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JOHN ELIAS BALDACCIO
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND
FINANCIAL SERVICES
78 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0078

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RYAN LOW
COMMISSIONER

DOMNA GIATAS
DEPUTY COMMISSIONER

November 20, 2009

Honorable John E. Baldacci
Governor
Office of the Governor
1 State House Station
Augusta, ME 04333-0001

RE: Report of the Commissioner of the Department of Administrative and Financial
Services pursuant to 5 MRSA §1668, Temporary Curtailment of Allotments

Dear Governor Baldacci,

Pursuant to 5 MRSA §1668, I am writing to officially report that it appears that anticipated income and other available funds of the State will not be sufficient to meet expenditures authorized by the Legislature for Fiscal Year 2010. The following is a summary of our current assessment of the fiscal situation.

The recession that has struck the US and Maine economies in late 2007 has proven to be more severe than has been anticipated. While the economy is now beginning to show some signs of improvement, recent information has shown that the depth of the impact on income, in particular, has led to a dramatic downturn in state revenues across the nation, with Maine being no exception.

This observation was confirmed at a recent meeting of the Consensus Economic Forecasting Committee (CEFC). At that meeting, held October 26, 2009, the CEFC forecasted continued employment losses through the middle of calendar year 2010, when modest recovery is expected to begin. Similarly, wages and salaries will continue their decline into the early months of 2010 and begin to recover mid-year. Still, on a year over year basis, wages and salaries will show a decline in 2010.

These factors are exercising a dramatic effect on Maine's revenues, as evidenced by the weak performance of most General Fund revenue lines in our forecast over the first four months of the fiscal year. To date, revenues are lagging projections by \$69 million. That lag compounds the losses of approximately \$24 million experienced at the close of FY2009, leaving us currently at approximately \$93 million behind our budgeted revenues, year to date.

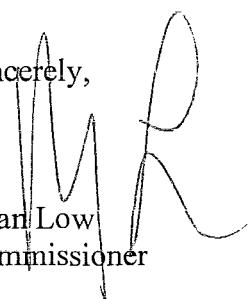
JAN 18 2011

Although the Revenue Forecasting Committee (RFC) will not issue an updated revenue forecast until December 1st, it is anticipated that the revised forecast will be *at least* \$150 million lower than originally projected for FY2010.

In the interest of attaining budget balance, it is important that we begin to curtail allotments as soon as possible, even before the RFC issues its updates projections. I am therefore recommending you curtail \$63,144,713 in allotment as outlined in the attached impact statement.

In addition to the temporary curtailment of allotments in the General Fund, we will soon propose a more comprehensive package of recommendations for supplemental budget proposals for your consideration. The supplemental budget proposals will adjust some of the individual curtailment items and propose additional measures designed to bring the FY10 budget into balance.

Sincerely,


Ryan Low
Commissioner

cc: Honorable Elizabeth H. Mitchell, President of the Senate
Honorable Hannah M. Pingree, Speaker of the House
Honorable Phillip L. Bartlett II, Senate Democratic Leader
Honorable Lisa T. Marrache, Assistant Senate Democratic Leader
Honorable Kevin L. Raye, Senate Republican Leader
Honorable Jonathan T. E. Courtney, Assistant Senate Republican Leader
Honorable John F. Piotti, House Democratic Leader
Honorable Seth A. Berry, Assistance House Democratic Leader
Honorable Joshua A. Tardy, House Republican Leader
Honorable Philip A. Curtis, Assistant House Republican Leader

5 §1668. TEMPORARY CURTAILMENT OF ALLOTMENTS

5 §1668. TEMPORARY CURTAILMENT OF ALLOTMENTS

Whenever it appears to the Commissioner of Administrative and Financial Services that the anticipated income and other available funds of the State will not be sufficient to meet the expenditures authorized by the Legislature, the commissioner shall so report in writing to the Governor, and shall send a copy of the report to the President of the Senate and the Speaker of the House and the majority and minority leaders of the Senate and House. After receiving the report, the Governor may temporarily curtail allotments equitably so that expenditures will not exceed the anticipated income and other available funds. No allotment may be terminated pursuant to this section. Any curtailment of allotments must, insofar as practicable, be made consistent with the intent of the Legislature in authorizing these expenditures. [1991, c. 780, Pt. Y, §49 (AMD).]

The Governor shall immediately upon the curtailment of any allotment, notify the President of the Senate and the Speaker of the House and the majority and minority leaders of the Senate and House of the specific allotments curtailed, the extent of curtailment of each allotment and the effect of each curtailment on the objects and purposes of the program so affected. [1975, c. 771, §77-A (NEW).]

SECTION HISTORY

1975, c. 771, §77-A (NEW). 1985, c. 785, §A59 (AMD). 1991, c. 780, §Y49 (AMD).



JOHN ELIAS BALDACCI

GOVERNOR

STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

November 20, 2009

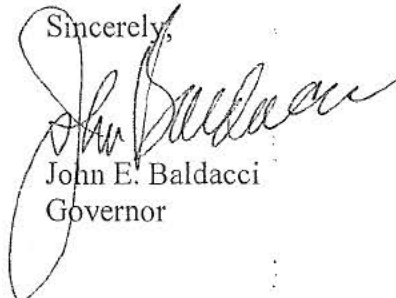
Honorable Elizabeth H. Mitchell, President of the Senate
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Honorable Philip A. Curtis, Assistant House Republican Leader
2 State House Station
Augusta, ME 04333-0002

Dear President Mitchell, Speaker Pingree and Members of Leadership,

Please find attached a copy of the Curtailment Order identifying the specific allotments curtailed, the extent of curtailment of each allotment and the effect of each curtailment on the objects and purposes of the relevant program.

In addition to a temporary curtailment of allotments in the General Fund, I will be proposing a more comprehensive package of recommendations for the FY10 supplemental budget in the coming weeks. The supplemental budget proposal may adjust some of the individual curtailment items and will also provide a plan to bring the General Fund budget for SFY10 back into balance.

Sincerely,



John E. Baldacci
Governor



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OFFICE OF
THE GOVERNOR

NO. _____ 05 FY 10/11
DATE _____ November 20, 2009

**November 20, 2009 ORDER CURTAILING ALLOTMENTS
Pursuant to Title 5 M.R.S.A. Section 1668**

WHEREAS, on November 20, 2009, the Commissioner of Administrative and Financial Services reported to me in writing after receiving communication from the Revenue Forecasting Committee and the advice of his economic advisors within the Maine Revenue Services that the anticipated income and other available funds of the State General Fund will not be sufficient to meet the General Fund expenditures authorized by the 124th Legislature for Fiscal Year 2009-10; and

WHEREAS, the Consensus Economic Forecasting Commission recently met and concluded that while the Maine economy is now beginning to show signs of recovery, the recessionary period was much more severe than reflected in prior forecasts, leaving the state's economic condition in a very fragile condition that will persist throughout the remainder of the current fiscal year; and

WHEREAS, in light of the Maine Constitution's requirement for a balanced budget in each fiscal year, this presents a serious situation that must be addressed forthwith; and

WHEREAS, in these circumstances Title 5 M.R.S.A. Section 1668 provides me with the authority and discretion to curtail allotments "equitably" and in a limited manner so that expenditures in the General Fund will not exceed the anticipated income and other available funds of the State General Fund in Fiscal Year 2009-10; and

WHEREAS, in order to address the anticipated continued shortfall in Fiscal Year 2009-10, I have directed the following review process involving state departments and agencies:

- Departments and agencies were assigned reduction targets for Fiscal Year 2009-10;
- Departments and agencies have presented options and program impact analyses in connection with the reduction targets for Fiscal Year 2009-10;
- Discussions were held with affected departments and agencies about the options and program impact analyses they presented; and
- Proposed reduction options and analyses were evaluated based on a number of factors, including without limitation the following:

- The hierarchy of needs and the impact of proposed reductions in service on public health, safety, education, welfare and effective program operations;
- Whether any such impact would be direct or indirect;
- The extent to which an impact on program beneficiaries could be minimized;
- The extent to which a department or agency had available other resources to support the program or to meet a public service need;
- The extent to which efforts supported by new spending could be delayed to avoid or minimize adverse impacts;
- The extent to which expenditure growth could be reduced so as to minimize any impact on services;
- The extent to which a department or agency may be required to issue rules under the provisions of 5 M.R.S.A. chapter 375 in order to accomplish savings in a timely manner;
- The availability of other options to achieve the same level of savings and avoid or minimize any impact on services to the public;
- Whether an option avoids termination of a program or service; and
- Whether proposed reductions could be made in a fair and equitable manner, and preserve insofar as practicable the intent of the Legislature.

WHEREAS, in ordering these curtailments, I have followed the guiding principles set forth in Title 5 M.R.S.A. Section 1668, the Superior Court's decision in Butterfield et al. v. Department of Human Services CV-91-29 (Kennebec Cty., Jan 17, 1991)(Alexander, J.), and the June 18, 2002 guidance letter from Attorney General Steven Rowe; and

WHEREAS, reliance upon said factors constitutes a rational, reasonable, fair, just and therefore equitable means by which to exercise discretion in the curtailment of allotments; and

WHEREAS, the allotment curtailments ordered herein are made, insofar as practicable, consistent with the intent of the 124th Legislature by minimizing the impact to services involving protection and/or promotion of the health and safety of the public, the educational welfare of our students, and the effective operation of state government; and

WHEREAS, this order is a temporary measure designed to reduce expenditures so that they will not exceed the anticipated income and other available funds until such time as the Legislature can act; and

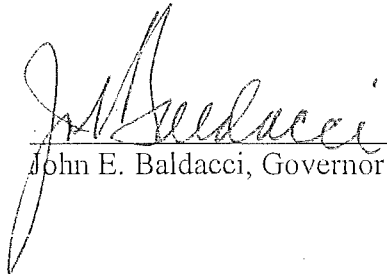
WHEREAS, I intend to propose a more comprehensive package of recommendations for the Legislature's consideration during the 2nd Regular Session of the Legislature in the form of a supplemental budget that will, in part, negate the need for some of these curtailments if adopted;

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine, do hereby order the Commissioner of Administrative and Financial Services to curtail Fiscal Year 2009-10 quarterly allotments by \$63,144,713 in the General Fund accounts as specified in the attached financial order.

Any portion of this Order declared by a court of this State to be invalid as a matter of law shall be severed from those portions not so declared, and shall be subject to revision by a subsequent Order.

Effective Date

The effective date of this Executive Order is November 20, 2009.



John E. Baldacci, Governor

Attachment (Financial Order)

State of Maine
Executive Department
FINANCIAL ORDER

005539 F0

APPROVED

11/20/09 NOV 20 2009

GOVERNOR

ORDERED,

That the State Controller is directed to authorize adjustments to the work program for departments and agencies in accordance with the line category breakdown of the attached work program forms for the Fiscal Year Ending June 30, 2010, for which this shall be our sufficient warrant.

Statement of Fact

On November 1, 2009 the Consensus Economic Forecasting Committee updated its forecast, concluding that although the Maine economy is beginning to exhibit signs of recovery, the recessionary period was much more severe than projected, leaving Maine's economy in a very fragile state that will persist throughout the remainder of the current fiscal year. General Fund revenues over the first four months of fiscal year 2009-10 are lagging projections by \$69 million. That lag compounds the losses of more than \$24 million at the close of fiscal year 2008-09, leaving revenues at approximately \$93 million behind budgeted levels, year to date.

The Commissioner of the Department of Administrative and Financial Services officially reported to the Governor on November 20, 2009 that anticipated income and other available funds of the State will not be sufficient to meet expenditures authorized by the Legislature for fiscal year 2009-10. In response to the Commissioner's notice, the Governor issued an Executive Order for the curtailment of General Fund allotments in fiscal year 2009-10 in the amount of \$63,144,713. Pursuant to 5 MRSA §1668 this financial order complements that curtailment.

Signature of Department Head

RYAN LOW, COMMISSIONER

Name and Title

FOR BUREAU OF THE BUDGET USE ONLY

Signature of State Budget Officer

Policy Area: 00 - Governmental Support and Operations

Umbrella: ADM00 - DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

Agency Contact: ELAINE BABB

Agency Phone: (207) 624-7413

PJ 11/30/09

Impact of Curtailments

| Department | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|-------------------------------------|------|-------------------------------------|---------------|------------------------------|---|---|
| DAFS | | | | | | |
| ADM | 010 | Accident, Sickness Health Insurance | 2 | (200,000) | Reduces the contribution from the General Fund to the Firefighters/Law Enforcement Officers Health Insurance Program Fund due to a lower participation rate in the program. | No impact on program or participants. |
| ADM | 010 | Veterans Tax Reimbursement | 2 | (19,254) | Deappropriates one time savings in the Veterans Tax Reimbursement Program. | Maine Revenue Services does not anticipate any additional claims to be paid for the Veterans Tax Reimbursement Program during fiscal year 2009-10 as all reimbursement claims for the current fiscal year have been processed. There will be no impact on the program or its beneficiaries. |
| ADM | 010 | Bureau of Revenue Services | 2 | (50,000) | Reduces funding for contractual services. | Maine Revenue Services will decrease its use of contractual services provided by Kelly Services to achieve savings. |
| ADM | 010 | Bureau of Revenue Services | 2 | (60,000) | Reduces funding for technology costs through a reprogramming of the data warehouse for Maine Revenue Services. | Maine Revenue Services will undertake a reprogramming of the data warehouse to achieve savings. |
| ADM | 010 | Bureau of Revenue Services | 2 | (75,000) | Reduces funding in All Other for the econometric models used for revenue forecasting. | Maine Revenue Services has determined that the cost for the econometric models used for revenue forecasting will be less than the amount budgeted for the models resulting in savings. |
| DAFS Savings Subtotal | | | | | | (404,254) |
| Agriculture | | | | | | |
| AGR | 010 | Animal Health & Industry | 2 | (35,000) | Reduces funding by recognizing one-time savings achieved by reducing division travel, rents and general operations to maintain costs within available resources. | Reduces All Other funding to maintain costs within available resources. |
| AGR | 010 | Quality Assurance & Regulation | 2 | (5,000) | Reduces funding by recognizing one-time savings achieved by reducing rents and professional services, not by state to maintain costs within available resources. | Reduces All Other funding to maintain costs within available resources. |
| Agriculture Savings Subtotal | | | | | | (40,000) |
| Arts Commission | | | | | | |
| ARV | 010 | Arts - Administration | 2 | (4,500) | Reduces funding by limiting in-state travel for agency employees. | The Agency's staff travel all over the state to participate in meetings, speak to constituents, visit organizations and projects that have been funded, etc. Staff will have to depend on technology for such communication in the future. |
| ARV | 010 | Arts - Administration | 2 | (3,500) | Reduces funding by limiting special projects. | The <i>Maine Alliance for Arts in Education</i> project and the <i>Maine Youth Excellence in Art</i> project will have limited funding. |
| ARV | 010 | Arts - Administration | 2 | (2,000) | Reduces funding for honoraria awarded to art professionals who agree to jury the Individual and Traditional Arts Fellowships Awards. | Reduction of honorarium fees will limit the number of jurors that can be invited to participate in this program. |
| ARV | 010 | Arts - Administration | 2 | (1,000) | Reduce funds for the acquisition of better editing tools and microphones. | Failure to upgrade equipment will impact the quality of the recording and archiving of arts events in Maine, thus impacting the relevancy of the Commission to the field it serves. |

| Department | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|---------------------|------|----------------------------|---------------|------------------------------------|---|---|
| ARV | 010 | Arts - Administration | 2 | (1,500) | Eliminate support for the New England Consortium of Artist-Educator Professionals' annual conference. | The NECAP is dedicated to the growth and development of artists of all disciplines who work in educational settings. Reducing Commission support will put increased strain on NECAP's resources. |
| ARV | 010 | Arts - Administration | 2 | (3,250) | Eliminate funds for employee training. | The Agency values its staff's professional development and management will work hard to find other ways in which to augment the staff's skills. |
| ARV | 010 | Arts - Administration | 2 | (2,780) | Reduce funds to support the conference The Juice Conference | The Juice Conference connects all Mainers involved in the creative economy. It fosters growth and prosperity, weaving together the arts, technology, and entrepreneurship, inspiring innovation. A reduction in funding may impact the quality and scope of the conference. |
| ARV | 010 | Arts - Administration | 2 | (5,593) | Reduce funds for Agency's promotional materials | Agency materials, such as potential methods of outreach will be cut as will some funding allocated for a new, professional display booth to be used at conferences and gatherings of all kinds. |
| ARV | 010 | Arts - Administration | 2 | (4,000) | Reduce funding by limiting in-state travel of all the Agency's committee members. | The Agency reimburses its 70+ volunteer committee members for their mileage when traveling to Commission meetings or meetings in Augusta. Committee members will be asked to bear mileage costs themselves, which may impact their ability to continue volunteering. |
| | | | | | Arts Commission Savings Subtotal | (28,123) |
| Audit | | | | | | |
| AUD | 010 | Audit | 1 | (13,589) | Allocates 70% of Staff Auditor position to Other Special Revenue Fund. | Results in federal government assuming allocated costs of statewide single audit. |
| AUD | 010 | Audit | 1 | (36,606) | Deappropriates anticipated salary savings. | Delays in filling vacancies impacts Audit's ability to meet established due dates for the annual Single Audit. |
| | | | | | Audit Savings Subtotal | (50,195) |
| Conservation | | | | | | |
| CON | 010 | Office of Commissioner | 2 | (2,880) | Reduces funding for landline phones in District Forester Offices | District Foresters will eliminate land line phones and use cellular phones. |
| CON | 010 | Parks - General Operations | 2 | (60,000) | Reduces funding for general operating expenses in fiscal year 2009-10. | Reduces operating budget for state parks and historic sites. |
| CON | 010 | LURC | 2 | (10,000) | Reduces funding for travel and general operating expenditures for the biennium. | This one-time reduction will reduce staff travel in both years, and operating expenditures in fiscal year 2009-10. |
| CON | 010 | Geological Survey | 2 | (2,720) | Reduces funding for contracts and field expenses in fiscal year 2009-10. | Reduces operating budget in fiscal year 2009-10. |
| | | | | | Conservation Savings Subtotal | (75,600) |
| Corrections | | | | | | |
| COS | 010 | Mt View Youth Center | 2 | (2,030) | Reduces funding through decreased dependence on fossil fuel with the installation of a wood pellet fuel system at the Mountain View Youth Development Center. The system is anticipated to be online sometime in the fourth quarter FY10. | Anticipates reduced cost to heat the Mountain View Youth Correctional Center through the use of alternative fuel sources (wood pellets). |
| | | | | | Corrections Savings Subtotal | (2,030) |

| Department | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|--------------------------------|------|--------------------------------------|---------------|------------------------------|---|---|
| Economic & Cmty Dev | | | | | | |
| ECC | 010 | Office of Innovation | 2 | (381,071) | Reduces funding from savings achieved from reductions in strategic planning initiatives and administrative costs. | This amount is part of the pass-through grant for the Maine Technology Institute. The MTI Board's goal is to maintain the program awards to companies and clusters to the maximum extent possible. This cut will impact initiatives arising from the current strategic planning process and will also reduce some administrative costs. |
| | | | | | DECD Savings Subtotal | (381,071) |
| Bd of Education | | | | | | |
| EDB | 010 | State Board of Education | 2 | (4,067) | Reduces funding in operational costs for the State Board of Education. | Reduces professional services to bring appropriations in line with reduced funding. |
| | | | | | Bd of Education Savings Subtotal | (4,067) |
| Education | | | | | | |
| EDU | 010 | General Purpose Aid | 2 | (38,098,223) | Reduces funding for General Purpose Aid subsidy to school administrative units. | Reduces funding for General Purpose Aid subsidy to school administrative units to bring appropriations in line with reduced funding. |
| EDU | 010 | Professional Development & Education | 2 | (4,500) | Reduces funding for the Department of Education's Professional Development Education Fund that supports staff enrollment in post secondary courses. | Reducing these resources will result in fewer opportunities for staff to access professional development coursework. |
| | | | | | Education Savings Subtotal | (38,102,723) |
| Executive/GO | | | | | | |
| EXE | 010 | Governor's Office | 2 | (61,324) | Reduces funding on a one-time basis for general operations to maintain costs within available resources. | General operations will be maintained within available resources. |
| EXE | 010 | Blaine House | 2 | (1,100) | Reduces funding for contractual services utilized to assist in the Blaine House. | Expenditures will be reduced to available resources to meet the targeted reductions. |
| EXE | 010 | Blaine House | 2 | (1,500) | Reduces funding for out of state travel. | Expenditures will be reduced to available resources to meet the targeted reductions. |
| EXE | 010 | Blaine House | 2 | (1,000) | Reduces funding for food allowance. | Expenditures will be reduced to available resources to meet the targeted reductions. |
| | | | | | Executive Office Savings Subtotal | (64,924) |
| State Planning Office | | | | | | |
| EXS | 010 | Planning Office | 2 | (79,053) | Reduces funding on a one-time basis in fiscal years 2009-10 and 2010-11 to stay within projected available resources. | The reduction for FY 10 comes from amounts that were budgeted for technical assistance grants. FY 11 reductions are from various grants and contracts for technical assistance, which will be absorbed by existing staff or reduced. |
| | | | | | State Planning Office Savings Subtotal | (79,053) |

| Departn | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|--------------------------------|------|---|---------------|------------------------------|--|---|
| Health & Human Svcs | | | | | | |
| HHS | 010 | Mental Health Services - Community | 2 | (1,341,864) | Reduces funding for non-Medicaid services other than housing and medication management. | Reductions of \$350,000 payments to 6 hospitals for involuntary psychiatric admissions for uninsured patients; reductions to reimbursements for a variety of community supports for uninsured persons, reductions in support for family support, respite and public education, consolidation of warm line services and reductions in training funds. |
| HHS | 010 | Mental Retardation Services - Community | 2 | (808,256) | Reduces funding by decreasing room and board subsidies. | Developmental Services provides rent subsidy to offset room and board costs that are not sufficiently covered by individuals' SSI or other benefits for group homes. This initiative curtails 51 current contracts in FY10 and impacts a total of 1,069 individuals. |
| HHS | 010 | Consumer Directed Services | 2 | (125,000) | Reduces funding from the Consumer Directed Services program. | \$72,000 will be reduced by no longer reimbursing spouses for providing care and by \$53,000 reducing the number of hours of personal care services. |
| HHS | 010 | Mental Health Services - Children | 2 | (310,000) | Reduces funding for non-MaineCare children's crisis services. | Last year, 6,049 children in Maine received crisis services through this funding stream. This curtailment will result in a funding reduction to six community agencies which currently provide children's mobile crisis services. Medicaid seed funding in the amount of \$2.26 million will continue to be available to provide services to those eligible. |
| HHS | 010 | Purchased Social Services | 2 | (150,000) | Reduces funding for contracted services for a variety of community supports. | Funding for a number of organizations will be reduced; these organizations receive funding from varied sources. Funding to the Shaw House will be reduced by \$10,892; funding for Crossroads for Women will be reduced \$7,474; funding for Family Planning will be reduced by \$89,879; and funding for Maine Children's Trust will be reduced by \$41,795. |
| HHS | 010 | Iv-E Foster Care/Adoption Assistance | 2 | (112,500) | Reduces funding by streamlining adoptive family recruitment using technology. | This reduces a contract to a single provider, International Adoption Services Center (IASC), whose purpose is to recruit permanent families for children in foster care. Services previously provided by IASC will be replaced in part by a new website service. In addition, child welfare staff will assume the tasks previously provided by IASC. |
| HHS | 010 | Long Term Care - Human Services | 2 | (187,500) | Reduces funding by managing utilization of the homemakers program. | This initiative reduced funding in a single contract with Catholic Charities of Maine. It will decrease the number of monthly allowable hours of service and tightens eligibility criteria to focus on individuals who are at greatest risk of harm or significant physical, mental or cognitive deterioration due to lack of other family and community supports and whose deterioration poses a risk of placement in a long-term care facility. |
| HHS | 010 | Office of Elder Services - Central Office | 2 | (250,000) | Reduces funding for non-Medicaid adult day services and other supportive/ administrative services. | This initiative reduces funding for adult day services by reducing hours of support. Funding for a contract for case aids will be reduced by \$103,000. Contracts for occupational therapy consultation will also be reduced. |

| Department | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|------------------------------|------|---|---------------|------------------------------|---|--|
| HHS | 010 | Medical Care - Payments to Providers | 2 | (6,782,239) | Reduces funding due to a retroactive increase in the FMAP rate for the 4th quarter of SFY09. | No impact on program or participants. This reflects the impact of an increase in the federal match rate on the need for General Fund resources. |
| HHS | 010 | Medical Care - Payments to Providers | 2 | (682,231) | Reduces funding due to a retroactive increase in the FMAP rate for the 4th quarter of SFY09. | No impact on program or participants. This reflects the impact of an increase in the federal match rate on the need for General Fund resources. |
| HHS | 010 | Maternal & Child Health Block Grant Match | 2 | (400,000) | Reduces funding for the Maternal and Child Health program not required for match. | This initiative will reduce the General Fund account for the Maine Center for Disease Control. This includes a reduction in FY10 of \$400,000 in funds that carried from a previous year and FY11 reductions in the Office of the Maine CDC Director. |
| | | | | | Health & Human Services Savings Subtotal | (11,149,590) |
| Historic Preservation | | | | | | |
| HIV | 010 | Historic Preservation Commission | 2 | (11,750) | Reduces funding by transferring operational expenditures from the General Fund to the Federal Expenditures Fund. | Reduces the ability to use Federal funds for external grants to identify and protect historic properties. |
| | | | | | Historic Preservation Savings Subtotal | (11,750) |
| MaineHousing | | | | | | |
| HOV | 010 | MaineHousing | 2 | (15,329) | Reduces funding allocated to homeless shelters to provide temporary housing for people who are homeless. | Less funds will be available and allocated to shelters and fewer people who are homeless will have access to shelters. |
| | | | | | MaineHousing Savings Subtotal | (15,329) |
| Human Rights | | | | | | |
| HUL | 010 | Maine Human Rights Commission | 2 | (12,779) | Reduces funding for General Operations, Travel Expenses - In State, Rents, Repairs and Office and Other Supplies. | This will reduce expenditures in General Operations, Travel Expenses - In State, Rents, Repairs and Office & Other Supplies. The commission will not have sufficient funding to maintain office operations that support enforcement of Maine's anti-discrimination statutes. |
| | | | | | Human Rights Savings Subtotal | (12,779) |
| Judicial Branch | | | | | | |
| JUD | 010 | Courts | 2 | (50,000) | Reduces funding for jury expenses | Management of jury schedules will reduce expenses. This will slow the rate for cases to reach trial. |
| JUD | 010 | Courts | 2 | (500,000) | Reduce funding for indigent legal services related to criminal filings. | Downward trend in criminal dockets reduces the funding requirement for indigent legal costs. |
| JUD | 010 | Courts | 2 | (210,000) | Reduce funding for indigent legal services related to child protections cases. | Reduction in child protection cases reduces the funding requirement for indigent legal costs. |
| JUD | 010 | Courts | 2 | (10,000) | Reduce funding for employment advertising. | Reduced hiring will result in less funding needed for advertising. |
| JUD | 010 | Courts | 2 | (30,000) | Reduce funding for start-up costs for interpreter services. | Start-up costs for interpreter services are coming in slower than expected. |
| | | | | | Judicial Savings Subtotal | (800,000) |

| Departn | Fund | Program | Line Category | 2010 General Fund Approp Adj | tiative Description | Program Impact |
|----------------------------|------|-------------------------------------|---------------|------------------------------------|---|--|
| Labor | | | | | | |
| LAB | 010 | Governor's Training Initiative | 2 | (438,000) | Reduces funding to meet departmental cost reduction targets. | The reduction of funding available for training under the Governor's Training Initiative Program will likely mean that fewer employers, fewer incumbent workers and fewer new hires will be served. |
| | | | | | Labor Savings Subtotal | (438,000) |
| State Library | | | | | | |
| LIB | 010 | Special Acquisitions | 2 | (475) | Reduces funding in the Library Special Acquisitions program. | Eliminates funding in the Library Special Acquisitions program. These funds will no longer support any town histories. |
| LIB | 010 | Maine State Library | 2 | (9,000) | Reduces funding from the book budget. | The library will reduce the number of books purchased. |
| | | | | | State Library Savings Subtotal | (9,475) |
| Marine Resources | | | | | | |
| MAR | 010 | Resource Management | 2 | (32,761) | Reduces funding for librarian services and delays routine maintenance on the Boothbay Harbor Laboratory. | The contractual services with Bigelow Laboratory has reduced the working hours of the Librarian from 13 hours per week to 5 hours per week and routine maintenance on the facility has been delayed. |
| MAR | 010 | Marine Patrol | 2 | (1,000) | Reduces funding for the printing of law books. | Law books are now available on-line, so impact will be minimal. |
| MAR | 010 | Office of the Commissioner | 2 | (700) | Eliminates funding for the printing of tide charts. | Tide charts have been provided free to walk-in commercial fishermen. This information is readily available elsewhere. |
| | | | | | Marine Resources Savings Subtotal | (34,461) |
| ME Maritime Academy | | | | | | |
| MAT | 010 | Maine Maritime Academy - Operations | 2 | (263,403) | Reduces funding through reductions in all non-essential spending. | Reductions in non-essential spending such as travel, purchasing, maintenance and the filling of vacant positions will be made institution-wide. Impact on students will be minimized. |
| | | | | | MMA Savings Subtotal | (263,403) |
| State Museum | | | | | | |
| MUS | 010 | Maine State Museum | 2 | (3,465) | Reduces funds by eliminating phone and data lines, reducing supply purchases for exhibit maintenance and education programs | Phone and data lines will be consolidated or eliminated where practical; office and exhibit maintenance supplies will be cut or deferred. |
| | | | | | Museum Savings Subtotal | (3,465) |

| Department | Fund | Program | Line Category | 2010 General Fund Approp Adj | Initiative Description | Program Impact |
|-------------------------|------|---|---------------|------------------------------|---|--|
| Public Safety | | | | | | |
| PUS | 010 | State Police | 2 | (7,000) | Eliminates funding for pagers for the State Police. | This initiative eliminates funding for pagers. Alternative communication devices such as cell phones will be used exclusively. |
| PUS | 010 | Gambling Control Board | 2 | (30,000) | Reduces costs for Scientific Games contract due to lower gaming activity. | This reduction is based on the current gaming activity and will not result in a decrease in quality of the program. |
| PUS | 010 | Drug Enforcement Agency | 3 | (2,000) | Delays replacing central fleet vehicles until they reach 125,000 miles. | Driving vehicles past the 125,000 mile mark decreases the reliability and the safety of the vehicles. This puts MDEA's vehicles under the same replacement guidelines as the Bureau of State Police vehicles. |
| PUS | 010 | Liquor Enforcement | 2 | (3,000) | Eliminates funding for radios for the Liquor Licensing unit. | This initiative eliminates funding for radios. Alternative communication devices such as cell phones will be used exclusively. |
| | | | | | Public Safety Savings Subtotal | (42,000) |
| Cnty College Sys | | | | | | |
| TEB | 010 | Maine Community College System Bd of Trustees | 2 | (1,676,873) | Reduces funding by implementing a 4% reduction in expenses to maintain costs within available resources. | A 4% reduction will be realized in the current year with minimal impact to students, as these cuts are occurring in the middle of the academic year. Reductions will be taken in operating expenses that do not impact academics. |
| | | | | | ME Cnty College System Savings Subtotal | (1,676,873) |
| Treasury | | | | | | |
| TRE | 010 | Debt Service - Treasury | 2 | (3,485,483) | Reduces funding for debt service based on updated projections for the bond package approved by the Legislature in Public Law 2009, chapter 414 coupled with revisions to the interest rate assumptions. | Based on the cash flow requirements / issuance schedule for the bond package approved in PL 2009, c. 414 along with changes to the interest rate assumptions, Treasury has updated it's debt service projections and now estimates that less funding will be required to meet debt service costs than what was appropriated in c. 213. |
| | | | | | Treasury Savings Subtotal | (3,485,483) |
| Univ ME System | | | | | | |
| UNI | 010 | Educational & Gen'l Activities - UMS | 2 | (5,970,065) | Reduces costs for general operations of the University system. | System-wide reductions in spending will be instituted. This will include, but is not necessarily limited to reductions in the purchase of instructional materials, lab equipment, library acquisitions and necessary facility repairs. Some campuses may also have to reduce campus security details and student employment. |
| | | | | | UMS Savings Subtotal | (5,970,065) |

Total Allotments Curtailed (63,144,713)