

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
130<sup>TH</sup> LEGISLATURE  
SECOND REGULAR SESSION



Disposition of bills and summaries of all laws enacted or finally passed

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

July 2022

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JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS

**LD 1995 An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2022 and June 30, 2023**

**ENACTED LAW SUMMARY**

Public Law 2021, chapter 635 does the following.

Part A makes supplemental changes to appropriations and allocations for fiscal years 2021-22 and 2022-23.

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

Part C does the following:

1. Establishes the total cost of education from kindergarten to grade 12, the state contribution and the full-value education mil rate expectation for the local contribution for fiscal year 2022-23;
2. Enacts an annual budgetary hardship adjustment for school administrative units experiencing an increase in students requiring English learner services;
3. Includes teachers employed by education service centers in the provision for the salary supplement for certification from the National Board for Professional Teaching Standards and certification scholarship fund;
4. Provides one-year adjustments to the essential programs and services funding model to address student loss due to the COVID-19 pandemic;
5. Provides funding for career and technical education centers and career and technical education regions to expand or develop early childhood education programs; and
6. Provides one-time funding for career and technical education centers and career and technical education regions to support instructional supply costs that have increased due to the COVID-19 pandemic.

Part E increases the earned income tax credit for tax years beginning on or after January 1, 2022 from 25% to 50% of the federal earned income tax credit for individuals without qualifying children and from 12% to 25% of the federal earned income tax credit for all other eligible individuals.

Part F increases the maximum property tax fairness credit for tax years beginning on or after January 1, 2022 from \$750 to \$1,000 for resident individuals under 65 years of age and from \$1,200 to \$1,500 for resident individuals 65 years of age and older.

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Part G provides an income tax deduction for payments made directly to a lender on behalf of a taxpayer by a student loan repayment program funded by a nonprofit foundation and administered by the Finance Authority of Maine for residents of the State employed by a business located in the State. The deduction applies to tax years beginning on or after January 1, 2022.

Part H replaces the current credit for educational opportunity with a credit of up to \$2,500 for a qualified individual's repayment of student loans and repeals the insurance premiums tax credit for educational opportunity for tax years beginning on or after January 1, 2022.

The replacement credit has the following provisions:

1. It is for taxable years beginning on or after January 1, 2022;
2. It has a \$25,000 lifetime credit cap for each qualified individual;
3. Unused credit carryover amounts from the credit for educational opportunity in the Maine Revised Statutes, Title 36, section 5217-D (the credit being replaced) may be claimed and applied to the new credit by a qualified individual for tax years beginning before January 1, 2027, subject to the annual credit limit of \$2,500; and
4. For a qualified individual whose tax liability during a taxable year beginning in 2019, 2020 or 2021 was reduced by the credit for educational opportunity or who received a refundable credit based on loans included in the financial aid package acquired to obtain a bachelor's degree or associate degree in science, technology, engineering or mathematics, the maximum allowable credit is \$3,500 for either the qualified individual's taxable year beginning in 2022 or 2023, whichever year is elected by the qualified individual.

Part J requires the transfer of \$6,500,000 in fiscal year 2021-22 from the unappropriated surplus of the General Fund to the Maine Military Reserve Fund to settle outstanding obligations of the Maine Military Authority.

Part K authorizes the State Controller to transfer up to \$8,500,000 from the Reserve for General Fund Operating Capital to a COVID-19 response fund. The funds may be expended based on allotment established by financial order approved by the State Budget Officer and the Governor. Any reimbursements received for expenses paid from these funds must be returned to the Reserve for General Fund Operating Capital. Any remaining balance in the COVID-19 response fund on July 1, 2023 must be transferred by the State Controller to the Reserve for General Fund Operating Capital.

Part L creates COVID Pandemic Relief Payment Program and transfers \$729,300,000 from the unappropriated surplus of the General Fund to the newly established COVID Pandemic Relief Payment Program Fund, Other Special Revenue Fund to provide an \$850 to each eligible resident of the State to help them recover from the economic effects of the COVID-19 pandemic.

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Part P transfers \$3,000,000 on or before June 30, 2022 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, PFAS Reserve-Bureau of Agriculture Other Special Revenue Funds account to assist agricultural producers in the State that have been affected by PFAS contamination, to provide support to affected farms, to support critical PFAS research and to otherwise allow for the department to strategically and effectively respond to PFAS concerns and issues.

Part Q adds position of the Executive Director, Office of Affordable Health Care, appointed by the Governor, to the list of positions with salaries set by the Governor.

Part R transfers \$750,000 on or before June 30, 2022 from the unappropriated surplus of the General Fund to the Department of the Attorney General, Victims' Compensation Fund, Other Special Revenue Funds account to support the operations of the program.

Part S authorizes the Department of Corrections to transfer by financial order available Personal Services balances in the Long Creek Youth Development Center program, for fiscal years 2021-22 and 2022-23 only, to fund juvenile community programs and services.

Part T carries forward the remaining portion of one-time funding for environmental closure activity costs at the former Maine Military Authority site in Limestone appropriated in Public Law 2021, chapter 398.

Part U establishes the Housing Opportunity Program within the Department of Economic and Community Development to encourage and support the development of additional housing units in the State, including housing units that are affordable to low-income and moderate-income individuals and housing units targeted to community workforce housing needs.

Part V transfers \$970,100 from the unappropriated surplus of the General Fund to the Administration - Economic and Community Development program, Other Special Revenue Funds account within the Department of Economic and Community Development in fiscal year 2021-22 to cover certain operating expenses associated with the Loring Development Authority of Maine. This Part also requires quarterly reporting by the Commissioner of Economic and Community Development on disbursements made from the account and on the programs for marketing and business attraction administered by the department on behalf of the Loring Development Authority of Maine.

Part W makes the following changes to several positions in the Department of Education:

1. The title of Director, Legislative Affairs is changed to Director of Policy and Government Affairs;
2. The Chief Innovation Officer is removed from the list of major policy-influencing positions, and the Associate Commissioner of Policy and Programs and the Associate Commissioner of Public Education are added as major policy-influencing positions; and

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3. The Chief Innovation Officer and Chief of Staff and Operations are removed from the list of positions appointed by the Commissioner of Education, and the Associate Commissioner of Policy and Programs and the Associate Commissioner of Public Education are added as appointed positions.

Part X changes the authority to issue securities for equipment purchases for career and technical education centers and career and technical education regions from the Maine Governmental Facilities Authority to the Maine Municipal Bond Bank.

Part Y creates the Education Stabilization Fund to provide resources to maintain budgeted levels of funding for essential programs and services should there otherwise be insufficient General Fund appropriations or any other shortage of funds.

Part Z transfers \$3,500,000 on or before June 30, 2022 from the unappropriated surplus of the General Fund to the Efficiency Maine Trust, Other Special Revenue Funds account to support electric vehicle rebate programs, including incentive programs.

Part AA transfers \$3,200,000 on or before June 30, 2022 from the unappropriated surplus of the General Fund to the Department of Environmental Protection, Uncontrolled Sites Fund, Other Special Revenue Funds account to assist laboratories in the State with equipment purchases and ancillary services related to sample testing and analysis of perfluoroalkyl and polyfluoroalkyl substances.

Part CC amends the law governing the nursing education loan repayment program by changing the required program commitment period from a minimum of 5 years to a minimum of 3 years and by making any program rules adopted routine technical rules instead of major substantive rules. This Part also extends the termination date of the Maine Health Care Provider Loan Repayment Pilot Program.

Part EE repeals the language associated with the consolidation of MaineCare-related programs and accounts approved in Public Law 2021, chapter 398.

Part FF does the following:

1. Requires the Department of Health and Human Services to notify the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs and health and human services matters each time the department plans to transfer or expend any amount from the MaineCare Stabilization Fund or otherwise affect the balance in the fund;
2. Requires, whenever a proposal in a resolve or bill before the Legislature, including but not limited to a budget bill, affects the MaineCare Stabilization Fund, the joint standing committee of the Legislature having jurisdiction over the proposal to hold a public hearing and determine the level of support for the proposal among members of that committee and, if there is support among a majority of the members of the committee, to request the joint standing committee of

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the Legislature having jurisdiction over health and human services matters to review and evaluate the proposal as it pertains to the fund; and

3. Repeals Public Law 2019, chapter 343, Part BBBB, section 3, which authorized the transfer of up to \$29,000,000 from the MaineCare Stabilization Fund for MaineCare payments, and Public Law 2021, chapter 398, Part WW, section 2, which authorized the transfer from the balance available in the MaineCare Stabilization Fund for MaineCare payments.

Part GG authorizes the Department of Health and Human Services to transfer savings incurred from the increase in the Federal Medical Assistance Percentage per the federal American Rescue Plan Act of 2021, Public Law 117-2, Section 9817 from various General Fund MaineCare program accounts to Other Special Revenue Funds accounts in the Medical Care - Payments to Providers program and the Office of MaineCare Services program to be used for federally authorized purposes.

Part HH allows the Department of Health and Human Services to carry forward any unexpended balance of the \$1,335,770 in the Food Supplement Administration program appropriated in Public Law 2021, chapter 1 to meet reinvestment obligations for penalties incurred in the Supplemental Nutrition Assistance Program in 2019.

Part II transfers funds from the Inland Fisheries and Wildlife Carrying Balances - General Fund account to the Resource Management Services - Inland Fisheries and Wildlife program, General Fund account in fiscal year 2022-23 to provide matching funds for the construction of the Fryeburg shooting range.

Part KK reestablishes the Commission To Develop a Paid Family and Medical Leave Benefits Program and requires the appointing authorities, to the greatest extent practicable, to reappoint the persons they appointed to the former commission. This Part also transfers \$300,000 from the unappropriated surplus of the General Fund to the Legislature, Study Commissions - Funding Other Special Revenue Funds account to support the costs of contracting with an outside entity to conduct and complete an actuarial study as required for the commission.

Part LL transfers \$200,000 from the unappropriated surplus of the General Fund to the Imagination Library of Maine Fund, Other Special Revenue Funds account within the Maine State Library to promote and encourage reading by children of this State and to develop a statewide initiative to provide age-appropriate books to children from birth to 5 years of age at their homes each month.

Part MM provides that the entire amount of any borrowing by the Maine Maritime Academy for which at least part of the related debt service will be funded by a commitment from the Legislature is excluded from the total amount limitation that applies to borrowing by the academy.

Part NN transfer \$104,789,515 from the unappropriated surplus of the General Fund to the Retirement Allowance Fund within the Maine Public Employees Retirement System to fund an additional cost-of-living increase of 1.0% of the established 2021 maximum benefit that was

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subject to an increase and establishes the 2022 maximum benefit subject to a cost-of-living increase as \$24,186.25 for retirees from the state-sponsored retirement plans.

Part OO transfers \$20,000,000 from the unappropriated surplus of the General Fund to the Maine Community College System Free Community College - 2 Enrollment Years program, Other Special Revenue Funds to provide two years of free community college for eligible students who graduate from high school in the classes of 2020, 2021, 2022 and 2023 or persons who obtain the equivalent of a high school diploma in 2020, 2021, 2022 or 2023, enroll in a Maine community college on a full-time basis, matriculate toward a degree or academic credential, live in the State and accept all other sources of funding. This Part also requires the Maine Community College System to report to the Governor and the Legislature on the use and success of the program. This Part was amended by PL 2021 c. 759 to specify that a graduate, or equivalent, in the class of 2020, 2021 or 2022 may also obtain free tuition by enrolling in a Maine community college in the fall of 2023 and to allow a person who enrolls in a Maine community college no later than during the 2023-2024 academic year to qualify for free tuition.

Part PP transfers \$50,000,000 from the General Fund unappropriated surplus to the Highway and Bridge Capital, Other Special Revenue Funds account within the Department of Transportation to support highway and bridge projects.

Part QQ adds the Director of Operations as a major policy-influencing position within the Department of Administrative and Financial Services.

Part RR directs the Department of Health and Human Services to implement a system of salary supplements for child care providers and early childhood educators.

Part TT authorizes the judicial branch to use funds from securities issued by the Maine Governmental Facilities Authority to replace and upgrade ventilation systems in facilities relating to the judicial branch in Presque Isle, Lewiston, Rockland, Skowhegan and West Bath.

Part UU transfers \$3,000,000 from the unappropriated surplus of the General Fund to the Department of Marine Resources, Bureau of Policy and Management, Lobster Fisheries Litigation Fund, Other Special Revenue Funds account to support litigation costs in defense of the State's lobster fishery. Any unused funds shall be transferred to the Maine Budget Stabilization Fund on July 1, 2032.

Part VV allows the Treasurer of State and the State Controller to establish certain payment procedures through routine technical rules rather than major substantive rules.

Part WW transfers \$22,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Emergency Housing Relief Fund, Other Special Revenue Funds account within the newly established Emergency Housing Relief Fund Program to do the following:

1. Provide rental assistance, supplement or create other programs addressing the needs of people experiencing homelessness or facing other immediate housing need;



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2. Supplement other short-term rental assistance programs;
3. Create supportive housing for people with disabilities, mental health challenges or substance use disorder using an approach that prioritizes providing permanent housing to people experiencing homelessness; and
4. Support other uses to address housing emergencies in the State.

Part XX transfers \$55,000,000 from the unappropriated surplus of the General Fund to the newly established Fund To Address PFAS Contamination within the Department of Agriculture, Conservation and Forestry and establishes an Advisory Committee on the Fund To Address PFAS Contamination that:

1. Is required to make recommendations to the department regarding administration of the fund;
2. Is authorized to form working groups that include and seek input from subject matter experts from the public and private sectors to deliberate issues relating to the purposes of the fund;
3. Is required to hold at least two public hearings annually to seek input from the public on efforts to meet the purposes of the fund; and
4. Is required to submit an annual report to the joint standing committee of the Legislature having jurisdiction over agricultural matters and the joint standing committee of the Legislature having jurisdiction over environmental matters.

This Part also directs the Department of Agriculture, Conservation and Forestry to develop and implement an initial plan that prioritizes funding and a long-term plan for the administration of the funds and submit an annual report to the joint standing committee of the Legislature having jurisdiction over agricultural matters and the joint standing committee of the Legislature having jurisdiction over environmental matters that includes the status of meeting the purposes of the fund, additional needs identified by the agricultural community, what funds have been disbursed and for what purpose and an update on the functional status of the advisory committee.

Part YY does the following:

1. Eliminates the Tick Laboratory and Pest Management Fund by repealing the Maine Revised Statutes, Title 7, chapter 419 and the corresponding pesticide container fee in Title 36, chapter 725;
2. Eliminates executed unallocated law directing the University of Maine at Orono to begin a study of browntail moths; and

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3. Requires disbursement by the State Controller of the remaining funds in the Tick Laboratory and Pest Management Fund, Other Special Revenue Funds account consistent with the disbursements previously required in Maine Statutes chapter 419.

Part ZZ requires the Secretary of State to do the following:

1. Produce and publicly disseminate a guide to election procedures, develop and conduct a training program for new municipal clerks and implement a system for collecting and logging concerns from members of the public regarding the conduct of elections;
2. Design and conduct a risk-limiting pilot post-election audit after the November 2024 general election; and
3. Conduct post-election audits beginning January 1, 2025 on eligible elections that are selected by the Secretary of State for audit according to criteria established by rule and to submit a report on the pilot post-election audit to the joint standing committee of the Legislature having jurisdiction over elections matters.

Part AAA does the following:

1. Changes the legislative goal from ensuring that children on Medicaid have access to the same level of services as children with private dental insurance to ensuring that all children in the State with Medicaid receive at least one annual preventive dental visit;
2. Requires the Department of Health and Human Services to provide preventive oral health services through the Maine Center for Disease Control and Prevention in all schools in the State;
3. Requires the Department of Health and Human Services to include in its annual report on dental services to children under the MaineCare Program the status of preventive oral health services provided in schools and methods for maximization of Medicaid funding as permitted by federal law for oral health staff positions and school-based oral health service and changes the date of the annual report from February 15th to December 31st of each year;
4. Requires the Department of Health and Human Services to expand the preventive oral health services provided in schools through the school oral health program of the Maine Center for Disease Control and Prevention to all schools in the State on a rolling basis by January 1, 2025; and
5. Requires the Department of Health and Human Services to begin a 24-month pilot project by July 1, 2023 for an oral health value-based payment model within the MaineCare program health services to be delivered in schools and early child care settings and submit a report on the results to the joint standing committee of the Legislature having jurisdiction over health and human services matters.

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Part BBB does the following:

1. Requires the Department of Health and Human Services to study the ability of the State to allow a parent whose minor child was removed from the home but who is engaged in rehabilitation and reunification services to continue to receive services for which the parent was eligible before the child was removed from custody and to receive priority for services for which there is a waiting list and that are critical to allowing families to transition out of the child welfare system and submit a report to the joint standing committee of the Legislature having jurisdiction over health and human services matters no later than February 1, 2023;
2. Adds a summary of expenditures from the Child Protective Services Contingency Fund to the contents of the annual report from the Department of Health and Human Services that is currently required pursuant to the Maine Revised Statutes, Title 22, section 4066; and
3. Directs the Commissioner of Health and Human Services to establish a special projects manager position within the department to coordinate the organization of child abuse and neglect prevention initiatives across the department.

Part CCC does the following:

1. Changes the maximum Cub Care eligibility level for family income from 200% of the federal poverty level to 300% of the federal poverty level;
2. Removes the 3-month waiting period for enrollment in the Cub Care program following the loss of health insurance or coverage under an employer-based plan contingent on the approval of a waiver of those requirements by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services;
3. Establishes that eligibility for the Cub Care program is not subject to an asset test;
4. Expands coverage in the Cub Care program to persons 19 and 20 years of age;
5. Repeals the provisions in the Cub Care program related to premium payments contingent on the approval of a waiver of those requirements by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services; and
6. Directs the Department of Health and Human Services to submit any waivers or state plan amendments to accomplish the eligibility criteria established in this Part.

Part DDD increases the maximum annual income tax pension deduction amount for state and federal retirement plans and other certain retirement plan benefits from \$10,000 to \$35,000 over a 3-year period beginning with the 2022 tax year.

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Part EEE continues certain limited-period positions in the Department of Labor, Employment Security Services program previously continued in Public Law 2021, chapter 29 and Public Law 2021, chapter 398 through June 8, 2025.

Part FFF increases from \$20,000,000 to \$56,000,000 the amount the Maine Municipal Bond Bank must transfer in fiscal year 2022-23 from the Liquor Operation Revenue Fund to the unappropriated surplus of the General Fund.

Part GGG requires the State Controller, at the close of fiscal year 2021-22 only, to make year-end transfers from the unappropriated surplus of the General Fund after all transfers are made pursuant to statute as follows and in order of priority: a \$35,000,000 transfer to the Highway and Bridge Reserve Other Special Revenue Account, a \$15,000,000 transfer to the Education Stabilization Fund and a \$3,300,000 transfer to the Disaster Recovery Fund, Other Special Revenue Funds account. This Part also requires the transfer of up to \$15,000,000 of the funds received from the 20% transfer of remaining funds after all fixed transfers pursuant to statute and the one-time fixed transfers in this Part to the Multimodal Transportation Fund, Other Special Revenue Funds account in fiscal year 2021-22 only.

Part HHH lapses \$159,125 from various program accounts and line categories within the Legislature, General Fund account to the unappropriated surplus of the General Fund.

Part III lapses \$38,000,000 of unencumbered balance forward in the Department of Health and Human Services General Fund carrying accounts, All Other line category, excluding General Assistance - Reimbursement to Cities and Towns, to the unappropriated surplus of the General Fund.

Part JJJ requires the Department of Health and Human Services to do the following:

1. Use money appropriated in Part A for costs related to the implementation of behavioral health rate reforms in a way that is consistent with the results of rate studies, and to expand the opioid health home model to serve all MaineCare members with substance use disorder;
2. Prioritize the implementation of certain rate specified adjustments;
3. Use excess appropriated money not required to implement the prioritized rate adjustments for other eligibility expansion or rate increases based on rate studies; and
4. Submit a report to the Legislature on the timeline and progress toward performing the rate studies and finalizing and implementing the rate studies.

Public Law 2021, chapter 635 was enacted as an emergency measure effective April 20, 2022.