Governor’s Budget Recommendations

Summary of Governor’s

General Fund Budget Recommendations



The following tables and charts show in summary form the Governor’s General Fund budget recommendations for the 2014-2015 biennium. **Table D - 1** shows total General Fund appropriations by department or agency (including one time appropriations) with percent change for the 2014-2015 biennium compared to the 2012-2013 biennium.

The amount reflected for the Department of Administrative and Financial Services in the 2014-

2015 biennium includes a reduction from projected savings associated with various initiatives that will have a statewide impact. The savings will be distributed to the appropriate amounts by financial order during the fiscal year.

**Table D – 2** shows the General Fund revenues recommended by the Governor for fiscal year 2012-

13 and fiscal year 2014-15. The columns labeled ORIG. represent the General Fund revenue forecast of the Revenue Forecasting Committee. The columns labeled ADJ reflect the Governor’s recommended adjustments to the base revenues. **Table D – 3** explains the individual adjustments to the original General Fund revenue amounts.

**Chart D – 1** shows the Governor’s recommended General Fund appropriations by major program for the 2014-2015 biennium.

**Chart D – 2** shows the Governor’s recommended General Fund revenues by revenue source for the

2014-2015 biennium. These revenues include the base revenue projections of the Revenue Forecasting Committee, including Transfers for Tax Relief Programs, and adjustments to the base revenues recommended by the Governor.

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**TABLE D-1**

|  |  |  |  |
| --- | --- | --- | --- |
| GENERAL FUND APPROPRIATIONS | | | |
|  | | | |
| DEPARTMENT/AGENCY | GOVERNOR'S BUDGET | | |
| 2012-2013  Biennium | 2014-2015  Biennium | PERCENT CHANGE |
| DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY MAINE ARTS COMMISSION  ATLANTIC STATES MARINE FISHERIES COMMISSION DEPARTMENT OF THE ATTORNEY GENERAL DEPARTMENT OF AUDIT  STATE CHARTER SCHOOL COMMISSION DEPARTMENT OF CONSERVATION STATE BOARD OF CORRECTIONS DEPARTMENT OF CORRECTIONS  MAINE STATE CULTURAL AFFAIRS COUNCIL  DEPARTMENT OF DEFENSE, VETERANS AND EMERGENCY MANAGEMENT MAINE DEVELOPMENT FOUNDATION  DISABILITY RIGHTS CENTER  DOWNEAST INSTITUTE FOR APPLIED MARINE RESEARCH AND EDUCATION DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT  STATE BOARD OF EDUCATION DEPARTMENT OF EDUCATION  DEPARTMENT OF ENVIRONMENTAL PROTECTION  COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES EXECUTIVE DEPARTMENT  FINANCE AUTHORITY OF MAINE  MAINE FIRE PROTECTION SERVICES COMMISSION FOUNDATION FOR BLOOD RESEARCH  MAINE HISTORIC PRESERVATION COMMISSION MAINE HISTORICAL SOCIETY  MAINE HOSPICE COUNCIL  MAINE STATE HOUSING AUTHORITY MAINE HUMAN RIGHTS COMMISSION  DEPARTMENT OF HEALTH & HUMAN SERVICES (FORMERLY BDS) DEPARTMENT OF HEALTH & HUMAN SERVICES (FORMERLY HUMAN SVCS) MAINE HUMANITIES COUNCIL  MAINE COMMISSION ON INDIGENT LEGAL SERVICES MAINE INDIAN TRIBAL-STATE COMMISSION DEPARTMENT OF INLAND FISHERIES AND WILDLIFE CENTERS FOR INNOVATION  JUDICIAL DEPARTMENT  DEPARTMENT OF LABOR  LAW AND LEGISLATIVE REFERENCE LIBRARY LEGISLATURE  MAINE STATE LIBRARY  DEPARTMENT OF MARINE RESOURCES MAINE MARITIME ACADEMY  MAINE MUNICIPAL BOND BANK MAINE STATE MUSEUM  PINE TREE LEGAL ASSISTANCE MAINE POTATO BOARD  OFFICE OF PROGRAM EVALUATION AND GOVERNMENT ACCOUNTABILITY STATE BOARD OF PROPERTY TAX REVIEW  MAINE PUBLIC BROADCASTING CORPORATION DEPARTMENT OF PUBLIC SAFETY  PUBLIC UTILITIES COMMISSION  MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM SACO RIVER CORRIDOR COMMISSION DEPARTMENT OF THE SECRETARY OF STATE  ST. CROIX INTERNATIONAL WATERWAY COMMISSION  RESERVE FUND FOR STATE HOUSE PRESERVATION AND MAINTENANCE MAINE COMMUNITY COLLEGE SYSTEM  (OFFICE OF) TREASURER OF STATE  BOARD OF TRUSTEES OF THE UNIVERSITY OF MAINE SYSTEM  NEW ENGLAND INTERSTATE WATER POLLUTION CONTROL COMMISSION | 242,367,007  11,584,918  1,350,328  57,507  27,798,829  2,451,599  28,403  44,308,721  24,689,163  286,741,039  80,367  12,277,375  93,299  256,811  25,413  23,353,959  193,474  2,218,759,197  13,401,750  250,245  7,810,241  21,724,657  995  105,705  543,186  91,408  129,390  738,089  1,002,679  622,407,152  1,540,201,406  108,003  21,599,353  174,114  45,586,493  240,438  112,069,615  19,926,799  3,006,630  49,166,909  5,732,833  17,874,541  16,982,314  141,259  2,924,907  519,147  0  1,658,588  173,467  3,628,232  62,920,819  3,647,984  1,135,504  95,679  6,483,592  44,534  1,600,000  108,249,913  198,142,941  387,428,026  16,198 | 176,073,310  60,432,751  1,431,002  0  31,098,290  2,710,466  300,000  0  24,405,714  310,123,598  78,890  12,616,004  116,888  252,090  25,108  23,440,391  323,572  2,302,856,731  13,409,729  276,896  8,667,374  21,340,788  990  104,350  593,444  89,728  127,012  729,282  1,048,477  676,105,074  1,543,487,803  106,714  26,718,520  178,228  49,358,686  236,018  128,457,960  19,032,132  2,941,885  50,465,958  6,673,180  19,581,460  16,966,608  138,662  3,171,547  509,604  321,804  1,801,082  173,328  3,190,905  83,047,462  1,140,000  985,922  93,920  6,906,944  43,716  1,600,000  109,067,072  165,841,771  388,395,496  15,900 | -27.35%  421.65%  5.97%  -100.00%  11.87%  10.56%  956.23%  -100.00%  -1.15%  8.15%  -1.84%  2.76%  25.28%  -1.84%  -1.20%  0.37%  67.24%  3.79%  0.06%  10.65%  10.97%  -1.77%  -0.50%  -1.28%  9.25%  -1.84%  -1.84%  -1.19%  4.57%  8.63%  0.21%  -1.19%  23.70%  2.36%  8.27%  -1.84%  14.62%  -4.49%  -2.15%  2.64%  16.40%  9.55%  -0.09%  -1.84%  8.43%  -1.84%  8.59%  -0.08%  -12.05%  31.99%  -68.75%  -13.17%  -1.84%  6.53%  -1.84%  0.00%  0.75%  -16.30%  0.25%  -1.84% |

6,176,086,946 6,299,412,336

**GENERAL FUND REVENUE FORECAST**

**FY 2013 FY 2014 FY 2015**

**SOURCE ORIG ADJ BUDGET ORIG ADJ BUDGET ORIG ADJ BUDGET**

**Sales and Use Tax** 1,006,986,404 1,006,986,404 1,043,075,568 2,625,000 1,045,700,568 1,088,095,304 3,605,000 1,091,700,304

**Service Provider Tax** 53,586,812 53,586,812 56,403,674 56,403,674 58,442,148 58,442,148

**Individual Income Tax** 1,413,890,000 1,413,890,000 1,386,440,000 1,920,000 1,388,360,000 1,438,300,000 6,808,421 1,445,108,421

**Corporate Income Tax** 186,021,732 186,021,732 207,042,188 207,042,188 214,288,665 214,288,665

**Cigarette & Tobacco Tax** 138,180,000 138,180,000 135,900,000 135,900,000 133,590,000 133,590,000

**Insurance Company Tax** 80,715,000 80,715,000 80,715,000 80,715,000 80,715,000 80,715,000

**Inheritance & Estate Tax** 57,878,175 7,000,000 64,878,175 24,838,239 24,838,239 24,077,457 24,077,457

**Fines, Forfeits and Penalties** 24,452,139 24,452,139 24,402,754 24,402,754 24,397,754 24,397,754

**Income from Investments** 66,082 66,082 51,713 51,713 98,540 98,540

**Transfer from Lottery** 52,550,000 52,550,000 52,550,000 3,200,000 55,750,000 53,600,000 3,200,000 56,800,000

**Trans for Tax Relief Progs** (112,086,562) (112,086,562) (121,721,774) 34,818,758 (86,903,016) (125,463,865) 50,378,625 (75,085,240)

**Trans. to Muni. Rev. Share** (93,076,067) (93,076,067) (138,317,706) 138,317,706 0 (143,171,899) 143,171,899 0

**Other Taxes and Fees** 151,399,353 (20,000,000) 131,399,353 126,519,978 2,241,823 128,761,801 129,854,801 2,189,085 132,043,886

**Other Revenues** 60,219,187 60,219,187 36,409,629 36,409,629 34,740,767 34,740,767

**TOTAL REVENUE 3,020,782,255 (13,000,000) 3,007,782,255 2,914,309,263 183,123,287 3,097,432,550 3,011,564,672 209,353,030 3,220,917,702**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **GENERAL FUND RECOMMENDED REVENUE ADJUSTMENTS**  **Detail by Revenue Line for the FY 14-15 Biennium** | | | | |
|  | | | | |
| **Revenue Line and Source of Adjustment** | **FY 14** | | **FY 15** | |
| **Sales and Use Tax**  Recognizes revenue from the repeal of the sales tax exemption for publications issued at intervals not exceeding three months.  **Individual Income Tax**  Recognizes revenue impact of Homestead proposal on Individual Income Tax  Recognizes revenue from the suspension of the inflation adjustment for tax years beginning in 2014 and 2014  **Transfer from Lottery**  Recognizes the additional revenue transfer from the Lottery Operations Fund based on re-bidding the contract in order to increase General Fund revenue.  **Transfers for Tax Relief Programs**  Recognizes revenue from the repeal of the Business Equipment Tax Reimbursement (BETR) and the expansion of the Business Equipment Tax Exemption program. (BETE)  Recognizes revenue from the amendment of the current Maine Residents Property Tax Refund program  **Transfers to Municipal Revenue Sharing**  Recognizes revenue from the suspension of revenue sharing for the 2014-2015 biennium.  **Other Taxes and Fees**  Recognizes revenue from extending the $4.5M cap on transfers from net slot machine revenues to the Fund for a Healthy Maine.  Recognizes revenue loss from non-state motor vehicle registrations that are proposed to be deposited in the Highway Fund.  Recognizes revenue loss for an additional transfer of funds to the Watercraft Fund in the Department of  Marine Resources for watercraft maintenance and enforcement operations. Recognizes revenue from additional transfers from the Real Estate Transfer Tax. | 2,625,000 | 2,625,000  1,920,000  3,200,000  34,818,758  138,317,706  2,241,823 | 3,605,000 | 3,605,000  6,808,421  3,200,000  50,378,625  143,171,899  2,189,085 |
| 1,920,000 | (391,579)  7,200,000 |
| 3,200,000 | 3,200,000 |
| 34,818,758 | 11,754,000  38,624,625 |
| 138,317,706 | 143,171,899 |
| 446,587 (230,568) (240,000)  2,265,804 | 501,109 (230,568) (240,000)  2,158,544 |
|  |  |
| **Total Revenue Adjustments** | 183,123,287 | | 209,353,030 | |

**Total General Fund Appropriations**

**$6,299.4**

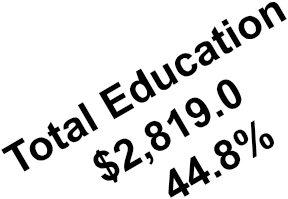
**Dollars in Millions**

**EPS, $1839.1,**

**29.2%**

**Higher Education,**

**$512.2, 8.1%**



**Teacher**

**Retirement,**

**$289.1, 4.6%**

**Remainder of K-**

**12, $178.5, 2.8%**

**Medicaid,**

**$1,450.7, 23.0%**

**IF&W, $49.3,**

**0.8%**

**Other Depts & Agys, $789.9,**

**12.5%**

**Tax Expenditures,**

**$55.8, 0.9%**

**Remainder of**

**DHHS, $768.8,**

**12.2%**

**Judicial, $106.9,**

**1.7%**

**Debt Service,**

**$201.8, 3.2%**

**Legislature, $56.8,**

**0.9%**

**General Fund Projected Revenues**

**$6318.4**

***Includes Municipal Revenue Sharing of $0***

***and Transfers for Tax Relief Programs of $(162.0)***

**Dollars in Millions**

**Service Provider Tax,**

**$114.8 , 1.8%**

**Individual Income**

**Tax, $2,833.5 , 44.8%**

**Sales & Use Tax,**

**$2,137.4 , 33.8%**

**Other Revenues,**

**$71.2 , 1.1%**

**Other Taxes & Fees,**

**$260.8 , 4.1%**

**Corporate Income**

**Tax, $421.3 , 6.7%**

**Trans. for Tax Relief Progs., ($162.0), (2.6%)**

**Transfer from**

**Lottery, $112.6 , 1.8%**

**Income from**

**Investments, $0.2 ,**

**0.0%**

**Cigarette & Tobacco**

**Tax, $269.5 , 4.3%**

**Insurance Company**

**Tax, $161.4 , 2.6%**

**Estate Tax, $48.9 ,**

**.8% Fines, Forfeits &**

**Penalties, $48.8 , .8%**