

Language for Governor’s Change Package to LD 258 – GF Biennial Budget 2024-2025

Amend LD 258 Part I by deleting the current Sec. I-1 and replacing with the following:

PART I

Sec. I-1. 5 MRSA §1531 is amended to read:

1531. Definitions

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

1. Average population growth.

2. Average personal income growth. "Average personal income growth" means the average for the prior 10 calendar years, ending with the most recent calendar year for which data is available, of the percent change in personal income in this State, as estimated by the United States Department of Commerce, Bureau of Economic Analysis. The average personal income growth is determined by October 1st, annually, by the State Economist.;

3. Baseline General Fund revenue. "Baseline General Fund revenue" means the recommended General Fund revenue forecast reported by the Revenue Forecasting Committee ~~in its December 1st report of even-numbered years, increased by the net reduction of General Fund revenue, if any, for all enacted changes affecting state and local tax burden since the previous December 1st report of even-numbered years of the Revenue Forecasting Committee.~~ in accordance with Title 5, Chapter 151-B, Section 1710-F.

4. Biennial base year appropriation. "Biennial base year appropriation" means:

A. For the 2018-2019 biennium, the General Fund appropriation enacted for fiscal year 2016-17 as of December 1, 2016. For the 2024-2025 biennium, ninety-eight percent of the Baseline General Fund revenue for fiscal year 2023-24 as of December 1, 2022; and

B. For subsequent fiscal years, the amount of the General Fund appropriation limitation calculated for the current year as of December 1st of even-numbered years pursuant to section 1534, sub-section 1 of this chapter.

5. Commissioner. "Commissioner" means the Commissioner of Administrative and Financial Services.

6. Forecasted inflation.

7. General Fund revenue shortfall. "General Fund revenue shortfall" means the amount by which the General Fund appropriation limitation established by section 1534 exceeds baseline General Fund revenue and other available resources in each state fiscal year.

8. Stabilization fund. "Stabilization fund" means the Maine Budget Stabilization Fund established in this chapter.

~~**9. State and local tax burden.** "State and local tax burden" means the total amount of state and local taxes paid by Maine residents, per \$1,000 of income, as determined annually by the State Tax Assessor based on data from the United States Department of Commerce, Bureau of Census and Bureau of Economic Analysis.~~

PART I SUMMARY

The change to this Part clarifies that the base for the appropriation limit calculation is intended to be reset at 98% of the baseline General Fund revenue projected by the Revenue Forecasting Committee as of December 1, 2022.

Amend LD 258 Part J by deleting the current Part and replacing with the following:

PART J

Sec. J-1. 30-A MRSA §5250-J, sub-§5, as amended by PL 2021, c. 398, §1, is further amended to read:

5. Termination and repeal. A qualified Pine Tree Development Zone business located in a tier 1 location may not be certified under this subchapter after December 31, ~~2023~~ 2024, and a qualified Pine Tree Development Zone business located in a tier 2 location may not be certified under this subchapter after December 31, 2013. All Pine Tree Development Zone benefits provided under this subchapter are terminated on December 31, ~~2033~~ 2034. This subchapter is repealed July 1, 2035.

Sec. J-2. 30-A MRSA §5250-Q, as enacted by PL 2005, c. 555, §3, is repealed.

Sec. J-3. 30-A MRSA §5250-R, as enacted by PL 2007, c. 240, Pt. QQQQ, §1, is repealed.

Sec. J-4. 30-A MRSA §5250-S, as amended, is repealed.

Sec. J-5. 30-A MRSA §5250-T, as enacted by PL 2007, c. 240, Pt. QQQQ, §1, is repealed.

Sec. J-6. 35-A MRSA §3210-E, sub-§1, as enacted by PL 2009, c. 627, §5, is amended to read:

1. Discount rates. Transmission and distribution utilities may offer discounted rates on new incremental electricity usage to qualified Pine Tree Development Zone businesses established under Title 30-A and qualified Dirigo Incentive businesses established under Title 36, section 5219-AAA. If a transmission and distribution utility requires approval prior to offering any such rate, the transmission and distribution utility shall apply to the commission in accordance with applicable provisions of this Title, and the

commission may approve the rate if it finds it to be in accord with applicable requirements of this Title, except that the commission may take into account the overall benefits to ratepayers resulting from state efforts to promote economic development within Pine Tree Development Zones.

Sec. J-7. 35-A MRSA §3210-E, sub-§6, as amended by PL 2021, c. 398, Pt. III, §2, is further amended to read:

6. Repeal. This section is repealed December 31, ~~2033~~ 2034.

Sec. J-8. 36 MRSA §191, sub-§2, ¶SSS is enacted to read:

SSS. The disclosure of information to the Department of Economic and Community Development necessary for the administration of the Dirigo business incentives credit program and the joint standing committees of the Legislature having jurisdiction over taxation and economic development matters for purposes of the annual reporting requirement pursuant to section 5219-AAA.

Sec. J-9. 36 MRSA §1760, sub-§87, as amended by PL 2021, c. 398, Pt. III, §3, is further amended to read:

87. Sales of tangible personal property and transmission and distribution of electricity to qualified development zone businesses. Beginning July 1, 2005, sales of tangible personal property, and of the transmission and distribution of electricity, to a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5250-I, subsection 17, for use directly and primarily in one or more qualified business activities, as defined in Title 30-A, section 5250-I, subsection 16. The exemption provided by this subsection is limited for each qualified Pine Tree Development Zone business to sales occurring within a period of 10 years in the case of a business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, and 5 years in the case of a business located in a tier 2 location, as defined in Title 30-A, section 5250-I, subsection 21-B, from the date the business is certified pursuant to Title 30-A, section 5250-O or until December 31, ~~2033~~ 2034, whichever occurs first. For a business that applies for certification as a qualified Pine Tree Development Zone business with the Commissioner of Economic and Community Development on or after January 1, 2019, the exemption provided by this subsection requires a qualified Pine Tree Development Zone business to obtain a certificate of qualification issued by the Commissioner of Economic and Community Development pursuant to Title 30-A, section 5250-O. As used in this subsection, "primarily" means more than 50% of the time during the period that begins on the date on which the property is first placed in service by the purchaser and ends 2 years from that date or at the time the property is sold, scrapped, destroyed or otherwise permanently removed from service by the purchaser, whichever occurs first.

Sec. J-10. 36 MRSA §2016, sub-§4, ¶A, as amended by PL 2021, c. 398, Pt. III, §4, is further amended to read:

A. Reimbursements made by the assessor pursuant to subsection 2, paragraph A are limited to taxes paid in connection with sales of tangible personal property that occur within a period of 10 years in the case of a qualified Pine Tree Development Zone business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, and 5 years in the case of a qualified Pine Tree Development Zone business located in a tier 2 location, as defined in Title 30-A, section 5250-I, subsection 21-B, from the date the qualified Pine Tree Development Zone business receiving the property is certified pursuant to Title 30-A, section 5250-O or by December 31, ~~2033~~ 2034, whichever occurs first.

Sec. J-11. 36 MRSA §2529, sub-§3, as amended by PL 2021, c. 398, Pt. III, §5, is further amended to read:

3. Limitation. The credit provided by this section may not be claimed for calendar years beginning on or after January 1, ~~2034~~ 2035.

Sec. J-12. 36 MRSA §5219-W, sub-§4, as amended by PL 2021, c. 398, Pt. III, §6, is further amended to read:

4. Limitation. The credit provided by this section may not be claimed for tax years beginning on or after January 1, ~~2034~~ 2035.

Sec. J-13. 36 MRSA §5219-NN, sub-§1-A, as enacted by PL 2019, c. 527, Pt. A, §6, is amended to read:

1-A. Credit allowed; on or after January 1, 2020, and before January 1, 2025. A taxpayer that claims a depreciation deduction under the Code, Section 168(k) for property placed in service in the State during a taxable year that begins on or after January 1, 2020, and before January 1, 2025, is allowed a credit as follows:

A. For a taxable corporation, a credit against the taxes imposed by this Part in an amount equal to 1.2% of the amount of the net increase in the depreciation deduction reported as an addition to income for the taxable year under section 5200-A, subsection 1, paragraph CC, subparagraph (1) with respect to that property, except for excluded property under subsection 2; and

B. For an individual, a credit against the taxes imposed by this Part in an amount equal to 1.2% of the net increase in the depreciation deduction reported as an addition to income for the taxable year under section 5122, subsection 1, paragraph KK, subparagraph (1) with respect to that property, except for excluded property under subsection 2.

Sec. J-14. 36 MRSA §5219-AAA is enacted to read:

§5219-AAA. Dirigo business incentives credit program

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

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

B. "Commissioner" means the Commissioner of Economic and Community Development.

C. "Department" means the Department of Economic and Community Development.

D. "Eligible business property" means business property placed in service in Maine in the tax year used exclusively by the taxpayer for the qualified business activity described in the letter of certification issued pursuant to subsection 3.

E. "Eligible capital investment" means the total of business expenditures incurred by a taxpayer after receiving a letter of certification pursuant to subsection 3 that exceeds \$50,000 to purchase eligible business property placed in service during the tax year.

F. "Eligible sector" means one of the following industries only:

(1) Agriculture, forestry and fishing;

(2) Manufacturing;

(3) Long-distance freight transportation;

(4) Software publishing, data processing and computer design services; or

(5) Engineering, architecture and scientific research and development services.

G. "Facility" means one or more buildings and includes the real and personal property located in those buildings.

H. "Layoff" means a reduction in workforce at a qualified business with 20 or more persons employed during any one of the preceding 4 quarters that results in an employment loss for at least 2 consecutive months ending in the tax year of at least 20% of the qualified business's employees in this State. "Layoff" does not mean a reduction in workforce due to an accidental fire, flood, hurricane, windstorm, earthquake or other similar event.

I. "Primarily" means more than 50% of the time and, with respect to a building or other structure, more than 50% of the usable space.

J. "Program" means the Dirigo business incentives program created under subsection 2.

K. "Qualified business" means any for-profit business in this State engaged in an eligible sector that has received a letter of certification as a qualified business pursuant to subsection 3.

L. "Qualified business activity" means a business activity carried on primarily in an eligible sector.

M. "Qualified employee" means an employee who is employed in this State by a qualified business and works primarily in a qualified business activity in this State.

N. "Qualified employee training program" means a qualified business's training activities for a qualified business activity as described in the letter of certification issued pursuant to subsection 3 for a minimum of 3 qualified employees that provide a minimum of 20 total training hours for each qualified employee and are:

(1) An apprenticeship program registered under the Maine Apprenticeship Program pursuant to Title 26, chapter 37;

(2) An on-the-job training contract pursuant to Title 26, section 2172;

(3) A training provided by or approved for funding from the Maine Community College System; or

(4) Education or training provided by the University of Maine System or other accredited university or college.

"Qualified employee training program" only includes training hours during which the qualified business pays the participating qualified employees their regular hourly rate unless the cost of the training to the qualified business exceeds \$2,000 per participant.

2. Program. The commissioner shall create the Dirigo business incentives program.

3. Certification of qualified business. A business may apply to the commissioner for certification as a qualified business for purposes of the program. Upon review and determination by the commissioner that a business is a qualified business, the commissioner shall issue a letter of certification to the business that includes a description of the qualified business activity for which the letter is being issued. The letter of certification for a qualified business activity is valid for five tax years, after which it is no longer effective for this section. A letter of certification for a qualified business may describe qualified business activities in multiple locations and multiple eligible sectors. The commissioner may issue more than one letter of certification for a single qualified business.

A business may not be a qualified business if the business is:

A. A public utility as defined by Title 35-A, section 102, subsection 13;

B. A business certified as a qualified Pine Tree Development Zone business as provided by Title 30-A, section 5250-O;

C. A business with a certificate of approval for the Maine Employment Tax Increment Financing Program as provided by section 6755;

D. A business with a certificate of approval for one of the tax credits allowed under section 5219-RR or 5219-YY; or

E. A business that has undergone a layoff within the past 2 tax years.

4. Credit allowed. For tax years beginning on or after January 1, 2025, a taxpayer who is a qualified business is allowed a credit as provided in this section. Subject to subsection 5 and 6, the credit allowed is equal to the total of the following:

A. Fifteen percent of the eligible capital investment placed in service outside of Cumberland, Sagadahoc and York counties;

B. Seven and one-half percent of the eligible capital investment placed in service in Cumberland, Sagadahoc and York counties; and

C. Two thousand dollars for each qualified employee engaged in a qualified employee training program provided by the business completed in the tax year.

5. Credit refundable. Subject to paragraphs A through D below, the credit allowed under this section is refundable up to \$500,000 per tax year.

A. In the case of a taxpayer that is a partner in a partnership or a shareholder in an S corporation, the credit under this section is refundable up to an amount equal to \$500,000 multiplied by the pro rata share of the partner or shareholder determined in accordance with section 5219-G, subsection 1.

B. In the case of a taxpayer that is a beneficiary of an estate or trust that is a partner in a partnership or shareholder in an S corporation, the credit under this section is refundable up to an amount equal to the amount determined in accordance with paragraph A for the estate or trust multiplied by each beneficiary's pro rata share of tax credits determined in accordance with section 5219-G, subsection 2.

C. In the case of a taxpayer that is a partner in a partnership or a shareholder in an S corporation that is an affiliated business, the credit under this section is refundable up to an amount equal to \$500,000 multiplied by the ratio determined in accordance with paragraph A, the result of which is multiplied by a ratio, the numerator of which is the eligible capital investment of the affiliated business during the taxable year plus \$2,000 for each qualified employee of the affiliated business engaged in a qualified employee training program during the taxable year and the denominator of which is the total eligible capital investment of all members of the affiliated business group during the taxable year plus \$2,000 for each qualified employee of all members of the affiliated business group engaged in a qualified employee training program during the taxable year.

D. In the case of corporations that are members of an affiliated group engaged in a unitary business, the credit under this section is refundable up to \$500,000 for the entire group. The credit limit of \$500,000 must be apportioned among the taxable corporations in the affiliated group in the same proportion that the tax liability of each taxable corporation in the affiliated group bears to the total tax liability of all the taxable corporations in the affiliated group.

6. Limitation; carry-over. Subject to paragraphs A through D below, the credit allowed pursuant to this section, including carry-overs, may not exceed \$2,000,000 for any one tax year. A taxpayer entitled to a credit under this section for any tax year may carry over any unused portion of the credit determined in accordance with subsection 4, as reduced from year to year,

and apply it to the tax liability for any one or more of the next succeeding 4 tax years. Carryover amounts may be applied to tax years after the expiration of a taxpayer's letter of certification issued pursuant to subsection 3.

A. In the case of a taxpayer that is a partner in a partnership or a shareholder in an S corporation, the credit under this section may not exceed \$2,000,000 multiplied by the pro rata share of the partner or shareholder determined in accordance with section 5219-G, subsection 1.

B. In the case of a taxpayer that is a beneficiary of an estate or trust that is a partner in a partnership or shareholder in an S corporation, the credit under this section may not exceed \$2,000,000 multiplied by the ratio determined in accordance with paragraph A, the result of which is multiplied by each beneficiary's pro rata share of tax credits determined in accordance with section 5219-G, subsection 2.

C. In the case of a taxpayer that is a partner in a partnership or a shareholder in an S corporation that is an affiliated business, the credit under this section may not exceed \$2,000,000 multiplied by the ratio determined in accordance with paragraph A, the result of which is multiplied by a ratio, the numerator of which is the eligible capital investment of the affiliated business during the taxable year plus \$2,000 for each qualified employee of the affiliated business engaged in a qualified employee training program during the taxable year and the denominator of which is the total eligible capital investment of all members of the affiliated business group during the taxable year plus \$2,000 for each qualified employee of all members of the affiliated business group engaged in a qualified employee training program during the taxable year.

D. In the case of corporations that are members of an affiliated group engaged in a unitary business, the credit under this section may not exceed \$2,000,000 for the entire group. The credit limit of \$2,000,000 must be apportioned among the taxable corporations in the affiliated group in the same proportion that the tax liability of each taxable corporation in the affiliated group bears to the total tax liability of all the taxable corporations in the affiliated group.

7. Disallowance. Unused carryover amounts allowed under this section must be disallowed if the eligible business property forming the basis of the credit under subsection 3 is not used in the State for the entire 5-year period following the date it is placed in service or the taxpayer undergoes a layoff. The amount disallowed is equal to the credit amount allowed based on subsection 4 multiplied by a fraction, the numerator of which is the number of years remaining in the 5-year period, rounded up to the nearest whole number, and the denominator of which is 5. Unused carryover amounts do not need to be disallowed for eligible business property temporarily removed from service for maintenance or repair or as a result of a declared state disaster or emergency within the meaning of Title 10, section 9902, subsection I.

8. Eligible business property. To qualify as eligible business property, the property must be placed in service in the State and must be subject to an allowance for depreciation under the

Code during the tax year or would be subject to an allowance for depreciation under the Code but for the fact that the property has been fully depreciated.

A property does not qualify as eligible business property if that property is:

A. Property with a depreciable useful life of less than 5 years;

B. Property purchased or transferred from an affiliated business located in the State;

C. Property located at a retail sales facility and used primarily in a retail sales activity. For purposes of this paragraph, the following terms have the following meanings.

(1) "Retail sales activity" means an activity primarily associated with the selection and retail purchase of goods or rental of tangible personal property. "Retail sales activity" does not include production as defined in section 1752, subsection 9-B.

(2) "Retail sales facility" means a structure used to serve customers who are physically present at the facility for the purpose of selection and retail purchase of goods or rental of tangible personal property; or

D. A vehicle on which a tax assessed pursuant to chapter 111 has been paid or a watercraft registered for use on state waters on which a tax assessed pursuant to chapter 112 has been paid.

E. Qualified rehabilitation property used to calculate the credit for rehabilitation of historic properties under section 5219-BB;

F. Existing real property previously placed in service in the State.

9. Rules. The assessor and the commissioner may adopt joint rules necessary to implement this section. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

10. Annual report to department and Legislature. On or before December 31st annually, beginning in 2026, the assessor shall report to the department the following information for each qualified business that received a credit pursuant to this section for the tax year ending during the immediately preceding calendar year:

A. The name of the qualified business;

B. The number of qualified employees engaged in a qualified employee training program provided by the business completed in the tax year;

C. The value of eligible capital investment expenditures in which the property was placed into service;

D. The credit amount received under subsections 4(A), 4(B), and 4(C) for the tax year; and

E. The eligible sector of the business's qualified business activity.

On or before March 1st annually, beginning in 2027, the department shall report to the joint standing committees of the Legislature having jurisdiction over taxation and economic

development matters information on the Dirigo business incentives program, including, but not limited to, the information reported by the assessor pursuant to paragraphs A through E.

11. Evaluation; specific public policy objective; performance measures. The credit provided under this section is subject to legislative review in accordance with Title 3, section 999. In developing evaluation parameters to perform the review, the Office of Program Evaluation and Government Accountability, the joint legislative committee established to oversee program evaluation and government accountability matters and the joint standing committee of the Legislature having jurisdiction over taxation matters shall consider:

A. That the specific public policy objective of the credit provided under this section is to improve the productivity of workers and businesses in the State by encouraging businesses to invest in capital and worker training; and

B. Performance measures, including, but not limited to:

- (1) The amount of eligible capital investment;
- (2) The number of workers trained;
- (3) The amount of credit used to offset tax liability;
- (4) The amount of credit refunded pursuant to subsection 5; and
- (5) The economic productivity of credit recipients.

Sec. J-15. 36 MRSA §6754, sub-§1, ¶D, as amended by PL 2021, c. 398, Pt. III, §7, is further amended to read:

D. For qualified Pine Tree Development Zone employees, as defined in Title 30-A, section 5250-I, subsection 18, employed directly in the qualified business activity of a qualified Pine Tree Development Zone business, as defined in Title 30-A, section 5250-I, subsection 17, for whom a certificate of qualification has been issued in accordance with Title 30-A, section 5250-O, the reimbursement under this subsection is equal to 80% of the benefit base each year for which reimbursement is requested and attributed to those qualified employees for a period of no more than 10 years for a tier 1 location as defined in Title 30-A, section 5250-I, subsection 21-A and no more than 5 years for a tier 2 location as defined in Title 30-A, section 5250-I, subsection 21-B. Reimbursement under this paragraph may not be paid for years beginning after December 31, ~~2033~~ 2034.

Sec. J-16. 36 MRSA §6763 is enacted to read:

§6763. Termination

The commissioner may not issue a certificate of approval for a business under this chapter after December 31, 2024. All employment tax increment financing benefits provided under this chapter are terminated on December 31, 2034.

**PART J
SUMMARY**

This Part creates the Dirigo business incentives credit program to provide a tax credit to qualified businesses. The Part provides an exemption from the requirement for confidentiality of tax records for information disclosed as part of certain reports to the Department of Economic and Community Development and legislative committees regarding the Dirigo business incentives credit program. It extends the end date of the Pine Tree Development Zone program and associated provisions of statute by one year, and it repeals sections of statute regarding Pine Tree Recreation Zones. This Part ends the Maine Capital Investment credit January 1, 2025. This Part also prohibits issuing a certificate of approval for employment tax increment financing after December 31, 2024 and provides for the end of employment tax increment financing benefits as of December 31, 2034.

Amend LD 258 Part EE by deleting the current Part and replacing with the following:

PART EE

Sec. EE-1. 5 MRSA §7-A, sub-§2 is amended to read:

2. Individual assignment of vehicles. Assignment of a state vehicle to an individual employee will be made only when that assignment is clearly necessary and meets one or more of the following criteria:

- A. Sworn law enforcement personnel with powers of arrest or probation officers regularly assigned to field duty;
- B. Field personnel directly concerned with the maintenance and operation of highway or Maine National Guard facilities who are frequently called for emergency duty at other than regular working hours;
- C. Employees identified by the Governor, the Commissioner of Public Safety, the Commissioner of Corrections, the Commissioner of Defense, Veterans and Emergency Management or the Commissioner of Transportation to be available for call beyond the normal workday on a regular basis to protect the public safety;
- D. Employees who are officially headquartered at their residences and carry unusual materials or equipment which make up an integral part of the employee's ability to perform the employee's job function on a regular basis and would be dangerous, unsanitary or too large to carry in that employee's personal vehicle; or
- E. Employees who are officially headquartered at their residences provided the department head determines annually that the assignment is more effective than reimbursement for mileage.

Sec. EE-2. 5 MRSA §7-B is amended to read:

§7-B. Use of state vehicles for commuting

Notwithstanding section 7-A, a state-owned or state-leased vehicle may not be used by any employee to commute between home and work, except for those vehicles authorized and assigned to employees of the Baxter State Park Authority and of the Department of Defense, Veterans and Emergency Management, Military Bureau as designated by the Commissioner of Defense, Veterans and Emergency Management, to the director or deputy director or duty officer of the Maine Emergency Management Agency within the Department of Defense, Veterans and Emergency Management; to employees of the Department of Corrections designated by the Commissioner of Corrections; and to law enforcement officials within the following organizational units: Bureau of State Police; Maine Drug Enforcement Agency; Office of the State Fire Marshal; ~~the division within the Department of Public Safety designated by the Commissioner of Public Safety to enforce the law relating to the manufacture, importation, storage, transportation and sale of all liquor and to administer those laws relating to licensing and collection of taxes on malt liquor and wine;~~ Bureau of Motor Vehicles; Bureau of Marine Patrol; the forest protection unit within the Bureau of Forestry; Bureau of Warden Service; Bureau of Parks and Lands; Office of Cannabis Policy; and Bureau of Alcoholic Beverages and Lottery Operations; and ~~the Office of Chief Medical Examiner;~~ the investigation division and the Medicaid fraud control unit within the Office of the Attorney General.

**PART EE
SUMMARY**

This Part adds probation officers and other employees identified by the Commissioner of Corrections to those employees that may be assigned a state vehicle. This Part also updates the list of those employees that are authorized to use state vehicles for commuting between home and work.

Amend LD 258 by deleting Part II.

Amend LD 258 by deleting Part KK.

Amend LD 258 Part LL as follows:

Current

PART LL

Sec. LL-1. Department of Corrections, Admin Corrections-Carrying account; lapsed balances. Notwithstanding any provision of law to the contrary, \$1,057,303 of unencumbered balance forward from the Department of Corrections, Admin Corrections-Carrying account, General Fund carrying account, All Other line category lapses to the unappropriated surplus of the General Fund no later than June 30, 2024.

Revised

PART LL

Sec. LL-1. Department of Corrections, Admin Corrections-Carrying account; lapsed balances. Notwithstanding any provision of law to the contrary, \$1,057,313 of unencumbered balance forward from the Department of Corrections, Admin Corrections-Carrying account, General Fund carrying account, All Other line category lapses to the unappropriated surplus of the General Fund no later than June 30, 2024.

**PART LL
SUMMARY**

This Part lapses unencumbered balance forward from the Department of Corrections, Admin Corrections-Carrying account to the General Fund in fiscal year 2023-24. The revision corrects the amount to be lapsed to \$1,057,313.

Amend LD 258 Part TT by deleting the current Part and replacing with the following:

PART TT

Sec. TT-1. Transfer from General Fund unappropriated surplus; State Housing Authority program. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$80,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, State Housing Authority program, Other Special Revenue Funds account to expand housing options that are affordable to households, with \$35,000,000 to the Rural Affordable Rental Housing Program and \$35,000,000 to the Low-income Housing Tax Credit Program. Additionally, \$10,000,000 to a new Innovation Fund for Attainable Housing, which will support the development of rental housing options for households with incomes up to 80% of the area median income and ownership housing options for households with incomes up to 120% of the area median income, through development

subsidies, low-barrier financing options, and support for additional development and production mechanisms to accelerate housing production in Maine.

**PART TT
SUMMARY**

This Part requires the transfer of \$80,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, State Housing Authority program, Other Special Revenue account to expand housing options that are affordable to households through funding to the Rural Affordable Rental Housing Program, the Low-income Housing Tax Credit Program and a new Innovation Fund for Attainable Housing. The change increases the transfer from \$30,000,000 to \$80,000,000.

Amend LD 258 Part QQQ by adding the following:

PART QQQ

Sec. QQQ-3. Eligibility and conditions for 2 year free tuition program.

1. Eligibility. For purposes of this Part, an eligible student is:
 - A. A high school graduate in the class of 2020 or 2021, or a person who obtains the equivalent of a high school diploma in 2020 or 2021, who enrolls in a Maine community college no later than during the 2023- 2024 academic year;
 - B. A high school graduate in the class of 2022, or a person who obtains the equivalent of a high school diploma in 2022, who enrolls in a Maine community college no later than the 2024-2025 academic year; or
 - C. A high school graduate in the class of 2023, or a person who obtains the equivalent of a high school diploma in 2023, who enrolls in a Maine community college no later than the 2025-2026 academic year.
 - D. A high school graduate in the class of 2024, or a person who obtains the equivalent of a high school diploma in 2024, who enrolls in a Maine community college no later than the 2026-2027 academic year.
 - E. A high school graduate in the class of 2025, or a person who obtains the equivalent of a high school diploma in 2025, who enrolls in a Maine community college no later than the 2027-2028 academic year.
2. Conditions. In order to receive 2 years of free community college, an eligible student must:
 - A. Pursue an associate degree or academic credential;
 - B. Live in the State at the time of enrollment in a community college and for the duration of that enrollment;

C. Accept all available federal and state grants, scholarships and other sources of funding; and

D. Complete the program of study within 200 percent of the stated completion time.

For example, eligible students have up to 2 years to complete a 1 year certificate program, and up to 4 years to complete a 2 year associate degree program.

PART QQQ SUMMARY

This section adds to Part QQQ to establish the eligibility and conditions for Maine Community College's 2-year free tuition program.

Amend LD 258 by adding the following Part:

PART XXX

Sec. XXX-1. 30-A MRSA §5681, sub-§5, as amended by P.L. 2021, c. 398, Pt. G, §1, is further amended to read:

5. Transfers to funds. No later than the 10th day of each month, the State Controller shall transfer to the Local Government Fund 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 for fiscal years 2015-16, 2016-17, 2017-18 and 2018-19 the amount transferred is 2%, for fiscal year 2019-20 the amount transferred is 3%, for fiscal year 2020-21 the amount transferred is 3.75% and for fiscal year 2021-22 the amount transferred is 4.5% 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, and 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.

Beginning January 1, 2025, no later than the 10th day of each month, the State Controller shall transfer to the Local Government Fund 5% of the receipts during the previous month from the taxes imposed under Title 36, section 2552, subsection 1-A, 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.

A percentage share of the amounts transferred to the Local Government Fund each month must be transferred to the Disproportionate Tax Burden Fund and distributed pursuant to subsection 4-B as follows:

- 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. XXX-2. 36 MRSA §191, sub-§2, ¶R, as amended by P.L. 2017, c. 211, Pt. A, §8 is further amended to read:

R. The disclosure to the Department of Health and Human Services and to the Department of Administrative and Financial Services, Division of Financial and Personnel Services of information relating to the administration and collection of the taxes imposed by ~~chapter 358,~~ ~~chapter~~ 373, chapter 375 and chapter 377 for the purposes of administration of those taxes and the financial accounting and revenue forecasting of those taxes;

Sec. XXX-3. 36 MRSA §2551, sub-§1-A, as amended by P.L. 2007, c. 539, Pt. DDD, § 1, is repealed.

Sec. XXX-4. 36 MRSA §2551, sub-§1-B, as amended by P.L. 2011, c. 542, Pt. A, §§136-37, is repealed.

Sec. XXX-5. 36 MRSA §2551, sub-§1-G, as amended by P.L. 2011, c. 542, Pt. A, §§136-37, is repealed.

Sec. XXX-6. 36 MRSA §2551, sub-§1-H, as enacted by P.L. 2013, c. 368, Pt. OOOO, §1, is repealed.

Sec. XXX-7. 36 MRSA §2551, sub-§2-A, as enacted by P.L. 2017, c. 257, §2 is amended to read:

2-A. Customer. “Customer” means a person who purchases one or more services subject to tax under section 2552, ~~subsection 1.~~

Sec. XXX-8. 36 MRSA §2551, sub-§7-B, as amended by P.L. 2011, c. 542, Pt. A, §138, is repealed.

Sec. XXX-9. 36 MRSA §2551, sub-§10, as amended by P.L. 2015, c. 300, Pt. A, §30, is repealed.

Sec. XXX-10. 36 MRSA §2551, sub-§11, as corrected by R.R. 2015, c. 2, §24, is repealed.

Sec. XXX-11. 36 MRSA §2552, sub-§1, as amended by P.L. 2015, c. 267, Pt. TTTT, §§3 and 9, and P.L. 2015, c. 300, Pt. A, §32, is further amended to read:

1. Rate. Effective January 1, 2016; and before January 1, 2025, a tax at the rate of 6% is imposed on the value of the following services sold in this State:

- A. Cable and satellite television or radio services;
- B. Fabrication services;
- C. Rental of video media and video equipment;
- D. Rental of furniture, audio media and audio equipment pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105;
- E. Telecommunications services;
- F. The installation, maintenance or repair of telecommunications equipment;
- G. Private nonmedical institution services;
- H. Community support services for persons with mental health diagnoses;
- I. Community support services for persons with intellectual disabilities or autism;
- J. Home support services;
- L. Ancillary services; and
- M. Group residential services for persons with brain injuries.

Sec. XXX-12. 36 MRS §2552, sub-§1-A is enacted to read:

1-A. Rate. Effective January 1, 2025, a tax at the rate of 6% is imposed on the value of the following services sold in this State:

- A. Cable and satellite television or radio services;
- B. Fabrication services;
- C. Rental of video media and video equipment;
- D. Rental of furniture, audio media and audio equipment pursuant to a rental-purchase agreement as defined in Title 9-A, section 11-105;
- E. Telecommunications services;
- F. The installation, maintenance or repair of telecommunications equipment; and
- G. Ancillary services.

Sec. XXX-13. 36 MRS §2559, as amended by P.L. 2021, c. 635, Pt. EE, §1, 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 and M to the Medical Care Services Other Special Revenue Funds account, the Other Special Revenue Funds Mental Health Services - Community Medicaid program, the Medicaid Services - Adult Developmental Services program and the Office of Behavioral Health - Medicaid Seed program within the Department of Health and Human Services.

Beginning January 1, 2025, 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-A, 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.

Sec. XXX-14. Application Date. This Part applies to sales on or after January 1, 2025.

**PART XXX
SUMMARY**

This Part repeals the healthcare-related provisions of the Service Provider Tax in Title 36, Chapter 358 beginning January 1, 2025. In doing so, the bill also makes technical changes to the revenue sharing statute in Title 30-A as well as the revenue sharing provisions and tax records confidentiality statute in Title 36.

Amend LD 258 by adding the following Part:

PART YYY

Sec. YYY-1. 36 M.R.S.A. § 5218, sub-§ 1 is amended to read:

1. Resident taxpayer. A resident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for child and dependent care expenses in the same tax year, except that for tax years

beginning on or after January 1, 2024, the applicable percentage is 50%. ~~in 2003, 2004 and 2005, the applicable percentage is 21.5% instead of 25%.~~

Sec. YYY-2. 36 M.R.S.A. § 5218, sub-§ 2 is amended to read:

2. Nonresident taxpayer. A nonresident individual is allowed a credit against the tax otherwise due under this Part in the amount of 25% of the federal tax credit allowable for the child and dependent care expenses 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, except that for tax years beginning on or after January 1, 2024, the applicable percentage is 50%. ~~in 2003, 2004, and 2005, the applicable percentage is 21.5% instead of 25%.~~

Sec. YYY-3. 36 M.R.S.A. § 5218, sub-§ 2-A is amended to read:

2-A. 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 25%, except that for tax years beginning on or after January 1, 2024, the applicable percentage is 50% ~~in 2003, 2004 and 2005 the applicable percentage is 21.5%, instead of 25%~~, of the federal tax credit allowable for child and dependent care expenses 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.

PART YYY SUMMARY

This Part revises income tax law to increase the base amount of the Child Care Credit (tax credit for child care expenses) from 25% to 50%; and removes references to an outdated applicable percentage.

Amend LD 258 by adding the following Part:

PART ZZZ

Sec. ZZZ-1. 36 M.R.S.A. §111, sub-§1-A, as amended by PL 2021, c. 594, §1, 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 December 31, ~~2021~~ 2022.

Sec. ZZZ-2. 36 MRSA §5124-A, as amended by PL 2015, c. 267, Pt. DD, §13 and affected by §34, is repealed.

Sec. ZZZ-3. 36 MRSA §5124-C, sub-§1-A, as enacted by PL 2019, c. 616, Pt. X, §3, is amended to read:

1-A. Amount; ~~on or after~~ before January 1, 2020 2026. For tax years beginning on or after January 1, 2020 and before January 1, 2026, the standard deduction of a resident individual is equal to the federal standard deduction, subject to the phase-out under subsection 2.

Sec. ZZZ-4. 36 MRSA §5124-C, sub-§1-B is enacted to read:

1-B. Amount; on or after January 1, 2026. For tax years beginning on or after January 1, 2026, the standard deduction of a resident individual is equal to the sum of the basic standard deduction and the additional standard deduction, subject to the phase-out under subsection 2.

A. The basic standard deduction is:

- (1) For single individuals and married persons filing separate returns, \$12,000;
- (2) For individuals filing as heads of households, the amount allowed under subparagraph (1) multiplied by 1.5; and
- (3) For individuals filing married joint returns or surviving spouses, the amount allowed under subparagraph (1) multiplied by 2.

B. The additional standard deduction is the amount allowed under the Code, Section 63(c)(3).

Sec. ZZZ-5. 36 MRSA §5219-SS, as enacted by PL 2017, c. 474, Pt. B, §17, is amended to read:

§5219-SS. Dependent exemption tax credit

1. Resident taxpayer; tax years beginning before 2026. ~~A~~ For tax years beginning on or after January 1, 2018 and before January 1, 2026, a resident individual is allowed a credit against the tax otherwise due under this Part equal to \$300 for each qualifying child and dependent of the taxpayer for whom the federal child tax credit pursuant to the Code, Section 24 was claimed for the same taxable year.

1-A. Resident taxpayer; tax years beginning 2026 or after. For tax years beginning on or after January 1, 2026, a resident individual is allowed a credit against the tax otherwise due under this Part equal to \$300 for each dependent of the taxpayer for whom the federal personal exemption pursuant to the Code, Section 151 was claimed in an amount greater than \$0 for the same taxable year.

2. Nonresident taxpayer; tax years beginning before 2026. ~~A~~ For tax years beginning on or after January 1, 2018 and before January 1, 2026, a nonresident individual is allowed a credit against the tax otherwise due under this Part equal to \$300 for each qualifying child and dependent of the taxpayer for whom the federal child tax credit pursuant to the Code, Section 24 was claimed for the same taxable year, 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.

2-A. Nonresident taxpayer; tax years beginning 2026 or after. For tax years beginning on or after January 1, 2026, a nonresident individual is allowed a credit against the tax otherwise due under this Part equal to \$300 for each dependent of the taxpayer for whom the federal personal exemption pursuant to the Code, Section 151 was claimed in an amount greater than \$0 for the same taxable year, 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; tax years beginning before 2026. ~~A~~ For tax years beginning on or after January 1, 2018 and before January 1, 2026, 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 equal to \$300 for each qualifying child and dependent of the taxpayer for whom the federal child tax credit pursuant to the Code, Section 24 was claimed for the same taxable year, multiplied by a fraction, 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.

3-A. Part-year resident taxpayer; tax years beginning 2026 or after. For tax years beginning on or after January 1, 2026, 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 equal to \$300 for each dependent of the taxpayer for whom the federal personal exemption pursuant to the Code, Section 151 was claimed in an amount greater than \$0 for the same taxable year, multiplied by a fraction, 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 and phase-out. The credit allowed by this section may not reduce the tax otherwise due under this Part to less than zero. The amount of the credit

allowed by this section must be reduced, but not below zero, by \$7.50 for each \$1,000 or fraction thereof by which the taxpayer's Maine adjusted gross income exceeds \$400,000 in the case of a joint return and \$200,000 in any other case.

Sec. ZZZ-6. 36 MRSA §5403, sub-§2, as amended by PL 2017, c. 474, Pt. B, §20, is repealed and the following enacted in its place:

2. Standard deductions. In 2025 and each year thereafter, by the dollar amount contained in section 5124-C, subsection 1-B, paragraph A, subparagraph (1), except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2017;

Sec. ZZZ-7. Application. That section of this Act that amends the Maine Revised Statutes, Title 36, section 111, subsection 1-A applies to tax years beginning on or after January 1, 2022 and to any prior tax year as specifically provided by the United States Internal Revenue Code of 1986 and amendments to that Code as of December 31, 2022.

PART ZZZ SUMMARY

This Part updates references to the United States Internal Revenue Code of 1986 contained in the Maine Revised Statutes, Title 36 to refer to the United States Internal Revenue Code of 1986, as amended through December 31, 2022, for tax years beginning on or after January 1, 2022 and for any prior tax year as specifically provided by the United States Internal Revenue Code of 1986, as amended. It changes the Maine standard deduction, for tax years beginning on or after January 1, 2026, from an amount equal to the federal standard deduction to \$12,000 for single filers, \$18,000 for heads of households and \$24,000 for individuals filing married joint returns, subject to an inflation adjustment. This will maintain the Maine standard deduction at current levels for tax years 2026 and later, as opposed to current law, which provides for a reduction in the Maine and federal standard deduction for those tax years. And it changes references in the Maine dependent exemption tax credit from the federal child tax credit to the federal personal exemption. This will maintain the Maine dependent exemption tax credit at current levels for tax years 2026 and later, as opposed to current law, which provides for a reduction in the credit due to the expiration of the referenced federal child tax credit provisions.

Amend LD 258 by adding the following Part:

PART AAAA

Sec. AAAA-1. 22 MRSA §20-A is enacted to read:

§20-A. Housing First Program

1. Program established. The Housing First Program, referred to in this section as "the program," is established in the department to facilitate the delivery of support and stabilization services to residents of properties established or developed to provide permanent housing to address chronic homelessness in the State. Except as otherwise provided in this section, services facilitated under the program must be available on site, 24 hours a day and be designed to build independent living skills and connect individuals with community-based services. The department shall ensure that reimbursement under the MaineCare program is available to providers under the program to the maximum extent possible. For the purposes of this section, "chronic homelessness" means a situation in which a person is living in a place not meant for human habitation including emergency shelters for at least 12 months and for whom homelessness is correlated with a condition that makes accessing services and maintaining housing a significant challenge such as substance use disorder or a behavioral health condition. Chronic homelessness includes a situation in which a person has been living intermittently in an institutional care facility, including but not limited to jail or a health treatment facility but is otherwise living in a place not met for human habitation.

2. Fund established. The Housing First Fund, referred to in this section as "the fund," is established as a separate and distinct fund for accounting and budgetary reporting purposes in order to support the program. Funds distributed in accordance with this section must be used to supplement, not supplant, existing or future federal funding designed to provide services associated with Housing First programs including but not limited to MaineCare program and the Housing Outreach and Member Engagement Program administered by the department.

3. Sources of fund. The Treasurer of State shall credit to the fund:

A. All money received by the State in accordance with Title 36, section 4641-B, subsection 4-B, paragraph E-1;

B. Money from any other source, whether public or private, designated for deposit into or credited to the fund; and

C. Interest earned or other investment income on balances in the fund.

4. Distribution of funds. Beginning July 1, 2025, the department shall make distributions from the fund as described in this subsection.

A. Annually, the department shall deposit \$1 million from the to an account established for the purpose of providing funding for housing stability services described in subsection 5.

B. The department shall establish payment models as appropriate for the purpose of providing 24-hour, on-site supportive services to residents at housing first properties established or developed to provide permanent housing to persons who have been chronically homeless. Supportive services must include coordination with a Maine Care provider.

C. The department shall establish two permanent full-time positions in the department to assist providers with providing 24-hour, on-site supportive services and navigating reimbursement under the MaineCare program for those services.

D. The department shall annually determine the amount necessary to support the established payment models at each housing first property for services provided under the program in the current fiscal year and the anticipated amount needed to pay for 24-hour on-site services expected to be provided at each property in the next fiscal year. Funds in excess of those amounts must be transferred to the Maine State Housing Authority for the purposes of:

(1). Providing technical assistance to housing developers to help with capital and planning issues associated with developing properties consistent with the housing model described by the program and in subsection 5; and

(2). Developing affordable housing projects with a housing model described by the program and in subsection 5.

5. Housing Stability Services. The department shall establish a payment model to provide funds to pay for the costs of housing stability services provided to residents at housing first properties where supportive services are not necessarily provided on-site or 24 hours per day. Services funded under this subsection must be available to residents no less than 20 hours per week and must adequately meet the needs of the residents, to build independent living skills, to maintain housing and to access necessary community-based services. Housing stability services funded under this subsection may also include outreach to those who are chronically homeless for the purposes of establishing connections and providing support which may result in securing stable housing at a housing first property.

6. Rulemaking. The department and the Authority shall jointly adopt rules to administer the program. The rules must specify which elements of the program are administered by the department, which are administered by the Authority and which are administered jointly, if any. Rules adopted under this section are routine technical rules under Title 5, chapter 375, subchapter 2-A.

7. Report. Beginning on February 1st, 2025 the department and the authority shall submit a report annually to the joint standing committee of the Legislature having jurisdiction over housing matters to provide the committee with necessary data and information to evaluate the effectiveness of the housing first model. Initial reports submitted to the committee must provide an assessment of the number of housing units and the scope of services needed to serve those who are chronically homeless to serve as a baseline against which the effectiveness of the program and other services will be measured. Subsequent report must provide updates to that assessment in addition to the following:

A. An accounting of the services facilitated using money from the fund at properties which provide 24-hour on site services and properties which provide housing stability services described under subsection 5;

B. An accounting of services provided at housing first properties funded under Housing Outreach and Member Engagement Program and services reimbursed under MaineCare;

C. The number of residents served by the program and the number of months residents have avoided returning to homelessness or maintained stable housing;

E. The amount of money from the fund transferred to the authority pursuant to subsection 4, paragraph D to housing first properties that benefitted from technical assistance and development support from the fund and potential housing first properties yet to be developed which are seeking assistance from the authority; and

F. Information requested by the committee deemed necessary to evaluate the effectiveness of the program.

Sec. AAAA-2. 36 MRSA §4641-B, sub-§4-B, ¶E, as amended by PL 2021, c. 753, §1, is further amended to read:

E. In fiscal year 2015-16 and each fiscal year ~~thereafter~~ prior to fiscal year 2024-25, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis, the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit any remaining revenues available under this subparagraph to the General Fund.

(3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to the Maine State Housing Authority, except that, notwithstanding paragraph F, in fiscal year 2015-16, the Treasurer of State shall first credit \$6,291,740 of the revenues available under this subparagraph to the General Fund and except that, notwithstanding paragraph F, in fiscal year 2016-17, the Treasurer of State shall first credit \$6,090,367 of the revenues available under this subparagraph to the General Fund and except that, notwithstanding paragraph F, in fiscal years 2017-18 and 2018-19, the Treasurer of State shall first credit \$2,500,000 of the revenues available under this subparagraph to the General Fund. The Maine State Housing Authority shall deposit the funds received pursuant to this subparagraph in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. Beginning July 1, 2023, the Maine State Housing Authority shall use 25% of funds transferred to the Housing Opportunities for Maine Fund under this subparagraph to support the creation of new housing units, through new construction or adaptive reuse, that are affordable to low-income households.

Sec. AAAA-3. 36 MRSA §4641-B, sub-§4-B, ¶E-1 is enacted to read:

E-1. In fiscal year 2024-25 and each fiscal year thereafter, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

(1) At the beginning of the fiscal year, the Maine State Housing Authority shall certify to the Treasurer of State the amount that is necessary and sufficient to meet the authority's obligations relating to bonds issued or planned to be issued by the authority under Title 30-A, section 4864.

(2) On a monthly basis, the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit half of any remaining revenues available under this subparagraph to the General Fund and half of any remaining revenues available under this subparagraph to the Housing First Fund created in Title 22, section 265, subsection 2.

(3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to the Maine State Housing Authority. The Maine State Housing Authority shall deposit the funds received pursuant to this subparagraph in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. Beginning July 1, 2024, the Maine State Housing Authority shall use 25% of funds transferred to the Housing Opportunities for Maine Fund under this subparagraph to support the creation of new housing units, through new construction or adaptive reuse, that are affordable to low-income households.

Sec. AAAA-4. Department of Health and Human Services to apply for state plan amendments to align federal programs with Housing First model. Within 9 months of the effective date of this bill, the Department of Health and Human Services shall apply to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services for relevant state plan amendments for Section 13, Targeted Case Management and the Housing Outreach and Member Engagement Program within Section 91, Health Homes – Community Care Teams to maximize the alignment of these with the Housing First model. The Department will initiate rulemaking within 120 days of receiving state plan approval of the requested changes.

PART AAAA SUMMARY

This Part establishes the Housing First Program within the Department of Health and Human Services to facilitate the delivery of stabilization and support services to residents of properties established or developed to provide permanent housing to persons who have been

chronically homeless and to fund technical assistance, administered by the Maine State Housing Authority, for the development of housing consistent with the program. This Part requires the department to ensure that fund supplements existing and future services provided under programs like MaineCare and the Housing Outreach and Member Engagement Program is funded from the real estate transfer tax by depositing half of the funds that would otherwise be deposited into the General Fund into the Housing First Fund created by this Part. This Part also directs the Department of Health and Human Services and the Maine State Housing Authority to jointly adopt rules to administer the program and requires them to report annually to the Joint Standing or Joint Select Committee of the Legislature having jurisdiction over housing matters for the purpose of evaluating the effectiveness of the program. This Part also directs the Department of Health and Human Services to apply to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to align certain federal programs with the Housing First model.

Amend LD 258 by adding the following Part:

PART BBBB

Sec. BBBB-1. Transfer from General Fund unappropriated surplus; Risk Management. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$3,500,000 from the unappropriated surplus of the General Fund to the Department of Administration and Financial Services, Risk Management, Other Special Revenue Funds account to pay attorneys' or other costs awarded by a court against the State, its departments, agencies, officers or employees, and settlements of attorneys' or other costs without court award in these cases, which are not otherwise insured against under a deductible or self-insured retention program.

**PART BBBB
SUMMARY**

This Part requires the transfer of \$3,500,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Risk Management, Other Special Revenue account to pay attorneys' or other costs awarded by a court against the State, its departments, agencies, officers or employees, and settlements of attorneys' fees without court award in these cases, which are not otherwise insured against under a deductible or self-insured retention program.

Amend LD 258 by adding the following Part:

PART CCCC

Sec. CCCC-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, 2025 special voluntary employee incentive programs for state employees, including a 50% workweek, 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. CCCC-2. Continuation of group health insurance. Notwithstanding the Maine Revised Statutes, Title 5, section 285, subsection 7 and Title 5, section 903, the State shall continue to pay health and dental insurance benefits for a state employee who applies prior to July 1, 2025 and is approved to participate in a voluntary employee incentive program under section 1 of this Part based upon the scheduled workweek in effect prior to the employee's participation in the voluntary employee incentive program.

Sec. CCCC-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, 2025 and is approved to participate in a voluntary employee incentive program under section 1 of this Part are based upon the scheduled hours of the employee prior to the employee's participation in the voluntary employee incentive program.

PART CCCC SUMMARY

This Part continues the voluntary employee incentive program through the 2024-2025 biennium.

Amend LD 258 by adding the following Part:

PART DDDD

Sec. DDDD-1. Carrying provision; Department of Agriculture, Conservation and Forestry, Bureau of Agriculture, Food and Rural Resources. Notwithstanding any other provision of law to the contrary, at the end of fiscal year 2022-23, the State Controller shall carry forward any unexpended balance remaining of the \$500,000 appropriated in Public Law 2021, chapter 635, in the Department of Agriculture, Conservation and Forestry, Bureau of Agriculture program, General Fund account, All Other line category to the next fiscal year to be used for replacement of the feed, seed and fertilizer database.

PART DDDD SUMMARY

This Part authorizes the State Controller to carry forward, to be used for the same purposes, any unexpended balance of the \$500,000 appropriated in Public Law 2021, chapter 635 for the development and implementation of a new database for the Bureau of Agriculture's feed, seed and fertilizer program.

Amend LD 258 by adding the following Part:

PART EEEE

Sec. EEEE-1. Transfer from General Fund unappropriated surplus; Statewide Hunger Relief. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$2,000,000 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, Statewide Hunger Relief program, Other Special Revenue Funds account to provide funds for a grant for capital support to a Portland-based food security hub with partnerships or capacity for state-wide distribution to enable increasing production from 2,000 hot meals each day to 10,000 hot meals each day for homeless, sheltered or food insecure persons.

**PART EEEE
SUMMARY**

This Part requires the transfer of \$2,000,000 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, Statewide Hunger Relief program, Other Special Revenue account to grant to a Portland-based food security hub with partnerships or capacity for state-wide distribution for capital support to enable increasing production from 2,000 hot meals each day to 10,000 hot meals each day for homeless, sheltered or food insecure persons.

Amend LD 258 by adding the following Part:

PART FFFF

Sec. FFFF-1. Transfer from General Fund unappropriated surplus; Maine Milk Commission. Notwithstanding any provision of law to the contrary on or before July 30, 2023, the State Controller shall transfer \$1,500,000 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, Maine Milk Commission, Maine Milk Pool, Other Special Revenue Funds account to provide one-time pandemic volatility payments to Maine milk producers who produced milk and reported production information to the Maine Milk Commission in the calendar year 2022 and are currently participating in the Maine Dairy Stabilization Program, also known as the Tier Program. In calculating the payment, the administrator of the Maine Milk Pool shall attempt to achieve, insofar as practical, a proportional distribution of the entire transferred amount to farmers by basing the payments on a per hundredweight production basis and limiting payments to a production limit of 5 million

pounds per farm. The administrator of the Maine Milk Pool may use existing distribution methods within the Maine Milk Pool program to expedite the distribution of payments.

**PART FFFF
SUMMARY**

This Part requires the transfer of \$1,500,000 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, Maine Milk Commission program, Other Special Revenue account to provide one-time pandemic volatility payments to Maine milk producers who produced milk and reported production information to the Maine Milk Commission in the calendar year 2022 and are currently participating in the Maine Dairy Stabilization Program.

Amend LD 258 by adding the following Part:

PART GGGG

Sec. GGGG-1. Transfer of federal American Rescue Plan Act of 2021 savings.

Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any provision of law to the contrary, until June 30, 2025, balances of appropriations in various General Fund accounts in the MaineCare programs within the Department of Health and Human Services that are available as part of the increased 10% Federal Medical Assistance Percentage for MaineCare home and community-based services per the federal American Rescue Plan Act of 2021, Public Law 117-2, Section 9817 may be transferred by financial order, upon recommendation of the State Budget Officer and approval of the Governor, to the Medical Care - Payments to Providers program, Home and Community Based Services – ARP Savings Other Special Revenue Funds account and the Office of MaineCare Services program, Home and Community Based Services Admin - ARP Savings Other Special Revenue Funds account within the Department of Health and Human Services to be used for federally authorized purposes.

**PART GGGG
SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer savings incurred from the increase in FMAP per the American Rescue Plan Act of 2021, section 9817, from various General Fund MaineCare Program accounts to the Home and Community Based Services – ARP Savings Program, in the Medical Care - Payments to Providers program and the Office of MaineCare Services program, Other Special Revenue Funds.

Amend LD 258 by adding the following Part:

PART HHHH

Sec. HHHH-1. 5 MRSA §203-B is amended to read:

§203-B. Funds received pursuant to court orders or other settlements of opioid crisis litigation

Notwithstanding section 203-A and unless specifically ordered by the court to do otherwise, the Attorney General may work with the Treasurer of State to deposit identified revenue or money received as a result of any court order or other agreement resulting from litigation against, or any court settlement with, an opioid manufacturer, an opioid research association or any other person in the opioid industry relating to claims made by or prosecuted by the State into the Maine Recovery Fund described by the ~~Maine State Subdivision Memorandum of Understanding and Agreement Regarding Use of Settlement Funds, dated and signed on January 26, 2022, including Schedule A, Core Strategies and Schedule B, Approved Uses, Memoranda of Understanding as defined in section 203-C,~~ for spending on approved uses as directed by the Maine Recovery Council as established in section 12004-I, subsection 94.

Sec. HHHH-1. 5 MRSA §203-C is amended to read:

§203-C. Maine Recovery Council

1. Definitions. As used in this section, and in section 203-B, unless the context indicates otherwise, the following terms have the following meanings.

A. "Approved uses" means the substance use disorder abatement purposes defined as "Approved Uses" in the ~~memorandum~~ Memoranda of Understanding.

B. "Maine Recovery Fund" means the fund described by the ~~memorandum~~ Memoranda of Understanding.

C. "Memoranda of Understanding" means the two agreements titled i) "Maine State Subdivision Memorandum of Understanding and Agreement Regarding Use of Settlement Funds", originally dated and signed on January 26, 2022, and ii) "Maine State Subdivision Memorandum of Understanding and Agreement Regarding Use of Settlement Funds 2023", originally dated and signed on May 2, 2023, as each may be amended from time to time, and each, ~~dated and signed on January 26, 2022,~~ including Schedule A, Core Strategies and Schedule B, Approved Uses.

2. Maine Recovery Council established. The Maine Recovery Council, as established in section 12004-I, subsection 94 and referred to in this section as "the council," shall direct the disbursement of funds within the Maine Recovery Fund for approved uses.

3. Membership. The council is composed of the 11 members identified by the Memoranda of Understanding and of 4 additional voting members as follows:

A. One member who is a medical professional with direct experience providing medication-assisted treatment, appointed by the President of the Senate;

- B. One member representing reentry services for incarcerated and formerly incarcerated individuals and their families, appointed by the President of the Senate;
- C. One member representing a nonprofit community-based provider of mental health treatment, appointed by the Speaker of the House; and
- D. One member representing the harm reduction community, appointed by the Speaker of the House.

In making these appointments, the President of the Senate and the Speaker of the House shall endeavor to select individuals that reflect the racial, ethnic, gender and indigenous diversity of the State.

4. Vacancy. In the event of a vacancy in the council membership, the vacancy must be filled in the manner of the original appointment for the remainder of the term. For the purposes of reappointment, any partial term filled after a vacancy must be considered a full term

5. Report. The Attorney General shall, by February 1st of each year, submit a report to the joint standing committee of the Legislature having jurisdiction over health and human services matters describing the activities of the council and the status of the Maine Recovery Fund and listing information on disbursements from the fund and information related to the outcomes of funded activities.

PART HHHH SUMMARY

This Part updates the date in the reference to the Memorandum of Understanding and Agreement Regarding the Use of Settlement Funds in the Maine Recovery Council statute.

Amend LD 258 by adding the following Part:

PART III

Sec. III-1. Transfer from General Fund unappropriated surplus; Maine National Guard facilities. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$14,300,000 from the unappropriated surplus of the General Fund to the Department of Defense, Veterans and Emergency Management, Military Training & Operations program, Other Special Revenue Funds account for the design and construction of sustainment, restoration and modernization projects for Maine National Guard facilities.

PART III SUMMARY

This Part requires the transfer of \$14,300,000 in fiscal year 2022-23 from the unappropriated surplus of the General Fund to the Military Training & Operations program,

Other Special Revenue Funds account in the Department of Defense, Veterans and Emergency Management for the design and construction of sustainment, restoration and modernization projects for Maine National Guard facilities. This funding will be matched with an estimated \$18.2 million in federal dollars.

Amend LD 258 by adding the following Part:

PART JJJJ

Sec. JJJJ-1. 20-A MRSA §15689, sub-§16 is amended to read:

16. English learner budgetary hardship adjustment. Beginning in fiscal year 2022-23, the following provisions apply to adjustments for English learner budgetary hardships.

A. If a school administrative unit is determined eligible pursuant to paragraph B ~~petitions the commissioner and demonstrates that the unexpected education costs of increased English learner student enrollment will cause a budgetary hardship~~, the commissioner may provide an amount equal to that school administrative unit's most recent state share of the increased English learner weighted allocation, as calculated pursuant to section 15675, subsection 1, resulting from the increased enrollment. If the school administrative unit's most recent state share percentage is less than the statewide state share percentage under section 15671, subsection 1, paragraph B, then the adjustment amount is equal to the most recent state share percentage

B. The commissioner may determine that a school administrative unit is eligible for an adjustment under paragraph A if:

(1) The increased student enrollment is a result of a student's becoming the fiscal responsibility of the school administrative unit after the passage of the annual budget for the current fiscal year; and

(2) The school administrative unit's unexpected enrollment increase results in an increase of 5% or more in English learner weighted allocation, as calculated pursuant to section 15675, subsection 1.

C. The funds for adjustments under paragraph A are limited to the amount appropriated by the Legislature for that purpose, and any unexpended balance from another program's appropriated amounts under this chapter may be applied by the commissioner toward the adjustments.

D. A school administrative unit may expend the funds from the adjustment under paragraph A without seeking approval of the school administrative unit's legislative body.

**PART JJJJ
SUMMARY**

This Part adds that the Commissioner may apply unexpended balances from another program's appropriated amount toward the adjustment and removes the requirement that a school administrative unit petitions the commissioner and demonstrates the budgetary hardship.

Amend LD 258 by adding the following Part:

PART KKKK

This Part is intentionally left blank.

Amend LD 258 by adding the following Part:

PART LLLL

Sec. LLLL-1. 20-A MRSA §20102, sub-§1 is amended to read:

1. Active duty. "Active duty" means full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 United States Code, ~~Sections~~ Chapters 1209 and 1211.

**PART LLLL
SUMMARY**

This Part corrects the statutory reference to 10 United States Code to Chapters 1209 and 1211 rather than Sections 1209 and 1211.

Amend LD 258 by adding the following Part:

PART MMMM

Sec. MMMM-1. 5 MRSA §1591, sub-§2, ¶K, is enacted to read:

K. Any balance remaining in the Drinking Water Enforcement program, General Fund account at the end of any fiscal year to be carried forward for use by this program in the next fiscal year for the same purpose.

Sec. MMMM-2. 5 MRSA §1591, sub-§8 is enacted to read:

8. Department of Environmental Protection. Any All Other balance remaining in the Water Quality program, General Fund account at the end of any fiscal year to be carried forward for use by this program in the next fiscal year for the same purpose.

Sec. MMMM-3. Transfer from General Fund unappropriated surplus; Water Quality. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$12,800,000 from the unappropriated surplus of the General Fund to the Department of Environmental Protection, Water Quality, Other Special Revenue Funds account to maximize federal matching funds purposes under federal water programs to be used for revolving loan funds for drinking water systems and wastewater treatment and any remainder to be used consistent with the Maine Clean Water Fund established pursuant to Title 38, section 411-C.

Sec. MMMM-4. Transfer from General Fund unappropriated surplus; Drinking Water Enforcements. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$9,200,000 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, Drinking Water Enforcement, Other Special Revenue Funds account to maximize federal matching funds purposes under federal water programs to be used for revolving loan funds for drinking water systems and wastewater treatment and any remainder to be used consistent with the Maine Drinking Water Fund established pursuant to Title 22, section 2610.

PART MMMM SUMMARY

This Part requires transfers to the Department of Environmental Protection and the Department of Health and Human Services for federal matching funds purposes under federal water programs to be used for revolving loan funds for drinking water systems and wastewater treatment with any remaining funds to be used consistent with the Maine Clean Water Fund and the Maine Drinking Water Fund. This Part also authorizes the carry forward of unspent balances of any General Fund appropriations made to the Water Quality program in the Department of Environmental Protection or the Drinking Water Enforcement program in the Department of Health and Human Services.

Amend LD 258 by adding the following Part:

PART NNNN

Sec. NNNN-1. 35-A MRSA §10115 is amended to read:

1. Programs. The trust ~~shall oversee and~~ may administer:

- A. The United States Department of Energy State Energy Program; and
- B. Other federally funded programs and projects related to trust programs

2. Effective date. This section takes effect July 1, 2010.

3. Use of funds. All funds received pursuant to this section must be expended in accordance with the requirements of sections 10103, 10104 and 10105, unless specifically prohibited by federal law or regulation. Funds to be expended for programs or projects related to weatherization and energy-efficient use of fossil fuels for heating must be deposited in the Heating Fuels Efficiency and Weatherization Fund established in section 10119 and expended in accordance with that section. The trust may transfer any federal funds received pursuant to 42 United States Code, Sections 6321 to 6326 (2009) to the appropriate state agency as it considers necessary to the extent that such funds are designated for a purpose that falls outside the energy efficiency and alternative energy programs that the trust oversees and administers.

PART NNNN SUMMARY

This Part amends the Federal Energy Programs section to clarify that federal energy programs support a wide array of energy activities within the state that may be overseen by entities other than Efficiency Maine Trust such as those overseen by the Maine State Housing Authority, Department of Environmental Protection, Department of Transportation and the Governor's Energy Office.

Amend LD 258 by adding the following Part:

PART OOOO

Sec. OOOO-1. 5 MRSA is enacted to read:

§3109. Community Resilience Partnership Program

1. Program established; administration. The Community Resilience Partnership, referred to in this section as "the program," is established within the Governor's Office of Policy Innovation and the Future ("the office") to provide direction, assistance, and grants to communities in Maine to reduce carbon emissions, transition to clean energy, and become more resilient to the effects of climate change. The office shall administer the program to provide technical and financial assistance for local and regional planning and implementation projects consistent with the state's emissions reduction targets and state climate action plan.

2. Grants. The program shall make grants from money appropriated to the program by the Legislature and any funds received by the office for the purposes of the program, including federal funding or private funds.

- A. The program may solicit applications for grants and make grant awards through a competitive process to eligible municipal governments, Tribal Governments, plantations, townships, or unorganized territories in Maine (collectively “communities”), and to “service provider” organizations defined by the program.
- B. The department may establish eligibility requirements and other criteria to consider in awarding grants, as long as the criteria support the goals to reduce carbon emissions, transition to clean energy, and become more resilient to the effects of climate change.
- C. To maximize the availability of the technical and financial assistance program to all communities and to multi-community regions and service providers, financial assistance programs administered competitively under this article are exempt from rules adopted by the Department of Administrative and Financial Services pursuant to Title 5, section 1825-C for use in the purchase of services and the awarding of grants and contracts. The department shall publish a program statement describing its grant program and advertising its availability to eligible applicants.
- D. Grants awarded may be for a period up to two years. Recipients of grant funds through the program shall cooperate with the office in performing periodic evaluations and meeting specific reporting requirements.

3. Other technical assistance. The program may provide other technical assistance and knowledge sharing that may include, but is not limited to, assisting communities with information about available grant opportunities, sharing best practices from jurisdictions inside and outside of the State, providing model language for local ordinances and policies, and providing information to the general public, which may support local and statewide policy changes meant to reduce emissions, transition to clean energy, and become resilient to the effects of climate change.

PART OOOO SUMMARY

This Part creates the Community Resilience Partnership Program within the Governor’s Office of Policy Innovation and the Future to provide technical and financial assistance for local and regional planning and implementation projects consistent with the state’s emissions reduction targets and state climate action plan.

Amend LD 258 by adding the following Part:

PART PPPP

Sec. PPPP-1. Personal Services balances; Maine Health Data Organization; transfers authorized. Notwithstanding any other provision of law, in the 2024-2025 biennium, the Maine Health Data Organization is authorized to transfer, up to \$310,000 in each fiscal year, available balances of Personal Services allocations, after all salary, benefit and other obligations are met, to the All Other line category in the Maine Health Data Organization, Other Special Revenue Funds account. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

**PART PPPP
SUMMARY**

This Part authorizes the transfer of the uncommitted Personnel Services line category balance to the All Other line category in fiscal years 2023-24 and 2024-25.

Amend LD 258 by adding the following Part:

PART QQQQ

Sec. QQQQ-1. Public Law 2023, chapter 1, sections A-1 and A-2 are amended to read:

Sec. A-1. Transfer from General Fund unappropriated surplus; Housing Authority - State; supplement federal funding. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$40,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account to supplement federal Low Income Home Energy Assistance Program, or LIHEAP, funding. ~~Before October 31, 2023, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.~~ As of October 31, 2023, any unobligated balance from this part may be utilized by Maine State Housing Authority for the Maine Housing Heat Pump Program. The Maine State Housing Authority will report to the Office of the State Controller the amount of unobligated funding to be used for the Maine Housing Heat Pump Program or other energy related home improvement programs. Before June 30, 2024, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

Sec. A-2. Transfer from General Fund unappropriated surplus; Housing Authority - State; additional. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$10,000,000 from the unappropriated surplus of

the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account for assistance for households that are not eligible for federal Low Income Home Energy Assistance Program, or LIHEAP, benefits or households eligible for LIHEAP benefits that have already exhausted their energy assistance benefit and Maine State Housing Authority Energy Crisis Intervention Program amount. Households may be eligible for up to \$800 in emergency funds to avert an energy crisis. ~~Before October 31, 2023, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.~~ As of October 31, 2023, any unobligated balance from this part may be utilized by Maine State Housing Authority for the Maine Housing Heat Pump Program. The Maine State Housing Authority will report to the Office of the State Controller the amount of unobligated funding to be used for the Maine Housing Heat Pump Program or other energy related home improvement programs. Before June 30, 2024, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

PART QQQQ SUMMARY

This Part amends Public Law 2023, chapter 1, Sections A-1 and A-2, to allow the Maine State Housing Authority to utilize unobligated balances as of October 31, 2023 for the Maine Housing Heat Pump Program or other energy related home improvement programs. This Part requires that any unobligated balance be transferred the unappropriated surplus of the General Fund at the end of fiscal year 2023-24.

Amend LD 258 by adding the following Part:

PART RRRR

Sec. RRRR-1. Transfer from General Fund unappropriated surplus; Emergency Housing Relief Fund. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$12,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Emergency Housing Relief Fund, Other Special Revenue Funds account to provide funds for short-term emergency housing and legal and other wrap-around settlement supports. Before June 30, 2024, unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

PART RRRR SUMMARY

This Part requires the transfer of \$12,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Emergency Housing Relief Fund program,

Other Special Revenue account to provide funds for short-term emergency housing, legal services, and other wrap-around settlement support.

Amend LD 258 by adding the following Part:

PART SSSS

Sec. SSSS-1. Transfer from General Fund unappropriated surplus; Low-Income Home Energy Assistance-MSHA. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$15,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Low-Income Home Energy Assistance-MSHA, Other Special Revenue Funds account for the Low-Income Assistance Program and Statewide Plan administered by the Maine State Housing Authority to help low-income homeowners and renters pay for electricity costs by providing a credit on their electric bills. This funding will temporarily expand ratepayer eligibility for the Low-Income Assistance Program beyond the current 75% of the Federal Poverty Limit, pursuant to the Public Utilities Commission formal solicitation of public input. Before June 30, 2025, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

**PART SSSS
SUMMARY**

This Part requires the transfer of \$15,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Low-Income Home Energy Assistance-MSHA, Other Special Revenue Funds account for the Low-Income Assistance Program to help low-income homeowners and renters pay for electricity costs by providing a credit on their electric bills. This funding will temporarily expand ratepayer eligibility for the Low-Income Assistance Program beyond the current 75% of the Federal Poverty Limit, pursuant to the Public Utilities Commission formal solicitation of public input.

Amend LD 258 by adding the following Part:

PART TTTT

Sec. TTTT-1. 34-B MRSA §1218-A, is enacted to read:

§1218-A. Baxter Counseling Services Program

The Baxter Counseling Services Program referred to in this section as “the program” is established within the department to facilitate the delivery of counseling services for eligible former students of the Maine School for the Deaf or the Governor Baxter School for the Deaf

without cost to individuals. Services facilitated under this program will be limited to therapeutic counseling services for former eligible students. The department shall ensure that counseling services provided under this program are reimbursed under the MaineCare program to the maximum extent possible.

1. Eligibility Established. Eligibility for counseling services under the program will be limited to individuals who: (1) were former students of the Maine School for the Deaf or the Governor Baxter School for the Deaf whose alleged abused occurred prior to January 1, 2001, and who applied for Baxter Compensation Authority compensation by March 31, 2006 pursuant to 5 M.R.S. Ch. 601 (P.L. 2001, ch. 439, § T-5), repealed July 1, 2007; or (2) were former students of the Maine School for the Deaf or the Governor Baxter School for the Deaf who did not apply for Baxter Compensation Authority compensation but who have received or continue to receive services from the department.

2. Facilitation of Counseling Services. The department shall facilitate services through contracts with mental health providers who specialize in services for deaf, hard of hearing, and late deafened, and who are enrolled as a MaineCare provider. The department may provide general fund contracts for services for uninsured individuals as the payer of last resort. The department shall assist providers navigating reimbursement under the MaineCare program. The department shall monitor contracts to ensure compliance related to program eligibility, MaineCare policy and department licensure requirements.

3. Statutory Authority. Notwithstanding any other provisions of law, this statute shall take precedence and control eligibility and services available to certain eligible former students of the Maine School for the Deaf or the Governor Baxter School for the Deaf. 2001 P&S Law ch.12 is repealed.

PART TTTT SUMMARY

This Part codifies the Baxter Counseling Services Program to facilitate the delivery of counseling services for eligible former students of the Maine School for the Deaf or the Governor Baxter School for the Deaf and shall ensure that counseling services provided under this program are reimbursed under the MaineCare program to the maximum extent possible.

Amend LD 258 by adding the following Part:

PART UUUU

Sec. UUUU-1. PL 2021, c. 483, CC-3 is amended to read:

Sec. CC-3. Grant amounts. Under the pilot program, an eligible family caregiver who is not otherwise receiving payment for caring for the person in the caregiver's care may receive up to ~~\$2,000~~ \$5,171 a year. Eligible family caregivers may choose annually to receive either the services specified in the Maine Revised Statutes, Title 22, section 7308 or services under the pilot program.

Sec. UUUU-2. PL 2021, c. 483, CC-8 §1, under the caption “HEALTH AND HUMAN SERVICES, DEPARTMENT OF” is amended to read:

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
Office of Aging and Disability Services Central Office 0140**

Initiative: Provides one-time funding to the Respite Care Fund within the department to provide family caregiver grants for the pilot program including up to \$500,000 for outreach costs associated with the pilot program.

**PART UUUU
SUMMARY**

This Part increases the payment limit for the Family Caregiver Grant Pilot Program from \$2,000 annually to \$5,171 annually. This Part also identifies that \$500,000 may be used to expand marketing efforts and eligibility staff capacity, and therefore expand the program’s participation.

Amend LD 258 by adding the following Part:

PART VVVV

Sec. VVVV-1. Transfer of Personal Services balances to All Other; Department of Health and Human Services, Office for Family Independence. Notwithstanding any provision of law to the contrary, in fiscal years 2023-24 and 2024-25 only, the Department of Health and Human Services is authorized to transfer available balances of appropriations in the Personal Services line category in the Office for Family Independence program and the Office for Family Independence - District program after all financial commitments for salary, benefit, other obligations and budgetary adjustments have been made to the All Other line category in either the Office for Family Independence program or the Office for Family Independence - District program in order to provide for information technology and related services. These amounts may

be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

**PART VVVV
SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer available balances of Personal Services appropriations to All Other in the Office for Family Independence program and the Office for Family Independence – District program for technology and related services for the 2024-2025 biennium.

Amend LD 258 by adding the following Part:

PART WWWW

Sec. WWWW-1. Transfer to MaineCare Stabilization. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$6,500,000 from the unappropriated surplus of the General Fund to the MaineCare Stabilization Fund established in the Maine Revised Statutes, Title 22, section 3174-KK.

Sec. WWWW-2. Transfer to MaineCare Stabilization. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2022-23, the State Controller shall transfer the first \$20,000,000 of the unencumbered balances in the MaineCare General Fund carrying accounts to the MaineCare Stabilization Fund established in the Maine Revised Statutes, Title 22, section 3174-KK.

Sec. WWWW-3. Transfer to MaineCare Stabilization. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2023-24, the State Controller shall transfer the first \$28,500,000 of the unencumbered balances in the MaineCare General Fund carrying accounts to the MaineCare Stabilization Fund established in the Maine Revised Statutes, Title 22, section 3174-KK.

**PART WWWW
SUMMARY**

This Part requires the State Controller to transfer funds from the unappropriated surplus of the General Fund to the MaineCare Stabilization Fund. This Part also transfers the first \$20 million in unencumbered balances from MaineCare account to the MaineCare Stabilization Fund at the close of fiscal year 2023 and the first \$28.5 million at the close of fiscal year 2024.

Amend LD 258 by adding the following Part:

PART XXXX

Sec. XXXX-1. PL 2023, c. 17, Part T-1 is amended to read:

Sec. T-1. Transfer from General Fund unappropriated surplus; Maine Commission on Indigent Legal Services. Notwithstanding any provision of law to the contrary, on or before June 30, 2024, the State Controller shall transfer \$9,246,702 from the unappropriated surplus of the General Fund to the Maine Commission on Indigent Legal Services program, Other Special Revenue Funds account. ~~Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$9,279,076 from the unappropriated surplus of the General Fund to the Maine Commission on Indigent Legal Services program, Other Special Revenue Funds account.~~

Sec. XXXX-2. PL 2023, c. 17, Part T-2 is amended to read:

Sec. T-2. Transfer from General Fund unappropriated surplus; Maine Commission on Indigent Legal Services. Notwithstanding any provision of law to the contrary, on or before June 30, 2024, the State Controller shall transfer \$12,506,910 from the unappropriated surplus of the General Fund to the Maine Commission on Indigent Legal Services program, Other Special Revenue Funds account. ~~Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$12,506,910 from the unappropriated surplus of the General Fund to the Maine Commission on Indigent Legal Services program, Other Special Revenue Funds account.~~

**PART XXXX
SUMMARY**

This Part amends budgeted transfers from the General Fund that were included in Public Law 2023, chapter 17 as a funding source for the Maine Commission on Indigent Legal Services, Other Special Revenue Funds account. The funding for six positions, associated All Other and reimbursements to attorneys is transitioned to a General Fund appropriation beginning in fiscal year 2024-25 to reflect the ongoing nature of the General Fund support for these costs in the agency's baseline budget.

Amend LD 258 by adding the following Part:

PART YYYY

Sec. YYYY-1. Transfer of funds; Department of Inland Fisheries and Wildlife carrying account. On or after July 1, 2023 but no later than August 1, 2023, the State Controller shall transfer \$795,129 from the Inland Fisheries and Wildlife Carrying Balances - General Fund account to the Resource Management Services - Inland Fisheries and Wildlife program, General Fund account to provide matching funds for the construction of the Fryeburg shooting range.

**PART YYYY
SUMMARY**

This Part transfers funds from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Resource Management Services – Inland Fisheries and Wildlife program, General Fund account to provide matching funds for the construction of the Fryeburg shooting range.

Amend LD 258 by adding the following Part:

PART ZZZZ

Sec. ZZZZ-1. 4 MRSA §101 is amended to read:

§101. Constitution of court

The Superior Court, as established, consists of ~~17~~ 18 justices and such Active Retired Justices as may be appointed and serving on the court, learned in the law and of sobriety of manners. The Chief Justice of the Superior Court shall assign the Justices of the Superior Court to preside at various locations of the court. Whenever it becomes necessary, the Chief Justice of the Supreme Judicial Court may designate a Justice of the Supreme Judicial Court or any Active Retired Justice of the Supreme Judicial Court to hold a term of Superior Court. The Chief Justice of the Superior Court may, when necessary, assign an Active Retired Justice of the Superior Court to hold a term of Superior Court. The Chief Justice of the Superior Court may designate any Justice of the Superior Court and the Chief Justice of the Supreme Judicial Court may designate any Justice of the Supreme Judicial Court to hold one or more sessions of the Superior Court, separate from the session presided over by the justice holding the regular trial term.

Sec. ZZZZ-2. 4 MRSA §157, sub-§1, ¶A is amended to read:

§157. Judges; appointment; salary; expenses; full-time duties, sub-§1, ¶A

1. Appointment. District Court Judges are appointed as follows.

A. The Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over judiciary matters and to confirmation by the Legislature, shall appoint to the District Court ~~39~~ 42

judges. At least one judge must be appointed from each district who is a resident of a county in which the district lies, except that in District 3 there must be 2 judges appointed who are residents of a county in which the district lies; in District 6 there must be 2 judges appointed who are residents of a county in which the district lies; and in District 9 there must be 2 judges appointed who are residents of a county in which the district lies. Each District Court Judge has a term of office of 7 years.

To be eligible for appointment as a District Judge, a person must be a member of the bar of the State. The term "District Judge" includes the Chief Judge and Deputy Chief Judge.

**PART ZZZZ
SUMMARY**

This Part increases the number of District Court judges by 3 headcount and Superior Court justices by 1 headcount.

Amend LD 258 by adding the following Part:

PART AAAAA

Sec. AAAAA-1. 5 MRSA §943, sub-§1, ¶¶L is repealed.

Sec. AAAAA-2. Contingent effective date. The repeal of Maine Revised Statutes, Title 5, section 943, subsection 1, paragraph L does not take effect until the position becomes vacant following enactment of this Part. The Commissioner of Labor shall inform the Revisor of Statutes when this contingency occurs and the Revisor shall update the Maine Revised Statutes to reflect the change.

**PART AAAAA
SUMMARY**

This Part returns the Director of the Bureau of Unemployment Compensation to classified service when the position next becomes vacant.

Amend LD 258 by adding the following Part:

PART BBBBB

Sec. BBBBB-1. 5 MRSA §943, sub-§1 is amended to read:

L. Director, Bureau of Unemployment Compensation; ~~and~~

M. Director of Communications; and

N. Associate Commissioner.

PART BBBBB

SUMMARY

This Part adds the position of Associate Commissioner to those positions that are appointed by the Commissioner of Labor.

Amend LD 258 by adding the following Part:

PART CCCCC

Sec. CCCCC-1. Transfer from General Fund unappropriated surplus; Employment Services Activity. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$5,000,000 from the unappropriated surplus of the General Fund to the Department of Labor, Employment Services Activity, Other Special Revenue Funds account for workforce attraction, career exploration, and job-related supports in order to bring new or returning workers into Maine’s workforce.

PART CCCCC

SUMMARY

This Part requires the State Controller transfer \$5 million from the unappropriated surplus of the General Fund to the Department of Labor, Employment Services Activity, Other Special Revenue Funds account for a workforce attraction pilot for recent college graduates, career exploration to allow additional high school students the opportunity to have paid work experience, and recruitment and job-related supports targeted to groups who are underrepresented in Maine’s workforce, including older workers and people who have disabilities.

Amend LD 258 by adding the following Part:

PART DDDDD

Sec. DDDDD-1. 27 MRSA §10 is amended to read:

§10. Imagination Library of Maine Fund- Purpose

The Imagination Library of Maine Program is hereby established. The purpose of the program shall be to promote the development of a comprehensive statewide initiative for encouraging preschool children to develop a love of reading and learning. For purposes of this section, "state program" means the 'Imagination Library of Maine' Program.

State program funds shall be used to provide, through Dolly Parton's Imagination Library, one (1) age-appropriate book to each registered child from birth to age five (5) in participating counties. Books shall be sent monthly to each child's home at no cost to families. The state program shall contribute the fifty percent (50%) match of the funds, if available, required of local programs participating in Dolly Parton's Imagination Library.

The Imagination Library of Maine Program is established under the administration of the Maine State Library for purposes of developing, implementing, promoting, and fostering a comprehensive statewide initiative for encouraging children from birth to five years of age, inclusive, to develop a love of reading and learning.

The Imagination Library of Maine Fund, referred to in this section as "the fund," is established within the Maine State Library. The State Librarian shall administer the fund. The fund may receive appropriations, allocations, grants or gifts from public and private sources and eligible federal funds. All money included in the fund must be used for the purposes set forth in this section. Any fund balance at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year and continuously appropriated only for the purposes specified in this section.

1. Fund purpose. The purpose of the fund is to promote and encourage reading by children of this State and to develop a statewide initiative to provide age-appropriate books to children registered in the program from birth to 5th birthday, inclusive, at no cost to families, through Dolly Parton's Imagination Library 5 years of age at their homes on a monthly basis.

2. Match. The fund must provide a 50% match of the necessary funds, if available, to support local partners in the provision of one book per month for registered children through the initiative described in subsection 1. Moneys from the fund shall be allocated through the nonprofit entity described in section 11 qualified local entities that agree to a dollar-for-dollar match for purposes of the program. For purposes of this section, "qualified local entity" means any existing or new local Dolly Parton's Imagination Library affiliate.

3. Duties of State Librarian. The State Librarian, or the State Librarian's designee, shall:

~~A. Manage the daily operations and provide oversight of the fund, including but not limited to establishing region-based programs throughout the State and advancing the programs to ensure enrollment growth, and administration of the 50% match from the fund for each program;~~

~~B. Develop, promote and coordinate a program to make potential donors aware of the opportunity to donate to the fund; and~~

~~C. Develop, promote and coordinate a program to make the public aware of the opportunity to register children to receive age-appropriate books on a monthly basis. To receive books on a monthly basis, a child must be no more than 5 years of age and have a residence in this State.~~

Sec. DDDDD-2. 27 MRSA §11 is enacted to read:

§11. Imagination Library of Maine –Coordination with Nonprofit Entity

The Maine State Library shall coordinate with the Dollywood Foundation or a statewide entity, qualified under Section 501(c)(3) of the Internal Revenue Code, and to promote and encourage reading by children nationwide, for the purpose of implementing the state program.

The Maine State Library shall work with the Dollywood Foundation or a statewide non-profit entity to do all of the following:

(A) Promote the statewide development of local Dolly Parton’s Imagination Library programs.

(B) Advance and strengthen local Dolly Parton’s Imagination Library programs with the goal of increasing enrollment.

(C) Develop community engagement.

(D) Develop, promote, and coordinate a public awareness campaign to make donors aware of the opportunity to donate to the affiliate programs and make the public aware of the opportunity to register eligible children to receive books through the program.

(E) Administer the local match requirement and coordinate the collection and remittance of local program costs for books and mailing.

(F) Develop statewide marketing and communication plans.

(G) Solicit donations, gifts, and other funding to financially support local Dolly Parton’s Imagination Library programs.

The Dollywood Foundation or a statewide non-profit entity shall serve as the fiscal agent for the fund, including the provision of all records and information necessary for the Maine State Library to report to the Legislature as required below.

Sec. DDDDD-3. 27 MRSA §12 is enacted to read:

§12. Report to the Legislature

The Maine State Library shall report to the Legislature, by January 1, 2024, and annually thereafter, on all of the following:

(A) The deposits made to, and expenditures made from, the Imagination Library of Maine Fund;

(B) Whether any local match requirements were waived;

(C) How many local programs exist, where they are located, and which entity or organization serves as the local partner; and

(D) How many children are enrolled and how many books have been sent to enrolled children.

Sec. DDDDD-4. 27 MRSA §13 is enacted to read:

§13. Confidentiality

Any records containing the name, address, or any other personally identifiable information relating to the parents and children participating in the Imagination Library of Maine Program are confidential, and may not be disclosed other than:

(1) In de-identified, aggregate form for study, evaluation, or audit of the state program; and

(2) With informed parental consent, to other state agencies, including, but not limited to, the Department of Corrections, the Department of Education, and Health and Human Services, in order to expand access to the Imagination Library of Maine Program.

**PART DDDDD
SUMMARY**

This Part revises Title 27 to more accurately reflect the role of the State Library in the Dolly Parton Imagination Library program; provide more accountability about the program by the State Library to the Legislature; and better align with legal language included in the Memorandum of Agreement with the Dollywood Foundation. The Imagination Library of Maine Fund was established in 2022 to launch a statewide program to provide free books mailed to the homes of registered Maine children ages birth through five.

Amend LD 258 by adding the following Part:

PART EEEEE

This Part is intentionally left blank.

Amend LD 258 by adding the following Part:

PART FFFFF

Sec. FFFFF-1. Transfer to School Revolving Renovation Fund; Maine Municipal Bond Bank. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$30,000,000 from the unencumbered balance of the Department of Education, General Purpose Aid for Local Schools, General Fund carrying account to the Maine Municipal Bond Bank for the School Revolving Renovation Fund established in the Maine Revised Statutes, Title 30-A, section 6006-F.

Sec. FFFFF-2. Transfer to School Revolving Renovation Fund; Maine Municipal Bond Bank. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$20,000,000 from the unappropriated surplus of the General Fund to the Maine Municipal Bond Bank for the School Revolving Renovation Fund established in the Maine Revised Statutes, Title 30-A, section 6006-F.

**PART FFFFF
SUMMARY**

This Part requires the State Controller transfer \$30 million from the unencumbered balance of the Department of Education, General Purpose Aid for Local Education, General Fund carrying account and \$20 million from the unappropriated surplus of the General Fund to the School Revolving Renovation Fund at the Maine Municipal Bond Bank.

Amend LD 258 by adding the following Part:

PART GGGGG

Sec. GGGGG-1. 32 MRSA §98 is enacted to read:

§98. Maine Emergency Medical Services Emergency, Sustainability and Resiliency Grant Program

The Maine Emergency Medical Services Emergency, Sustainability and Resiliency Grant Program is established to provide grants to Maine-based emergency medical services entities facing imminent failure, to increase the sustainability, efficiency and resiliency of the emergency medical services throughout the state and to help ensure that all Mainers continue

have access to high-quality out-of-hospital clinical care provided by the emergency medical services system.

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Community" means a municipality or group of municipalities.

B. "Program" means the Maine Emergency Medical Services Sustainability and Resiliency Grant Program established under this section.

C. "Emergency medical services entities" means Maine-based, public or not-for-profit ground transporting services, non-transporting services, authorized training centers, and regional emergency medical services councils.

2. Purpose and use of grant funding. The purpose of this program is to provide financial assistance to emergency medical services entities at immediate risk of failing and leaving their service areas and community without access to adequate emergency medical services as well as assisting entities with long-term sustainability and resiliency planning and programming within the system. Funding will be broken into two components: emergency support funding and sustainability and growth funding. All grant funds shall be used to strengthen the overall sustainability and resiliency of the emergency medical services system in the State of Maine. Recipients must use grant funds for activities in alignment with the grant application established for these funds. Those activities may include, but are not limited to:

A. Supplementing wages, benefits, stipends, and incentives for emergency medical services persons;

B. Supporting training directly related to the provision of clinical care, leadership, and/or management of emergency medical services;

C. Supporting wages, benefits, stipends, contracts, and incentives for administrative support staff persons/time, specifically, service-level medical direction, quality assurance and improvement officer, infection control, compliance, and training officer roles;

D. Implementation of programming directly connected to the Board's current vision and/or strategic plan; and,

E. Investing in capital expenditures that do not exceed \$50,000.

3. Barring Supplantation. No recipient shall use funding awarded under this grant to supplant existing funding for emergency medical services, except those sources that originate from in-kind donations, fundraisers, or volunteer labor.

4. Allocation. The Director shall develop an allocation algorithm for maximum and minimum allocations based on rurality and historical activations for emergency service for each component of this grant. The Director shall consult the Board regarding the validity and reasonableness of the algorithm.

5. Director and Board responsibilities; financing. The Director shall administer grants made under the program in consultation with the Board. Funding appropriated for the program that is unexpended at the end of a fiscal year is nonlapsing and carries forward to the next fiscal year.

6. Rulemaking. The Director shall promulgate a grant application based on guidance from the Department of Administrative and Financial Services regarding requests for applications. Selections shall be conducted in accordance with existing State of Maine policies regarding grant applications. The Board may adopt rules relating to this grant for future programming initiated under this grant. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

7. Reports. As a condition of receiving grant funding, all grant recipients shall report as required by the Director on the use of funds and the results of the actions described by subsection 2 as well as any additional programming that was detailed in their application for funding. Reporting requirements will be established as a component of the contracting process in alignment with Department of Administrative and Financial Services guidelines. All recipients must provide a sustainability plan as a condition of funding.

Sec. GGGGG-2. Transfer from General Fund unappropriated surplus; Maine Emergency Medical Services Sustainability and Resiliency Grant Program. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$31,000,000 from the unappropriated surplus of the General Fund to the Department of Public Safety, Emergency Medical Services program, Other Special Revenue Funds account to provide financial assistance to emergency medical services entities at immediate risk of failing and leaving their service areas and community without access to adequate emergency medical services as well as assisting entities with long-term sustainability and resiliency planning and programming within the system.

PART GGGGG SUMMARY

This Part establishes the Maine Emergency Medical Services Sustainability and Resiliency Grant program to provide grants to Maine-based emergency medical services entities to increase the sustainability and resiliency of the emergency medical services throughout the state and to help ensure that all Mainers continue to have access to high-quality out-of-hospital clinical care provided by the emergency medical services system. This Part also transfers \$31,000,000 to the Emergency Medical Services program from the unappropriated surplus of the General Fund to strengthen the overall sustainability and resiliency of the emergency medical services system in the State of Maine.

Amend LD 258 by adding the following Part:

PART HHHHH

Sec. HHHHH-1. Transfer from General Fund unappropriated surplus. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$19,800,000 from the unappropriated surplus of the General Fund to the Retirement Allowance Fund within the Maine Public Employees Retirement System for the

purpose of providing the resources to fund an additional one-time cost-of-living increase of 3.0% of the established 2022 maximum benefit subject to an increase for retirees from the state-sponsored retirement plans. The additional 3.0% applies to retirement benefit payments, up to a maximum of \$24,186.25, for the one-year period ending August 31, 2022. This additional increase applies to retirees who were eligible for a cost-of-living adjustment in September 2022. The additional increase made pursuant to this section is a one-time payment and is not included in the calculation of future benefit adjustments.

**PART HHHHH
SUMMARY**

This Part authorizes the State Controller to transfer \$19,800,000 from unappropriated surplus of the General Fund to the Retirement Allowance Fund within the Maine Public Employees Retirement System and directs the Board to issue a one-time 3.0% retirement benefit payment.

Amend LD 258 by adding the following Part:

PART IIIII

Sec. IIIII-1. Department of Administrative and Financial Services and Department of Secretary of State; financing agreements for ongoing modernization of customer service and information services systems. Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, in cooperation with the Treasurer of State, on behalf of the Department of Secretary of State, may enter into financing agreements in fiscal years 2023-24 and 2024-25 for improvements to the department's customer service system, technology infrastructure and data centers; updating of department software and hardware; ongoing modernization of databases, storage and other components; and improved security of personally identifiable information and other confidential data. The financing agreements entered into may not exceed \$5,700,000 in fiscal year 2023-24 and \$2,500,000 in fiscal year 2024-25 in principal costs, 7 years in duration and a 7% interest rate. The annual principal and interest costs must be paid from the appropriate line category appropriations in the Department of Secretary of State accounts.

**PART IIIII
SUMMARY**

This Part authorizes the Department of Administrative and Financial Services on behalf of the Department of Secretary of State to enter into financing agreements in fiscal years 2023-24 and 2024-25 for improvements to the department's customer services system, technology infrastructure and data centers; updating of department software and hardware; ongoing modernization of databases, storage and other components; and improved security of personally identifiable information and other confidential data.

Amend LD 258 by adding the following Part:

PART JJJJJ

Sec. JJJJJ-1. Transfer from General Fund unappropriated surplus; Infrastructure Adaptation Fund. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$10,000,000 from the unappropriated surplus of the General Fund to the Department of Transportation, Infrastructure Adaptation Fund, Other Special Revenue Funds account for the purpose of supporting the municipal culvert program and to provide project planning and state matching funds for federal funds related to adaptation, resiliency and culverts.

**PART JJJJJ
SUMMARY**

This Part requires the State Controller to transfer \$10 million from the unappropriated surplus of the General Fund to the Department of Transportation, Infrastructure Adaptation Fund, Other Special Revenue Funds account for culvert, resilience and adaptation investments through municipal grants and matching funds for federal projects. These could include state or local culverts at risk of washout, road systems that flood during heavy storms, or coastal infrastructure vulnerable to increased storm surges due to rising sea levels.

Amend LD 258 by adding the following Part:

PART KKKKK

Sec. KKKKK-1. Transfer from General Fund unappropriated surplus; Multimodal Ports and Marine. Notwithstanding any provision of law to the contrary, on or before June 30, 2023, the State Controller shall transfer \$12,000,000 from the unappropriated surplus of the General Fund to the Department of Transportation, Multimodal Ports and Marine, Other Special Revenue Funds account to support the infrastructure necessary to deploy and connect floating offshore wind in the Gulf of Maine. The Program will invest in a purpose-built deep water port project and the infrastructure to support the development of an offshore wind industry in Maine, driving local supply chain and workforce development, as well as increasing opportunities for federal and other investment. This includes supporting the planning, design, funding, and permitting required as well as ongoing collaboration with communities, businesses, and the region.

**PART KKKKK
SUMMARY**

This Part requires the transfer of \$12,000,000 in fiscal year 2022-23 from the unappropriated surplus of the General Fund to the Multimodal Ports and Marine, Other Special Revenue Funds account in the Department of Transportation to support the infrastructure necessary to deploy and connect floating offshore wind in the Gulf of Maine.