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STATE OF MAINE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

COMMITTEE ON STATE AND LOCAL GOVERNMENT

March 12, 2009

To: Senator Bill Diamond, Senate Chair
Representative Emily Cain, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

From: Senator Deborah Simpson, Senate Chair *DS*
Representative Stephen Beaudette, House Chair *SRB*
Joint Standing Committee on State and Local Government

Re: Recommendations to the Appropriations and Financial Affairs Committee on the biennial budget bill, LD 353

The State and Local Government Committee has completed its deliberations on the biennial budget bill, LD 353. This memorandum summarizes the positions of the Committee that differ from the proposals in the budget.

• **Health Insurance Premiums**

The Committee has two reports regarding the proposal to change the portion of employee health insurance premiums paid by the state (Ref.#50 on SLG-15). Report A accepts the dollar amounts but rejects the language in Part GG and recommends that the State Employee Health Commission determine how this budget cut should be implemented in the health plan. Report A was supported by Senators Simpson and Jackson and Representatives Beaudette, Schatz, Kaenrath and Willette. Those supporting Report A also suggest that the Appropriations and Financial Affairs Committee might consider amending the statutory language in Title 5, section 285, subsection 7 so that the Health Commission would have the ability to consider the use of premium charges to employees as an option when determining how to implement budget cuts. Report B accepts the proposal in the budget as written and was supported by Senator Courtney and Representatives Cotta, Celli, Clark and Harvell. Representative Hayes supported neither report because she believes that it should be possible to save more than \$450,000 in each biennium given that the employee health plan costs approximately \$44million in General Fund money to cover 14,000 employees (not including dependent coverage).

- **The Fund for the Efficient Delivery of Local and Regional Services**

The State and Local Government Committee as a whole has been concerned for some time by the statutory limitation of \$500,000 that goes to the Fund for the Efficient Delivery of Local and Regional Services when the intention was 2% of municipal revenue sharing funds. Clearly, our Committee is not able to come up with the money to replace that 2%; if we could find a way to do that, we would do so. We believe that it would be better to be up-front about the transfer of municipal revenue sharing funds to the General Fund, rather than through this back door statutory method of limiting the amount going to the fund to \$500,000 each year. Therefore we recommend that the statute be amended so that it is explicit that approximately \$2.5 million is taken off the top of municipal revenue sharing to be returned to the General Fund. We request that the 5.1% rate remain as it is currently in statute but with the approximately \$2.5million taken out off the top.

The history of the Fund for the Efficient Delivery of Local and Regional Services is further complicated by the frequent lapsing to the General Fund of the \$500,000 that is supposed to go to the Fund to help balance the budget in every year but one. Four members of the Committee (Senator Courtney, Representatives Cotta, Clark and Harvell) recommend that the Fund be abolished altogether and return the money that is proposed in the budget document for both years of the biennium back to municipal revenue sharing so that it can be returned to the municipalities. This represents a recommended change to the baseline budget on SLG-22 to the initiative in Ref. #240 from those 4 members. It also rejects the proposed language in Part PP and repeals 30-A MRSA chapter 231.

- **Code Enforcement Program and Maine Rural Water Authority**

Four members of the Committee (Senator Simpson, Representatives Beaudette, Schatz and Willette recommend that a portion of the money proposed in the budget for the Fund for the Efficient Delivery of Local and Regional Services (the baseline budget on SLG-22 and Ref.#240) be used to restore the cuts to the Code Enforcement Program in the State Planning Office (Refs.#1909 and #1910 on SLG-53/54 and Part M), and the Maine Rural Water Authority (Ref.#3335 on SLG-59). Half of the remaining money in the Fund should remain to support the activities of the existing Efficiency Fund (rather than Part PP) and the other half should be deposited into the Municipal Investment Trust Fund. The Committee members making this recommendation believe the Fund is still useful and should remain in statute with some funding attached to support communities in their efforts to regionalize. The Municipal Investment Trust Fund established in 30-A MRSA section 6006-D would allow municipalities to apply to the Maine Municipal Bond Bank for loans to make infrastructure repairs, including investments in roads, sewer systems and public facilities if it were ever to receive funding. As you know, policymakers at all levels of government are interested in using the infrastructure approach to stimulate the economy.

Although Senator Courtney and Representative Clark did not propose using the Fund for the Efficient Delivery of Local and Regional Services to fund the continuation of the Code Enforcement Program because they believe the revenue sharing money should be returned to municipalities, they expressed serious concern with the proposed requirement for Code Enforcement Officers to pay for certification and training. They would have preferred the State

Planning Office to have made cuts in some other area of the Office rather than passing on the cuts to municipal officers.

- **Positions in the Bureau of Purchases and the McKinsey Report**

The Committee was unanimous in its recommendation to reduce the number of new positions proposed for creation in the Division of Purchases within the Department of Administrative and Financial Services from 3 to 2 (Ref.#34 on SLG-30). Corresponding savings associated with these two positions would also be reduced to recognize the reduced headcount and would continue to offset the costs to net to zero (Ref. #51 on SLG-16). We are not entirely convinced by the findings in the management consulting firm McKinsey & Company report but were sufficiently persuaded by the Department's argument that employees dedicated to the procurement process can only spend an average of 30 minutes managing each contract but that with more time, savings could be achieved. This recommendation was supported by Senators Simpson and Courtney, and Representatives Beaudette, Schatz, Willette, Cotta, Clark and Harvell.

- **Office of the Secretary of State**

The Committee was also unanimous in its recommendation to keep the two Deputy Secretary of State positions vacant rather than eliminating them. This would not make any difference to the savings because the funds for these positions would still be deappropriated but the headcount would remain the same. This initiative is Ref.#3637 on SLG-64. In addition, the Committee approved the Secretary of State's request to provide a percentage of General Fund dollars for the position associated with Ref.#3638 on SLG-65. Our understanding is that this proposal is necessary to complete the consolidation of human resources and financial activities under the Division of Administrative Services at the Bureau of Motor Vehicles. The language is attached. These recommendations for the Office of the Secretary of State were approved by Senators Simpson, Courtney and Representatives Beaudette, Schatz, Cotta, Clark and Harvell.

As you know, the Office of the Secretary of State in LD 45 worked to self-fund a reclassified position in Archives. The request by the Secretary of State was approved by both the State and Local Government Committee and the Appropriations and Financial Affairs Committee but was left out of the budget. However, he has since learned that this proposal was not the correct way to fund it and it did not include the associated one-time retroactive costs. We understand that this is a growing obligation in the future and we are sympathetic to the inability of the Secretary of State to fund this position. We are not making a formal recommendation in this matter, because we are unable to come up with the almost \$13,000 in each year of the biennium while remaining revenue neutral.

- **Approval of all other proposals in the budget**

All other items in the budget document were approved unanimously of those present in its entirety. Those present were Senators Simpson and Courtney, and Representatives Beaudette, Schatz, Cotta, Clark and Harvell.

cc: Pat Norton, Director, Office of Policy and Legal Analysis
Maureen Dawson, Principal Analyst, Office of Fiscal and Program Review

This part is necessary to achieve the consolidation of human resource and financial activities described in **Ref. # 3638 on page SLG-65 of the committee document.**

Administration - Motor Vehicles 0077

Initiative: Transfers 6% of the cost of one Personnel Officer (Public Services Manager I) position and 16% of one Director Support Services (Public Services Manager I) position in the Administration - Motor Vehicles program, Highway Fund to the Bureau of Administrative Services and Corporations, General Fund to absorb the human resources and financial activities previously performed by a Public Services Coordinator I position.

HIGHWAY FUND	2009-10	2010-11
Personal Services	(20,000)	(20,000)

Bureau of Administrative Services and Corporations 0692

Initiative: Transfers 6% of the cost of one Personnel Officer (Public Services Manager I) position and 16% of one Director Support Services (Public Services Manager I) position in the Administration - Motor Vehicles program, Highway Fund to the Bureau of Administrative Services and Corporations, General Fund to absorb the human resources and financial activities previously performed by a Public Services Coordinator I position.

GENERAL FUND	2009-10	2010-11
Personal Services	20,000	20,000

Departments and Agencies - Statewide 0016

Initiative: Reduces funding to reflect projected savings to the State from an increase in the attrition rate from 1.6% to 5% for fiscal years 2009-10 and 2010-11.

Ref. #: 48

Committee Vote: _____

AFA Vote: _____

GENERAL FUND

	2009-10	2010-11
Personal Services	(\$10,056,835)	(\$9,954,182)
GENERAL FUND TOTAL	(\$10,056,835)	(\$9,954,182)

Justification:

The personnel turnover rate in State government has been higher than the 1.6% budgeted savings rate for attrition. The proposed increase in the attrition rate from 1.6% to 5% is projected to generate additional Personal Services savings to the General Fund and Highway Fund accounts in fiscal years 2009-10 and 2010-2011.

Departments and Agencies - Statewide 0016

*Report A: Reject in favor of the Commission
Report B: Accept*

Initiative: Reduces funding to reflect savings to the State for the cost of health insurance through a change in the portion of the employee health insurance premium that is paid by the State.

Ref. #: 50

Committee Vote: 4 - 4

AFA Vote: _____

GENERAL FUND

	2009-10	2010-11
Personal Services	(\$424,165)	(\$449,615)
GENERAL FUND TOTAL	(\$424,165)	(\$449,615)

Justification:

This initiative recognizes projected savings in health insurance from the language proposed in Part GG which changes the portion of the employee health insurance premium that is paid by the State. Historically, the State has contributed 100% of the premium cost for each employee. This contribution will be reduced for employees earning over \$50,000 annually, declining to 95% for employees earning between \$50,000 and \$90,000 yearly, and to 90% for employees earning \$90,000 or more each year.

Departments and Agencies - Statewide 0016

Initiative: Reduces funding from departments and agencies statewide from projected savings in Personal Services achieved through the retirement incentive program.

Ref. #: 49

Committee Vote: _____

AFA Vote: _____

GENERAL FUND

	2009-10	2010-11
Personal Services	(\$2,388,887)	(\$2,866,664)
GENERAL FUND TOTAL	(\$2,388,887)	(\$2,866,664)

Justification:

Language in Part Y of this Act authorizes the Commissioner of Administrative and Financial Services to implement a new employee retirement incentive program. This initiative recognizes the projected savings in Personal Services from departments and agencies statewide.

Departments and Agencies - Statewide 0016

See SLG - 30

Initiative: Reduces funding for the purchase of supplies as a result of improvements in contracting with vendors and the use of procurement cards.

Ref. #: 51

Committee Vote: _____

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
All Other	(\$352,915)	(\$366,761)
GENERAL FUND TOTAL	(\$352,915)	(\$366,761)

Justification:

The Bureau of Purchases within the Department of Administrative and Financial Services projects that savings can be achieved in central services provided to departments and agencies statewide as a result of improvements in contracting with vendors and the use of procurement cards.

DEPARTMENTS AND AGENCIES - STATEWIDE 0016

PROGRAM SUMMARY

GENERAL FUND	History 2007-08	History 2008-09	2009-10	2010-11
Personal Services	\$0	\$0	(\$12,869,887)	(\$13,270,461)
All Other	\$0	\$0	(\$352,915)	(\$366,761)
GENERAL FUND TOTAL	\$0	\$0	(\$13,222,802)	(\$13,637,222)

Report A: Abolish fund and return the money to municipal revenue sharing
 Report B: Use funds by CEO, MAWA whatever remains goes to Fund and MITF.

Fund for Efficient Delivery of Local and Regional Services - Administration Z047

Initiative: BASELINE BUDGET

OTHER SPECIAL REVENUE FUNDS	History 2007-08	History 2008-09	2009-10	2010-11
All Other	\$500,000	\$500,000	\$500,000	\$500,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$500,000	\$500,000	\$500,000	\$500,000

Justification:

The purpose of the Fund for the Efficient Delivery of Local and Regional Services within the Department of Administrative and Financial Services is to award planning and cooperative services grants to foster the efficient delivery of local and regional services in an effort to reduce the demand for property tax revenues.

Fund for Efficient Delivery of Local and Regional Services - Administration Z047

Initiative: Provides funding so cooperative services grants can be awarded by the Commissioner of Administrative and Financial Services in accordance with the Maine Revised Statutes, Title 30-A, chapter 115 to those municipalities that enter into an agreement for municipal service administration.

Ref. #: 240

Committee Vote: 4-4 AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
All Other	\$0	\$500,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$500,000

Justification:

The Fund for the Efficient Delivery of Local and Regional Administration Services requires an additional allocation in fiscal year 2010-11 so cooperative services grants can be awarded by the Commissioner of Administrative and Financial Services in accordance with Maine Revised Statutes, Title 30-A, chapter 116.

**FUND FOR EFFICIENT DELIVERY OF LOCAL AND REGIONAL SERVICES - ADMINISTRATION Z047
 PROGRAM SUMMARY**

OTHER SPECIAL REVENUE FUNDS	History 2007-08	History 2008-09	2009-10	2010-11
All Other	\$500,000	\$500,000	\$500,000	\$1,000,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$500,000	\$500,000	\$500,000	\$1,000,000

Purchases - Division of 0007

Initiative: BASELINE BUDGET

	History 2007-08	History 2008-09	2009-10	2010-11
GENERAL FUND				
POSITIONS - LEGISLATIVE COUNT	4.000	4.000	4.000	4.000
Personal Services	\$295,598	\$301,836	\$321,602	\$326,949
All Other	\$84,333	\$82,979	\$83,619	\$83,619
GENERAL FUND TOTAL	\$379,931	\$384,815	\$405,221	\$410,568
	History 2007-08	History 2008-09	2009-10	2010-11
OTHER SPECIAL REVENUE FUNDS				
All Other	\$4,000	\$4,000	\$4,000	\$4,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$4,000	\$4,000	\$4,000	\$4,000

Justification:

The Division of Purchases' primary function is to procure materials, supplies, equipment and services that represent the best value to the State of Maine. The Division has responsibility under law (5 M.R.S.A. §1811) to make purchases on behalf of all departments and agencies of State Government. We are also authorized to extend to political subdivisions and/or school administrative units the privilege of purchasing from our established contracts. The Division of Purchases' policy is to provide for open and competitive bidding in the procurement of goods and services to the greatest extent possible. Commodity purchases are competitively bid by the Division's Buyers through our electronic procurement system, Vendor Self Service (VSS). Professional services are competitively bid by contracting agencies through a Request for Proposals (RFP) process conducted under the Division of Purchases' rules. All state agency contracts for services are subject to the Division's review and approval. Contracts valued at \$1,000,000 or more also need review and approval by the State Purchases Review Committee.

Purchases - Division of 0007

Initiative: Establishes 3 Public Service Manager I positions and provides funding for related All Other costs to implement the recommendations of a recent 3rd-party analysis of the Division of Purchases.

Ref. #: 34

Committee Vote: 8-0

AFA Vote: _____

		2009-10	2010-11
GENERAL FUND			
POSITIONS - LEGISLATIVE COUNT	<i>Reduce to 2 positions</i>	2,300	2,300
Personal Services		\$235,902	\$249,748
All Other		\$117,013	\$117,013
GENERAL FUND TOTAL		\$352,915	\$366,761

Justification:

Establishes 2 Public Service Manager I positions at range 24 and one Public Service Manager I position at range 27. These positions are intended to create the capacity at the Division of Purchases to begin implementing the recommendations of a recent third party analysis and report of the division's functions to reduce the overall costs of operating State Government by lowering the cost of the goods and services it purchases.

Planning Office 0082

Initiative: BASELINE BUDGET

	History 2007-08	History 2008-09	2009-10	2010-11
GENERAL FUND				
POSITIONS - LEGISLATIVE COUNT	17.000	17.000	17.000	17.000
Personal Services	\$1,391,395	\$1,373,352	\$1,527,682	\$1,561,971
All Other	\$875,951	\$684,180	\$703,421	\$703,421
GENERAL FUND TOTAL	\$2,267,346	\$2,057,532	\$2,231,103	\$2,265,392

	History 2007-08	History 2008-09	2009-10	2010-11
FEDERAL EXPENDITURES FUND				
POSITIONS - LEGISLATIVE COUNT	18.000	17.000	17.000	17.000
Personal Services	\$1,283,350	\$1,325,243	\$1,281,748	\$1,257,690
All Other	\$3,456,787	\$3,528,978	\$3,528,978	\$3,528,978
FEDERAL EXPENDITURES FUND TOTAL	\$4,740,137	\$4,854,221	\$4,810,726	\$4,786,668

	History 2007-08	History 2008-09	2009-10	2010-11
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	14.000	14.000	15.000	15.000
Personal Services	\$1,025,229	\$1,091,021	\$1,147,760	\$1,189,602
All Other	\$1,530,275	\$1,516,385	\$1,516,385	\$1,516,385
OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,555,504	\$2,607,406	\$2,664,145	\$2,705,987

Justification:

This budget covers the operations of the State Planning Office established by MRSA Title 5 sec 3303 to provide decision-makers with the information and analyses to help them when faced with decisions about Maine's economy, natural resources, and governance. Additionally, these funds provide match for the Maine Coastal Program, Floodplain Management Grant, and the Maine Commission for Community Service Grant. STATUTORY BASIS: The four core duties assigned to the State Planning Office by statute include: 1. Forecast economic conditions 2. Balance conservation and development of natural resources 3. Provide planning assistance to towns and regions 4. Provide technical assistance to Governor and Legislature ACTIVITIES: 1. Towns call on SPO for financial and technical assistance 2. Legislature and Governor call on SPO for analysis and policy work 3. Legislature and Governor direct SPO to coordinate and integrate conflicting line-agency mandates.

Planning Office 0082

See SLG-22

Initiative: Transfers one Senior Planner position and related All Other costs in the code enforcement officer program from the General Fund to Other Special Revenue Funds and charges a fee for code enforcement officer training and certification.

Ref. #: 1909

Committee Vote: _____

AFA Vote: _____

GENERAL FUND			2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT			(1.000)	(1.000)
Personal Services			(\$85,634)	(\$87,355)
All Other			(\$49,529)	(\$49,971)

GENERAL FUND TOTAL	(\$135,163)	(\$137,326)
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Ref. #: 1910	Committee Vote: _____	AFA Vote: _____
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OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	\$85,634	\$87,355
All Other	\$57,147	\$57,711
OTHER SPECIAL REVENUE FUNDS TOTAL	\$142,781	\$145,066

Justification:

This request transfers part of the Code Enforcement Officer program from the General Fund to Other Special Revenue Funds and charges a fee to support the cost of the program. Fees would be assessed for training workshops and certification exams on the individual CEOs (not the municipality). This is analogous to other professional certifications. The remaining part of the CEO program is already funded by fees on homeowners and businesses for plumbing and building permits.

Planning Office 0082

Initiative: Eliminates one Public Service Coordinator I position.

Ref. #: 1912	Committee Vote: _____	AFA Vote: _____
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GENERAL FUND	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	(1.000)	(1.000)
Personal Services	(\$96,349)	(\$97,739)
GENERAL FUND TOTAL	(\$96,349)	(\$97,739)

Justification:

This request eliminates the legislative liaison/special projects position. Legislative liaison duties will be absorbed within existing staff. Special project requests will be prioritized and limited to work that can be performed with existing staff or contracted out as needed.

Planning Office 0082

Initiative: Provides funding to reimburse municipalities for activities related to certain permitting requirements mandated by the State.

Ref. #: 1911	Committee Vote: _____	AFA Vote: _____
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OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
All Other	\$160,000	\$160,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$160,000	\$160,000

Machiasport, Princeton). We appreciate the State of Maine's support of MRWA's activities. Please feel free to contact me for any additional information. Sincerely, Steven C Levy Executive Director Maine Rural Water Association

Maine Municipal Bond Bank - Maine Rural Water Association 0699

See SLG-22

Initiative: Reduces funding for grants that support technical assistance and training provided to small communities and businesses.

Ref. #: 3335

Committee Vote: _____

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
All Other	(\$7,992)	(\$7,992)
GENERAL FUND TOTAL	(\$7,992)	(\$7,992)

Justification:

This reduction will result in the Maine Rural Water Association providing less technical support to small communities and businesses and will result in increased violations of environmental regulations, increased fines, and fewer grant dollars for improved infrastructure.

**MAINE MUNICIPAL BOND BANK - MAINE RURAL WATER ASSOCIATION 0699
PROGRAM SUMMARY**

GENERAL FUND	History 2007-08	History 2008-09	2009-10	2010-11
All Other	\$82,840	\$75,620	\$71,928	\$71,928
GENERAL FUND TOTAL	\$82,840	\$75,620	\$71,928	\$71,928

Justification:

This is an ongoing cost through Office of Information Technology.

Bureau of Administrative Services and Corporations 0692

Initiative: Provides funding to cover the costs associated with conducting 2 statewide elections in fiscal year 2009-10 and one election in fiscal year 2010-11.

Ref. #: 3635

Committee Vote: _____

AFA Vote: _____

GENERAL FUND

All Other

2009-10	2010-11
\$124,034	\$102,542

GENERAL FUND TOTAL

\$124,034	\$102,542
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Justification:

The costs associated with printing and mailing ballots has increased significantly over the past few years. Election costs are approximately 70% of the Bureau's All Other expenditures.

Bureau of Administrative Services and Corporations 0692

Initiative: Eliminates 2 Deputy Secretary of State positions funded 50% Highway Fund and 50% General Fund and reduces funding for related All Other costs.

Ref. #: 3637

Committee Vote: 7-0

AFA Vote: _____

GENERAL FUND

POSITIONS - LEGISLATIVE COUNT

Personal Services

GENERAL FUND TOTAL

2009-10	2010-11
(2,000)	(2,000)
(\$87,338)	(\$92,204)
(\$87,338)	(\$92,204)

Approve deappropriation and vacancy but reject the elimination of the head count

Justification:

Duties will be assigned to other staff members in the Central Office of the Secretary of State or referred to staff in the specific bureau resulting in delayed responses to press inquiries and constituent calls.

Bureau of Administrative Services and Corporations 0692

Initiative: Eliminates one Secretary Associate position and one Customer Representative Associate position.

Ref. #: 3636

Committee Vote: _____

AFA Vote: _____

GENERAL FUND

POSITIONS - LEGISLATIVE COUNT

2009-10	2010-11
(2,000)	(2,000)

Personal Services	(\$114,927)	(\$118,796)
GENERAL FUND TOTAL	(\$114,927)	(\$118,796)

Justification:

Elimination of these positions will result in delayed responses to election inquiries, and administrative support for the bureau deputy will be assigned to other staff members in the bureau.

Bureau of Administrative Services and Corporations 0692

See attached memo.

Initiative: Eliminates one Public Service Coordinator I position through a consolidation of human resource and financial activities.

Ref. #: 3638

Committee Vote: _____

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	(1,000)	(1,000)
Personal Services	(\$82,155)	(\$83,677)
GENERAL FUND TOTAL	(\$82,155)	(\$83,677)

Justification:

The department will consolidate its HR and financial activities under the Division of Administrative Services at the Bureau of Motor Vehicles. All Other dollars estimated at \$20,000 per year will be required in each fiscal year to reimburse the Highway Fund for support of General Fund program employees.

**BUREAU OF ADMINISTRATIVE SERVICES AND CORPORATIONS 0692
PROGRAM SUMMARY**

GENERAL FUND	History 2007-08	History 2008-09	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	36,000	34,000	29,000	29,000
Personal Services	\$2,117,589	\$1,970,507	\$1,845,512	\$1,912,275
All Other	\$731,419	\$712,400	\$768,479	\$747,075
GENERAL FUND TOTAL	\$2,849,008	\$2,682,907	\$2,613,991	\$2,659,350

OTHER SPECIAL REVENUE FUNDS	History 2007-08	History 2008-09	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	4,000	4,000	4,000	4,000
Personal Services	\$185,506	\$194,619	\$208,425	\$219,385
All Other	\$14,385	\$44,648	\$14,385	\$14,385
OTHER SPECIAL REVENUE FUNDS TOTAL	\$199,891	\$239,267	\$222,810	\$233,770

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PART M

Sec. M-1. 5 MRSA §3305, sub-§1, ¶M, as repealed and replaced by PL 1995, c. 625, Pt. A, §9, is amended to read:

M. Administer a program of training and ~~financial assistance~~ certification for municipal code enforcement officers;

Sec. M-2. 7 MRSA §3909, sub-§2, as amended by PL 1997, c. 683, Pt. B, §1, is further amended to read:

2. Designated employees of the department. For purposes of prosecution under this section, the commissioner may authorize humane agents and a state veterinarian to serve civil process pursuant to the Maine Rules of Civil Procedure, Rule 80H and any other applicable rules of court. The commissioner may authorize humane agents or a state veterinarian to represent the department in District Court in the prosecution of civil violations of these laws. ~~Certification of the humane agents and a state veterinarian for this purpose is as provided under Title 30-A, section 4453, subsection 5. Once certified, prosecution~~ Prosecution by the humane agent or a state veterinarian may seek civil penalties as provided by law as well as a permanent or temporary injunction, restraining order or other equitable relief as the court finds appropriate.

Sec. M-3. 30-A MRSA §4451, as amended by PL 2007, c. 699, §§15 and 17, is further amended to read:

§4451. Training and certification for code enforcement officers

1. Certification required; exceptions. ~~Beginning January 1, 1993, a municipality may not employ July 1, 2009, any individual to perform performing~~ the duties of a code enforcement officer ~~who is not~~ must be certified by the office, except that:

A. An individual other than an individual appointed as a plumbing inspector has 12 months after beginning employment with a municipality to be trained and certified as provided in this section;

B. Whether or not any extension is available under paragraph A, the office may waive this requirement for up to one year if the certification requirements cannot be met without imposing a hardship on the municipality employing the individual; and

C. An individual may be temporarily authorized in writing by the Department of Health and Human Services, Division of Health Engineering to be employed as a plumbing inspector for a period not to exceed 12 months.

~~A person employed by a municipality or municipalities as a code enforcement officer for at least 3 years prior to January 1, 1990 is deemed certified under this section and, 5 years after the effective date of this paragraph, is subject to the recertification requirements of subsection 6.~~

2. Penalty. Any ~~municipality that~~ individual who violates this section commits a civil violation for which a ~~forfeiture~~ fine of not more than \$100 may be adjudged. Each day in violation constitutes a separate offense.

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PART GG

Sec. GG-1. 5 MRSA §285, sub-§7, as amended by PL 2001, c. 439, Pt. XX, §5 and PL 2003, c. 20, Pt. OO, §2 and affected by §4, is further amended to read:

7. Payment by State. Except as otherwise provided in this subsection, the State, through the commission, shall pay ~~100% of only~~ the employee's share of the individual premium for the standard plan identified and offered by the commission ~~and available to the employee as authorized by the commission, except for~~ as follows: If the employee's annual salary is less than \$50,000, the State shall pay 100% of the premium; if the employee's annual salary is \$50,000 or more and less than \$90,000, the State shall pay 95% of the premium; and if the employee's annual salary is \$90,000 or more, the State shall pay 90% of the premium. For Legislators, ~~for whom~~ the State shall pay 50% of the health plan premium for dependent coverage. For any person appointed to a position after November 1, 1981 who is employed less than full time, the State shall pay a share of the employee's share reduced pro rata to reflect the reduced number of work hours. The State may not pay any portion of the health plan premium for a blind person eligible for the group health plan under subsection 1, paragraph H or for a licensed foster parent eligible for the group health plan under subsection 1, paragraph I.

For persons who were first employed before July 1, 1991, the State shall pay 100% of only the retiree's share of the premiums for the standard plan identified and offered by the commission and available to the retiree, as authorized by the commission for persons who were previously eligible for this health plan pursuant to subsection 1, paragraph A and who have subsequently become eligible pursuant to subsection 1, paragraph G.

For persons who were first employed by the State after July 1, 1991, the State shall pay a pro rata share portion of only the retiree's share of the premiums for the standard plan identified and offered by the commission and available to the retiree, as authorized by the commission for persons who were previously eligible for this health plan pursuant to subsection 1, paragraph A and who have subsequently become eligible pursuant to subsection 1, paragraph G based on the total number of years of participation in the group health plan prior to retirement as follows:

Years of Participation	State Portion
10 or more years	100% group health plan premium
9 but less than 10 years	90% group health plan premium
8 but less than 9 years	80% group health plan premium
7 but less than 8 years	70% group health plan premium
6 but less than 7 years	60% group health plan premium
5 but less than 6 years	50% group health plan premium
Less than 5 years	No contribution

Pursuant to Title 20-A, section 12722, subsection 5, this subsection applies to participants in the defined contribution plan offered by the Maine Community College System Board of Trustees under Title 20-A, section 12722.

Sec. GG-2. Calculation and transfer; General Fund; health insurance savings. Notwithstanding any other provision of law, the State Budget Officer shall

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PART PP

Sec. PP-1. 30-A MRSA §2202, sub-§2 is enacted to read:

2. Municipal service administration. "Municipal service administration" means the centralized provision of personnel, payroll, accounting, contracting, purchasing and any other financial management and human resources services and related functions.

Sec. PP-2. 30-A MRSA §2202, sub-§3 is enacted to read:

3. Municipality. "Municipality" means a municipality as defined in section 2001, subsection 8 or a plantation.

Sec. PP-3. 30-A MRSA §2202, sub-§4 is enacted to read:

4. Regional school unit. "Regional school unit" means a school unit formed under Title 20-A, chapter 103-A.

Sec. PP-4. 30-A MRSA §2208 is enacted to read:

§2208. Municipal cost savings

1. Agreements authorized. Any municipality may enter into an agreement with a regional school unit under this chapter for the purpose of achieving cost savings through municipal service administration.

2. Commission establishment. On their own initiative, or on the written petition of a number of voters equal to at least 20% of the number of votes cast in the municipality at the last gubernatorial election, the municipal officers may establish a commission of municipal residents to review the benefits of entering into an agreement as described in subsection 1. The municipal officers may request that the officers of any other municipality or regional school unit appoint a number of its residents to the commission.

3. Property tax reduction fund authorized. A municipality participating in an agreement for municipal service administration authorized by this section may establish a property tax reduction fund, referred to in this section as "the fund," as a dedicated, special revenue account. If the fund is established:

A. The municipality's financial officer shall place into the fund money from cost savings to the municipality as a result of entering into an agreement under subsection 1 and funds granted under chapter 231;

B. The fund must be held separate and apart from all other money, funds and accounts;

C. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund; and

D. Money in the fund does not lapse but is carried forward for the purposes of this section.