may adopt rules for the implementation of the program, including, but not limited to, the establishment of fees that may be charged for the administration of the program and may do so notwithstanding the omission of any such rules from the authority's regulatory agenda as of the effective date of this Part prepared pursuant to the Maine Revised Statutes, Title 5, section 8060 or provided pursuant to Title 5, section 8053-A, subsection 2 or any limitation imposed by Title 5, section 8064. Rules adopted under this section are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

Sec. QQ-3. Transfer to BETR Reimbursement Loan Fund. The Finance Authority of Maine may transfer up to \$2,500,000 from the Economic Recovery Program Fund established in the Maine Revised Statutes, Title 10, section 1023-I to the BETR Reimbursement Loan Fund created in this Part.

Sec. QQ-4. Repeal; transfer of funds. This Part is repealed December 31, 2003. Any funds remaining in the BETR Reimbursement Loan Fund created in this Part on that date must be transferred to the Economic Recovery Program Fund established in the Maine Revised Statutes, Title 10, section 1023-I.

PART RR

Sec. RR-1. 21-A MRSA §1124, sub-§2, ~~¶B~~, as enacted by IB 1995, c. 1, §17, is amended to read:

B. Two million dollars of the revenues from the taxes imposed under Title 36, Parts 3 and 8 and credited to the General Fund, transferred to the fund by the ~~Treasurer~~ of State Controller on or before January 1st of each year, beginning January 1, 1999. These revenues must be offset in an equitable manner by an equivalent reduction within the administrative divisions of the legislative branch and executive branch agencies. This section may not affect the funds distributed to the Local Government Fund under Title 30-A, section 5681.

If the commission determines that the fund will not have sufficient revenues to cover the likely demand for funds from the Maine Clean Election

Fund in calendar year 2006, by January 1, 2006, the commission shall provide a report of its projections of the balances in the Maine Clean Election Fund to the Legislature and the Governor and may request that the State Controller make the following transfers to the Maine Clean Election Fund from the General Fund:

(1) Up to \$2,000,000 no later than February 28, 2006, reflecting an advance of the transfer of the amounts that would be received on or before January 1, 2007 pursuant to this paragraph; and

(2) Up to \$2,000,000 no later than July 31, 2006, reflecting an advance of the transfer of the amounts that would be received on or before January 1, 2008 pursuant to this paragraph;

PART SS

Sec. SS-1. Department of Human Services shall apply for funding. By March 1, 2003, the Department of Human Services shall apply to the United States Department of Health and Human Services for funding to assist communities in their meeting the challenges presented by the arrival of new residents. The application must request funding for the following purposes, insofar as funding for those purposes is available: job training, employment, housing, child care, transportation, language skills and community building.

PART TT

Sec. TT-1. Resolve 2001, c. 113, §9 is amended to read:

Sec. 9. Appropriations and allocations. Resolved: That the following appropriations and allocations are made.

LEGISLATURE

Commission to Arrange for a Plaque or Plaques and a Flag or Flags to be Displayed in the Hall of Flags in the State House

Initiative: Provides for costs associated with a plaque or plaques and a flag or flags honoring Maine veterans of World War II and the Korean War in the Hall of Flags in the State House.

Other Special Revenue Funds	2001-02	2002-03
All Other	\$0	\$500

; and be it further

Sec. TT-2. Resolve 2001, c. 113, §10 is enacted to read:

Sec. 10. Extension of reporting deadline. Resolved: That, if the commission requires a limited extension of time to conclude its study and make its report, it may apply to the Legislative Council, which may grant the extension.

Effective February 13, 2003, unless otherwise indicated.
