

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

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

June 2012

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STATE OF MAINE

125TH LEGISLATURE
SECOND REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

<i>CARRIED OVER</i>	<i>carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>chapter # of constitutional resolution passed by both houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; legislation died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagreed; legislation died</i>
<i>DIED IN CONCURRENCE</i>	<i>defeated in each house, but on different motions; legislation died</i>
<i>DIED ON ADJOURNMENT</i>	<i>action incomplete when session ended; legislation died</i>
<i>EMERGENCY</i>	<i>enacted law takes effect sooner than 90 days after session adjournment</i>
<i>FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE</i>	<i>emergency failed to receive required 2/3 vote</i>
<i>FAILED, ENACTMENT or FINAL PASSAGE</i>	<i>failed to receive final majority vote</i>
<i>FAILED, MANDATE ENACTMENT</i>	<i>legislation proposing local mandate failed required 2/3 vote</i>
<i>HELD BY GOVERNOR</i>	<i>Governor has not signed; final disposition to be determined at subsequent session</i>
<i>LEAVE TO WITHDRAW</i>	<i>sponsor's request to withdraw legislation granted</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>ruled out of order by the presiding officer; legislation died</i>
<i>INDEF PP</i>	<i>indefinitely postponed; legislation died</i>
<i>ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X</i> ...	<i>ought-not-to-pass report accepted; legislation died</i>
<i>P&S XXX</i>	<i>chapter # of enacted private & special law</i>
<i>PUBLIC XXX</i>	<i>chapter # of enacted public Law</i>
<i>RESOLVE XXX</i>	<i>chapter # of finally passed resolve</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session of the 125th Legislature is Thursday, August 30, 2012. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Appropriations and Financial Affairs

This bill was introduced by the Committee on Appropriations and Financial Affairs pursuant to Joint Order 2012, H.P. 1367 to address revenue shortfalls projected for the fiscal year ending June 30, 2012. It contains several initiatives originally proposed in LD 1903.

House Amendment "A" (H-778)

This amendment adds an emergency preamble and emergency clause to the bill.

Enacted Law Summary

Public Law 2011, chapter 575 results in a net savings to the General Fund of \$4,938,904 in fiscal year 2011-12.

PART A adjusts appropriations and allocations for debt service within the Office of the Treasurer of State.

PART B increases the amount the Finance Authority of Maine is required to transfer from the Loan Insurance Reserve Fund to General Fund undedicated revenue in fiscal year 2011-12 from \$1,000,000 to \$2,000,000.

PART C requires the State Controller to transfer \$450,000 from the Bureau of Revenue Services Fund, Internal Service Fund account to General Fund unappropriated surplus by June 30, 2012.

PART D requires the State Controller to transfer the first \$600,000 of unexpended Personal Services savings that would otherwise lapse to the Salary Plan program to General Fund unappropriated surplus at the close of fiscal year 2011-12.

PART E lapses \$300,000 from the unencumbered balance in the Maine Farms for the Future, General Fund account in the Department of Agriculture, Food and Rural Resources to the General Fund in fiscal year 2011-12.

PART F provides that a portion of unencumbered balance forward of the Department of Health and Human Services, Disproportionate Share - Riverview Psychiatric Center and Disproportionate Share - Dorothea Dix Psychiatric Center, General Fund accounts lapses to the General Fund in fiscal year 2011-12.

PART G requires the State Controller to transfer \$100,000 in unexpended funds from the Fund for the Efficient Delivery of Local and Regional Services to General Fund unappropriated surplus no later than June 30, 2012.

PART H requires the State Budget Officer to calculate the savings from a decrease in charges made by the Department of Administrative and Financial Services, Division of Financial and Personnel Services for its services and transfer those savings by financial order upon the approval of the Governor.

Public Law 2011, chapter 575 was enacted as an emergency measure effective March 30, 2012.

LD 1903

An Act To Make Additional Supplemental Appropriations and Allocations and To Change Certain Provisions of the Law for the Fiscal Years Ending June 30, 2012 and June 30, 2013

**PUBLIC 655
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FLOOD ROSEN R	OTP-AM	H-938 H-949 FLOOD

This bill is the Governor's proposed Supplemental Budget Bill for the 2012-2013 biennium.

Joint Standing Committee on Appropriations and Financial Affairs

LD 1870, as enacted, contains some the initiatives originally proposed in this bill.

Committee Amendment "A" (H-938)

This is the unanimous report of the Committee in response to the Governor's proposed bill.

House Amendment "F" To Committee Amendment "A" (H-949)

This amendment makes the following technical changes to Committee Amendment "A":

1. Removes the designation of the Public Relations Representative in the Department of Inland Fisheries and Wildlife as a major policy-influencing position and the requirement that the position be appointed by the Commissioner of Inland Fisheries and Wildlife;
2. Adds the positions of Director, PK-20, Adult Education and Federal Programs Team and Director, Special Services Team as major policy-influencing positions in the Department of Education, subject to appointment by the Commissioner of Education;
3. Provides that the change made to the position of Director, Bureau of Unemployment Compensation, making it subject to appointment by the Commissioner of Labor, does not take effect until the position becomes vacant;
4. Clarifies that the transfer of the economist positions from the State Planning Office to the Office of Policy and Management takes effect on July 1, 2012;
5. Specifies that the transition provisions transferring employees from the State Planning Office apply to employees who were in those positions as of April 1, 2012; and
6. Specifies that certain functions related to land use planning are transferred to the Department of Conservation, instead of the Department of Economic and Community Development.

Enacted Law Summary

Public Law 2011, chapter 655 results in a net savings to the General Fund of \$18,088,510 and a net savings to the Fund for a Healthy Maine of \$198,008 in the 2012-2013 biennium. The General Fund savings is net of \$4,615,361 in appropriations vetoed by the Governor pursuant to Article IV Part Third Section 2-A of the Constitution of the State of Maine.

PART A makes appropriations and allocations for the 2012-2013 biennium. An appropriation of \$4,297,669 and Other Special Revenue allocations totaling \$1,895,824 related to the General Assistance program within the Department of Health and Human Services and an appropriation of \$3,176,972 to offset a reduction in federal disproportionate share payments for certain individuals involved in the criminal justice system and confined to the Riverview Psychiatric Center were vetoed by the Governor. The vetoed items are included in LD 1746, enacted as Public Law 2011, chapter 657.

PART B makes allocations of funds for approved reclassifications.

PART C amends the law regarding general purpose aid for local schools to reflect the reduced appropriation for the state agency client budget and allows the Department of Education to expend state subsidy on behalf of a school administrative unit to purchase items on statewide contracts.

PART D makes certain communications and other positions within the Department of Education, the Department of Inland Fisheries and Wildlife and the Department of Labor part of the unclassified service and subject to the appointment of the commissioners of the respective departments and clarifies that employees of the Governor's Office of Communications and the Governor's Energy Office are unclassified employees.

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PART E clarifies that municipal school units have the authority to commit property taxes.

PART F authorizes the Commissioner of Education to establish a program for increasing the state share of the cost of approved bus refurbishing.

PART G authorizes the Commissioner of Education, for fiscal years 2011-12 and 2012-13, to transfer funds to the State Charter School Commission program in order to provide funding for start-up costs for the oversight of public charter schools.

PART H lapses \$10,009,774 of the unencumbered balance forward from the Department of Education, General Purpose Aid for Local Schools program to the General Fund.

PART I creates a new Associate Commissioner for Tax Policy position; eliminates the existing Director of Econometric Research position; amends the membership of the Revenue Forecasting Committee and establishes a new Office of Tax Policy within the Bureau of Revenue Services. It also clarifies the authority of Bureau of Revenue Services to disclose confidential taxpayer information during the course of its enforcement and administration of the tax laws.

PART J corrects the program number identified for the State Board of Corrections Investment Fund program in Public Law 2011, chapter 428, Public Law 2011, chapter 448 and Public Law 2011, chapter 455.

PART K exempts financial orders that allot funds to pay death benefits for law enforcement officers, firefighters and emergency medical services persons who die while in the line of duty from legislative review and from provisions requiring a 30-day wait before taking effect.

PART L amends the consensus revenue forecasting process to eliminate the provision that requires the Revenue Forecasting Committee to exclude revenue that accrues from the Pine Tree Development Zone program from the revenue forecast and repeals the provision requiring that all revenue attributable to the Pine Tree Development Zone program be set aside in a separate fund to pay the benefits. It also repeals the law that establishes the Pine Tree Development Zone Reserve Fund and fixes a cross-reference.

PART M authorizes the State Budget Officer to adjust allocations in Fund for a Healthy Maine program accounts to address Personal Services shortfalls that occur as a result of allocation reductions for projected vacancies.

PART N reduces the amount the baseline increase in the funding to be provided to the University of Maine System for debt service to support a 10-year revenue bond and delays the first year of the debt service by one year.

PART O authorizes the State Controller to transfer up to \$1,000,000 from the Maine Budget Stabilization Fund to the Department of Defense, Veterans and Emergency Management if necessary to allow the department to fulfill its responsibilities under the emergency management assistance compact or the International Emergency Management Assistance Compact. Any amounts transferred must be returned to the fund when reimbursement for services is received.

PART P eliminates the position of Economic Analyst from the Office of the Public Advocate.

PART Q requires any General Fund balances remaining in the Administration - Executive - Governor's Office, Blaine House, Governor's Office of Communications, Office of Policy and Management and Governor's Energy Office programs to be carried forward for use in the next fiscal year.

PART R does the following: reduces general assistance maximum levels of assistance by 10% from levels in effect on April 1, 2012 for the period from July 1, 2012 to June 30, 2013; restricts housing assistance in the municipal

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general assistance program to no more than 9 months during the calendar year for the period from July 1, 2012 to June 30, 2013; reduces the state reimbursement rate for a municipality that incurs net general assistance costs in a fiscal year in excess of .0003 of that municipality's most recent state valuation to 85% for the period from July 1, 2012 to June 30, 2013; directs the Commissioner of Health and Human Services to establish a working group to review and make recommendations related to the general assistance program; and directs the Commissioner of Health and Human Services to establish a pilot program to maximize access to federal assistance programs for which applicants for or recipients of general assistance may be eligible.

PART S eliminates the requirement that the Department of Health and Human Services provide limited transitional food benefits to ASPIRE-TANF program recipients who lose TANF eligibility due to employment earnings and authorizes the Department of Health and Human Services to provide limited transitional food benefits to working families who are food supplement benefit recipients with dependent children.

PART T repeals the provision of law that requires nursing facilities to submit payment to the Department of Health and Human Services equal to 50% of Medicaid savings due the State pursuant to the principles of reimbursement.

PART U requires remaining balances of funds appropriated for state supplemental income benefits to be carried forward from year to year.

PART V requires that any remaining funds in the Department of Health and Human Services, Mental Health Services - Community program appropriated for rental assistance and shelter services be carried forward to the next fiscal year to be used for the same purpose.

PART W amends the law that authorizes the Chief Justice of the Supreme Judicial Court to approve financial orders to further authorize revisions of and increases to allotment within the judicial branch.

PART X authorizes the transfer of year-end balances in the Personal Services line category to the Capital Construction/Repairs/Improvements - Corrections program after all financial commitments and budgetary adjustments are made.

PART Y transfers \$600,000 from the unappropriated surplus of the General Fund to the Criminal Justice Academy program, Other Special Revenue Funds account within the Department of Public Safety.

PART Z directs the State Controller to transfer \$700,000 from the unappropriated surplus of the General Fund to the Fire Marshal - Office of program, Other Special Revenue Funds account within the Department of Public Safety.

PART AA requires the State Controller to transfer \$1,300,000 on or before June 30, 2012 and \$950,000 on or before June 30, 2013 from the Commission on Governmental Ethics and Election Practices program, Other Special Revenue Funds account to the unappropriated surplus of the General Fund.

PART BB provides that the unencumbered balance forward from the Department of Labor, Governor's Training Initiative Program, General Fund account lapses to the General Fund in fiscal year 2011-12.

PART CC abolishes the State Planning Office and implements the recommendations of the working group established by Public Law 2011, chapter 380, Part FF regarding transfer of duties and responsibilities of the State Planning Office to other state departments and agencies.

PART DD establishes in the Executive Department the Governor's Office of Policy and Management and establishes certain reporting provisions.

PART EE amends laws regarding state boards and commissions and natural resources-related planning functions to reflect the elimination of the Executive Department, State Planning Office and eliminates several boards and

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commissions for which the State Planning Office has provided support.

PART FF transfers the Executive Department, State Planning Office's duties and responsibilities regarding training and certification for municipal code enforcement officers to the Department of Economic and Community Development and the Department of Conservation and establishes certain reporting requirements on the status of the transition.

PART GG transfers the Executive Department, State Planning Office's duties and responsibilities regarding solid waste management and recycling policy to the Department of Environmental Protection and transfers ownership of state-owned landfills and related management duties and responsibilities to the Department of Administrative and Financial Services, Bureau of General Services.

PART HH transfers the Executive Department, State Planning Office's duties and responsibilities as the state coordinating agency for the National Flood Insurance Program to the Department of Conservation.

PART II transfers the duties, responsibilities and activities of the Executive Department, State Planning Office regarding provision of staff support for the Land for Maine's Future program to the Department of Conservation, Natural Areas Program.

PART JJ transfers the Executive Department, State Planning Office's duties and responsibilities regarding planning and land use regulation to the Department of Conservation and directs the Commissioner of Conservation to designate the Director of Land Use Planning to coordinate technical assistance and provide guidance for state agencies and local and regional comprehensive plans.

PART KK transfers the Executive Department, State Planning Office's duties and responsibilities as lead agency for the Maine Coastal Program to the Department of Conservation's Bureau of Geology and Natural Areas, renamed, accordingly, the Bureau of Geology, Natural Areas and Coastal Resources.

PART LL transfers the Executive Department, State Planning Office's duties, responsibilities and activities regarding provision of administrative support for the Maine Commission for Community Service to the Department of Education.

PART MM transfers the Executive Department, State Planning Office's duties and responsibilities regarding various energy policy-related matters to the Governor's Energy Office and changes the name of the Governor's Office of Energy Independence and Security to the Governor's Energy Office. It also specifies that the Governor's Energy Office is funded by federal funds that are received by the office and provides that the office may receive funds from the Efficiency Maine Trust for specified related portions of its activities if federal funds are inadequate to meet the office's funding needs with additional funding of the office must come from the General Fund or other available resources.

PART NN contains general transition provisions regarding transfer of the Executive Department, State Planning Office's duties, responsibilities and property to the other units of State Government as provided in the bill.

PART OO amends the special education laws by: giving the Commissioner of Education, or the commissioner's designee, responsibility for developing and implementing a funding mechanism for the operation of the state intermediate educational unit and the delivery of services to eligible children with disabilities from birth to under 6 years of age; placing sole responsibility for the development and adoption of rules necessary to carry out the federal Individuals with Disabilities Education Act on the Commissioner of Education; requiring the Department of Education to develop a corrective action plan to achieve compliance with federal or state law; and eliminating regional sites as locally governed regional intermediate educational units established.

PART PP enacts a new sales and use tax exemption for positive airway pressure equipment used in respiratory

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ventilation and for supplies and repair and replacement parts for such equipment.

PART QQ repeals the filing requirement of information returns by partnerships and S corporations; amends the definition of "taxpayer" to include pass-through entities in order to provide the State Tax Assessor the ability to audit a pass-through entity even if the entity does not have a Maine filing requirement; and makes technical changes to reflect the proposed changes. This Part applies to tax years beginning on or after January 1, 2012.

PART RR requires the State Budget Officer to calculate a specified level of saving from the lowered costs of business communications lines and transfer the savings by financial order.

PART SS changes the position title for the Assistant to the Commissioner for Public Affairs to the Director of Legislative Affairs within the Department of Labor.

PART TT authorizes the State Controller to transfer funds from the Carrying Balances - Inland Fisheries and Wildlife program, General Fund account to partially fund the reorganization of 3 positions that were included in the retirement incentive program.

PART UU lapses \$55,798 from the unencumbered balance of the Veterans' Organization Tax Reimbursement program, General Fund account in the Department of Administrative and Financial Services to the General Fund in fiscal year 2011-12 and lapses \$5,766 from the unencumbered balance in the Veterans' Organization Tax Reimbursement program, General Fund account in the Department of Administrative and Financial Services to the General Fund in fiscal year 2011-12.

PART VV requires the State Budget Officer to calculate a specified level of savings from a decrease in charges made by the Department of Administrative and Financial Services, Division of Financial and Personnel Services for its services and transfer those savings by financial order.

PART WW amends the provisions for the appointment of the State Fire Marshal so that the appointment is made with the consent of the Governor, for a term of 4 years coterminous with the Governor, subject to confirmation by the Legislature and clarifies circumstances for removal of the State Fire Marshal from office.

PART XX requires the State Controller to transfer the first \$6,000,000 of unexpended Personal Services appropriations that would otherwise lapse to the Salary Plan program in the Department of Administrative and Financial Services to General Fund unappropriated surplus at the close of fiscal year 2011-12 and allows the State Controller to transfer funding from the Salary Plan program to General Fund unappropriated surplus in the event that the full \$6,000,000 of Personal Services savings in this Part is not achieved.

PART YY lapses \$6,072 from the unencumbered balance of the Agricultural Vitality Program - Carrying Account, General Fund account in the Department of Agriculture, Food and Rural Resources to the General Fund in fiscal year 2011-12.

PART ZZ increases the attrition rate for fiscal year 2012-13 only from 5% to 6% and requires the State Budget Officer to calculate and transfer a specified level of savings.

PART AAA requires the Commissioner of Health and Human Services to identify improvements to the organizational efficiency and cost-effectiveness of the state psychiatric centers and authorizes the transfer of positions and funding by prior to September 1, 2012. An appropriation of \$3,172,672 in unallocated funds for the Riverview Psychiatric Center to offset a reduction in disproportionate share payments for individuals transferred from jails or prisons, individuals for whom the court has ordered evaluations and for individuals determined to be incompetent to stand trial was removed from the enacted bill through the Governor's exercise of the Line Item Veto provision of the State Constitution.

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PART BBB requires the Commissioner of Administrative and Financial Services to consult with the Maine Public Broadcasting Network and the Department of Defense, Veterans and Emergency Management, Maine Emergency Management Agency and other state agencies as needed regarding the costs incurred by the Maine Public Broadcasting Network to provide statewide emergency broadcasting services on a fee-for-service basis and a plan to reduce the appropriation provided by the State over the next 5 years, gradually shifting to a fee-for-service contract. It also requires the Commissioner to submit a report, to the Joint Standing Committee on Appropriations and Financial Affairs by September 15, 2012, and allows the joint standing committee to report out a bill to the First Regular Session of the 126th Legislature.

PART CCC transfers any balance in the Debt Service - Government Facilities Authority program at the end of fiscal year 2011-12 to the Capital Construction/Repairs/Improvements - Administration program in the Department of Administrative and Financial Services.

PART DDD reduces the interfund advance from Other Special Revenue Funds to the General Fund unappropriated surplus required for one day at the end of fiscal year 2011-12 from \$103,500,000 to \$91,000,000.

PART EEE establishes the Electronic Monitoring Fund within the Department of Corrections; requires the Commissioner of Corrections to consult with the Maine Commission on Domestic and Sexual Abuse and other interested parties to develop a plan to expand the use of electronic monitoring in cases involving domestic violence, subject to the availability of donations made to the Electronic Monitoring Fund.

PART FFF requires the Commissioner of Education and the Commissioner of Labor to work together to identify \$287,541 in efficiencies and savings within existing General Fund programs of the Department of Education and the Department of Labor in order to support the cost of specified positions within the Department of Labor, Division for the Blind and Visually Impaired and to present their findings to the Joint Standing Committee on Appropriations and Financial Affairs, the Joint Standing Committee on Education and Cultural Affairs and the Joint Standing Committee on Labor, Commerce, Research and Economic Development.

PART GGG provides that certain employees whose positions are eliminated pursuant to Part A section 7 are entitled to continued coverage under the state employee health insurance program and the State is required to continue to pay that employee's premium.

Public Law 2011, chapter 655 was enacted as an emergency measure effective April 24, 2012.