

MAINE STATE LEGISLATURE

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2 Authorizations must be clearly communicated to managers and
3 employees and must include the specific conditions and terms
4 under which authorizations may be made.

5 D. Key duties and responsibilities involving state agencies
6 or departments, including authorizing, approving and
7 recording transactions; issuing and receiving assets; making
8 payments; and reviewing or monitoring transactions, must be
9 assigned systematically to a number of individuals to ensure
10 that effective checks and balances exist.

11 E. Qualified and continuous supervision of all transactions
12 and significant events must be provided by state agencies or
13 departments to ensure that internal control objectives are
14 achieved. The duties of a supervisor in carrying out this
15 responsibility include clearly communicating the duties,
16 responsibilities and accountabilities assigned to each staff
17 member, systematically reviewing each member's work to the
18 extent necessary and approving work at critical points to
19 ensure that work flows as intended.

20 F. Access to resources and records must be limited to
21 authorized individuals as determined by the state agency or
22 department head, except that the powers and duties of the
23 State Auditor may not be limited by this subsection.
24 Restrictions on access to resources depend upon the
25 vulnerability of the resource and the perceived risk of
26 loss, both of which must be periodically assessed. The state
27 agency or department head is responsible for maintaining
28 accountability for the custody and use of resources and
29 shall assign qualified individuals for that purpose.
30 Periodic comparison must be made between the resources and
31 the recorded accountability of the resources to reduce the
32 risk of unauthorized use or loss and protect against waste
33 and wrongful acts. The vulnerability and value of the state
34 agency or department resources determine the frequency of
35 this comparison.

36 Within each state agency or department there must be a
37 qualified employee whose responsibility, in addition to the
38 employee's regularly assigned duties, is to ensure that the
39 state agency or department has written documentation of its
40 internal accounting and administrative control system on
41 file. The employee shall, annually, or more often as
42 conditions warrant, evaluate the effectiveness of the state
43 agency's or department's internal control system and
44 establish and implement changes necessary to ensure the
45 continued integrity of the system. The employee shall:

2 (1) Ensure that the documentation of all internal
4 control systems is readily available for examination by
 the State Controller, Commissioner of Administrative
 and Financial Services and State Auditor;

6 (2) Certify to the State Controller that the
8 appropriate updates have been made and implemented by
 the state agency or department;

10 (3) Ensure that the results of audits and
12 recommendations to improve state agency or department
 internal controls are promptly evaluated by the state
14 agency or department management;

16 (4) Ensure that timely and appropriate corrective
 actions are effected by the state agency or department
18 management in response to an audit; and

20 (5) Ensure that all actions determined by the state
22 agency or department management as necessary to correct
 or otherwise resolve matters are addressed by the state
24 agency or department in its budgetary request to the
 Legislature.

26 All unaccounted for variances, losses, shortages or thefts
28 of funds or property must be immediately reported to the
30 State Controller, who shall review the matter to determine
32 the amount involved that must be reported to the appropriate
34 state agency or department management, law enforcement
36 officials and the State Auditor. The State Controller shall
38 also determine the internal control weakness that
40 contributed to or caused the condition. The State Controller
42 shall then make recommendations to the state agency or
44 department official overseeing the internal control system
46 and other appropriate management officials. The
 recommendations of the State Controller must address the
 correction of the conditions found and the necessary
 internal control policies and procedures that must be
 modified. The state agency or department oversight official
 and the appropriate management officials shall immediately
 implement policies and procedures necessary to prevent a
 recurrence of the problems identified and report the steps
 taken to the State Controller. From time to time the State
 Controller shall examine the policies and procedures
 implemented to ensure that the relevant policies and
 procedures are functioning appropriately.

48 G. Notwithstanding any other provision of law relating to
50 confidentiality of information, the State Controller is
 granted access to all information in the files of any

department or agency of the State as necessary to carry out the duties of the State Controller under this subsection;

Sec. F-2. 5 MRSA §1547, sub-§7 is enacted to read:

7. Other related organizations. All legislatively created public instrumentalities and related organizations for which the State is financially accountable or that have a significant relationship with the State as defined by a governmental accounting standards board that are not included in subsection 3, including but not limited to eligible institutions as defined in section 13103, that receive funds from bond issues must comply with the fiscal reporting policies established by the State Controller. The fiscal and reporting policies must include:

A. Internal control standards required by section 1541, subsection 10-A;

B. Quarterly reporting to the State Controller that includes a detail of transactions and reconciliation of all accounts;

C. No later than October 15th annually, submission to the Department of Administrative and Financial Services, Bureau of Accounts and Control of all financial statements and schedules of expenditures of federal awards;

D. Financial statements that are prepared in accordance with the standards and requirements established by a governmental accounting standards board; and

E. Submission annually to the Department of Administrative and Financial Services, Bureau of Accounts and Control of a copy of the independent auditor's report, including any findings, recommendations and management letter comments, and any other materials considered necessary by the State Controller.

Legislatively created public instrumentalities and other related organizations required to comply under this subsection who must also comply with the federal Office of Management and Budget circulars, regulations issued by a governmental accounting standards board or other accounting, auditing and reporting requirements may submit that information to the State Controller to satisfy the requirements of this subsection.

Sec. F-3. Transition. State agencies and departments must be in compliance with the Maine Revised Statutes, Title 5, section 1541, subsection 10-A by June 30, 2004.

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Initiative: Appropriates funds to reflect a one-year delay in implementation of the federally qualified health center MaineCare \$3 per patient day copay established in Public Law 2003, chapter 20.

6	General Fund	2003-04	2004-05
	All Other	\$72,000	\$0
8			
	General Fund Total	\$72,000	\$0
10	Federal Expenditures Fund	2003-04	2004-05
12	All Other	\$140,139	\$0
14			
	Federal Expenditures Fund Total	\$140,139	\$0
16	HUMAN SERVICES, DEPARTMENT OF		
	DEPARTMENT TOTALS	2003-04	2004-05
18			
	GENERAL FUND	\$72,000	\$0
20	FEDERAL EXPENDITURES FUND	140,139	0
22			
	DEPARTMENT TOTAL - ALL FUNDS	\$212,139	\$0

Sec. H-3. Retroactivity. That section of this Part that amends the Maine Revised Statutes, Title 22, section 3173-C, subsection 7, paragraph R applies retroactively to March 27, 2003.

PART I

Sec. I-1. Transfer of funds; Department of Audit. Notwithstanding any other provision of law, the State Controller shall transfer \$29,096 in fiscal year 2003-04 and \$28,306 in fiscal year 2004-05 in savings from the Statewide Single Audit - Set Aside Other Special Revenue account in the Department of Audit to the unappropriated surplus of the General Fund no later than June 30, 2004 and June 30, 2005.

PART J

Sec. J-1. Department of Behavioral and Developmental Services; administrative costs; revenue. Notwithstanding any other provision of law, the Department of Behavioral and Developmental Services shall seek reimbursement of expenditures under Medicaid Title XIX for administrative costs. This projected additional revenue of \$400,000 in fiscal year 2003-04 and \$400,000 in fiscal year 2004-05 must be deposited in the General Fund as undedicated revenue.

Sec. J-2. Department of Behavioral and Developmental Services; recoveries and settlements; revenue. Notwithstanding any other provision of law, the Department of Behavioral and Developmental Services shall deposit to the General Fund, no later than June 30, 2004, undedicated revenue in the amount of \$2,483,117, generated from audit recoveries and contract settlements with providers.

Sec. J-3. Department of Behavioral and Developmental Services; appropriation and position transfer. Notwithstanding any other provision of law, if the Department of Behavioral and Developmental Services, Mental Retardation Services - Community program is unable to contract for mental retardation services required by the Community Consent Decree, Consumer Advisory Board v. Robert W. Glover et al, USDC Civil No. 91-321-P-C, then the department is authorized by financial order to transfer up to 8 vacant positions and existing funding from General Fund appropriations to establish 8 mental health and mental retardation caseworker positions.

Sec. J-4. Appropriations and allocations. The following appropriations and allocations are made.

BEHAVIORAL AND DEVELOPMENTAL SERVICES, DEPARTMENT OF

Mental Health Services - Children

Initiative: Provides funds to partially restore previous reductions to children's services programs, including \$183,334 for outpatient services, \$133,333 for homeless services, \$133,333 for early intervention services and \$350,000 for case management services.

General Fund	2003-04	2004-05
All Other	\$800,000	\$0
General Fund Total	\$800,000	\$0

PART K

Sec. K-1. 34-A MRSA §1215, as reallocated by RR 2001, c. 1, §43, is amended to read:

§1215. Accreditation

~~All--adult--correctional--facilities--and--juvenile--facilities operated--by--the--department--must--be--accredited~~ The department shall seek accreditation of its correctional and detention facilities by a nationally recognized correctional accrediting

body by January 1, 2005 and must shall maintain any accreditation thereafter obtained. The department shall report to the joint standing committees of the Legislature having jurisdiction over criminal justice matters and appropriations and financial affairs regarding its progress towards accreditation by January 1, 2005.

Sec. K-2. Commission established. That the Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners, referred to in this section as "the commission," is established.

1. Commission membership. The commission consists of 17 members appointed as follows:

A. Two members of the Senate appointed by the President of the Senate;

B. Two members of the House of Representatives appointed by the Speaker of the House;

C. The Attorney General or a designee;

D. The Commissioner of the Department of Corrections or a designee;

E. The Commissioner of Behavioral and Developmental Services or a designee;

F. A representative of Adult Community Corrections appointed by the Commissioner of Corrections;

G. A representative of a statewide association of prosecutors nominated by the association and appointed by the Governor;

H. A representative of a statewide association of county commissioners nominated by the association and appointed by the Governor;

I. A representative of a statewide association of county sheriffs nominated by the association and appointed by the Governor;

J. A representative of a statewide association of criminal defense lawyers appointed by the Governor;

K. A member of the public appointed by the Governor; and

2 L. A representative of a statewide membership organization
representing people with mental illness and their families
appointed by the Governor.

4
6 The commission shall ask the Chief Justice of the Supreme
Judicial Court to serve or name a designee to serve as a voting
member of the commission and to appoint 2 trial judges or their
8 designees to serve as voting members of the commission.

10 2. **Appointments; chairs; meetings.** All appointments must
be made no later than 30 days following the effective date of
12 this Act. The Governor shall appoint a chair from among the
membership of the commission, who shall call and convene the
14 first meeting of the commission no later than 15 days after
appointments of all members. The commission may hold a total of
16 6 meetings, one of which may be a public hearing.

18 3. **Duties.** Duties of the commission are as follows.

20 A. The commission shall conduct its research and prepare
its recommendations with the express purpose of:

22 (1) Reducing the overall prison population in both
24 state and county facilities, with a focus on lowering
the population of nonviolent offenders;

26 (2) Reducing the overall cost of the corrections
28 system;

30 (3) Accomplishing policy, program and structural
improvements that reduce recidivism and improve the
32 transition of prisoners back into the community;

34 (4) Preserving community safety;

36 (5) Respecting the needs of victims and communities in
the process of holding offenders accountable for their
38 actions; and

40 (6) Developing recommendations that address the
factors leading to prison overcrowding, the impact of
42 current sentencing laws, the use of alternate sentences
and means to reduce recidivism, in particular that
44 caused by mental illness and substance abuse.

46 B. To accomplish its purpose, the commission shall examine
multiple strategies for addressing issues related to the
48 continually and rapidly increasing prison populations at
both the county jail and state prison levels, including
50 diversion from jail or prison, programming to improve

reentry from jail or prison back to the community, community alternatives to incarceration and changes in sentencing laws, policies and practices. In conducting its examination, the commission shall:

(1) Study factors leading to overcrowding in state and county correctional facilities; examine and analyze the prison population and projected growth at both the state and county level to include offenses, length of sentence and other issues such as mental illness and substance abuse, which lead to incarceration or reincarceration; and identify trends in the offender population and determine what impact these changes will have on future growth;

(2) Examine factors linking juvenile and adult offender populations;

(3) Review existing program and treatment levels for the incarcerated offender population and recommend improvements based on projected need and effective programs supported by research; and

(4) Consult with and seek input from former inmates as well as from organizations advocating for the mentally ill.

4. Staff assistance. The State Planning Office shall provide staffing assistance.

5. Compensation. The members of the commission who are Legislators are entitled to the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for necessary expenses incurred for their attendance at authorized meetings of the commission. Members of the commission who are not otherwise compensated by their employers or other entities that they represent are entitled to receive reimbursement of necessary expenses incurred for their attendance at authorized meetings.

6. Report. The commission shall submit a report that includes its findings and recommendations, including legislation, to the joint standing committee of the Legislature having jurisdiction over sentencing policies during the Second Regular Session of the 121st Legislature no later than December 3, 2003. The commission is authorized to introduce legislation related to its report to the Second Regular Session of the 121st Legislature at the time of submission of its report.

Sec. K-3. Appropriations and allocations. The following appropriations and allocations are made.

CORRECTIONS, DEPARTMENT OF**Administration - Corrections 0141**

Initiative: Appropriates funds to contract services to support the data collection, research and evaluation work of the Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners.

General Fund	2003-04	2004-05
All Other	\$250,000	\$0
General Fund Total	\$250,000	\$0

**CORRECTIONS, DEPARTMENT OF
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$250,000	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$250,000	\$0

LEGISLATURE**Study Commissions - Funding 0444**

Initiative: Appropriates funds for the per diem and expenses of legislative members of the Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners.

General Fund	2003-04	2004-05
Personal Services	\$1,320	\$0
All Other	1,200	0
General Fund Total	\$2,520	\$0

LEGISLATURE**DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$2,520	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$2,520	\$0

SECTION TOTALS

	2003-04	2004-05
GENERAL FUND	\$252,520	\$0
SECTION TOTAL - ALL FUNDS	\$252,520	\$0

PART L

Sec. L-1. 5 MRSA §13054, sub-§§1 and 2, as amended by PL 2003, c. 20, Pt. Q, §1, are further amended to read:

1. Commissioner. "Commissioner" means the Commissioner of Tourism, Economic and Community Development.

2. Department. "Department" means the Department of Tourism, Economic and Community Development.

Sec. L-2. PL 2003, c. 20, Pt. Q, §2 is repealed.

Sec. L-3. Revision clause. Wherever in the Maine Revised Statutes the words "Department of Tourism, Economic and Community Development" appear or reference is made to that department or those words, they are amended to read and mean "Department of Economic and Community Development" or "department," as appropriate, and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

PART M

Sec. M-1. PL 2003, c. 20, Pt. D, §22 is amended to read:

Sec. D-22. Merit increases. Notwithstanding the Maine Revised Statutes, Title 26, section 979-D and any other provision of law, any merit increase, regardless of funding source, scheduled to be awarded between July 1, 2003 and June 30, 2005 2004 to any person employed by the Executive Branch, departments of the constitutional officers and the Department of Audit may not be awarded, authorized or implemented. These savings may be replaced by other Personal Services savings by agreement of the State and the bargaining agents representing state employees.

Sec. M-2. PL 2003, c. 20, Pt. XX is repealed.

PART N

Sec. N-1. 5 MRSA §1516, sub-§3 is enacted to read:

3. Private contributions. The Blaine House Renovations and Repairs Fund, Other Special Revenue Funds account, is established in the Executive Department. This account may receive and accept allocations, appropriations, grants and contributions of money to be used for capital improvements, renovations and repairs to and

general operations of the Blaine House. This account may not lapse but must be carried forward from year to year.

Sec. N-2. Planning Office - Smart Growth Initiative; lapsed balances. Notwithstanding any other provision of law, \$4,094 of unencumbered balance forward in fiscal year 2003-04 in the Planning Office - Smart Growth Initiative General Fund account in the Executive Department lapses to the General Fund in fiscal year 2003-04.

Sec. N-3. Land for Maine's Future Fund; lapsed balances. Notwithstanding any other provision of law, \$47,441 of unencumbered balance forward in fiscal year 2003-04 in the Land for Maine's Future Fund General Fund account in the Executive Department lapses to the General Fund in fiscal year 2003-04.

PART O

Sec. O-1. 26 MRSA §62, as amended by PL 2001, c. 398, Pt. B, §§1 and 2, is further amended to read:

§62. Occupational Safety Loan Fund

1. Establishment of fund. There is established in the State Treasury a special fund known as the Occupational Safety Loan Fund, for the purposes of making loans, interest rate subsidies and grants in accordance with section 63, and of providing funds for the administration of that section. The loan fund must be administered by the commissioner. The department has authority over the loan fund and may do all things necessary or convenient in the administration of the loan fund and shall formulate and adopt rules pursuant to Title 5, chapter 375 governing the administration, maintenance, loan disbursements, loan repayments, making of grants and interest rate subsidies and collections of the loan fund, and perform all other functions that the laws of this State specifically authorize or that are necessary or appropriate. All money and securities in the loan fund must be held in trust by the Treasurer of State for the purposes of the loan and interest rate subsidy program established and grants authorized under section 63 and may not be money or property for the general use of the State, except that during the fiscal year ending June 30, 1991, the State may transfer up to \$400,000 to the undedicated General Fund revenues. The Treasurer of State shall invest the money of the fund in accordance with law. The fund does not lapse.

2. Loans, interest rate subsidies and grants from fund. The loan fund may make loans and grants and provide interest rate subsidies in accordance with section 63.

2 **3. Source of fund.** The loan fund ~~shall-be~~ is established
and maintained by funds received from the following:

4 A. Repayments of loans made by the loan fund and accrued
6 interest on those loans;

8 B. Interest, income and dividends from investments made by
the Treasurer of State under subsection 1; and

10 C. Payments pursuant to subparagraph (1).

12 (1) The commissioner shall assess a levy based on the
14 total actual workers' compensation premiums paid in
16 1984 by employers under former Title 39, the Workers'
18 Compensation Act or under Title 39-A, Part 1, the Maine
20 Workers' Compensation Act of 1992. As soon as
22 practicable after July 1, 1985, the commissioner shall
24 assess upon and collect from each insurance carrier
26 licensed to do workers' compensation business in the
State an amount equal to 1/2 of 1% of the total
workers' compensation insurance premiums paid to that
insurance carrier during 1984 by employers in the
State. The levy assessment constitutes an element of
loss for the purpose of establishing rates for workers'
compensation insurance.

28 (a) The Commissioner of Labor shall send notice
30 of the assessments by certified mail to each
32 carrier and self-insured employer. Payment of
34 assessments must be received in the principal
office of the Department of Labor before a date
specified in the notice, but not more than 90 days
after the date of the mailing.

36 **Sec. O-2. 26 MRSA §63, first ¶,** as amended by PL 2001, c. 398,
Pt. B, §3, is further amended to read:

38 The department may administer a statewide program to make
40 ~~low-interest~~ low-interest loans, interest rate subsidies for
42 loans and ~~to make~~ grants to improve safety and promote healthful
44 working conditions in factories, workshops and workplaces in this
State. This program is known as the Occupational Safety Loan
Program.

46 **Sec. O-3. 26 MRSA §63, sub-§1,** as amended by PL 1991, c. 93,
§3, is further amended to read:

48 1. **Criteria for loans and loans receiving interest rate**
50 **subsidies.** The department shall ~~promulgate~~ adopt rules to

implement the Occupational Safety Loan Program, which shall must include, but may not be limited to, the following loan criteria:

A. The purpose of the loan must be to improve, install or erect equipment ~~which~~ that reduces hazards to and promotes the health and safety of workers;

C. No loan may be made in an amount in excess of \$50,000 to any single applicant, ~~or at an interest rate in excess of 3%.~~ A loan made by the department may not have an interest rate in excess of 3%. A loan receiving an interest rate subsidy may not have an effective rate in excess of 3%. The maximum term of an individual loan ~~shall be~~ is 10 years. The Commissioner of Labor may waive the limitation on the amount, the duration, or both, of a loan to address severe circumstances, as funds are available;

D. A majority vote of the Commission on Safety and Health in the Maine Workplace is necessary to recommend approval of a loan or an interest rate subsidy that is then transmitted to the department for final disposition in accordance with the policies adopted by the department;

E. Loan and interest rate subsidy applications must be reviewed by both the Commission on Safety and Health in the Maine Workplace and the department for feasibility, such as, for the general reasonableness and safety need for the proposal, whether the applicant has sufficient capital, whether an adequate safety analysis or other counseling requirement has been completed, whether the applicant is creditworthy within the scope of this program and whether the collateral offered to secure the loan is adequate;

F. Loans are not insured or guaranteed by the State, but the department shall require collateral in the form of security for the loan, if available, and may, in appropriate cases, take a mortgage on real estate;

G. Loan and interest rate subsidy applications must be on forms and accompanied by additional information as required by the department. Loan and interest rate subsidy applicants may be required to submit whatever personal or ~~business-related~~ business-related financial information as may be necessary to determine eligibility for the Occupational Safety Loan Program; and

H. Loans and interest rate subsidies may not be approved without a prior safety inspection by the division of industrial safety and a recommendation by the division for the installation of the safety device.

2 **Sec. O-4. Transfer of funds; Occupational Safety Loan Program**
3 **account.** Notwithstanding any other provision of law, \$401,209
4 must be transferred from the Occupational Safety Loan Program
5 account in the Finance Authority of Maine to the General Fund as
6 undedicated revenue no later than June 30, 2004.

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10 **PART P**

11 **Sec. P-1. 22 MRSA §254, sub-§1,** as amended by PL 2003, c. 20,
12 Pt. GGG, §2, is further amended to read:

13 **1. Prescription and nonprescription drugs.** Prescription
14 and nonprescription drugs, medications and medical supplies of
15 manufacturers that enter into rebate agreements pursuant to
16 subsection 8. The department may create and implement a
17 preferred drug list. These drugs may be made available through
18 the operation of this program.

19
20 A. The basic component of the program must provide drugs
21 and medications for cardiac conditions and high blood
22 pressure, diabetes, arthritis, anticoagulation,
23 hyperlipidemia, osteoporosis, chronic obstructive pulmonary
24 disease and asthma, incontinence, thyroid diseases,
25 glaucoma, parkinson's disease, multiple sclerosis and
26 amyotrophic lateral sclerosis. The basic component must
27 also provide over-the-counter medications that are
28 prescribed by a health care provider and approved as
29 cost-effective by the department.
30

31
32 B. The supplemental component of the program must provide
33 all prescription drugs and medications of manufacturers that
34 enter into rebate agreements pursuant to subsection 8 other
35 than those prescription drugs and medications provided under
36 paragraph A;

37 **Sec. P-2. 22 MRSA §254, sub-§4,** as amended by PL 2003, c. 20,
38 Pt. GGG, §3, is further amended to read:

39
40 **4. Method of prescribing or ordering drugs.** The method of
41 prescribing or ordering the drugs under subsection 1, which may
42 include, but is not limited to, the use of standard or larger
43 prescription refill sizes so as to minimize operational costs and
44 to maximize economy ~~and may also include supply by mail order.~~
45 Unless the prescribing physician indicates otherwise or the
46 department determines that it would not be cost-effective, the
47 use of generic or chemically equivalent drugs is required, as
48 long as these drugs are of the same quality and have the same

mode of delivery as is provided to the general public, consistent with good pharmaceutical practice;

Sec. P-3. 22 MRSA c. 1071, sub-c. 15 is enacted to read:

SUBCHAPTER 15

YOUTH IN NEED OF SERVICES PROGRAM

§4099-A. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Case manager. "Case manager" means an agent of the department authorized by this subchapter to perform all case management functions for a youth alleged or found to be in need of services. "Case manager" may include community-based agencies contracted by the department and persons employed by those agencies to provide case management services.

2. Court. "Court" means the District Court.

3. Services. "Services" means housing, education, food, medical care, mental health or substance abuse services or treatment, supervision by a parent or legal guardian and support services, including mediation services, that may assist a youth in need of services or the youth's family or legal guardian.

4. Youth in need of services. "Youth in need of services" means a child under 15 years of age who:

A. Is without proper care or subsistence, education, a home or medical or other care necessary for the child's well-being;

B. Is without or beyond the control of the child's parent or legal guardian; or

C. Is in imminent danger of serious physical, mental or emotional injury or at risk of prosecution for a juvenile offense.

§4099-B. Youth in Need of Services Program

1. Youth in Need of Services Program established. The Youth in Need of Services Program, referred to in this subchapter as "the program," is established within the department to provide preliminary assessments, safety plans and other services as

specified in this subchapter to youth and their families and legal guardians.

§4099-C. Preliminary assessment; safety plan; other services

1. Preliminary assessment. When a case manager is informed that a youth may be in need of services, the case manager shall make a preliminary assessment within 48 hours, including weekends and holidays, to determine whether the youth is a youth in need of services as defined in this subchapter and whether further action should be taken under subsection 2 or 3.

2. Safety plan. When a case manager determines that a youth is in need of services, the case manager shall immediately develop a safety plan and arrange services for the youth and, if appropriate, for the youth's family or legal guardian.

3. Imminent danger. If a youth is determined by a case manager to be in need of services and is in imminent danger of serious physical, mental or emotional injury or at risk of prosecution for a juvenile offense, the case manager shall attempt to contact the family or legal guardian, if appropriate, to begin services to the youth and family or legal guardian and shall promptly file a petition to commence court proceedings.

A. If the court finds that a youth is in need of services and is in imminent danger of serious physical, mental or emotional injury or at risk of prosecution for a juvenile offense, the court shall order that a service provider offer appropriate services to the youth and the youth's family or legal guardian if appropriate.

B. In a proceeding brought under this subsection, if the court orders a service provider to offer appropriate services to a youth or the youth's family or legal guardian, the court may not order secure residential placement or inpatient treatment or order a youth to participate in services or enter an order of enforcement or contempt.

4. Treatment by spiritual means. A youth may not be considered to be in need of services under this subchapter solely because treatment is provided by spiritual means by an accredited practitioner of a recognized religious organization. When medical treatment is authorized under this subchapter, treatment by spiritual means by an accredited practitioner of a recognized religious organization may also be considered if requested by a youth or the youth's parent or legal guardian.

5. Reporting. The department shall report by October 1, 2003 and annually thereafter to the joint standing committee of

2 the Legislature having jurisdiction over health and human
3 services matters on the number and nature of preliminary
4 assessments, safety plans and court proceedings under this
5 section. The report must include safety plans and court
6 proceedings under this section. The report must include
7 recommendations for policy initiatives, rulemaking and
8 legislative action for youth in need of services.

10 **Sec. P-4. PL 2003, c. 51, Pt. H, §7 is amended to read:**

12 **Sec. H-7. Intergovernmental transfer.** The Commissioner of
13 Administrative and Financial Services shall annually establish
14 the amount that must be transferred from the City of Portland as
15 an intergovernmental transfer. The amounts that must be
16 transferred to the State as undedicated General Fund revenue from
17 the City of Portland must be \$1,000,000 in fiscal year 2002-03
18 and must be at least ~~\$2,000,000~~ \$2,492,618 in fiscal year 2003-04
and at least ~~\$2,000,000~~ \$2,544,709 in fiscal year 2004-05.

20 **Sec. P-5. Intergovernmental transfer; municipally funded facilities.**
21 The Commissioner of Administrative and Financial Services shall
22 annually establish the amount that must be transferred from Mayo
23 Regional Hospital in Dover-Foxcroft and Cary Medical Center in
24 Caribou as an intergovernmental transfer. The amounts that must
25 be transferred to the State as undedicated General Fund revenue
26 from these municipally funded facilities must be at least
27 \$2,590,000 in fiscal year 2003-04 and at least \$2,630,000 in
28 fiscal year 2004-05.

30 **Sec. P-6. Rename Youth in Need of Services Pilot; distribution of**
31 **funds.** Notwithstanding any other provision of law, the "Youth in
32 Need of Services Pilot" is renamed "Youth in Need of Services
33 Program." All funds appropriated or allocated to the Youth in
34 Need of Services Program must be distributed equally among the
35 Bangor, Lewiston and Portland programs.

36 **Sec. P-7. Department of Human Services; revenue.**
37 Notwithstanding any other provision of law, \$1,134,035 of
38 reimbursements under Title XXI of the United States Social
39 Security Act will be deposited as General Fund undedicated
40 revenue in fiscal year 2002-03.

42 **Sec. P-8. Department of Human Services MaineCare rules.** The
43 Department of Human Services is required to adopt MaineCare
44 emergency rules, effective July 1, 2003, for the purpose of
45 changing its methods and standards for setting MaineCare payment
46 rates for hospital services in order to achieve the deallocations
47 in the Part I and Part II budgets and as deemed necessary by the
48 department to ensure the efficient operation of the MaineCare
49 program.

2 **Sec. P-9. Lapsed balances.** Notwithstanding any other
4 provision of law, \$100,000 of the encumbered balance forward in
6 fiscal year 2002-03 in the Bureau of Medical Services, General
8 Fund account in the Department of Human Services must be
disencumbered and this amount lapses to the General Fund in
fiscal year 2002-03.

10 **Sec. P-10. Department of Human Services accounts; lapsed**
12 **balances.** Notwithstanding any other provision of law, \$500,000 of
14 encumbered balance forward in fiscal year 2002-03 in the
Department of Human Services accounts must be disencumbered and
this amount lapses to the General Fund in fiscal year 2002-03.

16 **Sec. P-11. Department of Human Services; revenue.**
18 Notwithstanding any other provision of law, the Department of
20 Human Services shall seek reimbursement of expenditures under
22 Medicaid, Title XIX of the United States Social Security Act for
targeted case management in the amount of \$579,638 in fiscal year
2003-04 and \$579,638 in fiscal year 2004-05. This revenue must
be deposited in the General Fund as undedicated revenue.

24 **PART Q**

26 **Sec. Q-1. Transfer of funds; Safety Education and Training Fund.**
28 Notwithstanding any other provision of law, the State Controller
shall transfer \$100,000 in fiscal year 2003-04 and \$100,000 in
30 fiscal year 2004-05 from the Safety Education and Training Fund,
Other Special Revenue Funds account in the Department of Labor to
the unappropriated surplus of the General Fund no later than June
32 30, 2004 and June 30, 2005, respectively.

34 **Sec. Q-2. Transfer of funds; Blind and Visually Impaired.**
36 Notwithstanding any other provision of law, the State Controller
shall transfer \$100,000 in fiscal year 2003-04 and \$100,000 in
38 fiscal year 2004-05 from the Blind and Visually Impaired, Other
Special Revenue Funds account in the Department of Labor to the
unappropriated surplus of the General Fund no later than June 30,
40 2004 and June 30, 2005, respectively.

42 **PART R**

44 **Sec. R-1. PL 2003, c. 20, Pt. F, §4** is amended to read:

46 **Sec. F-4. Merit increases.** Notwithstanding the Maine Revised
48 Statutes, Title 26, section 979-D and any other provision of law,
any step merit increase, regardless of funding source, scheduled
50 to be paid between July 1, 2003 and June 30, 2005 2004

to any person employed by the legislative branch may not be awarded, authorized or implemented unless the Legislative Council replaces these savings with other Personal Services savings within its budgeted resources.

Sec. R-2. Legislative accounts; lapsed balances; Commission on Interstate Cooperation. Notwithstanding any other provision of law, \$13,032 of unencumbered balance forward in fiscal year 2003-04 in the Commission on Interstate Cooperation account in the Legislature lapses to the General Fund in fiscal year 2003-04.

Sec. R-3. Legislative accounts; lapsed balances; Commission on Uniform State Laws. Notwithstanding any other provision of law, \$8,833 of unencumbered balance forward in fiscal year 2003-04 in the Commission on Uniform State Laws account in the Legislature lapses to the General Fund in fiscal year 2003-04.

Sec. R-4. Legislative accounts; lapsed balances; Legislative General Fund. Notwithstanding any other provision of law, \$215,000 of unencumbered balance forward in the Personal Services line category in fiscal year 2003-04 in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2003-04.

Sec. R-5. Legislative accounts; lapsed balances; Office of Program Evaluation and Government Accountability. Notwithstanding any other provision of law, \$17,223 of unencumbered balance forward in fiscal year 2003-04 in the Office of Program Evaluation and Government Accountability account lapses to the General Fund in fiscal year 2003-04.

PART S

Sec. S-1. 25 MRSA §1541, sub-§6, as amended by PL 2003, c. 20, Pt. R, §8, is further amended to read:

6. Establishment of fees. The State Bureau of Identification may charge a fee to individuals, nongovernmental organizations, governmental organizations that are engaged in licensing and governmental organizations that are not a governmental entity of the State, a county of the State or a municipality of the State for each criminal history record check requested for noncriminal justice purposes pursuant to Title 16, chapter 3, subchapter VIII §. The requestor shall provide a name and date of birth for each record being requested. A request made pursuant to 5 United States Code, Section 9101 must be accompanied by fingerprints. A governmental organization that is engaged in licensing may charge an applicant for the cost of the criminal history record check. The commissioner shall establish

a schedule of fees that covers the cost of providing these services. Revenues generated from these fees must be credited to the General Fund.

Sec. S-2. Speed enforcement. Notwithstanding any other provision of law, the Commissioner of Public Safety is authorized to increase the number of speed enforcement details using aircraft by 85 per year.

PART T

Sec. T-1. 3 MRSA §959, sub-§1, ¶D, as amended by PL 2001, c. 439, Pt. EEEE, §1, is further amended to read:

D. The joint standing committee of the Legislature having jurisdiction over criminal justice matters shall use the following list as a guideline for scheduling reviews:

(1) Department of Public Safety, except for the Bureau ~~of--Liquor--Enforcement~~ division designated by the Commissioner of Public Safety to enforce the law relating to the manufacture, importation, storage, transportation and sale of all liquor and to administer those laws relating to licensing and the collection of taxes on malt liquor and wine and the Emergency Services Communication Bureau, in 2001; and

(2) Department of Corrections in 2003.

Sec. T-2. 3 MRSA §959, sub-§1, ¶J, as amended by PL 1999, c. 127, Pt. C, §11, is further amended to read:

J. The joint standing committee of the Legislature having jurisdiction over legal and veterans' affairs shall use the following schedule as a guideline for scheduling reviews:

(2) State Liquor and Lottery Commission in 1999;

(3) ~~Bureau--of--Liquor--Enforcement~~ The division within the Department of Public Safety designated by the Commissioner of Public Safety to enforce the law relating to the manufacture, importation, storage, transportation and sale of all liquor and to administer those laws relating to licensing and the collection of taxes on malt liquor and wine in 1999; and

(4) Department of Defense, Veterans and Emergency Management in 2001.

2 **Sec. T-3. 5 MRSA §10051, sub-§3**, as amended by PL 1999, c.
547, Pt. B, §19 and affected by §80, is further amended to read:

4 **3. Appellate jurisdiction.** The District Court has
6 exclusive jurisdiction to review disciplinary decisions of
occupational licensing boards and commissions taken pursuant to
8 Title 10, section 8003 and licensing decisions of the ~~Bureau-of~~
~~Liquor-Enforcement~~ Department of Public Safety taken pursuant to
10 Title 28-A, sections 453-A, 458 and 653. Chapter 375, subchapter
VII 7 governs these proceedings as far as applicable,
12 substituting "District Court" for "Superior Court."

14 **Sec. T-4. 25 MRSA §2901**, as amended by PL 1999, c. 668, §114,
is further amended to read:

16 **§2901. Department; commissioner**

18 There is created and established the Department of Public
20 Safety to coordinate and efficiently manage the law enforcement
and public safety responsibilities of the State, to consist of
22 the Commissioner of Public Safety, in this chapter called
"commissioner," who is appointed by the Governor, subject to
24 review by the joint standing committee of the Legislature having
jurisdiction over criminal justice matters and to confirmation by
the Legislature, to serve at the pleasure of the Governor, and
26 the following: the Bureau of State Police, ~~the-Bureau-of-Liquor~~
~~Enforcement~~, the Office of the State Fire Marshal, the Maine
28 Criminal Justice Academy, the Bureau of Highway Safety and the
Maine Drug Enforcement Agency.

30 **Sec. T-5. 25 MRSA §2902, sub-§3**, as amended by PL 2001, c.
32 559, Pt. KK, §4, is repealed.

34 **Sec. T-6. 25 MRSA Pt. 10**, as amended, is repealed.

36 **Sec. T-7. 28-A MRSA §2, sub-§6**, as amended by PL 1993, c. 730,
§4, is further amended to read:

38 **6. Bureau.** "Bureau" means the ~~Bureau---of---Liquor~~
40 ~~Enforcement,---which---includes---the---Liquor---Licensing---and---Tax~~
~~Division,~~ division within the Department of Public Safety
42 designated by the commissioner to enforce the law relating to the
manufacture, importation, storage, transportation and sale of all
44 liquor and to administer those laws relating to licensing and
collection of taxes on malt liquor and wine.

46 **Sec. T-8. 28-A MRSA §2, sub-§8-A**, as amended by PL 1997, c.
48 373, §12, is repealed.

2 **Sec. T-9. 28-A MRSA §82, sub-§5**, as amended by PL 1997, c.
571, §1, is further amended to read:

4 **5. Appeals.** Review all appeals from the decisions of
municipal officers. The chief commissioner may conduct appeal
6 hearings or appoint a hearings officer to conduct appeal
hearings. Except as provided in section 805, the decision of the
8 chief commissioner is final.

10 The chief commissioner or the hearings officer may conduct
hearings in any licensing matter pending before the bureau. If a
12 hearings officer conducts the hearing, the hearings officer,
after holding the hearing, shall file with the bureau all papers
14 connected with the case and report the findings to the chief
commissioner. The chief commissioner shall render a final
16 decision based upon the record of the hearing.

18 The chief commissioner or the hearings officer may administer
oaths and issue subpoenas for witnesses and subpoenas duces tecum
20 to compel the production of books and papers relating to any
license question in dispute before the bureau or to any matter
22 involved in a hearing. Witness fees in all proceedings are the
same as for witnesses before the Superior Court and must be paid
24 by the bureau, except that, notwithstanding Title 16, section
253, the bureau is not required to pay the fees before the travel
26 and attendance occur;

28 **Sec. T-10. 28-A MRSA §161, sub-§7**, as enacted by PL 1987, c.
45, Pt. A, §4, is amended to read:

30 **7. Right of access.** Every bottle club shall allow ~~liquor~~
~~enforcement-officers-and-other~~ law enforcement officers to enter
32 the premises at reasonable times for the purpose of investigating
compliance with this Title.
34

36 A. Entry into the premises under this subsection must be
conducted in a reasonable manner so as not to disrupt the
38 operation of the bottle club.

40 B. The investigation must be limited to those areas
involved in the actual operation of the bottle club,
42 including storage areas.

44 **Sec. T-11. 28-A MRSA §714, sub-§3, ¶¶A and B**, as amended by PL
1993, c. 730, §35, are further amended to read:

46 A. Every keg of malt liquor offered for sale by an
48 ~~off-premise~~ off-premises retail licensee must be tagged in a
manner and with a label approved by the chief commissioner

identifying the keg. The tag must be supplied for each keg, without fee, by the wholesaler or small brewer of the keg.

B. The retail seller of the keg shall complete a form designed and approved by the ~~chief~~ commissioner and affix the label to each keg supplied to the retail seller by the distributor of the keg. The form must be printed and distributed, without fee, by the wholesaler or small brewer of the keg. The form must include the name, address and date of birth of the purchaser and the identification number of the keg. The form must summarize the requirements of this section, the penalties for violating any provision of this section and the penalties for providing alcohol to a minor. The seller shall retain the form as a record subject to chapter 31.

Sec. T-12. 28-A MRSA §803, sub-§1, as amended by PL 1997, c. 373, §76 and 1999, c. 547, Pt. B, §78 and affected by §80, is further amended to read:

1. Violation of law or rule. Upon discovering a violation of federal or state law, rule or regulation relating to liquor, or an infraction of a rule adopted by the bureau, the ~~chief~~ commissioner, or the ~~chief's~~ commissioner's designee, shall:

A. Report the violation to the District Court Judge in a signed complaint; or

B. Issue warnings to the licensees involved.

Sec. T-13. 28-A MRSA §803, sub-§6, as amended by PL 1997, c. 373, §79 and 1999, c. 547, Pt. B, §78 and affected by §80, is further amended to read:

6. Warnings. Upon the written recommendation of the ~~chief~~ commissioner, or the ~~chief's~~ commissioner's designee, the District Court Judge, instead of notifying a licensee against whom a complaint is pending to appear for hearing, may send the licensee a warning. Warnings must be sent by registered or certified mail and contain a copy of the complaint. A licensee to whom a warning is sent may demand a hearing by notifying the District Court Judge by registered or certified mail within 10 days from the date the warning was mailed.

Sec. T-14. 29-A MRSA §2054, sub-§1, ¶B, as amended by PL 2001, c. 360, §5, is further amended to read:

B. "Authorized emergency vehicle" means any one of the following vehicles:

(1) An ambulance;

(2) A Baxter State Park Authority vehicle operated by a Baxter State Park ranger;

(3) A Bureau of Marine Patrol vehicle operated by a coastal warden;

(4) A Department of Conservation vehicle operated by a forest ranger;

(5) A Department of Conservation vehicle used for forest fire control;

(6) A Department of Corrections vehicle used for responding to the escape of or performing the high-security transfer of a prisoner, juvenile client or juvenile detainee;

(7) A Department of Inland Fisheries and Wildlife vehicle operated by a warden;

(8) A Department of Public Safety vehicle operated by a ~~liquor enforcement officer~~, a capital security officer appointed pursuant to Title 25, section 2908, a state fire investigator or a Maine Drug Enforcement Agency officer;

(9) An emergency medical service vehicle;

(10) A fire department vehicle;

(11) A hazardous material response vehicle, including a vehicle designed to respond to a weapon of mass destruction;

(12) A railroad police vehicle;

(13) A sheriff's department vehicle;

(14) A State Police or municipal police department vehicle;

(15) A vehicle operated by a chief of police, a sheriff or a deputy sheriff when authorized by the sheriff;

(16) A vehicle operated by a municipal fire inspector, a municipal fire chief, an assistant or deputy chief or a town forest fire warden;

(17) A vehicle operated by a qualified deputy sheriff or other qualified individual to perform court security-related functions and services as authorized by the State Court Administrator pursuant to Title 4, section 17, subsection 15; or

(18) A Federal Government vehicle operated by a federal law enforcement officer.

Sec. T-15. 36 MRSA §172, sub-§1, as amended by PL 1997, c. 373, §171, is further amended to read:

1. Liquor licensee. If the taxpayer is a liquor licensee, to the Department of Public Safety, ~~Bureau-of-Liquor-Enforcement~~, which shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's liquor license in accordance with Title 28-A, section 707 and chapter 33; or

Sec. T-16. Transition provisions.

1. All references in the Maine Revised Statutes, Title 28-A to the functions performed by the Chief of the Bureau of Liquor Enforcement within the Department of Public Safety are deemed to refer to functions of the Commissioner of Public Safety, and all references to functions performed by the Bureau of Liquor Enforcement are deemed to refer to functions of the division within the Department of Public Safety designated by the commissioner to enforce the law relating to the manufacture, importation, storage, transportation and sale of all liquor and to administer those laws relating to licensing and the collection of taxes on malt liquor and wine. It is the express intent of the Legislature that all provisions of Title 28-A remain fully enforceable and, in order to effectuate this intent, the Commissioner of Public Safety or officials designated by the commissioner may enforce any provision of Title 28-A.

2. All existing rules and procedures in effect, in operation or adopted by the Bureau of Liquor Enforcement or the Chief of the Bureau of Liquor Enforcement remain in effect and continue in effect until rescinded, revised or amended by the proper authority.

3. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Bureau of Liquor Enforcement may be utilized by the division designated by the Commissioner of Public Safety pursuant to this section until existing supplies of those items are exhausted.

PART U

2
4 **Sec. U-1. Account established.** The Help America Vote Act of
6 2002 Other Special Revenue Funds account is established as a
8 nonlapsing Other Special Revenue funds account in the Department
10 of the Secretary of State, Bureau of Corporations, Elections and
12 Commissions to carry out the mandates of the federal Help America
Vote Act of 2002. Interest earned on funds deposited in the Help
America Vote Act of 2002 Other Special Revenue Funds account must
accrue to the account and become part of the assets of the
account. The account must be held separate and apart from all
other money, funds and accounts.

14 **Sec. U-2. Transfer of funds.** Notwithstanding any other
16 provision of law, the State Controller is authorized to transfer
18 \$100,000 of unencumbered balance forward in fiscal year 2003-04
20 in the Bureau of Corporations, Elections and Commissions, General
Fund account in the Department of the Secretary of State, to the
Help America Vote Act of 2002 Other Special Revenue Funds account.

22 **Sec. U-3. Federal Expenditures Fund account.** Funds received
24 from the Federal Government as a result of the federal Help
26 America Vote Act of 2002 must be deposited in an account that
28 must be held separate and apart from all other money, funds and
accounts. Interest earned on funds deposited in the Help America
Vote Act of 2002 Federal Expenditures Fund account must accrue to
the account and become part of the assets of the account.

PART V

30 **Sec. V-1. Appointment of temporary officials.** Notwithstanding
32 the Maine Revised Statutes, Title 5, section 1, the temporary
34 terms of the Acting Commissioner of the Department of Behavioral
36 and Developmental Services, the Acting Commissioner of the
Department of Human Services and the Acting Commissioner of the
Department of Economic and Community Development may be extended
6 months beyond the current scheduled end dates of those
temporary positions.

PART W

40 **Sec. W-1. Healthy Community Coalitions funding.** For the
42 purpose of continuing health improvement and community
44 development activities, for fiscal year 2003-04 the Commissioner
46 of Human Services shall continue to fund the 5 Healthy Community
Coalitions currently funded under the Bureau of Health
sustainability grant program. Each of the 5 Healthy Community
Coalitions, located in Augusta, Bucksport, Houlton, Rumford and
Lubec must be funded at an amount not less than \$25,000 each for

fiscal year 2003-04 from funds allocated to the department under the federal preventive health block grant program. The commissioner is authorized to contract with these Healthy Community Coalitions for the purposes of implementing this Part.

PART X

Sec. X-1. 5 MRSA §1511, as amended by PL 2001, c. 559, Pt. V, §1, is further amended to read:

§1511. Reserve for General Fund operating capital

The State Controller may shall, at the close of each fiscal year, transfer ~~from the 16% of the~~ Unappropriated Surplus of the General Fund to the Reserve for General Fund Operating Capital ~~such amounts as may be available from time to time up to an amount of \$1,000,000 a year~~ until a maximum of \$50,000,000 is achieved. The State Controller is further authorized, at the close of each fiscal year, to transfer from the Unappropriated Surplus of the General Fund to the Loan Insurance Reserve amounts as may be available from time to time, up to an amount of \$1,000,000 per year after the transfers have been made pursuant to section 1507. The balance of this reserve must be paid to the Finance Authority of Maine if such payment does not cause the balance in the reserve fund maintained by the authority, when added to amounts held in the Finance Authority of Maine Mortgage Insurance Fund that are not committed or encumbered for another purpose, to exceed \$35,000,000. Any balance in the Loan Insurance Reserve is appropriated for this purpose.

Sec. X-2. 5 MRSA §1513, sub-§1, as corrected by RR 1999, c. 2, §1, is amended to read:

1. Maine Budget Stabilization Fund. As the first priority before any other transfer, the State Controller shall at the close of each fiscal year ~~reserve from~~ transfer 32% of the unappropriated surplus of the General Fund ~~an amount equal to 1/2 the excess of total General Fund revenues received over accepted estimates in that fiscal year and transfer that amount to the~~ Maine Rainy-Day Budget Stabilization Fund at the beginning of the next fiscal year. ~~Accepted revenue estimates may not be increased after adjournment of each First Regular Session of the Legislature except as provided. For the first year of the biennium, revenue estimates for the 2nd year of the biennium may be adjusted once during the Second Regular Session of the Legislature. Accepted revenue estimates may be increased for other fiscal periods only if an amount not to exceed 1/2 of the increase is transferred by the State Controller to the Rainy-Day Fund at the same time from the unappropriated surplus of the General Fund. The fund may not exceed 6% 10% of the total~~

General Fund revenues received in the immediately preceding fiscal year and may not lapse, but remains in a continuing carrying account to carry out the purposes of this section. A reduction in the fund is not necessary in the event the total General Fund revenues received in the immediately preceding fiscal year are less than the total General Fund revenues received in the fiscal year 2 years previous and if the fund is at its 6% 10% limit. The limit at the close of a fiscal year is based on the total General Fund revenues received in the fiscal year being closed.

Sec. X-3. 5 MRSA §1513, sub-§3-A, as enacted by PL 1999, c. 749, §2 and affected by §3, is amended to read:

3-A. Investment proceeds; exception. At the close of every month during which the Maine Rainy-Day Budget Stabilization Fund is at the 6% 10% limitation described in subsection 1, the State Controller shall transfer from the General Fund to the Retirement Allowance Fund established in section 17251 an amount equivalent to the investment earnings that otherwise would have been credited to the Maine Rainy-Day Budget Stabilization Fund.

Sec. X-4. 5 MRSA §1513, sub-§5, as enacted by PL 2001, c. 439, Pt. CCCC, §1, is amended to read:

5. Death benefits. The Governor shall allocate funds from the Maine Rainy-Day Budget Stabilization Fund as needed to pay benefits due pursuant to Title 25, chapter 195-A. Allocations may be made upon written request of the Chief of the State Police, State Fire Marshal or Director of Maine Emergency Medical Services, and after consultation with the State Budget Officer.

Sec. X-5. 5 MRSA §1513-A, as enacted by PL 2001, c. 439, Pt. T, §2, is repealed.

Sec. X-6. 5 MRSA §1517, as enacted by PL 1995, c. 464, §4, is amended to read:

§1517. Transfer to Retirement Allowance Fund

At the close of each fiscal year, the State Controller shall transfer ~~from 32% of the unappropriated surplus of the General Fund to the Retirement Allowance Fund established in section 17251 an amount equal to 1/2 of the balance remaining after all other required transfers from the excess of total General Fund revenues received over accepted estimates in that fiscal year and all required deductions of appropriations, financial commitments, designated funds, transfers from the unappropriated surplus of~~

the--General--Fund--or--transfers--from--the--available--balance
remaining-in-the-General-Fund-have-been-made.

General-Fund-revenue-estimates-may-be-made-once-during-the
First-Regular-Session-of-the-Legislature-and-adjustments-to-these
accepted-revenue-estimates-may-be-made-once-during-the-Second
Regular-Session-of-the-Legislature-without-mandatory-transfer-of
funds-to-the-Retirement-Allowance-Fund.--If-adjustments-are-made
to-those-initial-estimates-presented-to-each-regular-session-of
the-Legislature,an-amount-not-to-exceed-1/2-of-the-excess-of-the
estimated-revenue-over-the-amounts-required-by-law-to-be-set
aside-for-other-purposes-must-be-appropriated-to-the-Retirement
Allowance-Fund.

Sec. X-7. 5 MRSA §1519, sub-§2, as enacted by PL 1999, c. 731,
Pt. DD, §1 and affected by §2, is repealed.

Sec. X-8. 5 MRSA §1664, as amended by PL 2001, c. 559, Pt.
AA, §2 and c. 702, §4 is further amended by adding at the end a
new paragraph to read:

The total General Fund appropriation for each fiscal year of
the biennium in the Governor's budget submission to the
Legislature may not exceed the General Fund appropriation of the
previous fiscal year multiplied by one plus the average real
personal income growth rate, as defined in section 1665,
subsection 1, plus the average forecasted inflation rate. For
purposes of this paragraph, "average forecasted inflation rate"
means the average forecasted change in the Consumer Price Index
underlying the revenue projections developed by the Revenue
Forecasting Committee pursuant to chapter 151-B. This
appropriation limitation may be exceeded only by the amount of
the additional costs or the lost federal revenue from the
following exceptional circumstances: unfunded or under-funded new
federal mandates; losses in federal revenues or other revenue
sources; citizens' initiatives or referenda that require
increased state spending; court orders or decrees that require
additional state resources to comply with the orders or decrees;
and sudden or significant increases in demand for existing state
services that are not the result of legislative changes that
increased eligibility or increased benefits. The Governor may
designate exceptional circumstances that are not explicitly
defined in this paragraph but meet the intent of this paragraph.
For purposes of this paragraph, "exceptional circumstances" means
an unforeseen condition or conditions over which the Governor and
the Legislature have little or no control. Exceptional
circumstances do not apply to new programs or program expansions
that go beyond existing program criteria and operation.

Sec. X-9. 5 MRSA §1665, sub-§1, as enacted by PL 1989, c. 501,
Pt. P, §13, is amended to read:

2 **1. Expenditure and appropriation requirements.** On or
4 before September 1st of the even-numbered years, all departments
6 and other agencies of the State Government and corporations and
8 associations receiving or desiring to receive state funds under
10 the provisions of law shall prepare, in the manner prescribed by
12 and on blanks furnished them by the State Budget Officer, and
14 submit to the officer estimates of their expenditure and
16 appropriation requirements for each fiscal year of the ensuing
18 biennium contrasted with the corresponding figures of the last
20 completed fiscal year and the estimated figures for the current
22 fiscal year. The total General Fund appropriation requests
24 submitted by each department and agency for each fiscal year may
26 not exceed the General Fund appropriation of the previous fiscal
28 year multiplied by one plus the average real personal income
30 growth rate. For purposes of this subsection, "average real
personal income growth rate" means the average for the prior 10
calendar years, ending with the most recent calendar year for
which data is available, of the percent change in personal income
in this State for a calendar year, as estimated by the United
States Department of Commerce, Bureau of Economic Analysis, less
the percent change in the Consumer Price Index for that calendar
year. For purposes of this subsection, "Consumer Price Index"
has the same meaning as in Title 36, section 5402, subsection 1.
The expenditure estimates shall be classified to set forth the
data by funds, organization units, character and objects of
expenditure. The organization units may be subclassified by
functions and activities, or in any other manner, at the
discretion of the State Budget Officer.

32 **Sec. X-10. 5 MRSA §13063-C, sub-§4, ¶B,** as enacted by PL 2001,
c. 680, §1, is amended to read:

34 B. Notwithstanding section 1585, any balance remaining in
36 the program after July 31, 2007 must be transferred to the
Maine Rainy-Day Budget Stabilization Fund as established in
section 1513.

38 **Sec. X-11. 10 MRSA §1023-L, sub-§2, ¶D,** as amended by PL
40 2001, c. 356, §6, is further amended to read:

42 D. Money transferred from the available balance in the
44 Underground Oil Storage Replacement Fund, pursuant to Public
Law 1999, chapter 505, Part A, section 15; and

46 **Sec. X-12. 10 MRSA §1023-L, sub-§2, ¶E,** as corrected by RR
48 1999, c. 1, §12, is repealed.

50 **Sec. X-13. 25 MRSA §1612, sub-§7,** as enacted by PL 2001, c.
439, Pt. CCCCC, §4, is amended to read:

7. **Payment from the Maine Budget Stabilization Fund.**
Benefits are payable from the Maine Rainy---Day Budget Stabilization Fund as provided in Title 5, section 1513.

Sec. X-14. Special purpose funds. The Joint Standing Committee on Appropriations and Financial Affairs shall review the need for and funding of special purpose funds, including, but not limited to, a capital improvement fund. The committee shall report its findings and recommendations, including legislation, to the Second Regular Session of the 121st Legislature.

PART Y

Sec. Y-1. Appropriations and allocations. The following appropriations and allocations are made.

HUMAN SERVICES, DEPARTMENT OF

FHM -- Human Leukocyte 0962

Initiative: This allocation corrects amounts incorrectly deallocated in Public Law 2003, chapter 20, Part B by adjusting the amounts allocated in Part A of that chapter to reflect the totals as set out in Part A.

FUND FOR A HEALTHY MAINE	2003-04	2004-05
All Other	\$56,145	\$56,145
FUND FOR A HEALTHY MAINE TOTAL	56,145	56,145

HUMAN SERVICES, DEPARTMENT OF DEPARTMENT TOTALS

	2003-04	2004-05
FUND FOR A HEALTHY MAINE	56,145	56,145
DEPARTMENT TOTAL - ALL FUNDS	56,145	56,145

UNIVERSITY OF MAINE, BOARD OF TRUSTEES OF THE

Educational and General Activities - UMS 0031

Initiative: This allocation corrects amounts incorrectly deallocated in Public Law 2003, chapter 20, Part B by adjusting the amounts allocated in Part A of that chapter to reflect the totals as set out in Part A.

OTHER SPECIAL REVENUE FUNDS	2003-04	2004-05
All Other	446,137	455,060

2	OTHER SPECIAL REVENUE FUNDS TOTAL	446,137	455,060
4	UNIVERSITY OF MAINE, BOARD OF TRUSTEES OF THE DEPARTMENT TOTALS	2003-04	2004-05
6	OTHER SPECIAL REVENUE FUNDS	446,137	455,060
8	DEPARTMENT TOTAL - ALL FUNDS	446,137	455,060
10	SECTION TOTALS	2003-04	2004-05
12	FUND FOR A HEALTHY MAINE	56,145	56,145
14	OTHER SPECIAL REVENUE FUNDS	446,137	455,060
16	SECTION TOTAL - ALL FUNDS	\$502,282	\$511,205

PART Z

Sec. Z-1. Negotiation of provider contracts in fiscal years 2003-04 and 2004-05.

1. The Chancellor of the University of Maine System, referred to in this section as "the chancellor," and any insurance company or 3rd-party administrator acting at the direction of the State, referred to in this section as "the carrier," insuring or administering the University of Maine System health plan for employees and retirees, referred to in this section as "the plan," shall negotiate agreements with hospitals participating in the carrier's provider network to reduce the expense incurred by the plan in state fiscal year 2003-04 by the amount of \$2,250,000 and in state fiscal year 2004-05 by the amount of \$2,250,000. It is not the intent of the Legislature to require negotiations to reduce such expenses beyond state fiscal year 2005. In undertaking such negotiations, the carrier is deemed at all times to be the agent of the State of Maine and the University of Maine System. The chancellor and the carrier, acting at the direction of the State, may offer or demand such terms and conditions as the chancellor considers to be in the best interest of the university to reduce the expense of the plan, including, but not limited to, offering or demanding reductions in standard hospital reimbursement rates, rebates and refunds and uniform terms relating to such reductions, rebates or refunds. The chancellor may not affect or seek to affect amounts paid to hospitals relating to any other customer of the carrier. The hospital discount rate resulting from this specific arrangement is not intended to affect the underlying premium rates for any purpose. This pooling of funds by the State is not intended to affect plan cost recoveries, plan cost structures or the university's ability to negotiate with carriers regarding the plan.

2. The Commissioner of Human Services shall implement appropriate normalizing adjustments, no less than annually, to the public revenue component and the annual periodic interim payments of each hospital under subsection 1, consistent with the requirements of Title XIX of the federal Social Security Act, to offset the impact of any plan-related revenue reduction under this section. If any payment made in accordance with this subsection is subsequently determined to be subject to recoupment, the State shall reimburse the hospital for all such recoupment costs paid by the hospital.

3. Any carrier subject to this section is immune from any claim of or liability to any enrollee, any hospital or other health care provider for any action taken in furtherance of the authority and directives as set forth in this section. A reimbursement rate, discount or rebate resulting from an agreement under subsection 1 may not be used by the carrier as a reference or base rate for any other contractual arrangement.

4. In the event that the expense-reduction target specified in subsection 1 is not achieved, either in whole or in part, the Governor shall request funding to the extent necessary to address any resulting funding shortfall.

5. Notwithstanding the provisions of Title 24-A, including sections 2174, 2185 and 2677-A, the agreement negotiated in accordance with subsection 1 may provide for adjustments to the amounts payable to providers on an aggregate services basis and on a retrospective basis, and such adjustments may not require any change to previously calculated coinsurance amounts, deductibles, lifetime maximums, benefit differentials or other benefit calculations relating to services to individual enrollees covered under the plan provided by or arranged by the University of Maine System. The chancellor shall provide notice to all such covered persons that the State has arranged for a reduction in the cost of medical services to the University of Maine System and that such reduction will not be taken into consideration in the calculation of coinsurance amounts, deductibles, lifetime maximums, benefit differentials or other benefit calculations applicable to the plan benefits provided by or arranged by the system. Such notice must include any additional disclosures necessary to fully inform such persons of the implications of this arrangement. It is not the responsibility of the carrier to provide such disclosure or notice.

PART AA

Sec. AA-1. 36 MRSA §1760, sub-§46, as amended by PL 1993, c. 670, §3, is repealed and the following enacted in its place:

2 46. Medical patients and their families. Sales to
3 incorporated nonprofit organizations providing:

4 A. Temporary residential accommodations to pediatric
5 patients suffering from critical illness or disease such as
6 cancer or who are accident victims, to adult patients with
7 cancer or to the families of the patients; or

8 B. Temporary residential accommodations, or food, or both,
9 to hospital patients or to the families of hospital patients.

12 **PART BB**

14 **Sec. BB-1. Transfer of funds; IV-D Cooperative Agreement.**

15 Notwithstanding any other provision of law, the State Controller
16 shall transfer \$180,000 in fiscal year 2003-04 from the IV-D
17 Cooperative Agreement, Other Special Revenue Funds account in the
18 Judicial Department to the General Fund no later than June 30,
19 2004.

20 **PART CC**

22 **Sec. CC-1. Carrying balance; Bureau of Resource Management.**

23 Notwithstanding any other provision of law, \$90,000 in the All
24 Other line category in the Bureau of Resource Management, General
25 Fund account in the Department of Marine Resources must carry
26 forward to fiscal year 2003-04 to be used for the purposes
27 originally intended.

30 **Sec. CC-2. Carrying balance; Bureau of Marine Patrol.**

31 Notwithstanding any other provision of law, \$58,000 in the
32 Capital Expenditures line category in the Bureau of Marine
33 Patrol, General Fund account in the Department of Marine
34 Resources must carry forward to fiscal year 2003-04 to be used
35 for the purposes originally intended.

36 **Sec. CC-3. Carrying balance; Division of Community Resource**
38 **Development.**

39 Notwithstanding any other provision of law, \$8,000
40 in the All Other line category in the Division of Community
41 Resource Development, General Fund account in the Department of
42 Marine Resources must carry forward to fiscal year 2003-04 to be
43 used for the purposes originally intended.

44 **Sec. CC-4. Carrying balance; Division of Administrative Services.**

45 Notwithstanding any other provision of law, \$80,000 in the All
46 Other line category and \$59,908 in the Capital Expenditures line
47 category in the Division of Administrative Services, General Fund
48 account in the Department of Marine Resources must carry forward
49 to fiscal year 2003-04 to be used for the purposes originally
50 intended.

52 **PART DD**

2 **Sec. DD-1. 5 MRSA §135, first ¶**, as amended by PL 2003, c. 20,
Pt. T, §3, is further amended to read:

4 The Treasurer of State may deposit the money, including
6 trust funds of the State, in any national bank or in any banking
institution, trust company, state or federal savings and loan
8 association or mutual savings bank organized under the laws of
this State or having a location in the State except as provided
10 in chapter 161. Before making a deposit, the Treasurer of State
must consider the rating of the banking institution, trust
12 company, state or federal savings and loan association or mutual
savings bank on its most recent assessment conducted pursuant to
14 the federal Community Reinvestment Act, 12 United States Code,
Section 2901. When there is excess money in the State Treasury
16 that is not needed to meet current obligations, the Treasurer of
State may invest, with the concurrence of the State Controller or
18 the Commissioner of Administrative and Financial Services and
with the consent of the Governor, those amounts in bonds, notes,
20 certificates of indebtedness or other obligations of the United
States and its agencies and instrumentalities that mature not
22 more than 36 months from the date of investment or in repurchase
agreements that mature within the succeeding 12 months that are
24 secured by obligations of the United States and its agencies and
~~instrumentalities that mature within the succeeding 36 months,~~
26 ~~prime commercial paper, tax-exempt obligations and corporate~~
~~bonds rated "AAA" that mature not more than 36 months from the~~
28 ~~date of investment, banker's acceptances or so-called "no-load"~~
~~shares of an any investment company registered under the federal~~
30 ~~Investment Company Act of 1940, whose shares are marketed through~~
~~so-called "no-load" money market mutual funds that maintain a~~
32 ~~constant share price, only if the investments of the investment~~
~~company are limited to the securities allowed by this section as~~
34 amended, that complies with Rule 2a-7 guidelines and maintains a
constant share price. The Treasurer of State may participate in
36 the securities loan market by loaning state-owned bonds, notes or
certificates of indebtedness of the Federal Government, only if
38 loans are fully collateralized by treasury bills or cash. The
Treasurer of State shall seek competitive bids for investments
40 except when, after a reasonable investigation, it appears that an
investment of the desired maturity is procurable by the State
42 from only one source. Interest earned on those investments of
money must be credited to the respective funds, except that
44 interest earned on investments of special revenue funds must be
credited to the General Fund of the State. Effective July 1,
46 1995, interest earned on investments of the Highway Fund must be
credited to the Highway Fund. Interest earned on funds of the
48 Department of Inland Fisheries and Wildlife must be credited to
the General Fund. Interest earned on funds of the Baxter State
50 Park Authority must be credited to the Baxter State Park Fund.
This section does not prevent the deposit for safekeeping or
52 custodial care of the securities of the several funds of the

State in banks or safe deposit companies in this State or any other state, nor the deposit of state funds required by the terms of custodial contracts or agreements negotiated in accordance with the laws of this State. All custodial contracts and agreements are subject to the approval of the Governor.

PART EE

Sec. EE-1. Disaster assistance. Notwithstanding the Maine Revised Statutes, Title 37-B, section 744, subsection 2-A or any other provisions of law, the Governor may accept public assistance grant funds from the Federal Government for the Federal Emergency Management Agency's disaster declaration FEMA-1468-DR, concerning 10 Maine counties, to help local governments to recover from the effects of extreme winter conditions beginning December 17, 2002 on behalf of local governmental units for the purposes of repair or replacing publicly owned facilities within the disaster area or relocating public facilities outside of the disaster area, as long as the affected local governmental units obligate local financial resources of 25% of the total cost of damage to local public facilities.

PART FF

Sec. FF-1. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$12,500 in fiscal year 2003-04 and \$12,500 in fiscal year 2004-05 in savings from the Hazardous Waste Fund Other Special Revenue Funds account in the Department of Environmental Protection to the unappropriated surplus of the General Fund no later than June 30, 2004 and June 30, 2005.

Sec. FF-2. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$17,995 in fiscal year 2003-04 and \$17,995 in fiscal year 2004-05 in savings from the Groundwater Oil Clean-up Fund Other Special Revenue Funds account in the Department of Environmental Protection to the unappropriated surplus of the General Fund no later than June 30, 2004 and June 30, 2005.

Sec. FF-3. Transfer of funds. Notwithstanding any other provision of law, the State Controller shall transfer \$59,877 in fiscal year 2003-04 and \$58,049 in fiscal year 2004-05 in savings from the Maine Environmental Protection Fund Other Special Revenue Funds account in the Department of Environmental Protection to the unappropriated surplus of the General Fund no later than June 30, 2004 and June 30, 2005.

2 **Sec. FF-4. Transfer of funds.** Notwithstanding any other
4 provision of law, the State Controller shall transfer \$2,500 in
6 fiscal year 2003-04 and \$2,500 in fiscal year 2004-05 in savings
8 from the State Revolving Fund Other Special Revenue Funds account
10 in the Department of Environmental Protection to the
12 unappropriated surplus of the General Fund no later than June 30,
14 2004 and June 30, 2005.

10 **PART GG**

12 **Sec. GG-1. 5 MRSA §17851, sub-§10,** as amended by PL 1997, c.
14 769, §9, is further amended to read:

16 **10. Liquor inspectors.** Except as provided in subsection
18 10-A and in section 17851-A, a liquor inspector, including the
20 chief inspector, qualifies for a service retirement benefit if
22 that inspector:

- 24 A. Was employed in that capacity before September 1, 1984;
- 26 B. Completes at least 25 years of creditable service in
28 that capacity; and
- 30 C. Retires upon or after reaching age 55.

32 **Sec. GG-2. 5 MRSA §17851, sub-§10-A** is enacted to read:

34 **10-A. Liquor inspectors laid off pursuant to public law.**
36 This subsection applies to any liquor inspector, including the
38 chief inspector, who:

- 40 A. Began employment as a liquor inspector or chief
42 inspector prior to September 1, 1984;
- 44 B. Was serving in that capacity on September 1, 1984; and
- 46 C. Was laid off as a liquor inspector or chief inspector
48 pursuant to Public Law 2003, chapter 20.

50 Notwithstanding any other law, a liquor inspector or chief
52 inspector covered by this subsection who did not complete the age
54 or service requirements for retirement under section 17851,
56 subsection 10 prior to being laid off and who subsequently earns
58 service in any special or regular plan covered by the retirement
60 system qualifies for a service retirement benefit upon completing
62 at least 25 years of service and attaining 55 years of age.

64 **Sec. GG-3. 5 MRSA §17852, sub-§9-A** is enacted to read:

2 **Sec. II-1. 36 MRSA §5122, sub-§1, ¶¶T and U**, as enacted by PL
4 2003, c. 20, Pt. II, §2, are amended to read:

6 T. For tax years beginning in 2003, 2004 and 2005, and
8 notwithstanding any other provision of law and to the extent
10 not included in the amount determined for purposes of
12 paragraph A, the amount equal to income from school
 construction bonds issued in accordance with the Code,
 Section 148(f)(4)(D)(vii) in excess of \$5,000,000 to the
 extent the amount is not included in federal adjusted gross
 income; ~~and~~

14 U. For tax years beginning in 2003, 2004 and 2005, and
16 notwithstanding any other provision of law, income from
18 exempt facility bonds used to provide qualified public
 educational facilities as defined by the Code, Section
 142(k), to the extent not included in federal adjusted gross
 income; ~~and~~

20 **Sec. II-2. 36 MRSA §5122, sub-§1, ¶V** is enacted to read:

22 V. For tax years beginning on or after January 1, 2003 and
24 before January 1, 2006, the amount claimed as a federal
26 income adjustment for student loan interest under the Code,
28 Section 62 (a)(17), but only for interest paid after 60
 months from the start of the loan repayment period.

30 PART JJ

32 **Sec. JJ-1. 10 MRSA §1100-Y, sub-§2, ¶A**, as amended by PL 2003,
 c. 20, Pt. DD, §1, is further amended to read:

34 A. For initial certification, the organization must be a
36 private, nonprofit organization that is qualified under
38 Section 501(c)(3) of the Internal Revenue Code, that has as
40 one of its purposes the provision of need-based scholarships
 to eligible students, that meets the standards adopted by
 the authority by rule under subsection 7, that files reports
 as required by this section and that:

42 (1) Is affiliated with and designated by an accredited
44 institution of higher education in this State; or

46 (2) Has filed as a nonprofit corporation with the
48 Secretary of State on or before April 1, 2004 2005 and
 continues as a nonprofit corporation in good standing
 with the Secretary of State.

2 **Sec. JJ-2. 10 MRSA §1100-Y, sub-§7**, as amended by PL 2003, c.
20, Pt. DD, §2 and affected by §7, is further amended to read:

4 **7. Rulemaking.** The authority, after consultation with the
6 Bureau of Revenue Services, shall establish rules for the
application, eligibility and annual filing requirements necessary
8 to implement the certification of qualified scholarship
organizations pursuant to this section and may include any rules
10 necessary to establish initial application fees and penalties,
which may include monetary penalties and revocation of
12 certification, to ensure that a qualified scholarship
organization is fulfilling the requirements of this section.
14 These rules may also include any necessary conflict-of-interest
provisions pertaining to qualified scholarship organizations.
16 The authority shall also establish any rules necessary to define
postsecondary education loans that are eligible for the
18 recruitment credits provided under Title 36, sections 2528 and
5219-V. Rules adopted pursuant to this subsection, including
20 those setting initial application fees and penalties, are routine
technical rules as defined in Title 5, chapter 375, subchapter
2-A. The authority shall submit a report to the joint standing
22 committee of the Legislature having jurisdiction over education
and cultural affairs and to the joint standing committee of the
24 Legislature having jurisdiction over taxation matters by January
30, 2005 2006 on the rules and rule-making process to implement
26 the tax credit program established pursuant to this subchapter.

28 **Sec. JJ-3. 36 MRSA §2527, sub-§2, ¶¶B and C**, as amended by PL
2003, c. 20, Pt. DD, §3 are further amended to read:

30 B. Twenty percent of the amount contributed during the
32 taxable year to a qualified scholarship organization for
need-based scholarships for tax years beginning in 2005
34 2006; or

36 C. Fifty percent of the amount contributed during the
taxable year to a qualified scholarship organization for
38 need-based scholarships for tax years beginning after 2005
2006.

40 **Sec. JJ-4. 36 MRSA §2528, sub-§1, ¶B**, as amended by PL 2003, c.
42 20, Pt. DD, §4 is further amended to read:

44 B. Beginning in 2005 2006, 15% of the amount of loan
repayments paid during the taxable year to a creditor on
46 behalf of an employee of the taxpayer as part of a
postsecondary education loan repayment agreement between the
48 taxpayer and the employee of the taxpayer.

Sec. JJ-5. 36 MRSA §5219-U, sub-§2, ¶¶B and C, as amended by PL 2003, c. 20, Pt. DD, §5 are further amended to read:

B. Twenty percent of the amount contributed during the taxable year to a qualified scholarship organization for need-based scholarships for tax years beginning in 2005 2006; or

C. Fifty percent of the amount contributed during the taxable year to a qualified scholarship organization for need-based scholarships for tax years beginning after 2005 2006.

Sec. JJ-6. 36 MRSA §5219-V, sub-§1, ¶B, as enacted by PL 2003, c. 20, Pt. DD, §6, is amended to read:

B. Beginning in 2005 2006, 15% of the amount of loan repayments paid during the taxable year to a creditor on behalf of an employee of the taxpayer as part of a postsecondary education loan repayment agreement between the taxpayer and the employee of the taxpayer.

PART KK

Sec. KK-1. 36 MRSA §5122, sub-§1, ¶R, as enacted by PL 2003, c. 20, Pt. II, §2, is repealed.

PART LL

Sec. LL-1. Appropriations and allocations. The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Administration - Economic and Community Development 0069

Initiative: Transfers General Fund funds appropriated to the Maine Space Grant Consortium in fiscal year 2004-05 to fiscal year 2003-04.

General Fund	2003-04	2004-05
All Other	\$100,000	(\$100,000)
General Fund Total	\$100,000	(\$100,000)

Administration - Economic and Community Development 0069

Initiative: Deappropriates funds from the Maine Space Grant Consortium in fiscal year 2003-04.

General Fund	2003-04	2004-05
All Other	(\$24,000)	\$0
General Fund Total	(\$24,000)	\$0

Maine EPSCoR Capacity Fund 0074

Initiative: Deallocates funds for the Maine Space Grant Consortium in fiscal year 2003-04 allocated in Public Law 2003, chapter 20, Part RR, section 17.

Other Special Revenue Funds	2003-04	2004-05
All Other	(\$100,000)	\$0
Other Special Revenue Funds Total	(\$100,000)	\$0

**ECONOMIC AND COMMUNITY DEVELOPMENT,
DEPARTMENT OF**

DEPARTMENT TOTALS	2003-04	2004-05
GENERAL FUND	\$76,000	(\$100,000)
OTHER SPECIAL REVENUE FUNDS	(100,000)	0
DEPARTMENT TOTAL - ALL FUNDS	(\$24,000)	(\$100,000)

PART MM

Sec. MM-1. Transfer; Fund for Healthy Maine. Notwithstanding any other provision of law, the State Controller shall transfer \$300,000 from the Fund for a Healthy Maine Other Special Revenue Funds account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2004.

PART NN

Sec. NN-1. 20-A MRSA §10952, sub-§7, as amended by PL 2001, c. 449, §1, is further amended to read:

7. Borrow money. To borrow money pursuant to this chapter and issue evidences of indebtedness to finance the acquisition, construction, reconstruction, improvement or equipping of any one project, or more than one, or any combination of projects, or to refund evidences of indebtedness hereafter issued or to refund general obligation debt of the State, or to refund any such

refunding evidences of indebtedness or for any one, or more than one, or all of those purposes, or any combination of those purposes, and to provide for the security and payment of those evidences of indebtedness and for the rights of the holders of them, except that any borrowing pursuant to this chapter, exclusive of borrowing to refund evidences of indebtedness, to refund general obligation debt of the State, or to fund issuance costs or necessary reserves, may not exceed in the aggregate principal amount outstanding at any time ~~\$150,000,000~~ \$170,000,000, and except that no borrowing may be effected pursuant to this chapter unless the amount of the borrowing and the project or projects are submitted to the legislative Office of Fiscal and Program Review for review by the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs at least 60 days before closing on such borrowing for the project or projects is to be initiated;

PART OO

Sec. OO-1. 20-A MRSA §13451, sub-§3, ¶¶B and C, as amended by PL 2003, c. 20, Pt. C, §1, are further amended to read:

B. Thirty-five percent from July 1, 2002 to ~~June 30, 2005~~ July 31, 2003; and

C. Forty percent after ~~June 30, 2005~~ July 31, 2003.

PART PP

Sec. PP-1. Transfer of funds; Job Retention Program. Notwithstanding the Maine Revised Statutes, Title 5, section 13063-C, the State Controller is authorized to transfer \$50,000 in fiscal year 2003-04 and \$50,000 in fiscal year 2004-05 from the Job Retention Program Other Special Revenue Funds account to the Department of Economic and Community Development's Administration - Economic and Community Development program's Other Special Revenue Funds account for the purpose of providing funds to the Millinocket Area Growth and Investment Council for economic development in the Katahdin region. These funds must be allotted by financial order upon the recommendation of the State Budget Officer and approval of the Governor to carry out the purposes of this Part.

PART QQ

Sec. QQ-1. TANF or Parents as Scholars Program.

Notwithstanding the Maine Revised Statutes, Title 22, section 3781-A or any other provision of law, the Department of Human Services may not reduce the level of cash assistance, support services or support for education, training or employment services in the Temporary Assistance for Needy Families program, TANF, or Parents as Scholars Program below the level at which those services were provided on May 1, 2003, throughout the fiscal year 2004-05 without specific authorization of the Legislature.

PART RR

Sec. RR-1. Adult vaccines.

Notwithstanding any other provision of law, \$450,000 of the funds allocated in Public Law 2003, chapter 20 from the Fund for a Healthy Maine to the FHM - Medical Care account within the Department of Human Services for fiscal year 2003-04 must be used by the department to purchase vaccines for adults. Of the funds allocated in Public Law 2003, chapter 20 from the Fund for a Healthy Maine to the FHM - Medical Care account within the Department of Human Services for fiscal year 2004-05, \$1,100,000 must be used by the department to purchase vaccines for adults and other related purposes as defined in Public Law 1999, chapter 731, Part UU.

PART SS

Sec. SS-1. 12 MRSA §685-E, as enacted by PL 1991, c. 591, Pt. LL, §1, is amended by adding at the end a new paragraph to read:

Beginning with fiscal year 2003-04, a town or a plantation in the commission's jurisdiction that elects not to administer land use controls at the local level but receives commission services, including planning, permitting and ensuring compliance, must be assessed a fee equal to .01% of the most recent equalized state valuation established by the State Tax Assessor for that town or plantation. The State Tax Assessor shall issue a warrant to each such town or plantation no later than March 1st of each year. The warrant is payable on demand. Interest charges on unpaid fees begin on May 1st of each year and are compounded monthly at the interest rate for unpaid property tax as established by the State Tax Assessor for the unorganized territory. For any assessment that remains unpaid as of September 1st of the year in which it is due, state revenue sharing to that town or plantation must be reduced by an amount equal to any unpaid warrant amount plus any accrued interest,

until the amount is paid. These fees must be deposited to the General Fund.

Sec. SS-2. Appropriations and allocations. The following appropriations and allocations are made.

CONSERVATION, DEPARTMENT OF

Land Use Regulation Commission 0236

Initiative: Appropriates funds to restore one Environmental Specialist II position. The provisions of this section will generate \$60,000 in annual General Fund Undedicated Revenue.

General Fund	2003-04	2004-05
Positions - Legislative Count	(1.000)	(1.000)
Personal Services	\$53,139	\$55,526
General Fund Total	\$53,139	\$55,526

PART TT

Sec. TT-1. 32 MRSA §93-B is enacted to read:

§93-B. Epinephrine Training Fund

1. Fund established. The Epinephrine Training Fund, referred to in this section as "the fund," is established as an Other Special Revenue funds account and funds deposited to the fund are nonlapsing. The commissioner may use this fund only to purchase epinephrine autoinjectors and to support the costs associated with training basic emergency medical technicians to administer epinephrine.

2. Revenue sources. The commissioner may accept private and public contributions intended to be used for the purposes of the fund.

3. Budget. The commissioner shall submit a budget for the fund for each biennium pursuant to Title 5, sections 1663 and 1666.

Sec. TT-2. Appropriations and allocations. The following appropriations and allocations are made.

PUBLIC SAFETY, DEPARTMENT OF

Emergency Medical Services 0485

Initiative: Provides a base allocation for the Epinephrine Training Fund.

Other Special Revenue Funds	2003-04	2004-05
All Other	\$500	\$500
Other Special Revenue Funds Total	\$500	\$500

**PUBLIC SAFETY, DEPARTMENT OF
DEPARTMENT TOTALS**

	2003-04	2004-05
OTHER SPECIAL REVENUE FUNDS	\$500	\$500
DEPARTMENT TOTAL - ALL FUNDS	\$500	\$500

PART UU

Sec. UU-1. Appropriations and allocations. The following appropriations and allocations are made.

**UNIVERSITY OF MAINE SYSTEM,
BOARD OF TRUSTEES OF THE**

Educational and General Activities - UMS 0031

Initiative: Deappropriates funds in this program in order to establish a separate program for the Maine Economic Improvement Fund.

General Fund	2003-04	2004-05
All Other	(\$10,100,000)	(\$10,100,000)
General Fund Total	(\$10,100,000)	(\$10,100,000)

Maine Economic Improvement Fund

Initiative: Appropriates funds in order to establish a separate program for the Maine Economic Improvement Fund.

General Fund	2003-04	2004-05
All Other	\$10,100,000	\$10,100,000
General Fund Total	\$10,100,000	\$10,100,000

**UNIVERSITY OF MAINE SYSTEM,
BOARD OF TRUSTEES OF THE
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$0	\$0

2 **DEPARTMENT TOTAL - ALL FUNDS**

_____ **\$0**

_____ **\$0**

4 **PART VV**

6 **Sec. VV-1. Housekeeping assistance cap; rulemaking.** The
8 Department of Human Services shall adopt routine technical rules
10 as defined in the Maine Revised Statutes, Title 5, chapter 375,
12 subchapter 2-A to cap the monthly hours of housekeeping
14 assistance for Level I consumers in its home-based care program.
Savings resulting from this cap must be used to serve individuals
on the home-based care program waiting list.

16 **PART WW**

18 **Sec. WW-1. PL 2003, c. 20, Pt. D, §§11 and 12** are amended to read:

20 **Sec. D-11. Calculation and transfer.** Notwithstanding any other
22 provision of law, the State Budget Officer shall calculate the
24 amount of savings in Part B, section 1 that applies against each
26 General Fund account for all departments and agencies from
28 savings associated with postponing merit increases and shall
30 transfer the amounts by financial order upon the approval of the
32 Governor. These transfers are considered adjustments to
34 appropriations in fiscal years 2003-04 and 2004-05. The amounts
transferred in fiscal year 2004-05 must be adjusted to reflect
all budgetary actions approved by the Legislature such that the
amounts transferred do not exceed the net amount of budgeted
savings in fiscal year 2004-05. The State Budget Officer shall
provide the joint standing committee of the Legislature having
jurisdiction over appropriations and financial affairs a report
of the transferred amounts no later than January 15, 2005.

36 **Sec. D-12. Calculation and transfer.** Notwithstanding any other
38 provision of law, the State Budget Officer shall calculate the
40 amount of savings in Part B, section 1 that applies against each
42 Other Special Revenue Funds account for all departments and
44 agencies from savings associated with postponing merit increases
46 and shall transfer the calculated amounts to the General Fund by
48 financial order upon the approval of the Governor. These
transfers are considered adjustments to allocations in fiscal
years 2003-04 and 2004-05, including allocations from the Fund
for a Healthy Maine. The amounts transferred in fiscal year
2004-05 must be adjusted to reflect all budgetary actions
approved by the Legislature such that the amounts transferred do
not exceed the net amount of budgeted savings in fiscal year
2004-05. The State Budget Officer shall provide the joint

standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amounts no later than January 15, 2005. The following Other Special Revenue Funds accounts are exempt from these calculations: the Public Reserved Lands Management Fund account and the Submerged Lands Fund account in the Department of Conservation and the Baxter State Park Authority account.

PART XX

Sec. XX-1. 22 MRSA §3174-AA, as enacted by PL 2003, c. 20, Pt. K, §12, is amended to read:

§3174-AA. Mail order drugs

The department shall require MaineCare members to purchase maintenance drugs by mail order when substantial cost efficiencies can be obtained by doing so. Any savings measures implemented by the department in fiscal year 2003-04 that are of a temporary nature may remain in effect only until a permanent savings measure or measures are implemented.

Sec. XX-2. PL 2003, c. 20, Pt. B, §1, under the caption "HUMAN SERVICES, DEPARTMENT OF" in the 24th occurrence of that part relating to "Medical Care - Payments to Providers 0147" is amended by amending the initiative paragraph to read:

Initiative: Deappropriates funds due to the ongoing negotiations with the Federal Government to restore the Healthy Maine Prescription Program (HMPP). With this deappropriation the low-cost drugs for Maine's elderly program is still funded at \$18,000,000. Any savings measures implemented by the department in fiscal year 2003-04 that are of a temporary nature may remain in effect only until a permanent savings measure or measures are implemented.

Sec. XX-3. Low-cost drugs for Maine's elderly program; savings in fiscal year 2003-04. Notwithstanding any other provision of law, any changes in retail pharmacy dispensing fees or pharmaceutical reimbursement in the low-cost drugs for Maine's elderly program implemented by the Department of Human Services in fiscal year 2003-04 are temporary savings measures and may remain in effect only until a permanent savings measure or measures are implemented.

Sec. XX-4. Effective date. That section of this Part that amends Public Law 2003, chapter 20, Part B, section 1 takes effect July 1, 2003.

PART YY

Sec. YY-1. Maine Governmental Facilities Authority authorized to issue additional securities for architectural and engineering studies for certain courthouse facilities. Pursuant to the Maine Revised Statutes, Title 4, section 1606, subsection 2, the Maine Governmental Facilities Authority is authorized to issue additional securities in its own name in the amount of \$750,000 on or after July 1, 2003 for the purpose of funding architectural and engineering studies for courthouse facilities in Kennebec, Penobscot, Piscataquis and Washington counties. The securities may not run for a period longer than 20 years from the date of the original issue of the securities.

Sec. YY-2. Maine Governmental Facilities Authority authorized to issue additional securities to replace and improve technology of judicial branch. Pursuant to the Maine Revised Statutes, Title 4, section 1606, subsection 2, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in the amount of \$1,000,000 on or after July 1, 2003 for the purpose of funding the replacement of or improvements to technology-related projects at the judicial branch violations bureau to institute a statewide video conferencing capability and to improve the technology infrastructure in state courts. The securities may not run for a period longer than 10 years from the date of the original issue of the securities.

Sec. YY-3. Appropriations and allocations. The following appropriations and allocations are made.

JUDICIAL DEPARTMENT

Courts - Supreme, Superior and District

Initiative: Deappropriates savings in fiscal year 2003-04 caused by delays in the issuance of bonds for the Rockland Courthouse project. In fiscal year 2004-05, deappropriates funds resulting from deferring the purchase of a computer server and deferring the cost associated with hiring a computer network contractor.

General Fund	2003-04	2004-05
All Other	(\$61,250)	(\$255,000)
General Fund Total	(\$61,250)	(\$255,000)

Courts - Supreme, Superior and District

Initiative: Appropriates funds for the lease/debt service payments.

General Fund	2003-04	2004-05
All Other	\$61,250	\$238,375
	<hr/>	<hr/>
General Fund Total	\$61,250	\$238,375

**JUDICIAL DEPARTMENT
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$0	(\$16,625)
	<hr/>	<hr/>
DEPARTMENT TOTAL - ALL FUNDS	\$0	(\$16,625)

PART ZZ

Sec. ZZ-1. Calculation and transfer; Department of Human Services departmentwide savings. Notwithstanding any other provision of law, the Commissioner of Human Services shall recommend to the State Budget Officer and the State Budget Officer shall calculate the amount of departmentwide savings in this Part that apply against each General Fund account within the Department of Human Services and shall transfer the amounts by financial order upon the approval of the Governor. The State Budget Officer shall provide the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amounts no later than January 15, 2005.

Sec. ZZ-2. Appropriations and allocations. The following appropriations and allocations are made.

HUMAN SERVICES, DEPARTMENT OF

Medical Care - Payments to Providers

Initiative: Provides funds to partially restore the deappropriation of MaineCare adult transportation funding included in Public Law 2003, chapter 20, in order to temporarily return the volunteer vehicle rate to 30¢ per mile from 28¢ per mile and the family vehicle rate to 15¢ per mile from 14¢ per mile.

General Fund	2003-04	2004-05
All Other	\$105,582	\$0
	<hr/>	<hr/>
General Fund Total	\$105,582	\$0

	Federal Expenditures Fund	2003-04	2004-05
2	All Other	\$205,502	\$0
4	Federal Expenditures Fund Total	\$205,502	\$0
6	Departmentwide		
8	Initiative: Deappropriates funds to be utilized for adult transportation services. These amounts are to be transferred by financial order to other General Fund programs within the Department of Human Services.		
10			
12	General Fund	2003-04	2004-05
14	All Other	(\$105,582)	\$0
16	General Fund Total	(\$105,582)	\$0
18	HUMAN SERVICES, DEPARTMENT OF		
20	DEPARTMENT TOTALS	2003-04	2004-05
	GENERAL FUND	\$0	\$0
22	FEDERAL EXPENDITURES FUND	205,502	0
24	DEPARTMENT TOTAL - ALL FUNDS	\$205,502	\$0

26 **PART AAA**

28 **Sec. AAA-1. Appropriations and allocations.** The following appropriations and allocations are made.

30

32 **BEHAVIORAL AND DEVELOPMENTAL SERVICES,
DEPARTMENT OF**

34 **Mental Health Services - Children 0136**

36 Initiative: Provides additional funds to support children's mental health services at the fiscal year 2002-03 level.

38

	General Fund	2003-04	2004-05
40	All Other	\$5,575,000	\$0
42	General Fund Total	\$5,575,000	\$0

44 **PART BBB**

46 **Sec. BBB-1. Appropriations and allocations.** The following appropriations and allocations are made.

48

50 **UNIVERSITY OF MAINE SYSTEM,
BOARD OF TRUSTEES OF THE**

Educational and General Activities - UMS 0031

Initiative: Appropriates funds to reduce in-state tuition in fiscal year 2003-04.

General Fund	2003-04	2004-05
All Other	\$1,000,000	\$0
General Fund Total	\$1,000,000	\$0

PART CCC

Sec. CCC-1. PL 2003, c. 20, Pt. K, §19 is enacted to read:

Sec. K-19. Effective date. That section of this Part that repeals and replaces the Maine Revised Statutes, Title 22, section 3174-T, subsection 5, paragraph A takes effect July 1, 2004.

Sec. CCC-2. Appropriations and allocations. The following appropriations and allocations are made.

HUMAN SERVICES, DEPARTMENT OF

Medical Care - Payments to Providers 0147

Initiative: Provides funds to postpone for one year the increase in MaineCare premiums established in Public Law 2003, chapter 20 for children in families with income levels between 151% and 200% of the federal poverty level.

General Fund	2003-04	2004-05
All Other	\$250,000	\$0
General Fund Total	\$250,000	\$0
Federal Expenditures Fund	2003-04	2004-05
All Other	\$750,000	\$0
Federal Expenditures Fund Total	\$750,000	\$0

Sec. CCC-3. Retroactivity. That section of this Part that enacts Public Law 2003, chapter 20, Part K, section 19 applies retroactively to March 27, 2003.

PART DDD

Sec. DDD-1. Appropriations and allocations. The following appropriations and allocations are made.

**COMMUNITY COLLEGE SYSTEM,
BOARD OF TRUSTEES OF THE MAINE**

**Maine Community College System -
Board of Trustees 0556**

Initiative: Appropriates funds for merit increases for fiscal year 2004-05.

General Fund	2003-04	2004-05
All Other	\$0	\$926,519
General Fund Total	\$0	\$926,519

PART EEE

Sec. EEE-1. Appropriations and allocations. The following appropriations and allocations are made.

ATTORNEY GENERAL, DEPARTMENT OF THE

District Attorneys Salaries 0409

Initiative: Restores the headcount for 6 Assistant District Attorney positions eliminated in Public Law 2003, chapter 20.

General Fund	2003-04	2004-05
Positions - Legislative Count	(6.000)	(6.000)

District Attorneys Salaries 0409

Initiative: Appropriates funds to restore Assistant District Attorney positions.

General Fund	2003-04	2004-05
Personal Services	\$200,000	(\$27,864)
General Fund Total	\$200,000	(\$27,864)

Administration - Attorney General 0310

Initiative: Deappropriates funds to restore funding for Assistant District Attorney positions.

General Fund	2003-04	2004-05
Personal Services	\$0	(\$123,722)

2	General Fund Total	\$0	(\$123,722)
4	Human Services Division 0696		
6	Initiative: Deappropriates funds to restore funding for Assistant District Attorney positions.		
8			
10	General Fund	2003-04	2004-05
	Personal Services	\$0	(\$40,666)
12	General Fund Total	\$0	(\$40,666)
14	Chief Medical Examiner 0412		
16	Initiative: Deappropriates funds to restore funding for Assistant District Attorney positions.		
18			
20	General Fund	2003-04	2004-05
	Personal Services	\$0	(\$5,128)
22	General Fund Total	\$0	(\$5,128)
24	Civil Rights 0039		
26	Initiative: Deappropriates funds to restore funding for Assistant District Attorney positions.		
28			
30	General Fund	2003-04	2004-05
	Personal Services	\$0	(\$2,620)
32	General Fund Total	\$0	(\$2,620)
34	ATTORNEY GENERAL, DEPARTMENT OF THE DEPARTMENT TOTALS	2003-04	2004-05
36	GENERAL FUND	\$200,000	(\$200,000)
38	DEPARTMENT TOTAL - ALL FUNDS	\$200,000	(\$200,000)

40

42

PART FFF

44 **Sec. FFF-1. Appropriations and allocations.** The following appropriations and allocations are made.

46

48 **ATTORNEY GENERAL, DEPARTMENT OF THE**

48

50 **FHM - Attorney General**

Initiative: Provides for the allocation of funds through a transfer from the Fund for a Healthy Maine to meet the costs of collective bargaining.

Fund for a Healthy Maine	2002-03
Personal Services	\$750
Fund for a Healthy Maine Total	<hr/> \$750

ATTORNEY GENERAL, DEPARTMENT OF THE DEPARTMENT TOTALS	2002-03
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FUND FOR A HEALTHY MAINE	\$750
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DEPARTMENT TOTAL - ALL FUNDS	<hr/> \$750
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JUDICIAL DEPARTMENT**FHM - Judicial Department**

Initiative: Provides for the allocation of funds through a transfer from the Fund for a Healthy Maine and a transfer from All Other to Personal Services to meet the costs of collective bargaining.

Fund for a Healthy Maine	2002-03
Personal Services	\$2,200
All Other	(1,700)
Fund for a Healthy Maine Total	<hr/> \$500

JUDICIAL DEPARTMENT DEPARTMENT TOTALS	2002-03
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FUND FOR A HEALTHY MAINE	\$500
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DEPARTMENT TOTAL - ALL FUNDS	<hr/> \$500
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SECTION TOTALS	2002-03
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FUND FOR A HEALTHY MAINE	\$1,250
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SECTION TOTAL - ALL FUNDS	<hr/> \$1,250
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PART GGG

Sec. GGG-1. Appropriations and allocations. The following appropriations and allocations are made.

SECRETARY OF STATE, DEPARTMENT OF**Bureau of Administrative Services and Corporations - 0692**

Initiative: This deallocation corrects position counts and amounts incorrectly allocated in Public Law 2003, chapter 20, Part B, resulting in the elimination of one Clerk IV position that was erroneously reflected as a one-sided transfer to Other Special Revenue funds.

Other Special Revenue Funds	2003-04	2004-05
Positions - Legislative Count	(-2.000)	(-2.000)
Personal Services	(\$95,708)	(\$96,340)
Other Special Revenue Funds Total	(\$95,708)	(\$96,340)

PART HHH

Sec. HHH-1. 12 MRSA §7017, sub-§1-A, as enacted by PL 2003, c. 20, Pt. L, §1, is repealed.

Sec. HHH-2. 12 MRSA §7076, sub-§12-A, as enacted by PL 1997, c. 137, §5, is amended to read:

12-A. Supersport. A person may be designated as a supersport by obtaining a supersport certificate from the commissioner or the commissioner's agent for a fee of ~~\$15~~ \$20.

Sec. HHH-3. Appropriations and allocations. The following appropriations and allocations are made.

**INLAND FISHERIES AND WILDLIFE,
DEPARTMENT OF**

ATV Safety and Educational Program 0559

Initiative: Appropriates funds for one Game Warden Sergeant position and one Clerk Typist III position to manage and support the Landowners Relations Program.

General Fund	2003-04	2004-05
Positions - Legislative Count	(2.000)	(2.000)
Personal Services	\$118,013	\$119,877
All Other	(118,013)	(119,877)
General Fund Total	\$0	\$0

Support Landowners Program 0826

Initiative: Allocates funds for the cost of advertising the supersport program. The provisions of this Part will generate \$15,000 in annual Other Special Revenue Funds revenue.

Other Special Revenue Funds	2003-04	2004-05
All Other	\$5,000	\$5,000
Other Special Revenue Funds Total	\$5,000	\$5,000

**INLAND FISHERIES AND WILDLIFE,
DEPARTMENT OF
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$0	\$0
OTHER SPECIAL REVENUE FUNDS	5,000	5,000
DEPARTMENT TOTAL - ALL FUNDS	\$5,000	\$5,000

PART III

Sec. III-1. Appropriations and allocations. The following appropriations and allocations are made.

**ECONOMIC AND COMMUNITY DEVELOPMENT,
DEPARTMENT OF**

**Administration - Economic and Community
Development 0069**

Initiative: Deappropriates funds for the Maine Research Internships for Teachers and Students, MERITS, program in fiscal year 2004-05.

General Fund	2003-04	2004-05
All Other	\$0	(\$80,000)
General Fund Total	\$0	(\$80,000)

**ECONOMIC AND COMMUNITY DEVELOPMENT,
DEPARTMENT OF
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	\$0	(\$80,000)
DEPARTMENT TOTAL - ALL FUNDS	\$0	(\$80,000)

SECRETARY OF STATE, DEPARTMENT OF THE

**Bureau of Administrative Services
and Corporations 0692**

Initiative: Allocates funds to provide a base allocation for the Federal Expenditures Fund account established by Part U, section 3.

Federal Expenditures Fund	2003-04	2004-05
All Other	\$500	\$500
Federal Expenditures Fund Total	\$500	\$500
SECRETARY OF STATE, DEPARTMENT OF THE DEPARTMENT TOTALS	2003-04	2004-05
FEDERAL EXPENDITURES FUND	\$500	\$500
DEPARTMENT TOTAL - ALL FUNDS	\$500	\$500
SECTION TOTALS	2003-04	2004-05
GENERAL FUND	\$0	(\$80,000)
FEDERAL EXPENDITURES FUND	500	500
SECTION TOTAL - ALL FUNDS	\$500	(\$79,500)

PART JJJ

Sec. JJJ-1. PL 2001, c. 559, Pt. GG, §22 is repealed.

Sec. JJJ-2. Federal Relief Funds Reserve account established. The Federal Relief Funds Reserve account is established as a nonlapsing General Fund account to be used to reserve for health-related and other purposes the General Fund savings and revenue resulting from the receipt of any federal funds pursuant to the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. Funds in the reserve account may not be expended, transferred or otherwise obligated unless specifically authorized by the Legislature.

Sec. JJJ-3. Journal expenditures between funds; flexible grant funds in fiscal year 2002-03. Notwithstanding the Maine Revised Statutes, Title 5, section 1585, or any other provision of law, at the close of fiscal year 2002-03, the State Controller shall make the necessary accounting journal entries to move \$25,000,000 of fiscal year 2002-03 General Fund expenditures certified by the Governor as eligible for expenditure from the funds received from the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 to the Federal

Block Grant Fund. The Governor shall certify expenditures in a manner that is consistent with federal requirements and minimizes the number of journal entries required. The State Controller shall provide the Joint Standing Committee on Appropriations and Financial Affairs with a report of the expenditures transferred and the programs and accounts affected no later than August 1, 2003 for fiscal year 2002-03 transfers. Notwithstanding any other provision of law, the balances created in General Fund programs for which expenditures were shifted to the Federal Block Grant Fund must lapse to General Fund unappropriated surplus at the close of fiscal year 2002-03.

Sec. JJJ-4. Calculation and transfer; fiscal year 2003-04 flexible grant funds. Notwithstanding the Maine Revised Statutes, Title 5, section 1585, or any other provision of law, the State Budget Officer shall calculate the amounts in section 7 of this Part that apply against each General Fund and Federal Block Grant Fund account and that represent fiscal year 2003-04 General Fund expenditures certified by the Governor as eligible for expenditure from the funds received from the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. The State Budget Officer shall transfer those amounts by financial order upon approval of the Governor. These transfers are considered adjustments to General Fund appropriations and Federal Block Grant Fund allocations.

Sec. JJJ-5. Transfer to Federal Relief Funds Reserve account. The State Controller shall transfer \$26,687,473 from the General Fund unappropriated surplus no later than June 30, 2004 to the Federal Relief Funds Reserve account established in section 2 of this Part.

Sec. JJJ-6. Revenue attributed to increase in federal medical assistance percentage. The State Controller in consultation with the Revenue Forecasting Committee shall calculate the amount of additional General Fund revenue from MaineCare reimbursement that is generated by the increase in the federal medical assistance percentage contained in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. The calculated amount must be deposited in the Federal Relief Funds Reserve account established in section 2 of this Part. The State Controller shall provide to the Revenue Forecasting Committee a report of the amount of revenue to be deposited in the Federal Relief Funds Reserve account no later than December 1, 2003.

Sec. JJJ-7. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES,

DEPARTMENT OF

Departments and Agencies Statewide - 0016

Initiative: Adjusts appropriations and allocations to reflect a shift of expenditures from the General Fund to the Federal Block Grant Fund as a result of the receipt of flexible federal grants pursuant to the federal Jobs and Growth Tax Relief Reconciliation Act of 2003 that will be distributed to programs pursuant to section 4 of the Part.

General Fund	2003-04	2004-05
All Other	(\$25,000,000)	\$0
General Fund Total	(\$25,000,000)	\$0
Federal Block Grant Fund	2003-04	2004-05
All Other	\$25,000,000	\$0
Federal Block Grant Fund Total	\$25,000,000	\$0

ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS

	2003-04	2004-05
GENERAL FUND	(\$25,000,000)	\$0
FEDERAL BLOCK GRANT FUND	25,000,000	0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

BEHAVIORAL AND DEVELOPMENTAL SERVICES,
DEPARTMENT OF

Medicaid Services - Mental Retardation 0705

Initiative: Deappropriates funds as a result of the one-time increase in the federal 2004 Federal Financial Participation Rate authorized in the Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$1,579,025)	\$0
General Fund Total	(\$1,579,025)	\$0

Mental Retardation Waiver - MaineCare 9999

Initiative: Deappropriates funds as a result of the one-time increase in the 2004 Federal Financial Participation Rate

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

authorized in the federal Jobs and Growth Tax Relief
Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$5,583,144)	\$0
General Fund Total	(\$5,583,144)	\$0

Mental Health Services - Child Medicaid 0731

Initiative: Deappropriates funds as a result of the one-time
increase in the 2004 Federal Financial Participation Rate
authorized in the federal Jobs and Growth Tax Relief
Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$2,415,789)	\$0
General Fund Total	(\$2,415,789)	\$0

**Mental Health Services - Community
Medicaid 0732**

Initiative: Deappropriates funds as a result of the one-time
increase in the 2004 Federal Financial Participation Rate
authorized in the federal Jobs and Growth Tax Relief
Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$3,089,323)	\$0
General Fund Total	(\$3,089,323)	\$0

**Office of Substance Abuse - Medicaid
Seed 0844**

Initiative: Deappropriates funds as a result of the one-time
increase in the 2004 Federal Financial Participation Rate
authorized in the federal Jobs and Growth Tax Relief
Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$262,685)	\$0
General Fund Total	(\$262,685)	\$0

**BEHAVIORAL AND DEVELOPMENTAL SERVICES,
DEPARTMENT OF
DEPARTMENT TOTALS**

2003-04	2004-05
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2	GENERAL FUND	(\$12,929,966)	\$0
4	DEPARTMENT TOTAL - ALL FUNDS	(\$12,929,966)	\$0
6	HUMAN SERVICES, DEPARTMENT OF		
8	Medical Care - Payment to Providers 0147		
10	Initiative: Deappropriates funds as a result of the one-time increase in the 2004 Federal Financial Participation Rate authorized in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.		
12			
14	General Fund	2003-04	2004-05
16	All Other	(\$24,071,044)	\$0
18	General Fund Total	(\$24,071,044)	\$0
20	Federal Expenditures Fund	2003-04	2004-05
22	All Other	\$37,391,544	\$0
24	Federal Expenditures Fund Total	\$37,391,544	\$0
26	Nursing Facilities 0148		
28	Initiative: Deappropriates funds as a result of the one-time increase in the 2004 Federal Financial Participation Rate authorized in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.		
30			
32	General Fund	2003-04	2004-05
34	All Other	(\$7,469,448)	\$0
36	General Fund Total	(\$7,469,448)	\$0
38	Federal Expenditures Fund	2003-04	2004-05
40	All Other	\$7,469,448	\$0
42	Federal Expenditures Fund Total	\$7,469,448	\$0
44	HUMAN SERVICES, DEPARTMENT OF		
46	DEPARTMENT TOTALS		
48	GENERAL FUND	(\$31,540,492)	\$0
50	FEDERAL EXPENDITURES FUND	44,860,992	0
	DEPARTMENT TOTAL - ALL FUNDS	\$13,320,500	\$0
	LABOR, DEPARTMENT OF		

Rehabilitation Services 0965

Initiative: Deappropriates funds as a result of the one-time increase in the 2004 Federal Financial Participation Rate authorized in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.

General Fund	2003-04	2004-05
All Other	(\$390,534)	\$0
General Fund Total	(\$390,534)	\$0

**LABOR, DEPARTMENT OF
DEPARTMENT TOTALS**

	2003-04	2004-05
GENERAL FUND	(\$390,534)	\$0
DEPARTMENT TOTAL - ALL FUNDS	(\$390,534)	\$0

SECTION TOTALS

	2003-04	2004-05
GENERAL FUND	(\$69,860,992)	\$0
FEDERAL EXPENDITURES FUND	44,860,992	0
FEDERAL BLOCK GRANT FUND	25,000,000	0
SECTION TOTAL - ALL FUNDS	\$0	\$0

PART KKK

Sec. KKK-1. 3 MRSA §991, as enacted by PL 2001, c. 702, §2, is amended to read:

§991. Evaluation and Government Accountability

The Office of Program Evaluation and Government Accountability is created for the purpose of providing program evaluation of agencies and programs of State Government. The office also is established to ensure that public funds provided to local and county governments, quasi-municipal governments, special districts, utility districts, regional development agencies or any municipal or nonprofit corporation are expended for the purposes for which they were allocated, appropriated or contracted. When authorized by the committee, the office also may examine or direct an examination of any state contractor financed in whole or part by public funds and any expenditure by any public official or public employee during the course of public duty, including, but not limited to, any expenditure of private money for agency purposes.

2 **Sec. KKK-2. 3 MRSA §994, sub-§8,** as enacted by PL 2001, c.
702, §2, is amended to read:

4 **8. Subpoenas.** To issue subpoenas ~~under the signature of~~
~~either of the eehairs~~ upon a majority vote of the committee in
6 the event of refusal to appear or to produce papers or records,
including books, accounts, documents, computer disks or memory or
8 other electronic media and other materials regardless of their
physical or electronic form. A subpoena issued under this
10 subsection must be issued pursuant to the provisions of section
165 and chapter 21;

12 **Sec. KKK-3. 3 MRSA §996,** as enacted by PL 2001, c. 702, §2,
14 is amended by adding at the end a new paragraph to read:

16 The Commissioner of Administrative and Financial Services
18 shall provide office space to house the office within the Burton
M. Cross Building. This office space must be provided at no
20 charge.

22 **Sec. KKK-4. 3 MRSA §997, sub-§4,** as enacted by PL 2001, c.
702, §2, is amended to read:

24 **4. Information available to the office.** ~~Notwithstanding~~
~~any other law relating to the confidentiality of information, all~~
26 ~~information in the files of a state agency or other entity~~
~~subject to program evaluation by the office under this chapter~~
28 ~~must be made available when necessary to the office for~~
~~performance of its duties.~~ Information that is made available to
30 the office is governed by chapter 21, which governs legislative
investigating committees, and by Title 1, chapter 13, which
32 governs public records and proceedings.

34 A. Before beginning a program evaluation under this chapter
that may require access to records containing confidential
36 or privileged information, the office shall consult with
representatives of the state agency or other entity to
38 discuss methods of identifying and protecting privileged or
confidential information in those records. During that
40 consultation, the state agency or other entity shall inform
the office of all standards and procedures set forth in its
42 policies or agreements to protect information considered to
be confidential or privileged. The office shall limit
44 access to information that is privileged or confidential by
appropriate methods, which may include examining records
46 without copying or removing them from the source.

48 B. Documentary or other information obtained by the office
during the course of a program evaluation under this chapter
50 is privileged or confidential to the same extent under law

that that information would be privileged or confidential in the possession of the state agency or other entity providing the information. Any privilege or statutory provision, including penalties, concerning the confidentiality or obligation not to disclose information in the possession of a state agency or other entity or its officers or employees applies equally to the office. Privileged or confidential information obtained by the office during the course of a program evaluation may be disclosed only as provided by law and with the agreement of the state agency or other entity subject to the program evaluation that provided the information.

C. If the office accesses information classified as privileged or confidential pursuant to state agency or other entity policy or procedures or by agreement, the office shall comply with the state agency's or other entity's standards or procedures for handling that information. The office may include in its working papers the excerpts from information classified as confidential or privileged as may be necessary to complete the program evaluation under this chapter, as long as the use does not infringe on department policies or procedures applicable to the original provision of information.

Sec. KKK-5. Determination of necessary information. The joint legislative committee established to oversee program evaluation and government accountability matters pursuant to the Maine Revised Statutes, Title 3, chapter 37, referred to in this section as "the committee," shall review and determine the types of confidential information the committee will require in order to fulfill the purposes set forth in Title 3, chapter 37. The committee shall report its findings and recommendations, together with any necessary proposed implementing legislation, to the Second Regular Session of the 121st Legislature.

Sec. KKK-6. Appropriations and allocations. The following appropriations and allocations are made.

**PROGRAM EVALUATION AND GOVERNMENT
ACCOUNTABILITY, OFFICE OF**

**Office of Program Evaluation and
Government Accountability**

Initiative: Provides funds for the Office of Program Evaluation and Government Accountability, including funds for one Director, Office of Program Evaluation and Government Accountability position starting in fiscal year 2003-04 and one Analyst-Attorney

position and one Administrative Secretary position starting in
fiscal year 2004-05 and other related costs.

General Fund	2003-04	2004-05
Positions - Legislative Count	(1.000)	(3.000)
Personal Services	\$19,709	\$255,892
All Other	280,291	44,108
General Fund Total	\$300,000	\$300,000

PART LLL

Sec. LLL-1. Retention of savings. Notwithstanding any other provision of law, any savings that would otherwise accrue to Department of Behavioral and Developmental Services Medicaid seed accounts in fiscal year 2002-03 as a result of the federal medical assistance percentage increase included in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, PL 108-27 must be retained by the Department of Human Services and used to support a portion of the anticipated shortfall in the Medical Care - Payments to Providers account in fiscal year 2002-03. It is anticipated that this amount will be \$2,939,580.

Sec. LLL-2. Retention of savings. Notwithstanding any other provision of law, any savings that would otherwise accrue to the Department of Human Services, Nursing Facility account in fiscal year 2002-03 as a result of the federal medical assistance percentage increase included in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, PL 108-27 must be retained by the Department of Human Services and used to support a portion of the anticipated shortfall in the Medical Care - Payments to Providers account in fiscal year 2002-03. It is anticipated that this amount will be \$1,879,212.

Sec. LLL-3. Calculation and transfer. Notwithstanding any other provision of law, the Commissioner of Human Services shall recommend to the State Budget Officer and the State Budget Officer shall calculate the amount of departmentwide savings in this Part that applies against each General Fund account within the Department of Human Services and shall transfer the amounts by financial order upon the approval of the Governor. The State Budget Officer shall provide to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs a report of the transferred amounts no later than June 27, 2003.

Sec. LLL-4. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF 18

Maine Revenue Services 0002

Initiative: Provides for the deappropriation of funds from salary savings and from savings in the All Other line category.

General Fund	2002-03
Personal Services	(\$150,000)
All Other	(150,000)
General Fund Total	<hr/> (300,000)

Buildings and Grounds Operations 0080

Initiative: Provides for the deappropriation of funds from salary savings.

General Fund	2002-03
Personal Services	(110,000)
General Fund Total	<hr/> (110,000)

**Public Improvements - Planning/Construction -
Administration 0057**

Initiative: Provides for the deappropriation of funds from salary savings.

General Fund	2002-03
Personal Services	(10,000)
General Fund Total	<hr/> (10,000)

Bureau of Accounts and Control 0056

Initiative: Provides for the deappropriation of funds from salary savings.

General Fund	2002-03
Personal Services	(25,000)
General Fund Total	<hr/> (25,000)

Office of the Commissioner 0718

Initiative: Provides for the deappropriation of funds from salary savings.

General Fund	2002-03
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COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

2	Personal Services	(14,000)
4	General Fund Total	<hr/> (14,000)
6	Office of Employee Relations 0244	
8	Initiative: Provides for the deappropriation of funds from salary savings.	
10	General Fund	2002-03
12	Personal Services	(5,000)
14	General Fund Total	<hr/> (5,000)
16	Administration - Human Resources 0038	
18	Initiative: Provides for the deappropriation of funds from salary savings.	
20	General Fund	2002-03
22	Personal Services	(50,000)
24	General Fund Total	<hr/> (50,000)
26	Purchases - Division of 0007	
28	Initiative: Provides for the deappropriation of funds from salary savings.	
30	General Fund	2002-03
32	Personal Services	(30,000)
34	General Fund Total	<hr/> (30,000)
36	Maine Residents Property Tax Program 0648	
38	Initiative: Provides for the deappropriation of funds from salary savings.	
40	General Fund	2002-03
42	All Other	(31,000)
44	General Fund Total	<hr/> (31,000)
46	ADMINISTRATIVE AND FINANCIAL SERVICES,	
48	DEPARTMENT OF	
50	DEPARTMENT TOTALS	2002-03
	GENERAL FUND	<hr/> (575,000)

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

2	DEPARTMENT TOTAL - ALL FUNDS	(575,000)
4	AUDIT, DEPARTMENT OF	
6	Audit, Departmental Bureau 0067	
8	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03 .	
10	General Fund	2002-03
12	Personal Services	(48,000)
14	General Fund Total	(48,000)
16	AUDIT, DEPARTMENT OF DEPARTMENT TOTALS	2002-03
18	GENERAL FUND	(48,000)
20	DEPARTMENT TOTAL - ALL FUNDS	(48,000)
22	CORRECTIONS, DEPARTMENT OF	
24	Administration 0141	
26	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03 .	
28	General Fund	2002-03
30	Personal Services	(25,000)
32	General Fund Total	(25,000)
34	Juvenile Community Corrections 0892	
36	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
38	General Fund	2002-03
40	Personal Services	(50,000)
42	General Fund Total	(50,000)
44	Mountain View Youth Development Center 0857	
46	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
48	General Fund	2002-03
50	Personal Services	(50,000)

COMMITTEE AMENDMENT

2	General Fund Total	(50,000)
4	Long Creek Youth Development Center 0163	
6	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
8		
10	General Fund	2002-03
	Personal Services	(25,000)
12	General Fund Total	(25,000)
14	CORRECTIONS, DEPARTMENT OF	
16	DEPARTMENT TOTALS	2002-03
18	GENERAL FUND	(150,000)
20	DEPARTMENT TOTAL - ALL FUNDS	(150,000)
22	DEFENSE, VETERANS AND EMERGENCY MANAGEMENT,	
24	DEPARTMENT OF	
26	Military Bureau 0180	
28	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
30	General Fund	2002-03
32	All Other	(2,103)
34	General Fund Total	(2,103)
36	Veterans' Services 0110	
38	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
40	General Fund	2002-03
42	All Other	(1,800)
44	General Fund Total	(1,800)
46	Administration - Maine Emergency	
48	Management Agency 0214	
50	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
	General Fund	2002-03

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

2	All Other	(47)
4	General Fund Total	(47)
6	DEFENSE, VETERANS AND EMERGENCY MANAGEMENT,	
8	DEPARTMENT OF	
10	DEPARTMENT TOTALS	2002-03
12	GENERAL FUND	(3,950)
14	DEPARTMENT TOTAL - ALL FUNDS	(3,950)
16	EDUCATION, DEPARTMENT OF	
18	Professional Development 0859	
20	Initiative: Provides for the deappropriation of funds as a	
22	result of savings identified in fiscal year 2002-03.	
24	General Fund	2002-03
26	All Other	(52,698)
28	General Fund Total	(52,698)
30	EDUCATION, DEPARTMENT OF	
32	DEPARTMENT TOTALS	2002-03
34	GENERAL FUND	(52,698)
36	DEPARTMENT TOTAL - ALL FUNDS	(52,698)
38	ENVIRONMENTAL PROTECTION, DEPARTMENT OF	
40	Land and Water Quality 0248	
42	Initiative: Provides for the deappropriation of funds as a	
44	result of savings identified in fiscal year 2002-03.	
46	General Fund	2002-03
48	All Other	(1,400)
50	General Fund Total	(1,400)
	ENVIRONMENTAL PROTECTION, DEPARTMENT OF	
	DEPARTMENT TOTALS	2002-03
	GENERAL FUND	(1,400)
	DEPARTMENT TOTAL - ALL FUNDS	(1,400)

COMMITTEE AMENDMENT

EXECUTIVE DEPARTMENT

Blaine House 0072

Initiative: Provides for the deappropriation of funds from salary savings.

General Fund	2002-03
All Other	(10,000)
General Fund Total	<hr/> (10,000)

State Planning Office 0082

Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

General Fund	2002-03
All Other	(57,874)
General Fund Total	<hr/> (57,874)

EXECUTIVE DEPARTMENT

DEPARTMENT TOTALS

GENERAL FUND

DEPARTMENT TOTAL - ALL FUNDS

HUMAN SERVICES, DEPARTMENT OF

Departmentwide 0640

Initiative: Deappropriates fiscal year 2002-03 savings.

General Fund	2002-03
All Other	(500,000)
General Fund Total	<hr/> (500,000)

Head Start 0545

Initiative: Deappropriates fiscal year 2002-03 savings.

General Fund	2002-03
All Other	(155,000)
General Fund Total	<hr/> (155,000)

Purchased Social Services 0228

COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

2 Initiative: Deappropriates fiscal year 2002-03 savings.

4	General Fund	2002-03
6	All Other	(120,000)
8	General Fund Total	<hr/> (120,000)

10 **Medical Care - Payment to Providers 0147**

12 Initiative: Appropriates funds to address an anticipated fiscal year 2002-03 shortfall in this account.

14	General Fund	2002-03
16	All Other	4,581,985
18	General Fund Total	<hr/> 4,581,985

20	Federal Expenditures Fund	2002-03
22	All Other	9,018,445
24	Federal Expenditures Fund Total	<hr/> 9,018,445

26 **HUMAN SERVICES, DEPARTMENT OF**

28 **DEPARTMENT TOTALS**

30 **2002-03**

32	GENERAL FUND	3,806,985
34	FEDERAL EXPENDITURES FUND	9,018,445
36	DEPARTMENT TOTAL - ALL FUNDS	<hr/> 12,825,430

38 **JUDICIAL DEPARTMENT**

40 **Courts - Supreme, Superior, District**

42 **and Administrative 0063**

44 Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

46	General Fund	2002-03
48	Personal Services	(45,000)
50	Capital Expenditures	(11,700)
	General Fund Total	<hr/> (56,700)

52	JUDICIAL DEPARTMENT	
54	DEPARTMENT TOTALS	2002-03
56	GENERAL FUND	(56,700)

COMMITTEE AMENDMENT

	DEPARTMENT TOTAL - ALL FUNDS	(56,700)
2		
4	MAINE STATE MUSEUM	
6	Maine State Museum 0180	
8	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
10	General Fund	2002-03
12	Personal Services	(3,000)
14	General Fund Total	<hr/> (3,000)
16	MAINE STATE MUSEUM	
18	DEPARTMENT TOTALS	2002-03
20	GENERAL FUND	(3,000)
22	DEPARTMENT TOTAL - ALL FUNDS	<hr/> (3,000)
24	MARINE RESOURCES, DEPARTMENT OF	
26	Bureau of Resource Management 0027	
28	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
30	General Fund	2002-03
32	Personal Services	(5,000)
34	All Other	(10,000)
36	General Fund Total	<hr/> (15,000)
38	Marine Patrol - Bureau of 0029	
40	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
42	General Fund	2002-03
44	Personal Services	(20,000)
46	General Fund Total	<hr/> (20,000)
48	MARINE RESOURCES, DEPARTMENT OF	
50	DEPARTMENT TOTALS	2002-03
	GENERAL FUND	(35,000)
	DEPARTMENT TOTAL - ALL FUNDS	<hr/> (35,000)

**PROFESSIONAL AND FINANCIAL REGULATION,
DEPARTMENT OF**

Licensing and Enforcement 0352

Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

General Fund	2002-03
All Other	(7,080)
	<hr/>
General Fund Total	(7,080)

**PROFESSIONAL AND FINANCIAL REGULATION,
DEPARTMENT OF
DEPARTMENT TOTALS**

GENERAL FUND	2002-03
	(7,080)
	<hr/>
DEPARTMENT TOTAL - ALL FUNDS	(7,080)

PUBLIC SAFETY, DEPARTMENT OF

Computer Crimes 0048

Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

General Fund	2002-03
All Other	(1,714)
	<hr/>
General Fund Total	(1,714)

Capital Security, Bureau of 0101

Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

General Fund	2002-03
All Other	(9,786)
	<hr/>
General Fund Total	(9,786)

State Police 0291

Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.

General Fund	2002-03
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COMMITTEE AMENDMENT "A" to H.P. 1190, L.D. 1614

2	All Other	(56,274)
4	General Fund Total	(56,274)
6	Drug Enforcement Agency 0388	
8	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
10	General Fund	2002-03
12	All Other	(12,255)
14	General Fund Total	(12,255)
16	Emergency Medical Services 0485	
18	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
20	General Fund	2002-03
22	All Other	(16,254)
24	General Fund Total	(16,254)
26	PUBLIC SAFETY, DEPARTMENT OF DEPARTMENT TOTALS	2002-03
28	GENERAL FUND	(96,283)
30	DEPARTMENT TOTAL - ALL FUNDS	(96,283)
32	SECRETARY OF STATE, DEPARTMENT OF THE	
34	Administration - Archives 0050	
36	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
38	General Fund	2002-03
40	Personal Services	(5,000)
42	General Fund Total	(5,000)
44	Bureau of Administrative Services and Corporations 0692	
46	Initiative: Provides for the deappropriation of funds as a result of savings identified in fiscal year 2002-03.	
50	General Fund	2002-03

2	Personal Services	(5,000)
4	General Fund Total	(5,000)
6	SECRETARY OF STATE, DEPARTMENT OF THE DEPARTMENT TOTALS	2002-03
8	GENERAL FUND	(10,000)
10	DEPARTMENT TOTAL - ALL FUNDS	(10,000)
12	SECTION TOTALS	2002-03
14	GENERAL FUND	2,700,000
16	FEDERAL EXPENDITURES FUND	9,018,445
18	SECTION TOTAL - ALL FUNDS	\$11,718,445

20 PART MMM

22 Sec. MMM-1. 5 MRSA §13063-O is enacted to read:

24 §13063-O. Microenterprise initiative fund program review

26 1. Accounting, evaluation and reporting requirements. The
28 department shall:

30 A. Maintain an accurate accounting of the use of all
32 program funds as required by state procedures and program
34 guidelines, including a detailed accounting of all program
36 funding sources and expenditures;

38 B. Undertake an ongoing process to evaluate the impact of
40 the projects undertaken with program funds. The evaluation
42 process must include benchmarks and criteria to evaluate the
44 success of the fund. The benchmarks and criteria must be
46 designed by the department to provide the following:

48 (1) An assessment of the direct and indirect economic
50 impact of the funded projects; and

(2) An assessment of the contribution of the fund to
the creation of new entrepreneurial opportunities; and

C. Each year, submit a report to the joint standing
committee of the Legislature having jurisdiction over
business research and economic development matters. The
report must include:

(1) An accounting of the use of all program funds received and expended since the program's inception;

(2) A summary of the status of any approved projects;

(3) A summary of the results of any completed projects;

(4) Evaluation data and assessment; and

(5) Other information required to be submitted and evaluated by the joint standing committee of the Legislature having jurisdiction over business research and economic development matters.

2. Report. The department shall report no later than January 15th of each year.

3. Rulemaking. The department shall adopt major substantive rules pursuant to chapter 375, subchapter 2-A to implement this section.

Sec. MMM-2. Appropriations and allocations. The following appropriations and allocations are made.

**ECONOMIC AND COMMUNITY DEVELOPMENT,
DEPARTMENT OF**

Maine Microenterprise Initiative Fund 0447

Initiative: Provides for the appropriation of funds for grants to community-based organizations.

General Fund	2003-04	2004-05
All Other	\$850,000	\$0
General Fund Total	<u>\$850,000</u>	<u>\$0</u>

PART NNN

Sec. NNN-1. 30-A MRSA §5223, sub-§3, as enacted by PL 2001, c. 669, §1, is amended by amending the last blocked paragraph to read:

The conditions in paragraphs A to D do not apply to approved downtown tax increment financing districts or tax increment financing districts included within Pine Tree Development Zones designated and approved under subchapter 3.

Sec. NNN-2. 30-A MRSA c. 206, sub-c. 3 is enacted to read:

SUBCHAPTER 3

PINE TREE DEVELOPMENT ZONES

§5245. Findings and declaration of necessity

1. Legislative finding. The Legislature finds that there is a need to encourage development in economically distressed areas of the State in order to:

A. Provide new employment opportunities;

B. Improve existing employment opportunities;

C. Improve and broaden the tax base; and

D. Improve the general economy of the State.

2. Authorization. For the reasons set out in subsection 1, a unit of local government, or 2 or more cooperating units of local government, may develop a program for improving a district within its collective boundaries:

A. To provide impetus for targeted business development;

B. To increase employment; and

C. To provide the facilities outlined in the development program adopted by the participating units of local government.

3. Declaration of public purpose. The Legislature declares that the actions required to assist the implementation of these development programs are a public purpose and that the execution and financing of these programs are a public purpose.

§5246. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Affiliated business. "Affiliated business" means a member of a group of 2 or more businesses in which more than 50% of the voting stock of each member corporation or more than 50% of the ownership interest in a business other than a corporation is directly or indirectly owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member businesses.

2 **2. Applicant.** "Applicant" means any unit of local
3 government and any group of cooperating units of local government
4 in the State that apply for designation as a Pine Tree
5 Development Zone under section 5247.

6 **3. Average employment during base period.** "Average
7 employment during base period" for a business means the total
8 number of qualified employees of that business on each of 6
9 consecutive measurement days in each of the 3 calendar years in
10 the base period as chosen by the business divided by 18.

11 **4. Base level of employment.** "Base level of employment"
12 means the greater of either the total employment in the State of
13 a business and its affiliated businesses as of the December 31st
14 immediately preceding its certification as a qualified Pine Tree
15 Development Zone business or its average employment during the
16 base period.

17 **5. Base period.** "Base period" means the 3 calendar years
18 prior to the year in which a business is certified as a qualified
19 Pine Tree Development Zone business.

20 **6. Commissioner.** "Commissioner" means the Commissioner of
21 Economic and Community Development.

22 **7. Department.** "Department" means the Department of
23 Economic and Community Development.

24 **8. Financial services.** "Financial services" means services
25 provided by an insurance company subject to taxation under Title
26 36, chapter 357; a financial institution subject to taxation
27 under Title 36, chapter 819; or a mutual fund service provider as
28 defined in Title 36, section 5212, subsection 1, paragraph E.

29 **9. Labor market average weekly wage.** "Labor market average
30 weekly wage" means the average weekly wage as published by the
31 Department of Labor for the labor market or markets in which
32 potential qualified Pine Tree Development Zone employees are
33 located for the 12 most recently reported months preceding the
34 date of application for zone designation.

35 **10. Labor market unemployment rate.** "Labor market
36 unemployment rate" means the average unemployment rate as
37 published by the Department of Labor for the labor market or
38 markets in which potential qualified Pine Tree Development Zone
39 employees are located for the 12 most recently reported months
40 preceding the date of application for zone designation.

41 **11. Manufacturing.** "Manufacturing" means the production of
42 tangible personal property intended to be sold or leased
43

ultimately for final use or consumption or the production of tangible personal property pursuant to a contract with the Federal Government or any agency thereof.

12. Person. "Person" has the same meaning as defined in Title 36, section 111, subsection 3.

13. Pine Tree Development Zone. "Pine Tree Development Zone" or "zone" means a specified area within the boundaries of a unit of local government, or within the boundaries of cooperating units of local government in a multijurisdictional application, that has been designated by the commissioner as a Pine Tree Development Zone in accordance with section 5247.

14. Pine Tree Development Zone benefits. "Pine Tree Development Zone benefits" means:

A. The exclusion from the limitations established under section 5223, subsection 3 of tax increment financing districts included within a Pine Tree Development Zone;

B. Expanded employment tax increment financing benefits under Title 36, chapter 917;

C. The sales tax exemptions under Title 36, section 1760, subsections 86 and 87; and

D. The Pine Tree Development Zone tax credits provided by Title 36, sections 2529 and 5219-W.

15. Production. "Production" has the same meaning as defined in Title 36, section 1752, subsection 9-B.

16. Qualified business activity. "Qualified business activity" means a business activity that is conducted within a Pine Tree Development Zone and is directly related to financial services, manufacturing or a targeted technology business for which the business receives a certificate from the commissioner pursuant to section 5250-B.

17. Qualified Pine Tree Development Zone business. "Qualified Pine Tree Development Zone business" or "qualified business" means any for-profit business in this State engaged in financial services, manufacturing or a targeted technology business that adds qualified Pine Tree Development Zone employees above its base level of employment in this State and that meets the following criteria:

A. It demonstrates that the establishment or expansion of operations within the Pine Tree Development Zone would not

2 occur within the State absent the availability of the Pine
3 Tree Development Zone benefits. The department shall
4 investigate whether the business has met the requirements of
5 this paragraph and provide an advisory opinion to the
6 Executive Director of the Bureau of Revenue Services in the
7 Department of Administrative and Financial Services, who
8 shall make the final determination; and

9 B. It has received a certificate as a qualified business
10 pursuant to section 5250-B.

11 **18. Qualified Pine Tree Development Zone employees.**
12 "Qualified Pine Tree Development Zone employees" means new,
13 full-time employees hired in this State by a qualified Pine Tree
14 Development Zone business for work directly in one or more
15 qualified business activities for whom a retirement program
16 subject to the Employee Retirement Income Security Act of 1974,
17 29 United States Code, Sections 101 to 1461 (2003) and group
18 health insurance are provided and whose wages derived from
19 employment within the Pine Tree Development Zone are greater than
20 the average annual per capita wages in the local labor market
21 area in the county in which the qualified employee is employed.
22 Qualified Pine Tree Development Zone employees must be residents
23 of this State.

24 **19. State average weekly wage.** "State average weekly wage"
25 means the average weekly wage as published by the Department of
26 Labor for the State as a whole for the 12 most recently reported
27 months preceding the date of application for zone designation.

28 **20. State unemployment rate.** "State unemployment rate"
29 means the average unemployment rate published by the Department
30 of Labor for the State as a whole for the 12 most recently
31 reported months preceding the date of application for zone
32 designation.

33 **21. Targeted technology business.** "Targeted technology
34 business" means a business primarily involved in a targeted
35 technology as defined in Title 5, section 15301.

36 **22. Unit of local government.** "Unit of local government"
37 means a municipality, county, plantation, unorganized territory
38 or Indian tribe.

39 **§5247. Pine Tree Development Zones**

40 **1. Creation.** One or more units of local government, or an
41 organization representing one or more units of local government,
42 may apply to the commissioner for the designation of a Pine Tree
43 Development Zone within the boundaries of the unit or units of
44 the State.

local government in accordance with the requirements of this subchapter. County governments may apply on behalf of unorganized territories. Groups of units of local government may apply for multijurisdictional or joint projects. Multijurisdictional applications require designation of one unit of local government as the lead applicant and consent for that designation by each participating unit of local government. Counties may also apply on behalf of a consortium of units of local government. The designation of a Pine Tree Development Zone may not conflict with the provisions of a municipal or other unit of local government charter. Zones that meet the requirements of subsection 2 are authorized for designation as follows:

A. Aroostook County, including up to 100 acres of land reserved for the Aroostook Band of Micmacs and the Houlton Band of Maliseet Indians;

B. The Androscoggin Valley region, including the Lewiston Enterprise Community Zone as designated by the federal Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Appropriations Act, Public Law 105-277 (1999);

C. The Penobscot Valley region, including up to 500 acres of land reserved for the Penobscot Nation; and

D. Washington County and the Downeast region, including up to 500 acres of land reserved for the Passamaquoddy Tribe.

No more than one zone may be established in each of the areas specified in paragraphs A to D, except that the commissioner may designate up to 4 additional zones through the process established in section 5249.

2. Requirements for designation. The commissioner shall adopt rules establishing the minimum requirements for the designation of Pine Tree Development Zones. Additionally, each participating unit of local government must agree to maintain at least one prepermitted construction or development site available within the zone on a continual basis throughout the term of the zone.

3. Limitations. The designation of Pine Tree Development Zones is subject to the following limitations:

A. The total area of a zone, including all noncontiguous parcels, may not exceed 5,000 acres;

B. A zone located in Aroostook County as described in subsection 1, paragraph A may include property that is also

2 included within the Aroostook County Empowerment Zone as
3 designated by the federal Community Renewal Tax Relief Act
4 of 2000, Public Law 106-554;

5 C. Pine Tree Development Zone benefits may not be used to
6 encourage or facilitate the transfer of existing positions
7 or property of a qualified business or affiliated businesses
8 into a zone from a location elsewhere in the State;

9 D. Pine Tree Development Zone benefits may not be provided
10 based upon any employees or positions transferred by the
11 business or affiliated businesses into a Pine Tree
12 Development Zone from a location elsewhere in the State;

13 E. A Pine Tree Development Zone may not consist of more
14 than 20 noncontiguous parcels of property;

15 F. All property included within the boundaries of a Pine
16 Tree Development Zone must be suitable for one or more
17 qualified Pine Tree Development Zone business activities;

18 G. All property included within a Pine Tree Development
19 Zone must meet one of the following:

20 (1) The property is located within a market area for
21 which the labor market unemployment rate is greater
22 than the state unemployment rate at the time of the
23 application; or

24 (2) The property is included within a county in which
25 the average weekly wage is below the state average
26 weekly wage at the time of the application.

27 In the case of a multijurisdictional or joint application,
28 the requirements of this paragraph are met if the combined
29 unemployment rate of the cooperating units of local
30 government meets the requirements of subparagraph (1) or the
31 average weekly wage of the cooperating units of local
32 government, on a per-employed-worker basis, meets the
33 requirements of subparagraph (2); and

34 H. The restrictions contained in paragraph G may be waived
35 for property that is contained within a labor market area
36 that has sustained a greater than 5% loss of population or
37 employed workers during the 3-year period immediately
38 preceding the time of application if the loss was caused by
39 business closings.

2 4. Application. An application for designation of a Pine
3 Tree Development Zone must include, but is not necessarily
4 limited to, the following:

5 A. A narrative description of the Pine Tree Development
6 Zone to be designated;

7 B. Maps and any other information necessary to clearly
8 identify the geographic boundaries of the Pine Tree
9 Development Zone and any subzones it may include;

10 C. Evidence that the Pine Tree Development Zone meets the
11 requirements of subsection 3;

12 D. Any information evidencing economic distress; and

13 E. A development plan that includes:

14 (1) Documentation of all municipal commitments required
15 under subsection 2;

16 (2) A description of how the Pine Tree Development Zone
17 will be administered, including any related interlocal
18 cooperative agreements;

19 (3) A description of the goals and objectives to be
20 accomplished through the Pine Tree Development Zone;

21 (4) A description of the resources to be committed to
22 the Pine Tree Development Zone by the applicant or
23 applicants; and

24 (5) Plans for accomplishing the goals and objectives,
25 including a marketing plan and related time line and
26 milestones.

27 5. Termination. All Pine Tree Development Zone
28 designations approved under this subchapter and all Pine Tree
29 Development Zone benefits are terminated on December 31, 2018.

30 **§5248. Procedure**

31 1. Notice and hearing. Before designating a Pine Tree
32 Development Zone or adopting a development plan, the legislative
33 body of each applicant unit of local government or the
34 legislative body's designee must hold at least one public
35 hearing. Notice of the hearing must be published at least 10
36 days before the hearing in a newspaper of general circulation
37 within the unit of local government.

2 2. Vote of unit of local government legislative body. Each
applicant unit of local government must designate that portion of
4 the Pine Tree Development Zone contained within its boundaries
and take all actions required to satisfy the requirements of
6 section 5247, subsection 2 by majority vote of its legislative
body.

8 3. Effective date. The establishment of a Pine Tree
Development Zone is effective upon designation by the
10 commissioner.

12 4. Administration of zone. The participating units of
local government may create an organization, designate an
14 existing department or agency or enter into a contractual
arrangement with a private entity to administer activities
16 authorized under this subchapter.

18 5. Amendments. A participating unit of local government
may amend the designation of that portion of a Pine Tree
20 Development Zone contained within its boundaries or an adopted
development plan only after meeting the requirements of this
22 section for designation of a Pine Tree Development Zone or
adoption of a development plan and with the concurrence of all
24 other participating units of local government. A participating
unit of local government may not amend the designation of a Pine
26 Tree Development Zone if the amendment would result in the zone's
being out of compliance with any of the requirements in section
28 5247.

30 **§5249. Selection criteria**

32 1. Review and selection. The commissioner shall review
applications and select zones for designation based upon the
34 following criteria:

36 A. Severity of economic distress within the region affected
by the Pine Tree Development Zone;

38 B. Viability of a development plan described under section
40 5247, subsection 4, paragraph E;

42 C. Commitment of local and regional financial resources;

44 D. Partnerships with public and private organizations; and

46 E. Impact on surrounding regions of the Pine Tree
Development Zone.

48 **§5250. Program administration; rules**

50

The commissioner shall administer this subchapter. The commissioner shall adopt rules pursuant to the Maine Administrative Procedure Act for implementation of Pine Tree Development Zones, including, but not limited to, rules for determining and certifying eligibility, selecting zones for designation and evaluating on a periodic basis the progress and success of each zone in achieving its goals. Rules adopted under this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

§5250-A. Unorganized territory

For the purposes of this subchapter, a county may act as a municipality for the unorganized territory within the county and may designate development districts within the unorganized territory. When a county acts under this section, the county commissioners act as the municipality and as the municipal legislative body, the State Tax Assessor acts as the municipal assessor and the unorganized territory education and services fund receives the funds designated for the municipal general fund.

§5250-B. Certification of qualified business

A business may apply to the commissioner for certification as a qualified Pine Tree Development Zone business. Upon review and determination by the commissioner that a business is a qualified Pine Tree Development Zone business, the commissioner shall issue a certificate of qualification to the business that includes a description of the qualified business activity for which the certificate is being issued.

§5250-C. Report

By January 15, 2004, the commissioner shall report to the joint standing committee of the Legislature having jurisdiction over economic development matters regarding rulemaking and progress in implementing Pine Tree Development Zones. Not later than April 1, 2005 and April 1st of each odd-numbered year thereafter, the commissioner shall report to the joint standing committee of the Legislature having jurisdiction over economic development matters on the status of the Pine Tree Development Zones.

Sec. NNN-3. 36 MRSA §1760, sub-§§86 and 87 are enacted to read:

86. Construction contracts with qualified development zone businesses. Beginning July 1, 2005, sales to a construction contractor of tangible personal property that is to be physically incorporated in, and become a permanent part of, real property

that is owned by or for sale to a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5246, subsection 17, which real property will be used in the qualified business activity, as defined in Title 30-A, section 5246, subsection 16, of the qualified Pine Tree Development Zone business in a Pine Tree Development Zone, as defined in Title 30-A, section 5246, subsection 13. The exemption provided by this subsection is limited to sales to a construction contractor occurring within a period of 10 years from the date the qualified Pine Tree Development Zone business receiving the property is certified pursuant to Title 30-A, section 5250-B or until December 31, 2018, whichever occurs first.

87. Sales of tangible personal property to qualified development zone businesses. Beginning July 1, 2005, sales of tangible personal property to a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5246, subsection 17, for use directly and primarily in one or more qualified business activities, as defined in Title 30-A, section 5246, subsection 16. The exemption provided by this subsection is limited for each qualified Pine Tree Development Zone business to sales occurring within a period of 10 years from the date the business is certified pursuant to Title 30-A, section 5250-B or until December 31, 2018, whichever occurs first.

Sec. NNN-4. 36 MRSA §2529 is enacted to read:

§2529. Pine Tree Development Zone tax credit

1. Credit allowed. A taxpayer that is a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5246, subsection 17 is allowed a credit in the amount of:

A. One hundred percent of the tax associated with premiums sold by a qualified business located in a Pine Tree Development Zone that would otherwise be due under this chapter for each of the first 5 taxable years that the taxpayer is required to file a return pursuant to this chapter beginning after the taxpayer commences its qualified business activity, as defined in Title 30-A, section 5246, subsection 16, and that are directly attributable to a qualified business activity; and

B. Fifty percent of the tax associated with premiums sold by a qualified business in a Pine Tree Development Zone that would otherwise be due under this chapter for each of the taxable years beginning with the 6th taxable year and ending with the 10th taxable year that the taxpayer is required to file a return pursuant to this chapter after the taxpayer commences its qualified business activity, as defined in

2 Title 30-A, section 5246, subsection 16, and that are
3 attributable to a qualified business activity.

4 **2. Apportioned credit in certain circumstances.** In the
5 case of a qualified Pine Tree Development Zone business as
6 defined in Title 30-A, section 5246, subsection 17, including any
7 affiliated members of the qualified business, that has a business
8 presence in the State other than that conducted within a Pine
9 Tree Development Zone, as defined by Title 30-A, section 5246,
10 subsection 13, the credit provided for in this section is to be
11 calculated based upon a pro forma determination. The pro forma
12 determination must be based on the assumptions that all of the
13 business activities conducted by the qualified Pine Tree
14 Development Zone business and the affiliated members, if any,
15 within this State constitute a unitary business and that only the
16 qualified business activity conducted in the Pine Tree
17 Development Zone is subject to tax imposed by this chapter. The
18 portion of the tax liability of the qualified Pine Tree
19 Development Zone business and the affiliated members, if any,
20 related to the business activity conducted in the Pine Tree
21 Development Zone must be determined by use of a percentage, the
22 numerator of which is the property value and the payroll for the
23 taxable year directly attributed to the qualified business
24 activity of the business and the denominator of which is the
25 statewide property value and payroll for the taxable year of the
26 qualified business and its affiliated members.

27 **3. Limitation.** The credit provided by this section may not
28 be claimed for calendar years beginning on or after January 1,
29 2019.

30
31 **Sec. NNN-5. 36 MRSA §5219-W is enacted to read:**

32
33 **§5219-W. Pine Tree Development Zone tax credit**

34
35 **1. Credit allowed.** Except as provided by subsection 2, a
36 taxpayer that is a qualified Pine Tree Development Zone business
37 as defined in Title 30-A, section 5246, subsection 17 is allowed
38 a credit in the amount of:

39
40 A. One hundred percent of the tax that would otherwise be
41 due under this Part for each of the first 5 taxable years
42 that the taxpayer is required to file a return pursuant to
43 this Part beginning after the taxpayer commences its
44 qualified business activity, as defined in Title 30-A,
45 section 5246, subsection 16; and

46
47 B. Fifty percent of the tax that would otherwise be due
48 under this Part for each of the taxable years beginning with
49 the 6th taxable year and ending with the 10th taxable year
50

2 that the taxpayer is required to file a return pursuant to
3 this Part after the taxpayer commences its qualified
4 business activity, as defined in Title 30-A, section 5246,
5 subsection 16.

6 **2. Apportioned credit in certain circumstances.** In the
7 case of a qualified Pine Tree Development Zone business, as
8 defined in Title 30-A, section 5246, subsection 17, that has a
9 business presence in the State other than that conducted within a
10 Pine Tree Development Zone, as defined by Title 30-A, section
11 5246, subsection 13, including, but not limited to, a qualified
12 Pine Tree Development Zone business that is required to file a
13 combined report pursuant to section 5220, subsections 5 and 6,
14 the Maine income tax liability of the qualified Pine Tree
15 Development Zone business, and the affiliated members of its
16 unitary group, if any, upon which the credit provided for in this
17 section must be calculated based upon a pro forma determination.
18 The pro forma determination must be based on the assumptions that
19 all of the business activities conducted by the qualified Pine
20 Tree Development Zone business and the affiliated members of its
21 unitary group, if any, within this State constitute a unitary
22 business and that only the qualified business activity conducted
23 in the Pine Tree Development Zone is subject to tax imposed by
24 this chapter. The portion of the tax liability of the qualified
25 Pine Tree Development Zone business and the affiliated members of
26 its unitary group, if any, related to the business activity
27 conducted in the Pine Tree Development Zone must be determined by
28 use of a percentage, the numerator of which is the property value
29 and the payroll for the taxable year directly attributed to the
30 qualified business activity of the business and the denominator
31 of which is the statewide property value and payroll for the
32 taxable year of the qualified business and the members of its
33 unitary group.

34 **3. Sole proprietors and owners of pass-through entities.**
35 In the case of a sole proprietor or the owner of a partnership,
36 limited liability company, S corporation, trust or other entity
37 that is treated as a pass-through entity for income tax purposes
38 under the Code, the amount of the credit allowed under subsection
39 1 is the amount of tax otherwise due under this Part that relates
40 to taxable income received by the sole proprietor or owner from
41 the qualified business as apportioned.

42 **4. Limitation.** The credit provided by this section may not
43 be claimed for tax years beginning on or after January 1, 2019.

44 **Sec. NNN-6. 36 MRSA §6754, sub-§1, ¶D is enacted to read:**

45 **D.** For qualified Pine Tree Development Zone employees, as
46 defined in Title 30-A, section 5246, subsection 18, employed

2 directly in the qualified business activity of a qualified
3 Pine Tree Development Zone business, as defined in Title
4 30-A, section 5246, subsection 17, for whom a certificate of
5 qualification has been issued in accordance with Title 30-A,
6 section 5250-B, the reimbursement under this subsection is
7 equal to 80% of the withholding taxes withheld each year for
8 which reimbursement is requested and attributed to those
9 qualified employees for a period of no more than 10 years.
10 In no event may reimbursement under this subsection be paid
11 for years beginning after December 31, 2018.

12 **Sec. NNN-7. Administrative costs to be absorbed.** The Department
13 of Administrative and Financial Services, Bureau of Revenue
14 Services shall absorb within existing resources any
15 administrative costs involved in the implementation of this Part.

16 **Sec. NNN-8. Application.** That section of this Part that
17 enacts the Maine Revised Statutes, Title 36, section 2529 applies
18 to calendar years beginning on or after January 1, 2004. That
19 section of this Part that enacts Title 36, section 5219-W applies
20 to tax years beginning on or after January 1, 2004. That section
21 of this Part that enacts Title 36, section 6754, subsection 1,
22 paragraph D applies to withholding taxes withheld by a qualified
23 Pine Tree Development Zone business on or after January 1, 2004.

24 **Emergency clause.** In view of the emergency cited in the
25 preamble, this Act takes effect when approved, except as
26 otherwise indicated.'

30

SUMMARY

32

This bill does the following.

34

PART A

36

Part A makes supplemental appropriations and allocations.

38

40

PART B

42 Part B makes supplemental appropriations and allocations for
43 approved reclassifications and range changes.

44

PART C

46

47 Part C adjusts appropriations and allocations to achieve
48 General Fund savings.

50

PART D

Part D adjusts appropriations and allocations in fiscal year 2002-03.

PART E

Part E does the following.

1. It repeals provisions of the law that delayed the increase in the seed capital investment tax credit.
2. It repeals provisions of the law that delayed conformity with the federal tax code as it relates to income from school construction bonds and exempt facility bonds used to provide qualified public educational facilities.
3. It amends the law to specify that the 2003 Maine Tax Amnesty Program applies to tax liabilities delinquent as of August 31, 2003.
4. It amends the law to extend the filing period for the 2003 Maine Tax Amnesty Program by one month.
5. It authorizes the Department of Administrative and Financial Services to be reimbursed from the Salary Plan program for the costs of contract resolution, administration, implementation and other costs required by the process of collective bargaining and negotiation procedures.
6. It provides for the calculation and transfer of statewide savings in the General Fund in the cost of dental insurance for fiscal year 2004-05 that are identified in Part C, section 1.
7. It transfers \$400,000 from the Bureau of Alcoholic Beverages Internal Service Fund account in the Department of Administrative and Financial Services to the unappropriated surplus of the General Fund no later than June 30, 2005. It returns the working capital advance no longer required due to the proposed closure of the remaining 13 state liquor stores.
8. It authorizes the Commissioner of Administrative and Financial Services to advance the schedule of issuance of one or more additional instant ticket lottery games.
9. It transfers \$57,500 in fiscal year 2003-04 and \$57,500 in fiscal year 2004-05 from the Real Property Lease Internal Service Fund account to the unappropriated surplus of the General Fund no later than June 30th of each fiscal year to reflect savings as a result of the renegotiation of leases.

2 10. It authorizes the Commissioner of Administrative and
4 Financial Services to offer a retirement incentive program to
6 employees who are eligible to retire and who have reached their
normal retirement age.

8 11. It provides lease-purchase authorization for the
acquisition of motor vehicles for the Maine State Police.

10 12. It authorizes the Commissioner of Administrative and
12 Financial Services to submit legislation to the Second Regular
14 Session of the 121st Legislature to address restructuring of
State Government agencies, consolidation of services and other
efficiencies in order to achieve cost savings.

16 13. It authorizes the judicial branch of government to
18 replace savings achieved as a result of merit increases not being
awarded in fiscal year 2004-05 with other Personal Services by
20 agreement of the State and the bargaining agents representing
state employees.

22 14. It lapses \$150,000 from the General Fund Salary Plan
24 account in the Department of Administrative and Financial
Services to General Fund unappropriated surplus in fiscal year
26 2003-04.

28 PART F

30 Part F does the following.

32 1. It establishes internal control standards for all state
agencies and departments.

34 2. It provides that legislatively created public
36 instrumentalities and related organizations for which the State
is financially accountable or that have a significant
38 relationship with the State must comply with fiscal reporting
policies established by the State Controller if not already doing
40 so. It also specifies that those public instrumentalities and
related organizations that must comply with OMB Budget Circulars
42 or other accounting, auditing and reporting requirements may
submit that information to the State Controller to satisfy these
44 requirements.

46 3. It establishes June 30, 2004 as the date by which
agencies and departments must be in compliance with the internal
48 control standards.

4. It provides lease-purchase authorization for the Bureau of Information Services to acquire hardware, software and systems to support the operations of State Government.

PART G

Part G amends the law to require that funds received in reimbursement in the meat and poultry inspection program be credited to the General Fund.

PART H

Part H provides funds to delay for one year the \$3 per patient day copay for federally qualified health center (FQHC) MaineCare Services enacted in Public Law 2003, chapter 20.

PART I

Part I transfers funds from the Statewide Single Audit - Set Aside, Other Special Revenue Funds account in the Department of Audit to the unappropriated surplus of the General Fund in fiscal year 2003-04 and fiscal year 2004-05.

PART J

Part J does the following.

1. It requires the Department of Behavioral and Developmental Services to seek reimbursement of expenditures under Medicaid Title XIX for targeted case management.

2. It requires the Department of Behavioral and Developmental Services to deposit \$2,438,117 recovered from audit recoveries and contract settlements with providers to the General Fund in fiscal year 2003-04.

3. It authorizes the Department of Behavioral and Developmental Services by financial order to transfer up to 8 vacant positions and existing funding from General Fund appropriations to establish 8 Mental Health and Mental Retardation Caseworker positions.

4. It adds an appropriation to restore \$800,000 to children's mental health services.

PART K

Part K does the following.

1. It amends provisions of the law relating to the accreditation of state correctional institutions.

2. It creates the Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners.

3. It appropriates funds to support the Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners.

PART L

Part L repeals the provisions of law that renamed the Department of Economic and Community Development.

PART M

Part M does the following.

1. It amends the law to allow for the implementation of merit increases in fiscal year 2004-05.

2. It repeals that portion of Public Law 2003, chapter 20 that provided for statewide deappropriations to offset a revenue rejection.

PART N

Part N does the following.

1. It establishes the Blaine House Renovations and Repairs Fund in the Executive Department.

2. It lapses \$4,094 of unencumbered balance forward to the General Fund in fiscal year 2003-04 in the Planning Office - Smart Growth Initiative General Fund account in the Executive Department.

3. It lapses \$47,441 of unencumbered balance forward to the General Fund in fiscal year 2003-04 in the Land for Maine's Future General Fund account in the Executive Department.

PART O

Part O does the following.

1. It amends the law to expand the Occupational Safety Loan Program to allow interest rate subsidies to businesses receiving loans for workplace safety improvements.

2. It transfers \$401,209 from the Occupational Safety Loan Program in the Finance Authority of Maine to the unappropriated surplus of the General Fund in fiscal year 2003-04.

PART P

Part P does the following.

1. It authorizes the Department of Human Services to create a preferred drug list for the Low-cost Drugs for Maine's Elderly program.

2. It repeals a mail order prescription drug provision that was contained in Public Law 2003, chapter 20.

3. It establishes the Youth in Need of Services Program within the Department of Human Services and requires that all funding be distributed equally among the Bangor, Lewiston and Portland programs.

4. It amends Public Law 2003, chapter 51, Part H to specify that the intergovernmental transfer from the City of Portland must be at least \$2,492,618 in fiscal year 2003-04 and \$2,544,709 in fiscal year 2004-05.

5. It requires that municipally funded hospitals in Dover-Foxcroft and Caribou transfer a combined total of \$2,590,000 in fiscal year 2003-04 and \$2,630,000 in fiscal year 2004-05 to the State as undedicated General Fund revenue through an intergovernmental transfer.

6. It renames the "Youth in Needs of Services Pilot" the "Youth in Need of Services Program" and provides that all funds appropriated or allocated to this program be distributed equally among the Bangor, Lewiston and Portland programs.

7. It requires the Department of Human Services to deposit \$1,134,035 of reimbursements under Title XXI of the United States Social Security Act in the General Fund.

8. It requires emergency rulemaking to adopt MaineCare hospital payment standards.

9. It lapses \$100,000 of encumbered balance forward in the Bureau of Medical Services, General Fund account in the Department of Human Services to the General Fund in fiscal year 2002-03.

10. It disencumbers and lapses \$500,000 of encumbered
balances carried forward in the Department of Human Services
accounts to the General Fund in fiscal year 2002-03.

11. It requires the Department of Human Services to seek
reimbursement of expenditures under Medicaid Title XIX for
targeted case management.

PART Q

Part Q does the following.

1. It transfers funds from the Safety Education and
Training Fund, Other Special Revenue Funds account in the
Department of Labor to the unappropriated surplus of the General
Fund in fiscal year 2003-04 and fiscal year 2004-05.

2. It transfers funds from the Blind and Visually Impaired,
Other Special Revenue Funds account in the Department of Labor to
the unappropriated surplus of the General Fund in fiscal year
2003-04 and fiscal year 2004-05.

PART R

Part R does the following.

1. It amends the law to allow for the implementation of
merit increases in fiscal year 2004-05 for the legislative branch.

2. It lapses \$13,032 from the Commission on Interstate
Cooperation account in the Legislature to the General Fund in
fiscal year 2003-04.

3. It lapses \$8,833 from the Commission on Uniform State
Laws account in the Legislature to the General Fund in fiscal
year 2003-04.

4. It lapses \$215,000 from the Legislative General Fund
account to the General Fund in fiscal year 2003-04.

5. It lapses \$17,223 from the Office of Program Evaluation
and Government Accountability account to the General Fund in
fiscal year 2003-04.

PART S

Part S does the following.

1. It amends the law relating to the type of organizations the Department of Public Safety, State Bureau of Identification may charge fees to for criminal history record checks.

2. It authorizes the Commissioner of Public Safety to increase the number of speed enforcement details using aircraft.

PART T

Part T amends the law to provide for the transition of functions previously performed by the Bureau of Liquor Enforcement in the Department of Public Safety.

PART U

Part U does the following.

1. It establishes the Help America Vote Act of 2002 Other Special Revenue Funds account in the Department of the Secretary of State as a nonlapsing account and dedicates all interest earned on fund balances to the fund.

2. It authorizes the State Controller to transfer \$100,000 of unencumbered balance forward in fiscal year 2003-04 in the Bureau of Corporations, Elections and Commissions, General Fund account in the Department of the Secretary of State to the Help America Vote Act of 2002, Other Special Revenue Funds account.

3. It establishes the Help America Vote Act of 2002 Federal Expenditures Fund account in the Department of the Secretary of State and allows all interest earned on funds in the account to accrue to the account.

PART V

Part V extends the temporary terms of the Acting Commissioner of the Department of Behavioral and Developmental Services, the Acting Commissioner of the Department of Human Services and the Acting Commissioner of the Department of Economic and Community Development.

PART W

Part W requires the Department of Human Services to continue to fund the 5 Healthy Community Coalitions funded under the Bureau of Health sustainability grant program through fiscal year 2003-04.

PART X

Part X does the following.

1. It changes the name of the Maine Rainy Day Fund to the Maine Budget Stabilization Fund and increases the amount of the limit from 6% of General Fund revenue of the immediately preceding fiscal year to 10%.

2. It changes the year-end distributions from the unappropriated surplus of the General Fund. Thirty-two percent of the unappropriated surplus would be transferred to the Budget Stabilization Fund, 32% to the Retirement Allowance Fund and 16% to the Reserve for General Fund Operating Capital.

3. It places restrictions on the amount of General Fund appropriations that may be requested by state departments and agencies and on the amount of the total General Fund budget to be submitted by the Governor. The Governor may exceed the limit by the amount of the additional costs or lost federal revenue from certain exceptional circumstances.

4. It requires the Joint Standing Committee on Appropriations and Financial Affairs to review the need for and funding of special purpose funds, including, but not limited to, a capital improvement fund.

PART Y

Part Y amends the Department of Human Services Fund for a Healthy Maine allocations and University of Maine System Other Special Revenue Funds allocations in Public Law 2003, chapter 20, Part A.

PART Z

Part Z authorizes the Chancellor of the University of Maine System and any insurance company or 3rd-party administrator insuring or administering the university employee health insurance program to negotiate agreements with hospitals to reduce expenses incurred by the university's plan.

PART AA

Part AA provides a sales tax exemption for nonprofit organizations that provide food and lodging for family members of patients in hospitals.

PART BB

Part BB transfers \$180,000 from the IV-D Cooperative Agreement, Other Special Revenue Funds account in the Judicial Department to the General Fund in fiscal year 2003-04.

PART CC

Part CC does the following.

1. It authorizes the Bureau of Resource Management, General Fund account in the Department of Marine Resources to carry forward \$90,000 in All Other funds to fiscal year 2003-04 to be used for the purposes originally intended.

2. It authorizes the Bureau of Marine Patrol, General Fund account in the Department of Marine Resources to carry forward \$58,000 in Capital Expenditures to fiscal year 2003-04 to be used for the purposes originally intended.

3. It authorizes the Division of Community Resource Development, General Fund account in the Department of Marine Resources to carry forward \$8,000 in All Other funds to fiscal year 2003-04 to be used for the purposes originally intended.

4. It authorizes the Division of Administrative Services, General Fund account in the Department of Marine Resources to carry forward \$80,000 in All Other funds and \$59,908 in Capital Expenditures funds to fiscal year 2003-04 to be used for the purposes originally intended.

PART DD

Part DD amends provisions concerning the Treasurer of State's limitations on the deposit of state funds.

PART EE

Part EE authorizes the Governor to accept public assistance grant funds from the Federal Government for the Federal Emergency Management Agency's disaster declaration concerning 10 Maine counties and related to extreme winter conditions.

PART FF

Part FF does the following.

1. It transfers \$12,500 annually in fiscal years 2003-04 and 2004-05 from the Hazardous Waste Fund Other Special Revenue Funds account in the Department of Environmental Protection to the General Fund.

2. It transfers \$17,995 annually in fiscal year 2003-04 and 2004-05 from the Groundwater Oil Clean-up Fund Other Special Revenue Funds account in the Department of Environmental Protection to the General Fund.

3. It transfers \$59,877 in fiscal year 2003-04 and \$58,049 in fiscal year 2004-05 from the Maine Environmental Protection Fund Other Special Revenue Funds account in the Department of Environmental Protection to the General Fund.

4. It transfers \$2,500 annually in fiscal years 2003-04 and 2004-05 from the State Revolving Fund Other Special Revenue Funds account in the Department of Environmental Protection to the General Fund.

PART GG

Part GG amends certain retirement provisions concerning the liquor inspector or chief inspector positions laid off pursuant to public law.

PART HH

Part HH expands the 6-year statute of limitations on assessments under the tax laws to remove the requirement that the liability be attributable to information not reported by the taxpayer and to change the standard for determining the 50% threshold.

PART II

Part II delays conformity with the federal tax code with regard to the deduction of interest paid on certain student loans after 60 months after the start of the loan repayment period.

PART JJ

Part JJ delays the first year of availability of the credits under the income tax and the insurance premium tax for contributions to qualified scholarship organizations and for certain employer payments of student loans of employees.

PART KK

Part KK repeals a delay in federal tax conformity for the education of interest earned and distributed from section 529 qualified tuition programs other than the section 529 program authorized by Maine law.

PART LL

2 Part LL adjusts appropriations and allocations related to
the Maine Space Grant Consortium.

4
6 **PART MM**

8 Part MM transfers \$300,000 from the Fund for a Healthy Maine
to the General Fund in fiscal year 2003-04.

10 **PART NN**

12 Part NN raises the tax-exempt borrowing authority of the
University of Maine System from \$150,000,000 to \$170,000,000.

14 **PART OO**

16 Part OO increases the State's contribution for retired
18 teachers' health insurance from 35% to 40% effective August 1,
2003.

20 **PART PP**

22 Part PP transfers \$50,000 each year in fiscal year 2003-04
24 and fiscal year 2004-05 from the Job Retention Program Other
Special Revenue Funds account to the Administration - Economic
26 and Community Development Other Special Revenue Funds account to
provide funds to the Millinocket Area Growth and Investment
28 Council for economic development in the Katahdin region.

30 **PART QQ**

32 Part QQ requires the Department of Human Services to receive
authorization from the Legislature before reducing TANF and
34 Parents as Scholars benefit levels during the 2004-2005 biennium.

36 **PART RR**

38 Part RR clarifies that \$450,000 of funds allocated from the
Fund for a Healthy Maine to the FHM - Medical Care account must
40 be used by the Department of Human Services to purchase vaccines
for adults and other purposes as defined in Public Law 1999,
42 chapter 731, Part UU.

44 **PART SS**

46 Part SS does the following.

48 1. It establishes an assessment to be levied on those towns
and plantations within the Land Use Regulation Commission's
50 jurisdiction that elect not to administer land use controls. The

assessment is equal to 0.01% of the most recent equalized state valuation for each town and plantation.

2. It appropriates funds for one Environmental Specialist II position for the Land Use Regulation Commission.

PART TT

Part TT establishes the Epinephrine Training Fund as an Other Special Revenue Funds account within the Department of Public Safety that may accept private and public contribution and provides a base allocation to authorize expenditures of these private and public contributions.

PART UU

Part UU establishes the Maine Economic Improvement Fund as a separate program within the University of Maine System and transfers funds from the Educational and General Activities - UMS program.

PART VV

Part VV requires the Department of Human Services to implement rulemaking to cap the monthly hours of housekeeping assistance for Level I consumers in its home-based care program with the savings to be used to serve individuals on the home-based care waiting list.

PART WW

Part WW amends the provisions of Public Law 2003, chapter 20 that related to the suspension of merit increases funded by the General Fund and Other Special Revenue Funds to account for adjustments to appropriations and allocations made in this bill.

PART XX

Part XX clarifies that any savings measures implemented by the Department of Human Services in fiscal year 2003-04 that change retail pharmacy dispensing fees or pharmaceutical reimbursement are temporary in nature and remain in effect only until a permanent savings measure or measures can be implemented.

PART YY

Part YY authorizes the Maine Governmental Facilities Authority to issue securities in an amount of \$1,750,000 for architectural and engineering studies for courthouse facilities and for replacements of or improvements to technology-related

2 projects at the judicial branch violations bureau and also
adjusts appropriations within the Judicial Department to provide
4 for the debt service costs.

6 **PART ZZ**

Part ZZ partially restores funding of MaineCare adult
8 transportation through transfers from departmentwide savings
within the Department of Human Services.

10 **PART AAA**

12 Part AAA restores \$5,575,000 of General Fund reductions from
14 children's mental health services in fiscal year 2003-04 to bring
service funding back up to the fiscal year 2002-03 level.

16 **PART BBB**

18 Part BBB provides \$1,000,000 to the University of Maine
20 System to reduce in-state tuition in fiscal year 2003-04.

22 **PART CCC**

24 Part CCC provides funds to postpone for one year the
increase in MaineCare premiums established in Public Law 2003,
26 chapter 20 for children in families with income levels between
151% and 200% of the federal poverty level.

28 **PART DDD**

30 Part DDD provides funds for merit increases in fiscal year
32 2004-05 for the Maine Community College System.

34 **PART EEE**

36 Part EEE restores the headcount for 6 Assistant District
Attorney positions eliminated in Public Law 2003, chapter 20 and
38 adjusts funding within the Department of the Attorney General.

40 **PART FFF**

42 Part FFF makes adjustments to fiscal year 2002-03
allocations from the Fund for a Healthy Maine for collective
44 bargaining costs.

46 **PART GGG**

48 Part GGG adjusts allocations of Other Special Revenue funds
within the Department of the Secretary of State.

50

PART HHH

Part HHH does the following.

1. It repeals the authorization to increase Inland Fisheries and Wildlife fees by an inflation adjustment that was enacted in Public Law 2003, chapter 20.

2. It increases the supersport fee from \$15 to \$20.

3. It makes adjustments to appropriations and allocations to the Department of Inland Fisheries and Wildlife.

PART III

Part III adjusts appropriations and allocations for the Department of Economic Development and for the Department of the Secretary of State.

PART JJJ

Part JJJ does the following.

1. It repeals a provision enacted by the 120th Legislature that would have set aside the fiscal year 2002-03 savings from an increase in the federal medical assistance percentage in the Maine Rainy Day Fund.

2. It establishes the Federal Relief Funds Reserve, a General Fund reserve account to set aside savings resulting from recent federal fiscal relief.

3. It requires the State Controller to shift eligible General Fund expenditures to the flexible federal fiscal relief grants to create savings in the General Fund.

4. It transfers \$26,687,473 from the General Fund to the Federal Relief Funds Reserve in fiscal year 2003-04.

5. It requires the State Controller in consultation with the Revenue Forecasting Committee to calculate the amount of additional General Fund revenue from MaineCare reimbursement that is generated by the increase in the federal medical assistance percentage contained in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27. The calculated amount must be deposited in the Federal Relief Funds Reserve established in section 2 of this Part. The State Controller shall provide to the Revenue Forecasting Committee a report of the amount of revenue to be deposited in the Federal Relief Funds Reserve no later than December 1, 2003.

6. It adjusts appropriations and allocations to reflect the impact on Medicaid program expenditures as a result of the increase in the federal medical assistance percentage contained in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.

PART KKK

Part KKK does the following.

1. It eliminates language that allows the Office of Program Evaluation and Government Accountability to examine expenditures by public officials and private money for agency purposes.

2. It requires a majority vote of the Oversight Committee to issue a subpoena.

3. It requires the Commissioner of Administrative and Financial Services to provide office space to the office at no charge.

4. It repeals a provision requiring state agency information to be available to the office and establishes a new section clarifying that information available to the office is governed by the Maine Revised Statutes, Title 1, chapter 13 and Title 3, chapter 21.

5. It requires the Oversight Committee to review and identify the confidential information needed for the office and to submit these findings and recommendations to the Second Regular Session of the 121st Legislature.

6. It provides funding for the office at \$300,000 each year in fiscal year 2003-04 and fiscal year 2004-05.

PART LLL

Part LLL does the following.

1. It requires that any savings that would otherwise accrue to Department of Behavioral and Developmental Services Medicaid seed accounts in fiscal year 2002-03 as a result of the federal medical assistance percentage included in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 be retained by the Department of Human Services and used to support a portion of the anticipated shortfall in the Medical Care - Payments to Providers account in fiscal year 2002-03.

2. It requires that any savings that would otherwise accrue to the Department of Human Services, Nursing Facility account in fiscal year 2002-03 as a result of the federal medical assistance percentage increase included in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27 be retained by the Department of Human Services and used to support a portion of the anticipated shortfall in the Medical Care - Payments to Providers account in fiscal year 2002-03.

3. It provides for the transfer by financial order upon approval of the Governor of the amount of departmentwide savings that applies against each General Fund account within the Department of Human Services.

4. It adjusts appropriations and allocations for fiscal year 2002-03.

PART MMM

Part MMM does the following.

1. It establishes the Microenterprise Initiative Fund Program Review and requires the Department of Economic and Community Development to maintain accurate accounting of the use of all program funds, undertake an ongoing evaluation process of the projects undertaken with the program funds, assess the direct and indirect economic impacts of the funded projects and the contribution of the fund in creating new entrepreneurial opportunities and report to the joint standing committee of the Legislature having jurisdiction over business, research and economic development matters by January 15th of each year.

2. It also provides one-time funds in fiscal year 2003-04 for the Maine Microenterprise Initiative Fund for grants to community-based organizations. The funds will be made available through the flexible funds provided in the federal Jobs and Growth Tax Relief Reconciliation Act of 2003, Public Law 108-27.

PART NNN

Part NNN establishes the Pine Tree Development Zone program within the Department of Economic and Community Development and authorizes qualified businesses in the manufacturing, target technology and financial services sectors to receive certain specified benefits as a result of their operations established or expended within the zones. The sales tax exemptions apply to sales made on or after July 1, 2005. It provides for the application of income tax credits and employment tax increment financing benefits on or after January 1, 2004.

FISCAL NOTE REQUIRED
(See attached)



**121st Maine Legislature
Office of Fiscal and Program Review**

LD 1614

**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 for the
Fiscal Years Ending June 30, 2003, June 30, 2004 and June 30, 2005**

LR 1999(02)

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

FISCAL NOTE

APPROPRIATIONS AND ALLOCATIONS

	2002-03	2003-04	2004-05
GENERAL FUND			
PART A, Section A-1		746,197	309,822
PART B, Section B-1			
PART C, Section C-1		(7,447,676)	(8,571,206)
PART D, Section D-1	464,035		
PART H, Section H-2		72,000	
PART J, Section J-4		800,000	
PART K, Section K-20		252,520	
PART M, Section M-2		24,330,049	23,933,097
PART LL, Section LL-1		76,000	(100,000)
PART SS, Section SS-2		53,139	55,526
PART UU, Section UU-1		0	0
PART YY, Section YY-3			(16,625)
PART ZZ, Section ZZ-2		0	0
PART AAA, Section AAA-1		5,575,000	
PART BBB, Section BBB-1		1,000,000	
PART CCC, Section CCC-2		250,000	
PART DDD, Section DDD-1			926,519
PART EEE, Section EEE-1		200,000	(200,000)
PART HHH, Section HHH-3		0	0
PART III, Section III-1			(80,000)
PART JJJ, Section JJJ-7		(69,860,992)	
PART KKK, Section KKK-6		300,000	300,000
PART LLL, Section LLL-4	2,700,000		

PART MMM, Section MMM-2		850,000	
GENERAL FUND TOTAL	3,164,035	(42,803,763)	16,557,133
HIGHWAY FUND			
PART C, Section C-1		(848,925)	(114,264)
HIGHWAY FUND TOTAL	0	(848,925)	(114,264)
FEDERAL EXPENDITURES FUND			
PART A, Section A-1		43,488,173	42,532,040
PART B, Section B-1		192,312	181,268
PART C, Section C-1		9,617,931	12,517,953
PART H, Section H-2		140,139	
PART ZZ, Section ZZ-2		205,502	
PART CCC, Section CCC		750,000	
PART III, Section III-1		500	500
PART JJJ, Section JJJ-7		44,860,992	
PART LLL, Section LLL-4	9,018,445		
FEDERAL EXPENDITURES FUND TOTAL	9,018,445	99,255,549	55,231,761
FUND FOR A HEALTHY MAINE			
PART A, Section A-1		13,090	20,206
PART C, Section C-1		0	0
PART Y, Section Y-1		56,145	56,145
PART FFF, Section FFF-1	1,250		
FUND FOR A HEALTHY MAINE TOTAL	1,250	69,235	76,351
OTHER SPECIAL REVENUE FUNDS			
PART A, Section A-1		11,601,553	12,169,462
PART B, Section B-1		227,666	198,663
PART C, Section C-1		(452,396)	16,443
PART Y, Section Y-1		446,137	455,060
PART LL, Section LL-1		(100,000)	
PART TT, Section TT-2		500	500
PART GGG, Section GGG-1		(95,708)	(96,340)
PART HHH, Section HHH-3		5,000	5,000
OTHER SPECIAL REVENUE FUNDS TOTAL	0	11,632,752	12,748,788
FEDERAL BLOCK GRANT FUND			

PART A, Section A-1		(23,173)	(30,519)
PART B, Section B-1		64,996	79,788
PART C, Section C-1		18,202	69,284
PART D, Section D-1	7,378,267		
PART JJJ, Section JJJ-7		25,000,000	
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FEDERAL BLOCK GRANT			
FUND TOTAL	7,378,267	25,060,025	118,553
HIGHWAY GARAGE FUND			
PART B, Section B-1		0	0
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HIGHWAY GARAGE FUND			
TOTAL	0	0	0
OFFICE OF INFORMATION SERVICES FUND TOTAL			
PART C, Section C-1	0	271,369	220,907
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OFFICE OF INFORMATION SERVICES FUND			
TOTAL	0	271,369	220,907
RISK MANAGEMENT FUND			
PART C, Section C-1		(66,051)	(69,125)
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RISK MANAGEMENT FUND			
TOTAL	0	(66,051)	(69,125)
ACCIDENT, SICKNESS & HEALTH INSURANCE INTERNAL SERVICE FUND			
PART A, Section A-1		61,462	64,797
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ACCIDENT, SICKNESS & HEALTH INSURANCE INTERNAL			
SERVICE FUND TOTAL	0	61,462	64,797
ALCOHOLIC BEVERAGE FUND,			
PART A, Section A-1		(61,462)	(64,797)
PART C, Section C-1			(2,424,740)
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ALCOHOLIC BEVERAGE FUND TOTAL	0	(61,462)	(2,489,537)
PRISON INDUSTRIES FUND			
PART B, Section B-1		3,377	1,458
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PRISON INDUSTRIES FUND TOTAL	0	3,377	1,458

GENERAL FUND UNDEDICATED REVENUE

	2003-04	2004-05	2004-05
PART A, Section A-1-DAFS-Alcoholic Bev		61,462	64,797
PART A, Section A-1-BDS		331,959	324,535
PART C, Section C-1-DAFS		1,057,625	4,465,090
PART E, Section E-1:E-5		(137,075)	(273,733)
PART E, Section E-6:E-7		(43,800)	(60,200)
PART E, Section E-9:E-10		1,900,000	
PART E, Section E-14		300,000	
PART J, Section J-1-BDS		400,000	400,000
PART J, Section J-2-BDS		2,483,117	
PART O, Section O-4		401,209	
PART P, Section P-4		492,618	544,709
PART P, Section P-5		2,590,000	2,630,000
PART P, Section P-7	1,134,035		
PART P, Section P-11		579,638	579,638
PART S, Section S-2		375,000	375,000
PART HH		355,875	474,500
PART II		311,747	264,771
PART JJ			974,211
PART KK, Section KK-1		(15,700)	(13,293)
PART SS, Section SS-1		60,000	60,000
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GENERAL FUND UNDEDICATED REVENUE			
TOTAL	1,134,035	11,503,675	10,810,023

GENERAL FUND TRANSERS/ADJUSTMENTS TO BALANCE

	2003-04	2004-05	2004-05
PART E, Section E-13			400,000
PART E, Section E-15		57,500	57,500
PART E, Section E-20		150,000	
PART I, Section I-1		29,096	28,306
PART M, Section M-1			(581,932)
PART N, Section N-2		4,094	
PART N, Section N-3		47,441	
PART P, Section P-9	100,000		
PART P, Section P-10	500,000		
PART Q, Section Q-1		100,000	100,000
PART Q, Section Q-2		100,000	100,000
PART R, Section R-2		13,032	
PART R, Section R-3		8,833	
PART R, Section R-4		215,000	
PART R, Section R-5		17,223	

PART BB, Section BB-1		180,000	
PART FF, Section FF-1		12,500	12,500
PART FF, Section FF-2		17,995	17,995
PART FF, Section FF-3		59,877	58,049
PART FF, Section FF-4		2,500	2,500
PART MM, Section MM-1		300,000	
PART JJJ, Section JJJ-3	25,000,000		
PART JJJ, Section JJJ-5		(26,687,473)	
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GENERAL FUND TRANSERS/ ADJUSTMENTS			
TO BALANCE TOTAL	25,600,000	(25,372,382)	194,918

FUND FOR A HEALTHY MAINE TRANSERS/ADJUSTMENTS TO BALANCE

PART MM, Section MM-1		(300,000)	
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FUND FOR A HEALTHY MAINE TRANSERS/ ADJUSTMENTS			
TO BALANCE TOTAL	0	(300,000)	0

APPROPRIATIONS COMMITTEE VOTING TALLY SHEET

LD 1614- Part 2 Budget Bill FY 04 - 05

Committee: Joint Standing Committee on Appropriations and Financial Affairs

Date: 6/9/03

Motion: OTP-AM

Motion by: Rep. Brannigan

Seconded by: Sen. Cathcart

Those Voting in Favor of the Motion	Recommendation of those opposed to the Motion					Absent	Abstain
	ONTP	OTP	OTP-AM	New Draft	Re-Refer		

Senators

1. Mary R. Cathcart	<i>MRC</i>						
2. Margaret Rotundo	<i>MR</i>						
3. Karl W. Turner	<i>KWT</i>						

Representatives

1. Joseph P. Brannigan	<i>JPB</i>						
2. Richard H. Mailhot	<i>RHM</i>						
3. Scott W. Cowger	<i>SCW</i>						
4. Benjamin F. Dudley	<i>BFD</i>						
5. Hannah Pingree	<i>HMP</i>						
6. Sean Faircloth	<i>SFP</i>						
7. Richard W. Rosen	<i>RWR</i>						
8. S. Peter Mills	<i>SPM</i>						
9. Julie Ann O'Brien	<i>JOA</i>						
10. H. Sawin Millett, Jr.	<i>HSJ</i>						

HOUSE REPORT

THE COMMITTEE ON Appropriations and Financial Affairs

to which was referred the following:

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 for the Fiscal Years Ending June 30, 2003, June 30, 2004 and June 30, 2005

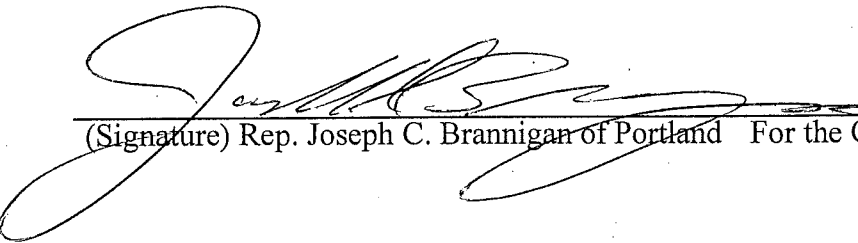
(EMERGENCY)

H.P. 1190

L.D. 1614

has had the same under consideration, and asks leave to report that the same

Ought to Pass as Amended by Committee Amendment “ ”



(Signature) Rep. Joseph C. Brannigan of Portland For the Committee

(Type)
Rep. of (Town) and/or Sen. of (County)

(Signatures)

HOUSE REPORT