

# 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 1858**

### **An Act To Achieve the Savings Required under Part F of the Biennial Budget and To Change Certain Provisions of the Law for Fiscal Years Ending June 30, 2014 and June 30, 2015**

**PUBLIC 595  
EMERGENCY**

Sponsor(s)

Committee Report

Amendments Adopted

OTP

H-833 ROTUNDO

LD 1858, the second of two supplemental budgets, is the response of the Joint Standing Committee on Appropriations and Financial Affairs to the recommendations of the Governor's Office of Policy and Management pursuant to Public Law 2013, chapter 368, Part F and addresses supplemental funding needs for fiscal year 2014-15.

This bill was reported out by the Joint Standing Committee on Appropriations and Financial Affairs pursuant to Public Law 2013, chapter 368, Part F, section 3.

#### **House Amendment "B" (H-833)**

This amendment designates up to \$1,300,000 of the 4th priority transfer of the year-end distribution of the unappropriated surplus of the General Fund at the close of fiscal year 2013-14 to be transferred by financial order to the Department of Health and Human Services, Developmental Services Waiver - MaineCare program for services provided under the MaineCare Benefits Manual, Chapter II, Section 21 for individuals on the Priority 1 waiting list for waiver services. These transfers are to be considered ongoing adjustments to appropriations beginning in fiscal year 2014-15.

This amendment also removes the time restriction on the availability of funds for the Maine Commission on Indigent Legal Services for investigator, interpreter, transcription and expert witness fee costs as well as increased attorney's fee expenses; makes a change to the vacant position review in Part Z to clarify that the review is of executive branch positions only; and directs the State Budget Officer to prepare a financial order to reduce allotments consistent with the lapsed Personal Services savings in the affected General Fund accounts.

#### **Enacted Law Summary**

Public Law 2013, chapter 595 contains the following provisions.

PART A includes appropriations and allocations in response to the recommendations of the Governor's Office of Policy and Management pursuant to Public Law 2013, chapter 368, Part F.

PART B makes supplemental appropriations and allocations for fiscal year 2014-15.

PART C establishes the total cost of public education from kindergarten to grade 12 for fiscal year 2014-15, the local and state contributions and the annual target state share percentage.

PART D transfers \$1,877,000 in fiscal year 2014-15 from the Dirigo Health Fund to the unappropriated surplus of the General Fund.

PART E removes certain dates relating to the grant application and award process that were not met by the Oral Health Advisory Committee and applies these changes retroactively to the effective date of the law that established the dates; makes a correction to Public Law 2013, chapter 425 to properly reference the Highway Fund rather than the General Fund; and adds a calculation and transfer provision so that the savings identified in Public Law 2013, chapter 502, Part H related to health insurance savings can be distributed to General Fund accounts from the statewide deappropriation.

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

PART F requires the Finance Authority of Maine to transfer \$1,000,000 from the Loan Insurance Reserve Fund to the State as undedicated General Fund revenue no later than June 30, 2015.

PART G authorizes the adjustment of salary schedules in order to implement wage parity as authorized in Public Law 2013, chapter 425; adjusts the salaries of District Attorney positions, Assistant District Attorney positions and Assistant Attorney General positions upward by 4%; and transfers from the Salary Plan program for these purposes while limiting the amount available for transfer to the Department of the Attorney General to \$423,424 in fiscal year 2014-15.

PART H authorizes the Maine Health Data Organization to transfer up to \$265,450 in available Personal Services balances to All Other in the Maine Health Data Organization, Other Special Revenue Funds account during the 2014-2015 biennium.

PART I changes the use of the transfer from the Carrying Balances - Inland Fisheries and Wildlife, General Fund account in the biennial budget, Public Law 2013, chapter 368, Part YY, from funding security improvements and renovations at the Gray headquarters facility to funding permitting and development costs associated with the construction of a new headquarters facility in Gray.

PART J clarifies that the information provided by the Department of Health and Human Services to the Department of Administrative and Financial Services, Bureau of Revenue Services under the Maine Medical Use of Marijuana Act may be used by the bureau only for the administration and enforcement of taxes imposed under the Maine Revised Statutes, Title 36. It also provides a one-time special reporting date for the Department of Health and Human Services to provide the required information to the State Tax Assessor.

PART K restores the income tax credit to the percentages in effect prior to the changes made by Public Law 2013, chapter 502, Part K which reduced the income tax credit for qualified Pine Tree Development Zone businesses by 50%.

PART L sets aside any profit sharing payments from the wholesale liquor distribution contract that ends June 30, 2014 in excess of budgeted amounts for the final profit sharing payment into an Other Special Revenue Funds account in the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations for the purpose of funding additional liquor enforcement positions.

PART M provides that revenue generated from fees for admission to the Maine State Museum and miscellaneous services be deposited into a dedicated Other Special Revenue Funds account instead of to the General Fund, beginning in fiscal year 2014-15, to support the operations of the Maine State Museum.

PART N reduces by \$1,000,000, the amount of funds that must be transferred from available balances in the Other Special Revenue Funds accounts within the Department of Professional and Financial Regulation to the unappropriated surplus of the General Fund in fiscal year 2014-15.

PART O amends Public Law 2013, chapter 368, Part PPPP to increase the amount of the transfer to the General Fund unappropriated surplus from the Revenue Services - Bureau of program, Other Special Revenue Funds account from \$500,000 to \$1,000,000 in fiscal year 2013-14. It also lapses \$250,000 from the Maine Revenue Services, General Fund account to the General Fund unappropriated surplus no later than June 30, 2015.

PART P increases the cap from \$2,786,700 to \$5,500,000 in any fiscal year of incentive payment revenue that may be expended for the purpose of covering the costs of making child support collections.

PART Q requires the Department of Health and Human Services to modify the timing of MaineCare payments. This modification is expected to achieve savings in the first year in which it is implemented.

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

PART R requires the judicial branch, the University of Maine System, the Maine Community College System, the Maine Maritime Academy and each quasi-independent state entity to prepare a list of reports that each is required to submit to the Legislature, a statement of the amount of staff time required to prepare each report and proposed legislation to repeal each reporting requirement five years after the effective date of this legislation and submit the information to the joint standing committee of the Legislature with subject matter jurisdiction over that entity by January 9, 2015. This Part also requires each joint standing committee of the Legislature having subject matter jurisdiction over an entity providing a report to review the information provided and determine the need to either continue or repeal the reporting requirement. Each joint standing committee is authorized to report out legislation to implement its recommendations related to the report to the First Regular Session of the 127th Legislature.

PART S prohibits the Department of Health and Human Services from eliminating reimbursement for the medical add-on in the MaineCare Benefits Manual, Chapter III, Section 21 and Section 29 until the report required by Public Law 2013, chapter 368, Part NN has been submitted by the department to the joint standing committees of the Legislature pursuant to that Part and new rules adopted.

PART T removes from the cap on total itemized deductions medical and dental expenses included in an individual's itemized deductions from federal adjusted gross income for tax years beginning on or after January 1, 2014. It also provides allocations to the Department of Administrative and Financial Services, Bureau of Revenue Services to increase contingent-fee funding for contracted tax collection services to hire eight additional collectors and improve automated collection functions.

PART U amends or repeals several laws relating to mandates imposed on municipalities by the State. It also creates the State-local Intergovernmental Working Group which is required to meet periodically and report to the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs and state and local government matters. This part also authorizes the joint standing committee of the Legislature having jurisdiction over state and local government matters to report out legislation relating to the final report of the mandate working group to the First Regular Session of the 127th Legislature.

PART V increases the General Fund share of the real estate transfer tax by \$1,000,000 in fiscal year 2014-15 the result of which is a like decrease in the amount transferred to the Housing Opportunities for Maine Fund.

PART W directs the Department of Health and Human Services to evaluate and improve its MaineCare program integrity processes to achieve additional MaineCare recoveries and savings.

PART X amends the fiscal year 2013-14 year-end distribution of the unappropriated surplus of the General Fund to replace the existing 4th priority transfer, which is no longer necessary, with a new 4th priority transfer of an amount up to \$20,000,000 to a General Fund reserve account established for future funding needs. Funds from the reserve account for future funding needs may be transferred only by the Legislature, and any balance not transferred and remaining in the account at the close of the fiscal year ending June 30, 2015 must be transferred by the State Controller to the Maine Budget Stabilization Fund. This Part was amended by House Amendment "B."

PART Y clarifies the use of funding provided to the Department of Health and Human Services for the Maine Medical Use of Marijuana Act.

PART Z requires the Department of Administrative and Financial Services, Bureau of the Budget to conduct a review of vacant General Fund positions in executive branch departments and agencies for the purpose of identifying \$599,533 in total savings in the Personal Services line category in fiscal year 2014-15; provide a report of the positions to be held vacant to achieve the identified savings and the General Fund accounts affected. This Part also requires the Department of Corrections to increase the term of work release from 12 months to 18 months prior to prisoner release, resulting in an increase in General Fund revenue and requires the Finance Authority of Maine to transfer the remaining balance in the Quality Child Care Education Scholarship Fund to the State as undedicated Fund for a Healthy Maine revenue no later than June 30, 2015. This Part was amended by House

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

Amendment "B."

Public Law 2013, chapter 595 was enacted as an emergency measure effective May 1, 2014.

**LD 1861      An Act To Authorize a General Fund Bond Issue To Create an Animal  
and Plant Disease and Insect Control Facility Administered by the  
University of Maine Cooperative Extension Service**

**PUBLIC 572**

Sponsor(s)

FREDETTE

Committee Report

OTP

Amendments Adopted

The funds provided by this bond issue in the amount of \$8,000,000 will be used to provide funds to assist Maine agriculture and to protect Maine farms through the creation of an animal and plant disease and insect control facility administered by the University of Maine Cooperative Extension Service.

### **Enacted Law Summary**

Public Law 2013, chapter 572 provides for a bond issue in the amount of \$8,000,000 to be used to assist Maine agriculture and to protect Maine farms through the creation of an animal and plant disease and insect control facility administered by the University of Maine Cooperative Extension Service.

This law is amended by Public Law 2013, chapter 606 (LD 1865 as enacted).

The bond issue is subject to voter approval at a statewide election to be held in November 2014.

**LD 1864      An Act To Support Nursing Facilities and Home Care for Seniors and  
Create a Tax Credit for Primary Care Professionals Practicing in  
Underserved Areas**

**Died Between  
Houses**

Sponsor(s)

HAMPER

Committee Report

ONTP

Amendments Adopted

This bill provides a primary care access tax credit for up to five eligible primary care professionals each year who practice in an underserved area in the State. It creates a graduated schedule for claiming the credit allowing an eligible primary care professional to claim an amount equal to the annual payments made on the professional's student loan not to exceed \$6,000 in the first year, \$9,000 in the second year, \$12,000 in the third year, \$15,000 in the fourth year and \$18,000 in the fifth year.

This bill also provides that the primary care access credit is available for tax years beginning on or after January 1, 2014, but before January 1, 2019. It requires the Department of Health and Human Services and the Department of Administrative and Financial Services, Maine Revenue Services to submit an annual report to the joint standing committee of the Legislature having jurisdiction over taxation matters beginning on January 15, 2016 indicating the number of eligible primary care professionals certified and decertified each year by the Department of Health and Human Services and the total annual loss of revenue attributable to the primary care access credit.

This bill uses one-time tobacco settlement funds from the Fund for a Healthy Maine to support health services for the elderly, including nursing home funding, transitional assistance with Medicare Part D plan selection and an increase for adult day services reimbursement. This bill also uses one-time tobacco settlement funds from the Fund for a Healthy Maine for the primary care access tax credit.