

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON APPROPRIATIONS AND
FINANCIAL AFFAIRS**

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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:

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 (or Accepted ONTP report).....	Ought Not To Pass report accepted
OTP-ND.....	Committee report Ought To Pass In New Draft
P&S XXX.....	Chapter # of enacted Private & Special Law
PASSED.....	Joint Order passed in both bodies
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 that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Appropriations and Financial Affairs

LD 445 **An Act To Authorize a General Fund Bond Issue for the Municipal Investment Trust Fund** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	ONTP	

The funds provided by this bond issue, in the amount of \$10,000,000, will be used to recapitalize the Municipal Investment Trust Fund.

Public Law 2007, chapter 39 enacted a similar bond proposal.

LD 450 **An Act To Authorize a General Fund Bond Issue To Support Maine's Working Waterfronts** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PINGREE	ONTP	

The funds provided by this bond issue, in the amount of \$20,000,000, will be used to support land purchases and the preservation of Maine's working waterfronts.

Public Law 2007, chapter 39 enacted a similar bond proposal.

LD 499 **An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2007, June 30, 2008 and June 30, 2009** **PUBLIC 240 EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FISCHER	OTP-AM	H-412 H-445 FISCHER

LD 499 was the Governor's proposed 2008-2009 Biennial Budget Bill.

Committee Amendment "A" (H-412)

Committee Amendment "A" (H-412) is the unanimous report of the Committee in response to the Governor's proposed bill.

House Amendment "T" (H-445)

House Amendment "T" (H-445) makes technical corrections to Committee Amendment "A" to accomplish the following:

This amendment strikes language that is duplicated on page 370, lines 11 to 14 in the committee amendment.

This amendment inserts the General Fund appropriation for the Maine Historical Society that was inadvertently omitted from the committee amendment.

Joint Standing Committee on Appropriations and Financial Affairs

This amendment also corrects language covering a reduction of allotments.

This amendment corrects a reference to the building in the Lockwood Mill Historic District in the City of Waterville for which a taxpayer is entitled to a historic rehabilitation tax credit and changes the tax years for which the credit is allowed.

This amendment makes the following changes to Part XXXX:

1. It amends the language authorizing regional school unit boards to create local school committees by removing unneeded language.
2. It clarifies that cost-sharing agreements pursuant to certain laws remain in effect unless the parties to the agreement modify or terminate the agreement.
3. It clarifies that a municipality that is part of a regional school unit may raise money and direct the spending of those funds to a school serving children from kindergarten to grade 8.
4. It amends the penalty provisions for nonconforming school administrative units by:
 - A. Providing a 50% reduction in the minimum state allocation, rather than the full amount;
 - B. Adjusting the cost component for system administration by half, rather than to zero;
 - C. Removing the ineligibility for the isolated small school adjustment; and
 - D. Removing the percentage increase of the unit's mill rate.
5. It adjusts the full-value education mill rate for nonconforming school administrative units.
6. It clarifies the intent of the Legislature to achieve sustainable, long-term administrative efficiencies by consolidating the current number of school units into 80 regional units or into a number of units that meets the administrative efficiencies established by Part XXXX.
7. It adds language that allows for an efficient, high-performing district to submit a notice of intent to submit an alternate plan.
8. It adds a requirement that school administrative units must exercise due diligence and act in good faith in developing a reorganization plan.
9. It allows an exception to the minimum student population parameter for a school administrative unit that has performed due diligence to develop a regional plan but is surrounded by other units that are included in other consolidation plans.
10. It removes the percentage reductions under the plan parameters and instead requires reorganizing administrative functions, duties and noninstructional personnel so that projected expenditures will not have an adverse impact on the instructional program.
11. It requires written findings by the Commissioner of Education providing specific reasons why a plan does not meet with the requirements of Part XXXX if the plan is returned to the governing body of the affected school administrative units.
12. It prohibits the Commissioner of Education from making a finding that a plan does not meet the requirements of Part XXXX solely on the ground that a finding that it meets the requirements would cause the number of school administrative units to exceed 80.
13. It also amends the referendum procedure to provide for a 2nd referendum date of June 10, 2008 for plans that did not meet the requirements of Part XXXX.
14. It adds a provision requiring the Commissioner of Education to establish criteria for high-performing and low-performing districts.

This amendment enacts a Part YYYY that adjusts the appropriation made in Part A relating to the Maine Community College System and makes an appropriation and an allocation to the Department of Health and Human Services that were inadvertently omitted from the committee amendment.

Enacted Law Summary

Public Law 2007, chapter 240 does the following:

Joint Standing Committee on Appropriations and Financial Affairs

PART A makes appropriations and allocations for necessary expenditures of State Government and other purposes for the 2008-2009 biennium.

PART B provides appropriations and allocations for approved reclassifications and range changes.

PART C authorizes Jobs for Maine's Graduates, the Maine School of Science and Mathematics, the Maine Educational Center for the Deaf and Hard of Hearing and the Governor Baxter School for the Deaf to be included as miscellaneous costs under the General Purpose Aid for Local Schools funding formula to replace General Fund deappropriations in Part A. It also reduces the annual target for the state share percentage for fiscal year 2007-08 and establishes the mill rate expectation at 7.44 for fiscal year 2007-08. It also establishes the state and local components of the cost of funding public education from kindergarten to grade 12 for fiscal year 2007-08.

PART D clarifies and makes technical changes to address issues of eligibility for salary supplements and minimum teacher salaries. It continues the legislative intent that certain municipalities receive the minimum state allocation. It also authorizes additional uses of funding provided for General Purpose Aid for Local Schools and makes statutory changes regarding the disbursement of funds for regionalization, consolidation and efficiency assistance.

PART E repeals the Fund for the Efficient Delivery of Educational Services within the Department of Education.

PART F increases the number of qualifying contributions for Maine Clean Election Act gubernatorial candidates from 2,500 to 3,250. In lieu of the \$2,000,000 transfer authorized to be made on January 1, 2009, it authorizes the transfer of \$700,000 from the General Fund to the Maine Clean Election Fund on September 1, 2008.

PART G requires the State Budget Officer to calculate and transfer by financial order, as adjustments to appropriations, savings in the cost of health insurance in Part A and report the transferred amounts to the Joint Standing Committee on Appropriations and Financial Affairs by November 1, 2007.

PART H changes the distribution of the State's share of real estate transfer tax proceeds by reducing the amount paid to the Maine State Housing Authority by \$5,000,000 in fiscal year 2007-08 and fiscal year 2008-09.

PART I eliminates from the list of major policy influencing positions the Forest Insect Manager position in the Department of Conservation, Bureau of Forestry.

PART J authorizes the Department of Corrections to transfer by financial order Personal Services, All Other and Capital Expenditures between accounts within the same fund for the purpose of paying overtime expenses.

PART K changes the name of the EPSCoR steering committee to the Governor's Maine Science and Technology Advisory Council.

PART L changes the name of the Maine Small Business Commission program within the Department of Economic and Community Development to the Maine Small Business and Entrepreneurship Commission.

PART M continues the voluntary employee incentive programs for use prior to July 1, 2009 and allows the continuation of certain state paid benefits during an employee's participation in such a program. It also directs the State Budget Officer to transfer savings from the program to the General Fund Compensation and Benefit Plan account and lapses \$350,000 in each year of the biennium from identified savings attributable to the programs.

PART N authorizes the State Budget Officer to transfer available balances of General Fund appropriations for Personal Services in fiscal years 2007-08 and 2008-09 to be used for costs associated with collective bargaining.

PART O delays implementation of the Fiscal Stability Program until the 2010-2011 biennium.

Joint Standing Committee on Appropriations and Financial Affairs

PART P removes the limitation on the number of employees that may be funded using the funds collected from the Public Utilities Commission's regulatory assessment.

PART Q authorizes the Maine Governmental Facilities Authority to issue additional securities up to \$11,000,000 in fiscal year 2007-08 and \$6,000,000 in fiscal year 2008-09 for preliminary planning costs and capital repairs and improvements to various state facilities. It also requires the unexpended balance in the Debt Service - Government Facilities Authority account in the Department of Administrative and Financial Services on June 30, 2007 to be carried forward for the same purpose until June 30, 2009.

PART R authorizes the Department of Administrative and Financial Services, in cooperation with others, to enter into certain financing arrangements including: \$5,000,000 for the acquisition of motor vehicles for the Central Fleet Management Division; \$1,800,000 for the acquisition of motor vehicles for the Maine State Police; and \$15,000,000 for the acquisition of hardware, software and systems to support the operations of the Statewide Radio and Network System Reserve Fund.

PART S delays the increase in revenue sharing from 5.1% to 5.2% from July 1, 2007 to July 1, 2009.

PART T recognizes savings from the prepayment of teachers' retirement in fiscal year 2008-09 and provides a plan of action in the event the State Controller determines insufficient cash flow exists to make the entire prepayment.

PART U changes the methodology for funding the administrative expenses of the Maine State Retirement System, the Maine Legislative Retirement System and the Maine Judicial Retirement System.

PART V amends the 3-factor corporate income tax apportionment factor to a single factor, based on sales, effective for tax years beginning on or after January 1, 2007. This Part also applies the so-called "market share" approach for sourcing receipts from intangibles and the sales of services by multistate taxpayers.

PART W increases from .04% to .08% the percentage of Maine adjusted gross income for reporting use tax.

PART X provides that any All Other balance in the Department of Health and Human Services, Bureau of Medical Services, General Fund account must be carried forward to June 30, 2009 to be used for the same purpose and defines available balances and authorizes the transfer between accounts by financial order of available balances of appropriations in MaineCare General Fund accounts. It also includes MaineCare financial reporting requirements.

PART Y requires that any unexpended balance in the Department of Health and Human Services, Nursing Facilities, Other Special Revenue Funds account as of June 30, 2007 and June 30, 2008 be carried forward for the purpose of funding cost-of-living adjustments for licensed nursing facilities and for residential care facilities. It also requires the department to provide cost-of-living adjustments up to 2%, depending on the availability of funds, to all components of the reimbursement rate except the fixed cost component for nursing facilities and for residential care facilities in fiscal years 2007-08 and 2008-09. It also requires that any facility that accepts a cost-of-living increase must provide an equal percentage increase in wages and benefits to all employees other than the administrator. It also requires the department to prepare and issue quarterly reports on nursing facilities tax balances for the remainder of the 2008-2009 biennium.

PART Z authorizes the transfer of up to 30 Intensive Case Manager positions in the Mental Health Services - Community program as they become vacant to the Office of Integrated Access and Support program to be reorganized to Family Independence Specialist positions. It also provides for transfers of related funding and reorganization of allocations based on the permissible federal match.

PART AA provides the method of distributing a departmentwide appropriation to the Department of Health and Human Services to pay for legal services.

Joint Standing Committee on Appropriations and Financial Affairs

PART BB provides the method of distributing a departmentwide appropriation to the Department of Health and Human Services to pay for information technology.

PART CC provides the method of distributing a departmentwide savings to the Department of Health and Human Services from the implementation of a managed care effort for behavioral health services.

PART DD provides the method of distributing departmentwide savings and position eliminations in the Department of Health and Human Services resulting from a departmentwide reorganization.

PART EE provides the method of distributing a departmentwide savings to the Department of Health and Human Services resulting from a reduction in payments to the Health and Human Services Service Center.

PART FF authorizes the transfer of State Cost Allocation Program (STA-CAP) revenue received in excess of budgeted amounts to the Office of Information Technology for certain statewide financial information systems.

PART GG requires the Commissioner of Health and Human Services to review the structure, systems and operations of the Office of MaineCare Services program to transition to a model operated by a fiscal agent. Transfers of position counts and available balances between line categories by financial order are authorized and considered adjustments to appropriations.

PART HH merges the Department of Administrative and Financial Services, Bureaus of Employee Relations and Human Resources.

PART II continues funding for individual tax expenditures reported in the budget document submitted by the Governor on January 5, 2007 pursuant to the Maine Revised Statutes, Title 5, section 1666.

PART JJ authorizes interest earned on the Bangor court facility bonds to be used to offset any Judicial Department principal or interest payments and requires a report on the status of construction fund interest earnings and balance. It also allows calculated savings from interest earnings to lapse to the General Fund unappropriated surplus.

PART KK directs the State Controller to transfer unexpended Personal Services balances in the General Fund lapsing accounts on June 30, 2007, June 30, 2008 and June 30, 2009 to the Compensation Salary Plan General Fund account to be used for costs associated with collective bargaining agreements for state employees.

PART LL changes the Workers' Compensation Board assessment for administrative operations from a statutorily specified amount to the amount required for expenditures allocated by the Legislature for operating the board.

PART MM authorizes the transfer of up to \$107,500,000 from the unappropriated surplus of the General Fund to the Medical Care - Payments to Providers General Fund account to increase prospective interim payments to hospitals in fiscal year 2007-08 (up to \$82,000,000 less any amount received in fiscal year 2006-07) and for hospital settlements (\$25,500,000 representing the first of 4 equal payments).

PART NN transfers the Maine Conservation Corps from the Department of Labor to the Department of Conservation.

PART OO establishes the consumer-directed personal care services program within the Office of Adults with Cognitive and Physical Disabilities Services of the Department of Health and Human Services and repeals the program of state-funded consumer-directed personal care assistance services within the Department of Labor.

PART PP authorizes rather than requires the Department of Administrative and Financial Services, Office of Information Technology to charge a fee to agencies using the statewide radio and network system.

Joint Standing Committee on Appropriations and Financial Affairs

PART QQ merges the Atlantic Salmon Commission into the Department of Marine Resources.

PART RR renames several programs of the Department of Health and Human Services.

PART SS renames the Youth in Need of Services Program within the Department of Health and Human Services and makes certain statutory changes and requires the department to distribute the Homeless Youth Program funding based on a request for proposal and requires the Commissioner to provide a draft of the request to the Joint Standing Committees on Health and Human Services and Appropriations and Financial Affairs.

PART TT renames the Human Leukocyte Antigen Screening Fund and the Fund for a Healthy Maine - Human Leukocyte program within the Department of Health and Human Services and makes certain statutory changes.

PART UU authorizes the Department of Health and Human Services to accept funding to create a supply or stockpile of items necessary in the event of pandemic influenza or other epidemic.

PART VV repeals the Maine Small Business Health Coverage Plan and corrects a cross-reference.

PART WW provides up to \$50,000 funding per year from the Victims' Compensation Fund to pay the costs of sexual assault forensic examiner training and education provided by the State's sexual assault forensic examiner program. This Part also provides that \$104,317 of the unencumbered balance in the Fair Drug Pricing Contingent Account in the Department of the Attorney General lapses to the General Fund in fiscal year 2007-08.

PART XX authorizes the issuance of \$12,000,000 in additional securities by the Maine Governmental Facilities Authority for courthouses in the Judicial Department.

PART YY authorizes the State Budget Officer to transfer technology-related positions to the Department of Administrative and Financial Services, Office of Information Technology in fiscal year 2007-08.

PART ZZ requires a farm that stores more than 100 tons of manure per year not generated on that farm to have a nutrient management plan.

PART AAA lapses available General Fund balances in several Department of Health and Human Services accounts.

PART BBB makes adjustments to appropriations and allocations for fiscal year 2006-07.

PART CCC updates the Maine Revised Statutes, Title 36 to conform the Maine tax code to the federal tax code, specifically to the changes in the federal Tax Relief and Health Care Act of 2006. This Part also continues Maine's nonconformity with the federal temporary increases in the United States Internal Revenue Code, Section 179, which concerns business expense deductions. In May 2006, the Code was amended to extend the federal increases in Section 179 to tax years beginning in 2008 and 2009. Under prior federal law, the increases in allowable Section 179 business expense deductions were set to expire for tax years beginning after December 31, 2007.

PART DDD authorizes the State Controller to transfer \$1,000,000 by June 30, 2007 from the Office of Securities Other Special Revenue Funds account in the Department of Professional and Financial Regulation to the unappropriated surplus of the General Fund.

PART EEE transfers \$9,500,000 currently available in the General Fund Profit and Loss account to the unappropriated surplus of the General Fund and subsequently transfers the same amount from the unappropriated surplus of the General Fund to the Medical Care - Payments to Providers General Fund account. As a result of the transfers, \$9,500,000 is available for deappropriation from the Medical Care - Payments to Providers account.

PART FFF authorizes the State Controller to transfer \$6,000,000 no later than June 30, 2008 from Other Special

Joint Standing Committee on Appropriations and Financial Affairs

Revenue Funds to the unappropriated surplus of the General Fund and to reverse this transfer along with interest on July 1, 2008, as repayment. This transfer is considered an interfund advance to be repaid with interest compounded annually at the earnings rate within the Treasurer of State's cash pool on the date of the advance.

PART GGG increases the prescription drug copayment to be collected from MaineCare members from \$2.50 to \$3.00 per prescription dispensed. The per member per month cap on total copayments is changed from \$25 to \$30.

PART HHH authorizes the Department of Administrative and Financial Services, Office of Information Technology to enter into financing arrangements on or after January 1, 2008 and on or after January 1, 2009: to acquire hardware, software and systems to support the development of new applications; and to enhance and modify current application systems. This Part also establishes principal amounts, terms and maximum interest rates; specifies that payment for the debt service costs must be paid by the affected departments; and includes departmentwide appropriations to the Department of Health and Human Services for information technology costs.

PART III authorizes the State Controller to transfer \$2,229,354 by June 30, 2007 from the Accident, Sickness and Health Insurance Internal Service Fund in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund.

PART JJJ makes statutory changes related to Medicaid 3rd-party liability provisions. These changes are needed to meet federal requirements and to enhance the ability of the Office of MaineCare Services in the Department of Health and Human Services, to identify and recover when 3rd-party payers are responsible for making payments on behalf of MaineCare recipients.

PART KKK provides the method for distributing departmentwide savings within the Department of Health and Human Services that will result from restructuring its cooperative agreement with the University of Maine System and Maine Community College System.

PART LLL requires the Commissioner of Professional and Financial Regulation to biennially conduct a review of fees assessed by the Department of Professional and Financial Regulation and submit a report to the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs, insurance and financial services matters and business, research and economic development matters identifying any fee changes recommended by the commissioner. This Part also transfers funds from the department with the intent that the transfer not result in an increase of fees imposed by the department.

PART MMM authorizes the Department of Health and Human Services to adopt rules on an emergency basis to implement those provisions of this Act over which the department has subject matter jurisdiction.

PART NNN requires that any amount in excess of \$500,000 transferred in a fiscal year to the Fund for the Efficient Delivery of Local and Regional Services must be transferred to General Fund undedicated revenue.

PART OOO authorizes the Maine Milk Commission to establish and amend target prices for milk producers in the State through major substantive rulemaking and, beginning July 1, 2007, establishes interim target prices that may be changed through adoption of major substantive rules.

PART PPP makes revisions to the milk handling fee. This Part establishes a rate schedule with a minimum handling fee of 2¢ when the basic price of milk drops below \$24 per hundredweight up to a handling fee of 36¢ a gallon when the basic price of milk is between \$15 and \$15.49 per hundredweight. The handling fee would then increase by 6¢ per gallon for every 50¢ decrease in the basic price of milk below \$15 per hundredweight.

PART QQQ requires the Joint Standing Committee on Appropriations and Financial Affairs to conduct the initiative to streamline State Government, a comprehensive analysis of State Government with the goals of consolidating functions and eliminating duplication and inefficiencies in programs, in contracted personal services and

Joint Standing Committee on Appropriations and Financial Affairs

administrative and management positions within State Government. The committee shall investigate and identify major sources of administrative excess, redundancy, inefficiency and program overlap with other state, local or federal programs. The committee shall identify \$10,100,000 in savings to be achieved during the 2008-2009 biennium.

PART RRR establishes the Irrevocable Trust Fund for Other Post-employment Benefits to meet the State's unfunded liability obligations for retiree health benefits, establishes the Retiree Health Insurance Post-employment Benefits Investment Trust Fund within the Maine State Retirement System, designates the members of the Board of Trustees of the Maine State Retirement System as trustees of the investment trust fund and assigns responsibility for investment of the assets of the investment trust fund to the trustees. It provides for the calculation and transfer of funds from the Retiree Health Insurance Internal Service Fund in the Department of Administrative and Financial Services to the Retiree Health Insurance Post-employment Benefits Investment Trust Fund at the Maine State Retirement System.

PART SSS approves the cost items in tentative collective bargaining agreements reached by the State and the bargaining units pursuant to Maine Revised Statutes, Title 26, section 979-D. It authorizes the use of the Salary Plan accounts in the General Fund and Highway Fund for the costs of collective bargaining. It also amends the statutes to increase the mileage allowance paid by the State for travel by employees using privately owned vehicles to the federal rate of reimbursement or 40¢ per mile beginning July 1, 2007, 42¢ per mile beginning July 1, 2008 and 44¢ per mile beginning January 1, 2009, whichever is lower.

PART TTT provides that a total of \$1,588,928 of unencumbered balance forward at the close of fiscal year 2006-07 in the Education in Unorganized Territory, General Fund account in the Department of Education lapses to the General Fund at the close of fiscal year 2006-07.

PART UUU requires the Commissioner of Education to convene a working group to study the current offering of remedial college courses at the University of Maine System and the Maine Community College System and to provide a report to the Joint Standing Committee on Education and Cultural Affairs with its findings and recommendations for changes in the delivery of remedial college courses no later than February 1, 2008.

PART VVV defines "semester" for Title 20-A, chapter 208-A as the fall, spring or summer terms of an academic year and requires that not more than 10% of the total funding available for postsecondary education, either through a direct appropriation to the postsecondary education program within the Department of Education or as part of the ongoing funds included in the appropriation for the general purpose aid for local schools program, may be used for secondary students to take a postsecondary course during the summer term.

PART WWW establishes the authority and requirements for the Department of Health and Human Services to establish rules to implement the MaineCare radiology services prior authorization initiative included in Part A.

PART XXX expands the membership of the Maine Maritime Academy board of trustees from 13 to 16.

PART YYY requires the State Court Administrator and the Commissioner of Corrections, when preparing impact statements on legislation, to consult with certain persons and associations in order to provide accurate estimates of the impact of that legislation on the judicial branch and the correctional system, respectively.

PART ZZZ allows the Commissioner of Corrections, without a prisoner's consent, to transfer a prisoner to supervised community confinement if that prisoner has less than 18 months remaining on that prisoner's sentence. The inmate would have had to serve at least 2/3 of the inmate's sentence if the sentence was more than 5 years or at least 1/2 of the sentence if the sentence was 5 years or less. This Part also requires a pro rata reimbursement to the Department of Corrections for the costs of training a corrections officer who then leaves the department to seek work as a corrections officer in a county facility or other law enforcement agency. This is consistent with current law regarding the costs of training law enforcement officers who change employment after training.

Joint Standing Committee on Appropriations and Financial Affairs

PART AAAA defines the process by which the Department of Health and Human Services will work with providers to achieve savings from standardized rates, system redesign and reduction of administrative burdens. It provides that if the department decides to use rate standardization adjustments to generate a larger part of the total budgeted savings than the amount shown for rate standardization in Part A or the amount recommended by the Rate Standardization Work Group pursuant to this Part, the department must first report that difference to the appropriate committees of the Legislature and allow for adequate public comment on its intentions before proceeding. It also provides that this initiative is departmentwide.

PART BBBB lapses a total of \$1,350,000 from accounts within the Legislature to the General Fund over the fiscal years ending June 30, 2007 and June 30, 2008.

PART CCCC directs the State Controller to transfer surplus funds not needed for current operations by June 30, 2007 from the Emergency Services Communications Bureau Other Special Revenue Funds account in the Public Utilities Commission and the Conservation Program Fund Other Special Revenue Funds account within the Public Utilities Commission to the unappropriated surplus of the General Fund.

PART DDDD requires the Department of Health and Human Services to maintain day habilitation services at the level they were provided on January 1, 2007 while the department transitions to a new federal Medicaid waiver.

PART EEEE directs the State Controller to transfer surplus funds not needed for current operations by June 30, 2007 from various Other Special Revenue Funds accounts in the Department of Public Safety to the unappropriated surplus of the General Fund.

PART FFFF directs the State Controller to transfer \$127,176 of the unencumbered balance in fiscal year 2007-08 in the Federal-State Inspection Fund Other Special Revenue Funds account of the Division of Quality Assurance and Regulations program within the Department of Agriculture, Food and Rural Resources to the General Fund in fiscal year 2007-08.

PART GGGG authorizes the State Controller to transfer funds by June 30, 2008 from the Administration - Attorney General Other Special Revenue Funds account to the unappropriated surplus of the General Fund from the State's share of a multistate settlement.

PART HHHH directs the State Controller to transfer surplus funds not needed for current operations by June 30, 2007 from the Baxter Compensation Authority Other Special Revenue Funds account to the unappropriated surplus of the General Fund.

PART IIII requires the State Court Administrator to increase certain fees collected by the Judicial Department.

PART JJJJ recognizes savings of \$1,400,000 annually in fiscal years 2007-08 and 2008-09 to be realized through increased efficiencies.

PART KKKK provides that a captive insurance company is not subject to an insurance premiums tax in this State and, therefore, is no longer exempted from taxation under Maine's corporate income tax. Accordingly, a captive insurance company is required to be included in a combined income tax return when it is part of a unitary business that operates in this State. This Part also exempts from the definition of "corporation" a person that is engaged solely in the business of reinsuring risks of one or more affiliated insurance companies that are not captive insurance companies formed or licensed under the Maine Revised Statutes, Title 24-A, chapter 83 or under the laws of another state.

PART LLLL redirects the \$20 initial registration fee for the sportsman motor vehicle specialty registration plate from the Lifetime License Fund to the Boat Launch Facilities Fund. It also redirects and divides the \$20 renewal fee

Joint Standing Committee on Appropriations and Financial Affairs

for the sportsman registration plate from the Lifetime License Fund to the fish hatchery maintenance fund, the Boat Launch Facilities Fund, the Maine Endangered and Nongame Wildlife Fund and the Support Landowners Program. It authorizes the Secretary of State to issue sportsman registration plates with fewer than the 3-digit and 3-letter combination that is currently required for other specialty plates. This Part also directs the Commissioner of Inland Fisheries and Wildlife to submit a new proposed design for the sportsman registration plate every 6 years for approval or modification by the Secretary of State. Finally, this Part transfers \$650,000 from the Inland Fisheries and Wildlife carrying account for the construction of a Department of Inland Fisheries and Wildlife regional headquarters in Aroostook County.

PART MMMM directs the State Controller to transfer \$27,300 in fiscal year 2007-08 from the unappropriated surplus of the General Fund to the Maine Coast Environmental Trust Fund in the Department of Marine Resources.

PART NNNN provides an income tax credit to qualified taxpayers eligible for a federal historic rehabilitation credit with regard to the Lockwood Mill Historic District in the City of Waterville.

PART OOOO requires the State Controller to monitor the accounts receivable established as a result of a use tax liability. It also provides a General Fund appropriation of \$200,000 in fiscal year 2007-08 for certain air ambulance organizations contingent upon certification by the State Controller that the air ambulance accounts receivable balance is \$200,000 or less.

PART PPPP increases the property tax exemption for veterans and their eligible survivors from \$5,000 to \$6,000.

PART QQQQ authorizes the State to provide Pine Tree Development Zone benefits to Maine manufacturing companies that would not otherwise qualify for these benefits. It specifies the criteria for the application that an applicant must submit to the Commissioner of Economic and Community Development, adds a sunset provision that requires applications for benefits to be received by the commissioner by December 1, 2009 and authorizes the Department of Economic and Community Development to adopt rules to implement the enacted subchapter.

PART RRRR augments the efforts of Realize!Maine, under the auspices of the Maine Development Foundation, to retain and attract young people to live, work and recreate in the State. This Part also repeals the "S.W.A.T. team" law and incorporates the responsibilities formerly set out in the Maine Revised Statutes, Title 5, chapter 389 into the responsibilities of the Maine Development Foundation. This Part also appropriates funds to the Maine Development Foundation.

PART SSSS allows the Department of Administrative and Financial Services, Bureau of General Services to make renovations to house a women's transitional corrections facility in Bangor.

PART TTTT directs the State Controller to transfer \$300,000 from the Other Special Revenue Funds elderly tax deferral program in fiscal year 2007-08 to the General Fund unappropriated surplus.

PART UUUU directs the Chancellor of the University of Maine System, the President of the Maine Community College System and the President of the Maine Maritime Academy to form an administrative savings group to review potential savings in noninstructional costs for the 3 systems by combining administrative services to the extent practicable and report back to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Education and Cultural Affairs on or before January 1, 2008.

PART VVVV establishes the Marine Fisheries Stock Enhancement Fund in the Department of Marine Resources. Money in the fund must be administered by the department for commercial marine stock enhancement to improve the marine economy in this State through applied research, development, production of harvested marine species, infrastructure, monitoring and assessment. Money in the fund may be used as federal matching funds.

PART WWWW exempts diesel internal combustion engine fuel used for the purpose of operating or propelling a

Joint Standing Committee on Appropriations and Financial Affairs

commercial groundfishing boat from the sales tax for fiscal year 2007-08. "Commercial groundfishing boat" is defined as a boat that is licensed to harvest and is used for harvesting northeast multispecies fish.

PART XXXX provides a framework for the reorganization of school administrative units into regional school units to maximize efficiencies in administrative and other noninstructional areas of kindergarten to grade 12 education.

Part YYYY adjusts the appropriation made in Part A relating to the Maine Community College System and makes an appropriation and an allocation to the Department of Health and Human Services that were inadvertently omitted from Part A.

Public Law 2007, chapter 240 was enacted as an emergency measure effective June 7, 2007, except as otherwise indicated.

LD 501 An Act To Provide Relief to the Commuters on Casco Bay Islands

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARLEY	ONTP	

This bill makes ongoing appropriations to the Casco Bay Island Transit District to stabilize passenger, vehicle and freight rates and to make ferry transportation affordable to year-round residents served by the transit district.

Public Law 2007, chapter 39 enacted a similar provision in the bond proposal.

LD 502 An Act To Ensure That Maine Residents Have Reliable Winter Heating Assistance

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FLETCHER	ONTP	

This bill makes ongoing General Fund appropriations of \$17,000,000 per year beginning in fiscal year 2007-08 to the Maine State Housing Authority for the Low Income Home Energy Assistance Program (LIHEAP) to provide necessary heating assistance funding for Maine residents in a timely manner. Funding received from the Federal Government for LIHEAP must be used to offset the General Fund appropriation.

LD 538 An Act To Authorize a General Fund Bond Issue To Promote Increased Research and Development Collaboration between the Environmental and Energy Technology Sector and the University of Maine System

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS	ONTP	

The funds provided by this bond issue, in the amount of \$2,000,000, will be used to promote increased research and development collaboration between the environmental and energy technology sector of the State and the University of Maine System.