

# MAINE STATE LEGISLATURE

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*State Of Maine  
122nd Legislature*

*First Regular Session and  
First Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Appropriations and Financial Affairs*

*August 2005*

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CARRIED OVER ..... Bill Carried Over to Second Regular Session
CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES..... House & Senate disagree; bill died
DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT..... Action incomplete when session ended; bill died
EMERGENCY..... Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE..... Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE..... Bill failed to get majority vote
FAILED MANDATE ENACTMENT..... Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
INDEF PP..... Bill Indefinitely Postponed
ONTP..... Ought Not To Pass report accepted
OTP ND..... Committee report Ought To Pass In New Draft
OTP ND/NT..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
UNSIGNED..... Bill held by Governor
VETO SUSTAINED..... Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

*Joint Standing Committee on Appropriations and Financial Affairs*

**LD 1540**                      **An Act To Appropriate Funds for the School Breakfast Program**      **CARRIED OVER**

<u>Sponsor(s)</u> ROTUNDO CUMMINGS	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> S-195
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LD 1540 proposed to appropriate funds for the school breakfast program.

**Committee Amendment “A” (S-195)** proposed to specify that the appropriation of funds for the school breakfast program would be for the 2006-2007 biennium only.

This bill, and its adopted amendment, were carried over on the Special Appropriations Table by S. P. 640 to the next special or regular session of the 122<sup>nd</sup> Legislature.

**LD 1677**                      **An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2005, June 30, 2006 and June 30, 2007**                      **PUBLIC 386  
EMERGENCY**

<u>Sponsor(s)</u> BRANNIGAN	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> H-673
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LD 1677 was the Governor’s proposed “New or Expanded Programs” or “Part 2” Budget Bill for the 2006-2007 biennium.

**Committee Amendment “A” (H-673)** was the unanimous report of the committee in response to the Governor’s proposed bill.

***Enacted law summary***

Public Law 2005, chapter 386 does the following:

<b><u>Part</u></b>	<b><u>Description</u></b>
<b>A</b>	Part A makes appropriations and allocations of funds.
<b>B</b>	Part B makes appropriations and allocations of funds for approved reclassifications and range changes.
<b>C</b>	Part C authorizes lease-purchase arrangements establishing the maximum principal costs, interest rates and duration terms for financing agreements. Up to \$5,000,000 in principal is authorized to acquire motor vehicles for the Central Motor Pool and up to \$1,800,000 in principal to acquire motor vehicles for the Maine State Police.

## *Joint Standing Committee on Appropriations and Financial Affairs*

<b>D</b>	Part D establishes the Dirigo Health Enterprise Fund for Dirigo Health, replacing the Other Special Revenue accounts and adjusts allocations to reflect position adjustments related to Dirigo Health. Part D also clarifies, which funds are subject to legislative allocation and adds that Lottery Fund and Dirigo Health Enterprise Fund are subject to legislative allocation.
<b>E</b>	Part E changes method of transferring funds to the Fund for the Efficient Delivery of Educational Services and delays the first transfer to the fund until fiscal year 2007-08.
<b>F</b>	Part F authorizes the Department of Economic and Community Development to transfer funds in excess of \$7,554,189 in the Tourism Marketing Promotion Fund account to another Other Special Revenue Fund account to be used for a list of economic development initiatives in fiscal year 2005-06 and 2006-07 only. The amount of the transfers are capped at \$330,000 in fiscal year 2005-06 and \$575,000 in fiscal year 2006-07. This Part also includes a reporting requirement.
<b>G</b>	Part G authorizes the Maine Community College System to use the distribution of \$989,352 from the gross slot revenue to match \$1,000,000 for Osher Scholarships.
<b>H</b>	Part H authorizes the Department of Administrative and Financial Services, through the Bureau of General Services to establish the Central Fleet Management and Central Services Divisions in the Bureau of General Services, Department of Administrative and Financial Services, for the purpose of operating the postal service, central copy and duplicating, central warehouse, surplus property, central mail room and central fleet management.
<b>I</b>	Part I designates any revised rules of the Maine Land Use Regulation Commission establishing new fees as major substantive rules. It also directs the State Tax Assessor to revise fees already assessed for the Department of Conservation, Maine Land Use Commission services to a town or plantation with only a portion of its land under Maine Land Use Regulation Commission jurisdiction.
<b>J</b>	Part J authorizes the Department of Corrections to conduct a study, costing no more than \$300,000. It establishes the Corrections Alternatives Advisory Committee and requires the Commissioner of the Department of Corrections to submit legislation by January 1, 2006 that establishes a Corrections Incentive Fund.
<b>K</b>	Part K adjusts appropriations and allocations for child welfare services and foster care within the Department of Health and Human Services.
<b>L</b>	Part L amends the Department of Administrative and Financial Services, Bureau of General Services' authority for approving plans for public improvements by removing the provision that allows the bureau to assess school administrative units fees for reasonable costs on school construction projects for which budgets were established subsequent to July 1, 1995 and adjusts appropriations and allocations to reflect the loss of this fee revenue.
<b>M</b>	Part M establishes within the Maine State Museum a revolving fund to cover the operations of the museum sales program and establishes the Maine State Museum Endowment for Publishing and authorizes the Maine State Museum to deposit a percentage of revolving fund proceeds into the endowment and to use the principal and interest to fund museum publications. Authorizes deposits

## *Joint Standing Committee on Appropriations and Financial Affairs*

into the endowment fund from private donations and grant funds.

- N** Part N requires the Department of Administrative and Financial Services to review vacant positions and the reclassification and reorganization process throughout state government and report back to the Committee on Appropriations and Financial Affairs by January 15, 2006 with any recommendations for position eliminations.
- O** Part O establishes a Commission to reform the state budget process.
- P** Part P authorizes the Department of Administrative and Financial Services, Office of Information Technology to enter into financing arrangements for the acquisition of hardware, software and systems to support the operations of the Statewide Radio and Network System. A maximum principal amount of \$10,000,000 is authorized on or after July 1, 2005 and an additional \$10,000,000 in principal is authorized to be issued on or after July 1, 2006. It also provides funding for the projected debt service costs.
- Q** Part Q authorizes the Maine Community College System and the Governor Baxter School for the Deaf to receive a transfer of funds from the General Fund Salary Plan for the costs of collective bargaining agreements for employees of the Maine Community College System and the Governor Baxter School for the Deaf.
- R** Part R amends the retirement program for judges who retired prior to December 1, 1984 to shift administration of the program from the Judicial Branch to the Maine State Retirement System, effective July 1, 2005. Like the retirement program for governors and their survivors, this program is funded from current appropriations, rather than from a trust fund.
- S** Part S extends the 5% service provider tax to certain day habilitation; personal support and residential training services provided to children and adults with mental retardation and adjusts appropriations and allocations to reflect this extension of the tax.
- T** Part T reduces the limit on the transfer to the circuit breaker reserve in fiscal year 2004-05 by \$650,000 to \$26,127,647. It also authorizes the State Controller to transfer amounts from balances in the Business Equipment Tax Reimbursement program account, the Homestead Property Tax Reimbursement program account and the Maine Revenue Services program account to the General Fund in fiscal year 2004-05.
- U** Part U increases the aggregate principal amount outstanding at any time from \$170,000,000 to \$220,000,000 related to tax exempt borrowing authority for the University of Maine System and modifies the notification requirement.
- V** Part V authorizes the transfer of \$200,000 from the General Fund unappropriated surplus to the Maine Milk Pool, Other Special Revenue Fund account within the Department of Agriculture, Food and Rural Resources.
- W** Part W provides a General Fund appropriation for the clean-up and remediation of the Lewis Wolman Company site.

## *Joint Standing Committee on Appropriations and Financial Affairs*

- X** Part X authorizes the Department of Health and Human Services to establish a drug formulary utilizing the MaineCare Drug Utilization Review Committee. It also authorizes the department to adopt routine technical rules for medication availability in emergency situations. The drug formulary takes effect January 1, 2006.
- Y** Part Y redistributes funding provided in the 2006-2007 Part 1 budget for MaineCare payments to hospitals. Funding is to be used for the settlement of the MaineCare hospital reimbursement lawsuit, a reduced level of current hospital MaineCare payment settlements, a reduced funding increase for hospital MaineCare prospective interim payments, and to help offset the impact of the reduction in the 2006 Federal Medical Assistance Percentage (FMAP).
- Z** Part Z appropriates \$1,000,000 to the Baxter Compensation Authority and changes the order of priority of the FY05 year-end transfers (the “Cascade”) so that the remaining need of the Baxter Compensation Authority is established as the first priority before the other year-end transfers from unappropriated surplus. In the event that the fiscal year 2004-05 year-end transfer are insufficient to fund the full \$7,122,000, the authority's needs remain a priority item in the fiscal year 2005-06 year-end transfers from unappropriated surplus.
- AA** Part AA directs the State Controller to recognize \$11,544,510 of General Fund revenue that has been billed internally within the Department of Health and Human Services as eligible MaineCare costs, but has not yet been paid. These revenue items are not expected to be available as cash receipts until shortly after the close of fiscal year 2004-05. The accrual of these revenue items is consistent with generally accepted accounting principles. This part also requires the Commissioner of Health and Human Services to report by July 31, 2005 on the status of the payment of these internal billings.
- BB** Part BB appropriates funds for 3 positions needed to perform criminal background checks and eliminates one vacant position within the Department of Public Safety.
- CC** Part CC authorizes the Treasurer of State to transfer funds into and out of funds within the cash pool of State Government in order to meet current obligations and requires the State Controller to effect such transfers by journal entry.
- DD** Part DD increases the fines imposed for miscellaneous drug and drug paraphernalia violations.
- EE** Part EE adjusts Federal Expenditures Fund allocations to the Department of Conservation to reflect the establishment of a dedicated account in order to properly administer the federal grants program.
- FF** Part FF increases MaineCare reimbursement for ambulance services and appropriates and allocates funds to meet a projected shortfall in the MaineCare program for fiscal year 2004-05. It also reduces appropriations and allocations for the fiscal year 2006-07 federal medical assistance percentage decrease appropriated in Part A.
- GG** Part GG lapses \$2,500,000 from the Treasurer's General Fund Debt Service account of the \$3,672,000 that was authorized to carry forward at the end of fiscal year 2004-05 pursuant to PL 2005, c. 12, Part DDDD.

Public Law 2005, chapter 396 was enacted as an emergency measure effective June 13, 2005.