

Sec. A-8. Appropriations and allocations.

The following appropriations and allocations are made.

CENTERS FOR INNOVATION

Centers for Innovation 0911

Initiative: Reduces funding for research and education projects related to commercial aquaculture. This initiative relates to the curtailments ordered in Financial Order 003806 F8.

GENERAL FUND	2007-08	2008-09
All Other	(\$5,067)	(\$8,008)
GENERAL FUND TOTAL	(\$5,067)	(\$8,008)

Justification:

The Maine Aquaculture Innovation Center (MAIC) funds research projects and has held numerous workshops, briefings, conferences and other educational events, all designed to inform the public concerning the economic development potential of commercial aquaculture and the challenges facing Maine finfish and shellfish farmers. MAIC's focus is on sustainability. The MAIC Board uses state, federal, foundation and industry funds at its disposal to ensure that farms are sustainable economically and environmentally. This request will reduce the amount of funding available for grants given by the MAIC.

Sec. A-13. Appropriations and allocations. The following appropriations and allocations are made.

DEVELOPMENT FOUNDATION, MAINE

Development Foundation 0198

Initiative: Reduces funding for grants provided by the Maine Development Foundation.

GENERAL FUND	2007-08	2008-09
All Other	\$0	(\$4,458)
GENERAL FUND TOTAL	<hr/> \$0	<hr/> (\$4,458)

Justification:

This request will reduce funding for the Maine Economic Council, REALIZE!Maine and the Maine Downtown Center.

Sec. A-14. Appropriations and allocations. The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Business Development 0585

Initiative: Reduces funding in fiscal year 2008-09 by transferring the sponsorship of the New England Products trade show from the Office of Business Development program, General Fund to the Office of Tourism program, Other Special Revenue Funds.

GENERAL FUND	2007-08	2008-09
All Other	\$0	(\$25,000)
GENERAL FUND TOTAL	\$0	(\$25,000)

Justification:

In fiscal year 2008-09 sponsorship of the New England Products trade show will be through the Office of Tourism's Other Special Revenue Funds account. This will allow the show to continue but will reduce funds available to the Office of Business Development's marketing program.

International Northeast Biotechnology Corridor Z022

Initiative: Transfers funding from the International Northeast Biotechnology Corridor program to the Office of Innovation program for payment of EPSCoR dues.

GENERAL FUND	2007-08	2008-09
All Other	(\$11,000)	(\$11,000)
GENERAL FUND TOTAL	(\$11,000)	(\$11,000)

Justification:

Private and Special Law 2005, chapter 55 provided ongoing funds of \$11,000 each fiscal year for dues associated with the International Northeast Biotechnology Corridor; the funds are no longer needed for that purpose and are now requested to be used for payment of EPSCoR (Experimental Program to Stimulate Competitive Research) dues. The Office of Innovation is, by statute (5 MRSA, section 13110), responsible for the administration of the Maine EPSCoR Program. All 22 coalition members (other EPSCoR states) contribute to the Coalition of EPSCoR/IDeA States at a cost of \$30,000/year. The Office of Innovation is expected to contribute \$11,000 of this and the rest is contributed by the university and various other research institutions in proportion to their federal research awards.

Office of Innovation 0995

Initiative: Transfers funding from the International Northeast Biotechnology Corridor program to the Office of Innovation program for payment of EPSCoR dues.

GENERAL FUND	2007-08	2008-09
All Other	\$11,000	\$11,000
GENERAL FUND TOTAL	\$11,000	\$11,000

Justification:

Private and Special Law 2005, chapter 55 provided ongoing funds of \$11,000 each fiscal year for dues associated with the International Northeast Biotechnology Corridor; the funds are no longer needed for that purpose and are now requested to be used for payment of EPSCoR (Experimental Program to Stimulate Competitive Research) dues. The Office of Innovation is, by statute (5 MRSA, section 13110), responsible for the administration of the Maine EPSCoR Program. All 22 coalition members (other EPSCoR states) contribute to the Coalition of EPSCoR/IDeA States at a cost of \$30,000/year. The Office of Innovation is expected to contribute \$11,000 of this and the rest is contributed by the university and various other research institutions in proportion to their federal research awards.

Office of Innovation 0995

Initiative: Reduces funding in fiscal years 2007-08 and 2008-09 that supports the management and related operating costs of bond program administration by the Maine Technology Institute. This initiative relates to the curtailments ordered in Financial Order 003806 F8.

GENERAL FUND	2007-08	2008-09
All Other	(\$300,000)	(\$150,000)
GENERAL FUND TOTAL	(\$300,000)	(\$150,000)

Justification:

Funding that remains available to the Maine Technology Institute (MTI) for administrative costs and independent review of proposals is \$450,000 in fiscal year 2007-08 and \$600,000 in fiscal year 2008-09. These costs are projected assuming fewer proposals that MTI may receive. Fiscal year 2007-08 savings allow for the timing of the first round of proposals to begin in quarter 3 of fiscal year 2007-08.

Office of Tourism 0577

Initiative: Adjusts funding to bring it into line with projected available resources based on revenue changes approved by the Revenue Forecasting Committee.

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
All Other	\$178,350	(\$80,196)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$178,350	(\$80,196)

Justification:

In November of 2007 the State's Revenue Forecasting Committee met to review and revise projections. This initiative aligns allocations with the year to date revised projections.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF DEPARTMENT TOTALS

	2007-08	2008-09
GENERAL FUND	(\$300,000)	(\$175,000)
OTHER SPECIAL REVENUE FUNDS	\$178,350	(\$80,196)
DEPARTMENT TOTAL - ALL FUNDS	(\$121,650)	(\$255,196)

Sec. A-19. Appropriations and allocations.

The following appropriations and allocations are made.

FOUNDATION FOR BLOOD RESEARCH

Scienceworks for ME 0908

Initiative: Reduces funding for community outreach. This initiative relates to the curtailments ordered in Financial Order 003806 F8.

GENERAL FUND	2007-08	2008-09
All Other	(\$2,240)	(\$3,540)
GENERAL FUND TOTAL	(\$2,240)	(\$3,540)

Justification:

This reduction will affect the community outreach by reducing the number of equipment donations by 75 units and require the cancellation of 2 laboratory classes, affecting approximately 35 students and teachers.

Sec. A-32. Appropriations and allocations. The following appropriations and allocations are made.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

Administrative Services - Professional and Financial Regulation 0094

Initiative: Eliminates the headcount, salary and related costs associated with the Commissioner Department of Professional and Financial Regulation position in the Administrative Services Division and eliminates one Administrator Office of Securities position in the Office of Securities.

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
POSITIONS - LEGISLATIVE COUNT	0.000	(1.000)
Personal Services	\$0	(\$109,168)
All Other	\$0	(\$892)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	(\$110,060)

Justification:

This initiative will eliminate 2 high level staff positions and requires the Governor to appoint one from among the Superintendent of the Bureau of Financial Institutions, Superintendent of the Bureau of Consumer Credit Protection, Superintendent of the Bureau of Insurance or Director of the Office of Licensing and Registration to perform the duties of commissioner in addition to the existing duties as superintendent or director. This request will also require the Superintendent of Financial Institutions to serve as the Office of Securities administrator.

Sec. B-1. Appropriations and allocations.

The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Business Development 0585

Initiative: RECLASSIFICATIONS

GENERAL FUND	2007-08	2008-09
Personal Services	\$8,617	\$12,323
All Other	(\$8,617)	(\$12,323)
GENERAL FUND TOTAL	\$0	\$0

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

Licensing and Enforcement 0352

Initiative: RECLASSIFICATIONS

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
Personal Services	\$10,298	\$4,224
All Other	(\$10,298)	(\$4,224)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0

Licensure in Medicine - Board of 0376

Initiative: RECLASSIFICATIONS

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
Personal Services	\$10,601	\$10,991
All Other	(\$10,601)	(\$10,991)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0

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

	2007-08	2008-09
OTHER SPECIAL REVENUE FUNDS	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0

SECTION TOTALS	2007-08	2008-09
GENERAL FUND	\$0	\$0
OTHER SPECIAL REVENUE FUNDS	\$0	\$0
SECTION TOTAL - ALL FUNDS	\$0	\$0

Sec. D-1. Appropriations and allocations.

The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Business Development 0585

Initiative: Eliminates the funding in fiscal year 2008-09 for one Development Director position in the Office of Business Development program and reduces All Other funding as a result of efficiencies in the Maine Small Business Commission - DECD program in order to streamline State Government in accordance with Public Law 2007, chapter 240, Part QQQ.

GENERAL FUND	2007-08	2008-09
Personal Services	\$0	(\$105,156)
GENERAL FUND TOTAL	\$0	(\$105,156)

Notes:

Initiative (16)

Initiative 16 proposed to eliminate the position of Director of the Office of Small Business and Entrepreneurship (OSB) and move the duties of that office to the Office of Business Development. There are no General Fund Personal Services budgeted in the Maine Small Business Commission.

The AFA committee voted to retain the legislative headcount but eliminate the Personal Services funding for the position to be eliminated. The savings was expected to continue beyond fiscal year 2008-09.

Justification:

This initiative eliminates the funding in fiscal year 2008-09 for the position of Director of the Office of Small Business and Entrepreneurship. All Other savings will be achieved through efficiencies.

Maine Small Business and Entrepreneurship Commission 0675

Initiative: Eliminates the funding in fiscal year 2008-09 for one Development Director position in the Office of Business Development program and reduces All Other funding as a result of efficiencies in the Maine Small Business Commission - DECD program in order to streamline State Government in accordance with Public Law 2007, chapter 240, Part QQQ.

GENERAL FUND	2007-08	2008-09
All Other	\$0	(\$50,000)
GENERAL FUND TOTAL	\$0	(\$50,000)

Notes:

Initiative (16)

Initiative 16 proposed to eliminate the position of Director of the Office of Small Business and Entrepreneurship (OSB) and move the duties of that office to the Office of Business Development. There are no General Fund Personal Services budgeted in the Maine Small Business Commission.

The AFA committee voted to retain the legislative headcount but eliminate the Personal Services funding for the position to be eliminated. The savings was expected to continue beyond fiscal year 2008-09.

Justification:

This initiative eliminates the funding in fiscal year 2008-09 for the position of Director of the Office of Small Business and Entrepreneurship. All Other savings will be achieved through efficiencies.

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

	2007-08	2008-09
GENERAL FUND	\$0	(\$155,156)
DEPARTMENT TOTAL - ALL FUNDS	\$0	(\$155,156)

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

2 **PART MM**

3 **Sec. MM-1. 36 MRSA §4641-B, sub-§4**, as amended by PL 2007, c. 240, Pt. H,
4 §1 and c. 427, §1, is repealed and the following enacted in its place:

5 **4. Distribution of State's share of proceeds.** The State Tax Assessor shall pay all
6 net receipts received pursuant to this section to the Treasurer of State and shall at the
7 same time provide the Treasurer of State with documentation showing the amount of
8 revenues derived from the tax imposed by section 4641-A, subsection 1 and the amount
9 of revenues derived from the tax imposed by section 4641-A, subsection 2. The Treasurer
10 of State shall credit 1/2 of the revenues derived from the tax imposed by section 4641-A,
11 subsection 1 to the General Fund and shall monthly pay the remaining 1/2 of such
12 revenues to the Maine State Housing Authority, which shall deposit the funds in the
13 Housing Opportunities for Maine Fund created in Title 30-A, section 4853, except that in
14 fiscal year 2003-04, fiscal year 2004-05 and fiscal year 2005-06, \$7,500,000 of the
15 remaining 1/2 of those revenues must be transferred to the General Fund before any
16 payments are made to the Maine State Housing Authority, in fiscal year 2006-07,
17 \$7,687,067 of the remaining 1/2 of those revenues must be transferred to the General
18 Fund before any payments are made to the Maine State Housing Authority and in fiscal
19 year 2007-08 and fiscal year 2008-09, \$5,000,000 of the remaining 1/2 of those revenues
20 must be transferred to the General Fund before any payments are made to the Maine State
21 Housing Authority. Beginning July 1, 2009, neither the Governor nor the Legislature
22 may divert the revenues payable to the Housing Opportunities for Maine Fund to any
23 other fund or for any other use. Any proposal to enact or amend a law to allow
24 distribution of less than 1/2 of the revenues derived from the tax imposed by section
25 4641-A, subsection 1 to the Housing Opportunities for Maine Fund must be submitted to
26 the Legislative Council and to the joint standing committee of the Legislature having
27 jurisdiction over affordable housing matters at least 30 days prior to any vote or public
28 hearing on the proposal. The Treasurer of State shall credit to the General Fund all of the
29 revenues derived from the tax imposed by section 4641-A, subsection 2.

30 **SUMMARY**

31 **PART MM**

32 This Part corrects a conflict created when Public Law 2007, chapter 240, Part H,
33 section 1 and Public Law 2007, chapter 427, section 1 both amended the same section of
34 law. This Part corrects the conflict by establishing July 1, 2009 as the on and after which
35 date neither the Governor nor the Legislature may divert the revenues payable to the
36 Housing Opportunities for Maine Fund to any other fund or for any other use.

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

2 **PART WW**

3 **Sec. WW-1. 30-A MRSA §4852, sub-§2**, as amended by PL 1989, c. 6 and c. 9,
4 §2 and repealed and replaced by c. 48, §§5 and 31 and amended by c. 104, Pt. C, §§8 and
5 10 and c. 581, §11, is further amended to read:

6 **2. Use of money.** Money in the fund may be used as provided in this subsection. As
7 the first priority, for the fiscal year beginning July 1, 2008 and annually thereafter, at least
8 \$2,972,414 must be provided to the Department of Health and Human Services for the
9 costs of its bridging rental assistance program.

10 A. Money in the Housing Opportunities for Maine Fund may be applied to:

11 (1) Reduce the rate of interest on or the principal amount of such mortgage
12 loans as the Maine State Housing Authority determines;

13 (2) Reduce payments by persons of low-income for the rental of single-family
14 or multi-unit residential housing;

15 (3) Make mortgage loans and such other types of loans or grants as the Maine
16 State Housing Authority determines;

17 (4) Fund reserve funds for, pay capitalized interest on, pay costs of issuance of
18 or otherwise secure and facilitate the sale of the Maine State Housing Authority's
19 bonds issued under this subchapter;

20 (5) Pay the administrative costs of state public bodies or other public
21 instrumentalities and private, nonprofit corporations directly associated with
22 housing projects; and

23 (6) Otherwise make the costs of single-family or multi-unit residential housing
24 affordable by persons of low-income.

25 A-1. In addition to the uses provided in paragraph A, the following may be used to
26 pay the administrative costs of the authority's programs:

27 (1) No more than 3% of the money in the fund, other than amounts derived from
28 the dedication of the tax on real estate transfers established in Title 36, chapter
29 711-A;

30 (2) Any earnings from the fund; and

31 (3) Any recoveries to the fund, including, but not limited to, repayments,
32 recaptures of principal and recaptures of interest owed.

33 B. Notwithstanding the requirements of section 4702, subsection 10, mortgage
34 loans made or assisted with money from the fund may be secured by a mortgage
35 ~~which~~ that does not constitute a first lien.

36 C. If any money in the Housing Opportunities for Maine Fund is used in
37 conjunction with or as part of the issuance of any mortgage purchase bonds and the
38 proceeds of the bonds are allocated by the Maine State Housing Authority to assist in

1 the acquisition of housing, the Maine State Housing Authority may require that the
2 purchaser of the housing make a minimum down payment in an amount determined
3 by the Maine State Housing Authority; except that any such requirement ~~shall~~ does
4 not apply to mortgage loans insured or guaranteed by the United States Veterans
5 Administration, the Federal Housing Administration or any other agency of the
6 Federal Government that allows for a lesser down payment than that required by the
7 Maine State Housing Authority. The Maine State Housing Authority may not limit
8 the maximum down payment that may be required.

9 D. Money in the fund may be provided to 3rd parties to provide reasonable
10 administrative support and planning funds for the development or specific creation of
11 new housing units or the rehabilitation of dilapidated or substandard existing housing
12 units.

13 **SUMMARY**

14 **PART WW**

15 This Part establishes the bridging rental assistance program of the Department of
16 Health and Human Services as the first priority for funding in the Housing Opportunities
17 for Maine Program. Beginning with fiscal year 2008-09, at least \$2,972,414 must be
18 provided annually to the department for program operations.