

# MAINE STATE LEGISLATURE

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L.D. 1319

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APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE HOUSE OF REPRESENTATIVES 121ST LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 973, L.D. 1319, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005"

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

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

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

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

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

COMMITTEE AMENDMENT "A" to H.P. 973, L.D. 1319

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

PART A

Sec. A-1. Appropriations and allocations. In order to provide for necessary expenditures of State Government and other purposes for the fiscal years ending June 30, 2004 and June 30, 2005, the following sums as designated in the following tabulations are appropriated or allocated out of any money not otherwise appropriated or allocated.

Sec. A-2. Allotments required. Upon receipt of allotments duly approved by the Governor based upon work programs submitted to the State Budget Officer, the State Controller shall authorize expenditures of these funds, together with expenditures for other purposes necessary to the conduct of State Government, on the basis of these allotments and not otherwise. Allotments for Personal Services and Capital Expenditures and amounts for All Other departmental expenses may not exceed the amounts shown in the budget document or as they may be revised by the joint standing committee of the Legislature having jurisdiction over these appropriations and allocations, unless recommended by the State Budget Officer and approval of the Governor in accordance with established law.

Sec. A-3. Personal Services funding. The amounts provided for Personal Services in appropriated and allocated programs are subject to the provision that the total number of positions and the costs thereof in any program may not, during any fiscal year, vary either from the positions included in computing the total dollars appropriated or allocated for Personal Services or in the specific cost of each position upon which the appropriations and allocations are based. The State Budget Officer shall take the action necessary to ensure compliance with this section except as provided for in this section and section 6 in this Part.

An appointing authority shall comply with the Civil Service Laws, rules and regulations and collective bargaining agreements pertaining to the hiring, promoting, demoting and bumping of state employees. The Legislature shall act upon any recommendation for additional appropriations or allocations in order to fund additional requirements created by complying with this paragraph.

Except as indicated below, savings accruing from unused funding of employee benefits may not be used to increase services provided by employees. Except as indicated below, accrued salary savings generated from vacant positions within an appropriation or allocation for Personal Services may be used for the payment

275, §3 and affected by §§4 and 5, is amended to read:

6. Notification. An agency, municipality or granting authority that provides a housing subsidy as described in this section must notify the Department--of--Economic--and--Community Development,---Energy--Conservation--Division Public Utilities Commission that the application complies with the residential energy requirements of this section. Notification must be in a form prescribed by rule by the commissioner commission.

Sec. RR-9. 10 MRSA §1415-H, sub-§1, as amended by PL 1999, c. 657, §4, is further amended to read:

1. Certification. Before installing permanent service to a commercial or institutional building, a transmission and distribution utility, as defined in Title 35-A, section 102, shall obtain from the owner of the building or from the owner's legal agent, on a form provided by the utility, a signed certification that the building complies with the requirements of section 1415-D. A copy of the signed certification must be provided by the transmission and distribution utility to the Department---of---Economic---and---Community---Development,---Energy Conservation-Division Public Utilities Commission or a successor agency charged with administering energy building standards.

Sec. RR-10. 35-A MRSA §3211-B is enacted to read:

§3211-B. Additional energy conservation programs

In addition to the programs and activities specified in section 3211-A, subsection 2, the commission shall administer the following energy conservation programs.

1. Federally mandated programs. The director shall administer the following federally mandated programs, formerly administered by the Department of Economic and Community Development, Office of Business Development:

A. State Energy Conservation Program;

B. Energy Extension Service; and

C. Institutional Conservation Program.

2. Energy conservation standards. The commission shall adopt energy conservation standards and adopt rules for administration of the standards and the certification of energy-efficient buildings, as defined in Title 10, chapter 214.

3. Approval; denial of certificates. The commission shall provide for the approval or denial of certificates of compliance with energy standards, as required in Title 10, chapter 214.

4. Preparation of manual. The commission shall prepare the Manual of Accepted Practices, as described in Title 10, section 1415-F.

5. Review; inspection. The commission may review plans and specifications and may inspect buildings to determine compliance with the energy conservation standards established in Title 10, chapter 214.

6. Rule-making authority. If the Residential Conservation Service, as established by the federal National Energy Conservation Policy Act, Public Law 95-619, (1978), 92 Stat. 3206 as amended by the federal Energy Security Act, Public Law 96-294, (1980), 94 Stat. 611, is repealed or amended by deleting the requirements for providing energy conservation information and energy audits and arranging financing for energy conservation improvements for residential customers, the commission may adopt routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A to continue these services. In establishing these rules, the commission shall simplify federal rules without preventing fulfillment of the program objectives and the commission may not impose rules containing additional requirements for utilities.

Until the commission adopts new rules under this subsection, the previously existing federal regulations and any state rules implementing them are deemed state rules with full force and effective until changed.

Sec. RR-11. 36 MRSA §1760, sub-§68, as amended by PL 1995, c. 281, §16, is repealed.

Sec. RR-12. Transition provisions; Public Utilities Commission.

1. The Public Utilities Commission is the successor in every way to the powers, duties and functions of the former Energy Conservation Division of the Department of Economic and Community Development, Office of Business Development.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the former Energy Conservation Division or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the proper authority.

2 **Sec. LLL-4. Effective date.** This Part takes effect 90 days  
after adjournment of the First Regular Session of the 121st  
4 Legislature.

6 **PART MMM**

8 **Sec. MMM-1. Transfer of funds.** Notwithstanding any other  
provision of law, the State Controller shall transfer \$50,000 by  
10 June 30, 2004 and \$50,000 by June 30, 2005 from the Division of  
12 Forest Protection General Fund program in the Department of  
Conservation to the unappropriated surplus of the General Fund.

14 **Sec. MMM-2. Transfer of funds.** Notwithstanding any other  
provision of law, the State Controller shall transfer \$100,000 by  
16 June 30, 2004 and \$100,000 by June 30, 2005 from the Boating  
18 Facilities Fund Other Special Revenue Funds program in the  
Department of Conservation to the unappropriated surplus of the  
20 General Fund.

22 **Sec. MMM-3. Transfer of funds.** Notwithstanding any other  
provision of law, the State Controller shall transfer \$25,000 by  
24 June 30, 2004 and \$25,000 by June 30, 2005 from the Shore and  
26 Harbor Management Fund Other Special Revenue Funds program in the  
Department of Conservation to the unappropriated surplus of the  
General Fund.

28 **Emergency clause.** In view of the emergency cited in the  
preamble, this Act takes effect July 1, 2003, except as otherwise  
30 indicated.'

32 **SUMMARY**

34 This amendment does the following.

36 **PART A**

38 Part A makes appropriations and allocations of funds  
40 reflecting current services.

42 **PART B**

44 Part B adjusts appropriations and allocations of funds  
46 representing reduction proposals or adjustments to current  
services.

48 **PART C**

50 Part C does the following.

2 1. It postpones to after June 30, 2005 an increase in the  
4 State's contribution for health insurance for retired teachers  
from 35% to 40%.

6 2. It establishes Tier 1 and Tier 2 cushions for school  
8 administrative units with mills raised for education of 9.97  
mills or higher.

10 3. It establishes the statewide local share, basic  
12 elementary and secondary school operating rates, per-pupil  
14 guarantees and the statewide factor for general purpose aid for  
local schools. It establishes the foundation allocation, subsidy  
16 index reduction percentage and appropriation. It establishes the  
18 debt service allocation, indexes, reduction percentage and  
appropriation and miscellaneous adjustments and cost allocations  
and appropriations.

20 4. It transfers \$200,000 in fiscal year 2003-04 and  
22 \$300,000 in fiscal year 2004-05 from the General Purpose Aid to  
Local Schools account to General Fund unappropriated surplus from  
24 savings to be achieved through the standardization of  
specifications for school construction and renovation, including  
26 projects that are currently under construction, in planning or  
entering the design phase.

28 **PART D**

30 Part D does the following.

32 1. It establishes the Department of Administrative and  
34 Financial Services as the fiscal agent for the Department of  
Education.

36 2. It requires calculation and transfer of statewide  
38 savings in the General Fund, Highway Fund, Fund for a Healthy  
Maine and Other Special Revenue funds in the cost of health  
40 insurance for fiscal years 2003-04 and 2004-05 that are  
identified in Part B, section 1.

42 3. It requires calculation and transfer of statewide  
44 savings in the General Fund, Highway Fund, Fund for a Healthy  
Maine and Other Special Revenue funds from increased attrition  
46 for fiscal years 2003-04 and 2004-05 that are identified in Part  
B, section 1.

48 4. It requires the calculation and transfer of statewide  
50 savings in the General Fund, Highway Fund, Fund for a Healthy  
Maine and Other Special Revenue funds from extending the  
amortization schedule of the unfunded liability of the Maine  
State Retirement System for fiscal years 2003-04 and 2004-05 that

credit rate to 4.92% of the federal credit for tax years beginning in 2003, 2004 and 2005.

**PART HH**

Part HH suspends the increase in the income tax standard deduction for joint filers for tax years beginning in 2005.

**PART II**

Part II delays the allowance for several above-the-line deductions for education expenses and subsidies.

**PART JJ**

Part JJ delays recognition of federal estate tax changes for deaths occurring in 2003 and 2004.

**PART KK**

Part KK transfers \$5,000,000 in fiscal year 2003-04 and \$3,000,000 in fiscal year 2004-05 from the unallocated surplus of the Highway Fund to the unappropriated surplus of the General Fund as reimbursement for funds provided for highway improvement projects.

**PART LL**

Part LL authorizes the Commissioner of Administrative and Financial Services to offer special voluntary employee incentive programs.

**PART MM**

Part MM requires the transfer of \$150,000 in Maine Learning Technology Endowment investment earnings to the unappropriated surplus of the General Fund.

**PART NN**

Part NN extends the retirement unfunded liability amortization schedule to the constitutional limit until July 1, 2005, when it is restored to the current schedule.

**PART OO**

Part OO does the following.

- 1. It requires the transition of the Maine Technical College System into the Maine Community College System.

- 2. It appropriates and allocates funds to facilitate the creation of the Maine Community College System and to provide public matching funds to secure scholarship assistance or limit in-state tuition increases.

**PART PP**

Part PP amends the current provisions by authorizing the Maine Governmental Facilities Authority to issue additional securities totaling \$7,485,000 for capital repairs and improvements at various state facilities.

**PART QQ**

Part QQ authorizes the Commissioner of Administrative and Financial Services to issue one or more additional instant ticket lottery games.

**PART RR**

Part RR does the following.

- 1. It repeals provisions of the law relating to the Maine Science and Technology Foundation and transfers the functions and related appropriations and allocations to the Department of Economic and Community Development.
- 2. It transfers the functions of the Energy Conservation Division of the Department of Economic and Community Development to the Public Utilities Commission.

**PART SS**

Part SS requires the closure of the remaining 13 state retail liquor stores and amends certain statutes in anticipation of the transfer of the State's wholesale liquor activities.

**PART TT**

Part TT changes the name of the "Maine Learning Technology Endowment" to the "Maine Learning Technology Fund."

**PART UU**

Part UU presents a comprehensive list of tax expenditures for the consideration of the Legislature.

**PART VV**