

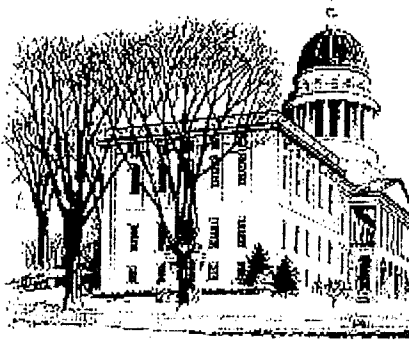
MAINE STATE LEGISLATURE

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STATE OF MAINE
REVENUE FORECASTING COMMITTEE




Members:

Jerome Gerard, Chair, Acting State Tax Assessor
James Breece, University of Maine System
Marc Cyr, Principal Analyst, Office of Fiscal and Program Review
Michael LeVert, State Economist
Grant Pennoyer, Director, Office of Fiscal and Program Review
Ellen Jane Schneiter, State Budget Officer

December 1, 2009

TO: Governor John Baldacci
Members, 124th Legislature

FROM:  Jerome Gerard, Chair
Revenue Forecasting Committee

RE: **Summary of December 2009 Revenue Forecast**

The Revenue Forecasting Committee (RFC) met on November 20, 2009 to review the revenue forecast and has revised its revenue projections through the fiscal year ending June 30, 2013 for the General Fund, Highway Fund, Fund for a Healthy Maine and the Medicaid Dedicated Revenue Taxes to comply with the statutory December 1st reporting date. This letter with attachments represents the summary of the major findings and recommendations of the RFC. A more detailed report will be available and posted to the RFC's web site as soon as it is completed.

As with the May 2009 forecast, the major driver of this December 2009 revision is once again the change in the Personal Income variable within the economic forecast. While the national and regional economic forecasts have stabilized since the last forecast, it was a late release in October of new Personal Income estimates and historical revisions from the federal Bureau of Economic Analysis that showed a significant decline in the first quarter of calendar year 2009. These revisions and estimates resulted in the Consensus Economic Forecasting Commission (CEFC) making significant changes to the April 2009 forecast. The CEFC report is available on the web at:

http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/consensus_economic_forecast/nov2009_full_report.pdf

The revised economic forecast variables entered into the tax models produced significant reductions to projections for individual income and sales taxes throughout the forecast period with the most significant decreases in the current fiscal year. Using the Personal Income revisions and updated estimates of the Bureau of Economic Analysis the tax models had a much easier time targeting actual experience than during the previous forecast in May. The revisions to Personal Income also explain why almost immediately after the May forecast General Fund revenue began falling short of projections. The RFC and the CEFC have been meeting jointly and will continue to try and improve our forecasting processes.

As with prior revenue forecasts in this recession, the RFC feels the need to express concern regarding the difficulty forecasting economic variables in this extremely volatile economic environment. While the national economic forecasts have stabilized, underlying these forecasts is an assumption that the federal government will implement a new federal stimulus, although not necessarily in the same form as the last package, that will contain continued support for state and local governments. Without that additional stimulus, there would be greater negative effects on employment and incomes. Also, the dramatic effect of the current recession on the consumer has produced the only period of substantial and sustained declines in taxable sales on record. We are in uncharted waters with regard to consumers' reactions to this recession and have concerns that the tax models may still not be capable of adequately capturing consumer behavior. While there is some hope that the economic picture has stabilized and a bottom to the current recession is in sight, this economy and the consumer psyche seem very susceptible to turning minor economic disappointments into major factors.

The following tables and narratives along with the attachments highlight the changes to each of the major funds and revenue sources included in this December 2009 forecast of the RFC. The revision in this forecast represents the second largest downward revision in the history of the RFC, but it is following on the heels of the largest downward revision in May 2009. Both of these revisions were driven by the most significant adjustments to the economic forecast in the CEFC's history.

General Fund Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$2,811,368,295	\$2,856,672,022	\$2,897,906,844	\$2,939,347,762	\$3,035,880,679
Annual % Growth	-9.0%	1.6%	1.4%	1.4%	3.3%
Net Increase (Decrease)		(\$209,426,401)	(\$174,280,065)	(\$164,840,467)	(\$146,964,264)
Revised Forecast	\$2,811,368,295	\$2,647,245,621	\$2,723,626,779	\$2,774,507,295	\$2,888,916,415
Annual % Growth	-9.0%	-5.8%	2.9%	1.9%	4.1%
Summary of Revenue Revisions by Major Revenue Category					
Sales and Use Tax		(\$41,299,662)	(\$37,565,833)	(\$30,155,311)	(\$19,060,080)
Individual Income Tax		(\$166,824,369)	(\$134,262,023)	(\$133,555,147)	(\$126,200,720)
Corporate Income Tax		(\$26,651,578)	(\$24,548,643)	(\$25,203,429)	(\$26,818,783)
Cigarette and Tobacco Tax		\$2,258,197	\$2,039,384	\$1,542,892	\$1,588,486
Estate Tax		(\$531,543)	(\$206,299)	(\$850,026)	(\$1,142,098)
Other Taxes and Fees		\$3,761,155	(\$1,317,879)	(\$1,020,112)	(\$700,777)
Fines, Forfeits and Penalties		(\$11,357,110)	(\$13,225,010)	(\$13,225,010)	(\$13,225,010)
Income from Investments		(\$1,140,326)	(\$169,053)	(\$169,053)	(\$169,053)
Transfer to Tax Relief Programs		\$4,893,636	\$6,415,208	\$9,076,107	\$10,838,630
Transfer to Municipal Rev. Sharing		\$11,204,406	\$10,092,712	\$9,493,987	\$8,741,870
Other Revenues		\$16,260,793	\$18,467,371	\$19,224,635	\$19,183,271
Total Revisions - Increase (Decrease)		(\$209,426,401)	(\$174,280,065)	(\$164,840,467)	(\$146,964,264)

The RFC revised the General Fund revenue forecast downward for FY10 by \$209.4 million and downward for FY11 by \$174.3 million, a total reduction of \$383.7 million over the 2010-2011 biennium (also see Attachment A). The reduction to FY10 results in a decline in revenue of \$164.1 million compared to the actual revenues received in the prior year. Although modest growth year-over-year is projected after FY10, that growth is now coming off a much lower revenue base in FY10 such that

General Fund revenue will not recover to its former peak in FY08 within the forecast period. Although Personal Income growth rates in the revised economic forecast actually are higher than in the April economic forecast for calendar year 2010 and thereafter, the drop in calendar year 2009 produces significant enough reductions in the base to drive the forecast downward by \$164.8 million in FY12 and \$147.0 million in FY13. *With these changes General Fund revenue in FY13 is now projected to be almost \$200 million below its peak in FY08 and almost \$43 million below what was received in FY06.*

The change in economic forecast produced total 2010-2011 biennium gross reductions to the major revenue sources (Sales and Use Tax, Individual Income Tax and Corporate Income Tax) that exceed the total downward revision in the General Fund forecast. Even after netting out the offsetting General Fund revenue effect of the reductions to Transfers for Municipal Revenue Sharing, these net downward revisions from these tax lines represent nearly 107% of the total 2010-2011 biennium revisions in this forecast. Because the changes to these major tax lines are so substantial and because they determine the amount of revenue sharing, this forecast also significantly reduces the amount of projected revenue sharing by \$21.3 million during the 2010-2011 biennium and an \$11.2 million or a 10% decline in FY10.

The other components of this General Fund revenue forecast produce a net upward revision totaling \$26.2 million during the 2010-2011 biennium. Within this other group of revenue sources, there were some elements that were revised downward, such as Judicial Branch revenue, Corporation Fees and Licenses, Income from Investments and Unclaimed Property Transfer. However, the significant changes in MaineCare Targeted Case Management revenue, Transfers to Tax Relief Program, Tobacco Products Tax revenue, Milk Handling Fee and Racino Revenue more than offset these relatively small adjustments in this "other" group. Targeted Case Management (DHHS) revenue alone was increased by \$15.1 million for the biennium largely due to the rescission of certain federal rules that had limited billing for these services. The other significant upward revision was in Transfers to Tax Relief Programs, revised upward by \$11.3 million for the current biennium.

Highway Fund Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$324,242,149	\$312,741,439	\$308,694,108	\$314,447,011	\$320,266,617
Annual % Growth	-1.2%	-3.5%	-1.3%	1.9%	1.9%
Net Increase (Decrease)		(\$7,253,264)	(\$7,067,777)	(\$7,590,576)	(\$8,811,576)
Revised Forecast	\$324,242,149	\$305,488,175	\$301,626,331	\$306,856,435	\$311,455,041
Annual % Growth	-1.2%	-5.8%	-1.3%	1.7%	1.5%
Summary of Revenue Revisions by Major Revenue Category					
Fuel Taxes		(\$5,013,500)	(\$4,819,250)	(\$5,540,750)	(\$6,761,750)
Motor Vehicle Registration & Fees		(\$1,630,701)	(\$1,544,383)	(\$1,264,107)	(\$1,264,107)
Inspection Fees		(\$110,887)	(\$110,887)	(\$165,887)	(\$165,887)
Fines, Forfeits and Penalties		(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)
Income from Investments		(\$58,615)	(\$153,696)	(\$153,696)	(\$153,696)
Other Revenues		(\$389,561)	(\$389,561)	(\$416,136)	(\$416,136)
Total Revisions - Increase (Decrease)		(\$7,253,264)	(\$7,067,777)	(\$7,590,576)	(\$8,811,576)

Highway Fund revenue estimates were revised downward by \$14.3 million for the 2010-2011 biennium, \$7.3 million in FY10 and \$7.1 million in FY11 (also see Attachment B). The forecast for the 2012-2013 biennium was lowered by \$16.4 million. While there was generally weak performance across the board

resulting in downward revisions in all major categories, the largest downward revision was in the Fuel Taxes category. The significant changes to the calendar year 2009 Personal Income growth in the economic forecast resulted in a tax model forecast that would have revised revenue downward in the Fuel Taxes category alone by \$16.6 million for the current biennium. The changes to the Consumer Price Index were not a significant factor in this forecast with no changes to fuel tax rates until FY13 and even then only a \$0.001 change. However, the RFC chose not to revise Fuel Taxes to this extent based on recent performance. While special fuel (primarily diesel fuel) consumption has been declining consistent with the forecast, gasoline consumption has been increasing. As a result, the RFC left the gasoline tax projections unchanged and only revised the estimates for special fuels. Even so, the changes to special fuel revised the 2010-2011 biennium estimates for the Fuel Tax category downward by \$9.8 million.

While the other revenue categories are not projected using the tax models and the economic forecast, the economy has affected all of the categories from motor vehicle fees to requests for motor vehicle and driver records. The "cash for clunkers" program provided a temporary boost to automobile sales early in the current fiscal year, but it was only able to keep collections close to the May 2009 forecast. Without that stimulus, future projections are expected to be below projections. The largest downward revision, other than fuel taxes, was the adjustment made to revenue from the long-term trailer program. This program has had significant volatility over the years and appears to be very susceptible to economic downturns. The revenue from this program was revised downward by \$1.2 million annually in each year of the forecast.

Fund for a Healthy Maine Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$68,409,736	\$59,654,050	\$57,094,004	\$62,802,729	\$62,590,944
Annual % Growth	10.3%	-12.8%	-4.3%	10.0%	-0.3%
Net Increase (Decrease)		\$521,643	\$222,282	\$1,156,892	\$864,774
Revised Forecast	\$68,409,736	\$60,175,693	\$57,316,286	\$63,959,621	\$63,455,718
Annual % Growth	10.3%	-12.0%	-4.8%	11.6%	-0.8%
Summary of Revenue Revisions by Major Revenue Category					
Tobacco Settlement Payments:					
- Base Payments		(\$540,163)	(\$867,377)	(\$111,090)	(\$469,991)
- Strategic Contribution Payments		\$383,708	\$316,672	\$340,096	\$216,940
Racino Revenue		\$685,860	\$791,908	\$941,504	\$1,129,067
Income from Investments		(\$7,762)	(\$18,921)	(\$13,618)	(\$11,242)
Total Revisions - Increase (Decrease)		\$521,643	\$222,282	\$1,156,892	\$864,774

The Fund for a Healthy Maine (FHM) revenue forecast was revised upward in each year of the forecast (also see Attachment C). The current biennium is revised upward by \$0.7 million. Net downward reductions for tobacco settlement payments were more than offset by sizeable increases in the former, very conservative projections of revenue from slot machine revenue from Hollywood Slots in Bangor, referred to as Racino Revenue.

Estimates for payments under the Master Settlement Agreement (MSA) were revised downward largely due to the underlying assumptions for the volume adjustment under the agreement that adjusts the amount of payments based on a comparison of the total volume of cigarettes sold in a given payment year versus the volume sold in 1997 by the Original Participating Manufacturers to the MSA. The

volume adjustment was revised significantly downward in the May 2009 forecast due to the federal cigarette tax increase. The split between Base Payments and the Strategic Contribution payments that began in FY08 are being adjusted to reflect better estimates of their respective shares of the total.

Beginning in FY06, total payments under the MSA have been affected by legal proceedings under the MSA regarding certain disputed payments by the participating manufacturers. At that time, some participating manufacturers chose to withhold, or place into an escrow account, the portion of their payment amounts that was the subject of these disputes. The estimated amount of withholding has been reduced in the short-term producing an increase to the revenue estimates in FY10 that partially offsets the effect of the other forecast adjustments. This forecast still assumes that Altria/Philip Morris, consistent with past practice, makes its full payments under the MSA and will not withhold or place into an escrow account disputed payments as other participating manufacturers have done. While there have been no indications of any change in policy, this key assumption introduces some substantial risk to the forecast as a decision by Altria/Philip Morris to withhold this coming April would result in a reduction in total payments of an estimated \$1.7 million.

Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$138,029,363	\$140,725,802	\$140,821,696	\$140,919,988	\$141,020,738
Annual % Growth	6.0%	2.0%	0.1%	0.1%	0.1%
Net Increase (Decrease)		(\$2,398,548)	(\$3,265,891)	(\$3,364,183)	(\$3,464,933)
Revised Forecast	\$138,029,363	\$138,327,254	\$137,555,805	\$137,555,805	\$137,555,805
Annual % Growth	6.0%	0.2%	-0.6%	0.0%	0.0%
Summary of Revenue Revisions by Major Revenue Category					
Hospital Tax		(\$862,348)	(\$862,348)	(\$862,348)	(\$862,348)
Service Provider Tax (PNMIs)		(\$1,536,200)	(\$2,403,543)	(\$2,501,835)	(\$2,602,585)
Total Revisions - Increase (Decrease)		(\$2,398,548)	(\$3,265,891)	(\$3,364,183)	(\$3,464,933)

Medicaid/MaineCare Dedicated Revenue Taxes are revised downward by \$2.4 million in FY10 and by \$3.3 million in FY 11 (also see Attachment D). The revised estimates include a negative adjustment in the hospital tax revenue estimate to reflect actual expected billings through FY10 for November and May. Future year hospital tax revenue estimates are revised based on the FY10 changes and the continued “no growth” assumption based on the statutorily fixed hospital tax base year. The negative adjustment in this revenue category also reflects PL 2009, c. 213 changes to MaineCare private non-medical institution (PNMI) policy that are intended to produce General Fund savings but are also assumed to decrease service provider tax (PNMI) dedicated revenue during the forecast period.

Attachments

cc: Members, Revenue Forecasting Committee
 Members, Consensus Economic Forecasting Commission
 Jane Lincoln, Chief of Staff, Governor’s Office
 Ryan Low, Commissioner, DAFS
 Millie MacFarland, Clerk of the House
 Joy O’Brien, Secretary of the Senate
 David Boulter, Executive Director, Legislative Council
 Legislative Staff Office Directors

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY09 Variance	% Var.
Sales and Use Tax	896,576,322	-2.3%	946,174,276	5.5%	971,455,721	2.7%	983,057,278	1.2%	921,823,720	-6.2%	929,698,051	(7,874,331)	-0.8%
Service Provider Tax	44,645,517	N/A	47,028,430	5.3%	49,400,532	5.0%	52,100,664	5.5%	52,812,595	1.4%	53,452,742	(640,147)	-1.2%
Individual Income Tax	1,296,255,557	12.1%	1,364,368,543	5.3%	1,464,928,346	7.4%	1,558,032,961	6.4%	1,365,437,729	-12.4%	1,407,015,385	(41,577,656)	-3.0%
Corporate Income Tax	135,862,913	21.7%	188,015,558	38.4%	183,851,533	-2.2%	184,514,568	0.4%	143,085,966	-22.5%	148,940,000	(5,854,034)	-3.9%
Cigarette and Tobacco Tax	96,350,704	-0.3%	156,951,370	62.9%	158,953,466	1.3%	150,499,432	-5.3%	144,424,712	-4.0%	143,213,844	1,210,868	0.8%
Insurance Companies Tax	75,669,053	4.8%	76,065,864	0.5%	74,452,542	-2.1%	72,292,532	-2.9%	79,770,431	10.3%	71,978,985	7,791,446	10.8%
Estate Tax	32,255,727	0.6%	75,330,514	133.5%	54,820,038	-27.2%	39,890,577	-27.2%	31,819,188	-20.2%	34,335,010	(2,515,822)	-7.3%
Other Taxes and Fees *	137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%	146,706,453	2,203,122	1.5%
Fines, Forfeits and Penalties	35,506,972	-7.1%	37,781,055	6.4%	41,415,132	9.6%	44,465,534	7.4%	44,024,462	-1.0%	44,106,626	(82,164)	-0.2%
Income from Investments	5,854,625	153.4%	8,271,869	41.3%	1,215,836	-85.3%	1,074,143	-11.7%	1,100,129	2.4%	1,154,221	(54,092)	-4.7%
Transfer from Lottery Commission	49,328,102	19.5%	50,879,647	3.1%	50,624,741	-0.5%	49,491,086	-2.2%	49,839,434	0.7%	49,549,250	290,184	0.6%
Transfers to Tax Relief Programs *	(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%	(125,032,395)	2,100,575	-1.7%
Transfer to Municipal Rev. Sharing	(119,712,814)	-7.4%	(124,222,180)	-3.8%	(130,490,756)	-5.0%	(135,820,175)	-4.1%	(102,160,745)	24.8%	(103,412,337)	1,251,592	-1.2%
Other Revenue *	131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%	53,057,313	355,605	0.7%
Total - General Fund Revenue	2,790,845,053	4.0%	2,931,825,687	5.1%	3,019,595,389	3.0%	3,087,818,992	2.3%	2,811,368,295	-9.0%	2,854,763,148	(43,394,853)	-1.5%

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Sales and Use Tax	938,953,932	1.9%	(41,299,662)	897,654,270	-2.6%	959,337,673	2.2%	(37,565,833)	921,771,840	2.7%
Service Provider Tax	55,590,852	5.3%	0	55,590,852	5.3%	57,814,486	4.0%	0	57,814,486	4.0%
Individual Income Tax	1,444,804,369	5.8%	(166,824,369)	1,277,980,000	-6.4%	1,448,302,023	0.2%	(134,262,023)	1,314,040,000	2.8%
Corporate Income Tax	144,697,500	1.1%	(26,651,578)	118,045,922	-17.5%	143,656,978	-0.7%	(24,548,643)	119,108,335	0.9%
Cigarette and Tobacco Tax	137,881,705	-4.5%	2,258,197	140,139,902	-3.0%	135,705,195	-1.6%	2,039,384	137,744,579	-1.7%
Insurance Companies Tax	71,985,000	-9.8%	0	71,985,000	-9.8%	71,990,000	0.0%	0	71,990,000	0.0%
Estate Tax	30,124,796	-5.3%	(531,543)	29,593,253	-7.0%	31,945,303	6.0%	(206,299)	31,739,004	7.3%
Other Taxes and Fees *	143,490,376	-3.6%	3,761,155	147,251,531	-1.1%	143,536,292	0.0%	(1,317,879)	142,218,413	-3.4%
Fines, Forfeits and Penalties	43,559,855	-1.1%	(11,358,009)	32,201,846	-26.9%	43,713,619	0.4%	(13,137,358)	30,576,261	-5.0%
Income from Investments	947,908	-13.8%	(1,140,326)	(192,418)	-117.5%	1,021,543	7.8%	(169,053)	852,490	543.0%
Transfer from Lottery Commission	49,534,250	-0.6%	0	49,534,250	-0.6%	50,534,250	2.0%	0	50,534,250	2.0%
Transfers to Tax Relief Programs *	(116,953,498)	4.9%	4,893,636	(112,059,862)		(119,003,153)	-1.8%	6,415,208	(112,587,945)	-0.5%
Transfer to Municipal Rev. Sharing	(112,092,834)	-9.7%	11,204,406	(100,888,428)	1.2%	(107,495,522)	4.1%	10,092,712	(97,402,810)	3.5%
Other Revenue *	24,147,811	-54.8%	16,260,793	40,408,604	-24.3%	36,848,157	52.6%	18,467,371	55,315,528	36.9%
Total - General Fund Revenue	2,856,672,022	1.6%	(209,427,300)	2,647,244,722	-5.8%	2,897,906,844	1.4%	(174,192,413)	2,723,714,431	2.9%
								(383,619,713)		

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY12 Budget	% Chg	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Sales and Use Tax	994,669,738	7.9%	(30,155,311)	964,514,427	4.6%	1,032,883,930	3.8%	(19,060,080)	1,013,823,850	5.1%
Service Provider Tax	59,555,680	3.0%	0	59,555,680	3.0%	61,840,807	3.8%	0	61,840,807	3.8%
Individual Income Tax	1,496,355,147	13.9%	(133,555,147)	1,362,800,000	3.7%	1,533,800,720	2.5%	(126,200,720)	1,407,600,000	3.3%
Corporate Income Tax	157,294,573	32.1%	(25,203,429)	132,091,144	10.9%	176,081,775	11.9%	(26,818,783)	149,262,992	13.0%
Cigarette and Tobacco Tax	133,358,152	-3.2%	1,542,892	134,901,044	-2.1%	130,991,901	-1.8%	1,588,486	132,580,387	-1.7%
Insurance Companies Tax	71,990,000	0.0%	0	71,990,000	0.0%	71,990,000	0.0%	0	71,990,000	0.0%
Estate Tax	37,328,353	17.6%	(850,026)	36,478,327	14.9%	42,374,930	13.5%	(1,142,098)	41,232,832	13.0%
Other Taxes and Fees *	142,163,024	0.0%	(1,020,112)	141,142,912	-0.8%	143,613,842	1.0%	(700,777)	142,913,065	1.3%
Fines, Forfeits and Penalties	43,729,007	43.0%	(13,137,358)	30,591,649	0.1%	43,747,507	0.0%	(13,137,358)	30,610,149	0.1%
Income from Investments	1,021,543	19.8%	(169,053)	852,490	0.0%	1,021,543	0.0%	(169,053)	852,490	0.0%
Transfer from Lottery Commission	50,534,250	0.0%	0	50,534,250	0.0%	50,534,250	0.0%	0	50,534,250	0.0%
Transfers to Tax Relief Programs *	(136,561,084)	-21.3%	9,076,107	(127,484,977)	-13.2%	(135,520,928)	0.8%	10,838,630	(124,682,298)	2.2%
Transfer to Municipal Rev. Sharing	(137,620,227)	-41.3%	9,493,987	(128,126,240)	-31.5%	(142,972,404)	-3.9%	8,741,870	(134,230,534)	-4.8%
Other Revenue *	25,529,606	-53.8%	19,224,635	44,754,241	-19.1%	25,492,806	-0.1%	19,183,271	44,676,077	-0.2%
Total - General Fund Revenue	2,939,347,762	7.9%	(164,752,815)	2,774,594,947	1.9%	3,035,880,679	3.3%	(146,876,612)	2,889,004,067	4.1%
								(311,629,427)		

* Additional detail provided on pages 4, 5 and 6

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY09 Variance	% Var.
Detail of Other Taxes and Fees:													
- Prop. Tax - Unorganized Territory	10,622,666	-0.8%	11,559,305	8.8%	11,376,293	-1.6%	12,217,081	7.4%	12,633,755	3.4%	12,969,540	(335,785)	-2.6%
- Real Estate Transfer Tax	24,113,439	8.6%	24,595,580	2.0%	22,206,638	-9.7%	17,465,240	-21.4%	17,184,746	-1.6%	17,663,662	(478,916)	-2.7%
- Liquor Taxes and Fees	17,432,377	-0.3%	18,814,733	7.9%	20,283,406	7.8%	20,673,308	1.9%	20,844,377	0.8%	20,268,674	575,703	2.8%
- Corporation Fees & Licenses	6,884,833	52.1%	7,710,325	12.0%	7,935,294	2.9%	7,969,156	0.4%	7,931,072	-0.5%	8,451,771	(520,699)	-6.2%
- Public Utilities Tax	25,403,214	-9.2%	20,627,030	-18.8%	16,317,029	-20.9%	16,858,472	3.3%	19,536,483	15.9%	18,405,029	1,131,454	6.1%
- Finance Industry Fees	18,641,800	94.7%	20,471,110	9.8%	22,004,030	7.5%	23,638,820	7.4%	23,901,210	1.1%	22,983,550	917,660	4.0%
- Milk Handling Fee	0	N/A	1,867,527	N/A	2,561,972	37.2%	631,997	-75.3%	6,605,226	945.1%	6,610,817	(5,591)	-0.1%
- Parimutuel and Gaming Revenue	1,362,611	31.5%	5,262,230	286.2%	8,607,317	63.6%	8,384,464	-2.6%	8,730,346	4.1%	8,500,624	229,722	2.7%
- Boat, ATV and Snowmobile Fees	4,148,936	4.4%	3,477,043	-16.2%	4,162,079	19.7%	4,295,524	3.2%	4,262,523	-0.8%	3,711,323	551,200	14.9%
- Hunting and Fishing License Fees	16,691,165	-1.2%	16,840,079	0.9%	16,401,841	-2.6%	15,683,316	-4.4%	15,378,849	-1.9%	15,999,867	(621,018)	-3.9%
- Other Miscellaneous Taxes and Fees	11,945,985	0.3%	11,314,268	-5.3%	12,065,538	6.6%	12,398,134	2.8%	11,900,988	-4.0%	11,141,596	759,392	6.8%
Subtotal - Other Taxes and Fees	137,247,024	8.7%	142,539,230	3.9%	143,921,436	1.0%	140,215,511	-2.6%	148,909,575	6.2%	146,706,453	2,203,122	1.5%
Detail of Other Revenue:													
- Liquor Sales and Operations	49,845,027	-51.2%	2,560,044	-94.9%	4,440,935	73.5%	5,561,666	25.2%	6,220,864	11.9%	6,218,031	2,833	0.0%
- Targeted Case Management (HHS)	34,518,055	-0.7%	25,687,188	-25.6%	12,834,382	-50.0%	12,157,093	-5.3%	13,946,371	14.7%	14,491,922	(545,551)	-3.8%
- State Cost Allocation Program	12,891,574	23.5%	13,281,561	3.0%	15,428,622	16.2%	16,389,386	5.6%	16,104,670	-1.1%	16,298,039	(193,369)	-1.2%
- Unclaimed Property Transfer	10,000,000	-40.3%	14,880,517	48.8%	10,499,528	-29.4%	11,114,735	5.9%	13,212,409	18.9%	11,683,420	1,528,989	13.1%
- Tourism Transfer	(7,554,190)	-4.7%	(7,762,689)	-2.8%	(8,221,338)	-5.9%	(8,708,437)	-5.9%	(9,068,407)	-4.1%	(9,068,407)	0	0.0%
- Transfer to Maine Milk Pool	0	N/A	(2,616,160)	N/A	(10,158,802)	-288.3%	(1,078,425)	89.4%	(11,810,960)	-995.2%	(11,811,000)	40	0.0%
- Transfer to STAR Transportation Fund	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	0	N/A
- Other Miscellaneous Revenue	31,335,111	-28.0%	26,472,928	-15.5%	41,217,346	55.7%	27,233,620	-33.9%	24,807,971	-8.9%	25,245,308	(437,337)	-1.7%
Subtotal - Other Revenue	131,035,578	-34.6%	72,503,389	-44.7%	66,040,674	-8.9%	62,569,638	-5.3%	53,412,918	-14.6%	53,057,313	355,605	0.7%
Detail of Transfers to Tax Relief Programs:													
- Maine Resident Property Tax Program	(26,030,227)	N/A	(42,796,070)	-64.4%	(44,440,759)	-3.8%	(46,689,380)	-5.1%	(48,751,672)	-4.4%	(48,202,400)	(549,272)	98.8%
- BETR - Business Equipment Tax Reimb.	0	N/A	(67,065,810)	N/A	(66,553,092)	0.8%	(67,875,376)	-2.0%	(66,009,487)	2.7%	(68,559,334)	2,549,847	103.8%
- BETE - Municipal Bus. Equip. Tax Reimb.	0	N/A	0	N/A	0	N/A	0	N/A	(8,170,661)	N/A	(8,270,661)	100,000	N/A
Subtotal - Tax Relief Transfers	(26,030,227)	N/A	(109,861,880)	-322.1%	(110,993,852)	-1.0%	(114,564,757)	-3.2%	(122,931,820)	-7.3%	(125,032,395)	2,100,575	101.8%
IF&W Total Revenue ***	21,817,659	-0.4%	21,530,955	-1.3%	21,663,828	0.6%	20,965,692	-3.2%	20,579,500	-1.8%	21,015,834	(436,334)	-102.1%

*** IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY10 Budget	% Chg	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
* Detail of Other Taxes and Fees:										
- Prop. Tax - Unorganized Territory	14,758,721	16.8%	0	14,758,721	16.8%	13,528,060	-8.3%	0	13,528,060	-8.3%
- Real Estate Transfer Tax	13,148,078	-23.5%	0	13,148,078	-23.5%	14,922,365	13.5%	0	14,922,365	13.5%
- Liquor Taxes and Fees	21,161,411	1.5%	0	21,161,411	1.5%	21,253,693	0.4%	0	21,253,693	0.4%
- Corporation Fees & Licenses	9,013,771	13.7%	(1,508,672)	7,505,099	-5.4%	9,585,771	6.3%	(2,080,672)	7,505,099	0.0%
- Public Utilities Tax	16,996,988	-13.0%	0	16,996,988	-13.0%	16,775,988	-1.3%	0	16,775,988	-1.3%
- Finance Industry Fees	22,365,980	-6.4%	0	22,365,980	-6.4%	22,365,980	0.0%	0	22,365,980	0.0%
- Milk Handling Fee	4,753,210	-28.0%	4,446,976	9,200,186	39.3%	3,062,164	-35.6%	(365,632)	2,696,532	-70.7%
- Parimutuel and Gaming Revenue	8,303,351	-4.9%	996,605	9,299,956	6.5%	8,472,875	2.0%	1,237,119	9,709,994	4.4%
- Boat, ATV and Snowmobile Fees	4,098,040	-3.9%	0	4,098,040	-3.9%	4,500,295	9.8%	0	4,500,295	9.8%
- Hunting and Fishing License Fees	17,042,965	10.8%	0	17,042,965	10.8%	17,420,998	2.2%	0	17,420,998	2.2%
- Other Miscellaneous Taxes and Fees	11,847,861	-0.4%	(173,754)	11,674,107	-1.9%	11,648,103	-1.7%	(108,694)	11,539,409	-1.2%
Subtotal - Other Taxes and Fees	143,490,376	-3.6%	3,761,155	147,251,531	-1.1%	143,536,292	0.0%	(1,317,879)	142,218,413	-3.4%
** Detail of Other Revenue:										
- Liquor Sales and Operations	7,364,611	18.4%	0	7,364,611	18.4%	7,391,759	0.4%	0	7,391,759	0.4%
- Targeted Case Management (HHS)	13,396,993	-3.9%	6,633,983	20,030,976	43.6%	9,640,280	-28.0%	8,457,415	18,097,695	-9.7%
- State Cost Allocation Program	15,599,389	-3.1%	0	15,599,389	-3.1%	16,533,703	6.0%	0	16,533,703	6.0%
- Unclaimed Property Transfer	4,483,420	-66.1%	(2,150,000)	2,333,420	-82.3%	4,483,420	0.0%	(2,150,000)	2,333,420	0.0%
- Tourism Transfer	(9,190,591)	-1.3%	168,568	(9,022,023)	0.5%	(9,245,439)	-0.6%	266,039	(8,979,400)	0.5%
- Transfer to Maine Milk Pool	(13,349,600)	-13.0%	0	(13,349,600)	-13.0%	0	100.0%	0	0	100.0%
- Transfer to STAR Transportation Fund	(3,054,519)	N/A	(80,342)	(3,134,861)	N/A	(3,061,703)	-0.2%	114,934	(2,946,769)	6.0%
- Other Miscellaneous Revenue	8,898,108	-64.1%	11,688,584	20,586,692	-17.0%	11,106,137	24.8%	11,778,983	22,885,120	11.2%
Subtotal - Other Revenue	24,147,811	-54.8%	16,260,793	40,408,604	-24.3%	36,848,157	52.6%	18,467,371	55,315,528	36.9%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	(41,326,948)	15.2%	826,948	(40,500,000)	16.9%	(42,973,944)	-4.0%	(526,056)	(43,500,000)	-7.4%
- BETR - Business Equipment Tax Reimb.	(59,088,138)	10.5%	2,500,000	(56,588,138)	14.3%	(54,043,140)	8.5%	2,500,000	(51,543,140)	8.9%
- BETE - Municipal Bus Equip. Tax Reimb.	(16,538,412)	-102.4%	1,566,688	(14,971,724)	-83.2%	(21,986,069)	-32.9%	4,441,264	(17,544,805)	-17.2%
Subtotal - Tax Relief Transfers	(116,953,498)	4.9%	4,893,636	(112,059,862)	8.8%	(119,003,153)	-1.8%	6,415,208	(112,587,945)	-0.5%
IF&W Total Revenue ***	22,303,940	8.4%	(114,023)	22,189,917	7.8%	23,082,138	3.5%	(21,023)	23,061,115	3.9%
*** IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.										

GENERAL FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY12 Budget	% Chg.	Recom Chg	FY12 Revised	% Chg.	FY13 Budget	% Chg	Recom. Chg.	FY13 Revised	% Chg.
* Detail of Other Taxes and Fees:										
- Prop. Tax - Unorganized Territory	13,992,181	3.4%	0	13,992,181	3.4%	14,473,531	3.4%	0	14,473,531	3.4%
- Real Estate Transfer Tax	13,723,377	-8.0%	0	13,723,377	-8.0%	15,245,148	11.1%	0	15,245,148	11.1%
- Liquor Taxes and Fees	21,218,857	-0.2%	0	21,218,857	-0.2%	21,252,566	0.2%	0	21,252,566	0.2%
- Corporation Fees & Licenses	9,585,771	27.7%	(2,080,672)	7,505,099	0.0%	9,585,771	0.0%	(2,080,672)	7,505,099	0.0%
- Public Utilities Tax	16,014,397	-4.5%	0	16,014,397	-4.5%	15,251,807	-4.8%	0	15,251,807	-4.8%
- Finance Industry Fees	22,365,980	0.0%	0	22,365,980	0.0%	22,365,980	0.0%	0	22,365,980	0.0%
- Milk Handling Fee	3,062,164	13.6%	(319,928)	2,742,236	1.7%	3,062,164	0.0%	(319,928)	2,742,236	0.0%
- Parimutuel and Gaming Revenue	8,632,853	-11.1%	1,491,364	10,124,217	4.3%	8,796,031	1.9%	1,810,699	10,606,730	4.8%
- Boat, ATV and Snowmobile Fees	4,500,295	0.0%	0	4,500,295	0.0%	4,500,295	0.0%	0	4,500,295	0.0%
- Hunting and Fishing License Fees	17,420,998	0.0%	0	17,420,998	0.0%	17,420,998	0.0%	0	17,420,998	0.0%
- Other Miscellaneous Taxes and Fees	11,646,151	0.9%	(110,876)	11,535,275	0.0%	11,659,551	0.1%	(110,876)	11,548,675	0.1%
Subtotal - Other Taxes and Fees	142,163,024		(1,020,112)	141,142,912	-0.8%	143,613,842	1.0%	(700,777)	142,913,065	1.3%
** Detail of Other Revenue:										
- Liquor Sales and Operations	7,691,759	4.1%	0	7,691,759	4.1%	7,891,759	2.6%	0	7,891,759	2.6%
- Targeted Case Management (IHHS)	8,958,630	-50.5%	7,892,788	16,851,418	-6.9%	8,958,630	0.0%	7,892,788	16,851,418	0.0%
- State Cost Allocation Program	16,533,703	0.0%	0	16,533,703	0.0%	16,533,703	0.0%	0	16,533,703	0.0%
- Unclaimed Property Transfer	4,483,420	92.1%	(2,150,000)	2,333,420	0.0%	4,483,420	0.0%	(2,150,000)	2,333,420	0.0%
- Tourism Transfer	(9,266,165)	-3.2%	166,590	(9,099,575)	-1.3%	(9,498,589)	-2.5%	106,414	(9,392,175)	-3.2%
- Transfer to Maine Milk Pool	(11,117,700)	N/A	1,695,144	(9,422,556)	N/A	(11,117,700)	0.0%	1,695,144	(9,422,556)	0.0%
- Transfer to STAR Transportation Fund	(3,079,163)	-4.5%	108,820	(2,970,343)	-0.8%	(3,127,679)	-1.6%	127,632	(3,000,047)	-1.0%
- Other Miscellaneous Revenue	11,325,122	-50.5%	11,511,293	22,836,415	-0.2%	11,369,262	0.4%	11,511,293	22,880,555	0.2%
Subtotal - Other Revenue	25,529,606	-53.8%	19,224,635	44,754,241	-19.1%	25,492,806	-0.1%	19,183,271	44,676,077	-0.2%
Detail of Transfers to Tax Relief Programs:										
- Maine Resident Property Tax Program	(53,713,747)	-23.5%	(2,286,253)	(56,000,000)	-28.7%	(55,287,538)	-2.9%	(2,412,462)	(57,700,000)	-3.0%
- BETR - Business Equipment Tax Reimb.	(54,552,995)	-5.8%	2,500,000	(52,052,995)	-1.0%	(49,282,583)	9.7%	2,500,000	(46,782,583)	10.1%
- BETE - Municipal Bus. Equip. Tax Reimb.	(28,294,342)	-61.3%	8,862,360	(19,431,982)	-10.8%	(30,950,807)	-9.4%	10,751,092	(20,199,715)	-4.0%
Subtotal - Tax Relief Transfers	(136,561,084)	-21.3%	9,076,107	(127,484,977)	-13.2%	(135,520,928)	0.8%	10,838,630	(124,682,298)	2.2%
IF&W Total Revenue ***	23,084,596	0.1%	(21,023)	23,063,573	0.0%	23,091,469	0.0%	(21,023)	23,070,446	0.0%

*** IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

HIGHWAY FUND REVENUE

REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY 09 Budget	FY 09 Variance	% Var.
Fuel Taxes	220,484,728	3.7%	221,575,309	0.5%	226,824,018	2.4%	225,235,339	-0.7%	216,215,544	-4.0%	217,243,255	(1,027,711)	-0.5%
Motor Vehicle Registration & Fees	84,645,422	2.5%	87,658,962	3.6%	87,291,874	-0.4%	86,094,837	-1.4%	91,886,824	6.7%	92,254,651	(367,827)	-0.4%
Inspection Fees	4,260,059	-9.5%	4,373,692	2.7%	4,342,519	-0.7%	4,193,874	-3.4%	4,057,978	-3.2%	3,996,421	61,557	1.5%
Fines, Forfeits and Penalties	1,518,580	-20.9%	1,809,813	19.2%	1,668,000	-7.8%	1,747,986	4.8%	1,785,197	2.1%	1,795,049	(9,852)	-0.5%
Income from Investments	1,440,739	100.1%	1,833,806	27.3%	1,105,987	-39.7%	1,152,491	4.2%	480,419	-58.3%	458,392	22,027	4.8%
Other Revenues	13,728,627	44.5%	9,294,574	-32.3%	9,588,686	3.2%	9,712,051	1.3%	9,816,188	1.1%	9,401,872	414,316	4.4%
Total - Highway Fund Revenue	326,078,155	4.5%	326,546,157	0.1%	330,821,083	1.3%	328,136,579	-0.8%	324,242,149	-1.2%	325,149,640	(907,491)	-0.3%

HIGHWAY FUND REVENUE
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Fuel Taxes	220,305,526	1.9%	(5,013,500)	215,292,026	-0.4%	214,525,466	-2.6%	(4,819,250)	209,706,216	-2.6%
Motor Vehicle Registration & Fees	77,674,394	-15.5%	(1,630,701)	76,043,693	-17.2%	79,263,797	2.0%	(1,544,383)	77,719,414	2.2%
Inspection Fees	4,157,802	2.5%	(110,887)	4,046,915	-0.3%	4,158,186	0.0%	(110,887)	4,047,299	0.0%
Fines, Forfeits and Penalties	1,795,049	0.6%	(50,000)	1,745,049	-2.2%	1,795,049	0.0%	(50,000)	1,745,049	0.0%
Income from Investments	203,237	-57.7%	(58,615)	144,622	-69.9%	232,833	14.6%	(153,696)	79,137	-45.3%
Other Revenues	8,605,431	-12.3%	(389,561)	8,215,870	-16.3%	8,718,777	1.3%	(389,561)	8,329,216	1.4%
Total - Highway Fund Revenue	312,741,439	-3.5%	(7,253,264)	305,488,175	-5.8%	308,694,108	-1.3%	(7,067,777)	301,626,331	-1.3%
Change in Biennial Totals								(14,321,041)		

HIGHWAY FUND REVENUE
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Fuel Taxes	216,610,867	1.0%	(5,540,750)	211,070,117	0.7%	222,080,128	2.5%	(6,761,750)	215,318,378	2.0%
Motor Vehicle Registration & Fees	82,834,833	4.5%	(1,264,107)	81,570,726	5.0%	83,180,178	0.4%	(1,264,107)	81,916,071	0.4%
Inspection Fees	4,206,458	1.2%	(165,887)	4,040,571	-0.2%	4,206,458	0.0%	(165,887)	4,040,571	0.0%
Fines, Forfeits and Penalties	1,795,049	0.0%	(50,000)	1,745,049	0.0%	1,795,049	0.0%	(50,000)	1,745,049	0.0%
Income from Investments	232,833	0.0%	(153,696)	79,137	0.0%	232,833	0.0%	(153,696)	79,137	0.0%
Other Revenues	8,766,971	0.6%	(416,136)	8,350,835	0.3%	8,771,971	0.1%	(416,136)	8,355,835	0.1%
Total - Highway Fund Revenue	314,447,011	1.9%	(7,590,576)	306,856,435	1.7%	320,266,617	1.9%	(8,811,576)	311,455,041	1.5%
Change in Biennial Totals								(16,402,152)		

**FUND FOR A HEALTHY MAINE REVENUE
(TOBACCO SETTLEMENT REVENUE)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009**

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY 09 Variance	% Var.
Tobacco Settlement Payments:													
- Base Payments	49,033,129	0.2%	45,011,759	-8.2%	47,113,687	4.7%	47,649,747	1.1%	52,579,385	10.3%	52,579,383	2	0.0%
- Strategic Contribution Payments							10,539,443	N/A	10,799,369	2.5%	10,799,369	(0)	0.0%
Racino Revenue *	0	N/A	1,771,173	N/A	3,538,805	99.8%	3,735,774	5.6%	4,981,163	33.3%	4,861,020	120,143	2.5%
Income from Investments	91,444	66.8%	124,780	36.5%	297,803	138.7%	64,695	-78.3%	49,819	-23.0%	33,982	15,837	46.6%
Attorney General Reimbursements and Other Income **	220	N/A	39	-82.2%	217	453.5%	25,080	N/A	0	N/A	0	0	N/A
Total - Tobacco Settlement Revenue	49,124,793	0.2%	46,907,751	-4.5%	50,950,512	8.6%	62,014,739	21.7%	68,409,736	10.3%	68,273,754	135,982	0.2%

* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine.

** Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

**FUND FOR A HEALTHY MAINE REVENUE
(TOBACCO SETTLEMENT REVENUE)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009**

Source	FY10 Budget	% Chg.	Recom. Chg.	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.	FY11 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	45,793,485	-12.9%	(540,163)	45,253,322	-13.9%	43,706,590	-4.6%	(867,377)	42,839,213	-5.3%
- Strategic Contribution Payments	9,333,258	-13.6%	383,708	9,716,966	-10.0%	8,910,624	-4.5%	316,672	9,227,296	-5.0%
Racino Revenue *	4,591,063	-7.8%	685,860	5,276,923	5.9%	4,591,063	0.0%	791,908	5,382,971	2.0%
Income from Investments	28,904	-42.0%	(7,762)	21,142	-57.6%	30,874	6.8%	(18,921)	11,953	-43.5%
Attorney General Reimbursements and Other Income **	(92,660)	N/A	0	(92,660)	N/A	(145,147)	56.6%	0	(145,147)	56.6%
Total - Tobacco Settlement Revenue	59,654,050	-12.8%	521,643	60,175,693	-12.0%	57,094,004	-4.3%	222,282	57,316,286	-4.8%
Change in Biennial Totals								743,925		

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**FUND FOR A HEALTHY MAINE REVENUE
(TOBACCO SETTLEMENT REVENUE)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009**

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	49,239,602	12.7%	(111,090)	49,128,512	14.7%	48,908,436	-0.7%	(469,991)	48,438,445	-1.4%
- Strategic Contribution Payments	9,011,068	1.1%	340,096	9,351,164	1.3%	9,039,755	0.3%	216,940	9,256,695	-1.0%
Racino Revenue *	4,682,884	2.0%	941,504	5,624,388	4.5%	4,776,541	2.0%	1,129,067	5,905,608	5.0%
Income from Investments	30,874	0.0%	(13,618)	17,256	44.4%	30,874	0.0%	(11,242)	19,632	13.8%
Attorney General Reimbursements and Other Income **	(161,699)	11.4%	0	(161,699)	11.4%	(164,662)	1.8%	0	(164,662)	1.8%
Total - Tobacco Settlement Revenue	62,802,729	10.0%	1,156,892	63,959,621	11.6%	62,590,944	-0.3%	864,774	63,455,718	-0.8%
Change in Biennial Totals								2,021,666		

* Racino Revenue reflects that portion of the State's share of proceeds from slot machines at commercial race tracks designated for the Fund for a Healthy Maine.

** Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which limited the sale of certain flavored cigars and cigarettes beginning July 1, 2009.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY05 Actual	% Chg.	FY06 Actual	% Chg.	FY07 Actual	% Chg.	FY08 Actual	% Chg.	FY09 Actual	% Chg.	FY09 Budget	FY 09 Variance	% Var.
Nursing Facility Tax*	29,241,327	-4.1%	31,397,376	7.4%	30,061,513	-4.3%	31,343,582	4.3%	28,777,390	-8.2%	30,173,119	(1,395,729)	-4.6%
Residential Treatment Facility (ICFs/MR) Tax*	1,958,739	21.1%	1,868,534	-4.6%	1,880,205	0.6%	1,819,275	-3.2%	1,572,670	-13.6%	1,553,655	19,015	1.2%
Hospital Tax **	48,907,135	198.5%	54,050,888	10.5%	59,807,056	10.6%	60,515,510	1.2%	69,958,821	15.6%	70,897,026	(938,205)	-1.3%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)***	15,430,099	N/A	30,779,242	99.5%	33,955,412	10.3%	36,494,882	7.5%	37,720,482	3.4%	38,008,446	(287,964)	-0.8%
Total - Health Care Provider Taxes	95,537,301	97.0%	118,096,040	23.6%	125,704,185	6.4%	130,173,249	3.6%	138,029,363	6.0%	140,632,246	(2,602,883)	-1.9%
Change in Biennial Totals													

* The nursing facility and residential treatment facility tax rates were decreased in PL 2007, c. 539, Part X from 6.0% to 5.5% beginning in FY09 consistent with federal law.

** The hospital tax base year was modified again in PL 2007, c. 545, to hospital fiscal years ending during calendar year 2006 beginning in FY 09.

*** The MaineCare service provider tax was expanded in FY06 to include: community support services (effective 6/29/05), day habilitation services (effective 7/1/05), personal support services (effective 7/1/05) and residential training services (effective 7/1/05).

**MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009**

Source	FY10 Budget	% Chg.	Recom. Chg.*	FY10 Revised	% Chg.	FY11 Budget	% Chg.	Recom. Chg.*	FY11 Revised	% Chg.
Nursing Facility Tax	30,173,119	4.9%	0	30,173,119	4.9%	30,173,119	0.0%	0	30,173,119	0.0%
Residential Treatment Facility (ICFs/MR) Tax	1,553,655	-1.2%	0	1,553,655	-1.2%	1,553,655	0.0%	0	1,553,655	0.0%
Hospital Tax	70,897,026	1.3%	(862,348)	70,034,678	0.1%	70,897,026	0.0%	(862,348)	70,034,678	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs) *	38,102,002	1.0%	(1,536,200)	36,565,802	-3.1%	38,197,896	0.3%	(2,403,543)	35,794,353	-2.1%
Total - Health Care Provider Taxes	140,725,802	2.0%	(2,398,548)	138,327,254	0.2%	140,821,696	0.1%	(3,265,891)	137,555,805	-0.6%
Change in Biennial Totals								(5,664,439)		

* The recommended change for FY 10 and FY 11 for the Service Provider Tax (PNMIs) reflects the impact on revenues of budget initiatives enacted in PL 2009, c. 213.

MEDICAID/MAINECARE DEDICATED REVENUE TAXES
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - DECEMBER 2009

Source	FY12 Budget	% Chg.	Recom. Chg.	FY12 Revised	% Chg.	FY13 Budget	% Chg.	Recom. Chg.	FY13 Revised	% Chg.
Nursing Facility Tax	30,173,119	0.0%	0	30,173,119	0.0%	30,173,119	0.0%	0	30,173,119	0.0%
Residential Treatment Facility (ICFs/MR) Tax	1,553,655	0.0%	0	1,553,655	0.0%	1,553,655	0.0%	0	1,553,655	0.0%
Hospital Tax	70,897,026	0.0%	(862,348)	70,034,678	0.0%	70,897,026	0.0%	(862,348)	70,034,678	0.0%
Service Provider Tax - Private Non-Medical Institutions (PNMIs)	38,296,188	0.3%	(2,501,835)	35,794,353	0.0%	38,396,938	0.3%	(2,602,585)	35,794,353	0.0%
Total - Health Care Provider Taxes	140,919,988	0.1%	(3,364,183)	137,555,805	0.0%	141,020,738	0.1%	(3,464,933)	137,555,805	0.0%
Change in Biennial Totals								(6,829,117)		