Language for Governor's Change Package to LD 2214 – GF Supplemental Budget 2024-2025

Amend LD 2214 by deleting Part E.

Amend LD 2214 Part H as follows:

In bill section H-1, amending 23 MRSA §4210-B, sub-§7-A, add strikethrough to the text "and" that precedes the text "the value of rental for a period of less than one year" in both locations where it appears in the subsection.

In bill section H-1, amending 23 MRSA §4210-B, sub-§7-A, add strikethrough to the text "the value of rental of a truck or van with a gross weight of less than 26,000 pounds" in both locations where it appears in the subsection.

In bill section H-3, enacting 36 MRSA §1752, sub-§1-K to 1-Q, add the following subsection 1-R:

1-R. Breast pump. "Breast pump" means an electronically or manually controlled pump device used to express milk from a human breast during lactation, including any external power supply unit packaged and sold with the pump device at the time of sale to power the pump device.

In bill section H-16, amending 36 MRSA §1752, sub-§14(A)(4), add strikethrough to the text "or of a truck or van with a gross vehicle weight of less than 26,000 pounds".

In bill section H-26, enacting 36 MRSA §1760, sub-§115 to 120, replace sub-§115 with the following:

115. Durable medical equipment. Beginning January 1, 2025, sales of:

A. Durable medical equipment that is sold or leased for home use; and

B. Breast pumps, breast pump replacement parts, breast pump collection and storage supplies and breast pump kits sold or leased for home use. For the purposes of this paragraph, "breast pump collection and storage supplies" means tangible personal property to be used in conjunction with a breast pump to collect milk expressed from a human breast and to store collected milk until it is ready for consumption.

In bill section H-28, enacting 36 MRSA §1811, sub-§1, ¶E(4)(a), add the text "<u>or</u>" after the text "<u>An automobile</u>;".

In bill section H-28, enacting 36 MRSA §1811, sub-§1, ¶E(4), delete division (b).

In bill section H-28, enacting 36 MRSA §1811, sub-§1, ¶E(4), reletter division (c) to division (b).

In bill section H-30, enacting 36 MRSA §1819, sub-§3, add the text ", other than property identified in subsection 4 or subsection 5," after the text "The lease or rental of tangible personal property".

In bill section H-30, enacting 36 MRSA §1819, add the following subsections 4 and 5:

<u>4. Motor vehicles, trailers, semitrailers, truck campers or aircraft.</u> The lease or rental of motor vehicles, trailers, semitrailers, truck campers or aircraft that do not qualify as transportation equipment, as defined in subsection 5, shall be sourced as follows:

A. For a lease or rental that requires recurring periodic payments, each periodic payment is sourced to the primary property location. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not constitute bad faith. This location shall not be altered by intermittent use at different locations.

<u>B.</u> For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a sale in accordance with the provisions of subsection 2.

C. This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

5. Transportation equipment. The sale, including lease or rental of transportation equipment shall be sourced the same as a sale in accordance with the provisions of subsection 2, notwithstanding the exclusion of lease or rental in subsection 2. "Transportation equipment" means any of the following:

A. Locomotives and railcars that are utilized for the carriage of persons or property in interstate commerce.

B. Trucks and truck tractors with a gross vehicle weight rating of 10,001 pounds or greater, trailers, semitrailers, or passenger buses that are:

(1). Registered through the International Registration Plan; and

(2). Operated under authority of a carrier authorized and certificated by the U.S. Department of Transportation or another federal authority to engage in the carriage of persons or property in interstate commerce.

C. Aircraft that are operated by air carriers authorized and certificated by the U.S. Department of Transportation or another federal or a foreign authority to engage in the carriage of persons or property in interstate or foreign commerce.

D. Containers designed for use on and component parts attached or secured on the items set forth in paragraphs A through C.

In bill section H-30, enacting 36 MRSA §1819, renumber subsection 4 "Sourcing for mobile telecommunications services" to subsection 6.

PART H SUMMARY

This amendment repeals the language imposing a 10% sales tax rate on the rental of a truck or van with a gross vehicle weight of less than 26,000 pounds thereby applying the general 5.5% rate to said vehicles. The amendment also enacts sales and use tax agreement sourcing provisions for the lease or rental of motor vehicles, trailers, semitrailers, or aircraft and for the sale of transportation equipment. The amendment also enacts a definition of "breast pump" and amends the exemption for durable medical equipment to include the sale of breast pumps, breast pump replacement parts, breast pump collection and storage supplies and breast pump kits sold or leased for home use.

Amend LD 2214 Part Q by deleting the current Part and replacing with the following:

PART Q

Sec. Q-1. 37-B MRSA §745, sub-§4, as amended by PL 2009, c. 252, §4, is further amended to read:

4. Fund balance. The fund's balance may not exceed <u>\$30,000,000</u> \$3,000,000, except by order of the Governor. In the absence of such an order, any amount, including interest, that accrues in excess of <u>\$30,000,000</u> \$3,000,000 must be transferred by the State Controller to the Maine Budget Stabilization Fund, established in Title 5, section 1532. Beginning July 1, 2010, the fund's maximum allowable balance must be adjusted annually on July 1st by any percentage change in the Consumer Price Index from January 1st to December 31st of the previous year, but only to a maximum increase of 2%.

Sec. Q-2. Transfer from the General Fund unappropriated surplus; Disaster Recovery Fund. Notwithstanding any provision of law to the contrary, on or before June 30, 2025 the State controller shall transfer <u>\$30,000,000</u> from the unappropriated surplus of the General Fund to the Disaster Recovery Fund, Other Special Revenue Funds account within the Department of Defense, Veterans and Emergency Management to fund the State's share of estimated disaster recovery costs.

PART Q SUMMARY

This Part amends the maximum amount of funding that may be held in the Disaster Recovery Fund, Other Special Revenue Fund account in the Department of Defense, Veterans and Emergency Management to address the existing obligations of the fund and plan for the increasing frequency of disaster declarations. This Part also removes the CPI factor from the statute. This Part also transfers \$30,000,000 from the unappropriated surplus of the General Fund to the Disaster Recovery Fund, Other Special Revenue Funds account within the Department of Defense, Veterans and Emergency Management to fund the State's share of estimated disaster recovery costs.

Amend LD 2214 Part II by deleting the current Part and replacing with the following:

PART II

Sec. II-1. 22 MRSA §4308, sub-§2, as amended by PL 2019, c. 515, §2, is further amended to read:

2. Emergencies. A person, including a person experiencing or facing homelessness, who does not have sufficient resources to provide one or more basic necessities in an emergency is eligible for emergency general assistance, even when that applicant has been found ineligible for nonemergency general assistance, except as provided in this subsection.

A. A person who is currently disqualified from general assistance for a violation of section 4315, 4316-A or 4317 is ineligible for emergency assistance under this subsection.

B. Municipalities may by standards adopted in municipal ordinances restrict the disbursement of emergency assistance to alleviate emergency situations to the extent that those situations could not have been averted by the applicant's use of income and resources for basic necessities. The person requesting assistance shall provide evidence of income and resources for the applicable time period.

A municipality may provide emergency assistance when the municipality determines that an emergency is imminent and that failure to provide assistance may result in undue hardship and unnecessary costs.

A municipality shall not exceed maximum levels of assistance pursuant to section 4305 of this chapter for more than 30 days in a 12-month period when assistance is granted for a hotel, motel, inn or other lodging place as defined by 22 MRSA §2491, sub-§7-F.

Sec. II-2. 22 MRSA §4310, sub-§4, as enacted by PL 1983, c. 577, §1, is amended to read:

- 4. Limitations. In no case:
- A. May the authorization of benefits under this section exceed 30 days; and
- B. May there be further authorization of benefits to the applicant until there has been full verification confirming the applicant's eligibility.; and
- C. <u>May the authorization of benefits under this section exceed levels of assistance</u> <u>pursuant to section 4308 of this chapter.</u>

PART II SUMMARY

This Part limits municipalities from exceeding maximum levels of assistance <u>in a hotel</u>, <u>motel</u>, <u>inn or other lodging place</u> past 30 days in a 12-month period for any household.

Amend LD 2214 Part OO by deleting the current Part and replacing with the following:

PART OO

Sec. OO-1. Transfer from General Fund unappropriated surplus; General Assistance – Reimbursement to Cities & Towns. Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$10,000,000 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, General Assistance – Reimbursement to Cities & Towns program, Other Special Revenue Funds account.

PART OO SUMMARY

This Part requires the transfer of \$10,000,000 on or before June 30, 2025 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, General Assistance – Reimbursement to Cities and Towns program, Other Special Revenue Funds account for funding General Assistance payments to cities and towns. The revision increases the transfer from \$5,000,000 to \$10,000,000.

Amend LD 2214 Part WW by adding Sec. WW-2:

PART WW

Sec. WW-2. Rename Maine Commission on Indigent Legal Services. Notwithstanding any provision of law to the contrary, the Maine Commission on Indigent Legal Services program, within the Maine Commission on Public Defense Services is renamed Maine Commission on Public Defense Services.

PART WW SUMMARY

This section renames the Maine Commission on Indigent Legal Services program to the Maine Commission on Public Defense Services consistent with the Commission's name change enacted in Public Law 2023, chapter 558.

Amend LD 2214 Part AAA by deleting the current Part and replacing with the following:

PART AAA

Sec. AAA-1. Carrying provision; Maine State Library, Maine State Library. Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward up to \$300,000 appropriated for space planning services for the public space of the Maine State Library as authorized in Public Law 2023, chapter 3, Part A, section 20 to fiscal year 2024-25 in the Maine State Library program, General Fund account, All Other line category.

Sec. AAA-2. Carrying provision; Maine State Library, Maine State Library.

Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward up to \$1,500,000 appropriated for high-density shelving at the Cultural Building as authorized in Public Law 2023, chapter 3, Part A, section 20 to fiscal year 2024-25 in the Maine State Library program, General Fund account, Capital Expenditures line category.

PART AAA SUMMARY

The change to this Part correctly references the funding appropriated for furniture and space planning services authorized in Public Law 2023, chapter 3, Part A, section 20. Additionally, this Part removes reference to furniture in section 2.

Part MMM

Sec. MMM-1. Carrying provision; Department of Administrative and Financial Services, Information Services. Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward any unexpended All Other balance remaining in the Department of Administrative and Financial Services, Information Services program, General Fund account to fiscal year 2024-25.

PART MMM SUMMARY

This Part authorizes the Department of Administrative and Financial Services to carry forward any unexpended All Other balance in the Information Services program at the end of fiscal year 2023-24 to fiscal year 2024-25.

Part NNN

Sec. NNN-1. Carrying Provision; Department of Administrative and Financial Services, State Benefit Mandate Defrayal. Notwithstanding any provision of law to the contrary, the State Controller shall carry forward any remaining balances in the Department of Administrative and Financial Services, State Benefit Mandate Defrayal program, General Fund account in each year of the 2024-2025 biennium into the following fiscal year.

PART NNN SUMMARY

This part authorizes the Department of Administrative and Financial Services to carry forward any unexpended balance in the State Benefit Mandate Defrayal program in each fiscal year of the 2024-2025 biennium into the following fiscal year and biennium.

Part OOO

Sec. OOO-1. Transfer from the General Fund unappropriated surplus; Military Training & Operations. Notwithstanding any provision of law to the contrary, on or before June 30, 2025 the State Controller shall transfer \$180,000 from the unappropriated surplus of the General Fund to the Military Training & Operations, Other Special Revenue Funds account within the Department of Defense, Veterans and Emergency Management to fund costs associated with Maine Revised Statutes, Title 37-B, section 390-D.

PART OOO SUMMARY

This part requires the transfer of \$180,000 in fiscal year 2024-25 from the unappropriated surplus of the General Fund to the Department of Defense, Veterans and Emergency Management to fund costs associated with Maine Revised Statutes, Title 37-B, section 390-D. Public Law 2023, chapter 474, "An Act to Implement the Recommendations of the Governor's Advisory Council on Military Sexual Trauma" provided one-time appropriations in fiscal year 2024-25 for the cost of paid leave for individuals who are a victim or responding party of sexual harassment or a sexual assault. This Part adjusts the funding from the General Fund to the Other Special Revenues Fund to ensure that funding does not lapse and is available in the event there is a case where a victim or responding party needs to be placed on paid administrative leave.

Part PPP

Sec. PPP-1. Transfer from the General Fund unappropriated surplus; Administration-Maine Emergency Management Agency. Notwithstanding any provision of law to the contrary, on or before June 30, 2025 the State Controller shall transfer \$2,500,000 from the unappropriated surplus of the General Fund to the Administration-Maine Emergency Management Agency, Other Special Revenue Funds account within the Department of Defense, Veterans and Emergency Management for increasing operations costs amid historical flat funding and to offset budget reductions in the latest federal budget

PART PPP SUMMARY

This part requires the transfer of \$2,500,000 in fiscal year 2024-25 from the unappropriated surplus of the General Fund to the Department of Defense, Veterans and Emergency Management, Administration-Maine Emergency Management Agency, Other Special Revenue Funds account for increasing operations costs amid historical flat funding and to offset budget reductions in the latest federal budget.

Part QQQ

Sec. QQQ-1. 5 MRSA §20005, sub-§23, as enacted by PL 2023, c. 412, Pt. WWW, §3, is amended to read:

23. Treatment center. Establish one treatment center for substance use disorder treatment that, at a minimum, offers mental health and crisis stabilization services offered by the crisis receiving center in Portland and aligned with Substance Abuse and Mental Health Services Administration and National Association of State Mental Health Program Directors standards for crisis care. The treatment center must be located in either Kennebec County-or Washington County. The treatment center maymust have at least 10 beds and offer medically managed withdrawal services. At least 40% of the occupancy in the treatment center must be made available to individuals who have coverage under the MaineCare program. Services offered by the center must be available to all individuals regardless of insurance. The treatment center established pursuant to this subsection shall provide:

A. A receiving center that is open 24 hours per day, 7 days per week to provide <u>low-barrier walk-in access to behavioral health services including</u> substance use disorder treatment while a patient waits for access to a higher level of care;

B. Medically managed withdrawal services;

 \underline{BC} . Access to medication to treat substance use disorder, including any-medication approved by the United States Food and Drug Administration; and

CD. <u>Referral and Coordination</u> with services after treatment, including but not limited to local recovery centers, hypodermic apparatus exchange programs and recovery residences.

No later than February 1, 2025 and annually thereafter, the department shall report to the joint standing committee of the Legislature having jurisdiction over health and human services matters on the number of people served, the types of services provided, the attempts made at community outreach and any recommendations relating to the services provided by the treatment center.

Sec. QQQ-2. Request for proposals. No late than 90 days after the effective date of this law, the Department of Health and Human Services shall award the contract pursuant to a request for proposals to establish and operate the treatment center required pursuant to the Maine Revised Statutes, Title 5, section 20005, subsection 23.

PART QQQ SUMMARY

This Part requires that the treatment center in Kennebec County offer mental health and crisis stabilization services and makes it optional that it must have 10 beds, offer medically

managed withdrawal services, and that 40% of occupancy must be made available to individuals with MaineCare coverage. This Part also changes the date which the Department shall award a contract from December 1, 2023 to 90 days after the effective date of this law.

Part RRR

Sec. RRR-1. Department of Health and Human Services, Child Care Stability Grant Program. Maine will implement a one-time child care stability grant program capped at \$12,906,649. The Child Care Stability Grant program will bring additional support to licensed child care programs in Maine and bridge the time until the expanded Child Care Affordability Program and new market rates for subsidy reimbursement to providers are implemented. Eligible expenses include health and safety facility improvements and upgrades, additional stipends to support staff recruitment and retention, and financial support for families such as clearing tuition debt for a family, providing a scholarship for their parent fee, and/or not having to raise tuition rates for families. The Department will provide guidance to child care providers about the timing and allowable uses of this funding within 30 days of the effective date of the budget.

Sec. RRR-2. Carrying provision; Department of Health and Human Services, Head Start. Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward any unexpended balance remaining of the \$1,134,000 appropriated in Section 1 of this Part in the Department of Health and Human Services, Head Start program, General Fund account, All Other line category to fiscal year 2024-25 for child care stability grants.

Sec. RRR-3. Carrying provision; Department of Health and Human Services, Child Care Services. Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward any unexpended balance remaining of the \$11,772,649 appropriated in Section 1 of this Part in the Department of Health and Human Services, Child Care Services program, General Fund account, All Other line category to fiscal year 2024-25 for child care stability grants.

PART RRR SUMMARY

This Part establishes a one-time Child Care Stability Grant Program capped at \$12,906,645, to provide additional support to child care programs in Maine. This Part also authorizes the Department of Health and Human Services to carry forward any unexpended balance remaining of the \$12,906,649 appropriated in Section 1 of this Part at the end of fiscal year 2023-24 to fiscal year 2024-25 for child care stability grants.

Part SSS

Sec. SSS-1. Nursing Facility Reform Transition Fund: The Nursing Facility Reform Transition Fund is established as a Nursing Facilities Other Special Revenue Funds account for the sole purpose of funding components of nursing facility rates starting on January 1, 2025 that assist in transitioning toward the fully implemented rates under MaineCare's comprehensive rate reform system by calendar year 2028. This could include, but is not limited to, time-limited payment policies to all eligible facilities to reward quality or achieve permanent staffing targets, or to adjust the risk mitigation parameters. This funding is intended to support retention and recruitment of facility staff, particularly direct care staff, and facilitate the reduction of the use of contract or "travel" staff and may be used for special workforce initiatives designed to meet this goal. The fund shall sunset when funding is fully expended or on December 31, 2027, whichever is sooner.

Sec. SSS-2. Transfer from the General Fund unappropriated surplus; Nursing Facilities. Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$23,247,780 from the unappropriated surplus of the General Fund to the Department of Health and Human Services, Nursing Facilities program, Other Special Revenue Funds account for the purpose of funding components of nursing facility rates. As of December 31, 2027, any unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

PART SSS SUMMARY

This Part establishes a Nursing Facilities, Other Special Revenue Funds account for the purpose of funding components of nursing facilities rates starting January 1, 2025 that assist in transitioning toward the fully implemented rates under MaineCare's comprehensive rate reform system by calendar year 2028. This Part also includes a transfer from the unappropriated surplus of the General Fund to provide funding for this purpose.

Part TTT

Sec. TTT-1. Carrying provision; Department of Inland Fisheries and Wildlife, Administrative Services – IF&W. Notwithstanding any provision of law to the contrary, at the end of fiscal year 2023-24, the State Controller shall carry forward any unexpended balance remaining of the \$1,000,000 appropriated in Public Law 2023, chapter 412 in the Department of Inland Fisheries and Wildlife, Administrative Services – IF&W program, General Fund account, Capital Expenditures line category to fiscal year 2024-25 for the repair of 3 department-owned dams.

PART TTT SUMMARY

This Part authorizes the Department of Inland Fisheries and Wildlife to carry forward any unexpended balance remaining of the \$1,000,000 appropriated in Public Law 2023, chapter 412 for the repair of 3 department-owned dams at the end of fiscal year 2023-24 to fiscal year 2024-25.

Part UUU

Sec. UUU-1. Adoption. Resolved: That final adoption of Chapter 26: Producer Margins, a provisionally adopted major substantive rule of the Maine Milk Commission that has been submitted to the Legislature for review pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A, is authorized only if the following changes are made to the 4 levels of target prices for milk producers:

1. For the first 16,790 hundredweight produced per year by each producer, the target price is \$24.51 per hundredweight;

2. For production over 16,790 hundredweight to 49,079 hundredweight per year, the target price is \$23.37 per hundredweight;

3. For production over 49,079 hundredweight to 76,800 hundredweight per year, the target price is \$22.60 per hundredweight; and

4. For production over 76,800 hundredweight per year, the target price is \$21.88 per hundredweight.

PART UUU SUMMARY

This Part authorizes adoption of Chapter 26: Producer Margins, a provisionally adopted major substantive rule of the Maine Milk Commission, only if the following changes are made to the 4 levels of target prices for milk producers:

1. For the first 16,790 hundredweight produced per year by each producer, the target price is \$24.51 per hundredweight;

2. For production over 16,790 hundredweight to 49,079 hundredweight per year, the target price is \$23.37 per hundredweight;

3. For production over 49,079 hundredweight to 76,800 hundredweight per year, the target price is \$22.60 per hundredweight; and

4. For production over 76,800 hundredweight per year, the target price is \$21.88 per hundredweight.

Part VVV

Sec. VVV-1. Transfer from the General Fund unappropriated surplus; Administration – Public Safety. Notwithstanding any provision of law to the contrary, on or before June 30, 2024 the State Controller shall transfer \$3,000,000 from the unappropriated surplus of the General Fund to the Administration – Public Safety program, Other Special Revenue Funds account within the Department of Public Safety to fund certain first responder overtime costs associated with the Lewiston mass casualty event on October 25, 2023 and the subsequent apprehension operation.

PART VVV SUMMARY

This Part requires the transfer of \$3,000,000 on or before June 30, 2024 from the unappropriated surplus of the General Fund to the Department of Public Safety, Administration – Public Safety program, Other Special Revenue Funds account to fund first responder overtime costs associated with the Lewiston mass casualty event on October 25, 2023.

Part WWW

Sec. WWW-1. 35-A MRSA §3474, sub-§4, as enacted by PL 2023, c. 307, is amended to read:

4. Interconnection ombudsman; fund. The interconnection ombudsman appointed pursuant to section 107, subsection 1 shall assist persons seeking interconnections governed by rules adopted under subsection 3. The commission shall appoint an interconnection ombudsman who possesses technical expertise related to interconnection and interconnection procedures.

A. The duties of the interconnection ombudsman include but are not limited to:

(1) Tracking interconnection disputes;

(2) Facilitating the efficient and fair resolution of disputes between customers seeking to interconnect and investor-owned transmission and distribution utilities;

(3) Reviewing investor-owned transmission and distribution utility interconnection policies to assess opportunities for reducing interconnection disputes;

(4) Convening stakeholder groups as necessary to facilitate effective communication between interconnection stakeholders; and

(5) Preparing reports that detail the number, type, resolution timeline and outcome of interconnection disputes.; and

(6) Any other technical or regulatory work involving public utilities.

B. The commission by rule shall establish a fee to be paid by persons seeking interconnections to fund the interconnection ombudsman in accordance with paragraph C. Notwithstanding Title 5, section 8071, rules adopted under this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

C. The interconnection ombudsman fund is established within the commission as a nonlapsing fund for the purposes of <u>funding offsetting cost for interconnection related</u> <u>activities undertaken by</u> the interconnection ombudsman. The commission shall deposit all fees collected under this subsection into the fund and all money in the fund must be used to fully fund the interconnection ombudsman. In addition to the fees established in accordance with this subsection, the fund may accept federal money and contributions from private and public sources.

Any activities undertaken by the interconnection ombudsman pursuant to subparagraph 6 shall be funded in accordance with section 116.

PART WWW

SUMMARY

This amendment clarifies that the duties of the interconnection ombudsman also include technical or regulatory work involving public utilities and that this work is to be funded by the Public Utilities Commission's Regulatory fund. It also clarifies that the interconnection ombudsman fund is to be used to offset costs for interconnection related activities undertaken by the interconnection ombudsman.

Part XXX

Sec. XXX-1. 36 MRSA §655, sub-§1, ¶S is amended to read:

S. Mining property as provided <u>Unextracted minerals</u>. For purposes of this paragraph, "minerals" has the same meaning as in section 2855, subsection 9 2854;

Sec. XXX-2. 36 MRSA §656, sub-§1, ¶I is amended to read:

I. <u>Mining property as provided Unextracted minerals.</u> For purposes of this paragraph, <u>"minerals" has the same meaning as in section 2855, subsection 9</u> 2854;

Sec. XXX-3. 1 MRSA §2601, sub-§4, as enacted by PL 1981, c. 711, §1, is repealed.

Sec. XXX-4. 14 MRSA §6662, sub-§1, ¶C, as enacted by PL 1983, c. 189, is amended by amending subparagraph (2) to read:

(2) Payment of any the excise tax under Title 36, sections 2851 to 2865 section 2856;

Sec. XXX-5. 36 MRSA §271, sub-§2, ¶A, as amended by PL 2019, c. 401, Pt. A, §4, is further amended by repealing subparagraph (6).

Sec. XXX-6. 36 MRSA §271, sub-§10, ¶**A**, as enacted by PL 2009, c. 571, Pt. WWW, §7, is amended to read:

A. The filing fee for a petition for an appeal of current use valuation under the tree growth tax law, chapter 105, subchapter 2-A, the farm and open space tax law, chapter 105, subchapter 10, <u>or</u> the working waterfront land law, chapter 105, subchapter 10-A or a petition for an appeal relating to section 2865 is \$75.

Sec. XXX-7. 36 MRSA § 2013, sub-§1, ¶B-2 is enacted to read:

B-2. "Commercial mining" means the commercial extraction or removal of metallic minerals or overburden or for the preparation, washing, cleaning or other treatment of metallic minerals and includes the bulk sampling, advanced exploration, extraction or beneficiation of metallic minerals within a mining area as defined in Title 38, section 490-MM, subsection 8 and 12, respectively, but does not include exploration.

"Commercial mining" does not include:

(1) The physical extraction, crushing, grinding, storage or heating of calcium carbonate or limestone to produce cement;

(2) The exploration for or physical extraction, crushing, grinding, sorting or storage of borrow, topsoil, clay or silt; or

(3) The exploration for or physical extraction, crushing, grinding, sorting or storage of gemstones, aggregate, dimension stone or other construction materials from a quarry.

Sec. XXX-8. 36 MRSA § 2013, sub-§1, ¶C, as amended by PL 2019, c. 7, §2 is further amended to read:

C. "Depreciable machinery and equipment" means, except as otherwise provided by this paragraph, that part of the following machinery and equipment for which depreciation is allowable under the Code and repair parts for that machinery and equipment:

(1) New or used machinery and equipment for use directly and primarily in commercial agricultural production, including self-propelled vehicles; attachments and equipment for the production of field and orchard crops; new or used machinery and equipment for use directly and primarily in production of milk, maple syrup or honey, animal husbandry and production of livestock, including poultry; new or used machinery and equipment used in the removal and storage of manure; and new or used machinery and equipment not used directly and primarily in commercial agricultural production, but used to transport potatoes from a truck into a storage location;

(2) New or used watercraft, nets, traps, cables, tackle and related equipment necessary to and used directly and primarily in commercial fishing;

(3) New or used watercraft, machinery or equipment used directly and primarily for commercial aquacultural production, including, but not limited to: nets; ropes; cables; anchors and anchor weights; shackles and other hardware; buoys; fish tanks; fish totes; oxygen tanks; pumping systems; generators; water-heating systems; boilers and related pumping systems; diving equipment; feeders and related equipment; power-generating equipment; tank water-level sensors; aboveground piping; water-oxygenating systems; fish-grading equipment; safety equipment; and sea cage systems, including walkways and frames, lights, netting, buoys, shackles, ropes, cables, anchors and anchor weights; and

(4) New or used machinery and equipment for use directly and primarily in commercial wood harvesting, including, but not limited to, chain saws, skidders, delimbers, forwarders, slashers, feller bunchers and wood chippers-<u>; and</u>

(5) New or used machinery and equipment for use directly and primarily in commercial mining.

"Depreciable machinery and equipment" does not include a motor vehicle as defined in section 1752, subsection 7 or a trailer as defined in section 1752, subsection 19-A.

Sec. XXX-9. 36 MRSA § 2013, sub-§§2 and 3, as amended by PL 2015, c. 481, Pt. B, §1 and affected by §2 is further amended to read:

2. Refund authorized. Any person, association of persons, firm or corporation that purchases electricity or fuel, or that purchases or leases depreciable machinery or equipment, for use in commercial agricultural production, commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial mining must be refunded the amount of sales tax paid upon presenting to the State Tax Assessor evidence that the purchase is eligible for refund under this section.

Evidence required by the assessor may include a copy or copies of that portion of the purchaser's or lessee's most recent filing under the United States Internal Revenue Code that indicates that the purchaser or lessee is engaged in commercial agricultural production, commercial fishing, commercial aquacultural production-or, commercial wood harvesting or commercial mining and that the purchased machinery or equipment is depreciable for those purposes or would be depreciable for those purposes if owned by the lessee.

In the event that any piece of machinery or equipment is only partially depreciable under the United States Internal Revenue Code, any reimbursement of the sales tax must be prorated accordingly. In the event that electricity or fuel is used in qualifying and nonqualifying activities, any reimbursement of the sales tax must be prorated accordingly.

Application for refunds must be filed with the assessor within 36 months of the date of purchase or execution of the lease.

3. Purchases made free of tax with certificate. Sales tax need not be paid on the purchase of electricity, fuel or a single item of machinery or equipment if the purchaser has obtained a certificate from the assessor stating that the purchaser is engaged in commercial agricultural production, commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial mining and authorizing the purchaser to purchase electricity, fuel or depreciable machinery and equipment without paying Maine sales tax. The seller is required to obtain a copy of the certificate together with an affidavit as prescribed by the assessor, to be maintained in the seller's records, attesting to the qualification of the purchase for exemption pursuant to this section. In order to qualify for this exemption, the electricity, fuel or depreciable machinery or equipment must be used directly in commercial agricultural production, commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial fishing, commercial aquacultural production of the purchase for exemption pursuant to this section. In order to qualify for this exemption, the electricity fuel or depreciable machinery or equipment must be used directly in commercial agricultural production, commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial fishing, commercial aquacultural production—or, commercial wood harvesting or commercial mining. In order to qualify for this exemption, the electricity or fuel must be used in qualifying activities, including support operations.

Sec. XXX-10. 36 MRSA §2854, as enacted by PL 1981, c. 711, §10, is amended to read:

§2854. Excise tax in lieu of property taxes

1. Annual excise tax. A mining company shall pay to the State Tax Assessor, for the use set forth in this chapter, an annual excise tax for the privilege of conducting mining within the State.

2. Property tax exemption. The excise tax imposed by this chapter shall be in lieu of all property taxes on or with respect to mining property, except for the real property taxes on the following:

A. Buildings, excluding fixtures and equipment; and

B. Land, excluding the value of minerals or mineral rights.

Sec. XXX-11. 36 MRSA §2855, sub-§2, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-12. 36 MRSA §2855, sub-§3, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-13. 36 MRSA §2855, sub-§4, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-14. 36 MRSA §2855, sub-§5, as enacted by PL 1981, c. 711, §10, is amended to read:

5. Gross proceeds. "Gross proceeds" means a mining company's federal gross income from mining with respect to <u>a mine site mining</u>, as defined in Section 613 of the <u>code Code</u>, in the State.

Sec. XXX-15. 36 MRSA §2855, sub-§6, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-16. 36 MRSA §2855, sub-§7, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-17. 36 MRSA § 2855, sub-§8 is repealed.

Sec. XXX-18. 36 MRSA §2855, sub-§9, as enacted by PL 1981, c. 711, §10, is amended to read:

9. Minerals. "Minerals" means all naturally occurring <u>naturally occurring</u> metallic minerals <u>as defined in Title 38, section 490-MM</u>, <u>subsection 8</u>.

Sec. XXX-19. 36 MRSA §2855, sub-§10, as enacted by PL 1981, c. 711, §10, is repealed and the following enacted in its place:

10. Mining. "Mining" has the same meaning as in Title 38, section 490-MM, subsection 11, except that activity described in Title 38, section 490-MM, subsection 11, paragraph D is mining regardless of any exclusion by the Department of Environmental Protection pursuant to Title 38, section 490-NN, subsection 4.

Sec. XXX-20. 36 MRSA §2855, sub-§12, as amended by PL 1983, c. 776, §5, is repealed.
Sec. XXX-21. 36 MRSA §2855, sub-§13, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-22. 36 MRSA §2855, sub-§14, as amended by PL 1993, c. 395, §18, is repealed.

Sec. XXX-23. 36 MRSA § 2855, sub-§15 is repealed and replaced with:

15. Tax year. "Tax year" means an accounting period that is the same as the taxpayer's taxable year for federal income tax purposes.

Sec. XXX-24. 36 MRSA §2855, sub-§16, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-25. 36 MRSA §2855, sub-§17, as enacted by PL 1981, c. 711, §10, is repealed.

Sec. XXX-26. 36 MRSA §2856, as corrected by RR 2013, c. 2, §45, is repealed and the following enacted in its place:

§2856. Amount of annual excise tax

The amount of the annual excise tax on a mining company is the mining company's gross proceeds multiplied by 0.05.

Sec. XXX-27. 36 MRSA §2857, as enacted by PL 1981, c. 711, §10, is amended to read:

§2857. Returns

1. Annual return. A mining company shall file, on or before the date the mining company's state income tax return is due to be filed, an annual return on a form specified by the State Tax Assessor for each tax year.

2. Form and contents. The return shall <u>must</u> indicate:

A. The tax due;

B. The estimated tax payments made; and

C. Credits provided under section 2858; and

D. Information relating to the value of facilities and equipment, gross proceeds, net proceeds or other relevant information as the State Tax Assessor may by rule require.

3. Payments. A mining company shall pay the tax due, less estimated tax payments and credits, at the time its annual return is due without extensions.

4. Extensions. The State Tax Assessor may grant a reasonable extension of time for filing a return, declaration, statement or other document or payment of tax or estimated tax required by this chapter on such terms and conditions as he the State Tax Assessor may require. The extension may not exceed 8 months.

5. Computation. In computing a mining company's tax, gross proceeds and net proceeds shall be computed as if each mine site were a separate taxpayer. The State Tax Assessor may distribute, apportion or allocate on a reasonable basis gross proceeds, deductions, credits or

allowances between or among mining companies or mine sites, if such distribution, apportionment or allocation is necessary to prevent evasion of taxes imposed by this chapter, or to reflect clearly the gross or net proceeds of any mining company or mine site.

Sec. XXX-28. 36 MRSA §2858, as amended by PL 1987, c. 772, §26, is repealed.

Sec. XXX-29. 36 MRSA §2861, as amended by PL 2011, c. 653, §4 and affected by §33 and amended by c. 682, §38, is repealed.

Sec. XXX-30. 36 MRSA §2862, as amended by PL 2011, c. 653, §5 and affected by §33, is repealed.

Sec. XXX-31. 36 MRSA §2862-A is enacted to read:

§2862-A. Distribution of revenues

<u>75% of excise tax revenues must be deposited in the Mining Excise Tax Trust Fund and</u> <u>25% in the General Fund.</u>

Sec. XXX-32. 36 MRSA §2863, as amended by PL 2017, c. 211, Pt. E, §7, is repealed.

Sec. XXX-33. 36 MRSA §2865, as amended by PL 2007, c. 627, §76, is repealed.

Sec. XXX-34. 36 MRSA §2866, as amended by PL 2011, c. 653, §6 and affected by §33 and amended by c. 682, §38, is repealed.

PART XXX SUMMARY

This Part incorporates LD 2251, An Act to Amend the Mining Excise Tax Laws, with the amendment voted on by the Joint Standing Committee on Taxation. The Part makes changes to the mining excise tax as recommended by the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of Tax Policy, as required by Resolve 2023, chapter 83, section 1, with changes to tax rate and revenue use voted on by the Taxation Committee. This Part:

1. Simplifies the excise tax imposed on a mining company by establishing a formula of the gross proceeds of that mining company multiplied by 0.05 and eliminating credits for payment of certain property taxes and prepayment of taxes;

2. Eliminates the Mining Impact Assistance Fund and the Mining Oversight Fund and simplifies the distribution of excise tax revenues by requiring 75% of revenue to be deposited in the Mining Excise Tax Trust Fund and 25% in the General Fund, instead of being split between municipal reimbursement, the Mining Oversight Fund, the General Fund, the Mining Excise Tax Trust Fund and the Mining Impact Assistance Fund;

3. Aligns and better integrates the Maine Mining Excise Tax with the Maine Revised Statutes, Title 38 environmental mining statutes and regulations; 4. Expands the refund of sales tax on depreciable machinery and equipment purchases to apply to commercial mining; and

5. Simplifies the business property tax provisions under Maine Revised Statutes, Title 36, Chapter 371, Mining Excise Tax, by applying general property tax administration and appeals processes while preserving the property tax exempt treatment of unextracted minerals.

Part YYY

Sec. YYY-1. 38 MRSA §480-KK is enacted to read:

§480-KK. Coastal Sand Dune Restoration and Protection Fund

1. Fund established; purposes and administration. The Coastal Sand Dune Restoration and Protection Fund, referred to in this section as "the fund," is established as a nonlapsing fund within the department from which the department may pay up to 50% of the eligible costs incurred in a project to restore, protect, conserve, nourish or revegetate a coastal sand dune system, except that eligible costs for projects relating to coastal sand dune systems and addressing technical assistance and public education may be paid up to 100%. The department may prioritize funding of projects that utilize nature-based or ecologically-enhanced techniques for restoring, protecting, conserving, nourishing or revegetating a coastal sand dune system. Any balance remaining in the fund must continue without lapse from year to year and remain available only for the purposes for which the fund is established.

2. Prohibited expenditures. The department may not use money in the fund to fund projects in coastal sand dune systems where public access is not provided to the beach or waterfront area adjacent to the coastal sand dune system.

3. Staffing support. The department may use money in the fund for staffing to support administration and implementation of activities authorized under this section.

<u>4. Public education program.</u> The department may use money in the fund to develop a coordinated public education program relating to coastal sand dune systems.

5. Funding sources. The fund may receive money from any source, public or private.

Sec. 2. Permitting of offshore wind terminal on Sears Island. Notwithstanding any provision of law or Department of Environmental Protection rule prohibiting the construction of new structures in a coastal sand dune system, the Department of Environmental Protection is authorized to grant a permit under the Maine Revised Statutes, Title 38, section 480-D for construction of an offshore wind terminal on Sears Island in the Town of Searsport to be located on or that will otherwise impact the Sears Island jetty dune, as long the project satisfies all other applicable permitting and licensing criteria under Title 35-A, chapter 34 and Title 38, chapter 3. The department is not authorized to grant more than one permit under Title 38, section 480-D for construction of an offshore wind terminal on Sears Island in accordance with this section.

For the purposes of this section, the following terms have the following meanings.

1. "Coastal sand dune system" has the same meaning as in Title 38, section 480-B, subsection 1.

2. "Offshore wind terminal" has the same meaning as in Title 35-A, section 3410, subsection 1, paragraph D.

3. "Sears Island jetty dune" means a coastal sand dune system on Sears Island in the Town of Searsport that is approximately four tenths of an acre in size and located south of and abutting the jetty on the western side of the island on the parcel of land reserved for port development, also known as "the Transportation Parcel," with the dune's southerly corner located at or near Longitude -68.8916 and Latitude 44.4438 and the dune's westerly corner located at or near Longitude -68.8923 and Latitude 44.4444.

Sec. 3. Sears Island dune conservation. The Department of Transportation, in collaboration with the Maine Coast Heritage Trust, shall take all reasonable steps to ensure the conservation and protection of a parcel of land in the northwest portion of Sears Island in the Town of Searsport that is approximately 10 acres in size and that includes the Sears Island northwest dune, consistent with the Buffer Conservation Easement, and to provide pedestrian access to that parcel and the Sears Island northwest dune from the causeway to Sears Island through the intertidal zone.

For the purposes of this section, the following terms have the following meanings:

1. "Buffer Conservation Easement" means the easement between the State of Maine and the Maine Coast Heritage Trust dated January 22, 2009 and recorded in the Waldo County Registry of Deeds, Book 3289, Page 300.

2. "Coastal sand dune system" has the same meaning as in Title 38, section 480-B, subsection 1.

3. "Sears Island northwest dune" means a coastal sand dune system on the northwestern side of Sears Island in the Town of Searsport that is approximately one and one-half acres in size, approximately 1,200 feet long and 30 to 65 feet wide and located north of the jetty and southwest of the causeway to Sears Island, on the parcel of land reserved for port development, also known as "the Transportation Parcel," with the dune's southerly end located at or near Longitude -68.8877 and Latitude 44.4517 and the dune's northerly end located at or near Longitude -68.885 and Latitude 44.4545.

Sec. YYY-4. Transfer from the General Fund unappropriated surplus; Disaster Recovery Fund. Notwithstanding any provision of law to the contrary, on or before September 30, 2024 the State Controller shall transfer \$1,000,000 from the unappropriated surplus of the General Fund to the Department of Environmental Protection, Coastal Sand Dune Restoration and Protection Fund, Other Special Revenue Funds account to provide payments to help fund costs related to eligible projects in the State to restore, protect, conserve, nourish or revegetate coastal sand dune systems in the State and for other authorized purposes in accordance with the provisions of the Maine Revised Statutes, Title 38, section 480-KK.

PART YYY SUMMARY

This Part establishes within the Department of Environmental Protection the Coastal Sand Dune Restoration and Protection Fund, from which the department may pay up to 50% of the eligible costs incurred in a project to restore, protect, conserve, nourish or revegetate a coastal sand dune system and up to 100% of eligible costs for projects relating to coastal sand dune systems and addressing technical assistance and public education. The Part directs the State Controller, on or before September 1, 2024, to transfer \$1,000,000 from the unappropriated surplus of the General Fund to the Coastal Sand Dune Restoration and Protection Fund to fund eligible sand dune projects and provides a corresponding allocation for that amount.

The Part also authorizes the Department of Environmental Protection, notwithstanding any provision of law or department rule prohibiting the construction of new structures in a coastal sand dune system, to consider and potentially grant a permit under the Maine Revised Statutes, Title 38, section 480-D for construction of an offshore wind terminal on Sears Island in the Town of Searsport to be located on or that will otherwise impact a coastal sand dune system on the island, as long the project satisfies all other applicable permitting and licensing criteria under Title 35-A, chapter 34 and Title 38, chapter 3. The coastal sand dune system on Sears Island that would potentially be impacted through the construction of an offshore wind terminal is approximately four tenths of an acre in size and located south of and abutting the jetty on the western side of the island on the parcel of land reserved for port development, also known as "the Transportation Parcel."

The Part also directs the Department of Transportation, in collaboration with the Maine Coast Heritage Trust, to take all reasonable steps to ensure the conservation and protection of a parcel of land in the northwest portion of Sears Island that is approximately 10 acres in size and that includes a different coastal sand dune system on the island, and to provide pedestrian access to that parcel and dune from the causeway to Sears Island through the intertidal zone. The coastal sand dune system on Sears Island to be conserved and protected is approximately one and one-half acres in size, approximately 1,200 feet long and 30 to 65 feet wide and located on the northwestern side of the island, north of the jetty and southwest of the causeway to Sears Island, on the parcel of land reserved for port development, also known as "the Transportation Parcel."

PART ZZZ

Sec. ZZZ-1. 26 MRSA §850-A, sub-§4 is amended to read:

4. Base period. "Base period" means the first 4 <u>of the last 5 completed</u> calendar quarters immediately preceding the first day of an individual's benefit year.

Sec. ZZZ-2. 26 MRSA §850-A, sub-§5 is amended to read:

5. Benefit year. "Benefit year" means the 12-month period beginning on the first day of the calendar week immediately preceding the date on which family leave benefits or medical leave benefits commence first date of approved family or medical leave.

Sec. ZZZ-3. 26 MRSA §850-B, sub-§1 is repealed.

Sec. ZZZ-4. 26 MRSA §850-B, sub-§5 is amended to read:

5. Intermittent leave requirements. Leave permitted by this section may be taken by an employee intermittently in increments of equaling not less than 8 hours one day, or on a reduced leave schedule otherwise agreed to by the employee and the employer. Leave may not be taken in increments of less than one hour. The taking of leave intermittently or on a reduced leave schedule pursuant to this subsection may not result in a reduction in the total amount of leave to which the covered individual is entitled under this subchapter.

Sec. ZZZ-5. 26 MRSA §850-E, sub-§4 is amended to read:

4. Administrative costs. The costs of administering the program by the administrator may not exceed 510% of the amount deposited under subsection 2 for each fiscal year following the initial year family leave benefits and medical leave benefits are paid. Money may not be commingled with other state funds and must be maintained in a separate account.

PART ZZZ SUMMARY

This Part amends the Paid Family and Medical Leave statute. The definition of base period is amended to reflect calendar quarters for which wage information would be available. The definition of benefit year is amended to consider the date that leave begins in order to ensure parity between family and medical leave. Language specific to contractual terms and conditions is repealed so that state procurement laws dictate contract terms. Intermittent leave requirements are amended to reflect an individual's actual work schedule instead of a set eight hours. The cap on administrative costs is increased from five to ten percent.

PART AAAA

Sec. AAAA-1. Transfer from General Fund unappropriated surplus; Housing Authority-State. Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$22,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account for Rural Affordable Rental Housing Program and the Low-income Housing Tax Credit Program to expand affordable rental and ownership housing options. Before June 30, 2026, unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

Sec. AAAA-2. Housing Authority - State program distribution of transferred funds. Of the funds transferred pursuant to sections 1 and 2 of this Part, up to \$11,000,000 must be used to fund the Rural Affordable Rental Housing Program and the remainder must be used to fund the Low-income Housing Tax Credit Program.

PART AAAA SUMMARY

This Part requires the transfer of \$22,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue account to provide funds for Rural Affordable Rental Housing Program and the Low-income Housing Tax Credit Program to expand affordable rental and ownership housing options.

PART BBBB

Sec. BBBB-1. Transfer from General Fund unappropriated surplus; Housing Authority-State. Notwithstanding any provision of law to the contrary, on or before June 30, 2025, the State Controller shall transfer \$5,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account to establish a manufactured and mobile home park preservation and assistance program. Program funds shall be prioritized for the purpose of maintaining housing affordability in manufactured and mobile home parks, including by supporting their ownership by mobile home owners' associations, resident-owned housing cooperatives or other nonprofit organizations. Funds may also be used to prevent homelessness among those negatively impacted by the sale or change of use of such parks. Before June 30, 2026, unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

PART BBBB SUMMARY

This Part requires the transfer of \$5,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue account to establish a manufactured and mobile home park preservation and assistance program.