

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
126<sup>TH</sup> 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**  
126<sup>TH</sup> LEGISLATURE  
SECOND REGULAR SESSION  
**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 HOUSES* .....House & 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  
*EMERGENCY* .....enacted 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 126<sup>th</sup> 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.

*Joint Standing Committee on Appropriations and Financial Affairs*

**LD 1843**

**An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government To Address Supplemental Funding Needs Projected for the Fiscal Year Ending June 30, 2014 and To Adjust Funding for the Fiscal Year Ending June 30, 2015**

**PUBLIC 502  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP	S-445 HILL

LD 1843, the first of two supplemental budgets, addresses supplemental funding needs for fiscal year 2013-14. It was reported out by the Joint Standing Committee on Appropriations and Financial Affairs pursuant to Joint Order H.P. 1284.

**Senate Amendment "A" (S-445)**

This amendment reduces funding in fiscal year 2013-14 for MaineCare cycle payments and payments to providers by \$5,000,000 and strikes language lapsing \$2,500,000 from the Department of Corrections, Capital Construction/Repairs/Improvements - Corrections, General Fund account to the unappropriated surplus of the General Fund in each fiscal year of the 2014-2015 biennium.

**Enacted Law Summary**

Public Law 2013, chapter 502 contains the following provisions.

PART A makes adjustments to appropriations and allocations.

PART B makes appropriations and allocations of funds for approved reclassifications and range changes.

PART C transfers \$5,081,000 from the Fund for a Healthy Maine to the General Fund in fiscal year 2013-14.

PART D transfers \$500,000 in fiscal year 2014-15 and \$5,746,207 in fiscal year 2014-15 from the Dirigo Health Fund to the General Fund unappropriated surplus. It also transfers \$1,788,956 in fiscal year 2013-14 from the Dirigo Health Fund to the Department of Health and Human Services, Medical Care - Payments to Providers, Other Special Revenue Funds account.

PART E transfers \$4,768,355 from the K-12 Essential Programs and Services, Other Special Revenue Funds account in the Department of Education to the General Fund unappropriated surplus no later than June 30, 2014. It also requires the State Controller to transfer \$5,294,492 from the K-12 Essential Programs and Services, Other Special Revenue Funds account in the Department of Education to the General Fund unappropriated surplus no later than June 30, 2015.

PART F provides an appropriation to partially offset the statewide deappropriation included in Part F of the biennial budget bill, Public Law 2013, chapter 368. It also excludes from the potential curtailment of allotments, should the Legislature fail to enact legislation to achieve the necessary savings, the University of Maine System, the Maine Community College System, the Maine Maritime Academy, the General Purpose Aid for Local Schools and Adult Education programs within the Department of Education and the Head Start program within the Department of Health and Human Services. It also requires the fiscal year 2013-14 savings identified by the Governor's Office of Policy and Management and implemented administratively to be considered as adjustments to appropriations in fiscal year 2013-14.

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

PART G transfers \$2,000,000 in fiscal year 2013-14 and \$2,750,000 in fiscal year 2014-15 from available balances in Other Special Revenue Funds accounts within the Department of Professional and Financial Regulation to the General Fund unappropriated surplus in fiscal year 2013-14. The specific accounts from which the funds must be transferred are to be determined by the Commissioner of Professional and Financial Regulation who must notify the State Controller and the Joint Standing Committee on Appropriations and Financial Affairs of the amounts to be transferred from each account. Part N of LD 1858, as enacted, reduced the fiscal year 2014-15 transfer by \$1,000,000.

PART H requires the State Employee Health Commission to use \$3,008,000 of the 2013 plan year savings identified by Aetna, Inc. to increase the resources available for the fiscal year 2014-15 health insurance plan design for the state employee and retiree health insurance programs. It also adjusts statewide appropriations to distribute the savings in fiscal year 2013-14 with the intent that the same amount of funding be made available to the two programs in fiscal year 2014-15.

PART I lapses \$2,500,000 from the Department of Administrative and Financial Services, Compensation and Benefit Plan program, General Fund account to the unappropriated surplus of the General Fund no later than June 30, 2015.

PART J terminates the income tax super credit for substantially increased research and development for tax years beginning on or after January 1, 2014. It also extends from five years to ten years the carryover period for credits carried from prior years and reduces the maximum credit from 50% of the tax otherwise due to 25% of the tax otherwise due.

PART K reduces the income tax credit for qualified Pine Tree Development Zone businesses by 50%. Part K of LD 1858, as enacted, reverses this change.

PART L lapses a total of \$2,250,000 from accounts in the Legislature to the General Fund unappropriated surplus no later than June 30, 2015.

PART M makes changes necessary to restore merit and longevity pay in fiscal year 2014-15.

PART N transfers \$700,000, by June 30, 2014, from accounts chosen by the Commissioner of Environmental Protection from available balances in Other Special Revenue Funds accounts within the Department of Environmental Protection to the General Fund unappropriated surplus.

PART O increases the amounts to be transferred by Public Law 2013, chapter 368, Part QQQ from the Competitive Skills Scholarship Fund in the Department of Labor to the General Fund unappropriated surplus in fiscal year 2013-14 from \$2,500,000 to \$3,450,000 and changes the cap on the annual amount that may be spent for administrative costs and career counseling from 10% of the annual revenue to the fund to \$550,000, beginning in fiscal year 2014-15. It also requires the Department of Labor to report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs on the caseload being supported by funding from the Competitive Skills Scholarship Fund by January 30, 2015 and provides that if the average caseload of the prior three month period ending December 31, 2014 is below 400, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs may report out legislation that adjusts the amount of funding that may be used for administrative costs of the fund.

PART P lapses \$1,867,740 from the Personal Services line category in the Education in Unorganized Territory, General Fund account in the Department of Education to the General Fund unappropriated surplus no later than June 30, 2014.

PART Q transfers \$135,000 by June 30, 2014 from the Callahan Mine Site Restoration program, Other Special Revenue Funds account within the Department of Transportation to the General Fund unappropriated surplus.

*Joint Standing Committee on Appropriations and Financial Affairs*

PART R reduces funding for MaineCare cycle payments and payments to providers to reflect decreased health care costs. This part was amended by Senate Amendment "A."

PART S requires the Department of the Attorney General to deposit \$1,246,965 of the funds received under the "Johnson & Johnson Risperdal/Invega settlement" to the General Fund no later than June 30, 2014.

PART T increases the amount of revenue from the Housing Opportunities for Maine Fund's share of the real estate transfer tax that must be credited to the General Fund by \$200,000 in fiscal year 2013-14.

PART U transfers \$100,000 from the Judicial Department, Foreclosure Mediation, Other Special Revenue Funds account to the unappropriated surplus of the General Fund in fiscal year 2013-14.

PART V allows the State Court Administrator to establish a fee for Judicial Department record searches. Twenty percent of the fee is dedicated to the Judicial Department, Publications and Technology Fund, Other Special Revenue Funds account, and 80% of the fee is credited to the General Fund.

PART W transfers \$250,000 from the Department of Health and Human Services, Medical Use of Marijuana Fund, Other Special Revenue Funds account to the unappropriated surplus of the General Fund in fiscal year 2013-14.

PART X lapses \$1,000,000 from the Department of Health and Human Services, State-funded Foster Care/Adoption Assistance program, General Fund account to the unappropriated surplus of the General Fund no later than June 30, 2014.

PART Y gives the Department of Health and Human Services authority to adopt emergency rules to appropriately adjust the hospital supplemental pool for both acute care and critical access hospitals without the necessity of demonstrating that immediate adoption is necessary to avoid a threat to public health, safety or welfare.

PART Z authorizes the Maine Commission on Indigent Legal Services to transfer up to \$50,000 in available Personal Services balances to All Other during the 2014-2015 biennium.

PART AA authorizes remaining balances of All Other appropriations within the Department of the Attorney General to carry forward from fiscal year 2013-14 into fiscal year 2014-15.

PART BB authorizes the Judicial Department to transfer up to \$250,000 in available Personal Services balances to All Other in the Courts - Supreme, Superior and District program during the 2014-2015 biennium.

PART CC carries forward unexpended All Other and Capital Expenditures funds as of June 30, 2014 in the Department of Secretary of State, Administration - Archives program to be used for computer hardware and computer software to preserve and provide public access to state records.

Public Law 2013, chapter 502 was enacted as an emergency measure effective April 3, 2014.

**LD 1853      An Act Requiring a Dynamic Fiscal Analysis of Changes to Visual Media      ONTP**  
**Production Tax Credits and Reimbursements**

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

Part A of this bill creates a pilot project to develop and evaluate a tax simulation model for state dynamic fiscal analysis of potential changes to the certified visual media production credit established in the Maine Revised