

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
SECOND REGULAR SESSION



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

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

May 2014

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STATE OF MAINE
126TH LEGISLATURE
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

The *Digest* is arranged 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.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

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

The effective date for non-emergency legislation enacted in the Second Regular Session of the 126th Legislature is August 1, 2014. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

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9. Directs the board to conduct a market analysis to determine whether the necessary conditions needed to implement the provisions of the trust can be achieved. The analysis may be conducted only where sufficient funding is available from the nonprofit or private sector or the state or federal government. The provisions of the bill establishing the Maine Secure Choice Retirement Savings Investment Board and the trust are repealed December 31, 2015 unless the board reports to the Legislature the board's determination, through the market analysis, that those provisions of the trust are self-sustaining and that funds exist to allow the board to implement the program until sufficient funds become available to make it self-sustaining and the Legislature takes action based on the board's determination and requires the board to ensure that insurance, annuity or other funding mechanisms are in place to protect the value of individuals' accounts; and

10. Prevents the board from implementing the trust if the individual retirement account arrangements offered fail to qualify for favorable federal income tax treatment ordinarily accorded to individual retirement accounts under the Internal Revenue Code or if the program is determined to be an employee benefit plan under the federal Employee Retirement Income Security Act.

LD 1492 An Act To Authorize a General Fund Bond Issue To Strengthen Maine's Economy and Communities ONTP

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

This bill was carried over from the First Regular Session of the 126th Legislature.

The bill authorizes a General Fund bond issue in the amount of \$85,000,000 to be used to provide funds for development projects for the Communities for Maine's Future Program; for capital investment in programs to train workers for which there is a demonstrated need; for research and development and commercialization of technology; for infrastructure repairs and improvements for public transport and public trails; and for wastewater and safe drinking water infrastructure improvements.

LD 1514 An Act To Reform the Maine Public Employees Retirement System ONTP

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

This bill was carried over from the First Regular Session of the 126th Legislature.

This bill is a concept draft pursuant to Joint Rule 208, which proposes to amend the retirement provisions for state employees and teachers participating in the Maine Public Employees Retirement System in the following ways:

1. It would increase the cost-of-living adjustment formula for all individuals receiving a pension benefit from the State and provide adjustment options for employees at retirement;
2. It would increase the pension amount for individuals choosing to defer retirement until after the normal retirement age specified in the State Employee and Teacher Retirement Program. The intent of this provision is to increase the flexibility of the program for employees choosing retirement at any age and to increase the financial benefits from continuing to work;

Joint Standing Committee on Appropriations and Financial Affairs

3. The baseline pension formula for retirement at the normal retirement age would provide a benefit amount of 2% of final average salary per year of service through June 30, 2013, plus 1.5% of final average salary per year of service after June 30, 2013; and

4. A state employee or teacher would automatically be enrolled in an opt-out defined contribution plan with a default employee contribution rate of 4% of salary. The State or the participating local school district would match 25% of the employee's or teacher's contribution, up to a maximum of 2% of the employee's or teacher's salary.

LD 1572 An Act To Correct Minor Technical Errors and Inconsistencies in the Unified Budget Bill

Veto Sustained

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP	H-575 ROTUNDO H-581 ROTUNDO

This bill was enacted by the Legislature during the First Regular Session of the 126th and was held by the Governor; final disposition occurred at the beginning of the Second Regular Session.

This bill was reported out by the Joint Standing Committee on Appropriations and Financial Affairs pursuant to Joint Order, H.P. 1140. It corrects minor technical errors and inconsistencies in the Binnial Budget, Public Law 2013, chapter 368, including:

1. Correcting a technical conflict created where two sections of the public law amended the same section of law;
2. Clarifying that the temporary increase in the sales tax to 5.5% applies to the services currently subject to the 5% sales tax;
3. Correcting a numbering error created where two different provisions of law were enacted with the same title and section number by reallocating the provision establishing the Maine capital investment credit for 2013;
4. Resolving a conflict created where two sections amended the provision of law that provides for an annual adjustment for inflation of the income tax rate brackets in different ways, one by delaying the annual adjustment of the income tax rate brackets and the other by providing for an annual adjustment of the itemized deduction limitation amount. Both provisions are maintained;
5. Correcting an initiative to reflect that the MaineCare reimbursement is limited to behavioral health services; and
6. Deappropriating funds to offset an appropriation in an initiative in the committee amendment that should have been eliminated when statutory changes were made in the enacted version of the unified budget bill.

House Amendment "A" (H-575)

This amendment specifies that the temporary sales tax increase applies to products transferred electronically, as intended in the unified budget bill, Public Law 2013, chapter 368.

House Amendment "B" (H-581)

This amendment removes the emergency preamble and emergency clause.