

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

**'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'**

Amend the bill by striking out everything after the title and before the summary and inserting the following:

**'Mandate preamble.** This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, 2/3 of all of the members elected to each House have determined it necessary to enact this measure.

**Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the 90-day period may not terminate until after the beginning of the next fiscal year; and

**Whereas,** certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

**Be it enacted by the People of the State of Maine as follows:**

**PART A**

**Sec. .**

**PART B**

**Sec. .**

**PART C**

**Sec. C-1. 20-A MRSA §5401, sub-§3-A** is enacted to read:

**3-A. Waiver for transportation of public preschool students.** The commissioner shall waive the requirement for school administrative units to provide transportation for public preschool students.

**Sec. C-2. 20-A MRSA §5806, sub-§2,** as amended by PL 2007, c. 539, Pt. C, §2, is further amended to read:

**2. Maximum allowable tuition.** The maximum allowable tuition charged to a school administrative unit by a private school is the rate established under subsection 1 or the state average per public secondary student cost as adjusted, whichever is lower, plus an insured value factor. The insured value factor is computed by dividing 5% of the insured value of school buildings and equipment by the average number of pupils enrolled in the school on October 1st and April 1st of the year immediately before the school year for which the tuition charge is computed. ~~It may not exceed 10% of a school's legal tuition rate per student in any one year.~~ For the 2008-09 school year only, a school administrative unit is not required to pay an insured value factor greater than 5% of the school's tuition rate per student, unless the legislative body of the school administrative unit votes to authorize its school board to pay a higher insured value factor that is no greater than 10% of the school's tuition rate per student. Beginning in school year 2009-10, a school administrative unit is not required to pay an insured value factor greater than 5% of the school's tuition rate or \$500 per student, whichever is less, unless the legislative body of the school administrative unit votes to authorize its school board to pay a higher insured value factor that is no greater than 10% of the school's tuition rate per student.

**Sec. C-3. 20-A MRSA §15671, sub-§7, ¶A,** as amended by PL 2007, c. 539, Pt. C, §3, is further amended to read:

A. The base total calculated pursuant to section 15683, subsection 2 is subject to the following annual targets.

- (1) For fiscal year 2005-06, the target is 84%.
- (2) For fiscal year 2006-07, the target is 90%.
- (3) For fiscal year 2007-08, the target is 95%.
- (4) For fiscal year 2008-09, the target is 97%.
- (5) For fiscal year 2009-10 and succeeding years, the target is ~~100%~~97%.
- (6) For fiscal year 2010-11 and succeeding years, the target is 100%.

**Sec. C-4. 20-A MRSA §15671, sub-§7, ¶B,** as amended by PL 2007, c. 539, Pt. C, §4, is further amended to read:

B. The annual targets for the state share percentage of the statewide adjusted total cost of the components of essential programs and services are as follows.

- (1) For fiscal year 2005-06, the target is 52.6%.
- (2) For fiscal year 2006-07, the target is 53.86%.
- (3) For fiscal year 2007-08, the target is 53.51%.
- (4) For fiscal year 2008-09, the target is ~~54.01%~~52.52%.
- (5) For fiscal year 2009-10 ~~and succeeding years~~, the target is ~~55%~~50.95%.
- (6) For fiscal year 2010-11 and succeeding years, the target is 55%.

**Sec. C-5. 20-A MRSA §15671-A, sub-§2, ¶B**, as amended by PL 2007, c. 668, §34, is further amended to read:

B. For property tax years beginning on or after April 1, 2005, the commissioner shall calculate the full-value education mill rate that is required to raise the statewide total local share. The full-value education mill rate is calculated for each fiscal year by dividing the applicable statewide total local share by the applicable statewide valuation. The full-value education mill rate must decline over the period from fiscal year 2005-06 to fiscal year 2008-09 and may not exceed 9.0 mills in fiscal year 2005-06 and may not exceed 8.0 mills in fiscal year 2008-09. The full-value education mill rate must be applied according to section 15688, subsection 3-A, paragraph A to determine a municipality's local cost share expectation. Full-value education mill rates must be derived according to the following schedule.

- (1) For the 2005 property tax year, the full-value education mill rate is the amount necessary to result in a 47.4% statewide total local share in fiscal year 2005-06.
- (2) For the 2006 property tax year, the full-value education mill rate is the amount necessary to result in a 46.14% statewide total local share in fiscal year 2006-07.
- (3) For the 2007 property tax year, the full-value education mill rate is the amount necessary to result in a 45.56% statewide total local share in fiscal year 2007-08.
- (4) For the 2008 property tax year, the full-value education mill rate is the amount necessary to result in a 45.99% statewide total local share in fiscal year 2008-09.

(4-A) For the 2009 property tax year ~~and subsequent tax years~~, the full-value education mill rate is the amount necessary to result in a ~~45.0%~~49.05% statewide total local share in fiscal year 2009-10 ~~and after~~.

(4-B) For the 2010 property tax year and subsequent tax years, the full-value education mill rate is the amount necessary to result in a 45.0% statewide total local share in fiscal year 2010-11 and after.

**Sec. C-6. 20-A MRSA §15682**, as amended by PL 2005, c. 519, Pt. AAAA, §9, is further amended to read:

**§ 15682.Regional adjustment**

The commissioner shall make a regional adjustment in the total operating allocation for each school administrative unit determined pursuant to section 15683. The regional adjustment must be based on the regional differences in teacher salary costs ~~within~~for labor market areas ~~in the State in which the school administrative unit is located~~, as computed by a statewide education policy research institute, and must be applied only to appropriate teacher salary and benefits costs as calculated under section 15678 and salary and benefit costs of other school-level staff who are not teachers as calculated under section 15679.

**Sec. C-7. 20-A MRSA §15683-A**, as amended by PL 2007, c. 539, Pt. C, §9, is further amended to read:

**§ 15683-A.Total debt service allocation**

For each school administrative unit, that unit's total debt service allocation is that unit's debt service costs as defined in section 15672, subsection 2-A. For the 2008-09 and 2009-10 funding years only, for each school administrative unit, that unit's total debt service allocation is that unit's debt service costs as defined in section 15672, subsection 2-A excluding 80% of the insured value factor pursuant to section 15672, subsection 2-A, paragraph C. For the 2010-11 funding year only, each school administrative unit's total debt service allocation must include the portion of the tuition cost applicable to the insured value factor for the base year computed under section 5806 limited to an insured value factor no greater than 5% for each eligible student.

**Sec. C-8. 20-A MRSA §15689, sub-§1, ¶B**, as amended by PL 2007, c. 539, Pt. C, §10, is further amended to read:

B. The school administrative unit's special education costs as calculated pursuant to section 15681-A, subsection 2 multiplied by the following transition percentages:

(1) In fiscal year 2005-06, 84%;

(2) In fiscal year 2006-07, 84%;

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'  
(3) In fiscal year 2007-08, 84%;

(4) In fiscal year 2008-09, ~~50%~~45%; and

(5) In fiscal year 2009-10 ~~and succeeding years, 84%-45%~~; and

(6) In fiscal year 2010-11 and succeeding years, 84%.

**Sec. C-9. 20-A MRSA §15689, sub-§10** is enacted to read:

**10. Innovative school construction project adjustment.** For any fiscal year, if the appropriation for the state share of debt service exceeds the annual payments, the commissioner may expend and disburse the balance of funds to carry out the purposes of innovative school construction.

**Sec. C-10. 20-A MRSA §15689-A, sub-§10**, as amended by PL 2007, c. 539, Pt. W, §1, is further amended to read:

**10. Data management and support services for essential programs and services.** The commissioner may pay costs attributed to system maintenance and staff support consisting of 11 positions that provide professional and administrative support to general purpose aid for local schools necessary to implement the requirements of the Essential Programs and Services Funding Act. A transfer of All Other funds from the General Purpose Aid for Local Schools account to Personal Services in the Management Information Systems account for 11 positions that provide professional and administrative support to general purpose aid for local schools in the department's management information systems program may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

**Sec. C-11. 20-A MRSA §15689-A, sub-§12-A**, as amended by PL 2007, c. 539, Pt. C, §11, is further amended to read:

**12-A. Learning through technology.** The commissioner may pay costs attributed to staff support consisting of one Education Team and Policy Director position, 2 Education Specialist III positions, one Planning and Research Associate I position, one Director of Special Projects position and 2 Education Specialist II positions and system maintenance for a program that promotes learning through technology. ~~A transfer of All Other funds from the General Purpose Aid for Local Schools account to Personal Services and the All Other line categoriescategory in the Learning Through Technology General Fund nonlapsing account sufficient to support the Personal Services and All Other costs of one Education Team and Policy Director position, 2 Education Specialist III positions, one Planning and Research Associate I position, one Director of Special Projects position, one Education Specialist II position, the General Fund share of one Education Specialist II position and the agreement that provides one-to-one wireless computers for 7th grade, 8th grade and high school students and educators may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.~~

**Sec. C-12. 20-A MRSA §15689-A, sub-§16**, as enacted by PL 2007, c. 539, Pt. C, §12, is amended to read:

**16. Transportation administration.** The commissioner may pay costs attributed to staff support one Education Specialist III position and system maintenance necessary to implement the transportation requirements of this chapter and chapter 215. ~~A transfer of All Other funds from the General Purpose Aid for Local Schools account to Personal Services and All Other line categories in the Support Systems General Fund account sufficient to support the Personal Services and All Other costs of one Education Specialist III position may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.~~

**Sec. C-13. 20-A MRSA §15689-A, sub-§18,** as reallocated by RR 2007, c. 2, §6, is amended to read:

**18. Coordination of services for juvenile offenders.** The commissioner may pay certain costs attributed to staff support consisting of 2 Education Specialist II positions and 2 Office Associate II positions and associated operating costs for providing coordination of education, treatment and other services for juvenile offenders at youth development centers in Charleston and South Portland. A transfer of All Other funds from the General Purpose Aid for Local Schools account to the ~~Personal Services and All Other~~ line categories category in the ~~Learning Systems~~ Special Services Team program General Fund account within the Department of Education sufficient to support ~~2 Education Specialist II positions and 2 Office Associate II positions~~ the All Other costs in this subsection may occur annually by financial order upon recommendation of the State Budget Officer and approval of the Governor.

**Sec. C-14. 20-A MRSA §15689-A, sub-§19** is enacted to read:

**19. Miscellaneous costs limitations.** The amounts of the miscellaneous costs pursuant to this section are limited to the amounts appropriated by the Legislature for these costs.

**Sec. C-15. 20-A MRSA §15689-B, sub-§6,** as enacted by PL 2005, c. 2, Pt. D, §61 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

**6. Balance of allocations.** Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances in excess of 3% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy. School boards may carry forward unallocated balances in excess of 3% of the previous year's school budget and disburse these funds in the next year or over a period not to exceed 3 years. For fiscal years 2008-09, 2009-10 and 2010-11 only, school administrative units may not be limited to 3% of the previous fiscal year's school budget.

**Sec. C-16. 20-A MRSA §15690, sub-§1,** as amended by PL 2007, c. 240, Pt. XXXX, §31 and amended by, c. 539, Pt. C, §15, is further amended to read:

**1. School administrative unit contribution to total cost of funding public education from kindergarten to grade 12.** The legislative body of each school administrative unit may vote to raise and appropriate an amount up to its required contribution to the total cost of education as described in section 15688, except that funds provided under Title XIV of the State Fiscal

Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to a school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose aid as determined under this chapter must be used to lower the school administrative unit's required contribution to the total cost of education.

A. For a municipal school unit, an article in substantially the following form must be used when a single municipal school administrative unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article.....: To see what sum the municipality will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (Recommend \$.....) and to see what sum the municipality will raise as the municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688. (Recommend \$.....)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars."

B. For a school administrative district, a community school district or a regional school unit, an article in substantially the following form must be used when the school administrative district, community school district or regional school unit is considering the appropriation of an amount up to its required contribution to the total cost of education as described in section 15688.

(1) "Article ....: To see what sum the district will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the district will raise and assess as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688 (Recommend amount set forth below):

Total Appropriated (by municipality):

Town A (\$amount)  
Town B (\$amount)  
Town C (\$amount)  
School District  
Total Appropriated  
(\$sum of above)

Total raised (district assessments by municipality):

Town A (\$amount)  
Town B (\$amount)  
Town C (\$amount)  
School District  
Total Raised  
(\$sum of above)"

(2) The following statement must accompany the article in subparagraph (1). "Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the district must raise and assess in order to receive the full amount of state dollars."

C. The state share of the total cost of funding public education from kindergarten to grade 12 as described in section 15688, excluding state-funded debt service for each school administrative unit, is limited to the same proportion as the local school administrative unit raises of its required contribution to the total cost of education as described in section 15688, excluding state-funded debt service costs. For school administrative units that annually demonstrate savings by purchasing supplies using an electronic bidding forum, the commissioner may suspend all or a portion of any adjustment to the unit's state contribution pursuant to this paragraph.

**Sec. C-17. Mill expectation.** The mill expectation pursuant to the Maine Revised Statutes, Title 20-A, section 15671-A for fiscal year 2009-10 is 6.73 and must be lowered to 6.37 as a result of funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to school administrative units in fiscal year 2009-10.

**Sec. C-18. Total cost of funding public education from kindergarten to grade 12.** The total cost of funding public education from kindergarten to grade 12 for fiscal year 2009-10 is as follows:



**2009-10  
TOTAL**

**Total Operating Allocation**

Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 without transitions percentage	\$1,355,336,908
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 with 97% transitions percentage	\$1,314,676,801
Total other subsidizable costs pursuant to the Maine Revised Statutes, Title 20-A, section 15681-A	\$393,441,473

**Total Operating Allocation**

Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$1,708,118,274
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**Total Debt Service Allocation**

Total debt service allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683-A	\$99,167,267
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**Total Adjustments and Miscellaneous Costs**

Total adjustments and miscellaneous costs pursuant to the Maine Revised Statutes, Title 20-A, section 15689 and 15689-A	\$74,860,695
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**Total Cost of Funding Public Education from Kindergarten to Grade 12**

Total cost of funding public education from kindergarten to grade 12 for fiscal year 2009-10 pursuant to the Maine Revised Statutes, Title 20-A, chapter 606-B	\$1,882,146,236
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**Sec. C-19. Local and state contributions to total cost of funding public education from kindergarten to grade 12.** The local contribution and the state contribution appropriation provided for general purpose aid for local schools for the fiscal year beginning July 1, 2009 and ending June 30, 2010 is calculated as follows:

	<b>2009-10 LOCAL</b>	<b>2009-10 STATE</b>
<b>Local and State Contributions to the Total Cost of Funding Public Education from Kindergarten to Grade 12</b>		
Local and state contributions to the total cost of funding public education from kindergarten to grade 12 pursuant to the Maine Revised Statutes, Title 20-A, section 15683	\$923,174,744	\$958,971,492
<b>Portion to be paid from Federal IDEA balance</b>		(\$11,600,000)
<b>Adjusted state contribution</b>		\$947,371,492

**Sec. C-20. Limit of State's obligation.** If the State's continued obligation for any individual component contained in sections 18 and 19 of this Part exceeds the level of funding provided for that component, any unexpended balances occurring in other programs may be applied to avoid proration of payments for any individual component. Any unexpended balances from this Part may not lapse but must be carried forward for the same purpose.

**Sec. C-21. Authorization of payments.** Sections 18 and 19 of this Part may not be construed to require the State to provide payments that exceed the appropriation of funds for general purpose aid for local schools for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

**Sec. C-22. Carrying balance; Management Information Systems program, General Fund account.** Notwithstanding any other provision of law, any balance remaining from the \$3,500,000 appropriation in fiscal year 2007-08 to the Department of Education's Management Information Systems program, General Fund account in Public Law 2007, chapter 240, Part A, section 22 to provide statewide support for certain operational efficiencies, such as GIS routing software and consolidated payroll and accounting systems, associated with school consolidation that carried forward to fiscal year 2008-09 pursuant to Public Law 2007, chapter 539, Part NN, section 1 does not lapse but must carry forward to June 30, 2011 to be used for the same purpose.

## PART D

**Sec. D-1. 20-A MRSA §253, sub-§6,** as amended by PL 1985, c. 785, Pt. A, §78, is further amended to read:

**6. Agricultural education consultant.** The commissioner shall appoint, subject to the Civil Service Law, an Education Specialist III or higher or agricultural education consultant to be responsible for supervision of agricultural technical education, including agribusiness and agriculture's relation to the environment.

**Sec. D-2. Rename Preschool Handicapped program.** Notwithstanding any other provision of law, the Preschool Handicapped program within the Department of Education is renamed the Child Development Services program.

## PART E

**Sec. E-1. 36 MRSA §4062, sub-§1-A, ¶A,** as repealed and replaced by PL 2005, c. 12, Pt. N, §1 and affected by §4, is amended to read:

A. For the estates of decedents dying after December 31, 2002, "federal credit" means the maximum credit against the tax on the federal taxable estate for state death taxes determined under the Code, Section 2011 as of December 31, 2002 exclusive of the reduction of the maximum credit contained in the Code, Section 2011(b)(2); the period of limitations under the Code, Section 2011(c); and the termination provision contained in the Code, Section 2011(f). ~~The federal taxable estate is to be determined using the applicable Code as of the date of the decedent's death, except that: The state death tax deduction contained in the Code, Section 2058 must be disregarded. The unified credit must~~

be determined under the Code, Section 2010 as of December 31, 2000. The termination provision contained in the Code, Section 2210 must be disregarded. Notwithstanding any other provision of this Title to the contrary, the tax determined by this chapter for estates of decedents dying after December 31, 2009 must be determined in accordance with the law applicable to decedents dying during calendar year 2009; and

(1) ~~The state death tax deduction contained in the Code, Section 2058 is to be disregarded;~~

(2) ~~The unified credit is to be determined under the Code, Section 2010 as of December 31, 2000;~~

(3) ~~For the estates of decedents dying after December 31, 2004, the federal taxable estate must be decreased by an amount equal to the value of Maine qualified terminable interest property in the estate of the decedent; and~~

(4) ~~For the estates of decedents dying after December 31, 2004, the federal taxable estate must be increased by an amount equal to the value of Maine elective property in respect of the decedent; and~~

**Sec. E-2. 36 MRSA §4062, sub-§1-B** is enacted to read:

**1-B. Federal taxable estate.** "Federal taxable estate" means the taxable estate as determined using the applicable Code as of the date of the decedent's death except as provided in subsection 1-A, subsection 2 and:

A. The state death tax deduction contained in the Code, Section 2058 must be disregarded;

B. For estates of decedents dying after December 31, 2004, the federal taxable estate must be decreased by an amount equal to the value of Maine qualified terminable interest property in the estate of the decedent; and

C. For estates of decedents dying after December 31, 2004, the federal taxable estate must be increased by an amount equal to the value of Maine elective property in respect of the decedent.

**Sec. E-3. 36 MRSA §4062, sub-§2**, as amended by PL 2007, c. 693, §24, is further amended to read:

**2. Federal gross estate.** "Federal gross estate" means the gross estate of a decedent as determined by the assessor in accordance with the Code, except that, notwithstanding the Code, Section 2035, the value of the gross estate includes the value of all taxable gifts as defined under the Code, Section 2503(a) made by the decedent during the 1-year period ending on the date of the decedent's death, but does not include the value of taxable gifts made prior to January 1, 2008.

**Sec. E-4. 36 MRSA §4062, sub-§2-A**, as amended by PL 2005, c. 622, §15, is further amended to read:

**2-A. Maine elective property.** "Maine elective property" means all property in which the decedent at the time of death had a qualified income interest for life and with respect to which, for purposes of determining the tax imposed by this chapter on the estate of a predeceased spouse of the decedent, the federal taxable estate of that predeceased spouse was decreased pursuant to subsection 1-A1-B, paragraph A, ~~subparagraph (3)B~~. The value of Maine elective property is the value determined by the assessor in accordance with the Code as if such property were includible in the decedent's federal gross estate pursuant to the Code, Section 2044 and, in the case of estates that do not incur a federal estate tax, as if the estate had incurred a federal estate tax.

**Sec. E-5. 36 MRSA §4071, sub-§1-A**, as enacted by PL 2007, c. 693, §29, is amended to read:

**1-A. State determination of certain estates.** For deaths occurring on or after July 1, 2008 but before ~~January 1, 2010~~ July 1, 2009, the State Tax Assessor is not bound by a final federal determination under subsection 1 if the assessor determines the issue for purposes of tax under this chapter within 2 years of the date the return was filed or the date the return is due, whichever is later.

For deaths occurring on or after July 1, 2009, the State Tax Assessor is not bound by a final federal determination under subsection 1 if the assessor determines the issue for purposes of tax under this chapter within one year of the date the return was filed or the date the return is due, whichever is later.

**Sec. E-6. Application.** Those sections of this Part that amend the Maine Revised Statutes, Title 36, section 4062, subsections 1-A, 2 and 2-A and that enact Title 36, section 4062, subsection 1-B apply to deaths occurring on or after January 1, 2009. That section of this Part that amends Title 36, section 4071, subsection 1-A applies to estates of decedents dying on or after July 1, 2009.

## PART F

**Sec. F-1. PL 2007, c. 539, Pt. L, §1** is amended to read:

**Sec. L-1. Transfers to Maine Clean Election Fund.** In addition to the transfers authorized pursuant to the Maine Revised Statutes, Title 21-A, section 1124, the State Controller shall transfer ~~\$2,425,000~~ \$2,000,000 from General Fund undedicated revenue to the Maine Clean Election Fund on or before June 1, 2010 and ~~shall transfer an additional \$2,000,000 from General Fund undedicated revenue to the Maine Clean Election Fund on or before August 1, 2010.~~

**Sec. F-2. Transfers to Maine Clean Election Fund.** Notwithstanding the Maine Revised Statutes, Title 21-A, section 1124, subsection 2, paragraph B, the State Controller shall transfer \$2,000,000, currently authorized to be made on or before January 1, 2011, from the General Fund to the Maine Clean Election Fund on or before September 1, 2010 in order to ensure that adequate funds will be available to the Commission on Governmental Ethics and Election Practices.

## PART G

**Sec. G-1. 12 MRSA §6304, sub-§2**, as amended by PL 2003, c. 20, Pt. WW, §1, is further amended to read:

**2. Duplication.** Licenses that have been lost or destroyed must be reissued at a cost of ~~\$5~~\$6.

**Sec. G-2. 12 MRSA §6421, sub-§7-A**, as amended by PL 2007, c. 615, §9, is further amended to read:

**7-A. Fee.** Except as provided in subsection 8, the fee for the license is:

A. ~~Fifty-six~~Sixty-five dollars for a resident Class I license for applicants under 18 years of age;

A-1. ~~Three hundred and thirty-six~~eighty-seven dollars for a nonresident Class I license for applicants under 18 years of age;

B. ~~One hundred and thirteen~~thirty-five dollars and seventy-five cents for a resident Class I license for applicants 18 years of age or older;

B-1. ~~Six hundred and eighty-two~~Seven hundred ninety dollars and seventy-five cents for a nonresident Class I license for applicants 18 years of age or older;

C. ~~Two hundred twenty-eight~~seventy-two dollars and fifty cents for a resident Class II license;

C-1. ~~Thirteen hundred seventy-one~~Fifteen hundred eighty-seven dollars and fifty cents for a nonresident Class II license;

D. ~~Three hundred forty-one~~Four hundred seven dollars and twenty-five cents for a resident Class III license;

D-1. ~~Two thousand forty-seven~~three hundred sixty-nine dollars and twenty-five cents for a nonresident Class III license;

E. ~~Fifty-six~~Sixty-five dollars for a resident apprentice lobster and crab fishing license for applicants under 18 years of age;

E-1. ~~Three hundred thirty-six~~eighty-seven dollars for a nonresident apprentice lobster and crab fishing license for applicants under 18 years of age;

F. ~~One hundred and fourteen~~thirty-two dollars for a resident apprentice lobster and crab fishing license for applicants 18 years of age or older;

F-1. ~~Six hundred and eighty-two~~Seven hundred eighty-five dollars ~~and seventy-five cents~~ for a nonresident apprentice lobster and crab fishing license for applicants 18 years of age or older;

G. ~~Fifty-six~~Sixty-five dollars for a student lobster and crab fishing license;

H. ~~Fifty-six~~Sixty-five dollars for a noncommercial lobster and crab fishing license; and

I. Five hundred ninety dollars and twenty-five cents for a nonresident lobster and crab landing permit.

**Sec. G-3. 12 MRSA §6421, sub-§8**, as repealed and replaced by PL 2007, c. 138, §1, is amended to read:

**8. Exception.** The fee for a license for an applicant 70 years of age or older is:

A. For a Class I or an apprentice lobster and crab fishing license, ~~\$57~~\$66;

B. For a Class II lobster and crab fishing license, ~~\$114~~\$136; and

C. For a Class III lobster and crab fishing license, ~~\$170~~\$203.

**Sec. G-4. 12 MRSA §6451, sub-§1**, as amended by PL 2007, c. 615, §12, is further amended to read:

**1. Allocation of license fees.** Ten dollars of each ~~\$113.75~~\$135.75 fee, \$10 of each ~~\$114~~\$132 fee, \$20 of each ~~\$170~~\$203 fee, \$20 of each ~~\$228.50~~\$272.50 fee, \$30 of each ~~\$341.25~~\$407.25 fee, \$30 of each ~~\$336~~\$387 fee, \$60 of each ~~\$682.75~~\$785 fee, \$60 of each ~~\$790.75~~ fee, \$120 of each ~~\$1,371.50~~\$1,587.50 fee, \$180 of each ~~\$2,047.25~~\$2,369.25 fee, \$5 of each ~~\$56~~\$65 fee and \$5 of each ~~\$57~~\$66 fee for each lobster and crab fishing license must be allocated to the Lobster Fund, which must be used for the purposes of lobster biology research, of propagation of lobsters by liberating seed lobsters and female lobsters in Maine coastal waters and of establishing and supporting lobster hatcheries.

**Sec. G-5. 12 MRSA §6501, sub-§5**, as amended by PL 2003, c. 20, Pt. WW, §6, is further amended to read:

**5. Fees.** Fees for commercial fishing licenses are:

A. ~~Forty-one~~Forty-eight dollars for resident operator;

B. One hundred ~~eleven~~twenty-eight dollars for resident operator and all crew members; and

C. Four hundred ~~eighteen~~eighty-one dollars for nonresident operator and all crew members.

**Sec. G-6. 12 MRSA §6505-A, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §7, is further amended to read:

**4. Fees.** Fees for elver fishing licenses are:

A. For a person who is a resident, ~~\$91~~\$105; and

B. For a person who is a nonresident, ~~\$384~~\$442.

Fifty dollars of each license fee collected under this subsection ~~accrues~~accrues to the Eel and Elver Management Fund established in section 6505-D.

**Sec. G-7. 12 MRSA §6505-B, sub-§1, ¶A**, as amended by PL 2001, c. 421, Pt. B, §30 and affected by Pt. C, §1, is further amended to read:

A. ~~Fifty~~Fifty-eight dollars per net or trap for the use of an elver fyke net or Sheldon eel trap, except that the fee under this paragraph does not apply to an elver fyke net or Sheldon eel trap a person utilizes pursuant to section 6505-A, subsection 5.

**Sec. G-8. 12 MRSA §6505-B, sub-§3**, as amended by PL 2001, c. 421, Pt. B, §30 and affected by Pt. C, §1, is further amended to read:

**3. Dip net fee.** A person may not utilize a dip net to fish for or take elvers without paying a fee of ~~\$50~~\$58 per dip net annually.

This subsection does not apply to a dip net a person utilizes pursuant to section 6505-A, subsection 5.

**Sec. G-9. 12 MRSA §6505-B, sub-§5**, as enacted by PL 1995, c. 536, Pt. A, §8, is amended to read:

**5. Disposition of fees.**~~All fees~~Fees collected under this section accrue to the Eel and Elver Management Fund established in section 6505-D:as follows:

A. Fifty dollars per net or trap for the use of an elver fyke net or Sheldon eel trap; and

B. Fifty dollars per dip net.

**Sec. G-10. 12 MRSA §6505-C, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §8, is further amended to read:

**4. Fees.** The fee for an eel harvesting license is ~~\$108~~\$125.

**Sec. G-11. 12 MRSA §6535, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §9, is further amended to read:

**4. Fee.** Fees for licenses issued under this section are:

A. For a sea urchin and scallop diving tender license, ~~\$111~~\$133; and

B. For a 30-day temporary sea urchin and scallop diving tender license, ~~\$31~~\$36.

**Sec. G-12. 12 MRSA §6536, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §10, is further amended to read:

**4. Fee.** The fee for a scallop diving tender license is ~~\$111~~\$136.

**Sec. G-13. 12 MRSA §6601, sub-§5**, as repealed and replaced by PL 2007, c. 466, Pt. A, §34, is amended to read:

**5. Fee.** Except as provided in subsection 5-A, the fee for a commercial shellfish license is ~~\$115~~\$133.

**Sec. G-14. 12 MRSA §6601, sub-§5-A**, as amended by PL 2007, c. 466, Pt. A, §35, is further amended to read:

**5-A. Exception.** The fee for a commercial shellfish license for applicants 70 years of age or older is ~~\$57.50~~\$67.

**Sec. G-15. 12 MRSA §6602, sub-§5**, as enacted by PL 2007, c. 54, §2, is amended to read:

**5. Fee.** The fee for a surf clam boat license is ~~\$230~~\$265.

**Sec. G-16. 12 MRSA §6651, sub-§1**, as amended by PL 2007, c. 692, §3, is further amended to read:

**1. Fees to be paid into fund.** ~~Sixty-five percent of all fees~~Fees from shellfish licenses, mussel hand-raking and boat licenses, shellfish transportation licenses and wholesale seafood licenses must be paid into the Shellfish Fund. ~~The Shellfish Fund may receive any other money, including any other gift, grant or other source of revenue.~~as follows:

- A. Seventy-four dollars and seventy-five cents from a commercial shellfish license;
- B. One hundred forty-nine dollars and fifty cents from a mussel boat license;
- C. Seventy-four dollars and seventy-five cents from a mussel hand-raking license;
- D. Two hundred ninety-nine dollars from a shellfish transportation license;
- E. Ninety-seven dollars and fifty cents from a shellfish transportation supplemental license;
- F. Two hundred fifty dollars and twenty-five cents from a wholesale seafood license; and
- G. Forty-eight dollars and seventy-five cents from a wholesale seafood supplemental license.

The Shellfish Fund may receive any other money, including any other gift, grant or other source of revenue.

**Sec. G-17. 12 MRSA §6701, sub-§5**, as amended by PL 2003, c. 20, Pt. WW, §13, is further amended to read:

**5. Fee.** The fee for a scallop license is ~~\$111~~\$143.

**Sec. G-18. 12 MRSA §6702, sub-§5**, as amended by PL 2007, c. 607, Pt. A, §2, is further amended to read:

**5. Fee.** The fee for a scallop dragging license is ~~\$111~~\$143.

**Sec. G-19. 12 MRSA §6703, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §15, is further amended to read:

**4. Fee.** The fee for a noncommercial scallop license is ~~\$10~~\$18.



**Sec. G-20. 12 MRSA §6731, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §16, is further amended to read:

**4. Fee.** The fee for a mahogany quahog license is ~~\$111~~\$128. Fees collected pursuant to this section must be deposited in the General Fund.

**Sec. G-21. 12 MRSA §6745, sub-§5**, as amended by PL 2003, c. 20, Pt. WW, §17, is further amended to read:

**5. Fee.** The fee for a hand-raking mussel license is ~~\$115~~\$133.

**Sec. G-22. 12 MRSA §6746, sub-§5**, as amended by PL 2003, c. 20, Pt. WW, §18, is further amended to read:

**5. Fee.** The fee for a mussel boat license is ~~\$230~~\$265.

**Sec. G-23. 12 MRSA §6748, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §19, is further amended to read:

**4. Fee.** The fee for a handfishing sea urchin license is ~~\$111~~\$152.

**Sec. G-24. 12 MRSA §6748-A, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §20, is further amended to read:

**4. Fee.** The fee for a sea urchin dragging license is ~~\$111~~\$152.

**Sec. G-25. 12 MRSA §6748-D, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §21, is further amended to read:

**4. Fee.** The fee for a sea urchin hand-raking and trapping license is ~~\$111~~\$152.

**Sec. G-26. 12 MRSA §6751, sub-§4**, as amended by PL 1991, c. 528, Pt. T, §12 and affected by Pt. RRR and amended by c. 591, Pt. T, §12, is further amended to read:

**4. Fee.** The fee for a marine worm digger's license is ~~\$43~~\$50.

**Sec. G-27. 12 MRSA §6791, sub-§1**, as enacted by PL 1977, c. 661, §5, is amended to read:

**1. Deposit of license revenues.**~~All revenues~~Revenues from marine worm licenses ~~shall~~must be paid into the Marine Worm Fund. ~~The fund shall be maintained by the commissioner as follows:~~

A. Forty-three dollars from a marine worm digger's license;

B. Fifty-five dollars from a marine worm dealer's license; and

C. Twenty-two dollars from a supplemental marine worm dealer's license.

The fund must be maintained by the commissioner.

**Sec. G-28. 12 MRSA §6801-A, sub-§5**, as enacted by PL 2005, c. 27, §1, is amended to read:

**5. Fee.** The fee for a sea cucumber drag license is ~~\$111~~\$128.

**Sec. G-29. 12 MRSA §6803, sub-§3**, as amended by PL 1999, c. 501, §2, is further amended to read:

**3. Fees.** The fee schedule for seaweed permits is as follows:

- A. ~~Fifty~~Fifty-eight dollars for a resident seaweed permit;
- B. Two hundred thirty dollars for a nonresident seaweed permit;
- C. ~~Twenty-five~~Twenty-nine dollars for a resident supplemental seaweed permit; and
- D. ~~Fifty~~Fifty-eight dollars for a nonresident supplemental seaweed permit.

**Sec. G-30. 12 MRSA §6803, sub-§4**, as corrected by RR 1999, c. 1, §17, is amended to read:

**4. Disposition of fees.**~~All fees~~Fees collected under this section accrue to the Seaweed Management Fund established in section 6806:as follows:

- A. Fifty dollars for a resident seaweed permit;
- B. Two hundred dollars for a nonresident seaweed permit;
- C. Twenty-five dollars for a resident supplemental seaweed permit; and
- D. Fifty dollars for a nonresident supplemental seaweed permit.

**Sec. G-31. 12 MRSA §6804, sub-§7**, as amended by PL 2003, c. 248, §10, is further amended to read:

**7. Fees.** Fees for the commercial northern shrimp license are as follows:

- A. ~~Thirty-three~~Thirty-eight dollars for a resident license that authorizes the license holder to engage in the licensed activities under subsection 2;
- B. ~~Eighty-nine~~One hundred three dollars for a resident license that authorizes the license holder and crew members to engage in the licensed activities under subsection 2; and
- C. Three hundred ~~and thirty-four~~eighty-five dollars for a nonresident license that authorizes the license holder and crew members to engage in the licensed activities under subsection 2.

**Sec. G-32. 12 MRSA §6804, sub-§8**, as amended by PL 2003, c. 248, §10, is further amended to read:

**8. Disposition of fees.**~~All fees~~Fees for commercial northern shrimp licenses must be deposited in the Shrimp Management Fund established in section 6805:as follows:

- A. Thirty-three dollars for a resident license that authorizes the license holder to engage in the licensed activities under subsection 2;

B. Eighty-nine dollars for a resident license that authorizes the license holder and crew members to engage in the licensed activities under subsection 2; and

C. Three hundred thirty-four dollars for a nonresident license that authorizes the license holder and crew members to engage in the licensed activities under subsection 2.

**Sec. G-33. 12 MRSA §6808, sub-§6**, as enacted by PL 2001, c. 186, §1, is amended to read:

**6. Fees.** The fee for a commercial green crab only license is ~~\$33~~\$38 for a resident license and ~~\$66~~\$76 for a nonresident license, which authorizes the license holder to engage in the licensed activities under subsection 2.

**Sec. G-34. 12 MRSA §6808, sub-§7**, as enacted by PL 2001, c. 186, §1, is amended to read:

**7. Disposition of fees.**~~All fees~~Fees for commercial green crab only licenses must be deposited in the Green Crab Management Fund established in section 6809:as follows:

A. Thirty-three dollars for a resident commercial green crab only license; and

B. Sixty-six dollars for a nonresident commercial green crab only license.

**Sec. G-35. 12 MRSA §6810-A, sub-§8**, as enacted by PL 2003, c. 169, §1 and affected by §3, is amended to read:

**8. Fee.** The fee for a marine harvesting demonstration license is ~~\$25~~\$26.

**Sec. G-36. 12 MRSA §6851, sub-§6**, as amended by PL 2003, c. 20, Pt. WW, §22, is further amended to read:

**6. Fees.** The fees are as follows:

A. ~~Three hundred eighty-five~~Four hundred forty-three dollars for a wholesale seafood license or a wholesale seafood license with a lobster permit, sea urchin buyer's permit, shrimp permit or sea urchin processor's permit; and

B. ~~Seventy-five~~Eighty-seven dollars for each supplemental license.

**Sec. G-37. 12 MRSA §6851-A, sub-§4**, as enacted by PL 2005, c. 508, §1, is amended to read:

**4. Fee.** The fee for a limited wholesale shellfish harvester's license is ~~\$100~~\$115.

**Sec. G-38. 12 MRSA §6852, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §23, is further amended to read:

**4. Fee.** The fee for a retail seafood license is ~~\$106~~\$122.

**Sec. G-39. 12 MRSA §6853, sub-§6**, as amended by PL 1991, c. 528, Pt. T, §16 and affected by Pt. RRR and amended by c. 591, Pt. T, §16, is further amended to read:

**6. Fee.** The fee for a marine worm dealer's license is ~~\$55~~\$64 and the fee for a supplemental license is ~~\$22~~\$26.

**Sec. G-40. 12 MRSA §6854, sub-§6**, as amended by PL 2003, c. 20, Pt. WW, §24, is further amended to read:

**6. Fees.** The fee for a lobster transportation license is ~~\$271~~\$312 and the fee for a supplemental license is ~~\$54~~\$63.

**Sec. G-41. 12 MRSA §6855, sub-§6**, as amended by PL 2003, c. 20, Pt. WW, §25, is further amended to read:

**6. Fees.** The fee for a shellfish transportation license is ~~\$460~~\$529 and the fee for a supplemental license is ~~\$150~~\$173.

**Sec. G-42. 12 MRSA §6857, sub-§5**, as amended by PL 2003, c. 20, Pt. WW, §26, is further amended to read:

**5. Fee.** The fee for a lobster meat permit is ~~\$138~~\$159.

**Sec. G-43. 12 MRSA §6863, sub-§3**, as enacted by PL 1991, c. 876, §2, is amended to read:

**3. Fee.** The annual fee for a cultchless American oyster growers license is ~~\$10~~\$12.

**Sec. G-44. 12 MRSA §6864, sub-§4**, as amended by PL 2003, c. 20, Pt. WW, §27, is further amended to read:

**4. Fee.** The fee for an elver dealer's license is ~~\$1,054~~\$1,213 and the fee for each supplemental license is ~~\$54~~\$63.

**Sec. G-45. 12 MRSA §6864, sub-§5**, as enacted by PL 1995, c. 536, Pt. A, §10 and affected by §13, is amended to read:

**5. Disposition of fees.** All fees collected under this section accrue to the Eel and Elver Management Fund established in section 6505-D, except that ~~\$217~~\$376 accrues to the General Fund for each elver dealer's license sold under this section and ~~\$43~~\$52 accrues to the General Fund for each supplemental license sold under this section.

## PART H

**Sec. H-1. 36 MRSA §4403, sub-§1**, as amended by PL 2005, c. 627, §8, is repealed and the following enacted in its place:

**1. Smokeless tobacco.** A tax is imposed on smokeless tobacco, including chewing tobacco and snuff, at the rate of:

A. On amounts of smokeless tobacco packaged for sale to the consumer in a package that contains one ounce or more of smokeless tobacco, \$2.02 per ounce and prorated; and

B. On smokeless tobacco packaged for sale to the consumer in a package that contains less than one ounce of smokeless tobacco, \$2.02 per package.

**Sec. H-2. 36 MRSA §4404, first ¶**, as amended by PL 2007, c. 438, §101, is further amended to read:

Every distributor subject to the licensing requirement of section 4402 shall file, on or before the last day of each month, a return on a form prescribed and furnished by the State Tax Assessor together with payment of the tax due under this chapter. The return must state ~~the quantity and the wholesale sales price of~~report all tobacco products held, purchased, manufactured, brought in or caused to be brought in from outside the State or shipped or transported to retailers within the State during the preceding calendar month. Every distributor shall keep a complete and accurate record at its principal place of business to substantiate all receipts and sales of tobacco products.

**Sec. H-3. Application.** That section of this Part that amends the Maine Revised Statutes, Title 36, section 4403, subsection 1 applies to purchases made on or after July 1, 2009.

## PART I

**Sec. I-1. 12 MRSA §10202, sub-§9**, as amended by PL 2007, c. 240, Pt. O, §1, is further amended to read:

**9. Fiscal Stability Program.** The Fiscal Stability Program is established to ensure that the general public and hunters and anglers share the cost of the fish and wildlife conservation programs of the department. To achieve this goal, beginning with the ~~2010-2011~~2012-2013 biennial budget and for each biennial budget thereafter, the biennial budget submitted by the executive branch must include an additional General Fund appropriation of 18% in excess of the department's requested biennial budget.

## PART J

**Sec. J-1. Department of Administrative and Financial Services; lease-purchase authorization.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, Office of Information Technology may enter into lease-purchase agreements in fiscal years 2009-10 and 2010-11 for the acquisition of personal computers, servers, printers and other hardware and software to support end-user and infrastructure services and for new system development provided to departments and agencies by the Office of Information Technology. The financing arrangements entered into in each fiscal year may not exceed \$10,000,000 in principal costs, and a financing arrangement may not exceed 5 years in duration. The interest rate may not exceed 8%, and total interest costs with respect to the financing arrangements entered into in each fiscal year may not exceed \$2,523,000. Payment for debt service costs must be made from the available All Other allocation in the Office of Information Technology Internal Service Fund.

## PART K

**Sec. K-1. Rename Division of Administrative Services program.** Notwithstanding any other provision of law, the Division of Administrative Services program in the Department of Marine Resources is renamed the Office of the Commissioner program.

## **PART L**

**Sec. L-1. 12 MRSA §5012, first ¶**, as amended by PL 1997, c. 24, Pt. QQ, §1, is further amended to read:

The commissioner is the chief executive officer of the Department of Conservation. The commissioner shall coordinate and supervise the activities and programs of the bureaus and agencies that are part of the department; undertake comprehensive planning and analysis with respect to the functions and responsibilities of the department; and develop and implement, whenever necessary, procedures and practices to promote economy, efficiency and coordination in and between the various agencies and bureaus of the department. The commissioner shall reorganize or combine the bureaus of the department or the planning, operations and other functions among the bureaus of the department as the commissioner considers necessary to improve the efficiency of department services. From time to time the commissioner shall recommend to the Governor and Legislature such changes in the laws relating to the organization, functions, services or procedures of the agencies and bureaus of the department as the commissioner considers desirable. The commissioner shall prepare a budget for the department; and shall organize and maintain ~~within the department a general services division to which the commissioner may assign personnel from the agencies and bureaus of the department~~ the office of the commissioner.

**Sec. L-2. 12 MRSA §5012, 2nd ¶**, as amended by PL 1997, c. 24, Pt. QQ, §2, is further amended to read:

The commissioner has the power to appoint ~~a director of general services~~, a deputy commissioner and bureau heads and other staff of the department, subject to the Civil Service Law, and prescribe their duties as necessary for the proper performance of the duties of the department.

**Sec. L-3. 12 MRSA §5012, 3rd ¶**, as amended by PL 1997, c. 24, Pt. QQ, §2, is further amended to read:

~~The director of general services, the deputy commissioner and bureau heads shall serve at the pleasure of the commissioner, except that dismissal of the Executive Director of the Maine Land Use Regulation Commission requires the consent of a majority of the members of that commission.~~

**Sec. L-4. 12 MRSA §5013, last ¶**, as amended by PL 1997, c. 24, Pt. QQ, §3, is further amended to read:

Every person appointed as a bureau director, ~~or a director of general services or of planning and program services~~, or in another supervisory capacity in the department, must have experience and skill in the field of the functions of such position. So far as is practicable in the judgment of the commissioner, appointments to such positions must be made by promoting employees of the State serving in positions that are classified and in every instance when a person is promoted from a classified position upon termination of that person's service in such classified supervisory position, the employee shall, if the employee so requests, must be restored to the classified position from which the employee was promoted

or to a position equivalent thereto in salary grade in the same state agency, without impairment of the employee's personnel status or the loss of seniority, retirement or other rights to which uninterrupted service in the classified position would have entitled the employee, provided that if the employee's service in such unclassified supervisory position has been terminated for cause, the employee's right to be so restored must be determined by the State Civil Service Appeals Board.

**Sec. L-5. Rename Administrative Services - Conservation program.**

Notwithstanding any other provision of law, the Administrative Services - Conservation program in the Department of Conservation is renamed the Office of the Commissioner program.

**PART M**

**Sec. M-1. 5 MRSA §3305, sub-§1, ¶M,** as repealed and replaced by PL 1995, c. 625, Pt. A, §9, is amended to read:

M. Administer a program of training and ~~financial assistance~~certification for municipal code enforcement officers;

**Sec. M-2. 7 MRSA §3909, sub-§2,** as amended by PL 1997, c. 683, Pt. B, §1, is further amended to read:

**2. Designated employees of the department.** For purposes of prosecution under this section, the commissioner may authorize humane agents and a state veterinarian to serve civil process pursuant to the Maine Rules of Civil Procedure, Rule 80H and any other applicable rules of court. The commissioner may authorize humane agents or a state veterinarian to represent the department in District Court in the prosecution of civil violations of these laws. ~~Certification of the humane agents and a state veterinarian for this purpose is as provided under Title 30-A, section 4453, subsection 5.~~ Once certified, prosecution by the humane agent or a state veterinarian may seek civil penalties as provided by law as well as a permanent or temporary injunction, restraining order or other equitable relief as the court finds appropriate.

**Sec. M-3. 25 MRSA §2374,** as enacted by PL 2007, c. 699, §11, is amended to read:

**§ 2374. Uniform Building Codes and Standards Fund**

The Uniform Building Codes and Standards Fund, referred to in this section as "the fund," is established within the Department of Public Safety to fund the activities of the bureau under this chapter and the activities of the board under Title 10, chapter 1103 and the Executive Department, State Planning Office under Title 30-A, section 4451, subsection 3-A. Revenue for this fund is provided by the surcharge established by section 2450-A. The Department of Public Safety and the Executive Department, State Planning Office shall together determine an amount to be transferred annually from the fund for training and certification under Title 30-A, section 4451, subsection 3-A to the Maine Code Enforcement Training and Certification Fund established in Title 30-A, section 4451, subsection 3-B. Any balance of the fund may not lapse, but must be carried forward as a continuing account to be expended for the same purpose in the following fiscal year.

**Sec. M-4. 30-A MRSA §4215, sub-§4,** as amended by PL 1999, c. 228, §6, is further amended to read:

**4. Fees.** The plumbing inspector shall issue any permit under this section upon receipt and approval of a completed application form as prescribed by the commissioner and payment by the applicant of the fee established by the municipality. The fee must be at least the minimum amount determined by rule of the department. One-quarter of the amount of the minimum fee must be paid through the department to the Treasurer of State to be maintained as a permanent fund and used by the department to implement its subsurface wastewater disposal rules, to administer the receipt and collation of completed permits and to issue plumbing permit labels to the municipality and by the State Planning Office for training and certification of local plumbing inspectors. The department and the State Planning Office shall together determine an amount to be transferred annually by the Treasurer of State for training and certification of local plumbing inspectors to the Maine Code Enforcement Training and Certification Fund established in section 4451, subsection 3-B. The remainder of the fee must be paid to the treasurer of the municipality.

**Sec. M-5. 30-A MRSA §4451, sub-§1,** as amended by PL 1997, c. 296, §§5 and 6 and PL 2003, c. 689, Pt. B, §6, is further amended to read:

**1. Certification required; exceptions.**~~Beginning January 1, 1993, a~~ municipality may not employ any individual to perform the duties of a code enforcement officer who is not certified by the office, except that:

A. An individual other than an individual appointed as a plumbing inspector has 12 months after beginning employment to be trained and certified as provided in this section;

B. Whether or not any extension is available under paragraph A, the office may waive this requirement for up to one year if the certification requirements cannot be met without imposing a hardship on the municipality employing the individual; ~~and~~

C. An individual may be temporarily authorized in writing by the Department of Health and Human Services, Division of Health Engineering to be employed as a plumbing inspector for a period not to exceed 12 months; and

D. An individual whose certification has expired or is about to expire may be temporarily authorized in writing by the office to extend that individual's certification for a period not to exceed 12 months in cases where the necessary training or examination is suspended under subsection 3-B, paragraph E.

~~A person employed by a municipality or municipalities as a code enforcement officer for at least 3 years prior to January 1, 1990 is deemed certified under this section and, 5 years after the effective date of this paragraph, is subject to the recertification requirements of subsection 6.~~

**Sec. M-6. 30-A MRSA §4451, sub-§3,** as amended by PL 2007, c. 699, §16, is further amended to read:

**3. Training and certification of code enforcement officers.** In cooperation with code enforcement officer professional associations, the Maine Community College System, the Department of Environmental Protection, the Department of Health and Human Services and the Department of Public Safety, except as otherwise provided in paragraph H, the office shall establish a continuing education



program for individuals engaged in code enforcement. This program must provide basic ~~and advanced~~ training in the technical and legal aspects of code enforcement necessary for certification. The basic training program must include training to provide familiarity with the laws and ordinances related to the structure and practice of the municipal code enforcement office, municipal planning board and appeals board procedures, application review and permitting procedures, inspection procedures and enforcement techniques.

H. If funding is not available to support the training and certification program authorized under this subsection, the office shall discontinue training and certification activities related to laws and ordinances referenced in subsection 2-A, paragraphs A and B and shall adopt by routine technical rules under Title 5, chapter 375, subchapter 2-A a program to register code enforcement officers that meet training and education qualifications. The office shall publish the list of persons registered for code enforcement who have submitted evidence of required qualifications. Persons registered under this paragraph must meet the requirements for training and certification under this subchapter. The office shall consult with the Department of Health and Human Services for the purposes of carrying out training and certification activities related to laws and ordinances referenced in subsection 2-A, paragraphs C and D. Within one month of discontinuation of training and certification under this paragraph, the office shall report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over state and local government matters a recommendation for funding the training and certification program or for further changes in program requirements.

**Sec. M-7. 30-A MRSA §4451, sub-§3-B** is enacted to read:

**3-B. Maine Code Enforcement Training and Certification Fund.** The Maine Code Enforcement Training and Certification Fund, referred to in this section as "the fund," is established as a nonlapsing fund to support training and certification programs administered by the office for code enforcement officers, local plumbing inspectors, municipal building officials and 3rd-party inspectors in accordance with this subchapter.

A. Beginning July 1, 2009, and each year thereafter on July 1st, the funds identified in section 4215, subsection 4 for training and certifying local plumbing inspectors must be transferred to the fund.

B. Beginning July 1, 2009, and each year thereafter on July 1st, the funds identified in Title 25, section 2374 for training and certifying municipal building officials, local code enforcement officers and 3rd-party inspectors must be transferred to the fund.

C. The office shall place in the fund any money it receives from grants to support the requirements of this subchapter.

D. Funds related to code enforcement training and certification may be expended only in accordance with allocations approved by the Legislature and solely for the administration of this subchapter. Any balance remaining in the fund at the end of any fiscal year may not lapse but must be carried forward to the next fiscal year.

E. If the fund does not contain sufficient money to support the costs of the training and certification provided for in this subchapter, the office may suspend all or reduce the level of training and certification activities.

**Sec. M-8. 30-A MRSA §4451, sub-§5**, as amended by PL 1991, c. 163, is further amended to read:

**5. Certification standards.** The office shall adopt routine technical rules under Title 5, chapter 375, subchapter 2-A to establish by rule the qualifications, conditions and licensing standards and procedures for the certification and recertification of individuals as code enforcement officers. A code enforcement officer need only be certified in the areas of actual job responsibilities. The rules established under this subsection must identify standards for each of the areas of training under subsection 2-A, in addition to general standards that apply to all code enforcement officers.

**Sec. M-9. 30-A MRSA §4451, sub-§6**, as amended by PL 1999, c. 547, Pt. B, §§50 and 78 and affected by §80, is further amended to read:

**6. Certification; terms; revocation.** The office shall certify individuals as to their competency to successfully enforce ordinances and other land use regulations and permits granted under those ordinances and regulations and shall issue certificates attesting to the competency of those individuals to act as code enforcement officers. Certificates are valid for 56 years unless revoked by the District Court. An examination is not required for recertification of code enforcement officers. The office shall recertify a code enforcement officer if the code enforcement officer successfully completes at least 12 hours of approved training in each area of job responsibility during the 5-year6-year certification period.

A. The District Court may revoke the certificate of a code enforcement officer, in accordance with Title 4, chapter 5, when it finds that:

(1) The code enforcement officer has practiced fraud or deception;

(2) Reasonable care, judgment or the application of a duly trained and knowledgeable code enforcement officer's ability was not used in the performance of the duties of the office; or

(3) The code enforcement officer is incompetent or unable to perform properly the duties of the office.

B. Code enforcement officers whose certificates are invalidated under this subsection may be issued new certificates provided that they are newly certified as provided in this section.

**Sec. M-10. 30-A MRSA §4453, sub-§3**, as amended by PL 1997, c. 683, Pt. B, §16, is further amended to read:

**3. Department of Environmental Protection.** Department of Environmental Protection employees as set forth in Title 38, section 342, subsection 7; and

**Sec. M-11. 30-A MRSA §4453, sub-§4**, as amended by PL 1997, c. 683, Pt. B, §16, is further amended to read:

**4. Maine Land Use Regulation Commission.** Maine Land Use Regulation Commission employees as set forth in Title 12, section 685-C, subsection 9; ~~and~~.

**Sec. M-12. 30-A MRSA §4453, sub-§5**, as enacted by PL 1997, c. 683, Pt. B, §17, is repealed.

## PART N

**Sec. N-1. 5 MRSA §286-B, sub-§2**, as enacted by PL 2007, c. 240, Pt. RRR, §1, is amended to read:

**2. Establishment.** The Irrevocable Trust Fund for Other Post-employment Benefits is established to meet the State's unfunded liability obligations for retiree health benefits for eligible participants; as described in section 285, subsections 1-A and 11-A who are the beneficiaries of the irrevocable trust fund and beginning July 1, 2011 for eligible participants as described in Title 20-A, section 13451, subsections 2, 2-A, 2-B and 2-C; who are the beneficiaries of the irrevocable trust fund. Funds appropriated for the irrevocable trust fund must be held in trust and must be invested or disbursed for the exclusive purpose of providing for retiree health benefits and may not be encumbered for, or diverted to, other purposes. Funds appropriated for the irrevocable trust fund may not be diverted or deappropriated by any subsequent action.

Annually, beginning with the fiscal year starting July 1, 2007, the Legislature shall appropriate funds to meet the State's obligations under any group health plan, policy or contract purchased by the State Employee Health Commission to provide retiree health benefits pursuant to section 285, subsection 5 and, if applicable, to meet the State's obligations under any self-insured group health plan pursuant to section 285, subsection 9. Unfunded liabilities may not be created except those resulting from experience losses. Unfunded liability resulting from experience losses must be retired over a period not exceeding 10 years.

Annually, beginning with the fiscal year starting July 1, 2009, the Legislature shall appropriate funds that will retire, in 30 years or less from July 1, 2007, the unfunded liability for retiree health benefits for eligible participants as described in this section. The unfunded liability referred to in this section is that determined by the Department of Administrative and Financial Services, Office of the State Controller's actuaries and certified by the Commissioner of Administrative and Financial Services as of June 30, 2006.

**Sec. N-2. Work group.** The Treasurer of State shall convene a work group to explore issues associated with compliance with Governmental Accounting Standards Board Statements Number 43 and Number 45 related to the unfunded liability obligations for retiree health benefits for individuals described in the Maine Revised Statutes, Title 20-A, section 13451, subsections 2, 2-A, 2-B and 2-C.

**1. Participants.** In convening the work group the Treasurer of State shall include representatives from the Office of the Treasurer of State, Maine Educational Association, Maine School Management Association and Maine Municipal Association and the Commissioner of Administrative and Financial Services or the commissioner's designee and the Executive Director of the Maine Public Employees

Retirement System. Members of the work group may have professional advisors in attendance at the meetings of the group. The Treasurer of State shall serve as chair of the work group and may accept resources as approved and provided by work group participants.

**2. Duties.** The work group shall:

- A. Review unfunded liabilities for post-employment health benefits with respect to individuals described in the Maine Revised Statutes, Title 20-A, section 13451, subsections 2, 2-A, 2-B and 2-C;
- B. Review Governmental Accounting Standards Board Statements Number 43 and Number 45 with respect to determining responsibility for meeting the requirements of the standards in order to be in compliance with those standards;
- C. Review the status of the unfunded liability obligation for other post-employment benefits for retiree health benefits with respect to individuals described in Title 20-A, section 13451, subsections 2, 2-A, 2-B and 2-C;
- D. Review the responsibility for the unfunded liability obligations for retiree health benefits with respect to individuals described in Title 20-A, section 13451, subsections 2, 2-A, 2-B and 2-C based on the requirements of the Governmental Accounting Standards Board Statements Number 43 and Number 45; and
- E. Recommend one or more methods and timelines for the funding of unfunded liability obligations required to be disclosed in order to be in compliance with Governmental Accounting Standards Board Statements Number 43 and Number 45 and possible trust and trustee options for other post-employment benefit contributions.

**3. Report.** The work group shall submit its report, including any recommended implementing legislation to the Joint Standing Committee on Appropriations and Financial Affairs by January 15, 2010.

Following receipt and review of the report, the Joint Standing Committee on Appropriations and Financial Affairs may report out legislation to the Second Regular Session of the 124th Legislature.

## **PART O**

**Sec. O-1. 36 MRSA §578, sub-§1,** as amended by PL 2007, c. 639, §1, is further amended to read:

**1. Organized areas.** The municipal assessors or chief assessor of a primary assessing area shall adjust the State Tax Assessor's 100% valuation per acre for each forest type of their county by whatever ratio, or percentage of current just value, is applied to other property within the municipality to obtain the assessed values. Forest land in the organized areas, subject to taxation under this subchapter, must be taxed at the property tax rate applicable to other property in the municipality.

The State Tax Assessor shall determine annually the amount of acreage in each municipality that is classified and taxed in accordance with this subchapter. Each municipality is entitled to annual payments distributed in accordance with this section from money appropriated by the Legislature if it submits an

annual return in accordance with section 383 and if it achieves the minimum assessment ratio established in section 327. The State Tax Assessor shall pay any municipal claim found to be in satisfactory form by August 1st of the year following the submission of the annual return. The municipal reimbursement appropriation is calculated on the basis of 90% of the per acre tax revenue lost as a result of this subchapter. For property tax years based on the status of property on April 1, 2008 and April 1, 2009, municipal reimbursement under this section is further limited to the amount appropriated by the Legislature and distributed on a pro rata basis by the State Tax Assessor for all timely filed claims. For purposes of this section, the tax lost is the tax that would have been assessed, but for this subchapter, on the classified forest lands if they were assessed according to the undeveloped acreage valuations used in the state valuation then in effect, or according to the current local valuation on undeveloped acreage, whichever is less, minus the tax that was actually assessed on the same lands in accordance with this subchapter, and adjusted for the aggregate municipal savings in required educational costs attributable to reduced state valuation. A municipality that fails to achieve the minimum assessment ratio established in section 327 loses 10% of the reimbursement provided by this section for each one percentage point the minimum assessment ratio falls below the ratio established in section 327.

The State Tax Assessor shall adopt rules necessary to implement the provisions of this section. Rules adopted pursuant to this subsection are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A.

C. The State Tax Assessor shall distribute reimbursement under this section to each municipality in proportion to the product of the reduced tree growth valuation of the municipality multiplied by the property tax burden of the municipality. For purposes of this paragraph, unless the context otherwise indicates, the following terms have the following meanings.

(1) "Property tax burden" means the total real and personal property taxes assessed in the most recently completed municipal fiscal year, except the taxes assessed on captured value within a tax increment financing district, divided by the latest state valuation certified to the Secretary of State.

(2) "Undeveloped land" means rear acreage and unimproved nonwaterfront acreage that is not:

(a) Classified under the laws governing current use valuation set forth in chapter 105, subchapter 2-A, 10 or 10-A;

(b) A base lot; or

(c) Waste land.

(3) "Average value of undeveloped land" means the per acre undeveloped land valuations used in the state valuation then in effect, or according to the current local valuation on undeveloped land as determined for state valuation purposes, whichever is less.

(4) "Reduced tree growth valuation" means the difference between the average value of undeveloped land and the average value of tree growth land times the total number of acres classified as forest land under this subchapter.

## PART P

**Sec. P-1. 36 MRSA §457, sub-§2**, as amended by PL 2009, c. 1, Pt. P, §1 and affected by §2, is further amended to read:

**2. Tax imposed.** A state tax is imposed on telecommunications personal property at the rate provided in this subsection times the just value of the property. Just value and ownership of the property must be determined as of the April 1st preceding the assessment. The rate of tax is:

- A. For assessments made in 2004, 26 mills;
- B. For assessments made in 2005, 25 mills;
- C. For assessments made in 2006, 24 mills;
- D. For assessments made in 2007, 23 mills;
- E. For assessments made in 2008, 22 mills;
- F. For assessments made in 2009, 22 mills; and
- G. For assessments made in 2010 and subsequent years, 2022 mills.;
- H. For assessments made in 2011, 22 mills;
- I. For assessments made in 2012, 19 mills; and
- J. For assessments made in 2013 and subsequent years, 18 mills.

**Sec. P-2. Review and report.** The Joint Standing Committee on Taxation shall review the telecommunications personal property tax and other forms of taxation of telecommunications providers in this State and in other states. The committee shall invite the participation of the Department of Administrative and Financial Services, Bureau of Revenue Services and telecommunications providers in the review. The committee shall submit a report to the Joint Standing Committee on Appropriations and Financial Affairs by January 15, 2010, summarizing the results of its review and recommending changes to the tax laws to ensure equitable tax treatment of telecommunications providers in a revenue-neutral manner. The Joint Standing Committee on Taxation may submit legislation related to the review to the Second Regular Session of the 124th Legislature.

**Sec. P-3. Application.** Section 1 of this Part applies to assessments made on or after April 1, 2010.

## PART Q

**Sec. Q-1. 5 MRSA c. 316**, as amended, is repealed.

**Sec. Q-2. 5 MRSA §12004-J, sub-§10**, as enacted by PL 1991, c. 417, §2, is repealed.

## PART R

**Sec. R-1. Calculation and transfer; General Fund salary savings.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in the Statewide Salary Adjustment account in section 2 of this Part that applies against each General Fund account from not having granted a 4% salary increase effective January 1, 2009 to unclassified employees whose salaries are subject to the Governor's adjustment or approval. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11. The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amounts not later than September 1, 2009.

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

### ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

#### Executive Branch Departments and Independent Agencies - Statewide 0017

Initiative: Reduces funding to reflect savings from not having granted a 4% salary increase effective January 1, 2009 to unclassified employees whose salaries are subject to the Governor's adjustment or approval.

GENERAL FUND	2009-10	2010-11
Personal Services	(\$671,625)	(\$671,625)
GENERAL FUND TOTAL	(\$671,625)	(\$671,625)

## PART S

**Sec. S-1. 30-A MRSA §5681, sub-§2, ¶C**, as amended by PL 2007, c. 662, §1, is repealed.

**Sec. S-2. 30-A MRSA §5681, sub-§2, ¶D**, as amended by PL 2007, c. 662, §1, is repealed.

**Sec. S-3. 30-A MRSA §5681, sub-§3**, as amended by PL 2005, c. 266, §1, is further amended to read:

**3. Revenue-sharing funds.** To strengthen the state-municipal fiscal relationship pursuant to the findings and objectives of subsection 1, there is established the Local Government Fund. To provide additional support for municipalities experiencing a higher-than-average property tax burden, there is established the Disproportionate Tax Burden Fund. ~~To assist those municipalities that collaborate with other municipalities, counties or state agencies to obtain savings in the cost of delivering local and regional governmental services there is established the Fund for the Efficient Delivery of Local and Regional Services, which is administered pursuant to chapter 231.~~

**Sec. S-4. 30-A MRSA §5681, sub-§5**, as amended by PL 2007, c. 240, Pt. S, §§1 and 2, is further amended to read:

**5. Transfers to funds.** ~~On~~No later than the last 10th day of each month, the Treasurer of State Controller shall transfer to the Local Government Fund a percentage, as provided in this subsection, 5% of the receipts during the previous month from the taxes imposed under Title 36, Parts 3 and 8, and Title 36, section 2552, subsection 1, paragraphs A to F and L, and credited to the General Fund without any reduction, except that the postage, state cost allocation program and programming costs of administering state-municipal revenue sharing may be paid by the Local Government Fund. Any~~A percentage share of the amounts transferred to the Local Government Fund in excess of the annual growth ceiling must be transferred to the Disproportionate Tax Burden Fund. The percentage transferred to the Local Government Fund on the last day of each month is:~~each month must be transferred to the Disproportionate Tax Burden Fund and distributed pursuant to subsection 4-B as follows:

- ~~A. For months beginning before July 1, 2009, 5.1%; and~~
- ~~B. For months beginning on or after July 1, 2009, 5.2%.~~
- C. For months beginning on or after July 1, 2009 but before July 1, 2010, 15%;
- D. For months beginning on or after July 1, 2010 but before July 1, 2011, 16%;
- E. For months beginning on or after July 1, 2011 but before July 1, 2012, 17%;
- F. For months beginning on or after July 1, 2012 but before July 1, 2013, 18%;
- G. For months beginning on or after July 1, 2013 but before July 1, 2014, 19%; and
- H. For months beginning on or after July 1, 2014, 20%.

**Sec. S-5. 30-A MRSA §5681, sub-§5-B**, as amended by PL 2007, c. 240, Pt. NNN, §1, is repealed.

**Sec. S-6. 30-A MRSA §5681, sub-§5-C** is enacted to read:



**5-C. Transfers to General Fund.** For the months beginning on or after July 1, 2009, \$18,758,840 in fiscal year 2009-10 and \$25,260,943 in fiscal year 2010-11 from the total transfers pursuant to subsection 5 must be transferred to General Fund undedicated revenue. The amounts transferred to General Fund undedicated revenue each fiscal year pursuant to this subsection must be deducted from the distributions required by subsections 4-A and 4-B based on the percentage share of the transfers to the Local Government Fund pursuant to subsection 5. The reductions in this subsection must be allocated to each month proportionately based on the budgeted monthly transfers to the Local Government Fund as determined at the beginning of the fiscal year.

**Sec. S-7. 30-A MRSA §6201, sub-§6,** as enacted by PL 2005, c. 266, §2, is amended to read:

**6. Fund.** "Fund" means the Fund for the Efficient Delivery of Local and Regional Services established by section 5681, ~~subsection 36202.~~

**Sec. S-8. 30-A MRSA §6202,** as enacted by PL 2005, c. 266, §2, is amended to read:

**§ 6202. Fund source; nonlapsing; dedicated, special revenue account**

There is established the Fund for the Efficient Delivery of Local and Regional Services to assist those municipalities that collaborate with other municipalities, counties or state agencies to obtain savings in the cost of delivering local and regional governmental services. The fund consists of revenues transferred from the Local Government Fund pursuant to section 5681, subsection 5-B General Fund and any funds received as contributions from private and public sources. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any balance remaining in the fund at the end of any fiscal year must be carried forward to the next fiscal year. The fund is a dedicated, special revenue account.

**Sec. S-9. 30-A MRSA §6204, first ¶,** as enacted by PL 2005, c. 266, §2, is amended to read:

Except as otherwise provided by this section ~~and section 5681, subsection 3,~~ the fund is available solely for grants for qualifying projects. The department may use the fund to cover its costs of administration, including contracting for services to administer the grants.

**Sec. S-10. 36 MRSA §700-B, sub-§2,** as enacted by PL 2005, c. 623, §1, is amended to read:

**2. Transfer.** The State Controller shall transfer amounts certified under subsection 1 to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from the General Fund undedicated revenue ~~within the individual income tax category after the reduction for the transfer to the Local Government Fund required by Title 30-A, section 5681, subsection 5.~~ The assessor and the Treasurer of State shall pay amounts required under section 694, subsection 5 and section 700-A.

**Sec. S-11. 36 MRSA §2552, sub-§1, ¶J,** as amended by PL 2007, c. 539, Pt. DDD, §7 and c. 627, §67, is repealed and the following enacted in its place:

J. Home support services; and

**Sec. S-12. 36 MRSA §2552, sub-§1, ¶K**, as repealed by PL 2007, c. 539, Pt. DDD, §8 and amended by c. 627, §68, is repealed.

**Sec. S-13. 36 MRSA §2559**, as amended by PL 2007, c. 539, Pt. DDD, §9, is further amended to read:

### **§ 2559. Application of revenues**

Revenues derived by the tax imposed by this chapter must be credited to a General Fund suspense account. On or before the last day of each month, the State Controller shall transfer a percentage of the revenues received by the State Tax Assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs A to F and L to the Local Government Fund as provided by Title 30-A, section 5681, subsection 5. The balance remaining in the General Fund suspense account must be transferred to service provider tax General Fund revenue. On or before the 15th day of each month, the State Controller shall transfer all revenues received by the assessor during the preceding month pursuant to the tax imposed by section 2552, subsection 1, paragraphs G to J to the Medical Care Services Other Special Revenue Funds account, the Other Special Revenue Funds Mental Health Services - Community Medicaid program, the Medicaid Services - Mental Retardation program and the Office of Substance Abuse - Medicaid Seed program within the Department of Health and Human Services.

**Sec. S-14. 36 MRSA §6203-A**, as enacted by PL 2003, c. 673, Pt. BB, §2, is amended to read:

### **§ 6203-A. Procedure for reimbursement**

At least monthly on or before the last day of the month, the State Tax Assessor shall determine the benefit for each claimant under this chapter and certify the amount to the State Controller to be transferred to the so-called circuit breaker reserve established, maintained and administered by the State Controller from General Fund undedicated revenue ~~within the individual income tax category~~. At least monthly, the assessor shall pay the certified amounts to each approved applicant qualifying for the benefit under this chapter. Interest may not be allowed on any payment made to a claimant pursuant to this chapter.

**Sec. S-15. 36 MRSA §6656, sub-§1**, as enacted by PL 2005, c. 618, §20 and affected by §22, is amended to read:

**1. Reimbursement claim.** Notwithstanding any other provision of law, except as provided in section 6652 and section 6662, upon receipt of a timely and properly completed claim for reimbursement, the State Tax Assessor shall certify that the claimant is eligible for reimbursement under this chapter. The assessor shall determine the benefit for each claimant and shall certify to the State Controller the amounts to be transferred to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from General Fund undedicated revenue ~~within the individual income tax category~~.

**Sec. S-16. Effective date.** This Part takes effect July 1, 2009 except that no transfers from undedicated revenue to the Local Government Fund pursuant to the Maine Revised Statutes, Title 30-A, section 5681, subsection 5 may be made in June 2009.

## **PART T**

**Sec. T-1. Transfer of funds; food, heating and utility expenses; Department of Corrections.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585, or any other provisions of law, the Department of Corrections, upon recommendation of the State Budget Officer and approval of the Governor, is authorized to transfer, by financial order, All Other funding between accounts within the same fund for the purposes of paying food, heating and utility expenses in fiscal years 2009-10 and 2010-11.

**Sec. T-2. Transfer of funds; overtime expenses.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, the Department of Corrections, upon approval of the Governor, is authorized to transfer, by financial order, Personal Services, All Other or Capital Expenditures funding between accounts within the same fund for the purposes of paying overtime expenses.

**Sec. T-3. Transfers and adjustments to position count.** The Commissioner of Corrections shall review the current organizational structure to improve organizational efficiency and cost-effectiveness. Notwithstanding any other provision of law, the State Budget Officer shall transfer position counts and available balances by financial order upon approval of the Governor in order to achieve the purposes of this section.

## PART U

**Sec. U-1. 36 MRSA §6652, sub-§1,** as repealed and replaced by PL 2007, c. 438, §114, is amended to read:

**1. Generally.** A person against whom taxes have been assessed pursuant to Part 2, except for chapters 111 and 112, with respect to eligible property and who has paid those taxes is entitled to reimbursement of a portion of those taxes from the State as provided in this chapter. The reimbursement under this chapter is the percentage of the taxes assessed and paid with respect to eligible property specified in subsection 4, except that for claims filed for the application ~~period~~periods that ~~begins~~begin on August 1, 2006, ~~August 1, 2009 and August 1, 2010~~ the reimbursement is limited to 90% of the taxes assessed and paid with respect to eligible property. For purposes of this chapter, a tax applied as a credit against a tax assessed pursuant to chapter 111 or 112 is a tax assessed pursuant to chapter 111 or 112. A taxpayer that included eligible property in its investment credit base under section 5219-E or 5219-M and claimed the credit provided in one or more of those sections on its income tax return may not be reimbursed under this chapter for taxes assessed on that same eligible property in a year in which one or more of those credits are taken. A successor in interest of a person against whom taxes have been assessed with respect to eligible property is entitled to reimbursement pursuant to this section, whether the tax was paid by the person assessed or by the successor, as long as a transfer of the property in question to the successor has occurred and the successor is the owner of the property as of August 1st of the year in which a claim for reimbursement may be filed pursuant to section 6654. For purposes of this subsection, "successor in interest" includes the initial successor and any subsequent successor. When an eligible successor in interest exists, the successor is the only person to whom reimbursement under this chapter may be made with respect to the transferred property. For an item of eligible property that is first subject to assessment under Part 2 on or after April 1, 2008, and for any item of eligible property for which

reimbursement is paid under subsection 4, paragraph B, the reimbursement otherwise payable under this section with respect to that item of eligible property must be reduced by an amount equal to the amount, if any, by which the reimbursement otherwise payable under this section plus payments received by the taxpayer under a tax increment financing arrangement pursuant to Title 30-A, chapter 206, subchapter 1 with respect to that item of eligible property exceeds 100% of the property taxes assessed with respect to that item of eligible property.

## PART V

**Sec. V-1. Transfer from Other Special Revenue Funds to unappropriated surplus of the General Fund.** Notwithstanding any other provision of law, the State Controller shall transfer \$11,654 in fiscal year 2009-10 from the Department of the Secretary of State, Archives Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2010, to provide funding for one-time retroactive costs associated with personnel action at the Department of the Secretary of State, Maine State Archives.

## PART W

**Sec. W-1. 34-A MRSA §1217** is enacted to read:

### **§ 1217. Prisoner Boarding Fund**

The Prisoner Boarding Fund is established in the department to provide funding for the boarding of prisoners at county jail facilities.

**1. Commissioner's powers.** The commissioner may receive and use, for the purpose of this section, money appropriated by the State.

**2. Prisoner Boarding Fund.** All funds appropriated for the purpose of this section must be credited to the Prisoner Boarding Fund. State funds appropriated to the Prisoner Boarding Fund that are unexpended at the end of the fiscal year for which the funds are appropriated do not lapse, but must carry forward into subsequent fiscal years to be expended for the purpose of this section.

## PART X

**Sec. X-1. 28-A MRSA §82, sub-§8,** as enacted by PL 1997, c. 373, §28, is amended to read:

**8. Publish laws and rules.**~~Publish a compilation containing~~Ensure that licensees have access to the provisions of this Title, and other laws concerning governing liquor and all rules adopted under this Title every 4 years in accordance with this section.

~~A. The bureau shall supply a copy of the compilation to every new licensee at no charge.~~

A-1. The bureau shall provide notification to licensees that the provisions of this Title are available on the Department of Public Safety's website as described in subsection 8-A and that the bureau will provide a paper copy of the Title to any licensee at no charge, upon request from that licensee.

B. The bureau shall notify all licensees of changes in the law and rules within 90 days of adjournment of each regular session of the Legislature.

(1) The bureau shall supply a copy of the new laws and rules at no charge when requested by licensees.

(2) The bureau shall supply a copy of the new laws and rules to persons other than licensees for a reasonable fee.

C. The bureau may charge a reasonable fee for ~~the compilation~~paper copies of this Title to cover the cost of producing the ~~compilation~~paper copy to persons other than licensees; and

**Sec. X-2. 28-A MRSA §82, sub-§8-A** is enacted to read:

**8-A. Post laws and rules.** Post on the Department of Public Safety's publicly accessible website this Title, other laws concerning liquor and all rules adopted under this Title. The bureau shall notify all licensees of changes in the law and rules via a publicly accessible website posting within 90 days of adjournment of each regular session of the Legislature. The bureau shall update the posting on the Department of Public Safety's publicly accessible website to reflect new laws and rules; and

## PART Y

**Sec. Y-1. Retirement incentive.** The Commissioner of Administrative and Financial Services is authorized to offer a retirement incentive program to employees who are eligible to retire and who have reached their normal retirement age on or before July 1, 2009. Employees choosing to participate in this retirement incentive program must make application for participation in the manner specified by the commissioner between July 1, 2009 and August 15, 2009, with retirements effective August 31, 2009.

**Sec. Y-2. Calculation and transfer of funds; General Fund; retirement incentive program.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, the State Budget Officer shall calculate the amount of savings in the Statewide Retirement Incentive account in this Part that applies against each General Fund account for departments and agencies statewide that have occurred as a result of the retirement incentive program authorized in section 1. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor on or before January 15, 2010. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11.

**Sec. Y-3. Disposition of authorized positions vacated by retiring employees.** Except as provided in this section, positions vacated by employees choosing to participate in the retirement incentive program authorized in section 1 must remain vacant from September 1, 2009 to June 30, 2011.

Upon approval of the State Budget Officer, a vacated position may be filled to meet the operational needs of the department as long as a different vacated position that achieves comparable savings within the same fund is identified. The State Budget Officer shall report to the Joint Standing Committee on Appropriations and Financial Affairs on the numbers of the employees, by program, taking advantage of the retirement incentive program by January 15, 2010.

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

#### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

##### **Departments and Agencies - Statewide 0016**

Initiative: Reduces funding from departments and agencies statewide from projected savings in Personal Services achieved through the retirement incentive program.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Personal Services	(\$2,388,887)	(\$2,866,664)
<b>GENERAL FUND TOTAL</b>	<b>(\$2,388,887)</b>	<b>(\$2,866,664)</b>

## **PART Z**

**Sec. Z-1. Voluntary employee incentive programs.** Notwithstanding the Maine Revised Statutes, Title 5, section 903, subsections 1 and 2, the Commissioner of Administrative and Financial Services shall offer for use prior to July 1, 2011 special voluntary employee incentive programs for state employees, including a 50% workweek option, flexible position staffing and time off without pay. Employee participation in a voluntary employee incentive program is subject to the approval of the employee's appointing authority.

**Sec. Z-2. Continuation of health insurance.** Notwithstanding the Maine Revised Statutes, Title 5, section 285, subsection 7 and section 903, the State shall continue to pay health and dental insurance benefits for a state employee who applies prior to July 1, 2011 to participate in a voluntary employee incentive program under section 1 based upon the scheduled workweek in effect prior to the employee's participation in the voluntary employee incentive program.

**Sec. Z-3. Continuation of group life insurance.** Notwithstanding the Maine Revised Statutes, Title 5, sections 903 and 18056 and the rules of the Maine Public Employees Retirement System, the life, accidental death and dismemberment, supplemental and dependent insurance amounts for a state employee who applies prior to July 1, 2011 to participate in a voluntary employee incentive program under section 1 are based upon the scheduled hours of the employee prior to the employee's participation in the voluntary employee incentive program.

**Sec. Z-4. General Fund savings.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585, the State Budget Officer shall transfer the General Fund savings resulting from the voluntary employee incentive programs under section 1 to the General Fund Compensation and Benefit Plan account in the Department of Administrative and Financial Services. The State Budget Officer shall submit to 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, 2011.

**Sec. Z-5. Lapsed balances.** Notwithstanding any other provision of law, \$650,000 in fiscal year 2009-10 and \$650,000 in fiscal year 2010-11 of savings identified from the voluntary employee incentive programs in this Part lapse to the General Fund.

## PART AA

**Sec. AA-1. Calculation and transfer; attrition savings.** The attrition rate for the 2010-2011 biennium is increased from 1.6% to 5.0%. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings identified in the Statewide Attrition account within the Department of Administrative and Financial Services in section 3 that applies against each General Fund account for all executive branch departments and agencies statewide and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11. The State Budget Officer shall submit to the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amounts no later than September 1, 2009.

**Sec. AA-2. Report; interdepartmental transfers.** The State Budget Officer shall submit to the Joint Standing Committee on Appropriations and Financial Affairs reports of the interdepartmental transfers pursuant to the Maine Revised Statutes, Title 5, section 1582, subsection 4 that were necessary to offset unrealized savings from projected vacancies by a state department in fiscal years ending June 30, 2010 and June 30, 2011. The reports must be submitted no later than May 15th and June 15th in both 2010 and 2011.

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

### ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

#### Executive Branch Departments and Independent Agencies - Statewide 0017

Initiative: Reduces funding to reflect projected savings to the State from an increase in the attrition rate from 1.6% to 5% for fiscal years 2009-10 and 2010-11.

GENERAL FUND	2009-10	2010-11
Personal Services	(\$8,786,937)	(\$8,683,091)
GENERAL FUND TOTAL	(\$8,786,937)	(\$8,683,091)

## **PART BB**

**Sec. BB-1.5 MRSA §1582, sub-§4**, as enacted by PL 2005, c. 12, Pt. T, §1, is amended to read:

**4. Use of savings; personal services funds.** Savings accrued from unused funding of employee benefits may not be used to increase services provided by employees. Accrued salary savings generated from vacant positions within an appropriation or allocation for Personal Services may be used for the payment of nonrecurring Personal Services costs only within the account where the savings exist. Accrued savings generated from vacant positions within a General Fund account's appropriation for Personal Services may be used to offset Personal Services shortfalls in other General Fund accounts that occur as a direct result of Personal Services appropriation reductions for projected vacancies, and accrued savings generated within a Highway Fund account's allocations for Personal Services may be used to offset Personal Services shortfalls in other Highway Fund accounts that occur as a direct result of Personal Services allocation reductions for projected vacancies; except that the transfer of such accrued savings is subject to review by the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs. Costs related to acting capacity appointments and emergency, unbudgeted overtime for which it is impractical to budget in advance may be used with the approval of the appointing authority. Other actions such as retroactive compensation for reclassifications or reallocations and retroactive or one-time settlements related to arbitrator or court decisions must be recommended by the department or agency head and approved by the State Budget Officer. Salary and employee benefits savings may not be used to fund recurring Personal Services actions either in the account where the savings exist or in another account.

## **PART CC**

**Sec. CC-1. 22 MRSA §1714-B**, as amended by PL 2005, c. 519, Pt. PP, §1, is further amended to read:

### **§ 1714-B. Critical access hospital reimbursement**

For state fiscal years beginning on or after July 1, 2005 through June 30, 2009, the department shall reimburse licensed critical access hospitals ~~that are licensed~~ at 117% of MaineCare allowable costs for both inpatient and outpatient services provided to patients covered by the MaineCare program. For state fiscal years beginning on or after July 1, 2009, for each critical access hospital fiscal year up to but not including the hospital fiscal year beginning on or after April 1, 2011, the department shall reimburse licensed critical access hospitals at 109% of MaineCare allowable costs for both inpatient and outpatient services provided to patients covered by the MaineCare program. Of the total allocated from hospital tax revenues under Title 36, chapter 375, \$1,000,000 in state and federal funds must be distributed annually among critical access hospitals for staff enhancement payments. This section is repealed April 1, 2012.

**Sec. CC-2. 22 MRSA §1714-C** is enacted to read:

### **§ 1714-C. Critical access hospital staff enhancement reimbursement**



Beginning April 1, 2011, the department shall reimburse critical access hospitals from the total allocated from hospital tax revenues under Title 36, chapter 375 at least \$1,000,000 in state and federal funds to be distributed annually among critical access hospitals for staff enhancement payments.

**Sec. CC-3. 22 MRSA §3174-LL** is enacted to read:

**§ 3174-LL. Inpatient services reimbursement based on diagnosis-related groups**

Beginning April 1, 2010, the Department of Health and Human Services shall begin to phase in a system to reimburse noncritical access hospitals for inpatient services under the MaineCare program an amount per discharge that is based on diagnosis-related groups modeled on the system used by the federal Medicare program. The new diagnosis-related groups payment system must be budget neutral, based on MaineCare hospital payments for the year prior to the year of implementation. The new payment system must be implemented for each noncritical access hospital at the beginning of the hospital's first fiscal year that commences on or after April 1, 2010. The Department of Health and Human Services shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. CC-4. 22 MRSA §3174-MM** is enacted to read:

**§ 3174-MM. Outpatient services reimbursement under the MaineCare program based on ambulatory payment classifications**

Beginning April 1, 2010, the Department of Health and Human Services shall begin to phase in a system to reimburse noncritical access hospitals for outpatient services under the MaineCare program an amount per patient service based on ambulatory payment classifications modeled on the system used by the federal Medicare program. The new ambulatory payment classifications must be budget neutral based on MaineCare payments for the same services in the year prior to the year of implementation. The new payment system must be implemented for each hospital at the beginning of the hospital's first fiscal year that commences on or after April 1, 2010. The Department of Health and Human Services shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. CC-5. 22 MRSA §3174-NN** is enacted to read:

**§ 3174-NN. Inpatient services reimbursement for critical access hospitals based on diagnosis-related groups**

Beginning April 1, 2011, the Department of Health and Human Services shall begin to phase in a system to reimburse critical access hospitals for inpatient services under the MaineCare program an amount per discharge that is based on diagnosis-related groups modeled on the system used by the federal Medicare program. The new diagnosis-related groups payment system must be budget neutral, based on MaineCare hospital payments for the year prior to the year of implementation. The new payment system must be implemented for each critical access hospital at the beginning of the hospital's first fiscal year that commences on or after April 1, 2011. The Department of Health and Human Services shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. CC-6. 22 MRSA §3174-OO** is enacted to read:

**§ 3174-OO. Outpatient services reimbursement for critical access hospitals under the MaineCare program based on ambulatory payment classifications**

Beginning April 1, 2011, the Department of Health and Human Services shall begin to phase in a system to reimburse critical access hospitals for outpatient services under the MaineCare program an amount per patient service based on ambulatory payment classifications modeled on the system used by the federal Medicare program. The new ambulatory payment classifications must be budget neutral based on MaineCare payments for the same services in the year prior to the year of implementation. The new payment system must be implemented for each critical access hospital at the beginning of the hospital's first fiscal year that commences on or after April 1, 2011. The Department of Health and Human Services shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. CC-7. PL 2009, c. 1, Pt. V** is repealed.

**Sec. CC-8. Report on progress regarding inpatient services reimbursement under MaineCare.** By January 15, 2011, the Department of Health and Human Services shall present a report to the joint standing committee of the Legislature having jurisdiction over health and human services matters on the progress in moving to reweighting the payments to acute care hospitals based on diagnosis-related groups and ambulatory payment classifications to provide incentives for the use of primary care.

**Sec. CC-9. Report on progress regarding reducing the use of emergency departments in hospitals and reducing preventable admissions to the hospital from emergency departments.** By January 15, 2010, the Governor's Office of Health Policy and Finance shall, after seeking input from interested parties, report to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Appropriations and Financial Affairs regarding progress in reducing the use of emergency departments in hospitals and reducing preventable admissions to the hospitals. The Joint Standing Committee on Health and Human Services is authorized to report out legislation to the Second Regular Session of the 124th Legislature regarding reducing the use of hospital emergency departments and reducing preventable admissions to the hospitals from emergency departments.

**Sec. CC-10. Report on the impact of increased physician MaineCare reimbursement.** By October 1, 2010, the Department of Health and Human Services shall present a report to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Appropriations and Financial Affairs on the impact of increased MaineCare physician reimbursement rates on access to and use of preventive and primary care services by MaineCare members.

**Sec. CC-11. Rulemaking regarding MaineCare reimbursement.** The Department of Health and Human Services shall adopt rules regarding reimbursement under the MaineCare program as provided in this section. Rules adopted pursuant to this section are routine technical rules as defined by the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

**1. Rules for hospital-based providers of inpatient services.** By July 1, 2009 the department shall adopt rules for reimbursement of hospital-based providers for inpatient services that establish the reimbursement rate at 93.3% of MaineCare allowable costs.

**2. Rules for hospital-based providers of outpatient services.** By July 1, 2009 the department shall adopt rules for reimbursement of hospital-based providers for outpatient services that establish the reimbursement rate at 83.8% of MaineCare allowable costs.

**3. Rules for hospital emergency department providers of outpatient services.** By July 1, 2009 the department shall adopt rules for reimbursement of hospital emergency department providers for outpatient services that establish the reimbursement rate at 93.4% of MaineCare allowable costs.

**4. Rules for nonhospital-based physicians, nurse practitioners, physician assistants and nurse anesthetists.** By February 1, 2010 the department shall adopt rules for reimbursement for services provided by nonhospital-based physicians, nurse practitioners, physician assistants and nurse anesthetists who are reimbursed at less than 70% of Medicare rates that establish the rates at 70% of Medicare rates.

**5. Rules for hospital reimbursement.** By July 1, 2009 the department shall adopt rules for hospital reimbursement as follows.

A. The rates must decrease reimbursement to noncritical access hospitals per discharge for inpatient hospital services by 6.7% and must provide a one-time increase in prospective interim payments to critical access and to noncritical access hospitals by 3%.

B. The rates must decrease reimbursement to critical access hospitals for inpatient and outpatient services from 117% of MaineCare allowable costs to 109% of MaineCare allowable costs.

C. The rates must decrease reimbursement to hospitals reclassified to a wage area outside of the State by the Medicare Geographic Classification Review Board from 117% of MaineCare allowable costs to 109% of MaineCare allowable costs.

**Sec. CC-12. Report on feasibility and advisability of reimbursing critical access hospitals on a diagnosis-related group system for inpatient services and on an ambulatory payment classification for outpatient services under the MaineCare program.** By January 15, 2010 the Department of Health and Human Services shall report to the Joint Standing Committee on Health and Human Services on the feasibility and advisability of reimbursing critical access hospitals on a diagnosis-related group system for inpatient MaineCare services and on ambulatory payment classifications for outpatient MaineCare services.

## **PART DD**

**Sec. DD-1. PL 2007, c. 629, Pt. G, §3** is repealed.

**Sec. DD-2. Transfer from unappropriated surplus at close of fiscal year 2008-09 to the Department of Health and Human Services, Medical Care - Payments to Providers program, General Fund account.** Notwithstanding any other provision of law, at the close of fiscal year 2008-09, the State Controller shall transfer up to \$15,000,000 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, Medical Care - Payments

to Providers program, General Fund account after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made and as the first priority after the transfers required pursuant to the Maine Revised Statutes, Title 5, sections 1507 and 1511 and before the transfer required pursuant to Title 5, section 1536.

**Sec. DD-3. Transfer from unappropriated surplus at close of fiscal year 2009-10 to the Department of Health and Human Services, Medical Care - Payments to Providers program, General Fund account.** Notwithstanding any other provision of law, at the close of fiscal year 2009-10, the State Controller shall transfer up to \$15,000,000 reduced by amounts transferred pursuant to section 2 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, Medical Care - Payments to Providers program, General Fund account after all required deductions of appropriations, budgeted financial commitments and adjustments considered necessary by the State Controller have been made and as the first priority after the transfers required pursuant to the Maine Revised Statutes, Title 5, sections 1507 and 1511 and before the transfer required pursuant to Title 5, section 1536.

**Sec. DD-4. Use of transfers.** Of the transfers made in accordance with sections 2 and 3 up to \$10,000,000 must first be used to meet the remaining obligations of the MaineCare program, including offsetting the impact of the payment of prior years' costs related to interim payments, and secondly up to \$5,000,000 must be used to pay hospital settlements.

**Sec. DD-5. Transfers considered adjustment to appropriations.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, amounts transferred pursuant to this Part are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11. These funds may be allotted by financial order upon recommendation of the State Budget Officer and approval of the Governor.

## **PART EE**

**Sec. EE-1. PL 2007, c. 240, Pt. GG, §3,** as enacted by PL 2007, c. 539, Pt. UU, §3, is repealed.

**Sec. EE-2. Retroactivity.** This Part applies retroactively to December 15, 2008.

## **PART FF**

**Sec. FF-1. PL 2009, c. 1, Pt. E, §2** is amended to read:

**Sec. E-2. Economic Recovery Fund account established.** The Federal Relief Funds Reserve Economic Recovery Fund account, referred to in this section as "the reserve account," is established as a nonlapsing General Fund account to be used to reserve the General Fund savings from the anticipated temporary increase in the State's federal medical assistance percentage to be used for expenditures related to health care, including as first priority the payment of MaineCare settlements for hospital fiscal years 2005 and 2006. The State Budget Officer may transfer funds from the reserve account to the Medical Care - Payments to Providers program within the Department of Health and Human Services by financial order upon approval of the Governor for this purpose. Funds in the reserve account

may not be expended, transferred or otherwise obligated for other purposes unless specifically authorized by the Legislature. The transfers pursuant to this section are considered adjustments to appropriations and allocations in fiscal years 2008-09, 2009-10 and 2010-11.

**Sec. FF-2. PL 2009, c. 1, Pt. E, §3** is amended to read:

**Sec. E-3. Calculation and transfer; increased federal medical assistance percentage in fiscal years 2008-09, 2009-10 and 2010-11.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of projected savings in fiscal years 2008-09, 2009-10 and 2010-11 that applies against each appropriate MaineCare General Fund seed account within the Department of Health and Human Services from the anticipated temporary increase in the State's federal medical assistance percentage and shall transfer the calculated amounts by financial order upon approval of the Governor to the ~~Federal Relief Funds Reserve~~Economic Recovery Fund account established in section 2. These transfers are considered adjustments to appropriations and allocations in fiscal years 2008-09, 2009-10 and 2010-11.

**Sec. FF-3. PL 2009, c. 1, Pt. E, §4** is amended to read:

**Sec. E-4. Report.** The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs and the State Controller ~~a report~~with reports of the transferred amounts and adjustments to appropriations and allocations made pursuant to sections 2 and 3 by May 15, 2009, May 15, 2010 and May 15, 2011.

## PART GG

**Sec. GG-1. 5 MRSA §285, sub-§7**, as amended by PL 2001, c. 439, Pt. XX, §5 and PL 2003, c. 20, Pt. OO, §2 and affected by §4, is repealed and the following enacted in its place:

**7. Payment by State.** Except as otherwise provided in this subsection, the State, through the commission, shall pay health plan premiums in accordance with this subsection.

A. Until October 1, 2009, for employees, the State shall pay 100% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

B. Beginning October 1, 2009 and until July 1, 2010, the State shall pay a share of the individual premium for the standard plan identified and offered by the commission as follows.

(1) For an employee whose base annual rate of pay is projected to be less than or equal to \$30,000 on July 1, 2009, the State shall pay 100% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

(2) For an employee whose base annual rate of pay is projected to be greater than \$30,000 and less than \$80,000 on July 1, 2009, the State shall pay 95% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

(3) For an employee whose base annual rate of pay is projected to be \$80,000 or greater on July 1, 2009, the State shall pay 90% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

C. Beginning July 1, 2010, except as provided in subsection 7-A, the State, through the commission, shall pay a share of the individual premium for the standard plan identified and offered by the commission as follows.

(1) For an employee whose base annual rate of pay is projected to be less than or equal to \$30,000 on July 1st of the state fiscal year for which the premium contribution is being determined, the State shall pay 95% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

(2) For an employee whose base annual rate of pay is projected to be greater than \$30,000 and less than \$80,000 on July 1st of the state fiscal year for which the premium contribution is being determined, the State shall pay 90% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

(3) For an employee whose base annual rate of pay is projected to be \$80,000 or greater on July 1st of the state fiscal year for which the premium contribution is being determined, the State shall pay 85% of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission.

D. For Legislators, the State shall pay 50% of the health plan premium for dependent coverage.

E. For a person appointed to a position after November 1, 1981 who is employed less than full time, the State shall pay a share of the employee's share of the individual premium reduced pro rata to reflect the reduced number of work hours.

F. The State may not pay any portion of the health plan premium for a blind person eligible for the group health plan under subsection 1, paragraph H or for a licensed foster parent eligible for the group health plan under subsection 1, paragraph I.

G. For persons who were first employed before July 1, 1991, the State shall pay 100% of only the retiree's share of the premiums for the standard plan identified and offered by the commission and available to the retiree, as authorized by the commission for persons who were previously eligible for this health plan pursuant to subsection 1, paragraph A and who have subsequently become eligible pursuant to subsection 1, paragraph G.

H. For persons who were first employed by the State after July 1, 1991, the State shall pay a pro rata share portion of only the retiree's share of the premiums for the standard plan identified and offered by the commission and available to the retiree, as authorized by the commission for persons who were previously eligible for this health plan pursuant to subsection 1, paragraph A and who have subsequently become eligible pursuant to subsection 1, paragraph G based on the total number of years of participation in the group health plan prior to retirement as follows:

(1) For an employee with 10 or more years of participation, the state portion is 100% of the group health plan premium.

(2) For an employee with at least 9 but less than 10 years of participation, the state portion is 90% of the group health plan premium.

(3) For an employee with at least 8 but less than 9 years of participation, the state portion is 80% of the group health plan premium.

(4) For an employee with at least 7 but less than 8 years of participation, the state portion is 70% of the group health plan premium.

(5) For an employee with at least 6 but less than 7 years of participation, the state portion is 60% of the group health plan premium.

(6) For an employee with at least 5 but less than 6 years of participation, the state portion is 50% of the group health plan premium.

(7) For an employee with less than 5 years of participation, there is no contribution by the State.

Pursuant to Title 20-A, section 12722, subsection 5, this subsection applies to participants in the defined contribution plan offered by the Maine Community College System Board of Trustees under Title 20-A, section 12722.

**Sec. GG-2. 5 MRSA §285, sub-§7-A** is enacted to read:

**7-A. Health credit premium program.** Notwithstanding subsection 7, paragraph C, the State may pay a greater proportion of the total cost of the individual premium for the standard plan identified and offered by the commission and available to the employee as authorized by the commission. The commission shall develop a health credit premium program whereby employees are provided incentives to engage in healthy behaviors in an effort to improve the health status of the state employee population and to help reduce costs to the state employee health insurance program. The commission shall define benchmarks for healthy behaviors that, if met by an individual employee, result in the State's paying a greater share of the individual premium. Adjustments to the state share of the individual premium must be applied once each year in advance of the beginning of the plan year.

The benchmarks developed by the commission must provide 3 discrete levels for the state share of the individual premium as follows.

A. For employees whose base annual rate of pay is projected to be less than or equal to \$30,000 on July 1st of the state fiscal year for which the premium contribution is being determined, the health credit premium program must provide the individual employee meeting the specified benchmarks with the opportunity to have the state share of the individual premium paid at 100%, 97.5% or 95%. The state share is determined by the specific benchmarks met by the employee.

B. For employees whose base annual rate of pay is projected to be greater than \$30,000 and less than \$80,000 on July 1st of the state fiscal year for which the premium contribution is being determined, the health credit premium program must provide the individual employee meeting the specified benchmarks with the opportunity to have the state share of the individual premium paid at 95%, 92.5% or 90%. The state share is determined by the specific benchmarks met by the employee.

C. For employees whose base annual rate of pay is projected to be \$80,000 or greater on July 1st of the state fiscal year for which the premium contribution is being determined, the health credit premium program must provide the individual employee meeting the specified benchmarks with the opportunity to have the state share of the individual premium paid at 92.5%, 89% or 85%. The state share is determined by the specific benchmarks met by the employee.

**Sec. GG-3. 5 MRSA §285, sub-§7-B** is enacted to read:

**7-B. Provision for alternative cost-savings initiatives.** If the commission fails to develop and implement the health credit premium program as specified in subsection 7-A, or if the health credit premium program fails to generate the savings required to maintain the fiscal balance in the state employee health insurance program, the commission shall develop and implement changes to the benefit structure of the standard plan in order to satisfy the need for fiscal stability.

**Sec. GG-4. Health credit premium benchmarks; development.** No later than April 1, 2010, the State Employee Health Commission shall define benchmarks for healthy behavior for purposes of the health credit premium program developed pursuant to the Maine Revised Statutes, Title 5, section 285, subsection 7-A.



**Sec. GG-5. Quarterly reports on health credit premium program.** Beginning January 1, 2010, the Commissioner of Administrative and Financial Services shall report on a quarterly basis to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over state and local government matters on the implementation and operations of the health credit premium program established under the Maine Revised Statutes, Title 5, section 285, subsection 7-A.

**Sec. GG-6. Calculation and transfer; General Fund; health insurance savings.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in section 7 of this Part that applies against each General Fund account for departments and agencies statewide from savings in health insurance in accordance with this Part. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11. The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amount not later than September 1, 2009.

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Reduces funding to reflect savings to the State for the cost of health insurance through a change in the portion of the employee health insurance premium that is paid by the State.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Personal Services	(\$1,373,869)	(\$2,405,076)
<b>GENERAL FUND TOTAL</b>	<b>(\$1,373,869)</b>	<b>(\$2,405,076)</b>

**PART HH**

**Sec. HH-1. PL 2007, c. 539, Pt. PPPP, §7** is amended to read:

**Sec. PPPP-7. Report.** No later than November 5, 2008~~2009~~, the commission shall submit a report that includes its findings and recommendations, including any suggested legislation, for presentation to the Joint Standing Committee on Appropriations and Financial Affairs.

**Sec. HH-2. Retroactivity.** This Part applies retroactively to November 5, 2008.

**PART II**

**Sec. II-1. Transfer from General Fund undedicated revenue for fiscal years 2009-10 and 2010-11; payroll and position management system.** Notwithstanding any other provision of law, the State Controller may transfer from excess General Fund revenue up to \$750,000 each year of undedicated revenue above the budgeted state cost allocation program revenue estimate for fiscal year 2009-10 and fiscal year 2010-11 to the Office of Information Technology Internal Service Fund, on or before June 30th of each of those fiscal years, as partial funding toward the development and implementation of a payroll and position management system that is compliant with current federal Internal Revenue Service reporting requirements and accounting standards.

## **PART JJ**

**Sec. JJ-1. Transfer of overpayments accumulated in the Retiree Health Insurance Internal Service Fund.** Notwithstanding any other provision of law, the State Controller shall transfer \$2,200,000 representing the General Fund share of overpayments for retiree health insurance made by the Maine Community College System over a period of several years that have been assessed by the retiree health insurance program to the unappropriated surplus of the General Fund by June 30, 2010. The State Controller shall determine the balance due to the Maine Community College System and reimburse those funds to the system no later than June 30, 2010.

## **PART KK**

**Sec. KK-1. Transfer from Other Special Revenue Funds to Dirigo Health Enterprise Fund.** Notwithstanding any other provision of law, the State Controller may transfer up to \$20,000,000 in fiscal year 2008-09 from Other Special Revenue Funds to the Dirigo Health Enterprise Fund established in the Maine Revised Statutes, Title 24-A, section 6915 no later than June 30, 2009. On July 1, 2009, the State Controller shall transfer an amount equal to the amount transferred from Other Special Revenue Funds to the Dirigo Health Enterprise Fund from the Dirigo Health Enterprise Fund along with interest to Other Special Revenue Funds as repayment. This transfer is considered an interfund advance to be repaid with interest compounded annually at the earnings rate within the Treasurer of State's cash pool on the date of the advance.

**Sec. KK-2. Working capital advance to Dirigo Health Enterprise Fund.** For fiscal year 2009-10, the State Controller is authorized to advance up to \$25,000,000 from the General Fund to the Dirigo Health Enterprise Fund established in the Maine Revised Statutes, Title 24-A, section 6915 to provide funds for health insurance premium costs paid for by the Dirigo Health Enterprise Fund.

Funds advanced from the General Fund to the Dirigo Health Enterprise Fund for fiscal year 2009-10 must be returned to the General Fund along with interest on a periodic basis commencing not later than April 1, 2010 with final repayment due on or before June 30, 2010. Interest is compounded annually at the Treasurer of State's rate of short-term borrowing.

Interest is compounded annually at the Treasurer of State's rate of short-term borrowing for funds advanced from the General Fund to the Dirigo Health Enterprise Fund for fiscal year 2008-09.

The State Controller shall report monthly to the Joint Standing Committee on Appropriations and Financial Affairs on the status and activity in the Dirigo Health Enterprise Fund.

Except as set forth in this section, the State Controller may not advance any funds from the General Fund to the Dirigo Health Enterprise Fund without express legislative authorization.

## PART LL

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

Each member of the Senate and House of Representatives, beginning with the first Wednesday of December 2000 and thereafter, is entitled to \$10,815 in the first year and \$7,725 in the 2nd year of each biennium, except that if a Legislator who is a recipient of retirement benefits from the federal Social Security Administration files a written request with the Executive Director of the Legislative Council within one week after the biennium commences, the Legislator is entitled to \$9,270 in each year of the biennium. Each member of the Senate and the House of Representatives must receive a cost-of-living adjustment in annual legislative salary, except that the percentage increase may not exceed 5% in any year. Beginning December 1, 2001, the salary for each legislative session must be adjusted each December 1st by the percentage change in the Consumer Price Index for the most recently concluded fiscal year; except that no member of the Senate or the House of Representatives may receive a cost-of-living adjustment in annual legislative salary for the Second Regular Session of the ~~121st~~ 124th Legislature or the First Regular Session of the ~~122nd~~ 124th Legislature. In addition, each Legislator is entitled to be paid for travel at each legislative session once each week at the same rate per mile to and from that Legislator's place of abode as state employees receive, the mileage to be determined by the most reasonable direct route, except that Legislators may be reimbursed for tolls paid for travel on the Maine Turnpike as long as they have a receipt for payment of the tolls, such tolls to be reimbursed when Legislators use the Maine Turnpike in traveling to and from sessions of the Legislature or in performance of duly authorized committee assignments. Each Legislator is entitled to mileage on the first day of the session, and those amounts of salary and expenses at such times as the Legislature may determine during the session, and the balance at the end of the session.

**Sec. LL-2. 5 MRSA §18056, sub-§1**, as amended by PL 1991, c. 480, §3, is further amended to read:

**1. Basic insurance.** Life insurance and accidental death and dismemberment insurance, referred to be known as "basic insurance," ~~shall~~ must be available to all eligible participants.

A. ~~The~~ Except as provided in paragraph A-1, the amount of life insurance to be paid upon death is equal to the participant's annual base compensation rounded up to the next \$1,000.

(1) A participant insured under a basic insurance policy is automatically covered for any change in the maximum due to a change in annual base compensation.

(2) The date of change in coverage under subparagraph (1) is the first day of the month of April following the effective date of the change in annual base compensation.

A-1. For a Legislator, the amount of life insurance to be paid upon death is equal to the participant's average annual legislative salary over the 2-year term of office rounded up to the next \$1,000. For the purposes of this section, "Legislator" includes the representatives of the Penobscot Nation and the Passamaquoddy Tribe at the Legislature.

B. The accidental death and dismemberment insurance ~~shall~~must provide payments as follows.

(1) Losses and amounts payable ~~shall be~~ are determined according to the following table.

LOSS	AMOUNT PAYABLE
Loss of life by Accident	An additional amount equal to that provided under <u>this subsection</u> <del>1, paragraph A</del>
Loss of one hand or foot or sight of one eye	One-half the amount provided under <u>this subsection</u> <del>1, paragraph A</del>
Loss of 2 or more limbs or loss of both eyes or loss of one limb and loss of sight of one eye	The amount provided under <u>this subsection</u> <del>1, paragraph A</del>

(2) For any one accident the aggregate amount of group accidental death and dismemberment insurance that may be paid may not exceed the amount provided under this subsection ~~1, paragraph A~~.

**Sec. LL-3. Lapsed Personal Services balances; Legislature.** Notwithstanding any other provision of law, \$356,947 of unencumbered balance forward in the Personal Services line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. In addition, \$367,549 of unencumbered balance forward in the Personal Services line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11.

**Sec. LL-4. Lapsed Personal Services balances; Law and Legislative Reference Library.** Notwithstanding any other provision of law, \$27,353 of unencumbered balance forward in the Personal Services line category in the Law and Legislative Reference Library General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. In addition, \$27,876 of unencumbered balance forward in the Personal Services line category in the Law and Legislative Reference Library General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11.

**Sec. LL-5. Lapsed Personal Services balances; Office of Program Evaluation and Government Accountability.** Notwithstanding any other provision of law, \$17,933 of unencumbered balance forward in the Personal Services line category in the Office of Program Evaluation and Government Accountability General Fund account in the Legislature lapses to the General Fund in

fiscal year 2009-10. In addition, \$18,551 of unencumbered balance forward in the Personal Services line category in the Office of Program Evaluation and Government Accountability General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11.

**Sec. LL-6. Lapsed balances; Legislature; reduction in length of legislative session, suspension of cost-of-living adjustment and other cost-saving measures.**

Notwithstanding any other provision of law, \$35,766 of unencumbered balance forward in the Personal Services line category and \$65,800 in the All Other line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. These balances will be available as a result of reducing the length of the Second Regular Session of the 124th Legislature by one week. Additionally, \$37,521 of unencumbered balance forward in the Personal Services line category and \$65,800 in the All Other line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11. These balances will be available as a result of reducing the length of the First Regular Session of the 125th Legislature by one week.

Notwithstanding any other provision of law, \$45,856 of unencumbered balance forward in the Personal Services line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. This balance will be available as a result of suspending the annual cost-of-living adjustment for Legislators for the Second Regular Session of the 124th Legislature.

Notwithstanding any other provision of law, \$65,750 in the All Other line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. This balance will be available as a result of implementing various cost-saving measures to achieve the identified savings.

**Sec. LL-7. Lapsed balances; Reserve Fund for State House Preservation and Maintenance.** Notwithstanding any other provision of law, \$300,000 of unencumbered balance forward in the All Other line category in the Reserve Fund for State House Preservation and Maintenance General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10.

**Sec. LL-8. Lapsed Personal Services balances; Legislature; Personal Services cost-saving measures.** Notwithstanding any other provision of law, \$695,619 of unencumbered balance forward in the Personal Services line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. In addition, \$999,068 of unencumbered balance forward in the Personal Services line category in the Legislative General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11. These balances will be available as a result of implementing Personal Services cost-saving measures determined by the Legislative Council.

**Sec. LL-9. Lapsed Personal Services balances; Law and Legislative Reference Library; Personal Services cost-saving measures.** Notwithstanding any other provision of law, \$65,929 of unencumbered balance forward in the Personal Services line category in the Law and Legislative Reference Library General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. In addition, \$87,849 of unencumbered balance forward in the Personal Services line category in the Law and Legislative Reference Library General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11. These balances will be available as a result of implementing Personal Services cost-saving measures determined by the Legislative Council.

**Sec. LL-10. Lapsed Personal Services balances; Office of Program Evaluation and Government Accountability; Personal Services cost-saving measures.**

Notwithstanding any other provision of law, \$56,208 of unencumbered balance forward in the Personal Services line category in the Office of Program Evaluation and Government Accountability General Fund account in the Legislature lapses to the General Fund in fiscal year 2009-10. In addition, \$81,045 of unencumbered balance forward in the Personal Services line category in the Office of Program Evaluation and Government Accountability General Fund account in the Legislature lapses to the General Fund in fiscal year 2010-11. These balances will be available as a result of implementing Personal Services cost-saving measures determined by the Legislative Council.

**PART MM**

**Sec. MM-1. Commissioner of Conservation; park fees.** The Commissioner of Conservation shall undertake a review of fees charged by the Department of Conservation, Bureau of Parks and Lands and, pursuant to the Maine Revised Statutes, Title 12, section 1819, shall implement, in a manner determined most appropriate by the commissioner, increases in such fees to generate additional undedicated revenue to the General Fund of \$475,500 in fiscal year 2009-10 and \$475,500 in fiscal year 2010-11.

**PART NN**

**Sec. NN-1. 36 MRSA §5211, sub-§14,** as enacted by P&SL 1969, c. 154, §F, is amended to read:

**14. Sales factor formula.** The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this State during the tax period, and the denominator of which is the total sales of the taxpayer everywhere during the tax period. The formula must exclude from both the numerator and the denominator sales of tangible personal property delivered or shipped, regardless of F.O.B. point or other conditions of the sale, to a purchaser within a state in which the taxpayer is not taxable within the meaning of subsection 2.

**Sec. NN-2. 36 MRSA §5211, sub-§15, ¶B,** as enacted by P&SL 1969, c. 154, §F, is amended to read:

B. The property is shipped from an office, store, warehouse, factory or other place of storage in this State and the purchaser is the United States Government ~~or the taxpayer is not taxable in the state of the purchaser.~~

**Sec. NN-3. 36 MRSA §5211, sub-§16-A, ¶A,** as enacted by PL 2007, c. 240, Pt. V, §9 and affected by §15, is amended to read:

A. Except as otherwise provided by this subsection, receipts from the performance of services must be attributed to the state where the services are received. If the state where the services are received is not readily determinable, the services are deemed to be received at the home of the customer or, in the case of a business, the office of the customer from which the services were ordered in the

regular course of the customer's trade or business. If the ordering location cannot be determined, the services are deemed to be received at the home or office of the customer to which the services are billed. In instances in which the purchaser of the service is the Federal Government ~~or the receipts are otherwise attributable to a state in which the taxpayer is not taxable~~, the receipts are attributable to this State if a greater proportion of the income-producing activity is performed in this State than in any other state based on costs of performance.

**Sec. NN-4. 36 MRSA §5211, sub-§16-A, ¶B**, as enacted by PL 2007, c. 240, Pt. V, §9 and affected by §15, is amended to read:

B. Gross receipts from the license, sale or other disposition of patents, copyrights, trademarks or similar items of intangible personal property must be attributed to this State if the intangible property is used in this State by the licensee ~~or if the taxpayer's commercial domicile is in this State and the taxpayer is not taxable in the state in which the property is used by the licensee~~. If the intangible personal property is used by the licensee in more than one state, the income must be apportioned to this State according to the portion of use in this State. In instances in which the purchaser or licensee of the intangible personal property is the Federal Government ~~or the receipts are otherwise attributable to a state in which the taxpayer is not taxable~~, the receipts are attributable to this State if a greater proportion of the income-producing activity is performed in this State than in any other state based on costs of performance.

**Sec. NN-5. Application.** This Part applies to tax years beginning on or after January 1, 2009.

## **PART OO**

**Sec. OO-1. 12 MRSA §10206, sub-§3, ¶C**, as amended by PL 2007, c. 44, §1, is further amended to read:

C. All revenues collected under the provisions of this Part relating to watercraft, including chapter 935, including fines, fees and other available money deposited with the Treasurer of State, must be distributed as undedicated revenue to the General Fund and the Department of Marine Resources according to an allocation rate that directly relates to the administrative costs of the Division of Licensing and Registration. ~~Three~~Eight dollars of each motorized watercraft registration is dedicated to the Department of Inland Fisheries and Wildlife and is not subject to the split with another agency as required under this paragraph. The Legislature shall appropriate to the department in each fiscal year an amount equal to the administrative costs incurred by the department in collecting revenue under this subsection. Those costs must be verified by the Department of Marine Resources and the Department of Administrative and Financial Services. The allocation rate must also allow for any necessary year-end reconciliation and accounting distribution. The allocation rate must be jointly agreed to by the department and the Department of Marine Resources and approved by the Department of Administrative and Financial Services, Bureau of the Budget.

The fees outlined in section 13056, subsection 8, paragraphs A and B for watercraft operating on inland waters of the State each include a \$10 fee for invasive species prevention and control. This fee is disposed of as follows:

(1) Sixty percent of the fee must be credited to the Invasive Aquatic Plant and Nuisance Species Fund established within the Department of Environmental Protection under Title 38, section 1863; and

(2) Forty percent of the fee must be credited to the Lake and River Protection Fund established within the department under section 10257.

**Sec. OO-2. 12 MRSA §11109, sub-§3**, as amended by PL 2007, c. 168, §§2 and 3 and affected by §8 and amended by c. 203, §§7 to 9, is further amended to read:

**3. Hunting licenses; combination licenses; fees.** Hunting licenses, combination licenses and fees are as follows.

A. A resident junior hunting license, for a person 10 years of age or older and under 16 years of age, is \$7. Notwithstanding the permit fees established in subchapter 3, a resident junior hunting license includes all permits, stamps and other permissions needed to hunt at no additional cost.

B. A resident hunting license, for a person 16 years of age or older, is ~~\$21~~\$25.

C. A resident small game hunting license, for a person 16 years of age or older, which permits hunting for all legal species except deer, bear, turkey, moose, raccoon and bobcat, is \$14.

D. A resident combination hunting and fishing license is ~~\$38~~\$42.

E. A resident combination archery hunting and fishing license is ~~\$38~~\$42.

E-1. A resident apprenticeship hunter license, which includes a bear hunting permit and a wild turkey hunting permit under sections 11151 and 11155 respectively, is ~~\$21~~\$25.

F. A nonresident junior hunting license, for a person 10 years of age or older and under 16 years of age, is ~~\$27~~\$34.

G. A nonresident small game hunting license, which permits hunting of all legal species except deer, bear, turkey, moose, raccoon and bobcat, is ~~\$67~~\$74.

H. A nonresident 3-day small game hunting license, valid for 3 consecutive hunting days, which permits hunting of all legal species except deer, bear, turkey, moose, raccoon and bobcat for the 72-hour period specified on the license, is ~~\$42~~\$49.

I. A nonresident big game hunting license, which permits hunting of all legal species subject to the permit requirements in chapter 915, subchapter 3, is ~~\$102~~\$114.

J. A nonresident combination hunting and fishing license is ~~\$137~~\$149.

K. An alien small game hunting license, which permits hunting of all species except deer, bear, turkey, moose, raccoon and bobcat, is ~~\$72~~\$79.



L. An alien big game hunting license, which permits hunting of all legal species subject to the permit requirements in chapter 915, subchapter 3, is ~~\$127~~\$139.

M. An alien combination hunting and fishing license is ~~\$178~~\$190.

N. A license to use leashed dogs to track wounded animals, which permits a person to use one or more leashed dogs to track a lawfully wounded deer, moose or bear, is \$27.

O. A nonresident small game apprenticeship hunter license, which permits the hunting of all legal species except deer, bear, turkey, moose, raccoon and bobcat, is ~~\$67~~\$74.

P. A nonresident big game apprenticeship hunter license, which permits the hunting of all legal species and includes a bear hunting permit and a wild turkey hunting permit under sections 11151 and 11155 respectively, is ~~\$102~~\$114.

**Sec. OO-3. 12 MRSA §11109, sub-§5**, as amended by PL 2005, c. 397, Pt. E, §7, is further amended to read:

**5. Muzzle-loading permits and fees.** Muzzle-loading hunting permits and fees are as follows:

A. A resident muzzle-loading hunting permit is \$13;

B. A nonresident muzzle-loading hunting permit is ~~\$62~~\$69; and

C. An alien muzzle-loading hunting permit is ~~\$72~~\$79.

**Sec. OO-4. 12 MRSA §11109, sub-§7**, as amended by PL 2005, c. 12, Pt. III, §5, is further amended to read:

**7. Archery hunting licenses; combination licenses; fees.** Archery hunting licenses, combination licenses and fees are as follows:

A. A resident archery license is ~~\$21~~\$25;

B. A resident combination archery hunting and fishing license is ~~\$38~~\$42;

C. A nonresident archery license is ~~\$62~~\$74; and

D. An alien archery license is ~~\$72~~\$84.

**Sec. OO-5. 12 MRSA §11109, sub-§9**, as enacted by PL 2005, c. 419, §5 and affected by §12, is amended to read:

**9. Crossbow licenses and fees.** Crossbow hunting licenses and fees are as follows:

A. A resident crossbow hunting license is \$25;

B. A nonresident crossbow hunting license is ~~\$48~~\$55; and

C. An alien crossbow hunting license is ~~\$72~~\$79.

**Sec. OO-6. 12 MRSA §11151, sub-§3**, as amended by PL 2005, c. 12, Pt. III, §7, is further amended to read:

**3. Issuance; permit fee.** The commissioner, through the commissioner's authorized agent, shall issue a bear hunting permit to an eligible person. The annual fee for each permit issued is \$27 for residents and ~~\$67~~\$74 for nonresidents.

**Sec. OO-7. 12 MRSA §11154, sub-§3**, as amended by PL 2005, c. 12, Pt. III, §9, is further amended to read:

**3. Moose hunting permit fee.** The fee for a moose hunting permit is \$52 for a resident and ~~\$477~~\$484 for a nonresident or alien.

**Sec. OO-8. 12 MRSA §11155, sub-§1-B**, as enacted by PL 2005, c. 12, Pt. III, §11, is repealed and the following enacted in its place:

**1-B. Issuance; permit fee.** The commissioner, through the commissioner's authorized agent, shall issue a combined fall and spring wild turkey hunting permit that allows an eligible person to take one male wild turkey in the spring and one wild turkey in the fall. The fee for a combined fall and spring wild turkey hunting permit is \$20 for residents and \$54 for nonresidents and aliens. The holder of a combined fall and spring wild turkey hunting permit is eligible to purchase a 2nd spring wild turkey permit that allows the taking of one additional male wild turkey at a cost of \$20 for residents, nonresidents and aliens.

**Sec. OO-9. 12 MRSA §12201, sub-§6, ¶C**, as amended by PL 2005, c. 12, Pt. III, §23, is further amended to read:

C. A nonresident trapping license is ~~\$310~~\$317.

**Sec. OO-10. 12 MRSA §12301-A, sub-§3, ¶C**, as enacted by PL 2003, c. 655, Pt. B, §226 and affected by §422, is amended to read:

C. Collect \$5 and retain \$1 for each seal from the person registering a bear, deer, moose or wild turkey. The remaining \$4 must be returned to the department by the agent pursuant to section 10801, subsection 3.

**Sec. OO-11. 12 MRSA §12501, sub-§6**, as amended by PL 2005, c. 12, Pt. III, §24, is further amended to read:

**6. Schedule of fees.** The fees for fishing licenses are as follows.

A. A resident fishing license is ~~\$21~~\$25.

B. A resident combination hunting and fishing license is ~~\$38~~\$42.

C. A resident combination archery hunting and fishing license is ~~\$38~~\$42.

D. A nonresident junior fishing license, for persons 12 years of age or older and under 16 years of age, is ~~\$9~~\$16.

E. A 3-day fishing license for a resident or nonresident, valid for the 72-hour period specified on the license, is \$23.

F. A nonresident 7-day fishing license, valid for 7 days from date indicated on license, is ~~\$36~~\$43.

G. A nonresident 15-day fishing license, valid for 15 days from date indicated on license, is ~~\$40~~\$47.

H. A nonresident season fishing license for persons 16 years of age or older is ~~\$52~~\$64.

I. An alien season fishing license for persons 16 years of age or older is ~~\$72~~\$84.

J. A one-day fishing license for a resident or nonresident, valid for the 24-hour period indicated on license, is \$11.

**Sec. OO-12. 12 MRSA §12912, sub-§1, ¶A**, as enacted by PL 2003, c. 655, Pt. B, §336 and affected by §422, is amended to read:

A. Each outfitter shall:

(1) Pay a user fee of ~~\$1~~\$2 per passenger, excluding guides, carried by the outfitter on any whitewater trip; and

(2) Pay this fee by the 30th day of the month following the month in which the passengers were carried.

**Sec. OO-13. 12 MRSA §13056, sub-§1-A, ¶B**, as enacted by PL 2003, c. 655, Pt. B, §361 and affected by §422, is amended to read:

B. The following penalties apply to violations of this subsection.

(1) A person who violates this subsection commits a civil violation for which a fine of not less than ~~\$100~~\$200 nor more than \$500 may be adjudged.

(2) A person who violates this subsection after having been adjudicated as having committed 3 or more civil violations under this Part within the previous 5-year period commits a Class E crime.

**Sec. OO-14. 12 MRSA §13056, sub-§8, ¶A**, as amended by PL 2007, c. 44, §2, is further amended to read:

A. For a watercraft requiring or whose owner requests a certificate of number and that is equipped with a motor having a manufacturer's horsepower rating of:

(1) Ten horsepower or less, the fee is ~~\$20~~\$25 for operating on inland waters of the State and ~~\$10~~\$15 for operating only on tidal waters of the State;

(2) Greater than 10, but not more than 50 horsepower, the fee is ~~\$25~~\$30 for operating on inland waters of the State and ~~\$15~~\$20 for operating only on tidal waters of the State; and

(3) Greater than 50 horsepower but not more than 115 horsepower, the fee is ~~\$31~~\$36 for operating on inland waters of the State and ~~\$21~~\$26 for operating only on tidal waters of the State.

**Sec. OO-15. 12 MRSA §13056, sub-§8, ¶B,** as amended by PL 2007, c. 44, §3, is further amended to read:

B. For a personal watercraft requiring or whose owner requests a certificate of number and watercraft equipped with a motor having a manufacturer's horsepower rating of 115 horsepower or greater, the fee is ~~\$39~~\$44 for operating on inland waters of the State and ~~\$29~~\$34 for operating only on tidal waters of the State.

**Sec. OO-16. 12 MRSA §13058, sub-§1,** as amended by PL 2007, c. 44, §4, is repealed and the following enacted in its place:

**1. Prohibition.** A person exempt from the certificate of number requirement pursuant to section 13056, subsection 2, paragraph B may not place or operate a motorboat, personal watercraft or seaplane on the inland waters of the State unless a valid lake and river protection sticker issued annually under subsection 3 is permanently affixed to:

A. Each side of the bow of a motorboat or personal watercraft above the water line and approximately 3 inches behind the validation sticker required under section 13056; and

B. Each outside edge of a seaplane's pontoons so that the entire sticker is visible above the water line when the seaplane is resting on the water.

This sticker is nontransferable.

**Sec. OO-17. 12 MRSA §13058, sub-§3,** as amended by PL 2007, c. 44, §5, is further amended to read:

**3. Nonresident motorboat and personal watercraft lake and river protection sticker and resident and nonresident seaplane lake and river protection sticker; fee.** No later than January 1st of each year, the commissioner shall provide each agent authorized to register watercraft or issue licenses with a sufficient quantity of lake and river protection stickers for motorboats and personal watercraft not registered in the State and for all seaplanes, whether or not registered in the State, for that boating season. The sticker must be in 2 parts so that one part of the sticker can be affixed to each side of the bow of a motorboat or personal watercraft ~~not registered in the State~~ or to each outside edge of a seaplane's pontoons. The fee for a sticker issued under this subsection is \$20 for a motorboat ~~or personal watercraft not registered in the State.~~ Each agent shall retain \$1 for each sticker sold by that agent for which a fee is required. A motorboat ~~or a, personal watercraft~~ or seaplane owned by the Federal Government, a state government or a municipality is exempt from the fee established in this subsection.

**Sec. OO-18. 12 MRSA §13104, sub-§1, ¶F**, as enacted by PL 2003, c. 655, Pt. B, §386 and affected by §422, is amended to read:

F. The following penalties apply to violations of this subsection.

(1) A person who violates this subsection commits a civil violation for which a fine of not less than ~~\$100~~\$200 nor more than \$500 may be adjudged.

(2) A person who violates this subsection after having been adjudicated as having committed 3 or more civil violations under this Part within the previous 5-year period commits a Class E crime.

**Sec. OO-19. 12 MRSA §13104, sub-§3**, as enacted by PL 2003, c. 414, Pt. A, §2 and affected by c. 614, §9, is amended to read:

**3. Form of registration.** The snowmobile registration must be in such form as the commissioner may determine except that the commissioner shall develop a single form of registration that can be used for either the 3-day or seasonal nonresident registrations.

**Sec. OO-20. 12 MRSA §13104, sub-§4, ¶B**, as amended by PL 2007, c. 556, §3, is further amended to read:

B. For nonresidents:

(1) Forty-three dollars for a 3-consecutive-day registration. A person may purchase more than one 3-day registration in any season; and

~~(2) Fifty-eight dollars for a 10-consecutive-day registration. A person may purchase more than one 10-day registration in any season; and~~

(3) Eighty-eight dollars for a seasonal registration.

The registration for a snowmobile owned by a nonresident must specify the dates for which the registration is valid.

**Sec. OO-21. 12 MRSA §13155, sub-§1-A, ¶B**, as enacted by PL 2003, c. 655, Pt. B, §406 and affected by §422, is amended to read:

B. The following penalties apply to violations of this subsection.

(1) A person who violates this subsection commits a civil violation for which a fine of not less than ~~\$100~~\$200 nor more than \$500 may be adjudged.

(2) A person who violates this subsection after having been adjudicated as having committed 3 or more civil violations under this Part within the previous 5-year period commits a Class E crime.

## PART PP

**Sec. PP-1. Reporting on the Katie Beckett option.** The Department of Health and Human Services and the Department of Education shall work together to determine whether to adopt criteria for enrollment of children under the Katie Beckett option for MaineCare eligibility to establish 2 standards for enrollment: one standard being for children who would, if not for enrollment under the Katie Beckett option, be hospitalized in psychiatric hospitals and one standard being for children who would, if not for enrollment under the Katie Beckett option, be residents in children's private nonmedical institutions. By January 1, 2010, the departments shall report to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Education and Cultural Affairs regarding their progress in determining whether to adopt criteria for enrollment under the Katie Beckett option for MaineCare eligibility.

## PART QQ

**Sec. QQ-1. 4 MRSA §1**, as amended by PL 1975, c. 623, §3-A, is further amended to read:

### **§ 1. Constitution of the court; administrative responsibilities of the court and the Chief Justice**

The Supreme Judicial Court, as heretofore established, ~~shall consist~~consists of a Chief Justice and 6 associate justices and such Active Retired Justices as may be appointed and serving on said court, learned in the law and of sobriety of manners.

The Chief Justice ~~shall be~~is the head of the ~~Judicial Department~~judicial branch of the State. In the event of ~~his~~the Chief Justice's disability for any cause, the senior associate, not under disability, shall perform any and all of ~~his~~the duties of the Chief Justice.

The Supreme Judicial Court ~~shall have~~has general administrative and supervisory authority over the ~~Judicial Department~~judicial branch and shall make and promulgate rules, regulations and orders governing the administration of the ~~Judicial Department~~judicial branch.

The Chief Justice, as head of the judicial branch, shall prepare the budget for the judicial branch. The Chief Justice may approve financial orders for transfers within the judicial branch. The Chief Justice shall provide a copy of each approved financial order to the Department of Administrative and Financial Services, Bureau of the Budget and the Office of Fiscal and Program Review.

The Chief Justice, as the head of the ~~Judicial Department~~judicial branch, shall, in accordance with the rules, regulations and orders of the Supreme Judicial Court, be responsible for the efficient operation of the ~~Judicial Department~~judicial branch and for the expeditious dispatch of litigation therein and for the proper

conduct of business in all courts. The Chief Justice may require reports from all courts in the State and may issue orders and regulations necessary for the efficient operation of the Judicial Departmentjudicial branch and the prompt and proper administration of justice.

**Sec. QQ-2. 4 MRSA §28** is enacted to read:

**§ 28. Additional fee revenue dedicated**

The judicial branch may credit up to \$300,000 per fiscal year of fee revenue collected pursuant to administrative orders of the court to a nonlapsing Other Special Revenue Funds account to support the capital expenses of the judicial branch.

**Sec. QQ-3. 5 MRSA §1591, sub-§3** is enacted to read:

**3. Judicial branch.** The judicial branch must apply:

A. Any balance remaining in the debt service program of the judicial branch at the end of any fiscal year to be carried forward for use by the judicial branch in the next fiscal year.

**Sec. QQ-4. General Fund savings; judicial branch.** Notwithstanding any other provision of law, the State Court Administrator shall adjust the Personal Services and All Other line categories to achieve the amount of projected savings in Part A in the judicial branch related to maintaining costs within available resources and shall transfer the amounts by financial order upon approval of the Chief Justice of the Supreme Judicial Court.

**Sec. QQ-5. Transfer authorized; judicial branch.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, for the fiscal years ending June 30, 2010 and June 30, 2011, the State Court Administrator is authorized to transfer, by financial order upon the approval of the Chief Justice of the Supreme Judicial Court, identified Personal Services savings to the All Other line category in the Courts - Supreme, Superior and District, General Fund account. The State Court Administrator must ensure when making any transfer under this section that all financial commitments have been met in Personal Services after assuming all costs for that program including collective bargaining costs.

**Sec. QQ-6. Judicial branch fees.** The judicial branch shall increase court fees by at least \$300,000 annually above the revenue forecast for the judicial branch of the Revenue Forecasting Committee as of May 1, 2009.

## **PART RR**

**Sec. RR-1. Issuance of securities; Maine Governmental Facilities Authority.** Pursuant to the Maine Revised Statutes, Title 4, section 1610-A, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in an amount up to \$1,000,000 for the purpose of paying the cost of multiple repair projects at correctional facilities.

## **PART SS**

**Sec. SS-1. Transfer from General Fund undedicated revenue; Callahan Mine Site Restoration, Department of Transportation.** Notwithstanding any other provision of law, the State Controller shall transfer \$500,000 by July 15, 2009 from General Fund unappropriated surplus to the Callahan Mine Site Restoration Other Special Revenue Funds program within the Department of Transportation.

## **PART TT**

**Sec. TT-1. Consolidation of statewide information technology functions, systems and funding to improve efficiency and cost-effectiveness.** The Chief Information Officer shall review the current organizational structure, systems and operations of information technology units to improve organizational efficiency and cost-effectiveness. The Chief Information Officer is authorized to manage and operate all information technology systems in the executive branch and to approve all information technology expenditures from a consolidated account to fulfill strategic and operational objectives as expressed in a memorandum of agreement with each agency. An annual reconciliation of actual services rendered against budgeted amounts will be performed. Notwithstanding any other provision of law, the State Budget Officer shall transfer position counts and available balances where allowable by financial order upon approval of the Governor to the Department of Administrative and Financial Services, Office of Information Technology for the provision of those services. These transfers are considered adjustments to authorized position count, appropriations and allocations in fiscal years 2009-10 and 2010-11. The State Budget Officer shall report to the Joint Standing Committee on Appropriations and Financial Affairs the transferred amounts no later than January 15, 2010.

Notwithstanding any other provision of law, the Chief Information Officer or the Chief Information Officer's designee shall provide direct oversight and management over statewide technology services and oversight over the technology personnel assigned to information technology services. The Chief Information Officer is authorized to identify savings and position eliminations to the General Fund and other funds from efficiencies to achieve the savings identified in this Part.

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

### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

#### **Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Reduces funding to recognize savings resulting from efficiencies gained by the consolidation of funding, resource management of information technology and services and lease purchase of new application development.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Unallocated	(\$3,689,350)	(\$3,689,350)
<b>GENERAL FUND TOTAL</b>	<b>(\$3,689,350)</b>	<b>(\$3,689,350)</b>



## PART UU

### **Sec. UU-1. Calculation and transfer; General Fund; central services savings.**

Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in this Part in the Statewide Central Services account, Department of Administrative and Financial Services that applies against each General Fund account for departments and agencies statewide as a result of improvements in contracting with vendors and the use of procurement cards. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11. The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amounts not later than January 15, 2010.

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

### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

#### **Departments and Agencies - Statewide 0016**

Initiative: Reduces funding for the purchase of supplies as a result of improvements in contracting with vendors and the use of procurement cards.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$237,843)	(\$247,260)
<b>GENERAL FUND TOTAL</b>	<b>(\$237,843)</b>	<b>(\$247,260)</b>

## PART VV

**Sec. VV-1. Tax expenditures.** In accordance with the Maine Revised Statutes, Title 5, section 1666, funding is continued for each individual tax expenditure, as defined in Title 5, section 1666, reported in the budget document submitted by the Governor on January 9, 2009.

## PART WW

**Sec. WW-1. 5 MRSA §1677,** as enacted by PL 2003, c. 712, §1, is repealed.

## PART XX

**Sec. XX-1. 20-A MRSA §3253-A, sub-§3-A,** as amended by PL 2005, c. 635, §2, is repealed.

## PART YY

**Sec. YY-1. 20-A MRSA §6910**, as enacted by PL 1993, c. 348, §1, is amended to read:

### **§ 6910. Annual report**

The corporation shall provide an annual report of its activities to the Governor; to the joint standing committees of the Legislature having jurisdiction over education and labor and skills training matters; to the commissioner; and to the schools participating in the program. The corporation ~~is subject to any audit and review determined necessary by the Governor or the Legislative Council~~ shall provide an annual financial audit conducted by an independent auditor to the Governor; to the joint standing committees of the Legislature having jurisdiction over education and labor and skills training matters; and to the commissioner at the expense of the State.

## **PART ZZ**

**Sec. ZZ-1. 20-A MRSA §7407, sub-§19**, as amended by PL 1999, c. 775, §11, is further amended to read:

**19. Report.** The school board shall report annually to the Governor ~~and~~ the joint standing committee of the Legislature having jurisdiction over education matters and the commissioner on the general status of the finances and operations of the school, including the center school programs and any satellite school programs, the status of the professional qualifications of the school board members and the results of the assessments required by subsection 16 and the general status of the school and shall provide an annual financial audit conducted by an independent auditor.

## **PART AAA**

**Sec. AAA-1. 20-A MRSA §9703, sub-§5**, as amended by PL 2005, c. 683, Pt. A, §27, is further amended to read:

**5. Line-item budget.** A line-item budget submitted no later than 90 days prior to the fiscal year in which the program will operate. The proposed budget request may not exceed the number of students in the approved program plan, on a per student basis, based on the state average tuition rate ~~for a total of 12 students~~ as provided in sections 5804, 5805 and 15689.

**Sec. AAA-2. 20-A MRSA §15689, sub-§5, ¶A**, as enacted by PL 2005, c. 2, Pt. D, §60 and affected by §§72 and 74 and c. 12, Pt. WW, §18, is amended to read:

A. Reimbursements must be limited to ~~a maximum of 12~~ the state average tuition rates a year for each rate for the number of students in the approved program plan.

## **PART BBB**

**Sec. BBB-1. 5 MRSA §11**, as amended by PL 1991, c. 824, Pt. A, §3 and corrected by RR 2001, c. 2, Pt. A, §3, is further amended to read:

## **§ 11.Certification of payrolls**

~~No~~A fiscal officer of the State may not draw, sign or issue, or authorize the drawing, signing or issuing, of any warrant or check upon the Treasurer of State or other disbursing officer of the State for the payment of a salary or other compensation for personal services, nor may the Treasurer of State or other disbursing officer of the State pay any salary or other compensation for personal services in the Executive or Legislative Departments, unless a payroll or account for such salary or other compensation, containing the names of all persons to be paid and the amounts to be paid them, has been certified by the ~~Director of Human Resources~~State Controller or a person designated by ~~him~~the State Controller. In the case of all unclassified employees, certification ~~shall~~must be by their appointing authority.

Any payment made in violation of the compensation plan or the rules pertaining thereto or made to a person appointed or established in a position in a manner contrary to chapters ~~5656-A~~, 65, 67, 71 and 372 may be recovered from the appointing authority~~, or the Director of Human Resources or any officer or person making such payment~~State Controller, whoever is culpable, or from the sureties on the official bond of such officer or person. Action for recovery may be maintained by the State Civil Service Appeals Board or any member thereof, any officer or employee of the state service or any citizen of the State. All money recovered under this section must be paid into the State Treasury and credited to the General Fund.

## **PART CCC**

**Sec. CCC-1. Transfer from Other Special Revenue Funds to unappropriated surplus of the General Fund.** Notwithstanding any other provision of law, the State Controller shall transfer \$16,000,000 in fiscal year 2009-10 from Other Special Revenue Funds to the unappropriated surplus of the General Fund no later than June 30, 2010. On July 1, 2010, the State Controller shall transfer \$16,000,000 from the General Fund unappropriated surplus along with interest to Other Special Revenue Funds as repayment. This transfer is considered an interfund advance to be repaid with interest compounded annually at the earnings rate within the Treasurer of State's cash pool on the date of the advance.

## **PART DDD**

**Sec. DDD-1. Rename Food Stamps Administration program.** Notwithstanding any other provision of law, the Food Stamps Administration program in the Department of Health and Human Services is renamed the Food Supplement Administration program.

**Sec. DDD-2. Rename Multicultural Services, Rate Setting and Quality Improvement program.** Notwithstanding any other provision of law, the Multicultural Services, Rate Setting and Quality Improvement program in the Department of Health and Human Services is renamed the Multicultural Services program.

## **PART EEE**

**Sec. EEE-1. Interim process for reorganized school administrative units.** For school year 2009-2010, for the purposes of applied technology education at vocational centers and career and technical education regions specified in the Maine Revised Statutes, Title 20-A, chapter 313, the following must be implemented.

1. For those school administrative units that have reorganized pursuant to Public Law 2007, chapter 240, Part XXXX as amended by Public Law 2007, chapter 668, all vocational and technical students shall attend the vocational center or career and technical education region that they would have attended as a resident student of the original school administrative unit.

2. For those school administrative units that have reorganized pursuant to Public Law 2007, chapter 240, Part XXXX as amended by Public Law 2007, chapter 668, the successor unit acts in place of the school administrative unit identified in Title 20-A, chapter 313 for the purposes of the duties and obligations specified in Title 20-A, chapter 313, subchapters 3 and 4.

## **PART FFF**

**Sec. FFF-1. Payment of employer charges for teachers.** Notwithstanding the Maine Revised Statutes, Title 5, section 17154, subsection 6, paragraph B, funds for teacher salaries that are provided under the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009, Public Law 111-5, Title XIV, Sections 14001 to 14013 as part of the amount restored to a school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose aid for local schools as determined under Title 20-A, chapter 606-B are considered state funds for purposes of Title 5, section 17154.

## **PART GGG**

**Sec. GGG-1. 4 MRSA §1057, sub-§3-A,** as enacted by PL 2007, c. 653, Pt. A, §2, is amended to read:

**3-A. Reimbursement to counties.** Monthly, the Treasurer of State shall transfer funds from the Government Operations Surcharge Fund to the State Board of Corrections Investment Fund program in an amount equal to 2% of the total fines, forfeitures and penalties, including the surcharge imposed pursuant to subsection 2-A, received by the Treasurer of State for deposit in the Government Operations Surcharge Fund. The balance remaining in the Government Operations Surcharge Fund at the end of each month must accrue to the General Fund. Funds collected and deposited each month to the Government Operations Surcharge Fund must be transferred on the last day of the month in which the collections are made to the State Board of Corrections Investment Fund program under Title 34-A, section 1805.

At the close of each month, the State Controller shall calculate the amount to be transferred to the State Board of Corrections Investment Fund program based on the collections made during the month. The State Controller shall transfer by journal entry the amount due to the State Board of Corrections Investment Fund program. This subsection takes effect July 1, 2009.

**Sec. GGG-2. 34-A MRSA §1801, first ¶**, as enacted by PL 2007, c. 653, Pt. A, §30, is amended to read:

The State Board of Corrections, referred to in this subchapter as "the board," is established by Title 5, section 12004-G, subsection 6-C. The State Board of Corrections is an autonomous body.

**Sec. GGG-3. 34-A MRSA §1803, sub-§5, ¶D**, as enacted by PL 2007, c. 653, Pt. A, §30, is amended to read:

D. Administer the County Jail Prisoner Support and Community Corrections Fund established in section 1806 and the State Board of Corrections Investment Fund program established in section 1805. The board may allocate available funds from the State Board of Corrections Investment Fund program to meet any emergency expenses or for maintenance in emergency conditions of any correctional facility or county jail. The board may make allocations for these purposes only upon written request of the commissioner or a county;

**Sec. GGG-4. 34-A MRSA §1803, sub-§5, ¶E**, as enacted by PL 2007, c. 653, Pt. A, §30, is amended to read:

E. Prepare and submit to the Governor a budget for the State Board of Corrections Investment Fund program established in section 1805 biennially that clearly identifies the financial contribution required by the State to support the actual costs of corrections in addition to the capped property tax contribution under Title 30-A, section 701, subsection 2-A. The board shall also propose in its budget an appropriation to the State Board of Corrections Investment Fund program of an amount equal to the difference between the 2007-08 fiscal year's county jail debt and the amount of that year's debt payment; and

**Sec. GGG-5. 34-A MRSA §1805**, as enacted by PL 2007, c. 653, Pt. A, §30, is amended to read:

## **§ 1805.State Board of Corrections Investment Fund program**

**1. Program established.** The State Board of Corrections Investment Fund program, referred to in this section as "the fundprogram," ~~is an enterprise fund established within the Department of Administrative and Financial Services~~includes General Fund accounts and Other Special Revenue Funds accounts for the purposes specified in this section.

**2. Expenditures of program.** Except as otherwise provided in this section, ~~amounts in~~funding of the fundprogram may be expended only to compensate county governments and the department for costs approved by the board and the Legislature.

**3. Sources of funding.** The State Controller shall credit to the ~~fund~~Other Special Revenue Funds accounts of the program:

A. Any net county assessment revenue pursuant to Title 30-A, section 701, subsection 2-A in excess of county jail appropriations in counties where jails or correctional services have been closed or downsized;

B. Any net county assessment revenue in excess of county jail expenditures in counties where changes in jail operations pursuant to board directives under section 1803 have reduced jail expenses;

~~C. Funds appropriated by the Legislature including funds appropriated pursuant to section 1803, subsection 5, paragraph E;~~

D. Money from any other source, whether public or private, designated into or credited to the ~~fund~~Other Special Revenue Funds accounts of the program; and

E. Interest earned or other investment income on balances in the ~~fund~~Other Special Revenue Funds accounts of the program.

**4. Unencumbered balances.** Any unencumbered balance in General Fund accounts or Other Special Revenue Funds accounts remaining at the end of any fiscal year does not lapse but is carried forward to be expended for the purposes specified in this section and may not be made available for any other purpose.

**5. Report by chair of the State Board of Corrections.** ~~The commissioner~~chair of the board shall report at least annually on or before the 2nd Friday in December to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters. The report must summarize the activity in any funds or accounts directly related to this section.

**6. Restricted accounts.** ~~The State Controller is authorized to establish separate accounts within the fund in order to segregate money received by the fund from any source, whether public or private, that requires as a condition of the contribution to the fund that the use of the money contributed be restricted to the purposes specified. Money credited to a restricted account established under this subsection may be applied only to the purposes to which the account is restricted.~~

**Sec. GGG-6. 34-A MRSA §1806, sub-§7,** as enacted by PL 2007, c. 653, Pt. A, §30, is amended to read:

**7. Surcharge imposed.** In addition to the 14% surcharge collected pursuant to Title 4, section 1057, an additional 1% surcharge must be added to every fine, forfeiture or penalty imposed by any court in this State, which for the purposes of collection and collection procedures is considered a part of the fine, forfeiture or penalty. All funds collected pursuant to this subsection are nonlapsing and must be deposited monthly in the ~~County Jail Prisoner Support and Community Corrections Fund~~State Board of Corrections Investment Fund program that is administered by the board. All funds collected pursuant to this subsection must be distributed to counties that have experienced at least a 10% increase in their total annual jail operating budget or to counties that have issued bonds for the construction of a new jail or renovation of an existing jail and that meet all other requirements under subsection 5. Funds distributed to counties pursuant to this subsection must be used for the sole purpose of funding costs of the support of prisoners detained or sentenced to county jails and for establishing and maintaining community corrections.

**Sec. GGG-7. Effective date.** This Part takes effect July 1, 2009.

## **PART HHH**

**Sec. HHH-1. 5 MRSA §1591, sub-§3** is enacted to read:

**3. State Board of Corrections.** The State Board of Corrections must apply:

A. Any General Fund balance remaining in the State Board of Corrections Investment Fund program at the end of any fiscal year to be carried forward for the next fiscal year.

**Sec. HHH-2. Carrying balance; Department of Corrections, State Board of Corrections Investment Fund, General Fund account.** Notwithstanding any other provision of law, any balance in the Department of Corrections, State Board of Corrections Investment Fund, General Fund account remaining on June 30, 2009 may not lapse but must be carried forward to June 30, 2010. Any General Fund balance in the Department of Corrections, State Board of Corrections Investment Fund, General Fund account must be transferred to the State Board of Corrections Investment Fund program within the State Board of Corrections by June 30, 2010.

**Sec. HHH-3. Effective date.** This Part takes effect June 30, 2009.

## **PART III**

**Sec. III-1. Transfer from Employment Rehabilitation Fund.** Notwithstanding the Maine Revised Statutes, Title 39-A, section 355, subsection 1, the Workers' Compensation Board shall transfer \$1,188,207 from the Employment Rehabilitation Fund to the Workers' Compensation Board Administrative Fund on July 1, 2009 and shall reduce the fiscal year 2009-10 assessment by the same amount.

**Sec. III-2. Transfer from Employment Rehabilitation Fund.** Notwithstanding the Maine Revised Statutes, Title 39-A, section 355, subsection 1, the Workers' Compensation Board shall transfer \$1,188,207 from the Employment Rehabilitation Fund to the Workers' Compensation Board Administrative Fund on July 1, 2010 and shall reduce the fiscal year 2010-11 assessment by the same amount.

## **PART JJJ**

**Sec. JJJ-1. 26 MRSA §2031, sub-§8,** as amended by PL 2007, c. 539, Pt. RRR, §1, is further amended to read:

**8. Eligibility for funding.** Applicants eligible to receive funding from the program include, but are not limited to, employers, regional and local economic development agencies or partnerships, community-based organizations, job training service providers, registered apprenticeship service providers, local adult education providers and postsecondary education institutions.

An applicant that is not a business shall demonstrate, in partnership with a business or a consortium of businesses, the ability to link training services with actual job creation, expansion, upgrade or retention. Training provided under this section is considered approved training under the unemployment insurance laws and the laws regarding dislocated workers administered by the Department of Labor.

Training funds authorized under this section must be paid to the employer on a reimbursement basis. ~~Reimbursement may not exceed \$800 for each newly hired employee or \$350 for each incumbent employee who is trained.~~

**Sec. JJJ-2. Report.** The Department of Labor shall issue a report to the Joint Standing Committee on Labor, the Joint Standing Committee on Business, Research and Economic Development and the Joint Standing Committee on Appropriations and Financial Affairs by January 11, 2010 with recommendations regarding possible targeting of limited funds to employers based upon the number of employees and by industry sectors pursuant to the Maine Revised Statutes, Title 26, section 2031, subsection 8.

## PART KKK

**Sec. KKK-1. 10 MRSA §1020, sub-§1, ¶F,** as enacted by PL 2007, c. 618, §7, is amended to read:

F. "Motor vehicle oil" means any lubricating oil that is reclaimable and classified for use in the ~~crankcase of an internal combustion engine or the transmission, gear box, hydraulic reservoir or differential for a motor vehicle,~~ including but not limited to natural, synthetic and rerefined motor oils, whether or not in retail containers.

**Sec. KKK-2. 10 MRSA §1020, sub-§6-A,** as enacted by PL 2007, c. 618, §11, is amended to read:

**6-A. Premium.** In addition to any other tax or charge imposed under state or federal law, effective August 1, 2008 a premium is imposed on bulk motor vehicle oil and prepackaged motor vehicle oil sold or distributed in the State as provided in this subsection. A motor vehicle oil dealer that makes the first sale or distribution of bulk motor vehicle oil or prepackaged motor vehicle oil in the State shall pay the premium. Gasoline engine bulk motor vehicle oils are subject to a premium of \$1.10 per gallon. Diesel engine bulk motor vehicle oils are subject to a premium of 35¢ per gallon. Prepackaged motor vehicle oils are subject to a premium of 35¢ per gallon. All premiums must be paid to the State Tax Assessor and are subject to the administrative provisions of Title 36, Parts 1 and 3, as though they were a sales tax liability. By the 20th day of each month, the State Tax Assessor shall notify the State Controller and the Treasurer of State of the amount of revenue attributable to the premium collected under this subsection in the previous month. When notified by the State Tax Assessor, the State Controller shall transfer that amount to the fund. The premium imposed on prepackaged motor vehicle oil takes effect October 1, 2009.

**Sec. KKK-3. 10 MRSA §1020-B** is enacted to read:

### **§ 1020-B. Status reports**



The following reports related to the waste motor oil disposal site remediation program under section 1020-A must be submitted to the joint standing committee of the Legislature having jurisdiction over natural resources matters.

**1. Program report.** By January 15, 2010 and every 2 years thereafter, the authority and the Department of Environmental Protection shall report on the status of the waste motor oil disposal site remediation program under section 1020-A.

**2. Funding report.** By February 15, 2010 and every year thereafter, the authority and the State Tax Assessor shall report the revenue collected pursuant to section 1020, subsection 6-A for the preceding calendar year. The report may be incorporated into the biennial report required under subsection 1. The joint standing committee of the Legislature having jurisdiction over natural resources matters may submit legislation related to the report required under this subsection.

**Sec. KKK-4. PL 2007, c. 464, §10** is repealed.

## **PART LLL**

**Sec. LLL-1. Calculation and transfer of savings from elimination of positions in the Department of Corrections.** Notwithstanding any provision of law, the State Budget Officer is authorized to calculate the General Fund savings generated through the elimination of 5 positions within the Department of Corrections in section 2 of this Part that apply against each General Fund account and shall transfer the amounts by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations and position counts in fiscal year 2010-11. The State Budget Officer shall provide the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Criminal Justice and Public Safety a report of the transferred amounts no later than January 15, 2011.

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

### **CORRECTIONS, DEPARTMENT OF**

#### **Departmentwide - Corrections N068**

Initiative: Deappropriates funds from the elimination of 5 positions.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
POSITIONS - LEGISLATIVE COUNT	0.000	(5.000)
Personal Services	\$0	(\$262,460)
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>(\$262,460)</b>

## **PART MMM**

**Sec. MMM-1. Transfer; Maine Budget Stabilization Fund.** Notwithstanding any other provision of law, the State Controller shall transfer \$51,455,943 from the Maine Budget Stabilization Fund in the Department of Administrative and Financial Services to General Fund unappropriated surplus by the close of fiscal year 2008-09 and shall transfer \$24,000,000 by the close of fiscal year 2009-10 to offset a General Fund revenue shortfall.

## PART NNN

**Sec. NNN-1. Transfer; Operating Capital.** Notwithstanding any other provision of law, the State Controller shall transfer \$40,615,146 from the Reserve for General Fund Operating Capital, Department of Administrative and Financial Services to General Fund unappropriated surplus by the close of fiscal year 2008-09 to offset a General Fund revenue shortfall.

## PART OOO

**Sec. OOO-1. 5 MRSA §1507, first ¶,** as amended by PL 1993, c. 410, Pt. QQQ, §1, is further amended to read:

The Governor may allocate from the State Contingent Account amounts not to exceed in total the sum of ~~\$2,350,000~~\$4,350,000. The Governor may allocate from such account amounts not to exceed in total the sum of \$300,000 in any fiscal year in accordance with the purposes specified in subsections 1, 2, 3, 4 and 4-A, an amount not to exceed \$1,000,000 in accordance with the purposes specified in subsection 5-A and, an amount not to exceed \$1,000,000 in accordance with the purposes specified in subsection 5-B and an amount not to exceed \$2,000,000 in accordance with the purposes specified in subsection 5-C.

**Sec. OOO-2. 5 MRSA §1507, sub-§5-C** is enacted to read:

**5-C. Early childhood investments.** The Governor may allocate funds from the account in amounts not to exceed in total the sum of \$2,000,000 to provide funds to assist with the development of an early care and education infrastructure. Allocations for this purpose may be made from this fund by the Governor upon written request of the Commissioner of Education and the Commissioner of Health and Human Services and after consultation with the State Budget Officer.

**Sec. OOO-3. 5 MRSA §1507, 3rd ¶,** as enacted by PL 1995, c. 464, §2 and affected by §18, is amended to read:

After the close of each fiscal year, the Governor may request a General Fund appropriation from the next session of the Legislature in an amount as may be available to bring the total available in the State Contingent Account to a maximum of ~~\$2,350,000~~\$4,350,000 for the current fiscal year.

**Sec. OOO-4. Transfer from General Fund unappropriated surplus; State Contingent Account.** Notwithstanding any other provision of law, the State Controller shall transfer \$2,000,000 by June 30, 2009 from General Fund unappropriated surplus to the State Contingent Account. Transfers made in accordance with this section will not preclude additional transfers to be made to the State Contingent Account in accordance with the Maine Revised Statutes, Title 5, section 1507 at the close of fiscal year 2008-09.

## **PART PPP**

**Sec. PPP-1. 36 MRSA c. 914-B** is enacted to read:

### **CHAPTER 914-B**

#### **2009 TAX RECEIVABLES REDUCTION INITIATIVE**

##### **§ 6591. 2009 Tax Receivables Reduction Initiative established**

There is established the 2009 Tax Receivables Reduction Initiative, referred to in this chapter as "the initiative." The initiative is intended to encourage delinquent taxpayers to pay existing tax obligations. The goal of the initiative is to raise revenue during fiscal year 2009-10 and to reduce the increasing tax receivables.

##### **§ 6592. Administration**

The State Tax Assessor shall administer the initiative. The initiative applies to tax liabilities that are assessed as of September 1, 2009. A taxpayer may participate in the initiative without regard to whether the amount due is subject to a pending administrative or judicial proceeding. Participation in the initiative is conditioned upon the taxpayer's agreement to forgo or to withdraw a protest or an administrative or judicial proceeding with regard to liabilities paid under the tax initiative and not to claim a refund of money paid under the initiative. This initiative is available to a taxpayer if the taxpayer:

**1. Application.** Properly completes and files a 2009 tax initiative application as described in section 6595 and as required by the assessor;

**2. Tax, interest and penalty paid.** Pays all tax, interest and penalty as described in section 6595 by the end of the initiative period under section 6594;

**3. No criminal action pending.** Is not currently charged with, and has not been accepted by the Attorney General for criminal prosecution arising from, a violation of the state tax law as provided in this Title or Title 17-A, or is not applying for relief on a debt that is the result of a criminal conviction; and

**4. No collection by warrant or civil action.** Is not applying for relief with respect to a tax liability for which the State has secured a warrant or civil judgment in its favor in Superior Court.

##### **§ 6593. Undisclosed liabilities**

This chapter may not be construed to prohibit the assessor from instituting civil or criminal proceedings against any taxpayer with respect to any amount of tax that is not paid with the 2009 tax initiative application described in section 6595 or on any other return filed with the assessor.

##### **§ 6594. Initiative period**

The time period during which a 2009 tax initiative application described in section 6595 may be filed is September 1, 2009 to November 30, 2009.

## **§ 6595. Initiative application**

The assessor shall prepare and make available the 2009 tax initiative application. The application and associated guidelines prepared by the assessor, which govern participation in the initiative, are exempt from the Maine Administrative Procedure Act. The application requires the approval of the assessor and must include the amount of tax, interest and penalty to be paid and the periods to which the liability applies. The assessor may deny any applications not consistent with the initiative. Participation in the initiative qualifies the taxpayer to a waiver by the assessor of 90% of the penalties otherwise due.

## **PART QQQ**

**Sec. QQQ-1. Initiative continued.** The Joint Standing Committee on Appropriations and Financial Affairs, referred to in this Part as "the committee," shall continue the effort to streamline State Government enacted by Public Law 2007, chapter 240, Part QQQ, referred to in this Part as "the initiative."

**Sec. QQQ-2. Duties.** The committee, as part of the initiative, shall conduct its research and prepare recommendations on streamlining state government programs and service delivery by reviewing, at a minimum, the following:

1. Current organizational structures and alignment of functions to ensure streamlined and integrated administration and services;
2. Boards, commissions, councils, advisory councils and any other entities established by state law to determine the continuing need for their existence or current configuration as measured against their operating costs;
3. Provision of financial management and human resource services, benefits and related functions to recommend improvements in organizational efficiency and cost-effectiveness;
4. The past 2 decades of studies and proposals that evaluated or sought to alter programs and service delivery of the executive, judicial and legislative branches and of other entities established by state law to prioritize and improve government services;
5. The portion, if any, of the employer's share of teacher retirement costs, including the normal cost component and the unfunded actuarial liability that is currently funded by the State, to be included as part of the total state and local cost of essential programs and services and the portion to be funded through the Teacher Retirement program within the Department of Education; and
6. The underlying causes of structural differences between available budgeted resources and state expenditures.

The initiative must achieve a targeted spending reduction of a minimum of \$30,000,000 in the 2010-2011 biennium that will have ongoing structural savings in future biennia. The committee may establish subcommittees and draw on experts inside and outside of State Government.

**Sec. QQQ-3. Staff assistance.** The Office of Fiscal and Program Review shall staff the committee. The committee may request additional staff assistance from the Legislative Council. The committee may request that the Legislative Council contract for additional staff to direct the initiative

and hire expert staff as it determines necessary within its budgeted resources. The Department of Administrative and Financial Services; the Executive Department, State Planning Office; and the Office of Program Evaluation and Government Accountability may also provide assistance to the committee.

**Sec. QQQ-4. Compensation.** Members of the committee are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for travel and other necessary expenses related to their attendance at authorized meetings of the committee.

**Sec. QQQ-5. Report.** The committee shall submit a report of its findings and recommendations to the Legislative Council no later than January 6, 2010. The committee is authorized to submit legislation to the Second Regular Session of the 124th Legislature.

**Sec. QQQ-6. Commissioner actions.** If the committee fails to identify at least \$30,000,000 in savings through legislation submitted to and enacted by the Second Regular Session of the 124th Legislature, the Commissioner of Administrative and Financial Services shall distribute the undistributed savings through the process of curtailing allotments established in the Maine Revised Statutes, Title 5, section 1667. The State Budget Officer shall determine amounts in section 8 to be distributed by financial order upon approval of the Governor.

**Sec. QQQ-7. Committee budget.** The chairs of the committee, with assistance from the committee staff and the Executive Director of the Legislative Council, shall administer the committee's budget, which must be approved by the Legislative Council. The committee may not incur expenses that would result in the committee's exceeding its approved budget. Upon request from the committee, the Executive Director of the Legislative Council shall promptly provide the committee chairs and staff with a status report on the committee budget, expenditures incurred and paid and available funds.

**Sec. QQQ-8. Appropriations and allocations.** The following appropriations and allocations are made.

#### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

##### **Departments and Agencies - Statewide 0016**

Initiative: Deappropriates funds to reflect savings to be realized by the continuation of the initiative to streamline State Government of the Joint Standing Committee on Appropriations and Financial Affairs.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Unallocated	\$0	(\$30,000,000)
<b>GENERAL FUND TOTAL</b>	<hr/> \$0	<hr/> (\$30,000,000)

#### **PART RRR**

**Sec. RRR-1. Transfer from Other Special Revenue Funds accounts.** The State Controller shall transfer the following amounts from the departments and accounts listed based on available Personal Services line category allocations as a result of the savings initiatives in this Act:

1. From the Department of Agriculture, Food and Rural Resources, Maine Milk Commission, Other Special Revenue Funds account, \$11,753 no later than June 30, 2010 and \$12,220 no later than June 30, 2011;

2. From the Department of Agriculture, Food and Rural Resources, Board of Pesticides Control, Other Special Revenue Funds account, \$54,183 no later than June 30, 2010 and \$55,575 no later than June 30, 2011;

3. From the Department of Audit, Statewide Single Audit - Set Aside, Other Special Revenue Funds account, \$77,723 no later than June 30, 2010 and \$79,928 no later than June 30, 2011;

4. From the Department of Conservation, ATV Recreational Management Fund, Other Special Revenue Funds account, \$10,866 no later than June 30, 2010 and \$11,013 no later than June 30, 2011;

5. From the Department of Conservation, Boating Facilities Fund, Other Special Revenue Funds account, \$42,115 no later than June 30, 2010 and \$42,991 no later than June 30, 2011;

6. From the Department of Conservation, Maine State Parks and Recreational Facilities Development Fund, Other Special Revenue Funds account, \$22,763 no later than June 30, 2010 and \$23,548 no later than June 30, 2011;

7. From the Department of Conservation, Snowmobile Trail Fund, Other Special Revenue Funds account, \$19,124 no later than June 30, 2010 and \$19,493 no later than June 30, 2011;

8. From the Department of Economic and Community Development, Tourism Marketing Promotion Fund, Other Special Revenue Funds account, \$34,525 no later than June 30, 2010 and \$35,293 no later than June 30, 2011;

9. From the Department of Environmental Protection, Maine Coastal and Inland Surface Oil Clean-up Fund, Other Special Revenue Funds account, \$133,234 no later than June 30, 2010 and \$136,408 no later than June 30, 2011;

10. From the Commission on Governmental Ethics and Election Practices, Maine Clean Election Fund, Other Special Revenue Funds account, \$18,942 no later than June 30, 2010 and \$21,933 no later than June 30, 2011;

11. From the Public Utilities Commission, Office of the Public Advocate, Public Advocate Regulatory Fund, Other Special Revenue Funds account, \$56,924 no later than June 30, 2010 and \$57,780 no later than June 30, 2011;

12. From the Executive Department, State Planning Office, State Planning Office Solid Waste Management Fund, Other Special Revenue Funds account, \$22,532 no later than June 30, 2010 and \$23,161 no later than June 30, 2011;

13. From the Maine Health Data Organization, Maine Health Data Organization, Other Special Revenue Funds account, \$26,403 no later than June 30, 2010 and \$26,824 no later than June 30, 2011;

14. From the Department of Marine Resources, Division of Community Resource Development program Shellfish Fund, Other Special Revenue Funds account, \$12,553 no later than June 30, 2010 and \$13,109 no later than June 30, 2011;

15. From the Department of Marine Resources, Lobster Management - Administration, Other Special Revenue Funds account, \$15,235 no later than June 30, 2010 and \$15,795 no later than June 30, 2011;

16. From the Department of Marine Resources, Lobster Management Fund, Other Special Revenue Funds account, \$20,145 no later than June 30, 2010 and \$20,721 no later than June 30, 2011;

17. From the Department of Marine Resources, Marine Fisheries Research and Development Fund, Other Special Revenue Funds account, \$34,592 no later than June 30, 2010 and \$35,835 no later than June 30, 2011;

18. From the Department of Marine Resources, Watercraft Fund, Other Special Revenue Funds account, \$18,261 no later than June 30, 2010 and \$19,054 no later than June 30, 2011;

19. From the Department of Professional and Financial Regulation, Administrative Services Division, Other Special Revenue Funds account, \$23,548 no later than June 30, 2010 and \$24,559 no later than June 30, 2011;

20. From the Department of Professional and Financial Regulation, Licensing and Enforcement Division, Other Special Revenue Funds account, \$216,276 no later than June 30, 2010 and \$222,289 no later than June 30, 2011;

21. From the Department of Professional and Financial Regulation, Board of Licensure in Medicine, Other Special Revenue Funds account, \$43,991 no later than June 30, 2010 and \$45,205 no later than June 30, 2011;

22. From the Department of Professional and Financial Regulation, Office of Securities, Other Special Revenue Funds account, \$47,748 no later than June 30, 2010 and \$49,416 no later than June 30, 2011;

23. From the Department of Professional and Financial Regulation, State Board of Nursing, Other Special Revenue Funds account, \$31,934 no later than June 30, 2010 and \$32,902 no later than June 30, 2011;

24. From the Department of Public Safety, Licensing and Enforcement - Public Safety program, Other Special Revenue Funds account, \$33,359 no later than June 30, 2010 and \$34,241 no later than June 30, 2011;

25. From the Department of Public Safety, Maine Criminal Justice Academy, Other Special Revenue Funds account, \$40,144 no later than June 30, 2010 and \$41,063 no later than June 30, 2011;

26. From the Public Utilities Commission, Conservation Administration Fund, Other Special Revenue Funds account, \$43,802 no later than June 30, 2010 and \$46,073 no later than June 30, 2011;

27. From the Public Utilities Commission, Emergency Services Communication Bureau, Other Special Revenue Funds account, \$23,348 no later than June 30, 2010 and \$23,836 no later than June 30, 2011;

28. From the Public Utilities Commission, Public Utilities Commission Regulatory Fund, Other Special Revenue Funds account, \$297,759 no later than June 30, 2010 and \$311,195 no later than June 30, 2011; and

29. From the Workers' Compensation Board, Workers' Compensation Board Administrative Fund, Other Special Revenue Funds account, \$428,740 no later than June 30, 2011.

## **PART SSS**

**Sec. SSS-1. 5 MRSA §17001, sub-§4, ¶A**, as amended by PL 2003, c. 486, §3, is further amended to read:

A. The average annual rate of earnable compensation of a member during the 3 years of creditable service as an employee in Maine, not necessarily consecutive, in which the member's annual rate of earnable compensation is highest. However, if a member is subject to a temporary layoff or other time off without pay as a result of a Governor's Executive Order, time off without pay or loss of pay pursuant to the agreements of February 15, 1991, October 23, 1991 and June 11, 1993 between the Executive Department and the American Federation of State, County and Municipal Employees, Council 93, time off without pay pursuant to the agreement of June 11, 1993 between the Executive Department and the Maine State Employees Association, days off without pay as authorized by legislative action or days off without pay resulting from any executive order declaring or continuing a state of emergency relating to the lack of an enacted budget document for fiscal years ending June 30, 1992 and June 30, 1993, or, if a member elects to make the payments as set forth in section 17704-B, as a result of days off without pay or for days worked for which the level of pay is reduced as the result of the freezing of merit pay and longevity pay as authorized by legislative action, by the State Court Administrator or from executive order for the fiscal year beginning July 1, 2002, July 1, 2009 or July 1, 2010, or a combination thereof, or, if a member is subject to days off without pay, not to exceed 10 days in each fiscal year ending June 30, 1992 and June 30, 1993, as a result of actions taken by local school administrative units to offset school subsidy reductions or, notwithstanding section 18202, as a result of actions of a participating local district to offset reductions in municipal revenue sharing or a combination thereof, for the fiscal years ending June 30, 1992 and June 30, 1993, the 3-year average final compensation must be determined as if the member had not been temporarily laid off, reduced in pay or provided days off without pay; or

**Sec. SSS-2. 5 MRSA §17704-B**, as enacted by PL 2003, c. 486, §4, is amended to read:

### **§ 17704-B. Back contributions for certain days off without pay**

**1. Election.** If the retirement system determines at the time a member retires that the member's benefit would be increased as a result of the inclusion of compensation that would have been paid for days off without pay or for days worked for which the level of pay is reduced as the result of the freezing of merit pay and longevity pay in fiscal year 2002-03 days off without pay, 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A, the retirement system shall advise the member of that result and shall allow the member to elect to have that compensation included in the calculation of the member's benefit and to make payments set forth in subsection 2.



**2. Payment.** The amount that a member who makes the election permitted in subsection 1 must pay is the amount equal to the employee contribution that member would have made on wagescompensation that would have been paid to that member on the days off without pay or for days worked for which the level of pay is reduced as the result of the freezing of merit pay and longevity pay during the 2002-03 fiscal year 2002-03, 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A, plus interest at the same rate as that required for payment of back contributions pursuant to section 17704, subsection 3. If the member elects to make the payment, the retirement system shall withhold the required amount from the member's first retirement benefit check.

**3. Benefit calculation.** If the member fails to make the election within 31 days of the notification provided under subsection 1, the retirement system shall calculate the member's retirement benefit without inclusion of the days off without pay and without inclusion of the compensation that otherwise would have been paid if the freezing of merit pay and longevity pay had not occurred during the 2002-03 fiscal year 2002-03, 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A.

**Sec. SSS-3. State Government closure.** Notwithstanding any other provision of law and excepting those operations determined to be exempt by the nature of the services provided as established by the Commissioner of Administrative and Financial Services, all executive branch state departments, agencies and offices must be closed for 10 days in fiscal year 2009-10 and 10 days in fiscal year 2010-11 as determined by the Governor and referred to as "State Government closure days." There may be no more than one day of closure per month and no more than one day of closure falling within any single employee payroll cycle.

Any employee who is not required to work on State Government closure days must take the days off without pay. Employee leave with pay or unpaid leave pursuant to a voluntary employee incentive program is not allowed for those days designated as State Government closure days. The provisions of this section do not apply to an employee who is required to work because an operation is determined to be exempt pursuant to this section.

**Sec. SSS-4. Merit increases and longevity payments.** Notwithstanding the Maine Revised Statutes, Title 26, section 979-D or section 1285 or any other provision of law, any merit increase or longevity payment, regardless of funding source, scheduled to be awarded or paid between July 1, 2009 and June 30, 2011 to any person employed by the departments and agencies within the executive and judicial branches, including 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. SSS-5. Personal Services adjustments for the 2010-2011 biennium; legislative branch.** Notwithstanding the State Employees Labor Relations Act or any other provision of law, the Personal Services expenditures for the legislative branch must be adjusted to achieve Personal Services savings in a manner determined by the Legislative Council including implementation of office closures and suspension of merit or step increases and longevity stipends for the 2010-2011 biennium.

**Sec. SSS-6. Calculation and transfer.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings identified in the Statewide - Shut Down account within the Department of Administrative and Financial Services in section 8 of this Part that applies against each General Fund account for all executive branch departments and agencies statewide and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal year 2009-10 and fiscal year 2010-11.

**Sec. SSS-7. Calculation and transfer.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in section 8 of this Part that applies against each General Fund account for all departments and agencies from savings associated with eliminating merit pay increases and longevity payments and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal year 2009-10 and fiscal year 2010-11. The State Budget Officer shall provide a report of the transferred amounts to the Joint Standing Committee on Appropriations and Financial Affairs no later than October 1, 2009.

**Sec. SSS-8. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Deappropriates funds from savings related to 10 state shutdown days in fiscal year 2009-10 and again in fiscal year 2010-11.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Personal Services	(\$6,410,000)	(\$6,410,000)
<b>GENERAL FUND TOTAL</b>	<b>(\$6,410,000)</b>	<b>(\$6,410,000)</b>

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Deappropriates funds from eliminating merit pay increases during the 2010-2011 biennium.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Personal Services	(\$3,151,944)	(\$6,303,888)
<b>GENERAL FUND TOTAL</b>	<b>(\$3,151,944)</b>	<b>(\$6,303,888)</b>

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Deappropriates funds from eliminating longevity payments during the 2010-2011 biennium.

<b>GENERAL FUND</b>	<b>2009-10</b>	<b>2010-11</b>
Personal Services	(\$1,685,067)	(\$1,738,792)
<b>GENERAL FUND TOTAL</b>	<b>(\$1,685,067)</b>	<b>(\$1,738,792)</b>

**ADMINISTRATIVE AND FINANCIAL SERVICES,  
 DEPARTMENT OF  
 DEPARTMENT TOTALS  
 GENERAL FUND**

	<b>2009-10</b>	<b>2010-11</b>
	<b>(\$11,247,011)</b>	<b>(\$14,452,680)</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>(\$11,247,011)</b>	<b>(\$14,452,680)</b>

## **PART TTT**

**Sec. TTT-1. Cap on transfers for the dairy stabilization program and the Maine milk income loss contract in fiscal year 2008-09.** Notwithstanding the Maine Revised Statutes, Title 7, section 3153-D, in fiscal year 2008-09, the administrator of the Maine Milk Pool may not certify any amount to be transferred from the General Fund for distributions under Title 7, sections 3153-B and 3153-C that would bring the total amount transferred in fiscal year 2008-09 above \$11,811,000.

Notwithstanding Title 7, sections 3153-B and 3153-C, in fiscal year 2008-09, the administrator of the Maine Milk Pool may not distribute payments for dairy stabilization support and payments under the Maine milk income loss contract that in the aggregate exceed \$11,811,000.

**Sec. TTT-2. Cap on transfers for the dairy stabilization program in fiscal years 2009-10 and 2010-11.** Notwithstanding the Maine Revised Statutes, Title 7, section 3153-D, in fiscal years 2009-10 and 2010-11, the administrator of the Maine Milk Pool may not certify any amount to be transferred from the General Fund for distributions under Title 7, section 3153-B that would bring the total amount transferred in fiscal years 2009-10 and 2010-11 above \$13,349,600.

Notwithstanding Title 7, section 3153-B, in fiscal years 2009-10 and 2010-11, the administrator of the Maine Milk Pool may not distribute payments for dairy stabilization support that in the aggregate exceed \$13,349,600.

**Sec. TTT-3. Cap on transfers for the dairy stabilization program for milk produced in the first 5 months of fiscal year 2010.** Notwithstanding the Maine Revised Statutes, Title 7, section 3153-D, the administrator of the Maine Milk Pool may not certify any amount in excess of \$9,000,000 to be transferred from the General Fund for distributions under Title 7, section 3153-B on milk produced from July 1, 2009 to November 30, 2009.

Notwithstanding Title 7, section 3153-B, the administrator of the Maine Milk Pool may not distribute payments for dairy stabilization support that in the aggregate exceed \$9,000,000 for milk produced from July 1, 2009 to November 30, 2009.

**Sec. TTT-4. Conditional loss of payment under the dairy stabilization program for milk produced in December 2009.** If the \$9,000,000 cap established in section 3 is reached, notwithstanding the Maine Revised Statutes, Title 7, section 3153-D, the administrator of the Maine Milk Pool may not certify any amount to be transferred from the General Fund for distributions under Title 7, section 3153-B on milk produced in December 2009.

Notwithstanding Title 7, section 3153-B, the administrator of the Maine Milk Pool may not distribute payments for dairy stabilization support on milk produced in December 2009.

**Sec. TTT-5. Administrator authorized to make monthly adjustments.** During the period from January 1, 2010 to June 30, 2010, the administrator of the Maine Milk Pool shall monitor milk price projections and each month calculate the amounts to be paid out under the dairy stabilization program for the remaining months of the fiscal year based on these projections. The administrator may adjust the amount requested and the amount distributed in any month during this period based on the most recent projections and calculations. The administrator may reduce payments only if projections indicate that the total distributions under the stabilization program will exceed \$13,349,600 in fiscal year 2009-10. The administrator may increase payments to compensate producers for payment reductions in previous months if projections indicate that the total distributions under the stabilization program will be less than \$13,349,600 in fiscal year 2009-10. For any month in which an adjustment is made, the adjustments must be made by multiplying the target price for each tier by the same percent.

**Sec. TTT-6. Suspension of payments under the Maine milk income loss contract.** Notwithstanding the Maine Revised Statutes, Title 7, section 3153-D, in fiscal years 2009-10 and 2010-11, the administrator of the Maine Milk Pool may not certify any amount to be transferred from the General Fund for distributions under Title 7, section 3153-C.

Notwithstanding Title 7, section 3153-C, in fiscal years 2009-10 and 2010-11, the administrator of the Maine Milk Pool may not make any distributions under the Maine milk income loss contract.

**Sec. TTT-7. Maine Milk Commission authorized to establish 4 tiers of production.** Notwithstanding the Maine Revised Statutes, Title 7, section 3153-B, subsection 3 and Public Law 2007, chapter 240, Part OOO, the Maine Milk Commission may establish 4 tiers of production, each representing a range of annual production, and a target price for each tier.

**Sec. TTT-8. Task Force on the Sustainability of the Dairy Industry in Maine established.** The Task Force on the Sustainability of the Dairy Industry in Maine, referred to in this section as "the task force," is established to examine the current problems confronting the dairy industry and develop recommendations on how best to reduce the vulnerability of the dairy industry to economic forces within and outside the State.

**1. Duties.** As a starting point, the task force shall review the Final Report of the Recommendations of the Governor's Task Force on the Sustainability of the Dairy Industry in Maine dated November 18, 2003 and the report of the ad hoc committee of dairy industry representatives assembled by Commissioner Bradstreet dated January 2007. The task force shall discuss the recommendations in the 2003 report, determine which recommendations have been implemented, evaluate the success of the recommendations implemented in meeting the goals stated in the 2003 report and decide if recommendations not implemented warrant further attention. The task force shall closely examine:

A. The impact and cost of the tiered dairy stabilization program in the Maine Revised Statutes, Title 7, section 3153-B, enacted by the 121st Legislature with an effective date of April 16, 2004;

B. Factors affecting the price of milk as it moves from the farm to the dairy processor to the retail seller; and

C. Other focus areas as determined by the task force at its early meetings.

**2. Membership.** The task force has 17 members appointed as follows. The President of the Senate shall appoint 2 members of the Senate, one of whom is a member of the minority party. The Speaker of the House shall appoint 2 members of the House, one of whom is a member of the minority party. These members serve at the pleasure of their respective appointers. The Governor shall appoint the following members, who serve at the pleasure of the Governor:

A. One milk producer from each of the 3 production tiers in the dairy stabilization program under the Maine Revised Statutes, Title 7, section 1353-B;

B. One dairy farmer designated by the Maine Organic Farmers and Gardeners Association who produces milk for the organic market;

C. One person designated by Maine Dairy Industry Association;

D. Two representatives designated by the Agricultural Council of Maine who are not dairy farmers;

E. One representative from the University of Maine Cooperative Extension;

F. One representative from Farm Credit of Maine;

G. One person knowledgeable about farmland issues;

H. One person with experience helping farmers respond to changing circumstances;

I. One agricultural economist;

J. One milk processor;

K. One milk retailer; and

L. One feed dealer or supplier.

**3. Chair.** The Governor and the Commissioner of Agriculture, Food and Rural Resources shall designate the chair of the task force.

**4. Meetings; termination.** The task force shall meet as necessary to complete the assigned duties. All meetings are open to the public and held at locations determined by the task force. The task force shall disband upon completion of its duties or on November 27, 2009, whichever comes sooner.

**5. Staffing and funding.** The Department of Agriculture, Food and Rural Resources shall provide staff support to the task force from existing resources. The Commissioner of Agriculture, Food and Rural Resources may use contributions of money, services and supplies accepted under existing authority to support the work of the task force.

**6. Compensation.** Members do not receive compensation for their time, travel or other expenses unless funding is available to the Commissioner of Agriculture, Food and Rural Resources for reimbursing such expenses. Legislators do not receive legislative per diem.

**7. Report.** The task force shall submit its report to the Governor and the Joint Standing Committee on Agriculture, Conservation and Forestry no later than November 27, 2009. The report must include recommendations for long-term stability within the dairy industry and recommendations for immediate implementation as needed to preserve the State's farms and local milk supply.

**Sec. TTT-9. Authority to submit legislation.** The Joint Standing Committee on Agriculture, Conservation and Forestry may submit legislation pertaining to the State's dairy industry to the Second Regular Session of the 124th Legislature.

## **PART UUU**

**Sec. UUU-1. Carrying provision; Office of Treasurer of State, Debt Service, General Fund account.** Notwithstanding any other provision of law, the State Controller shall carry forward any unexpended debt service funds in the Office of Treasurer of State, Debt Service, General Fund account on June 30, 2009 and June 30, 2010 to be used for their intended purpose by June 30, 2011. The unexpended fund balance that is expected to carry forward on June 30, 2009 to fiscal year 2009-10 is \$6,393,322.

## **PART VVV**

**Sec. VVV-1. Legislative allocation of funds; federal American Recovery and Reinvestment Act of 2009.** Notwithstanding the Maine Revised Statutes, Title 5, section 1582 or any other provision of law, a state department, an independent agency, a higher education system or any other agency that is subject to appropriation or allocation of any funds by the Legislature may establish by financial order a new program or expand an existing program beyond the scope of the program already established by law solely for the purpose of expending funds authorized in the federal American Recovery and Reinvestment Act of 2009. Allocations by financial order of federal American Recovery and Reinvestment Act of 2009 funds are not authorized if the federal funds require the commitment of nonfederal state funding sources beyond appropriations and allocations authorized by law. These new programs and expansion of existing programs and allocations made to fund them may not continue beyond the period authorized in the federal American Recovery and Reinvestment Act of 2009 unless the program and the method of financing are submitted to the Governor and the Department of Administrative and Financial Services, Bureau of the Budget for evaluation and recommendation to the Legislature and approved by law. The allotment of funds by financial order as authorized in this section is subject to review by the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and may not take effect until 7 days after the approval of the financial order by the Governor.

**Sec. VVV-2. Transfer of funds; federal American Recovery and Reinvestment Act of 2009.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, the State Budget Officer shall identify the amount of funds in section 3 of this Part to be transferred to departments and agencies. The State Budget Officer shall transfer the funds by financial order upon approval of the Governor. These transfers are considered adjustments to allocations or allotment of unencumbered balance forward in fiscal years 2008-09, 2009-10 and 2010-11.

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Departments and Agencies - Statewide 0016**

Initiative: Provides funding for administrative costs from State Fiscal Stabilization Funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2009-10</b>	<b>2010-11</b>
Unallocated	\$125,000	\$125,000
<b>FEDERAL EXPENDITURES FUND ARRA TOTAL</b>	<b>\$125,000</b>	<b>\$125,000</b>

**PART WWW**

**Sec. WWW-1. 36 MRSA §5403**, as repealed and replaced by PL 1999, c. 731, Pt. T, §10 and affected by §11, is amended to read:

**§ 5403. Annual adjustments for inflation**

Beginning in 2002, and each subsequent calendar year thereafter, on or about September 15th, the State Tax Assessor shall multiply the cost-of-living adjustment for taxable years beginning in the succeeding calendar year by the dollar amounts of the tax rate tables specified in section 5111, subsections 1-B, 2-B and 3-B. If the dollar amounts of each rate bracket, adjusted by application of the cost-of-living adjustment, are not multiples of \$50, any increase must be rounded to the next lowest multiple of \$50. If the cost-of-living adjustment for any taxable year is 1.000 or less, ~~no adjustment may be made for that taxable year in the dollar bracket amounts of the tax rate tables would be less than the cost-of-living adjustment for the preceding calendar year, the cost-of-living adjustment is the same as for the preceding calendar year.~~ The assessor shall incorporate such changes into the income tax forms, instructions and withholding tables for the taxable year.

Beginning in 2009 and each subsequent calendar year thereafter, the assessor shall reduce the cost-of-living adjustment by an amount that increases estimated noncorporate income tax revenue by \$10,500,000 for that calendar year using as a benchmark the most recent revenue projections of the Revenue Forecasting Committee established in Title 5, section 1710-E.

**Sec. WWW-2. Application.** This Part applies to tax years beginning on or after January 1, 2009.

**PART XXX**

**Sec. XXX-1. 36 MRSA §6207, sub-§1, ¶A-1**, as amended by PL 2005, c. 2, Pt. E, §4 and affected by §§7 and 8, is further amended to read:

A-1. Fifty percent of that portion of the benefit base that exceeds 4% but does not exceed 8% of income plus 100% of that portion of the benefit base that exceeds 8% of income to a maximum payment of \$2,000.; and

**Sec. XXX-2. 36 MRSA §6207, sub-§1, ¶B** is enacted to read:

B. For application periods beginning on August 1, 2009 and on August 1, 2010, the benefit is limited to 80% of the amount determined under paragraph A-1.

## PART YYY

**Sec. YYY-1. 36 MRSA §683, sub-§1**, as repealed and replaced by PL 2005, c. 2, Pt. F, §1 and affected by §5, is amended to read:

**1. Exemption amount.** Except for assessments for special benefits, the just value of \$13,000 \$10,000 of the homestead of a permanent resident of this State who has owned a homestead in this State for the preceding 12 months is exempt from taxation. In determining the local assessed value of the exemption, the assessor shall multiply the amount of the exemption by the ratio of current just value upon which the assessment is based as furnished in the assessor's annual return pursuant to section 383. If the title to the homestead is held by the applicant jointly or in common with others, the exemption may not exceed \$13,000\$10,000 of the just value of the homestead, but may be apportioned among the owners who reside on the property to the extent of their respective interests. A municipality responsible for administering the homestead exemption has no obligation to create separate accounts for each partial interest in a homestead owned jointly or in common.

**Sec. YYY-2. Application.** That section of this Part that amends the Maine Revised Statutes, Title 36, section 683, subsection 1 applies to property tax years beginning April 1, 2010.

## PART ZZZ

**Sec. ZZZ-1. 36 MRSA §5122, sub-§1, ¶DD** is enacted to read:

DD. For any taxable year beginning in 2009, 2010 or 2011, an amount equal to the absolute value of any net operating loss carry-forward claimed for purposes of the federal income tax.

**Sec. ZZZ-2. 36 MRSA §5122, sub-§2, ¶H**, as amended by PL 2003, c. 588, §15, is further amended to read:

H. For each taxable year subsequent to the year of the loss, an amount equal to the absolute value of the net operating loss arising from tax years beginning on or after January 1, 1989, but before January 1, 1993, for which federal adjusted gross income was increased in accordance with subsection 1, paragraph H, and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002, for which federal adjusted gross income was increased in



HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'  
accordance with subsection 1, paragraph H and that pursuant to the Code, Section 172 was carried back for federal income tax purposes, less the absolute value of loss used in the taxable year of loss to offset any addition modification required by subsection 1, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is within the allowable federal period for carry-over; ~~and~~
- (3) The amount has not been previously used as a modification pursuant to this subsection; and
- (4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

**Sec. ZZZ-3. 36 MRSA §5122, sub-§2, ¶P**, as enacted by PL 2001, c. 559, Pt. GG, §12 and affected by §26, is amended to read:

P. An amount equal to the absolute value of any net operating loss arising in a tax year beginning or ending in 2001 for which federal adjusted gross income was increased in accordance with subsection 1, paragraph M and that, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, was carried back more than 2 years to the taxable year for federal income tax purposes, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is either within 2 years prior to the year in which the loss arose or within the allowable federal period for carry-over of net operating losses; ~~and~~
- (3) The amount has not been previously used as a modification pursuant to this subsection; and
- (4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and

the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

**Sec. ZZZ-4. 36 MRSA §5122, sub-§2, ¶V**, as repealed and replaced by PL 2007, c. 466, Pt. A, §65 and affected by §70, is amended to read:

V. The taxpayer's pro rata share of an amount that was previously added back to federal taxable income pursuant to section 5200-A, subsection 1, paragraph H by an S corporation of which the taxpayer is a shareholder and by which, absent the S corporation election, the corporation could have reduced its federal taxable income for the taxable year pursuant to section 5200-A, subsection 2, paragraph H, except that the modification under this paragraph may not be claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of section 5200-A, subsection 2, paragraph H, subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

**Sec. ZZZ-5. 36 MRSA §5122, sub-§2, ¶CC** is enacted to read:

CC. An amount equal to the value of any prior year addition modification under subsection 1, paragraph DD, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011.

**Sec. ZZZ-6. 36 MRSA §5200-A, sub-§1, ¶T**, as amended by PL 2007, c. 700, Pt. B, §2, is further amended to read:

T. For taxable years beginning on or after January 1, 2008 but prior to January 1, 2010, an amount equal to the net increase in depreciation attributable to the 50% bonus depreciation deduction claimed by the taxpayer pursuant to Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185 with respect to property placed in service during the taxable year; and

**Sec. ZZZ-7. 36 MRSA §5200-A, sub-§1, ¶U**, as enacted by PL 2007, c. 700, Pt. B, §3, is amended to read:

U. For tax years beginning in 2008, 10% of the absolute value in excess of \$100,000 of any net operating loss that, pursuant to the Code, Section 172, is being carried over for federal income tax purposes to the taxable year by the taxpayer.; and

**Sec. ZZZ-8. 36 MRSA §5200-A, sub-§1, ¶V** is enacted to read:

V. For any taxable year beginning in 2009, 2010 or 2011, an amount equal to the absolute value of any net operating loss carry-forward claimed for purposes of the federal income tax.

**Sec. ZZZ-9. 36 MRSA §5200-A, sub-§2, ¶H**, as amended by PL 2007, c. 539, Pt. AAAA, §1, is further amended to read:

H. For each taxable year subsequent to the year of the loss, an amount equal to the absolute value of the net operating loss arising from tax years beginning on or after January 1, 1989 but before January 1, 1993 and the absolute value of the amount of any net operating loss arising from tax years beginning on or after January 1, 2002, for which federal adjusted gross income was increased under subsection 1, paragraph H and that, pursuant to the Code, Section 172, was carried back for federal income tax purposes, less the absolute value of loss used in the taxable year of loss to offset any addition modification required by subsection 1, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is within the allowable federal period for carry-over;
- (3) The amount has not been previously used as a modification pursuant to this subsection; and
- (4) For taxable years beginning in 2008, the amount does not exceed \$100,000. In the case of an affiliated group of corporations engaged in a unitary business, the \$100,000 threshold applies with respect to the entire affiliated group of corporations.; and
- (5) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

**Sec. ZZZ-10. 36 MRSA §5200-A, sub-§2, ¶L**, as amended by PL 2007, c. 539, Pt. AAAA, §2, is further amended to read:

L. An amount equal to the absolute value of any net operating loss arising from a tax year beginning or ending in 2001 for which federal taxable income was increased under subsection 1, paragraph M and that, pursuant to Section 102 of the federal Job Creation and Worker Assistance Act of 2002, Public Law 107-147, was carried back more than 2 years to the taxable year for federal income tax purposes, but only to the extent that:

- (1) Maine taxable income is not reduced below zero;
- (2) The taxable year is either within 2 years prior to the year in which the loss arose or within the allowable federal period for carry-over of net operating losses;
- (3) The amount has not been previously used as a modification pursuant to this subsection; and
- (4) For taxable years beginning in 2008, the amount does not exceed \$100,000. In the case of an affiliated group of corporations engaged in a unitary business, the \$100,000 threshold applies with respect to the entire affiliated group of corporations; and
- (5) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011. The amount not deducted as the result of the restriction with respect to tax years beginning in 2009, 2010 or 2011 may be deducted in any tax year beginning after December 31, 2011, but only to the extent that the requirements of subparagraphs (1) and (3) are met and the taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 or 2011;

**Sec. ZZZ-11. 36 MRSA §5200-A, sub-§2, ¶R,** as amended by PL 2007, c. 700, Pt. B, §5, is further amended to read:

R. For taxable years beginning on or after January 1, 2009, an amount equal to the net decrease in the depreciation deductions allowable under sections 167 and 168 of the Code that would have been applicable to that property had the 50% bonus depreciation deduction under Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185 not been claimed with respect to such property for which an addition was required under subsection 1, paragraph T in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph T and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph T for the same property; and

**Sec. ZZZ-12. 36 MRSA §5200-A, sub-§2, ¶S**, as enacted by PL 2007, c. 700, Pt. B, §6, is amended to read:

S. An amount equal to the value of any prior year addition modification under subsection 1, paragraph U, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carryover of the net operating loss plus one year; and

(3) The amount has not been previously used as a modification pursuant to this subsection; and

**Sec. ZZZ-13. 36 MRSA §5200-A, sub-§2, ¶T** is enacted to read:

T. An amount equal to the value of any prior year addition modification under subsection 1, paragraph V, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carry-over plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 and 2011;

(3) The amount has not been previously used as a modification pursuant to this subsection; and

(4) The modification under this paragraph is not claimed for any tax year beginning in 2009, 2010 or 2011.

## PART AAAA

**Sec. AAAA-1. 9-B MRSA §161, sub-§2, ¶H**, as amended by PL 1989, c. 880, Pt. E, §1, is further amended to read:

H. The examination of the financial records authorized by Title 36, section 112 ~~or~~, section 176-A, subsection 4 or section 176-B;

**Sec. AAAA-2. 9-B MRSA §162, sub-§4**, as amended by PL 2007, c. 108, §2, is further amended to read:

**4. Disclosure in response to a request by the Department of Labor.** The financial records are disclosed in response to a notice of levy issued by the Department of Labor pursuant to Title 26, section 1233; or

**Sec. AAAA-3. 9-B MRSA §162, sub-§5,** as enacted by PL 2007, c. 108, §3, is amended to read:

**5. Disclosure to the Department of Health and Human Services upon suspicion of financial exploitation.** The financial records are disclosed to the Department of Health and Human Services pursuant to Title 22, section 3479 because a financial institution authorized to do business in this State or its affiliate or a credit union authorized to do business in this State or its affiliate has reasonable cause to suspect that an incapacitated or dependent adult has been or is at substantial risk of abuse, neglect or exploitation.; or

**Sec. AAAA-4. 9-B MRSA §162, sub-§6** is enacted to read:

**6. Disclosure in response to a request by the Department of Administrative and Financial Services, Bureau of Revenue Services.** The financial records are disclosed in response to a request for information by the Department of Administrative and Financial Services, Bureau of Revenue Services for purposes related to establishing, modifying or enforcing tax debts.

**Sec. AAAA-5. 9-B MRSA §163, sub-§1,** as amended by PL 2001, c. 262, Pt. B, §5 and PL 2003, c. 689, Pt. B, §6, is further amended to read:

**1. Service.** A financial institution authorized to do business in this State or credit union authorized to do business in this State shall disclose financial records under section 162 pursuant to a subpoena, summons, warrant or court order that on its face appears to have been issued upon lawful authority only if the subpoena, summons, warrant or court order is served upon the customer prior to disclosure by the financial institution or credit union. The agency or person requesting the disclosure of financial records shall certify in writing to the financial institution or credit union the fact that the subpoena, summons, warrant or court order has been served upon the customer. The court for good cause shown may delay or dispense with service of the subpoena, summons, warrant or court order upon the customer. The court shall delay or dispense with service of the subpoena, summons, warrant or court order upon the customer upon notice by the Attorney General, the Attorney General's designee or the District Attorney that service upon the customer would not be in the public interest. A subpoena, summons or warrant issued in connection with a criminal proceeding or state or federal grand jury proceeding, a request for information by the Department of Health and Human Services for purposes related to establishing, modifying or enforcing a child support order, a request for information by the Department of Administrative and Financial Services, Bureau of Revenue Services for purposes related to establishing, modifying or enforcing tax liabilities or a trustee process lawfully issued need not be served upon the customer.

**Sec. AAAA-6. 9-B MRSA §164, sub-§3,** as enacted by PL 2007, c. 108, §4, is amended to read:

**3. Immunity.** A financial institution authorized to do business in the State or its affiliate or a credit union authorized to do business in the State or its affiliate that in good faith discloses financial records to the Department of Health and Human Services pursuant to section 162, subsection 5 or the Department of Administrative and Financial Services, Bureau of Revenue Services pursuant to section 162, subsection 6 is immune from civil or criminal liability that might otherwise arise from the disclosure. In a proceeding regarding immunity from liability, there is a rebuttable presumption of good faith.

**Sec. AAAA-7. 36 MRSA §113, sub-§5** is enacted to read:

**5. Financial institution computer data match costs.** The State Tax Assessor may subtract from revenues received fees authorized under section 176-B for payment to financial institutions for the actual costs incurred in matching taxpayer information against account records, the cost of holding financial institutions harmless for good faith actions under section 176-B and for costs related to the implementation and operation of the financial institution computer data match program provided in section 176-B.

**Sec. AAAA-8. 36 MRSA §176-B** is enacted to read:

**§ 176-B. Access to financial records of individuals who owe Maine taxes**

**1. Definitions.** For the purposes of this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Customer" means any person who has an account, including, but not limited to, a deposit, loan, mortgage or credit card account, with any financial institution and for which the financial institution is obligated to maintain records.

B. "Financial institution" means a trust company, savings bank, industrial bank, commercial bank, savings and loan association or credit union organized under the laws of this State or otherwise authorized to do business in this State.

C. "Match" means an automated comparison by name and social security number or federal employer identification number of a list of taxpayers provided to a financial institution by the bureau and a list of customers of any financial institution.

**2. Computer data match.** Upon written request from the State Tax Assessor to a financial institution in this State with the technological capacity to perform a match, the financial institution shall perform a match using the list of taxpayer social security numbers or federal employer identification numbers provided by the bureau. The bureau is responsible for making its computer data compatible with the data of the financial institution with which a match is sought. The bureau's data, at a minimum, must include the name and social security number or federal employer identification number of and, when known, the amount of taxes owed by each taxpayer. The bureau may not request a financial institution to perform a match under this section more often than once every calendar quarter.

**3. Compilation of match list.** After completing a match requested by the bureau under subsection 2, a financial institution shall compile for the bureau a list of those customers whose social security numbers or federal employer identification numbers match the list of social security numbers or federal employer identification numbers of taxpayers provided by the bureau. The list must contain the following information, if available to the financial institution through its matching procedure, for each account identified:

- A. The taxpayer's name;
- B. The taxpayer's social security number or federal employer identification number;
- C. The financial institution account number; and
- D. The account type, account balance and any known encumbrances.

**4. Notice to bureau.** A financial institution that has compiled a match list under subsection 3 shall send the list to the bureau at the address designated by the bureau.

**5. Notice to customer.** The financial institution may not provide notice in any form to a customer contained in a match list submitted to the bureau under subsection 4. Notwithstanding any other provision of law, failure to provide notice to a customer does not constitute a violation of the financial institution's duty of good faith to its customers.

**6. Reasonable fee.** To cover the costs of carrying out the requirements of this section, a financial institution may assess a reasonable fee to the bureau not to exceed the actual costs incurred by the financial institution.

**7. Confidentiality.** The list of taxpayers under subsection 3, with their social security numbers or federal employer identification numbers and the amount of the tax debt provided by the bureau to a financial institution, is confidential. The information may be used only for the purpose of carrying out the requirements of this section. Any person who willfully violates this subsection commits a Class E crime.

**8. Immunity from liability; hold harmless.** A financial institution is immune from any liability for its good faith actions to comply with this section. The bureau shall defend and hold harmless, including compensation for attorney's fees, a financial institution that acts in good faith to carry out the requirements of this section.

## **PART BBBB**

**Sec. BBBB-1. 36 MRSA §111, sub-§1-A,** as amended by PL 2007, c. 539, Pt. CCC, §1 and affected by §19, is further amended to read:

**1-A. Code.** "Code" means the United States Internal Revenue Code of 1986 and amendments to that Code as of February 13, 2008~~17, 2009~~.



**Sec. BBBB-2. 36 MRSA §5122, sub-§1, ¶Z**, as enacted by PL 2007, c. 539, Pt. CCC, §4, is amended to read:

Z. For income tax years beginning on or after January 1, 2008, the amount of any qualified state and local tax benefit and any qualified payment excluded from gross income pursuant to the Code, Section 139(b); and

**Sec. BBBB-3. 36 MRSA §5122, sub-§1, ¶AA**, as enacted by PL 2007, c. 539, Pt. CCC, §5, is amended to read:

AA. For taxable years beginning on or after January 1, 2008 ~~but prior to January 1, 2010~~, an amount equal to the net increase in depreciation attributable to the ~~50% bonus~~ depreciation deduction claimed by the taxpayer pursuant to ~~Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185 with respect to property placed in service during the taxable year under the Code, Section 168(k) arising from amendments to the Code applicable to taxable years beginning on or after January 1, 2008;~~

**Sec. BBBB-4. 36 MRSA §5122, sub-§1, ¶BB** is enacted to read:

BB. The amount of unemployment compensation received to the extent excluded from federal gross income in accordance with the Code, Section 85(c);

**Sec. BBBB-5. 36 MRSA §5122, sub-§1, ¶CC** is enacted to read:

CC. For tax years beginning on or after January 1, 2009 but before January 1, 2011, an amount equal to the gross income during the taxable year from the discharge of indebtedness deferred under the Code, Section 108(i); and

**Sec. BBBB-6. 36 MRSA §5122, sub-§2, ¶AA**, as corrected by RR 2007, c. 2, §23, is amended to read:

AA. For taxable years beginning on or after January 1, 2009, an amount equal to the net decrease in the depreciation deductions allowable under sections 167 and 168 of the Code that would have been applicable to that property had the ~~50% bonus~~ depreciation deduction under ~~Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185~~ the Code, Section 168(k) not been claimed with respect to such property placed in service on or after January 1, 2008 for which an addition was required under subsection 1, paragraph AA in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph AA and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph AA for the same property; and

**Sec. BBBB-7. 36 MRSA §5122, sub-§2, ¶BB**, as reallocated by RR 2007, c. 2, §24, is amended to read:

BB. The amount of pension benefits to the extent included in federal adjusted gross income under a military retirement plan as defined in paragraph M that exceed the amount of military retirement plan pension benefits deducted under paragraph M and that are received by a person who practices as a licensed dentist in this State for an average of at least 20 hours per week during the tax year and who accepts patients who receive benefits under the MaineCare program administered under Title 22, chapter 855; and

**Sec. BBBB-8. 36 MRSA §5122, sub-§2, ¶CC** is enacted to read:

CC. An amount equal to the gross income from the discharge of indebtedness previously deferred under the Code, Section 108(i) and included in federal adjusted gross income. The total subtraction for all years under this paragraph may not exceed the amount of the addition modification under subsection 1, paragraph CC for the same indebtedness.

**Sec. BBBB-9. 36 MRSA §5124-A, first ¶**, as amended by PL 2005, c. 12, Pt. P, §5, is further amended to read:

The standard deduction of a resident individual is equal to the standard deduction as determined in accordance with the Code, Section 63, exclusive of the Code, Section 63(c)(1)(C) and Section 63(c)(1)(E), except that for tax years beginning after 2002, the Code, Section 63(c)(2) must be applied as if the basic standard deduction is \$5,000 in the case of a joint return and a surviving spouse and \$2,500 in the case of a married individual filing a separate return.

**Sec. BBBB-10. 36 MRSA §5200-A, sub-§1, ¶T**, as amended by PL 2007, c. 700, Pt. B, §2, is further amended to read:

T. For taxable years beginning on or after January 1, 2008 ~~but prior to January 1, 2010~~, an amount equal to the net increase in depreciation attributable to the 50% ~~bonus~~ depreciation deduction claimed by the taxpayer pursuant to Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185 ~~with respect to property placed in service during the taxable year under the Code, Section 168(k) arising from amendments to the Code applicable to taxable years beginning on or after January 1, 2008; and~~

**Sec. BBBB-11. 36 MRSA §5200-A, sub-§1, ¶U**, as enacted by PL 2007, c. 700, Pt. B, §3, is amended to read:

U. For tax years beginning in 2008, 10% of the absolute value in excess of \$100,000 of any net operating loss that, pursuant to the Code, Section 172, is being carried over for federal income tax purposes to the taxable year by the taxpayer; and

**Sec. BBBB-12. 36 MRSA §5200-A, sub-§1, ¶V** is enacted to read:

V. For tax years beginning on or after January 1, 2009 but before January 1, 2011, an amount equal to the gross income during the taxable year from the discharge of indebtedness deferred under the Code, Section 108(i).

**Sec. BBBB-13. 36 MRSA §5200-A, sub-§2, ¶R**, as amended by PL 2007, c. 700, Pt. B, §5, is further amended to read:

R. For taxable years beginning on or after January 1, 2009, an amount equal to the net decrease in the depreciation deductions allowable under sections 167 and 168 of the Code that would have been applicable to that property had the ~~50% bonus depreciation deduction under Section 103 of the Economic Stimulus Act of 2008, Public Law 110-185~~ the Code, Section 168(k) not been claimed with respect to such property placed in service on or after January 1, 2008 for which an addition was required under subsection 1, paragraph T in a prior year.

Upon the taxable disposition of property to which this paragraph applies, the amount of any gain or loss includable in federal adjusted gross income must be adjusted for Maine income tax purposes by an amount equal to the difference between the addition modification for such property under subsection 1, paragraph T and the subtraction modifications allowed pursuant to this paragraph.

The total amount of subtraction claimed for property under this paragraph for all tax years may not exceed the addition modification under subsection 1, paragraph T for the same property; and

**Sec. BBBB-14. 36 MRSA §5200-A, sub-§2, ¶S**, as enacted by PL 2007, c. 700, Pt. B, §6, is amended to read:

S. An amount equal to the value of any prior year addition modification under subsection 1, paragraph U, but only to the extent that:

(1) Maine taxable income is not reduced below zero;

(2) The taxable year is within the allowable federal period for carryover of the net operating loss plus one year; and

(3) The amount has not been previously used as a modification pursuant to this subsection; and

**Sec. BBBB-15. 36 MRSA §5200-A, sub-§2, ¶T** is enacted to read:

T. An amount equal to the gross income from discharge of indebtedness previously deferred under the Code, Section 108(i) and included in federal taxable income. The total subtraction for all years under this paragraph may not exceed the amount of the addition modification under subsection 1, paragraph V for the same indebtedness.

**Sec. BBBB-16. 36 MRSA §5219-S**, as repealed and replaced by PL 2007, c. 693, §31, is amended to read:

**§ 5219-S. Earned income credit**

**1. Resident taxpayer.** A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%.

**2. Nonresident taxpayer.** A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%, multiplied by the ratio of the individual's Maine adjusted gross income, as defined in section 5102, subsection 1-C, paragraph B, to the individual's entire federal adjusted gross income, as modified by section 5122.

**3. Part-year resident taxpayer.** An individual who files a return as a part-year resident in accordance with section 5224-A is allowed a credit against the tax otherwise due under this Part in the amount of 5% of the federal earned income credit for the same taxable year, except that for tax years beginning in 2009 and 2010, the applicable percentage is 4%, multiplied by a ratio, the numerator of which is the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph A for that portion of the taxable year during which the individual was a resident plus the individual's Maine adjusted gross income as defined in section 5102, subsection 1-C, paragraph B for that portion of the taxable year during which the individual was a nonresident and the denominator of which is the individual's entire federal adjusted gross income, as modified by section 5122.

**4. Limitation.** The credit allowed by this section may not reduce the Maine income tax to less than zero.

**Sec. BBBB-17. Application.** That section of this Part that amends the Maine Revised Statutes, Title 36, section 111, subsection 1-A applies to tax years beginning on or after January 1, 2008 and to any prior years as specifically provided by the United States Internal Revenue Code. That section of this Part that amends the Maine Revised Statutes, Title 36, section 5124-A, first paragraph applies to tax years beginning on or after January 1, 2008. That section of this Part that enacts Title 36, section 5122, subsection 1, paragraph BB applies to tax years beginning on or after January 1, 2009. Those sections of this Part that enact Title 36, section 5122, subsection 2, paragraph CC and Title 36, section 5200-A, subsection 2, paragraph T apply to tax years beginning on or after January 1, 2010.

## PART CCCC

### Sec. CCCC-1. Penalty Reserve.

**1. Penalty Reserve.** The Penalty Reserve is established as an account category within the adjustments and miscellaneous costs section of the General Purpose Aid for Local Schools program to set aside those funds identified as penalties assessed pursuant to the Maine Revised Statutes, Title 20-A, section 15696 on nonconforming school administrative units in fiscal year 2009-10. The amount established in that cost category may not be expended or distributed by the Department of Education until directed pursuant to subsection 2.

**2. Report.** The Commissioner of Education shall submit a report to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Education and Cultural Affairs by January 15, 2010 that includes the following:

- A. Information regarding the balance of the Penalty Reserve under subsection 1; and
- B. Recommendations on how to disburse the funds given the results of the referendum vote on Legislative Document 977, An Act to Repeal the School District Consolidation Laws.

Following receipt and review of the report, the Joint Standing Committee on Education and Cultural Affairs may report out legislation to the Second Regular Session of the 124th Legislature with its recommendations on distributing the funds in the Penalty Reserve.

**3. Repeal.** This Part is repealed June 30, 2011.

## **PART DDDD**

**Sec. DDDD-1. Review and report; gambling addiction services.** The Department of Health and Human Services, Office of Substance Abuse shall collect data on and assess the need for gambling addiction treatment in the State. The department shall submit a report to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Legal and Veterans Affairs by March 15, 2010 summarizing the results of its data collection and assessments for the need for additional gambling addiction services.

## **PART EEEE**

**Sec. EEEE-1. Lease-purchase authorization; Maine Learning Technology Initiative.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services on behalf of the Department of Education may enter into financing arrangements in fiscal year 2009-10 for the acquisition of portable computer systems for 7th grade, 8th grade and high school students and educators to support the operations of the Maine Learning Technology Initiative program. The financing agreements may not exceed 4 years in duration and \$69,696,000 in principal costs for the Maine Learning Technology Initiative program. The interest rate may not exceed 7.5% and the total interest costs may not exceed \$5,227,220. The annual principal and interest costs must be paid from the appropriate line category allocations in the Department of Education. The State is authorized to extend the provisions of the lease-purchase agreement on behalf of school administrative units as long as all costs of the extension are borne by the school administrative units.

**Sec. EEEE-2. Effect on state and local share of school funding; findings.** The Legislature recognizes that the expansion of the Maine Learning Technology Initiative program authorized pursuant to this Part requires the commitment of state and local funding in fiscal years 2009-10, 2010-11, 2011-12 and 2012-13 at a time when the amount of the General Fund appropriation for the General Purpose Aid for Local Schools program is declining and may continue to decline due to significant disruptions to the state and national economies. The Legislature also recognizes that those school administrative units that choose to participate in the expansion of the Maine Learning Technology

Initiative program authorized pursuant to this Part may decide to commit a significant portion of the targeted technology resource funds allocated to the participating school administrative units pursuant to the Maine Revised Statutes, Title 20-A, section 15681, subsection 1, paragraph B to fund the cost of participating in the program.

**Sec. EEEE-3. Construction; legislative intent; option to voluntarily participate.**

Nothing in this Part requires a school administrative unit to participate in the expansion of the Maine Learning Technology Initiative program authorized pursuant to this Part. It is the intent of the Legislature that neither the expansion of the Maine Learning Technology Initiative program under this Part nor the benefits provided under this program to participating school administrative units serve as justification to decrease other funds appropriated or allocated to school administrative units currently participating in the middle school program established for 7th and 8th grade students and educators and funded by General Fund appropriations allocated to the middle school laptop program pursuant to the Maine Revised Statutes, Title 20-A, section 15689-A, subsection 8.

**PART FFFF**

**Sec. FFFF-1. 30-A MRSA §4211, sub-§5, ¶D,** as amended by PL 1999, c. 228, §3, is further amended to read:

D. A nonengineered subsurface wastewater disposal system fee not to exceed \$100 may be charged, and a surcharge of \$15 must be charged. The surcharge must be paid by the municipality to the Treasurer of State, who shall credit the amount to the Water Quality Improvement Fund established under Title 38, section 424-B.

**Sec. FFFF-2. 38 MRSA §353-B, sub-§2, ¶A,** as amended by PL 2007, c. 558, §3, is further amended to read:

A. The base, annualized license renewal service and maximum fees that may be assessed to categories of discharge activities are as follows.

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
 'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General  
 Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations  
 of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

Discharge Group		Base fee not to exceed	Maximum fee for individual in group	Annualized license renewal service fee	<u>Water quality improvement surcharge</u>
Publicly owned treatment facilities, 10,000 gallons per day or less	annual fee	\$67	none	\$150	
Publicly owned treatment facilities, more than 10,000 gallons per day to 0.1 million gallons per day	annual fee	\$219	none	\$150	
Publicly owned treatment facilities, more than 0.1 million gallons per day to 1.0 million gallons per day	annual fee	\$219	none	\$225	
Publicly owned treatment facilities, more than 1.0 million gallons per day to 5.0 million gallons per day	annual fee	\$219	none	\$450	
Publicly owned treatment facilities, greater than 5 million gallons per day or with significant industrial waste	annual fee	\$770	none	\$650	
Major industrial facility, process wastewater (based on EPA list of major source discharges)	annual fee	\$1,850	none	\$650	
Other industrial facility, process wastewater	annual fee	\$630	none	\$300	
Food handling or packaging waste-water	annual fee	\$315	\$2,100	\$150	
Fish rearing facility over 0.1 million gallons per day	annual fee	\$288	\$1,753	\$300	
Fish rearing facility 0.1 million gallons per day or less	annual fee	\$288	\$400	none	
Marine aquaculture facility	annual fee*	\$288	---	none	
Noncontact cooling water	annual fee	\$90	\$7,000	\$60	
Industrial or commercial sources, miscellaneous or incidental non-process wastewater	annual fee	\$115	\$2,100	\$150	

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
 'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General  
 Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations  
 of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

Municipal combined sewer overflow	annual fee	\$115	\$1,400	\$150
Sanitary wastewater, excluding overboard discharge	annual fee	\$60	\$1,200	\$300
Sanitary overboard discharge, commercial sources	annual fee	\$210	\$1,200	<u>\$75</u>
Sanitary overboard discharge, residential sources 600 gallons per day and less	annual fee	\$175	---	<u>\$75</u>
Sanitary overboard discharge, residential sources more than 600 gallons per day	annual fee	\$200	\$600	<u>\$75</u>
Sanitary overboard discharge, public sources	annual fee	\$210	\$500	<u>\$75</u>
Aquatic pesticide application	annual fee*	\$200	---	\$370
Snow dumps	annual fee*	\$125	---	\$150
Salt and sand storage pile	annual fee*	\$150	---	\$225
Log storage permit	annual fee*	\$200	---	\$150
General permit coverage for industrial storm water discharges (except construction)	annual fee*	\$300	---	
General permit coverage for marine aquaculture facility	annual fee*	\$125	---	none
General permit coverage (other)	annual fee*	\$100	---	\$30
Experimental discharge license	license fee*	\$500	---	\$225
New or amended mixing zone, in addition to other applicable fees	flat fee*	\$4,000	---	
Formation of sanitary district	flat fee*	\$300	---	
Transfer of license for residential or commercial sanitary wastewater	flat fee*	\$100	---	

\*Discharge or license quantity fees do not apply to these categories.



When a license authorizes multiple discharge points in different categories in the same license, the total maximum fee for the license may not exceed the maximum fee for the most significant category plus 1/2 of the maximum fee for each of the other applicable categories.

On an annual basis municipalities and publicly owned treatment works whose combined sewer overflows have the potential to impact shellfish harvesting areas as determined by the department by virtue of their locations within estuarine or marine waters of the State must be assessed a surcharge on their wastewater discharge licenses in a total amount of \$12,000. This amount must be allocated among the municipalities and publicly owned treatment works according to their prior 3-year average annual flows as reported to the department.

On an annual basis publicly owned treatment works whose outfalls licensed for the discharge of treated effluent cause adjacent shellfish growing areas to be closed for the purposes of harvesting shellfish must be assessed a license surcharge in a total amount of \$25,000. This amount must be allocated among the publicly owned treatment works according to the acreage that each licensed outfall closes. This acreage must be determined by the Department of Marine Resources in consultation with the department.

**Sec. FFFF-3. 38 MRSA §353-B, sub-§7** is enacted to read:

**7. Revenues derived from surcharge.** Revenues derived from a water quality improvement surcharge must be paid to the Treasurer of State, who shall credit those revenues to the Water Quality Improvement Fund established under section 424-B.

**Sec. FFFF-4. 38 MRSA §410-I, sub-§3** is enacted to read:

**3. Annual coastal water quality monitoring and remediation planning.** The department shall in coordination with the public health division of the Department of Marine Resources create an annual work plan outlining priorities for the monitoring and classification of shellfish growing areas and for hydrographic studies in shellfish growing areas. The work plan must also prioritize remediation projects that will improve water quality within shellfish growing areas. Staff from both agencies must be assigned in determining responsibilities of the work plan. The Department of Marine Resources shall solicit priorities from the Shellfish Advisory Council established under Title 12, section 6038 and from municipalities with approved municipal shellfish programs for work within shellfish growing areas in those communities. In order for municipal recommendations to be considered for inclusion in a work plan, the municipality must commit to assist in the identification and remediation of nonpoint source pollution, including failing subsurface wastewater disposal systems, in areas affecting the water quality of shellfish growing areas.

The agencies shall prepare a draft work plan by February 1st of each year and make it available for review at a regularly scheduled meeting of the Shellfish Advisory Council, set out under Title 12, section 6038.

The agencies shall begin implementing the work plan by March 1st annually.

**Sec. FFFF-5. 38 MRSA §424-B** is enacted to read:

**§ 424-B. Water Quality Improvement Fund**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Fund" means the Water Quality Improvement Fund established in this section.

**2. Fund established.** The Water Quality Improvement Fund is established as a nonlapsing fund under the jurisdiction and control of the department. The fund is established in order to improve and protect water quality in coastal areas through support of the growing area classification program within the water quality and public health program at the Department of Marine Resources, improve the State's wastewater infrastructure, remove licensed overboard discharges, abate pollution from failed subsurface wastewater disposal systems and improve the identification of pollution in shellfish harvesting areas.

**3. Sources of the fund.** The fund consists of:

A. Dedicated revenue derived from surcharges in accordance with section 353-B, subsection 2, paragraph A;

B. Dedicated revenue derived from surcharges in accordance with Title 30-A, section 4211, subsection 5, paragraph D;

C. Sums that are appropriated by the Legislature or transferred to the fund from time to time by the State Controller;

D. Capitalization grants and awards made to the State or an instrumentality of the State by the Federal Government for any of the purposes for which the fund has been established;

E. Interest earned from the investment of fund balances;

F. Private gifts or bequests, directed or advised, and donations made to the State for any of the purposes for which the fund has been established; and

G. Other funds from any public or private source received for use for any of the purposes for which the fund has been established.

**4. Distribution.** After administrative costs, revenue credited to the fund must be distributed as follows.

A. Those funds necessary to support 3 positions in the growing area classification program, including All Other costs and \$20,000 each year for overtime, within the water quality and public health program at the Department of Marine Resources or 50% of the fund, whichever is greater, must be transferred to the Department of Marine Resources. Any funds transferred in excess of

those necessary to support the 3 positions is to be used to support flood sampling and processing overtime work by staff in the growing area classification program. At the end of each fiscal year, any remaining funds must be transferred to the fund and used for the purposes described in paragraph B.

B. The remaining balance of the fund must be used to support the removal of licensed overboard discharges; investment in the improvement of the State's wastewater infrastructure; abate or remove sources of pollution from failing subsurface wastewater disposal systems; and support municipal or other qualified applicants in identifying pollution in shellfish harvesting areas.

The department is authorized to be reimbursed from the fund for administrative costs. "Administrative costs" for purposes of this subsection means personal services directly associated with the processing and collection of the license surcharges in section 353-B, subsection 2, paragraph A. The department and the Department of Marine Resources shall annually provide an itemized description of the prior year's expenses from the fund and a proposed budget for the following year to the Shellfish Advisory Council established under Title 12, section 6038 and to representatives of publicly owned treatment works.

5. **Grants.** Provided there are available funds, the department shall establish procedures and criteria for the grant application process, eligibility for grants and the award and use of grants made under this section.

6. **Rules.** The department shall adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

**Sec. FFFF-6. Water quality standards for shellfish harvesting.** The Department of Environmental Protection shall consider bacteria and viral standards used by the National Shellfish Sanitation Program's model ordinance when issuing waste discharge licenses to ensure that shellfish harvesting is protected as a designated use under the Maine Revised Statutes, Title 38, section 465-B.

The Department of Environmental Protection shall review whether the imposition of year-round disinfection requirements at licensed wastewater discharge facilities would serve to improve the ability of the Department of Marine Resources to upgrade the classification of shellfish growing areas, where such facilities affect classification status. The Department of Marine Resources shall identify which facilities affect shellfish growing area classification. If the Department of Environmental Protection determines that year-round disinfection improves the ability to upgrade the classification of any shellfish growing areas, it shall change the license of that facility to require year-round disinfection sufficient to improve the classification.

**Sec. FFFF-7. Report.** The Department of Marine Resources and the Department of Environmental Protection shall submit a report to the joint standing committee of the Legislature having jurisdiction over natural resources matters by January 1, 2011 that identifies the point and nonpoint sources of fecal coliform that affect the State's shellfish areas based upon existing information readily available to the departments. The report must be comprehensive and include but not be limited to analysis of: stormwater runoff, overboard discharge sources, farm and agricultural operations, municipal wastewater systems, direct industrial discharges and private septic systems. The joint standing committee

of the Legislature having jurisdiction over natural resources matters is authorized to submit legislation to the First Regular Session of the 125th Legislature to amend the fee structure under the Maine Revised Statutes, Title 38, section 353-B on the basis of the fecal coliform source report.

**Sec. FFFF-8. Transfer from General Fund unappropriated surplus; Bureau of Resource Management, Shellfish Fund, Other Special Revenue Funds program, Department of Marine Resources.** Notwithstanding any other provision of law, the State Controller shall transfer \$210,000 by July 15, 2009 from General Fund unappropriated surplus to the Bureau of Resource Management program, Shellfish Fund, Other Special Revenue Funds account within the Department of Marine Resources. On or before June 30, 2010, the State Controller shall transfer revenue credited to the Maine Environmental Protection Fund program, Water Quality Improvement Fund, Other Special Revenue Funds account within the Department of Environmental Protection to the unappropriated surplus of the General Fund to repay the \$210,000.

**Sec. FFFF-9. Transfer from the Submerged Lands Fund, Department of Conservation.** Notwithstanding any other provision of law, the State Controller shall transfer \$80,000 on or before July 15, 2009 and \$80,000 on or before July 15, 2010 from the Land Management and Planning program, Submerged Lands Fund, Other Special Revenue Funds account within the Department of Conservation to the Bureau of Resource Management program, Shellfish Fund, Other Special Revenue Funds account within the Department of Marine Resources.

## **PART GGGG**

**Sec. GGGG-1. Maine Juvenile Drug Treatment Court program.** As a result of reductions of revenues in the Fund for a Healthy Maine and corresponding reductions in program funding, the Department of Health and Human Services, Office of Substance Abuse shall work collaboratively with the Judicial Department, the Department of Corrections and the contractor for the Office of Substance Abuse to phase out the Maine Juvenile Drug Treatment Court program. Beginning June 1, 2009 the Maine Juvenile Drug Treatment Court program shall cease new admissions and readmissions. For persons participating in the Maine Juvenile Drug Treatment Court program on May 31, 2009, the Office of Substance Abuse shall maintain agreed-upon services of the Maine Juvenile Drug Treatment Court program in accordance with the person's treatment plan through completion of court-structured treatment.

## **PART HHHH**

**Sec. HHHH-1. 12 MRSA §685-G,** as enacted by PL 2007, c. 541, Pt. B, §4, is amended to read:

### **§ 685-G.Funding**

**1. Unorganized territories.** Beginning with fiscal year 2009-10, funding for services and activities of the commission for planning, permitting and ensuring compliance in the unorganized territories must be assessed and allocated to the unorganized territories through a fee equal to ~~.013%~~ .014% of the most recent equalized state valuation established by the State Tax Assessor. This fee must be collected through the municipal cost component under Title 36, chapter 115.

**2. Towns and plantations.** Beginning with fiscal year 2009-10, 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 or a town or plantation with a portion of its land under the commission's jurisdiction and receiving commission services, including planning, permitting and ensuring compliance, must be assessed a fee equal to ~~.015%~~ .018% of the most recent equalized state valuation established by the State Tax Assessor for that town or plantation or that portion of a town or plantation under the commission's jurisdiction. 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 June 30th 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.

**3. Report.** By January 15, 2009 and annually thereafter, the commission shall report to the joint standing committees of the Legislature having jurisdiction over conservation matters and taxation matters regarding commission funding and other financial matters. The report must cover the 5 previous fiscal years and must identify General Fund appropriations and other resources, amounts assessed and collected from the assessments required under this section and former section 685-E and amounts assessed and collected from other fees and penalties assessed under this chapter. Beginning in January 2010, the report must include an accounting of the permitting fees and administrative penalties collected that segregates the amounts collected from the unorganized territories from the amounts collected from the towns and plantations and must include recommendations to adjust the fees for the unorganized territories and for towns and plantations based on the amounts collected for permitting fees and administrative penalties from each of these entities. The joint standing committees of the Legislature having jurisdiction over conservation matters and taxation matters shall jointly review the distribution of funding and other assessments among the General Fund, unorganized territories and towns and plantations under the commission's jurisdiction and may submit legislation considered necessary as a result of the commission's report to the First Regular Session of the 124th Legislature.

## PART III

**Sec. III-1. Education in Unorganized Territory account; lapse balances.** Notwithstanding any other provision of law, \$1,064,811 of unencumbered balance forward in the personal services line category at the close of fiscal year 2008-09 in the Education in Unorganized Territory, General Fund account in the Department of Education lapses to the General Fund on June 30, 2009.

## PART JJJJ

**Sec. JJJJ-1. 28-A MRSA §453, sub-§2-A**, as repealed and replaced by PL 2003, c. 20, Pt. SS, §1 and affected by §8, is amended to read:

**2-A. Limitation on number of agency liquor stores.**~~The~~Beginning July 1, 2009, the bureau may license up to 68 agency liquor stores in a municipality with a population over 20,000 where a state liquor store has been closed and; up to 35 agency liquor stores in a municipality with a population of 20,000 or less where a state liquor store has been closed at least 10,001 but less than 20,001; up to 4 agency liquor stores in a municipality with a population of at least 5,001 but less than 10,001; and up to 3 agency liquor stores in a municipality with a population of at least 2,000 but less than 5,001. In addition, the bureau may establish one agency liquor store in a municipality where no state liquor store has operated; and, if the population is over 3,000, the bureau may locate 2 stores within the municipality less than 2,000. The bureau may consider the impact of seasonal population or tourism and other related information provided by the townmunicipality requesting a 2ndan additional agency liquor store location.

Nothing in this subsection may be construed to reduce the number of agency stores the bureau may license in a municipality as of June 30, 2009.

**Sec. JJJJ-2. 28-A MRSA §453, sub-§2-C** is enacted to read:

**2-C. Licenses issued on or after July 1, 2009.** Beginning July 1, 2009, the bureau shall consider whether the applicant can satisfy the following criteria when determining whether to issue an agency liquor store license under this section:

- A. The applicant has held a license to sell malt liquor and wine for off-premises consumption for more than one year immediately preceding application without a violation of any provision of this Title;
- B. The applicant will be able to stock at least \$10,000 worth of spirits purchased from the State or the State's wholesale distributor upon issuance of an agency liquor store license; and
- C. The applicant can purchase the initial stock of spirits using a bank check or other financial instrument that certifies that funds are available.

## PART KKKK

**Sec. KKKK-1. PL 2007, c. 240, Pt. XXXX, §36, sub-§11**, as amended by PL 2007, c. 668, §47, is further amended to read:

**11. Result of disapproval at January 2008 referendum or subsequent referendum on or before January 30, 2009.** A school administrative unit that rejects a proposed reorganization plan at the January 15, 2008 referendum or at a subsequent referendum on or before January 30, 2009 may restart the process to form a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to prepare another reorganization plan.

A. Subsequent reorganization plans must meet the same requirements as for reorganization plans filed prior to the January 2008 referendum, except that the timelines are adjusted to reflect a July 1, 2009 reorganization date.

B. The penalties set forth in Title 20-A, section 15696 apply to any school administrative unit that fails to approve a reorganization plan on or before January 30, 2009 and to implement that plan by July 1, 2009, including those school administrative districts that are reformulated under subsection 12. These penalties do not apply to any school administrative unit that implements a reorganization plan by July 1, 2010 in accordance with subsection 11-A.

**Sec. KKKK-2. PL 2007, c. 240, Pt. XXXX, §36, sub-§11-A** is enacted to read:

**11-A. Result for school administrative unit that approves plan at referendum on or before January 30, 2009 but is unable to implement plan.** A school administrative unit that approves a proposed reorganization plan at the January 15, 2008 referendum or at a subsequent referendum on or before January 30, 2009 but is unable to implement the plan because the plan was rejected at referendum by one or more of its proposed partner school administrative units under the plan may restart the process to form a regional school unit with the same or other school administrative units and may seek assistance from the Department of Education to prepare another reorganization plan.

A. Subsequent reorganization plans must meet the same requirements as for reorganization plans filed prior to the January 2008 referendum, except that the timelines are adjusted to reflect a July 1, 2010 reorganization date.

B. The penalties set forth in Title 20-A, section 15696 apply, as of July 1, 2010, to any school administrative unit that fails to approve a reorganization plan on or before January 30, 2010 and to implement that plan by July 1, 2010.

## **PART LLLL**

### **Sec. LLLL-1. Assertive community treatment in children's behavioral health.**

By October 1, 2009 the Department of Health and Human Services shall report to the Joint Standing Committee on Health and Human Services with a plan to achieve savings of \$1,328,390 in assertive community treatment in children's behavioral health in General Fund funds in fiscal year 2010-11. The department shall convene a stakeholders group that includes providers of children's assertive community treatment services and shall work with the stakeholders to agree on a plan to achieve the savings. If agreement is not possible, the department shall adopt routine technical rules to achieve the savings and shall report to the Joint Standing Committee on Health and Human Services on the initiative implemented by the department and the stakeholders.

## **PART MMMM**

**Sec. MMMM-1. Child welfare services.** The Department of Health and Human Services shall work with alternative response program providers to achieve the targeted savings of \$500,000 in fiscal year 2009-10 and \$500,000 in fiscal year 2010-11 deappropriated in Part A and realign services for children and families, giving priority to reducing serious maltreatment of children 5 years of age and under and making referrals to alternative response program agencies for low-risk and moderate-risk families.

## **PART NNNN**

**Sec. NNNN-1. Funding reduced for Maine Clean Election Act legislative candidates.** Notwithstanding the Maine Revised Statutes, Title 21-A, chapter 14, the amount distributed to certified legislative candidates by the Commission on Governmental Ethics and Election Practices pursuant to the Maine Clean Election Act during the 2010 election cycle must be 5% less than the amount distributed to certified candidates by the commission during the 2008 election cycle.

**Sec. NNNN-2. Funding reduced for Maine Clean Election Act gubernatorial candidates.** Notwithstanding any other provision of law, the amount distributed to certified gubernatorial candidates by the Commission on Governmental Ethics and Election Practices pursuant to the Maine Clean Election Act during the 2010 election cycle must be 5% less than the amount that would be distributed pursuant to the Maine Revised Statutes, Title 21-A, section 1125, subsection 8.

**Sec. NNNN-3. Seed money contributions.** Notwithstanding the Maine Revised Statutes, Title 21-A, section 1125, subsection 2, certified gubernatorial and legislative candidates during the 2010 election cycle may raise an additional amount of seed money to cover the 5% reduction in distributions described in sections 1 and 2. The Commission on Governmental Ethics and Election Practices shall establish rules and procedures to implement this Part. Rules adopted in accordance with this Part are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The rules must address the collection of seed money to cover the reductions in Maine Clean Election Act funding for certified candidates during the 2010 election cycle. The commission shall publish the adopted rules and procedures on its publicly accessible website and in a guidebook distributed to certified candidates.

**Sec. NNNN-4. Transfer of funds from Maine Clean Election Fund.** Notwithstanding any other provision of law, the State Controller shall transfer \$363,930 on or before June 30, 2010 and \$121,310 on or before June 30, 2011 from the Maine Clean Election Fund, Other Special Revenue Funds account to the unappropriated surplus of the General Fund.

## **PART OOOO**

**Sec. OOOO-1. 20-A MRSA §1512, sub-§6,** as amended by PL 2007, c. 668, §25, is further amended to read:

**6. Multiple municipalities.** If a school proposed for closure is a school that serves students from more than one municipality, the article set forth in subsection 1 must be submitted to the voters in each of the municipalities that sent all students from that municipality to the school. ~~If the article is approved~~



by a majority of the voters in each of the municipalities vote to keep the school open, the school is not closed and the municipalities share in the costs under this section in the same proportion as they share the current operating costs of the school.

## PART PPPP

**Sec. PPPP-1. Department of Health and Human Services; use of risk-based contracts within MaineCare.** The Department of Health and Human Services shall investigate the feasibility of obtaining a waiver from the federal Centers for Medicare and Medicaid Services to establish a risk-based managed care contract for specific MaineCare populations or services. The department shall submit its findings and recommendations along with the projected net cost savings and the projected impact on quality of care and health outcomes to the Joint Standing Committee on Health and Human Services no later than April 1, 2010.

## PART QQQQ

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

### ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

#### Homestead Property Tax Exemption Reimbursement 0886

Initiative: Recognizes additional savings as all claims in fiscal year 2008-09 have been processed for payment.

GENERAL FUND	2008-09	2009-10	2010-11
All Other	(\$200,000)	\$0	\$0
GENERAL FUND TOTAL	(\$200,000)	\$0	\$0

### ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS	2008-09	2009-10	2010-11
GENERAL FUND	(\$200,000)	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	(\$200,000)	\$0	\$0

### AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF

#### Milk Commission 0188

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
 'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'  
 Initiative: Adjusts allocation to the Maine Milk Pool for fiscal year 2008-09 based on proposed legislation that would cap the milk subsidy at \$11,811,000 for fiscal year 2008-09.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$4,246,200	\$0	\$0
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$4,246,200</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL</b>			

<b>AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF</b>			
<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$4,246,200</b>	<b>\$0</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$4,246,200</b>	<b>\$0</b>	<b>\$0</b>

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

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

Initiative: Provides funding from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$4,129,530	\$0	\$0
<b>FEDERAL EXPENDITURES FUND ARRA TOTAL</b>	<b>\$4,129,530</b>	<b>\$0</b>	<b>\$0</b>

<b>COMMUNITY COLLEGE SYSTEM, BOARD OF TRUSTEES OF THE MAINE</b>			
<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>\$4,129,530</b>	<b>\$0</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$4,129,530</b>	<b>\$0</b>	<b>\$0</b>

## EDUCATION, DEPARTMENT OF

### General Purpose Aid for Local Schools 0308

Initiative: Provides funding for General Purpose Aid for Local Schools from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$27,046,649	\$0	\$0
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$27,046,649</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA TOTAL</b>			

<b>EDUCATION, DEPARTMENT OF</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>DEPARTMENT TOTALS</b>			
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$27,046,649</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA</b>			
<b>DEPARTMENT TOTAL - ALL</b>	<b>\$27,046,649</b>	<b>\$0</b>	<b>\$0</b>
<b>FUNDS</b>			

## HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)

### FHM - Substance Abuse 0948

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$192,159)	\$0	\$0
<b>FUND FOR A HEALTHY MAINE</b>	<b>(\$192,159)</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL</b>			

### Medicaid Services - Mental Retardation 0705

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$7,036,320)	\$0	\$0

GENERAL FUND TOTAL	(\$7,036,320)	\$0	\$0
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### Medicaid Services - Mental Retardation 0705

Initiative: Provides funding necessary to meet the remaining obligations of the MaineCare program in fiscal year 2008-09.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$3,000,000	\$0	\$0
GENERAL FUND TOTAL	\$3,000,000	\$0	\$0

### Mental Health Services - Child Medicaid 0731

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$5,835,294)	\$0	\$0
GENERAL FUND TOTAL	(\$5,835,294)	\$0	\$0

### Mental Health Services - Child Medicaid 0731

Initiative: Provides funding necessary to meet the remaining obligations of the MaineCare program in fiscal year 2008-09.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$4,000,000	\$0	\$0
GENERAL FUND TOTAL	\$4,000,000	\$0	\$0

### Mental Health Services - Community Medicaid 0732

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$8,641,132)	\$0	\$0

GENERAL FUND TOTAL	(\$8,641,132)	\$0	\$0
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### **Mental Health Services - Community Medicaid 0732**

Initiative: Provides funding necessary to meet the remaining obligations of the MaineCare program in fiscal year 2008-09.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$3,000,000	\$0	\$0
GENERAL FUND TOTAL	\$3,000,000	\$0	\$0

### **Mental Retardation Waiver - MaineCare 0987**

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$15,034,085)	\$0	\$0
GENERAL FUND TOTAL	(\$15,034,085)	\$0	\$0

### **Mental Retardation Waiver - MaineCare 0987**

Initiative: Provides funding necessary to meet the remaining obligations of the MaineCare program in fiscal year 2008-09.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$12,000,000	\$0	\$0
GENERAL FUND TOTAL	\$12,000,000	\$0	\$0

### **Mental Retardation Waiver - Supports Z006**

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$237,937)	\$0	\$0

GENERAL FUND TOTAL	(\$237,937)	\$0	\$0
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### Office of Substance Abuse - Medicaid Seed 0844

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$624,545)	\$0	\$0
GENERAL FUND TOTAL	(\$624,545)	\$0	\$0

### HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)

<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>GENERAL FUND</b>	<b>(\$15,409,313)</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND FOR A HEALTHY MAINE</b>	<b>(\$192,159)</b>	<b>\$0</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>(\$15,601,472)</b>	<b>\$0</b>	<b>\$0</b>

### HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

#### FHM - Medical Care 0960

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$1,368,579)	\$0	\$0
FUND FOR A HEALTHY MAINE TOTAL	(\$1,368,579)	\$0	\$0

#### Health - Bureau of 0143

Initiative: Provides funding for the purchase of antiviral medications from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$2,175,000	\$0	\$0
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$2,175,000</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA TOTAL</b>			

#### **IV-E Foster Care/Adoption Assistance 0137**

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$160,778)	\$0	\$0
<b>GENERAL FUND TOTAL</b>	<b>(\$160,778)</b>	<b>\$0</b>	<b>\$0</b>

#### **Medical Care - Payments to Providers 0147**

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$70,616,740)	\$0	\$0
<b>GENERAL FUND TOTAL</b>	<b>(\$70,616,740)</b>	<b>\$0</b>	<b>\$0</b>

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$102,711,249	\$0	\$0
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$102,711,249</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA TOTAL</b>			

#### **Medical Care - Payments to Providers 0147**

Initiative: Adjusts funding to reflect the availability of funding from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$22,240,700)	\$0	\$0

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
 'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General  
 Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations  
 of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

GENERAL FUND TOTAL	(\$22,240,700)	\$0	\$0
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<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$22,240,700	\$0	\$0
FEDERAL EXPENDITURES FUND	\$22,240,700	\$0	\$0
ARRA TOTAL			

### Medical Care - Payments to Providers 0147

Initiative: Provides funding necessary to meet the remaining obligations of the MaineCare program in fiscal year 2008-09.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$28,000,000	\$0	\$0
GENERAL FUND TOTAL	\$28,000,000	\$0	\$0

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$120,935,036	\$0	\$0
FEDERAL EXPENDITURES FUND	\$120,935,036	\$0	\$0
TOTAL			

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$16,823,132	\$0	\$0
FEDERAL EXPENDITURES FUND	\$16,823,132	\$0	\$0
ARRA TOTAL			

### Medical Care - Payments to Providers 0147

Initiative: Provides funding for hospital settlements.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$45,000,000	\$0	\$0



HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
 'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General  
 Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations  
 of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'

GENERAL FUND TOTAL	\$45,000,000	\$0	\$0
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<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$108,841,532	\$0	\$0
FEDERAL EXPENDITURES FUND TOTAL	\$108,841,532	\$0	\$0

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$15,140,819	\$0	\$0
FEDERAL EXPENDITURES FUND ARRA TOTAL	\$15,140,819	\$0	\$0

### Medical Care - Payments to Providers 0147

Initiative: Provides funding for hospital settlements.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$10,000,000	\$0	\$0
GENERAL FUND TOTAL	\$10,000,000	\$0	\$0

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$24,187,007	\$0	\$0
FEDERAL EXPENDITURES FUND TOTAL	\$24,187,007	\$0	\$0

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$3,364,626	\$0	\$0
FEDERAL EXPENDITURES FUND ARRA TOTAL	\$3,364,626	\$0	\$0

## **Nursing Facilities 0148**

Initiative: Reduces funding available as a result of the enhanced Federal Medical Assistance Percentage provided in the American Recovery and Reinvestment Act of 2009.

<b>GENERAL FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$16,784,390)	\$0	\$0
<b>GENERAL FUND TOTAL</b>	<b>(\$16,784,390)</b>	<b>\$0</b>	<b>\$0</b>

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$23,820,710	\$0	\$0
<b>FEDERAL EXPENDITURES FUND ARRA TOTAL</b>	<b>\$23,820,710</b>	<b>\$0</b>	<b>\$0</b>

## **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>GENERAL FUND</b>	<b>(\$26,802,608)</b>	<b>\$0</b>	<b>\$0</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$253,963,575</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND FOR A HEALTHY MAINE</b>	<b>(\$1,368,579)</b>	<b>\$0</b>	<b>\$0</b>
<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>\$186,276,236</b>	<b>\$0</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$412,068,624</b>	<b>\$0</b>	<b>\$0</b>

## **MARITIME ACADEMY, MAINE**

### **Maritime Academy - Operations 0035**

Initiative: Provides funding from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND ARRA</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	\$586,323	\$0	\$0
<b>FEDERAL EXPENDITURES FUND ARRA TOTAL</b>	<b>\$586,323</b>	<b>\$0</b>	<b>\$0</b>

**MARITIME ACADEMY, MAINE**

<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$586,323</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA</b>			
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$586,323</b>	<b>\$0</b>	<b>\$0</b>

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

**Educational and General Activities - UMS 0031**

Initiative: Provides funding from state fiscal stabilization funds authorized in the American Recovery and Reinvestment Act of 2009.

<b>FEDERAL EXPENDITURES FUND</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>ARRA</b>			
All Other	\$8,407,434	\$0	\$0
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$8,407,434</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA TOTAL</b>			

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

<b>DEPARTMENT TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$8,407,434</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA</b>			
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$8,407,434</b>	<b>\$0</b>	<b>\$0</b>

<b>SECTION TOTALS</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>GENERAL FUND</b>	<b>(\$42,411,921)</b>	<b>\$0</b>	<b>\$0</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$253,963,575</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND FOR A HEALTHY MAINE</b>	<b>(\$1,560,738)</b>	<b>\$0</b>	<b>\$0</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$4,246,200</b>	<b>\$0</b>	<b>\$0</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$226,446,172</b>	<b>\$0</b>	<b>\$0</b>
<b>ARRA</b>			
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$440,683,288</b>	<b>\$0</b>	<b>\$0</b>

## **PART RRRR**

**Sec. RRRR-1. Emergency rule-making authority; health and human services matters.** The Department of Health and Human Services is authorized to adopt rules on or before December 31, 2009 on an emergency basis under the Maine Revised Statutes, Title 5, sections 8054 and 8073 in order to implement those provisions of this Act over which the department has subject matter jurisdiction without the necessity of demonstrating that immediate adoption is necessary to avoid a threat to public health, safety or general welfare.

## **PART SSSS**

**Sec. SSSS-1. PL 2007, c. 240, Pt. X, §2** is amended to read:

**Sec. X-2. Transfer of funds.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law, until June 30, 2011, available balances of appropriations in MaineCare General Fund accounts may be transferred between accounts by financial order upon the recommendation of the State Budget Officer and approval of the Governor.

**Sec. SSSS-2. PL 2007, c. 240, Pt. X, §5** is amended to read:

**Sec. X-5. Weekly MaineCare reporting.** Until June 30, ~~2009~~2011, the Commissioner of Health and Human Services shall issue a weekly financial summary and report on MaineCare program expenditures. The report must be submitted to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over human services matters and must be presented in a budget to actual format detailing amounts at the program level. This reporting requirement is in addition to the reporting requirements contained in the Maine Revised Statutes, Title ~~20-A~~22, section 3174-B.

**Sec. SSSS-3. PL 2007, c. 240, Pt. X, §6** is amended to read:

**Sec. X-6. Quarterly MaineCare reporting.** Until June 30, ~~2009~~2010, the Commissioner of Health and Human Services shall issue a quarterly financial summary and report on MaineCare program expenditures. The report must be submitted to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over health and human services matters within 14 days of certification of the quarterly CMS-64 report to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services. This report must segregate expenditures by ~~fund and by category of service~~enrollment category and type of service. From July 1, 2010 to June 30, 2011 the commissioner shall continue to issue a quarterly financial summary and report on MaineCare program expenditures in a format and with content equivalent to the prior year's reports and incorporating the capabilities of the new Maine integrated health management solution system. This reporting requirement is in addition to the reporting requirements contained in the Maine Revised Statutes, Title 22, section 3174-B.

## **PART TTTT**

**Sec. TTTT-1. 36 MRSA §194** is enacted to read:

**§ 194. Data warehouse**

**1. Information provided to State Tax Assessor; use and confidentiality of data.**

Notwithstanding any other provision of law, the Secretary of State and all executive branch departments, boards, commissions, divisions, authorities, districts or other executive branch agencies of the State shall annually provide to the State Tax Assessor, within 3 months of the request of the assessor, and in such form as the assessor may prescribe, electronic data that those entities possess unless such release is prohibited by federal law. Information provided to the assessor pursuant to this section must be treated as though it is tax return information that is subject to the confidentiality and disclosure provisions of section 191 and its disclosure is further restricted as requested by the agency providing the information and as agreed to by the Commissioner of Administrative and Financial Services.

**2. Expense of creating and maintaining data warehouse; transfer of funds.** The State Controller shall transfer from the General Fund an amount authorized by the assessor equal to the expenses incurred in creating and maintaining the data warehouse authorized by this section and in collecting the debts arising from the operation of the data warehouse. These expenses are limited to those resulting from 3rd-party contingency fee contracts for the services referenced in this section and include any associated expense charged by the Department of Administrative and Financial Services, Office of Information Technology for directly related services. The amount transferred must be deposited into a dedicated, nonlapsing account to be used solely for the purpose of creating and maintaining the data warehouse. Interest earned on balances in the account accrue to the account.

**3. Report to Legislature.** The assessor shall annually report to the joint standing committees of the Legislature having jurisdiction over taxation matters and appropriations and financial affairs the costs incurred in creating and maintaining, and the tax revenues collected by using, the data warehouse authorized by this section.

**Sec. TTTT-2. Privacy protection; plan.** The Department of Administrative and Financial Services, Bureau of Revenue Services shall develop a plan to ensure that the confidentiality of taxpayer information is protected from any type of disclosure as part of the establishment of a data warehouse as provided in this Part. The plan must include provisions for ensuring that government and contract employees are educated in the requirements of law for protecting the confidentiality of taxpayer information. The bureau shall submit the plan to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Taxation by October 1, 2009.

**PART UUUU**

**Sec. UUUU-1. Distribution of Fund for a Healthy Maine deallocation; report required.** The State Budget Officer shall review the programs receiving funds from the Fund for a Healthy Maine and shall make adjustments to each account receiving funding in the All Other line category pursuant to the deallocation in the Department of Administrative and Financial Services included in section 2. The State Budget Officer shall first apply any unexpended balance in the Fund for a

Healthy Maine on June 30, 2009 before making any adjustments. These adjustments must be calculated in proportion to each account's allocation in the All Other line category in relation to the total All Other allocation for Fund for a Healthy Maine programs. Notwithstanding any other provision of law, the State Budget Officer shall transfer the identified amounts by financial order upon approval of the Governor. These transfers are considered adjustments to allocations in fiscal year 2009-10. The State Budget Officer shall report on the distribution of savings to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services by January 1, 2010.

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Fund for a Healthy Maine 0921**

Initiative: Reduces funding to reflect a fundwide reduction to the Fund for a Healthy Maine in fiscal year 2009-10.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2009-10</b>	<b>2010-11</b>
All Other	(\$536,000)	\$0
<b>FUND FOR A HEALTHY MAINE TOTAL</b>	<b>(\$536,000)</b>	<b>\$0</b>

**PART VVVV**

**Sec. VVVV-1. Calculation and transfer; General Fund savings; Central Administration.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in the Statewide Salary Adjustment account in section 3 that applies against each General Fund account for executive branch departments and independent agencies statewide from implementing a decrease in charges made by the Department of Administrative and Financial Services, Division of Financial and Personnel Services for its services. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11.

**Sec. VVVV-2. Calculation and transfer; General Fund savings; Information Technology.** Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in the Statewide Salary Adjustment account in section 4 that applies against each General Fund account for executive branch departments and independent agencies statewide from implementing a decrease in charges made by the Department of Administrative and Financial Services, Office of Information Technology for its services. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11.

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Deappropriates funds from implementing a decrease in charges made by the Department of Administrative and Financial Services, Division of Financial and Personnel Services for its services.

GENERAL FUND	2009-10	2010-11
All Other	(\$413,628)	(\$531,170)
GENERAL FUND TOTAL	(\$413,628)	(\$531,170)

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

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Deappropriates funds from implementing a decrease in charges made by the Department of Administrative and Financial Services, Office of Information Technology for its services.

GENERAL FUND	2009-10	2010-11
All Other	(\$814,787)	(\$941,187)
GENERAL FUND TOTAL	(\$814,787)	(\$941,187)

**PART WWWW**

**Sec. WWWW-1. 4 MRSA §1606, sub-§2,** as amended by PL 2005, c. 460, §1, is further amended to read:

**2. Limitation on securities issued.** The authority may not issue securities in excess of ~~\$128,000,000~~\$189,000,000 outstanding at any one time, of which no less than ~~\$75,000,000~~\$136,000,000 must be specifically allocated to projects relating to the Judicial Branch, except for the issuance of revenue refunding securities authorized by section 1610 and securities issued under section 1610-A. The amount of securities that may be outstanding in the name of the authority may be increased by the Legislature upon a showing by the authority that its available revenues are sufficient to support additional issuance of securities and that the issuance of securities will not materially impair the credit standing of the authority, the investment status of securities issued by the authority or the ability of the authority to fulfill its

commitments to holders of securities. Nothing in this chapter may be construed to authorize the authority to issue securities to fund the construction, reconstruction, purchase or acquisition of facilities without a majority vote of approval in each House of the Legislature.

**Sec. WWW-2. Issuance of securities; Maine Governmental Facilities Authority.** Pursuant to the Maine Revised Statutes, Title 4, section 1606, subsections 1 and 2, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in an amount up to \$67,500,000 for the purpose of paying the costs associated with the construction of a new courthouse in Augusta, the renovation of a courthouse in Dover-Foxcroft and planning for court facilities upgrades in Machias.

## **PART XXXX**

**Sec. XXXX-1. PL 2007, c. 240, Pt. Q, §1** is amended to read:

**Sec. Q-1. Maine Governmental Facilities Authority; issuance of securities.** Pursuant to the Maine Revised Statutes, Title 4, section 1606, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in an amount up to \$11,000,000 in fiscal year 2007-08 and \$6,000,000 in fiscal year 2008-09 or 2009-10 for the purpose of paying the cost, including preliminary planning costs, including but not limited to needs assessments and space planning, master planning, capital asset assessments, concept design, design development and final design including construction drawings, associated with capital repairs and improvements to state-owned facilities throughout the State as designated by the Commissioner of Administrative and Financial Services. The authority may also issue additional securities in its own name in an amount up to \$750,000 in fiscal year 2007-08 for preconstruction costs and capital improvements for a Department of Corrections project at the Bangor campus and for other capital improvements at the correctional facilities within the Department of Corrections any part or all of which may be advanced by the Department of Administrative and Financial Services, Bureau of General Services with reimbursement upon issuance of the additional securities.

## **PART YYYY**

**Sec. YYYY-1. 29-A MRSA §525, sub-§10**, as amended by PL 2007, c. 438, §2, is further amended to read:

**10. Suspension.** If a person fails to file a fuel tax report or to pay any taxes, interest, penalties or audit assessment as required pursuant to Title 36, chapter 459 or any rule adopted pursuant to this section, the Secretary of State shall suspend the person's fuel tax license, all fuel decals issued to the person and that person's privilege to operate as a motor carrier. In order to be reinstated, the person must file all delinquent tax returns and pay all assessments, interest and penalties. In addition, the person must pay a ~~\$35~~\$50 reinstatement fee pursuant to section 2486, subsection 1.

**Sec. YYYY-2. 29-A MRSA §2486, sub-§1**, as amended by PL 2007, c. 531, §4 and affected by §10, is further amended to read:



**1. Reinstatement fee for suspensions other than for OUI or failure to submit to a test.** Before a suspension for any reason other than OUI or failure to submit to a test is terminated and a license or certificate reinstated, a fee of ~~\$35~~\$50, in addition to the regular license fee, must be paid to the Secretary of State.

**Sec. YYYY-3. 29-A MRSA §2486, sub-§2**, as enacted by PL 1993, c. 683, Pt. A, §2 and affected by Pt. B, §5, is amended to read:

**2. Allocation of fee.** A reinstatement fee paid for a court-ordered suspension under section 2605 must be deposited equally between the Highway Fund and the General Fund. Except for suspensions under section 2605, 85% of the reinstatement fee paid pursuant to subsection 1 accrues to the Highway Fund and 15% accrues to the General Fund.

**Sec. YYYY-4. 29-A MRSA §2605, sub-§4**, as amended by PL 2001, c. 463, §4 and affected by §7, is further amended to read:

**4. Rescission of suspension.** On appearances or payment of the fine, whichever was the basis for the suspension, and on the condition of payment of a ~~\$35~~\$50 reinstatement fee pursuant to section 2486, subsection 1 to the Secretary of State, the clerk of the court in which the suspension was ordered shall rescind the suspension and notify the Secretary of State who, upon receipt of the ~~\$35~~\$50 reinstatement fee, shall delete any record of the suspension from that person's driving record.

**Sec. YYYY-5. 29-A MRSA §2608, 3rd ¶**, as amended by PL 2001, c. 463, §5 and affected by §7, is further amended to read:

The clerk shall immediately notify that person of the suspension by regular mail or personal service. The suspension has the same force and effect as a suspension by the Secretary of State. The suspension remains in effect until the person answers or appears, either in person or by counsel, or pays the fine. On answer, appearance or payment of the fine, whichever was the basis for the suspension, and on condition of payment of a ~~\$35~~\$50 reinstatement fee pursuant to section 2486, subsection 1 to the Secretary of State, the clerk of the court in which the suspension was ordered shall rescind the suspension and notify the Secretary of State who, upon receipt of the ~~\$35~~\$50 reinstatement fee pursuant to section 2486, subsection 1, shall delete any record of the suspension from that person's driving record.

## **PART ZZZZ**

**Sec. ZZZZ-1. Reduction to MaineCare baseline budget.** For purposes of calculating the 2012-2013 biennial budget, General Fund, All Other funding baseline, the General Fund, All Other funding baseline for the MaineCare seed programs must be calculated based on the final 2010-11 General Fund, All Other ongoing appropriations for each of these programs less 2.5% for each year.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.'

## **SUMMARY**

## **PART A**

This Part makes appropriations and allocations of funds for the 2010-2011 biennium.

## **PART B**

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

## **PART C**

This Part does the following.

It includes changes resulting from updated data from school administrative units and the changes in school administrative units that will be reorganized effective July 1, 2009.

It specifies a mill expectation of 6.73 for fiscal year 2009-10 and the total cost of funding public education from kindergarten to grade 12, consisting of total debt service allocation, total adjustments and total miscellaneous costs, and state share percentage. It also lowers the mill expectation from 6.73 to 6.37 with funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to school administrative units in fiscal year 2009-10.

It authorizes the Commissioner of Education to waive the requirement for school administrative units to provide transportation for public preschool students.

It authorizes the Commissioner of Education to exercise flexibility for regional adjustments based on labor markets, to expend and disburse funds for the innovative schools project and to expend and disburse funds for learning through technology, data management and support services for essential programs and services, transportation administration and coordination of services for juvenile offenders.

It authorizes school administrative units to lower the required local contribution with funds provided under Title XIV of the State Fiscal Stabilization Fund of the federal American Recovery and Reinvestment Act of 2009 as part of the amount restored to a school administrative unit's fiscal years 2008-09, 2009-10 and 2010-11 share of general purpose aid.

It sets a 5% limit on the amount, in addition to the maximum allowable tuition, able to be charged by a private school for the insured value factor beginning in school year 2009-2010 and limits the amount to \$500 per student. The debt service allocation for a sending school unit is increased for fiscal year 2010-11 to reflect the full amount paid by sending units in fiscal year 2009-10. The result is more parity in fiscal year 2010-11 and beyond between the amount of insured value factor able to be charged by a private school and the amount provided for the sending unit debt service allocation.

It reduces the General Fund appropriation for general purpose aid for local schools by \$11,600,000 and restores that same amount from other Federal IDEA accounts, which preserves the total appropriation for general purpose aid at the level released to local schools on April 21, 2009.

## **PART D**

This Part amends the law regarding the duties of the Commissioner of Education to require the commissioner to appoint an Education Specialist III for the supervision of agricultural education, instead of an Education Specialist II as is required in current law. It also renames the Preschool Handicapped program in the Department of Education the Child Development Services program.

## **PART E**

This Part does the following.

It makes an adjustment to ensure that the Maine estate tax under current law will continue to be imposed for deaths occurring after calendar year 2009 with the intent of maintaining the State's estate tax revenues at current levels.

It provides that the State Tax Assessor is not bound by a final federal determination if the assessor determines an issue for purposes of the estate tax within one year.

It amends the definition of "federal gross estate" to include gifts made by a decedent one year prior to death, but not gifts made prior to January 1, 2008. Transfers made as part of a bona fide sale for full and adequate consideration are not included in the definition.

## **PART F**

This Part does the following.

It reduces the amount that must be transferred to the Maine Clean Election Fund on or before June 1, 2010 from \$2,425,000 to \$2,000,000 and it eliminates the \$2,000,000 transfer on or before August 1, 2010 from General Fund undedicated revenue to the Maine Clean Election Fund.

It changes the date by which the State Controller must transfer revenues to the Maine Clean Election Fund in fiscal year 2010-11 from on or before January 1, 2011 to on or before September 1, 2010.

## **PART G**

This Part increases license fees levied by the Department of Marine Resources.

## **PART H**

This Part converts the excise tax on smokeless tobacco products from a tax equaling 78% of the wholesale price to a tax based on weight at the rate of \$2.02 per ounce, but no less than \$2.02. The change is effective for purchases made on or after July 1, 2009.

## **PART I**

This Part suspends the application of the Fiscal Stability Program to the 2012-2013 biennial budget.

## **PART J**

This Part authorizes the Department of Administrative and Financial Services, Office of Information Technology to enter into lease-purchasing agreements in fiscal years 2009-10 and 2010-11 for the acquisition of personal computers, servers, printers and other hardware and software to support end-

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user and infrastructure services and for new system development and discloses the terms of the lease-purchasing agreements.

## **PART K**

This Part renames the Division of Administrative Services program in the Department of Marine Resources the Office of the Commissioner program.

## **PART L**

This Part removes reference to the Director of General Services position and adds references to the office of the commissioner in the Department of Conservation. It renames the Administrative Services - Conservation program in the Department of Conservation the Office of the Commissioner program.

## **PART M**

This Part creates the Maine Code Enforcement Training and Certification Fund to receive funds from plumbing fees for training and certifying local plumbing inspectors and building construction fees for training and certifying municipal building officials. It requires the Executive Department, State Planning Office to work with code enforcement officer professional associations with respect to code enforcement training and certification.

This Part removes the requirement that the State Planning Office offer advanced training in code enforcement and describes the elements of the basic training requirement.

It provides for the State Planning Office to suspend code enforcement training and certification activities if funds are not sufficient to cover program costs and allows the office to temporarily extend the certification for code enforcement officers if the office does suspend program activities. If program activities are suspended, the office is required to establish a registration program for code enforcement officers, work with the Department of Health and Human Services to determine how to train and certify local plumbing inspectors and continue the work of training and certifying with respect to the Maine Uniform Building and Energy Code. If funds are insufficient for code enforcement training and certification, the office is required to report recommendations for funding or program changes to the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs and state and local government matters.

It clarifies that the State Planning Office's rules under the code enforcement laws are routine technical rules.

It removes the requirement that the State Planning Office provide for training humane agents and state veterinarians in court procedures.

## **PART N**

This Part delays until July 1, 2011 inclusion of teachers as beneficiaries under the Irrevocable Trust Fund for Other Post-employment Benefits. This Part also directs the Treasurer of State to convene a work group to review the unfunded liability obligations for retiree health benefits for teachers.

## **PART O**

This Part limits reimbursements to municipalities under the Maine Tree Growth Tax Law to the amount appropriated by the Legislature and distributed on a pro rata basis for property tax years based on the status of property on April 1, 2008 and April 1, 2009.

## **PART P**

This Part increases the rate of tax imposed on telecommunications personal property for fiscal years 2009-10 to 2011-12 and decreases the tax rates in fiscal years 2012-13 and 2013-14. It directs the Joint Standing Committee on Taxation to review the telecommunications personal property tax and other forms of taxation of telecommunications providers and requires a report to the Joint Standing Committee on Appropriations and Financial Affairs by January 15, 2010 summarizing the results of its review and recommending changes to the tax laws to ensure equitable tax treatment of telecommunications providers in a revenue-neutral manner. The Joint Standing Committee on Taxation is authorized to submit legislation related to its review to the Second Regular Session of the 124th Legislature.

## **PART Q**

This Part repeals the Maine Criminal Justice Commission.

## **PART R**

The baseline budget for fiscal years 2009-10 and 2010-11, set forth in Part A, assumes that the 4% salary increase that went into effect on January 1, 2009 was granted to unclassified employees whose salaries are subject to the Governor's adjustment or approval. As a result of not having granted the increase, salary amounts for fiscal years 2009-10 and 2010-11 are overstated by the amount reflected in this Part. This Part authorizes the transfer of these savings by financial order and these transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11.

## **PART S**

This Part simplifies state-municipal revenue sharing by eliminating the reductions to the revenue-sharing tax base related to the transfers to the Business Equipment Tax Reimbursement program and the Circuitbreaker Program from individual income tax revenue. The change in the base is offset by a reduction in the rate of the transfers to the Local Government Fund from 5.2% to 5%. This Part also changes the transfers for the business equipment tax exemption program and the additional transfers to the Disproportionate Tax Burden Fund by eliminating the specific designation that these General Fund revenue transfers are from the individual income tax category.

This Part also eliminates the 2% reduction from transfers to the Local Government Fund that were transferred to the Fund for the Efficient Delivery of Local and Regional Services and then transferred back to the General Fund.

The distribution of the transfers to the Local Government Fund, so-called "Revenue Sharing I," and the Disproportionate Tax Burden Fund, "Revenue Sharing II," is no longer determined by amounts in excess of the annual growth ceiling, but is established as a percentage of the total transfers based on a schedule that increases by one percentage point per year beginning at 15% of the total transfers to the Local Government Fund in fiscal year 2009-10 and increasing to 20% of the total in fiscal year 2014-15 to achieve approximately the same level of distribution as current law in the future biennia.

This Part also realigns the timing of the transfers to the Local Government Fund beginning in June 2009 to coincide with the month that the payments are made under the revenue-sharing programs.

This Part also transfers additional fixed dollar amounts in fiscal year 2009-10 and 2010-11 to the General Fund from state-municipal revenue sharing on a one-time basis to achieve an approximate reduction of 10% in fiscal year 2009-10 and 15% in fiscal year 2010-11.

This Part also corrects 2 conflicts in the current law and makes a technical correction to a cross-reference to the service provider tax.

## **PART T**

This Part does the following.

It authorizes the State Budget Officer, upon recommendation of the Department of Corrections, to transfer All Other funds by financial order between accounts within the same fund for the purpose of paying food, heating and utility expenses during the 2010-2011 biennium.

It authorizes the State Budget Officer, upon recommendation of the Department of Corrections, to transfer by financial order Personal Services, All Other and Capital Expenditures funding between accounts within the same fund for the purposes of paying departmental overtime expenses.

It requires the Commissioner of Corrections to review the current organizational structure to improve organizational efficiency and cost-effectiveness and it authorizes the State Budget Officer to transfer positions and available balances by financial order.

## **PART U**

This Part limits the allowable benefit under the Business Equipment Tax Reimbursement, or "BETR," program to 90% of eligible property taxes paid for application periods beginning August 1, 2009 and August 1, 2010.

## **PART V**

This Part transfers \$11,654 from the Other Special Revenue Funds account to the unappropriated surplus of the General Fund to provide funding for one-time retroactive costs associated with personnel action at the Department of the Secretary of State, Maine State Archives.

## **PART W**

This Part establishes the Prisoner Boarding Fund as a nonlapsing General Fund account to separately account for funding required to board prisoners at county jails.

## **PART X**

This Part requires the Department of Public Safety, Bureau of Liquor Enforcement to notify licensees of changes in the liquor rules and regulations through postings on the department's publicly accessible website. It requires the bureau to notify licensees that the laws governing liquor are available on the department's website and that the bureau will provide a paper copy of these laws to any licensee at no charge upon request from that licensee.

#### **PART Y**

This Part authorizes the Commissioner of Administrative and Financial Services to implement a new employee retirement incentive program designed to encourage employees who are otherwise eligible to retire to do so. It requires the State Budget Officer to calculate the savings and transfer the amounts by financial order upon approval of the Governor. It requires that the vacated positions remain vacant from September 1, 2009 to June 30, 2011. It requires the State Budget Officer to report to the Joint Standing Committee on Appropriations and Financial Affairs on the number of employees who are taking advantage of the retirement incentive program by January 15, 2010.

#### **PART Z**

This Part continues the voluntary employee incentive programs during the 2010-2011 biennium and recognizes the resulting savings. It provides for the lapsing of \$650,000 in savings to the General Fund in both fiscal years 2009-10 and 2010-11.

#### **PART AA**

This Part recognizes projected additional Personal Services savings in the Statewide Attrition account within the Department of Administrative and Financial Services for the General Fund account for all executive branch departments and agencies statewide from an increase in the attrition rate from 1.6% to 5.0% for the 2010-2011 biennium. It authorizes the State Budget Officer to transfer funds and adjust the appropriations to the affected departments and agencies. The State Budget Officer must report to the Joint Standing Committee on Appropriations and Financial Affairs no later than September 1, 2009 on the distribution of the savings and the adjustment to appropriations for each affected General Fund account. This Part also adds an additional reporting requirement for the State Budget Officer to provide reports to the Joint Standing Committee on Appropriations and Financial Affairs on May 15th and June 15th in both 2010 and 2011 on the amount of transfers between departments to offset the unrealized savings from projected vacancies, also referred to as attrition savings.

#### **PART BB**

This Part allows the transfer of accrued Personal Services savings between and within department accounts in the General Fund and Highway Fund to be used to offset Personal Services shortfalls that occur as a direct result of Personal Services appropriation or allocation reductions for projected vacancies.

#### **PART CC**

This Part does the following.

1. It changes MaineCare reimbursement to noncritical access hospitals for inpatient services to diagnosis-related groups beginning April 1, 2010 and for critical access hospitals beginning April 1, 2011.
2. It changes MaineCare reimbursement to noncritical access hospitals for outpatient services based on ambulatory payment classifications beginning April 1, 2010 and for critical access hospitals beginning April 1, 2011.

3. It requires a report from the Department of Health and Human Services on the progress in moving to reweighting the payments to acute care hospitals based on diagnosis-related groups and ambulatory payment classifications to provide incentives for the use of primary care.

4. It requires a report from the Governor's Office of Health Policy and Finance regarding progress in reducing the use of emergency departments in hospitals and reducing preventable admissions to the hospitals from emergency departments.

5. It repeals provisions of Public Law 2009, chapter 1 related to hospital-based physician reimbursement and MaineCare physician reimbursement equalization.

6. It requires a report from the Department of Health and Human Services on the impact of increased MaineCare physician reimbursement rates on access to and utilization of preventive and primary care services by MaineCare members.

7. It reduces MaineCare reimbursement to critical access hospitals from 117% to 109% of MaineCare allowable costs and repeals the laws that authorize these payments April 1, 2011 while preserving staff enhancement payments.

8. It provides a one-time 3% increase in MaineCare prospective payments to hospitals.

9. It decreases MaineCare reimbursement rates to noncritical access hospitals for inpatient services.

10. It decreases MaineCare reimbursement to hospital-based providers for inpatient services, outpatient services and services provided in emergency departments.

11. It increases MaineCare reimbursement effective February 1, 2010 to nonhospital-based physicians.

12. It decreases MaineCare reimbursement for hospitals reclassified to a wage area outside of the State by the Medicare Geographic Classification Review Board.

13. It requires the Department of Health and Human Services to report on the feasibility and advisability of reimbursing critical access hospitals on a diagnosis-related group system for inpatient MaineCare services and on ambulatory payment classifications for outpatient MaineCare services by January 15, 2010.

14. It requires Department of Health and Human Services rulemaking.

## **PART DD**

This Part authorizes the transfer of up to \$15,000,000 from the unappropriated surplus of the General Fund to the Medical Care - Payments to Providers program, General Fund account to be used for obligations of the MaineCare program and for hospital settlements. If the total amount authorized is not available for transfer at the end of fiscal year 2008-09 for use in fiscal year 2009-10, an additional amount may be transferred at the end of fiscal year 2009-10 to be used in fiscal year 2010-11 for the same purpose. This Part also repeals a \$3,600,000 transfer from General Fund unappropriated surplus to the Dirigo Health Fund at the close of fiscal year 2008-09.

## **PART EE**



This Part repeals the provision that required the Department of Health and Human Services, Office of MaineCare Services to reduce Legislative Count positions by a minimum of 100 positions by June 19, 2010 and to report to the Legislature on those eliminations. The proposed reorganization of the Office of MaineCare Services reflected in Part A of this bill will result in the elimination of 55 positions.

## **PART FF**

This Part changes the name of the Federal Relief Funds Reserve account that was established in Public Law 2009, chapter 1, Part E to the Economic Recovery Fund account. It also extends the provisions enacted in that law to include fiscal years 2009-10 and 2010-11.

## **PART GG**

This Part alters the cost-sharing arrangement for the cost of premiums for individual health insurance for state employees.

1. This Part extends the current arrangement whereby the State pays 100% of the individual health insurance premium until October 1, 2009.

2. This Part establishes the cost-sharing arrangement for premiums for part of fiscal year 2009-10. The State will continue to pay 100% of the cost of individual health insurance for employees whose base annual rate of pay is projected to be at or below \$30,000 on July 1, 2009. The State will pay 95% of the cost of individual health insurance for employees whose base annual rate of pay is projected to be from \$30,001 to \$79,999 on July 1, 2009, and 90% of the cost of individual health insurance for employees whose base annual rate of pay is projected to be \$80,000 or more on July 1, 2009.

3. This Part establishes the premium cost sharing arrangement for fiscal year 2010-11 and beyond. In those years, the State will implement a health credit premium program whereby employees are provided incentives to engage in wellness and health promotion efforts. The State Employee Health Commission is charged with developing this program.

The base premium contributions for employees whose base annual rates of pay are projected to be at or below \$30,000 on the first day of the fiscal year for which premium contributions are being determined will be 95%, but employees meeting benchmarks established for the health credit premium program will have the opportunity to increase the level of premium payment made by the State to either 97.5% or 100%.

For employees whose base annual rates of pay are projected to be from \$30,001 to \$79,999, the base state contributions will be 90%, but employees meeting the health credit premium program benchmarks will be able to increase the State's contribution level to either 92.5% or 95%.

Finally, for employees whose base annual rates of pay are projected to be \$80,000 or more, the base state contributions will be 85%, but employees meeting the health credit premium program benchmarks will be able to increase the State's contribution level to either 89% or 92.5%.

The State's premium contribution will be determined only once for each fiscal year.

4. If the projected savings attributable to the implementation of the health credit premium program are expected to fall short of those projected for the initiative, this Part directs the State Employee Health Commission to make any necessary changes to the structure of the health plan, within its purview, to ensure that the required savings are realized.

5. This Part requires the Commissioner of Administrative and Financial Services to make quarterly reports on the implementation and operation of the health credit premium program.

6. This Part deappropriates from the General Fund to reflect the savings achieved in this Part and requires the State Budget Officer to calculate the amounts that apply against the General Fund accounts for state agencies and departments.

## **PART HH**

This Part retroactively changes the reporting date for the recommendations of the Commission To Review Short-term and Long-term Costs in the Maine Public Employees Retirement System from November 5, 2008 to November 5, 2009.

## **PART II**

This Part authorizes the transfer of up to \$750,000 from excess General Fund revenue above the budgeted state cost allocation program revenue estimate in each of fiscal years 2009-10 and 2010-11 to the Office of Information Technology Internal Service Fund as partial funding for the development and implementation of an improved payroll and position management system.

## **PART JJ**

This Part transfers the General Fund share of overpayments for retiree health insurance by the Maine Community College System to the unappropriated surplus of the General Fund. It also requires the State Controller to determine the balance due to the Maine Community College System and to reimburse those funds to the system by June 30, 2010.

## **PART KK**

This Part allows the State Controller to transfer up to \$20,000,000 in fiscal year 2008-09 from Other Special Revenue Funds to the Dirigo Health Enterprise Fund no later than June 30, 2009 and requires the State Controller to transfer the amount transferred from Other Special Revenue Funds from the Dirigo Health Enterprise Fund along with interest back to Other Special Revenue Funds as repayment on July 1, 2009. The Part also authorizes the advance of up to \$25,000,000 from the General Fund to the Dirigo Health Enterprise Fund to provide funds for health insurance premium costs paid for by the Dirigo Health Enterprise Fund in fiscal year 2009-10.

## **PART LL**

This Part suspends the annual cost-of-living adjustment to the salary for Legislators for the Second Regular Session of the 124th Legislature and codifies in law the long-standing practice by the Maine Public Employees Retirement System of equalizing the salary of legislators during their 2-year term so that life insurance coverage is the same for each year of the biennium. It was recently noted that this long-standing practice may be inconsistent with current law, which states that the amount of coverage must be equal to the participant's annual base compensation rounded up to the next \$1,000. This change maintains the current methodology for calculating life insurance benefits for Legislators by amending the law to reflect current and past practice.

This Part provides that a total of \$402,233 in fiscal year 2009-10 and \$413,976 in fiscal year 2010-11 from legislative accounts within the Legislature lapses to the General Fund over the 2010-2011 biennium to offset the savings amount calculated for the legislative branch that will not be achieved through a higher percentage of attrition savings.

This Part provides that a total of \$616,493 from legislative accounts within the Legislature lapses to the General Fund over the 2010-2011 biennium as a result of certain cost-saving measures approved by the Legislative Council: \$513,172 in fiscal year 2009-10 and \$103,321 in fiscal year 2010-11.

This Part provides that a total of \$817,756 in fiscal year 2009-10 and \$1,167,962 in fiscal year 2010-11 from legislative accounts within the Legislature lapses to the General Fund over the 2010-2011 biennium as a result of implementing Personal Services cost-saving measures determined by the Legislative Council.

### **PART MM**

This Part directs the Commissioner of Conservation to review the fees currently charged by the Department of Conservation, Bureau of Parks and Lands and to design and implement fee increases that will result in additional undedicated revenue to the General Fund of \$475,500 in each fiscal year of the biennium.

### **PART NN**

This Part removes from the apportionment of income calculation the sales of tangible personal property by businesses operating in more than one state if the sales are delivered to a purchaser who is located in a state in which the taxpayer is not taxable. Sales other than those of tangible personal property are also removed from Maine sales in the apportionment calculation if the sales are delivered from Maine to a state where the taxpayer is not taxable.

### **PART OO**

This Part does the following.

It increases the amount of each motorized watercraft registration that is dedicated to the Department of Inland Fisheries and Wildlife and is not subject to the split with another agency from \$3 to \$8.

It increases by \$12 the nonresident and alien hunting license, combination hunting and fishing license, archery license and fishing license fees.

It increases by \$7 other nonresident and alien hunting and fishing licenses and permit fees.

It increases by \$4 the resident hunting license, combination hunting and fishing license, combination archery and fishing license, archery license, apprenticeship hunter license and fishing license fees.

It provides that a resident junior hunting license includes all permits, stamps and other permissions needed to hunt at no additional cost.

It combines the fall and spring turkey permit into one permit at a cost of \$20 for residents and \$54 for nonresidents and aliens.

It creates a new spring turkey hunting permit to allow the holder to take one additional male wild turkey during the spring hunt at a cost of \$20 for residents, nonresidents and aliens.

It increases the fee for deer, bear, moose and wild turkey registration tags from \$1 to \$5.

It increases the user fee for whitewater rafting from \$1 to \$2.

It increases boat and personal watercraft registrations by \$5;

It requires seaplanes that are operated on inland waters to have a milfoil sticker at a cost of \$20.

It increases the minimum penalty for operating an unregistered boat, snowmobile or all-terrain vehicle from \$100 to \$200.

It eliminates the nonresident 10-day snowmobile registration and directs the Commissioner of Inland Fisheries and Wildlife to develop a single form of registration that can be used for either a 3-day or a seasonal nonresident snowmobile registration.

## **PART PP**

This Part requires the Department of Health and Human Services and the Department of Education to work together to determine whether to adopt criteria for enrollment of children under the Katie Beckett option for MaineCare eligibility to establish 2 standards for enrollment: one standard being for children who would, if not for enrollment under the Katie Beckett option, be hospitalized in psychiatric hospitals and one standard being for children who would, if not for enrollment under the Katie Beckett option, be residents in children's private nonmedical institutions. This Part requires the departments to report by January 1, 2010 to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Education and Cultural Affairs regarding their progress in determining whether to adopt criteria for enrollment under the Katie Beckett option for MaineCare eligibility.

## **PART QQ**

This Part does the following.

It requires the State Court Administrator to achieve the projected savings identified in Part A of this amendment for fiscal years 2009-10 and 2010-11. Personal Services and All Other line categories will be adjusted accordingly by financial order upon approval of the Chief Justice.

It authorizes the transfer by financial order of identified Personal Services savings to the All Other line category for fiscal years ending June 30, 2010 and June 30, 2011 upon approval of the Chief Justice.

It requires the judicial branch to apply any balance remaining in the debt service program of the judicial branch to be carried forward for use by the judicial branch in the next fiscal year.

It directs the Chief Justice to prepare the budget for the judicial branch and authorizes the Chief Justice to approve financial orders for transfers within the judicial branch.

It directs the judicial branch to credit up to \$300,000 per year of fee revenue collected pursuant to administrative orders of the court to support the capital expenses of the judicial branch.

It directs the judicial branch to increase total court fee revenue by at least \$300,000 annually.

**PART RR**

This Part allows the Department of Corrections to finance repair projects that are essential for the operation of correctional facilities.

**PART SS**

This Part authorizes the transfer of \$500,000 from General Fund unappropriated surplus to the Callahan Mine Site Restoration Other Special Revenue Funds program within the Department of Transportation for litigation support and legal initiatives related to the restoration of the site.

**PART TT**

This Part does the following.

It requires the Chief Information Officer to review the current structure for the delivery of information technology across the executive branch with the objective of further improving organizational efficiency and cost-effectiveness and authorizes the Chief Information Officer to manage and operate all executive branch information technology systems from a consolidated account.

The State Budget Officer is directed to transfer position counts and savings arising from the implementation of organizational improvements by financial order, upon approval of the Governor, to the Department of Administrative and Financial Services, Office of Information Technology consolidated account for the provision of those services. These transfers are considered adjustments to authorized position count, appropriations and allocations in fiscal years 2009-10 and 2010-11.

**PART UU**

This Part requires the State Budget Officer to calculate the savings as a result of improvements in contracting with vendors and the use of procurement cards. The State Budget Officer shall transfer the savings by financial order upon approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2009-10 and 2010-11.

**PART VV**

This Part continues authorization for each individual tax expenditure as provided for by statute.

**PART WW**

This Part abolishes the Municipal Budget Analysis Committee.

**PART XX**

This Part repeals the targeted funds provision for secondary schools in the unorganized territory, where targeted funds were paid to the school administrative unit or private school approved for tuition purposes that a student attends, in addition to other calculated tuition rates.

**PART YY**

This Part requires Jobs for Maine's Graduates to file an annual audit report with the Commissioner of Education as is currently required of the Maine School of Science and Mathematics and all public schools that are funded by general purpose aid for local schools.

## **PART ZZ**

This Part requires the School Board of the Maine Educational Center for the Deaf and Hard of Hearing and the Governor Baxter School for the Deaf to file an annual audit report with the Commissioner of Education as is currently required of the Maine School of Science and Mathematics and all public schools that are funded by general purpose aid for local schools.

## **PART AAA**

This Part amends the statutes to provide that the reimbursement for eligible students educated in long-term drug treatment centers is determined by the number of students in the Commissioner of Education's approved program plan rather than by an arbitrary number provided in statutes.

## **PART BBB**

This Part changes the responsibility for the certification of payrolls from the Director of Human Resources to the State Controller.

## **PART CCC**

This Part requires the transfer of \$16,000,000 in fiscal year 2009-10 from Other Special Revenue Funds to the unappropriated surplus of the General Fund by June 30, 2010. It also requires the transfer by July 1, 2010 of \$16,000,000 from the General Fund unappropriated surplus along with interest to Other Special Revenue Funds as repayment.

## **PART DDD**

This Part renames 2 programs in the Department of Health and Human Services. The Food Stamps Administration program is renamed the Food Supplement Administration program and the Multicultural Services, Rate Setting and Quality Improvement program is renamed the Multicultural Services program.

## **PART EEE**

This Part provides an interim governance, operating and budgeting process for those school administrative units that are currently members of vocational centers and career and technical regions and that have reorganized into regional school units and alternative organizational structures for school year 2009-2010.

## **PART FFF**

This Part removes the requirement that, for fiscal years 2008-09, 2009-10 and 2010-11, local school units must pay teacher retirement from federal funds received when those federal funds are being distributed to local school units from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, Title XIV, Sections 14001 to 14013.

### **PART GGG**

This Part changes the references to "State Board of Corrections Investment Fund" to "State Board of Corrections Investment Fund program" and clarifies that the program is not under the umbrella of the Department of Corrections or the Department of Administrative and Financial Services but under the autonomous State Board of Corrections. This Part also adds an effective date making these changes effective July 1, 2009.

### **PART HHH**

This Part authorizes any balance remaining at end of a fiscal year in the State Board of Corrections, State Board of Corrections Investment Fund program, General Fund account to carry forward from one fiscal year to the next. It also requires that any remaining balance in the Department of Corrections, State Board of Corrections Investment Fund, General Fund account does not lapse on June 30, 2009 but must be carried forward for use in fiscal year 2009-10 and that the balance must be transferred by June 30, 2010.

### **PART III**

This Part requires the Workers' Compensation Board to transfer \$1,188,207 from the Employment Rehabilitation Fund to its administrative fund on July 1, 2009 and July 1, 2010 for the purpose of reducing the annual assessments on employers for fiscal years 2009-10 and 2010-11.

### **PART JJJ**

This Part strikes language in current law that caps the reimbursement of training funds paid to an employer as part of the Governor's Training Initiative Program. It requires the Department of Labor to issue a report to the Joint Standing Committee on Labor, the Joint Standing Committee on Business, Research and Economic Development and the Joint Standing Committee on Appropriations and Financial Affairs by January 11, 2010 with recommendations regarding possible targeting of limited funds to employers based upon the number of employees and by industry sectors.

### **PART KKK**

This Part subjects prepackaged motor vehicle oil to the premium that is currently imposed on bulk motor vehicle oil. It amends the definition of "motor vehicle oil." It moves a biennial reporting requirement from unallocated law to the Maine Revised Statutes and it adds a reporting requirement for the Finance Authority of Maine and the State Tax Assessor regarding revenue collected from the premium on motor vehicle oil.

### **PART LLL**

This Part transfers the funds from the savings generated through the elimination of 5 positions within the Department of Corrections to make adjustments to appropriations and position counts in fiscal year 2010-11.

### **PART MMM**

This Part provides for the transfer of \$51,455,943 from the Maine Budget Stabilization Fund in the Department of Administrative and Financial Services to General Fund unappropriated surplus by the

HP0274, LD 353, item 2, 124th Maine State Legislature , Amendment C "A", Filing Number H-350  
'An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2009, June 30, 2010 and June 30, 2011'  
close of fiscal year 2008-09 and a transfer of \$24,000,000 by the close of fiscal year 2009-10 to offset a General Fund revenue shortfall.

### **PART NNN**

This Part provides for the transfer of \$40,615,146 from the Reserve for General Fund Operating, Department of Administrative and Financial Services to General Fund unappropriated surplus by the close of fiscal year 2008-09 to offset a General Fund revenue shortfall.

### **PART OOO**

This Part amends the laws governing the State Contingent Account to provide for allocations from the account for investments in the development of early care and education infrastructure.

This Part also requires the State Controller to transfer \$2,000,000 from the General Fund unappropriated surplus to the State Contingent Account.

### **PART PPP**

This Part establishes the 2009 Tax Receivables Reduction Initiative to run from September 1, 2009 to November 30, 2009 to facilitate the collection of tax receivables. The program provides for the waiver of 90% of the penalties due if the tax and interest are paid during the initiative period.

### **PART QQQ**

This Part continues the initiative to streamline State Government enacted by PL 2007, chapter 240, Part QQQ. This effort is continued in order to achieve additional General Fund savings of at least \$30,000,000 during the 2010-2011 biennium.

### **PART RRR**

This Part transfers balances from several Other Special Revenue Funds accounts throughout State Government. These transfers are based on available balances in the Personal Services line category of these accounts as a result of savings initiatives.

### **PART SSS**

This Part authorizes the 10 shutdown days for the executive branch of State Government in each year of the 2010-2011 biennium. The Legislature will determine the manner in which to implement reductions in Personal Services expenditures including office closures and eliminating of merit pay and longevity pay.

This Part also denies the awarding of merit pay and longevity pay to employees in the various departments and agencies within the executive and judicial branches during the 2010-2011 biennium. It allows alternative Personal Services savings initiatives to be implemented in place of the elimination of merit pay, if mutually agreed upon by the State and the state employees' bargaining agents. This Part also requires the State Budget Officer to calculate the amount of savings in Part A that applies against each General Fund account for all departments and agencies from savings associated with eliminating merit pay and shall transfer the amounts by financial order upon the approval of the Governor.



This Part also provides that the average annual rate of earnable compensation of a member of the Maine Public Employees Retirement System during the 3 years of creditable service as an employee, not necessarily consecutive, in which the member's annual rate of earnable compensation is highest must be determined as if the member had not been provided days off without pay or had not had days worked for which the level of pay was reduced as the result of freezing of merit pay and longevity pay during fiscal year 2009-10 and fiscal year 2010-11 if the member elects to make a payment equal to the employee contribution that member would have made on compensation that would have been paid to that member for the days off without pay or that the member would otherwise have been paid if the freezing of merit pay and longevity pay had not occurred.

### **PART TTT**

This Part caps the amount transferred from the General Fund and distributed to support Maine milk producers at \$11,811,000 in fiscal year 2008-09 and at \$13,349,600 in the 2010-2011 biennium. It establishes a task force to examine challenges facing the dairy industry and make recommendations to the Governor and the Joint Standing Committee on Agriculture, Conservation and Forestry. It suspends payments under the Maine milk income loss contract. It authorizes the Maine Milk Commission to establish 4 tiers of production.

### **PART UUU**

This Part authorizes the State Controller to carry forward any unexpended debt service funds in the Office of Treasurer of State, Debt Service, General Fund account at the end of fiscal years 2008-09 and 2009-10 for their intended use through June 30, 2011.

### **PART VVV**

This Part authorizes the expenditure of federal American Recovery and Reinvestment Act of 2009 funding by financial order as long as it does not commit state resources beyond existing budgeted resources.

This Part also authorizes the transfer of amounts up to \$125,000 in each year of the 2010-11 biennium from the Department of Administrative and Financial Services, Statewide Administration ARRA account to cover administrative expenses.

### **PART WWW**

This Part changes the method of indexing the individual income tax brackets by:

1. Maintaining the cost-of-living adjustment at the same level as the prior calendar year if the new adjustment would be less than that for the prior calendar year; and
2. Beginning with the 2009 calendar year, requiring the adjustment of the tax brackets to be reduced by an amount that increases noncorporate tax revenue by \$10,500,000 based on revenue projections by the Revenue Forecasting Committee.

### **PART XXX**

This Part limits the allowable benefit under the Maine Residents Property Tax Program for all nonelderly households to 80% of the amount to which those households would otherwise be eligible for application periods beginning on August 1, 2009 and on August 1, 2010.

### **PART YYY**

This Part reduces the Maine resident homestead property tax exemption from \$13,000 to \$10,000 beginning with the property tax year beginning April 1, 2010.

### **PART ZZZ**

This Part eliminates all federal net operating loss carry-forwards and also eliminates the recapture of previously denied federal net operating loss carry-backs. The change applies to tax years beginning in 2009, 2010 and 2011. The net operating loss deduction disallowed as a result of the provisions in this Part may be recaptured by the taxpayer in tax years beginning after 2011, but only if the year is within the federal carry-over period for net operating loss plus the number of years that the net operating loss carry-over adjustment was not deducted as a result of the restriction with respect to tax years beginning in 2009, 2010 and 2011.

### **PART AAAA**

This Part requires financial institutions to disclose, upon request from the State Tax Assessor, automated search account information to Maine Revenue Services for the purpose of establishing, modifying and enforcing tax debts.

### **PART BBBB**

This Part does the following.

It updates references to the United States Internal Revenue Code contained in the Maine Revised Statutes, Title 36 to the United States Internal Revenue Code as amended through February 17, 2009 for tax years beginning on or after January 1, 2008 and for any prior years as specifically provided by the United States Internal Revenue Code. The changes primarily affect the State's income tax and estate tax laws.

It extends nonconformity with federal bonus depreciation provisions applicable to property placed in service after 2008, including the bonus depreciation provisions recently enacted in the federal American Recovery and Reinvestment Act of 2009.

It decouples from the deferral of recognition of income from discharge of certain business indebtedness as enacted by the federal American Recovery and Reinvestment Act of 2009.

It decouples the Maine individual income tax standard deduction amounts from the federal additional standard deduction amounts for real estate property taxes paid on personal residences and state sales and excise taxes paid on the purchase of certain motor vehicles. The additional federal standard deduction amount for real estate property taxes generally applies to tax years beginning in 2008 and 2009. The additional federal standard deduction amount for state sales and excise taxes generally applies to tax years beginning in 2009.

It requires that unemployment compensation benefits excluded from federal gross income must be added back to Maine taxable income on the Maine individual income tax return. For tax years beginning in 2009, an individual may exclude from federal gross income up to \$2,400 of unemployment compensation benefits received.

It reduces the Maine earned income tax credit from 5% to 4% of the federal earned income tax credit for tax years beginning in 2009 and 2010 in order to mitigate the impact on state revenues of the recent increase in the federal earned income tax credit. The federal earned income tax credit increase applies to tax years beginning in 2009 and 2010.

## **PART CCCC**

This Part establishes the Penalty Reserve within the General Purpose Aid to Local Schools program to set aside those funds identified as penalties assessed on nonconforming school administrative units in fiscal year 2009-10 and requires legislative action to expend or distribute those funds. This Part also requires the Commissioner of Education to submit a report to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Education and Cultural Affairs by January 15, 2010 that provides information regarding the balance of the Penalty Reserve and recommendations on how to disburse the funds given the results of the November 2009 referendum on Legislative Document 977, An Act To Repeal the School District Consolidation Laws. Finally, this Part provides that the Joint Standing Committee on Education and Cultural Affairs may report out legislation to the Second Regular Session of the 124th Legislature with its recommendations on distributing the funds in the Penalty Reserve.

## **PART DDDD**

This Part directs the Department of Health and Human Services, Office of Substance Abuse to conduct data collection on the need for gambling addiction services and report its results.

## **PART EEEE**

This Part authorizes the Department of Administrative and Financial Services, on behalf of the Department of Education, to enter into financing arrangements in fiscal year 2009-10 for the acquisition of portable computer systems to support the operations of the Maine Learning Technology Initiative program.

In addition, this Part specifies that:

1. The Legislature recognizes that the expansion of the Maine Learning Technology Initiative program requires the commitment of state and local funding at a time when funding for general purpose aid for local schools is declining and may continue to decline due to current economic conditions;
2. The Legislature recognizes that those school administrative units that decide to participate in the expansion of the Maine Learning Technology Initiative program may choose to commit a significant portion of the targeted technology resource funds allocated to the participating school administrative units to fund the cost of participating in the program;
3. Participation in the expansion of the Maine Learning Technology Initiative program is voluntary; and

4. It is the intent of the Legislature that neither the expansion of the Maine Learning Technology Initiative program nor the benefits provided under this program to participating school administrative units serve as justification to decrease other funds appropriated or allocated to school administrative units currently participating in the middle school program established for 7th and 8th grade students and educators and funded by General Fund appropriations allocated to the middle school laptop program pursuant to the Maine Revised Statutes, Title 20-A, section 15689-A, subsection 8.

#### **PART FFFF**

This Part establishes the Water Quality Improvement Fund to provide a funding source for grants to municipalities and other entities to identify and abate pollution in shellfish growing areas and to pay the Personal Services and All Other costs for 3 employees within the Department of Marine Resources in the Shellfish Fund account within the Bureau of Resource Management program. The dedicated revenue for the fund is established through surcharges on the installation of new sewer systems and the municipal combined sewer overflow and overboard discharges and on shellfish area outfalls.

It provides that the Department of Marine Resources will solicit priorities for monitoring and classification of shellfish growing areas from the Shellfish Advisory Council.

It clarifies how the fund may be distributed and provides that the Department of Marine Resources may reference the fund when seeking federal funds.

It clarifies that private gifts or bequests to the fund may be directed or advised.

It adds a one-time reporting requirement.

It provides that the Department of Environmental Protection may establish procedures and criteria for the grant application process, eligibility for grants and the award and use of grants from the fund.

It provides for a transfer of funds from the General Fund of \$210,000, to be repaid by revenues credited to the Water Quality Improvement Fund.

It provides for a transfer from the Land Management and Planning Program, Submerged Lands Fund, Other Special Revenue Funds account within the Department of Conservation of \$80,000 in fiscal years 2009-10 and 2010-11 to the Bureau of Resource Management program, Shellfish Fund, Other Special Revenue Funds account within the Department of Marine Resources.

#### **PART GGGG**

This Part requires the Department of Health and Human Services, Office of Substance Abuse to work with the Judicial Department and the Department of Corrections to phase out the Maine Juvenile Drug Treatment Court program. Beginning June 1, 2009, only those persons participating in the Maine Juvenile Drug Treatment Court program prior to that date would continue to receive services.

#### **PART HHHH**

This Part proposes to increase the fee assessed to the unorganized territories to .014% and to towns and plantations to .018%. It also adds a requirement to the annual report to provide a separate accounting of the permitting fee and the administrative penalties collected from the unorganized territories and a

separate accounting of these fees and penalties collected from towns and plantations. The report must also include recommendations for adjustments to the fees.

### **PART IIII**

This Part provides that a total of \$1,064,811 of unencumbered balance forward in the personal services line category at the close of fiscal year 2008-09 in the Education in Unorganized Territory, General Fund account in the Department of Education lapses to the General Fund on June 30, 2009.

### **PART JJJJ**

This Part authorizes the Department of Public Safety's liquor licensing and compliance division to license additional agency liquor stores beginning July 1, 2009. It also requires the division to consider whether an applicant can satisfy certain criteria when determining whether to issue an agency liquor store license.

### **PART KKKK**

This Part provides additional time for a school administrative unit to comply with the reorganization law if it approved a reorganization plan at a referendum prior to January 30, 2009 but is unable to implement the plan because the plan was rejected by one or more of its proposed partners. The school administrative unit would be allowed to restart the process to form a regional school unit with the same or other school administrative units.

### **PART LLLL**

This Part requires a report by October 1, 2009 from the Department of Health and Human Services to the Joint Standing Committee on Health and Human Services on a plan to achieve savings of \$1,328,390 in assertive community treatment in children's behavioral health in General Fund funds in fiscal year 2010-11. It requires the department to convene a stakeholders group that includes providers of children's assertive community treatment services and to work with the stakeholders to agree on a plan to achieve the savings. If agreement is not possible, it requires the department to adopt routine technical rules to achieve the savings and to report to the Joint Standing Committee on Health and Human Services on the initiative implemented by the department and the stakeholders.

### **PART MMMM**

This Part directs the Department of Health and Human Services to work with alternative response program providers to achieve the targeted savings of \$500,000 for each of the 2 fiscal years deappropriated in Part A. It also specifies the areas to be given priority in achieving the savings.

### **PART NNNN**

This Part provides that the amount distributed to certified legislative candidates by the Commission on Governmental Ethics and Election Practices pursuant to the Maine Clean Election Act during the 2010 election cycle must be 5% less than the amount distributed to certified candidates by the commission during the 2008 election cycle. It also provides that the amount distributed to certified gubernatorial candidates pursuant to the Maine Clean Election Act during the 2010 election cycle must be 5% less

than the amount that would be distributed pursuant to the Maine Revised Statutes, Title 21-A, section 1125, subsection 8. It also provides that certified gubernatorial and legislative candidates during the 2010 election cycle may raise an additional amount of seed money to cover the 5% reduction in distributions. It provides that the commission shall establish by rule procedures to implement this Part and shall post the rules and procedures on its publicly accessible website. Finally, it provides that \$363,930 is transferred from the Maine Clean Election Fund to the General Fund on or before June 30, 2010 and \$121,310 is transferred on or before June 30, 2011.

#### **PART OOOO**

This Part corrects a contradiction in the statutory language regarding the warrant article in the Maine Revised Statutes, Title 20-A, section 1512, subsection 1 where an affirmative vote approves the closing of the school and Title 20-A, section 1512, subsection 6 where voter approval was intended to mean approval to keep the school open.

#### **PART PPPP**

This Part directs the Department of Health and Human Services to investigate the feasibility of obtaining a waiver from the federal Centers for Medicare and Medicaid Services to establish a risk-based managed care contract for specific MaineCare populations or services. It also requires the department to submit its findings and recommendations along with the projected net cost savings and the projected impact on quality of care and health outcomes to the Joint Standing Committee on Health and Human Services no later than April 1, 2010.

#### **PART QQQQ**

This Part makes appropriations and allocations for the fiscal year ending June 30, 2009.

#### **PART RRRR**

This Part authorizes the Department of Health and Human Services to adopt rules on an emergency basis on or before December 31, 2009 to implement those provisions of this Act over which the department has subject matter jurisdiction.

#### **PART SSSS**

This Part establishes June 30, 2011 as the termination date for the additional authority granted to transfer funds between MaineCare programs and extends MaineCare reporting requirements through the 2010-2011 biennium. This Part also makes a technical correction.

#### **PART TTTT**

This Part provides for the generation of tax revenue from tax debtors based on an integrated data warehouse using data mining techniques, automated assessment technology and collection activity. Private contractors will provide these services in accordance with contingency fee contracts. Funding for services provided by the Department of Administrative and Financial Services, Office of Information Technology is also included. The Secretary of State and executive branch agencies are required, unless prohibited by federal law, to provide data to the Department of Administrative and Financial

Services, Maine Revenue Services for purposes of populating the data warehouse. The data must be updated annually. All data in possession of Maine Revenue Services or its contractor is subject to the confidentiality provisions of the Maine Revised Statutes, Title 36, section 191 and further protections agreed to by the Commissioner of Administrative and Financial Services. Data in the data warehouse will also be used to facilitate projecting state tax revenue.

#### **PART UUUU**

This Part provides a fundwide deallocation in the All Other line category in proportion to each account's allocation in relation to the total All Other allocation for the Fund for a Healthy Maine.

#### **PART VVVV**

This Part deappropriates General Fund savings from implementing a decrease in charges made by the Department of Administrative and Financial Services, Division of Financial and Personnel Services and Office of Information Technology for their services. It also authorizes the calculation and transfer of these savings to the applicable programs by financial order upon approval of the Governor as an adjustment to appropriations.

#### **PART WWWW**

This Part increases the maximum amount of securities that may be issued by the Maine Governmental Facilities Authority for specific allocation to the judicial branch. The increase will be used to fund projects for court facilities in Augusta, Dover-Foxcroft and Machias.

#### **PART XXXX**

This Part extends the authority for the Maine Governmental Facilities Authority to issue securities for capital repairs and improvements to state-owned facilities through fiscal year 2009-10.

#### **PART YYYY**

This Part increases the motor vehicle license reinstatement fee for suspensions other than for OUI by \$15. It also provides that 15% of the fee related to suspensions other than for OUI and failure to submit to a test and nonappearance before the court and nonpayment for a criminal traffic infraction accrues to the General Fund.

#### **PART ZZZZ**

This Part modifies the calculation of the 2012-2013 biennial budget baseline for the Medical Care - Payments to Providers program.