

**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, 2025, June 30, 2026 and June 30, 2027**

**Emergency preamble.** Whereas, acts and resolves 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,

**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 the necessary expenditures of State Government and other purposes for the fiscal years ending June 30, 2026 and June 30, 2027, the following sums as designated in the following tabulations are appropriated or allocated out of money not otherwise appropriated or allocated.

**PART B**

**Sec. B-1. Appropriations and allocations.** The following appropriations and allocations are made to provide funding for approved reclassifications and range changes.

**PART C**

**Sec. C-1. Mill expectation.** The mill expectation pursuant to the Maine Revised Statutes, Title 20-A, section 15671-A for fiscal year 2025-26 is 6.10.

**Sec. C-3. Total cost of funding public education from kindergarten to grade 12.** The total cost of funding public education from kindergarten to grade 12 for fiscal year 2025-26 is as follows:

	<b>2025-26 TOTAL</b>
<b>Total Operating Allocation</b>	
Total operating allocation pursuant to the Maine Revised Statutes, Title 20-A, section 15683	\$1,654,892,993
Total operating allocation for public charter schools pursuant to the Maine Revised Statutes, Title 20-A, section 15683-B	35,480,746
Total adjustments to state subsidy pursuant to Title 20-A, section 15689 included in subsidizable costs and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$706,366,492
<b>Total Operating Allocation and Subsidizable Costs</b>	
Total operating allocation pursuant to Title 20-A, section 15683 and total other subsidizable costs pursuant to Title 20-A, section 15681-A	\$2,396,740,231
<b>Total Debt Service Allocation</b>	
Total debt service allocation pursuant to Title 20-A, section 15683-A	\$114,070,354
<b>Total Adjustments and Targeted Education Funds</b>	
Adjustments pursuant to Title 20-A, section 15689	
Audit adjustments pursuant to Title 20-A, section 15689, subsection 4	\$0
Educating students in long-term drug treatment center adjustments pursuant to Title 20-A, section 15689, subsection 5	\$249,607
Minimum teacher salary adjustment pursuant to Title 20-A, section 15689, subsection 7-A	\$0
Regionalization, consolidation, and efficiency assistance adjustments pursuant to Title 20-A, section 15689, subsection 9	\$5,878,826

Maine Care seed payments adjustments pursuant to Title 20-A, section 15689, subsection 14	\$1,334,776
Special Education Hardship adjustment pursuant to Title 20-A, section 15689, subsection 15	\$100,000
English Learner budgetary hardship adjustment pursuant to Title 20-A, section 15689, subsection 16	\$500,000
Total adjustments to the state share of total allocation pursuant to Title 20-A, section 15689	\$8,063,209
Targeted Education Funds pursuant to Title 20-A, section 15689-A	
Special education costs for state agency clients and state wards pursuant to Title 20-A, section 15689-A, subsection 1	\$26,000,000
Essential programs and services components contract pursuant to Title 20-A, section 15689-A, subsection 3	\$250,000
Data management and support services for essential programs and services pursuant to Title 20-A, section 15689-A, subsection 10	\$10,000,000
Postsecondary course payments pursuant to Title 20-A, section 15689-A, subsection 11	\$5,500,000
National board certification salary supplement pursuant to Title 20-A, section 15689-A, subsection 12	\$0
Learning through technology program pursuant to Title 20-A, section 15689-A, subsection 12-A	\$14,000,000
Jobs for Maine's Graduates including college pursuant to Title 20-A, section 15689-A, subsection 13	\$3,881,379
Maine School of Science and Mathematics pursuant to Title 20-A, section 15689-A, subsection 14	\$3,615,347
Maine Educational Center for the Deaf and Hard of Hearing pursuant to Title 20-A, section 15689-A, subsection 15	\$9,758,979

Transportation administration pursuant to Title 20-A, section 15689-A, subsection 16	\$521,035
Special education for juvenile offenders pursuant to Title 20-A, section 15689-A, subsection 17	\$407,999
Comprehensive early college programs funding (bridge year program) pursuant to Title 20-A, section 15689-A, subsection 23	\$1,000,000
Community schools pursuant to Title 20-A, section 15689-A, subsection 25	\$250,000
Instruments and Professional Development in rural schools pursuant to Title 20-A, section 15689-A, subsection 28	\$50,000
Total targeted education funds pursuant to Title 20-A, section 15689-A	\$75,234,739
Enhancing student performance and opportunity pursuant to Title 20-A, section 15688-A and section 15672, subsection 1-D	
Career and technical education costs pursuant to Title 20-A, section 15688-A, subsection 1	\$76,245,618
College transitions programs through adult education college readiness programs pursuant to Title 20-A, section 15688-A, subsection 2	\$450,000
National industry standards for career and technical education pursuant to Title 20-A, section 15688-A, subsection 6	\$2,000,000
Career and technical education middle school grant program pursuant to Title 20-A, section 15688, subsection 8	\$500,000
Career and technical education early childhood education program expansion support pursuant to Title 20-A, section 15688-A, subsection 10	\$100,000
Total enhancing student performance and opportunity pursuant to Title 20-A, section 15688-A and section 15672, subsection 1-D	\$79,295,618

**Total Cost of Funding Public Education from Kindergarten to Grade 12**

Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, not including normal retirement costs	\$2,673,404,151
Total normal cost of teacher retirement	\$64,842,491
Total cost of funding public education from kindergarten to grade 12 for fiscal year pursuant to Title 20-A, chapter 606-B, including normal retirement costs	\$2,738,246,642
Total cost of state contribution to unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2025-26 pursuant to Title 5, chapters 421 and 423, excluding the normal cost of teacher retirement	\$285,557,687
Total cost of funding public education from kindergarten to grade 12, plus state contributions to the unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, retired teacher health insurance and retired teacher life insurance for fiscal year 2025-26 pursuant to Title 5, chapters 421 and 423	\$3,023,804,329

**Sec. C-4. Local and state contributions to total cost of funding public education from kindergarten to grade 12.** The local contribution and the state contribution appropriation provided for general purpose aid for local schools for the fiscal year beginning July 1, 2025, and ending June 30, 2026, is calculated as follows:

	<b>2025-26 LOCAL</b>	<b>2025-26 STATE</b>
<b>Local and State Contributions to the Total Cost of Funding Public Education from Kindergarten to Grade 12</b>		
Local and state contributions to the total cost of funding public education from kindergarten to grade 12 pursuant to the Maine Revised Statutes, Title 20-A, section 15683, subject to statewide distributions required by law	\$1,232,210,988	\$1,506,035,654
State contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance for		\$285,557,687

fiscal year 2025-26 pursuant to Title 5, chapters 421 and 423 excluding the normal cost of teacher retirement

State contribution to the total cost of funding public education from kindergarten to grade 12 plus state contribution to the total cost of unfunded actuarial liabilities of the Maine Public Employees Retirement System that are attributable to teachers, teacher retirement health insurance and teacher retirement life insurance pursuant to Title 5, chapters 421 and 423 \$1,791,593,341

**Sec. C-5. Authorization of payments.** If the State's continued obligation for any individual component contained in those sections of this Act that set the total cost of funding public education from kindergarten to grade 12 and the local and state contributions for that purpose exceeds the level of funding provided for that component, any unexpended balances occurring in other programs may be applied to avoid proration of payments for any individual component. Any unexpended balances from this Act may not lapse but must be carried forward for the same purpose.

**Sec. C-6. Limit of State's obligation.** Those sections of this Act that set the total cost of funding public education from kindergarten to grade 12 and the local and state contributions for that purpose may not be construed to require the State to provide payments that exceed the appropriation of funds for general purpose aid for local schools for the fiscal year beginning July 1, 2025, and ending June 30, 2026.

## **PART C SUMMARY**

This Part establishes the Total Cost of Education from Kindergarten to Grade 12, the state contribution, the annual target state share percentage, and the mill expectation for the local contribution for fiscal year 2025-2026.

## **PART D**

**Sec. D-1. 5 MRSA §3109**, as enacted by PL 2023, c. 412, Pt. OOOO, §1, is repealed.

**Sec. D-2. 5 MRSA c. 310-B**, as enacted by PL 2023, c. 643, §D2, is amended to read:

### CHAPTER 310-B

### MAINE OFFICE OF COMMUNITY AFFAIRS

### **SUBCHAPTER 1**

## GENERAL PROVISIONS

### §3201. Definitions

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

**1. Director.** "Director" means the Director of the Maine Office of Community Affairs appointed pursuant to section 3203.

**2. Office.** "Office" means the Maine Office of Community Affairs established by section 3202.

### §3202. Office established; purpose

The Maine Office of Community Affairs is established ~~as an agency in the executive branch~~ to foster communications and partnerships across state agencies and between the State and communities in this State. The office shall engage with municipalities, tribal governments and regional councils to provide coordinated and efficient planning, technical assistance and financial support to better plan for challenges, pursue solutions and create stronger, more resilient communities.

The office is established to partner with communities in this State and regional councils by:

**1. Assistance and funding.** Providing technical assistance and funding related to planning to municipalities, tribal governments and regional councils that supports a sustainable future for the State's people, communities, natural resources, physical infrastructure, industries, businesses and institutions; and

**2. Coordination and communication.** Facilitating general coordination and communication between municipalities, tribal governments, regional councils and State Government.

### §3203. Director

The Director of the Maine Office of Community Affairs is appointed by the Governor and serves at the pleasure of the Governor. The director must have demonstrated experience and leadership in municipal or regional government and must bring expertise in planning, technical assistance and grant programs for communities.

### §3204. Powers and duties

The director shall exercise the powers of the office and is responsible for the execution of the duties of the office.

**1. Duties of director.** The director shall:

A. Appoint and remove office staff and prescribe staff duties as necessary to implement the duties of the office, including:

(1) Hiring professional staff that have education, training and experience in the fields of planning and development, local and regional government, climate science and resilience, housing, building codes and general policy making; and

(2) Employing additional staff as necessary to support the work of the office.

B. Supervise and administer the affairs of the office and advise the Governor and other officials of State Government on matters of communication and partnerships between the State, municipalities, tribal governments and regional councils in this State;

C. At the request of the Governor, act for the State in the initiation of or participation in any multigovernmental agency program related to the purposes of the office;

D. At the request of the Governor, prepare and submit a budget for the office; and

E. At the request of the Governor, report on the activities of the office and, after consultation with and approval by the Governor, submit recommendations for legislative action as are determined necessary to further the purposes of this chapter.

**2. Duties of office.** Under the supervision of the director, the office shall:

A. Provide technical assistance and resources to municipalities, tribal governments and regional councils on issues related to planning, climate resilience and development;

B. Collect and collate data and statistics relating to the issues described in [paragraph A](#) and provide them to municipalities, tribal governments and regional councils;

C. Assist municipalities, tribal governments and regional councils, as well as the State, in applying for, using and leveraging federal funding resources on issues of importance to communities and the State;

D. Make grants from money appropriated to the office by the Legislature and any funds received by the office for the purposes of the office, including federal funding or private funds; solicit applications for grants; and make grant awards to eligible communities and to service provider organizations as determined by the office, including establishing eligibility requirements and other criteria to consider in awarding grants;

E. Administer contracts with regional councils and regional planning and development districts to provide technical assistance and resources to municipalities and tribal governments on issues related to planning, climate resilience and development, including but not limited to land use planning, planning for housing and other residential development, climate resilience planning and related infrastructure planning, building codes and other forms of local development assistance to support state, regional and local goals; and

F. Consult with and provide ongoing coordination with state agencies on programs and issues related to planning technical assistance and funding to communities in this State, including but not limited to the Department of Transportation; Department of Environmental Protection; Department of Marine Resources; Department of Inland Fisheries and Wildlife; Department of Agriculture, Conservation and Forestry; Department of Economic and Community Development;



Department of Health and Human Services; Department of Defense, Veterans and Emergency Management, Maine Emergency Management Agency; Department of Public Safety; Maine State Housing Authority; Governor's Energy Office; Efficiency Maine Trust; the Maine Historic Preservation Commission; and the Maine Redevelopment Land Bank Authority.

G. The office may adopt rules as necessary for the proper administration and enforcement of this chapter, pursuant to the Maine Administrative Procedures Act. Unless otherwise specified, rules adopted pursuant to this chapter are routine technical rules as defined in Title 5, chapter 375, subchapter 2 A.

### **§3205. Acceptance and administration of funds**

The office may accept, administer and expend funds, including but not limited to funds from the Federal Government or from private sources, for purposes consistent with this chapter. The director shall provide a report of the amount of any outside funding received from private sources and its designated purpose to the Governor and the joint standing committee of the Legislature having jurisdiction over municipal matters on an annual basis.

A. The office may adopt rules to administer grants and other fund disbursements. Rules adopted pursuant to this program are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

B. To maximize the availability of technical and financial assistance programs to all communities, including municipalities and tribes, and to multi-community regions and service providers, financial assistance programs administered competitively by this Office are exempt from rules adopted by the Department of Administrative and Financial Services procurement authorities in Title 5, Ch. 155 and any rules promulgated thereto for use in the purchasing of services and the awarding of grants and contracts.

C. The office shall publish a program statement describing its grant programs and advertising its availability to eligible applicants.

D. Grants awarded pursuant to this exemption may be for a period of up to 2 years. Recipients of grant funds through the programs shall cooperate with the office's performance of periodic evaluations. The recipients shall meet the office's specific reporting requirements.

E. The office may adjudicate appeals of grant disbursement decisions made under its authority. Notwithstanding any provision of law to the contrary, an adjudicatory hearing on an appeal must be held in accordance with the Maine Administrative Procedure Act.

### **§3206. Contracts; agreements**

The office may employ expert and professional consultants, contract for services as the director determines necessary within the limits of the funds provided and consistent with the powers and duties of the office and enter into agreements with the Federal Government and other agencies and organizations that promote the objectives of this chapter.

**Sec. D-3. 5 MRSA c. 310-B, sub-c. 2** is enacted to read:

**SUBCHAPTER 2**  
**CLIMATE RESILIENCE**

**§3207. Community Resilience Partnership Program**

**1. Definition.** As used in this section, unless the context otherwise indicates, "community" means a municipal government, tribal government, plantation, township or unorganized territory.

**2. Program established; administration.** The Community Resilience Partnership Program, referred to in this section as "the program," is established within the office to provide direction, assistance and grants to communities in the State to help the communities reduce carbon emissions, transition to clean energy and become more resilient to the effects of climate change. The office shall administer the program to provide technical and financial assistance for local and regional planning and implementation projects consistent with the State's emissions reduction targets under Title 38, section 576 A and the state climate action plan under Title 38, section 577.

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

A. The program may solicit applications for grants and make grant awards through a competitive process to eligible communities and to service provider organizations as determined by the program.

B. The office may establish eligibility requirements and other criteria to consider in awarding grants, as long as the criteria support the goals to help communities reduce carbon emissions, transition to clean energy and become more resilient to the effects of climate change.

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

**§3208. Coastal zone management program**

**Implement and manage coastal zone management program.** The office, under direction of the director, shall manage and coordinate implementation and ongoing development and improvement of a state coastal zone management program in accordance with and in furtherance of the requirements of the federal Coastal Zone Management Act of 1972, 16 United States Code, Sections 1451 to 1466 (2012) and the State's coastal management policies established in Title 38, section 1801. The office may:

A. Implement aspects of the state coastal zone management program and be the lead state agency for purposes of federal consistency review under the federal Coastal Zone Management Act of 1972, 16 United States Code, Section 1456 (2012);

B. Receive and administer funds from public or private sources for implementation of the state coastal zone management program; and

C. Act as the coordinating agency among the several officers, authorities, boards, commissions, departments and political subdivisions of the State on matters relative to management of coastal resources and related human uses in the coastal area.

### **§ 3209. Floodplain management**

The floodplain management program is established within the office. The office shall serve as the state coordinating agency for the National Flood Insurance Program pursuant to 44 Code of Federal Regulations, Part 60 and in that capacity shall oversee delivery of technical assistance and resources to municipalities for the purpose of floodplain management activities and shall administer the State Floodplain Mapping Fund under Title 5, section 3210.

### **§ 3210. State Floodplain Mapping Fund**

1. Fund established. The State Floodplain Mapping Fund, referred to in this section as "the fund," is established as a dedicated, nonlapsing fund administered by the office for the purpose of providing funds for the mapping of floodplains in the State using light detection and ranging technology.

2. Sources of funding. The fund consists of any money received from the following sources:

A. Contributions from private sources;

B. Federal funds and awards;

C. The proceeds of any bonds issued for the purposes for which the fund is established; and

D. Any other funds received in support of the purposes for which the fund is established.

3. Disbursements from the fund. The office shall apply the money in the fund toward the support of floodplain mapping in the State, including, but not limited to, the acquisition of light detection and ranging elevation data and the processing and production of floodplain maps.

Sec. D-4. 5 MRSA c. 310-B, sub-c. 3 is enacted to read:

## **SUBCHAPTER 3**

### **MUNICIPAL PLANNING ASSISTANCE**

#### **§3211. Municipal planning assistance program; purpose, administration**

Under the provisions of this program, a municipality or multimunicipal region may request financial or technical assistance from the office for the purpose of planning and implementing a growth management program. A municipality or multimunicipal region that requests and receives a financial assistance grant shall develop and implement its growth management program in cooperation with the office and in a manner consistent with the procedures, goals and guidelines established in this subchapter and in Title 30-A, Chapter 187, subchapter 2.

To accomplish the purposes of this subchapter, the office shall develop and administer a technical and financial assistance program for municipalities or multimunicipal regions. The program must include direct financial assistance for planning and implementation of growth management programs, standards governing the review of growth management programs by the office, technical assistance to municipalities or multimunicipal regions and a voluntary certification program for growth management programs.

**§ 3211-A. Municipal planning assistance program; technical and financial assistance**

The technical and financial assistance program for municipalities, regional councils and multimunicipal regions is established to encourage and facilitate the adoption and implementation of local, regional and statewide growth management programs.

The office may enter into financial assistance grants only to the extent that funds are available. In making grants, the office shall consider the need for planning in a municipality or multimunicipal region, the proximity of the municipality or multimunicipal region to other areas that are conducting or have completed the planning process and the economic and geographic role of the municipality or multimunicipal region within a regional context. The office shall give priority in making grants to any municipality or multimunicipal region that has adopted a local climate action plan and, if the municipality or multimunicipal region has adopted a comprehensive plan or growth management program, prepared a climate vulnerability assessment pursuant to Title 30-A, section 4326, subsection 1, paragraph L. The office may consider other criteria in making grants, as long as the criteria support the goal of encouraging and facilitating the adoption and implementation of local and multimunicipal growth management programs consistent with the procedures, goals and guidelines established in this subchapter.

**1. Planning assistance grants.**

**2. Implementation assistance grants.**

**2-A. Financial assistance grants.** A contract for a financial assistance grant must:

A. Provide for the payment of a specific amount for the purposes of planning and preparing a comprehensive plan;

B. Provide for the payment of a specific amount for the purposes of implementing that plan;  
and

C. Include specific timetables governing the preparation and submission of products by the municipality or multimunicipal region.

The office may not require a municipality or multimunicipal region to provide matching funds in excess of 25% of the value of that municipality's or multimunicipal region's financial assistance contract for its first planning assistance grant and implementation assistance grant. The office may require a higher match for other grants, including, but not limited to, grants for the purpose of updating comprehensive plans. This match limitation does not apply to distribution of federal funds that the office may administer.

**2-B. Use of funds.** A municipality or multimunicipal region may expend financial assistance grants for:

A. The conduct of surveys, inventories and other data-gathering activities;

B. The hiring of planning and other technical staff;

C. The retention of planning consultants;

D. Contracts with regional councils for planning and related services;

E. Assistance in the development of ordinances;

F. Retention of technical and legal expertise;

G. The updating of growth management programs or components of a program;

G-1. Evaluation of growth management programs; and

H. Any other purpose agreed to by the office and the municipality or multimunicipal region that is directly related to the preparation of a comprehensive plan or the implementation of a comprehensive plan adopted in accordance with the procedures, goals and guidelines established in this subchapter.

**2-C. Program evaluation.** Any recipient of a financial assistance grant shall cooperate with the office in performing program evaluations required under Title 30-A, section 4331.

**2-D. Encumbered balances at year-end.** Notwithstanding Title 5, section 1589, at the end of each fiscal year, all encumbered balances accounts for financial assistance and regional planning grants may be carried forward for 2 years beyond the year in which those balances are encumbered.

**3. Technical assistance.** Using its own staff, the staff of other state agencies, contractors and the resources of the regional councils, the office shall provide technical assistance to municipalities or multimunicipal regions in the development, administration and enforcement of growth management programs. The technical assistance component of the program must include a set of model land use ordinances or other implementation strategies developed by the office that are consistent with this subchapter.

**4. Regional council assistance.** As part of the technical and financial assistance program, the office may develop and administer a program to develop regional education and training programs, regional policies to address state goals and regional assessments. Regional assessments may include, but are not limited to, public infrastructure, inventories of agricultural and commercial forest lands, housing needs, recreation and open space needs, and projections of regional growth and economic development. The program may include guidelines to ensure methodological consistency among the State's regional councils. To implement this program, the office may contract with regional councils to assist the office in reviewing growth management programs, to develop necessary planning information at a regional level or to provide support for local planning efforts.

**5. Coordination.** State agencies with regulatory or other authority affecting the goals established in this subchapter shall conduct their respective activities in a manner consistent with the goals established under this subchapter, including, but not limited to, coordinating with municipalities, regional councils and other state agencies in meeting the state goals; providing available information to regions and municipalities as described in Title 30-A, section 4326, subsection 1; cooperating with efforts to integrate and provide access to geographic information system data; making state investments and awarding grant money as described in section Title 5, section 3211-C; and conducting reviews of growth management programs as provided in Title 5, section 3211-B, subsection 3, paragraph A. Without limiting the application of this section to other state agencies, the following agencies shall comply with this subchapter:

A. Department of Economic and Community Development;

B. Department of Environmental Protection;

C. Department of Agriculture, Conservation and Forestry;

D. Department of Inland Fisheries and Wildlife;

E. Department of Marine Resources;

F. Department of Transportation;

G. Department of Health and Human Services;

H. Finance Authority of Maine; and

I. Maine State Housing Authority.

### **§3211-B. Municipal planning assistance program; review of programs**

**1. Comprehensive plans.** A municipality or multimunicipal region that chooses to prepare a growth management program and receives a planning grant under Title 30-A, Chapter 187, subchapter 2 shall submit its comprehensive plan to the office for review. A municipality or multimunicipal region that chooses to prepare a growth management program without receiving a planning grant under this subchapter may submit its comprehensive plan to the office for review. The office shall review plans for consistency with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2. A contract for a planning assistance grant must include specific timetables governing the review of the comprehensive plan by the office. A comprehensive plan submitted for review more than 12 months following a contract end date may be required to contain data, projections and other time-sensitive portions of the plan or program that are in compliance with the office's most current review standards.

**2. Growth management programs.** A municipality or multimunicipal region may at any time request a certificate of consistency for its growth management program.

A. Upon a request for review under this section, the office shall review the program and determine whether the program is consistent with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2.

B. Certification by the Department of Agriculture, Conservation and Forestry or the office of a municipality's or multimunicipal region's growth management program under Title 30-A, Chapter 187, subchapter 2 is valid for 10 years. To maintain certification, a municipality or multimunicipal region shall periodically review its growth management program and submit to the office in a timely manner any revisions necessary to account for changes, including changes caused by growth and development. Certification does not lapse in any year in which the Legislature does not appropriate funds to the office for the purposes of reviewing programs for recertification.

C. Upon a request for review under this section, the office may review rate of growth, impact fee and zoning ordinances to determine whether the ordinances are consistent with a comprehensive plan that has been found consistent under this section without requiring submission of all elements of a growth management program. An affirmative finding of consistency by the office is required for a municipality or multimunicipal region to assert jurisdiction as provided in section Title 4, section 3211-C.

**3. Review of growth management program.** In reviewing a growth management program, the office shall:

A. Solicit written comments on any proposed growth management program from regional councils, state agencies, all municipalities contiguous to the municipality or multimunicipal region submitting a growth management program and any interested residents of the municipality or multimunicipal region or of contiguous municipalities. The comment period extends for 45 days after the office receives the growth management program.

(1) Each state agency reviewing the proposal shall designate a person or persons responsible for coordinating the agency's review of the growth management program.

(2) Any regional council commenting on a growth management program shall determine whether the program is compatible with the programs of other municipalities that may be affected by the program and with regional policies or needs identified by the regional council;

B. Prepare all written comments from all sources in a form to be forwarded to the municipality or multimunicipal region;

C. Within 90 days after receiving the growth management program, send all written comments on the growth management program to the municipality or multimunicipal region and any applicable regional council. If warranted, the office shall issue findings specifically describing how the submitted growth management program is not consistent with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2 and the recommended measures for remedying the deficiencies.

(1) In its findings, the office shall clearly indicate its position on any point on which there are significant conflicts among the written comments submitted to the office.

(2) If the office finds that the growth management program was adopted in accordance with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2, the office shall issue a certificate of consistency for the growth management program.

(3) Notwithstanding paragraph D, if a municipality or multimunicipal region requests a certificate of consistency for its growth management program, any unmodified component of that program that has previously been reviewed by the Department of Agriculture, Conservation and Forestry and has received a finding of consistency will retain that finding during program certification review by the office as long as the finding of consistency is current as defined in rules adopted by the office;

D. Provide ample opportunity for the municipality or multimunicipal region submitting a growth management program to respond to and correct any identified deficiencies in the program. A finding of inconsistency for a growth management program may be addressed within 24 months of the date of the finding without addressing any new review standards that are created during that time interval. After 24 months, the program must be resubmitted in its entirety for state review under the office's most current review standards; and

E. Provide an expedited review and certification procedure for those submissions that represent minor amendments to certified growth management programs.

The office's decision on consistency of a growth management program constitutes final agency action.

**3-A. Review of comprehensive plan.** In reviewing a comprehensive plan, the office shall:

A. Solicit written comments on any proposed comprehensive plan from regional councils, state agencies, all municipalities contiguous to the municipality or multimunicipal region submitting a comprehensive plan and any interested residents of the municipality or multimunicipal region or of contiguous municipalities. The comment period extends for 25 business days after the office receives the comprehensive plan. Each state agency reviewing the proposal shall designate a person or persons responsible for coordinating the agency's review of the comprehensive plan;

B. Prepare all written comments from all sources in a form to be forwarded to the municipality or multimunicipal region;

C. Within 35 business days after receiving the comprehensive plan, notify the municipality or multimunicipal region if the plan is complete for purposes of review. If the office notifies the municipality or multimunicipal region that the plan is not complete for purposes of review, the office shall indicate in its notice necessary additional data or information;

D. Within 10 business days of issuing notification that a comprehensive plan is complete for purposes of review, issue findings specifically describing whether the submitted plan is consistent with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2 and identify which inconsistencies in the plan, if any, may directly affect rate of growth, zoning or impact fee ordinances.



(1) In its findings, the office shall clearly indicate its position on any point on which there are significant conflicts among the written comments submitted to the office.

(2) If the office finds that the comprehensive plan was developed in accordance with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2, the office shall issue a finding of consistency for the comprehensive plan.

(3) A finding of inconsistency must identify the goals under Title 30-A, Chapter 187, subchapter 2 not adequately addressed, specific sections of the rules relating to comprehensive plan review adopted by the office not adequately addressed and recommendations for resolving the inconsistency;

E. Send all written findings and comments on the comprehensive plan to the municipality or multimunicipal region and any applicable regional council; and

F. Provide ample opportunity for the municipality or multimunicipal region submitting a comprehensive plan to respond to and correct any identified deficiencies in the plan. A finding of inconsistency for a comprehensive plan may be addressed within 24 months of the date of the finding without addressing any new review standards that are created during that time interval. After 24 months, the plan must be resubmitted in its entirety for state review under the office's most current review standards.

If the office finds that a plan is not consistent with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2, the municipality or multimunicipal district that submitted the plan may appeal that finding to the office within 20 business days of receipt of the finding in accordance with rules adopted by the office, which are routine technical rules pursuant to Title 5, chapter 375, subchapter 2 A.

The office's decision on consistency of a comprehensive plan constitutes final agency action.

A finding by the office pursuant to paragraph D that a comprehensive plan is consistent with the procedures, goals and guidelines established in Title 30-A, Chapter 187, subchapter 2 is valid for 12 years from the date of its issuance. For purposes of Title 30-A, section 4314, subsection 3 and Title 30-A, section 4352, subsection 2, expiration of a finding of consistency pursuant to this subsection does not itself make a comprehensive plan inconsistent with the procedures, goals and guidelines established in this subchapter.

**4. Updates and amendments.** A municipality or multimunicipal region may submit proposed amendments to a comprehensive plan or growth management program to the office for review in the same manner as provided for the review of new plans and programs. Subsequent to voluntary certification under Title 30-A, Chapter 187, subchapter 2, the municipality or multimunicipal region shall file a copy of an amendment to a growth management program with the office within 30 days after adopting the amendment and at least 60 days prior to applying for any state grant program that offers a preference for consistency or certification.

**5. Regional councils.** Subject to the availability of funding and pursuant to the conditions of a contract, each regional council shall review and submit written comments on the comprehensive

plan or growth management program of any municipality or multimunicipal region within its planning region. The comments must be submitted to the office and contain an analysis of:

A. Whether the comprehensive plan or growth management program is compatible with identified regional policies and needs; and

B. Whether the comprehensive plan or growth management program is compatible with plans or programs of municipalities or multimunicipal regions that may be affected by the proposal.

### **§3211-C. Municipal planning assistance program; state capital investments**

**1. Growth-related capital investments.** The State may make growth-related capital investments only in:

A. A locally designated growth area, as identified in a comprehensive plan adopted pursuant to and consistent with the procedures, goals and guidelines of Title 30-A, Chapter 187, subchapter 2 or as identified in a growth management program certified under section 3211-B.

B. In the absence of a consistent comprehensive plan, an area served by a public sewer system that has the capacity for the growth-related project, an area identified in the latest **Federal Decennial Census** as a census-designated place or a compact area of an urban compact municipality as defined by Title 23, section 754; or

C. Areas other than those described in paragraph A or B for the following projects:

(1) A project related to a commercial or industrial activity that, due to its operational or physical characteristics, typically is located away from other development, such as an activity that relies on a particular natural resource for its operation;

(2) An airport, port or railroad or industry that must be proximate to an airport, a port or a railroad line or terminal;

(3) A pollution control facility;

(4) A project that maintains, expands or promotes a tourist or cultural facility that is required to be proximate to a specific historic, natural or cultural resource or a building or improvement that is related to and required to be proximate to land acquired for a park, conservation, open space or public access or to an agricultural, conservation or historic easement;

(5) A project located in a municipality that has none of the geographic areas described in paragraph A or B and that prior to January 1, 2000 formally requested but had not received from the Department of Agriculture, Conservation and Forestry funds to assist with the preparation of a comprehensive plan or that received funds from the Department of Agriculture, Conservation and Forestry to assist with the preparation of a comprehensive plan within the previous 2 years. This exception expires for a municipality 2 years after such funds are received; or

(6) A housing project serving the following: individuals with mental illness, developmental disabilities, physical disabilities, brain injuries, substance use disorder or a human immunodeficiency virus; homeless individuals; victims of domestic violence; foster children; children or adults in the custody of the State; or individuals with a household income of no more than 80% of the area median income if the project has 18 or fewer units and receives funding through a program administered by the Maine State Housing Authority. A nursing home is not considered a housing project under this paragraph.

**2. State facilities.** The Department of Administrative and Financial Services, Bureau of General Services shall develop site selection criteria for state office buildings, state courts, hospitals and other quasi-public facilities and other civic buildings that serve public clients and customers, whether owned or leased by the State, that give preference to the priority locations identified in this subsection while ensuring safe, healthy, appropriate work space for employees and clients and accounting for agency requirements. On-site parking may only be required if it is necessary to meet critical program needs and to ensure reasonable access for agency clients and persons with disabilities. Employee parking that is within reasonable walking distance may be located off site. If there is a change in employee parking from on-site parking to off-site parking, the Department of Administrative and Financial Services must consult with the duly authorized bargaining agent or agents of the employees. Preference must be given to priority locations in the following order: service center downtowns, service center growth areas and downtowns and growth areas in other than service center communities. If no suitable priority location exists or if the priority location would impose an undue financial hardship on the occupant or is not within a reasonable distance of the clients and customers served, the facility must be located in accordance with subsection 1. The following state facilities are exempt from this subsection: a lease of less than 500 square feet; and a lease with a tenure of less than one year, including renewals.

**2-A. State's role in implementation of growth management programs.** All state agencies, as partners in local and regional growth management efforts, shall contribute to the successful implementation of comprehensive plans and growth management programs adopted under this subchapter by making investments, delivering programs and awarding grants in a manner that reinforces the policies and strategies within the plans or programs. Assistance must be provided within the confines of agency policies, available resources and considerations related to overriding state interest.

### **3. Preference for other state grants and investments.**

**3-A. Preference for other state grants and investments.** Preference for other state grants and investments is governed by this subsection.

A. When awarding a grant or making a discretionary investment under any of the programs under paragraph B, subparagraphs (1) and (2) or when undertaking its own capital investment programs other than for projects identified in Title 30-A section 4301, subsection 5 B, a state agency shall respect the primary purpose of its grant or investment program and, to the extent feasible, give preference:

(1) First, to a municipality that has received a certificate of consistency for its growth management program under section 3211-B.

(2) Second, to a municipality that has adopted a comprehensive plan that the former State Planning Office, the Municipal Planning Assistance Program at the Department of Agriculture, Conservation and Forestry, or the office has determined is consistent with the procedures, goals and guidelines of Title 30-A, Chapter 187, subchapter 2 and has adopted zoning ordinances that the former State Planning Office, the Municipal Planning Assistance Program at the Department of Agriculture, Conservation and Forestry, or the office has determined are consistent with the comprehensive plan; and

(3) Third, to a municipality that has adopted a comprehensive plan that the former State Planning Office, the Municipal Planning Assistance Program at the Department of Agriculture, Conservation and Forestry, or the office has determined is consistent with the procedures, goals and guidelines of this subchapter.

If a municipality has submitted a comprehensive plan, zoning ordinance or growth management program to the former State Planning Office, the Municipal Planning Assistance Program at the Department of Agriculture, Conservation and Forestry, or the office for review, the time for response as established in section 3211-B has expired and comments or findings have not been provided to the municipality, a state agency when awarding a grant or making a discretionary investment under this subsection may not give preference over the municipality to another municipality.

B. This subsection applies to:

(1) Programs that assist in the acquisition of land for conservation, natural resource protection, open space or recreational facilities under Title 5, chapter 353; and

(2) Programs intended to:

(a) Accommodate or encourage additional growth and development;

(b) Improve, expand or construct public facilities; or

(c) Acquire land for conservation or management of specific economic and natural resource concerns.

C. This subsection does not apply to state grants or other assistance for sewage treatment facilities, public health programs or education.

D. The office shall work with state agencies to prepare mechanisms for establishing preferences in specific investment and grant programs as described in paragraph B.

4. Application. Subsections 1 and 2 apply to a state capital investment for which an application is accepted as complete by the state agency funding the project after January 1, 2001 or which is initiated with the Department of Administrative and Financial Services, Bureau of General Services by a state agency after January 1, 2001.

## **§3211-D: Development Ready Advisory Committee**

The Development Ready Advisory Committee, referred to in this section as "the committee," is established pursuant to Title 5, section 12004-I, subsection 6-J to develop and maintain best practices for municipalities in infrastructure, land use, housing, economic development, conservation and historic preservation policy. The committee will provide coordination and subject matter expertise to municipalities to advance the likelihood of success across the community development lifecycle.

### **1. Membership.** The members of the committee are as follows:

A. Director of the office;

B. The Executive Director of the Maine Redevelopment Land Bank Authority or the executive director's designee;

C. The Commissioner of Economic and Community Development or the commissioner's designer;

D. The Commissioner of Transportation or the commissioner's designee;

E. The Commissioner of Environmental Protection or the commissioner's designee;

F. The Commissioner of Agriculture, Conservation and Forestry or the commissioner's designee;

H. The Director of the Maine State Housing Authority or the director's designee;

G. The Director of the Maine Historic Preservation Commission or the director's designee; and

H. The Commissioner of Inland Fisheries And Wildlife or the commissioner's designee;

I. The following members, selected by and serving at the pleasure of the director:

(1) Three representatives of Maine municipalities;

(2) Five representatives from the regional councils selected for geographic diversity and subject matter expertise;

(3) a representative of an organization that develops or funds affordable housing projects;

(4) a representative of a local or statewide organization promoting civil rights that has racial justice or racial equity as its primary mission;

(5) a representative of an organization that advocates for conservation of Maine's natural resources, and

(6) a representative of a regional or statewide economic development organization.

**2. Duties.** The committee shall develop best practices for community development intended to support the following goals:

A. Assisting communities in preparing for sustainable growth and in a way that maximizes financial return for state and local economies, improve quality of life for local residents, address housing needs for households of all income levels and advance environmental protection and transportation goals and specific locally identified priority needs;

B. Providing technical assistance and coordination to communities to facilitate the adoption of best practices for growth across the following sectors:

1. Transportation and infrastructure;
2. Housing creation and preservation;
3. Economic development;
4. Conservation; and
5. Historic preservation.

C. Assisting communities in designating priority investment areas in consultation with regional planning organizations, including but not limited to village centers, downtowns and adjacent neighborhoods, rural crossroads, high-impact corridors, working waterfronts and rural farmsteads;

D. Ensuring that development efforts are achievable by communities and based on the appropriateness of the location for development and the overall merit of the development project and community's commitment to the development project based on the community's stated goals; and

E. Providing resources and education for municipalities to improve capacity to access funding sources for community development project implementation.

**3. Chair and officers.** The director of the office shall serve as chair of the committee. The members of the committee shall annually elect one of its members as vice-chair and one of its members as secretary to set the agenda and schedule meetings. The committee may elect other officers, create subcommittees and designate their duties.

**4. Voting rights.** Each member of the committee has a vote.

**5. Meetings.** The committee shall meet at least twice a year.

**6. Quorum.** A majority of the members of the committee constitutes a quorum.

**7. Staff support.** The office shall provide staff support to the committee to carry out the purposes of this section.

Sec. D-5. 5 MRSA c. 310-B, sub-c. 4 is enacted to read:

#### **SUBCHAPTER 4**

#### **Housing Planning**

## **§3212. Housing Opportunity Program**

**1. Program established; administration.** The Housing Opportunity Program, referred to in this section as "the program," is established within the office to encourage and support the development of additional housing units in the State, including housing units that are affordable for low-income and moderate-income individuals and housing units targeted to community workforce housing needs. The office shall administer the program and provide technical and financial assistance to support communities implementing zoning and land use-related policies necessary to support increased housing development. The program must support regional approaches and municipal model ordinance development and encourage policies that support increased housing density, where feasible, to protect working lands and natural lands.

**2. Housing Opportunity Fund.** The Housing Opportunity Fund, referred to in this section as "the fund," is established as a fund within the office for the purpose of providing funds for the program. The fund consists of money appropriated to the fund by the Legislature and any funds received by the office for the purposes of the program.

A. The office shall solicit applications for grants from the fund through a competitive application process. Grants may be awarded to experienced service providers and municipalities to support municipal ordinance development, provide technical assistance and encourage public participation and community engagement in the process of increasing housing opportunities. Programs receiving grants under this paragraph may encourage regional coordination between municipalities.

B. The office shall solicit applications for and shall award through a competitive application process grants for the following:

(1) Community housing planning services to municipalities to support the creation of housing development plans, including municipal ordinances, and policy amendments to support those plans. Grants awarded must be for a period of up to 3 years, with required progress reports each year; and

(2) Community housing implementation services.

C. The office shall provide technical assistance, housing policy development and guidance directly to regional groups, municipalities and other housing stakeholders, to the extent feasible with available resources. This may include, but is not limited to, assisting municipalities with information about available grant opportunities, sharing best practices from jurisdictions inside and outside of the State, providing model language for local ordinances and policies and providing information to the general public, which may support local and statewide policy changes meant to increase the supply of housing.

**3. Program evaluation.** A recipient of grant funds through the program shall cooperate with the office in performing evaluations and specific reporting requirements.

**4. Rulemaking.** The office shall establish by rule the criteria for eligibility for grants from the program and the process of application. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2 A.

**§3213: Code Enforcement**

The office shall administer the programs related to municipal code enforcement and Maine building codes as directed in relevant statutes found in Titles 10, 25 and 30-A, formerly administered by the Department of Public Safety, Office of the State Fire Marshal.

Sec. D-6. 5 MRSA c. 310-B, sub-c.5 is enacted to read:

**SUBCHAPTER 5**

**VOLUNTEER MAINE**

**§3214. Commission established**

There is established the Maine Commission for Community Service, referred to in this subchapter as "the commission," to foster the State's ethic of community service; encourage community service and volunteerism as a means of meeting critical human, environmental, educational and public safety needs throughout the State; address climate challenges through community service and volunteerism; serve as the State's liaison regarding national and community service and volunteer activities; foster collaboration among service agencies; and receive gifts and grants, implement statewide service programs and make subgrants to state and local entities in accordance with the National and Community Service Trust Act of 1993, 42 United States Code, Sections 12501 to 12682 (1994).

**§3214-A. Membership; terms**

1. Membership; qualifications. The commission consists of no fewer than 15 and no more than 25 voting members appointed by the Governor and subject to review by the joint standing committee of the Legislature having jurisdiction over state and local government matters. The commission must include the following:

- A. A representative of a community-based agency or organization;
- B. The Commissioner of Education or the commissioner's designee;
- C. A representative of local government;
- D. A representative of a local labor organization;
- E. A representative of business;
- F. An individual who is at least 16 years of age but no more than 25 years of age and who is a participant in or supervisor of a service program for youth or a campus-based or national service program;
- G. A representative of a national service program;



H. An individual with expertise in the education, training and development needs of youth, particularly disadvantaged youth;

I. An individual with experience in promoting the involvement of adults aged 55 and older in national service and volunteerism; and

J. A representative of the State's volunteer community.

A member may fulfill the representation requirement for more than one category in this subsection.

The appointments may also include educators, including representatives from institutions of higher education and local education agencies; experts in the delivery of human, educational, environmental or public safety services to communities and persons; representatives of Native American tribes and nations; out-of-school or at-risk youth; and representatives of programs that are administered or receive assistance under the federal Domestic Volunteer Service Act of 1973, 42 United States Code, Section 4951, et seq. (1973). The commission also must include a nonvoting liaison designated by the federal Corporation for National and Community Service. The appointments must reflect diversity with respect to geography, race, ethnicity, age, gender, disability characteristics and political affiliation. Not more than 50% plus one member may be from the same political party. The number of voting members who are officers or employees of the State may not exceed 25% of the total membership.

The chair must be an appointed voting member of the commission, selected by the voting members. Members may not vote on issues affecting organizations they have served in a staff or volunteer capacity at any time during the preceding 12 months.

**2. Terms of office.** The appointed members serve 3-year staggered terms. Terms expire on September 1st. The Governor shall appoint members to vacancies on the commission as they occur or upon expiration of terms. Any vacancy must be filled for the unexpired portion of the term in which the vacancy occurs.

**3. Reimbursement.** Members are entitled to compensation for expenses incurred in the performance of their duties on the commission in the same manner as state employees.

### **§3214-B. Duties**

The commission shall:

**1. Vision.** Develop a state vision statement for national, state and community service;

**2. Ethic of service.** Demonstrate an ethic of service through its activities, policies, and procedures and annually evaluate how effectively these are fostering the state vision and service ethic;

**3. National and community service plan.** Develop a 3-year comprehensive national and community service plan and update the plan annually. The commission shall ensure an open and inclusive process for maximum participation in development of the plan and determination of state priorities;

**4. Preselect programs and prepare applications.** Preselect national service programs as defined in the National Service Trust Act, 42 United States Code, Section 12501, et seq. and prepare a grant application to the Corporation for National and Community Service;

**5. Assist state education agencies.** Assist the Department of Education and institutions of higher education in the preparation of applications for national and community service grants;

**6. Administer grant programs.** Evaluate, monitor and administer grant programs;

**7. Provide technical assistance.** Serve as a clearinghouse for information on national and community service and provide technical assistance to local nonprofit organizations and other entities in planning, applying for funds and implementing national service programs;

**8. Provide development assistance and training.** Provide program development assistance and training to national service programs in the State;

**9. Recruitment and placement.** Serve as a clearinghouse for people interested in national and community service placements and agencies recruiting volunteers;

**10. State priorities.** Make recommendations to the Corporation for National and Community Service with respect to priorities within the State for programs receiving assistance under the federal Domestic Volunteer Service Act of 1973, 42 United States Code, Section 4951, et seq. (1973);

**11. Coordination.** Coordinate and foster collaboration among state agencies, colleges, universities, municipalities, federal agencies and volunteer service programs, including, but not limited to, coordination of and collaboration regarding the activities of the Maine Climate Corps Program established pursuant to Title 5, section 3216 and related national and other climate-related service programs;

**12. Advisory committees.** Establish advisory committees as needed, with membership not limited to commission members;

**13. Fund raising.** Carry out fund-raising efforts to supplement federal funding and to meet all federal matching requirements;

**13-A. Maine Service Fellows Program.** Develop and administer the Maine Service Fellows Program under Title 5, section 3215; and

**14. Annual report.** Submit an annual report to the Governor, the Legislature and the joint standing committee of the Legislature having jurisdiction over state and local government matters by January 31st of each year.

#### **§3214-C. Staff and administrative services**

The office shall provide staff and administrative services as follows.

**1. Executive director.** The director, in consultation with the commission, shall hire an executive director as a member of the office staff. The executive director oversees day-to-day

operations of the commission, hires staff members with the approval of the commission and the director and carries out other responsibilities as directed by the commission.

**2. Administrative services.** The director shall provide the executive director and the commission with continuing administrative support as appropriate. The office may establish a dedicated account on behalf of the commission to receive funds contributed by private and public agencies for use solely for commission purposes.

#### **§3214-D. Private support organization**

**1. Designation of private support organization.** The executive director of the commission, with the consent of the voting members of the commission, shall designate a nonprofit corporation as the private support organization for the commission. The nonprofit corporation must be incorporated under the laws of this State and for purposes that are consistent with the goals, objectives, programs, responsibilities and functions of the commission.

The commission's private support organization must be organized and operated exclusively to receive, hold, invest and administer property and funds and to make expenditures to and for the benefit of the commission.

**2. Board of directors.** A member of the private support organization's board of directors may not also be a member of the commission. The executive director of the commission, or the executive director's designee, shall serve as a nonvoting ex-officio member of the private support organization's board of directors.

**3. Scope of work.** The private support organization shall operate under a memorandum of understanding negotiated annually by the commission that outlines a plan of work consistent with the purposes and goals of the commission and shall submit an annual budget for review and approval by the commission by June 1st.

The memorandum of understanding must further stipulate the reversion to the commission, or to the State if the commission ceases to exist, of money and property held in trust by the private support organization if the private support organization is no longer designated by the commission pursuant to subsection 1.

**4. Use of property.** The commission may authorize the private support organization to use the commission's facilities, equipment and other property, except money, in keeping with the purposes of the private support organization.

#### **§3215. Maine Service Fellows Program**

The Maine Service Fellows Program, referred to in this section as "the program," is established within the commission. Individuals who participate in the program are referred to in this section as "program fellows." The commission shall administer the program in accordance with this section.

**1. Program purposes.** The commission shall establish the program to:

A. Increase the opportunities for individuals to devote a year of service to communities in the State;

B. Attract to and retain in the State motivated adults who have completed a college degree within the prior 5 years to serve in positions where they can apply skills and abilities to projects for the benefit of citizens of the State;

C. Provide rural and underserved communities in the State a resource to address critical health and human, public safety, education and environmental needs; and

D. Strengthen civic engagement of both the program fellows and community residents through solutions based in whole or in part in volunteer service.

**2. Program design.** The program must be designed to coordinate with appropriate organizations in the served communities. Program fellows must be required to commit up to 20% of their time in the program to developing regional networks of volunteer programs whose common goals can result in mutual benefits. An entity may submit a proposal to sponsor a program fellow based on guidelines established under this subsection. Services provided by a program fellow may include but are not limited to services to address home evictions, to support workforce development, to mitigate and prevent substance use disorder and to promote mental health. The commission may identify other priority needs of communities to be addressed by the program and may make those services available to eligible communities. The commission shall establish guidelines for the program that include but are not limited to:

A. Limiting the eligibility of entities that may sponsor program fellows to local or county government, school districts, nonprofit organizations, faith-based organizations and similar entities;

B. Establishing standards for local sponsors regarding supervision and support of program fellows during their service;

C. Ensuring that projects and project proposals are well-designed and measure their impact and do not include partisan or political activity;

D. Ensuring that program fellows are not used to replace positions eliminated or position hours reduced as a result of budget cuts by the sponsor;

E. Requiring criminal background checks or other safeguards if projects involve working with vulnerable populations such as schoolchildren or if otherwise required to receive federal funds;

F. Focusing the program on rural communities as defined by the United States Department of Agriculture, Economic Research Service's rural-urban continuum codes, except that the commission shall use criteria other than the codes for defining rural communities in Penobscot County;

G. Authorizing private sector and local partner contributions to program operations for travel reimbursements or training costs; and

H. Any other guideline that the commission believes will benefit the program.

**3. Compensation.** To the extent funds are available, the commission shall ensure that program fellows receive the following compensation for service:

A. A stipend set by the commission to achieve an annual income of up to 212% of the nonfarm income official federal poverty level. To the extent the stipend is paid from the General Fund or any other account of the commission, personal liability insurance and workers' compensation insurance, paid for from the same source of funds, must also be provided. Notwithstanding any law to the contrary, program fellows are not employees of the State for the purposes of Title 5, Part 20;

B. A program completion bonus that includes, to the extent established by the commission by rule, an educational loan payment in an amount up to 20% of the stipend value paid on behalf of the program fellow to the holder of the loan; and

C. An allowance to pay for individual health insurance not to exceed 2% of the stipend amount.

**4. Funding.** The commission may seek and receive both private and federal funds, grants and gifts in support of the program. The commission may accept funding from other state agencies to support program fellows whose work will support and promote goals of programs administered by those agencies.

**5. Rules.** The commission may adopt rules necessary to carry out the purposes of this section. Rules adopted under this subsection are routine technical rules as defined in chapter 375, subchapter 2-A.

### **§3216. Maine Climate Corps Program**

The Maine Climate Corps Program, referred to in this section as “the program,” is established within the commission to provide grants, technical assistance and training to community service corps programs with the mission of responding to the impacts of climate change. Eligible community service corps programs under the program must be designed to:

**1. Direct service projects.** Conduct evidence-based direct service projects developed through community collaboration, including collaboration with indigenous communities, that address principles of equity, justice and accessibility;

**2. Climate impacts.** Address through measurable performance one or more of the following areas: transportation, energy, housing, the State’s coastal zone as defined under the United States Department of Commerce, National Oceanic and Atmospheric Administration’s coastal zone management program, public health, land and fresh water preservation, community resilience and climate-related education;

**3. Disproportionately affected communities; representation.** Prioritize assistance to disproportionately affected communities and ensure that individuals in service positions represent the economic and demographic diversity of communities, including persons who are historically marginalized; and

**4. Additional standards.** Meet additional program standards, including, but not limited to, requirements to:

A. Enroll individuals for set terms in service positions;

B. Provide individuals in full-time service positions with stipends, health insurance, liability insurance and accidental death or dismemberment insurance;

C. Provide individuals in service positions with training, education and service experiences that further employability or career preparation; and

D. Meet any other standards set by the commission or nationally for similar programs.

**Sec. D-7. 5 MRSA c. 373**, as amended, is repealed.

**Sec. D-8. 5 MRSA §12004-I, sub-§6-J**, as enacted by PL 2021, c. 664, §2 is amended to read:  
**6-J.**

Economic	Development	Expenses	<del>30-A</del> <u>MRSA</u>
Development	Ready Advisory	Only	<del>§5161-5</del> <u>MRSA</u>
	Committee		<u>§3211-D</u>

**Sec. D-9. 5 MRSA §13056-J**, as enacted by PL 2021, c. 635, Pt. U, §1, is repealed.

**Sec. D-10. 10 MRSA §9722, sub-§1**, as amended by PL 2011, c. 633, §5, if further amended to read:

**1. Establishment.** The Technical Building Codes and Standards Board, established in Title 5, section 12004-G, subsection 5-A and located within the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs, is established to adopt, amend and maintain the Maine Uniform Building and Energy Code, to resolve conflicts between the Maine Uniform Building and Energy Code and the fire and life safety codes in Title 25, sections 2452 and 2465 and to provide for training for municipal building officials, local code enforcement officers and 3rd-party inspectors.

**Sec. D-11. 10 MRSA §9722, sub-§3**, as amended by PL 2007, c. 699, §6, if further amended to read:

**3. Ex officio member; chair.** ~~The Commissioner of Public Safety~~ Director of the Maine Office of Community Affairs, or the ~~commissioner's~~ director's designee, serves as an ex officio member and as the chair of the board. The chair is a nonvoting member, except in the case of a tie of the board. The chair is responsible for ensuring that the board maintains the purpose of its charge when executing its assigned duties, that any adoption and amendment requirements for the Maine Uniform Building and Energy Code are met and that training and technical assistance is provided to municipal building officials.

**Sec. D-12. 10 MRSA §9723, sub-§2**, as amended by PL 2019, c. 517, §1 is further amended to read:

**2. Training program standards; implementation.** The committee shall direct the training coordinator of the Division of Building Codes and Standards, established in Title 25, section 2372, to develop a training program for municipal building officials, local code enforcement officers and 3rd-party inspectors. ~~The Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs, pursuant to Title 30-A, section 4451, subsection 3-A, shall implement the training and certification program established under this chapter.

**Sec. D-13. 12 MRSA §408**, as revised by PL 2011, c. 657, Pt. W, §5 is repealed.

**Sec. D-14. 12 MRSA §409**, as revised by PL 2011, c. 657, Pt. W, §5 is repealed.

**Sec. D-15. 12 MRSA §6052, sub-§6**, as enacted by PL 2017, c. 284, Pt. QQ, §5 is repealed.

**Sec. D-16. 25 MRSA §2371**, as amended by PL 2011, c. 633, §§7,8, is further amended to read:

### **§2371. Definitions**

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

**1. Board.** "Board" means the Technical Building Codes and Standards Board established in Title 5, section 12004-G, subsection 5-A.

**2. Building official.** "Building official" means a building official appointed pursuant to section 2351-A.

**3. Bureau.**

**4. Code.** "Code" means the Maine Uniform Building and Energy Code adopted pursuant to Title 10, chapter 1103.

**5. Commissioner.** "Commissioner" means the Commissioner of Public Safety.

**6. Director.** "Director" means the Director of the Maine Office of Community Affairs established in Title 5, chapter 310-B.

**5-A7. Division.** "Division" means the Division of Building Codes and Standards established in section 2372.

**8. Office.** "Office" means the Maine Office of Community Affairs established in Title 5, chapter 310-B.

**69. Third-party inspector.** "Third-party inspector" means a person certified by the State to conduct inspections under Title 30-A, section 4451 for compliance with the code. A 3rd-party inspector may not hold a pecuniary interest, directly or indirectly, in any building for which the 3rd-party inspector issues an inspection report pursuant to section 2373 and may not serve as a

3rd-party inspector in any municipality where that 3rd-party inspector has been appointed as a building official or code enforcement officer.

**Sec. D-17. 25 MRSA §2372**, as amended by PL 2019, c. 517, §2, is further amended to read:

**§2372. Division of Building Codes and Standards**

**1. Established.** The Division of Building Codes and Standards is established within the ~~Department of Public Safety, Office of the State Fire Marshal~~ office to provide administrative support and technical assistance to the board in executing its duties pursuant to Title 10, section 9722, subsection 6.

**2. Staff.** The ~~commissioner~~ director may appoint and may remove for cause staff of the division, including:

A. A technical codes coordinator certified in building standards pursuant to Title 30-A, section 4451, subsection 2-A, paragraph E, who serves as the division director and principal administrative and supervisory employee of the board. The technical codes coordinator shall attend meetings of the board, keep records of the proceedings of the board and direct and supervise the personnel employed to carry out the duties of the board, including but not limited to providing technical support and public outreach for the adoption of the code, amendments, conflict resolutions and interpretations. Technical support and public outreach must include, but may not be limited to:

- (1) Providing nonbinding interpretation of the code for professionals and the general public; and
- (2) Establishing and maintaining a publicly accessible website to publish general technical assistance, code updates and interpretations and post-training course schedules; and

B. An office specialist to provide administrative support to the division and the board.

**Sec. D-18. 25 MRSA §2374**, as amended by PL 2019, c. 517, §3, is further amended to read:

**§2374. Uniform Building Codes and Standards Fund**

The Uniform Building Codes and Standards Fund, referred to in this section as "the fund," is established within the ~~Department of Public Safety~~ office to fund the activities of the division under this chapter and the activities of the board under Title 10, chapter 1103 and Title 30-A, section 4451, subsection 3-A. Revenue for this fund is provided by the surcharge established by section 2450-A. The ~~Department of Public Safety~~ office shall determine an amount to be transferred annually from the fund for training and certification under Title 30-A, section 4451, subsection 3-A to the Maine Code Enforcement Training and Certification Fund established in Title 30-A, section 4451, subsection 3-B. Any balance of the fund may not lapse, but must be carried forward as a continuing account to be expended for the same purpose in the following fiscal year.

**Sec. D-19. 25 MRSA §2450-A**, as repealed and replaced by PL 2013, c. 424, Pt. A, §13, is amended to read:



**§2450-A. Surcharge on plan review fee for Uniform Building Codes and Standards Fund**

In addition to the fees established in section 2450, a surcharge of 4¢ per square foot of occupied space must be levied on the existing fee schedule for new construction, reconstruction, repairs, renovations or new use for the sole purpose of funding the activities of the Technical Building Codes and Standards Board with respect to the Maine Uniform Building and Energy Code, established pursuant to Title 10, chapter 1103, the activities of the Division of Building Codes and Standards under chapter 314 and the activities of the ~~Department of Economic and Community Development, Office of Community Development~~ Maine Office of Community Affairs under Title 30-A, section 4451, subsection 3-A, except that the fee for review of a plan for the renovation of a public school, including the fee established under section 2450, may not exceed \$450. Revenue collected from this surcharge must be deposited into the Uniform Building Codes and Standards Fund established by section 2374.

**Sec. D-20. 30-A MRSA, c. 187, sub-c. II, art. 3-A,** as amended is repealed.

**Sec. D-21. 30-A MRSA §4451,** as amended by PL 2019, c. 517, §5 is further amended to read:

**§4451. Training and certification for code enforcement officers**

**1. Certification required; exceptions.** A municipality may not employ any individual to perform the duties of a code enforcement officer who is not certified by the former State Planning Office, the Department of Economic and Community Development, Office of Community Development, ~~or the Department of Public Safety, Office of the State Fire Marshal~~ or the Maine Office of Community Affairs, except that:

- A. An individual other than an individual appointed as a plumbing inspector has 12 months after beginning employment to be trained and certified as provided in this section;
- B. Whether or not any extension is available under paragraph A, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs 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;
- 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; and
- D. An individual whose certification has expired or is about to expire may be temporarily authorized in writing by the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs to extend that individual's certification for a period not to exceed 12 months in cases where the necessary training or examination is suspended under subsection 3-B, paragraph E.

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

**2-A. Code enforcement officer; definition and duties.** As used in this subchapter, "code enforcement officer" means a person certified under this section and employed by a municipality to enforce all applicable laws and ordinances in the following areas:

- A. Shoreland zoning under Title 38, chapter 3, subchapter 1, article 2-B;
- B. Comprehensive planning and land use under Part 2, Subpart 6-A;
- C. Internal plumbing under chapter 185, subchapter 3;
- D. Subsurface wastewater disposal under chapter 185, subchapter 3; and
- E. Building standards under chapter 141; chapter 185, subchapter 1; Title 5, sections 4582-B, 4582-C and 4594-F; Title 10, chapter 1103; and Title 25, chapter 313.

**3. Training and certification of code enforcement officers.** In cooperation with code enforcement officer professional associations, the Maine Community College System, the Department of Environmental Protection and the Department of Health and Human Services, except as otherwise provided in paragraph H, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall establish a continuing education program for individuals engaged in code enforcement. This program must provide training in the technical and legal aspects of code enforcement necessary for certification. The training program must include training to provide familiarity with the laws and ordinances related to the structure and practice of the municipal code enforcement office, municipal planning board and appeals board procedures, application review and permitting procedures, inspection procedures and enforcement techniques.

- ~~A.~~ [PL 1991, c. 163 (RP).]
- ~~B.~~ [PL 1991, c. 163 (RP).]
- ~~C.~~ [PL 1991, c. 163 (RP).]
- ~~D.~~ [PL 1991, c. 163 (RP).]
- ~~E.~~ [PL 1991, c. 163 (RP).]
- ~~F.~~ [PL 1991, c. 163 (RP).]
- ~~G.~~ [PL 1991, c. 163 (RP).]

~~H.~~ If funding is not available to support the training and certification program authorized under this subsection, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall discontinue training and certification activities related to laws and ordinances referenced in subsection 2-A, paragraphs A and B and shall adopt by routine technical rules under Title 5, chapter 375, subchapter 2-A a program to register code enforcement officers that meet training and education qualifications. The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall publish the list of persons registered for code enforcement who have submitted evidence of required qualifications. Persons registered under this paragraph must meet the requirements for training and certification under this

subchapter. The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall consult with the Department of Health and Human Services for the purposes of carrying out training and certification activities related to laws and ordinances referenced in subsection 2-A, paragraphs C and D. Within one month of discontinuation of training and certification under this paragraph, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over state and local government matters a recommendation for funding the training and certification program or for further changes in program requirements.

**3-A. Training and certification of inspectors in the Maine Uniform Building and Energy Code.** In accordance with the training and certification requirements developed pursuant to Title 10, section 9723, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall provide the training necessary to certify municipal building officials, local code enforcement officers and 3rd-party inspectors.

**3-B. Maine Code Enforcement Training and Certification Fund.** The Maine Code Enforcement Training and Certification Fund, referred to in this section as "the fund," is established as a nonlapsing fund to support training and certification programs administered by the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs for code enforcement officers, local plumbing inspectors, municipal building officials and 3rd-party inspectors in accordance with this subchapter.

A. On July 1st of each year, the funds identified in section 4215, subsection 4 for training and certifying local plumbing inspectors must be transferred to the fund.

B. On July 1st of each year, the funds identified in Title 25, section 2374 for training and certifying municipal building officials, local code enforcement officers and 3rd-party inspectors must be transferred to the fund.

C. The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall place in the fund any money it receives from grants to support the requirements of this subchapter.

D. Funds related to code enforcement training and certification may be expended only in accordance with allocations approved by the Legislature and solely for the administration of this subchapter. Any balance remaining in the fund at the end of any fiscal year may not lapse but must be carried forward to the next fiscal year.

E. If the fund does not contain sufficient money to support the costs of the training and certification provided for in this subchapter, the ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs may suspend all or reduce the level of training and certification activities.

**4. Examination.** The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall conduct at least one examination each year to examine

candidates for certification at a time and place designated by it. The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs may conduct additional examinations to carry out the purposes of this subchapter.

**5. Certification standards.** The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall adopt routine technical rules under Title 5, chapter 375, subchapter 2-A to establish the qualifications, conditions and licensing standards and procedures for the certification and recertification of individuals as code enforcement officers. A code enforcement officer need only be certified in the areas of actual job responsibilities. The rules established under this subsection must identify standards for each of the areas of training under subsection 2-A, in addition to general standards that apply to all code enforcement officers.

**6. Certification; terms; revocation.** The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall certify individuals as to their competency to successfully enforce ordinances and other land use regulations and permits granted under those ordinances and regulations and shall issue certificates attesting to the competency of those individuals to act as code enforcement officers. Certificates issued by the former State Planning Office, the Department of Economic and Community Development, Office of Community Development, ~~or the Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs are valid for 6 years unless revoked by the District Court. An examination is not required for recertification of code enforcement officers. The ~~Department of Public Safety, Office of the State Fire Marshal~~ Maine Office of Community Affairs shall recertify a code enforcement officer if the code enforcement officer successfully completes at least 12 hours of approved training in each area of job responsibility during the 6-year certification period.

A. The District Court may revoke the certificate of a code enforcement officer, in accordance with Title 4, chapter 5, when it finds that:

- (1) The code enforcement officer has practiced fraud or deception;
- (2) Reasonable care, judgment or the application of a duly trained and knowledgeable code enforcement officer's ability was not used in the performance of the duties of the office; or
- (3) The code enforcement officer is incompetent or unable to perform properly the duties of the office.

B. Code enforcement officers whose certificates are invalidated under this subsection may be issued new certificates provided that they are newly certified as provided in this section.

**7. Other professions unaffected.** This subchapter may not be construed to affect or prevent the practice of any other profession.

**Sec. D-22. 30-A MRSA §5161**, as enacted by PL 2021, c. 664, §3 is repealed.

**Sec. D-23. Transition provisions, Community Resilience Partnership Program.** The following provisions govern the transition of the Community Resilience Partnership Program from the Governor's Office of Policy, Innovation and the Future to the Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the Community Resilience Partnership Program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Community Resilience Partnership Program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the Community Resilience Partnership Program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the Community Resilience Partnership Program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Community Resilience Partnership Program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances remaining in the Community Resilience Partnership Program, other special revenue and federal funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-24. Transition provisions, coastal zone management program.** The following provisions govern the transition of the coastal zone management program from the Bureau of Policy and Management program, Department of Marine Resources to the Maine Coastal Program, Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the coastal zone management program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the coastal zone management program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the coastal zone management program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the coastal zone management program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the coastal zone management program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the coastal zone management program remaining in the Bureau of Policy and Management program, Department of Marine Resources, other special revenue and federal funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-25. Transition provisions, municipal planning assistance program.** The following provisions govern the transition of the municipal planning assistance program from the Geology and Resource Information program, Department of Agriculture, Conservation and Forestry to the Municipal Planning Assistance program, Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the municipal planning assistance program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the municipal planning assistance program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the municipal planning assistance program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the municipal planning assistance program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the municipal planning assistance program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the municipal planning assistance program remaining in the Geology and Resource Information program, Department of Agriculture, Conservation and Forestry, federal funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-26. Transition provisions, Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program.** The following provisions govern the transition of the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program from the Department of Education to the Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program or any of its administrative units or officers are hereby declared in

effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the Maine Commission for Community Service program, the Maine Service Fellows Program and the Maine Climate Corps Program remaining in the Department of Education, other special revenues fund and federal funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-27. Transition provisions, Housing Opportunity Program.** The following provisions govern the transition of the Housing Opportunity Program from the Department of Economic and Community Development to the Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the Housing Opportunity Program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Housing Opportunity Program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the Housing Opportunity Program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the Housing Opportunity Program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Housing Opportunity Program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

**Sec. D-28. Transition provisions, Division of Building Codes and Standards program.** The following provisions govern the transition of the Division of Building Codes and Standards program from the Department of Public Safety to the Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the Division of Building Codes and Standards program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Division of Building Codes and Standards program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the Division of Building Codes and Standards program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the Division of Building Codes and Standards program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Division of Building Codes and Standards program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the Division of Building Codes and Standards program remaining in the Department of Public Safety, other special revenue funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-29. Transition provisions, floodplain management program.** The following provisions govern the transition of the floodplain management program from the Geology and Resource Information program, Department of Agriculture, Conservation and Forestry to the Maine Floodplain Program, Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the municipal planning assistance program.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the floodplain management program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the floodplain management program continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the floodplain management program become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.



5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the floodplain management program may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the floodplain management program remaining in the Geology and Resource Information program, Department of Agriculture, Conservation and Forestry, other special revenue funds and federal funds to the Maine Office of Community Affairs no later than the effective date of this Act.

**Sec. D-30. Transition provisions, Development Ready Advisory Committee.** The following provisions govern the transition of the Development Ready Advisory Committee from the Maine Redevelopment Land Bank Authority to the Maine Office of Community Affairs.

1. The Maine Office of Community Affairs is the successor in every way to the powers, duties and functions of the Development Ready Advisory Committee.

2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Development Ready Advisory Committee or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Maine Office of Community Affairs.

3. All existing contracts, agreements and compacts currently in effect in the Development Ready Advisory Committee continue in effect.

4. All records, property and equipment previously belonging to or allocated for the use of the Development Ready Advisory Committee become, on the effective date of this Act, part of the property of the Maine Office of Community Affairs.

5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Development Ready Advisory Committee may be utilized by the Maine Office of Community Affairs until existing supplies of those items are exhausted.

## **PART D SUMMARY**

This Part amends the general provisions of the Maine Office of Community Affairs. This Part also transitions several programs through State government to the Maine Office of Community Affairs. This includes the Community Resilience Partnership from the Executive Department, the Coastal Zone Management program from the Department of Marine Resources, the State Floodplain Mapping Fund and the Municipal Planning Assistance program from the Department of Agriculture, Conservation and Forestry, the Development Ready Advisory Committee from the Maine Development Land Bank Authority, the Housing Opportunity Program from the Department of Economic & Community Development, the Maine Commission for Community Service, Maine Service Fellows Program, the Maine Climate Corp program, and the

Volunteer Maine from the Department of Education, and the Division of Building Codes and Standards from the Department of Public Safety

## PART E

**Sec. E-1. 36 MRSA §4365**, as amended by PL 2005, c. 457, Pt. AA, §1 and affected by §8, is further amended to read:

Before January 5, 2026, a tax is imposed on all cigarettes imported into this State or held in this State by any person for sale at the rate of 100 mills for each cigarette. Beginning January 5, 2026, a tax is imposed on all cigarettes imported into this State or held in this State by any person for sale at the rate of 150 mills for each cigarette. Payment of the tax is evidenced by the affixing of stamps to the packages containing the cigarettes.

**Sec. E-2. 36 MRSA §4365-F**, as amended by PL 2005, c. 457, Pt. AA, §3 and affected by §8, is repealed.

**Sec. E-3. 36 MRSA §4365-G** is enacted to read:

### **§4365-G. Application of cigarette tax rate increase effective January 5, 2026**

The following provisions apply to cigarettes held for resale on January 5, 2026.

**1. Stamped rate.** Cigarettes stamped at the rate of 100 mills per cigarette and held for resale on or after January 5, 2026 are subject to tax at the rate of 150 mills per cigarette.

**2. Liability.** A person possessing cigarettes for resale is liable for the difference between the tax rate of 150 mills per cigarette and the tax rate of 100 mills per cigarette in effect before January 5, 2026. Stamps indicating payment of the tax imposed by this section must be affixed to all packages of cigarettes held for resale as of January 5, 2026, except that cigarettes held in vending machines as of that date do not require that stamp.

**3. Vending machines.** Notwithstanding any other provision of this chapter, it is presumed that all cigarette vending machines are filled to capacity on January 5, 2026 and that the tax imposed by this section must be reported on that basis. A credit against this inventory tax must be allowed for cigarettes stamped at the rate of 150 mills per cigarette placed in vending machines before January 5, 2026.

**4. Payment.** Payment of the tax imposed by this section must be made to the assessor by April 1, 2026, accompanied by forms prescribed by the assessor.

**Sec. E-4. 36 MRSA §4366-A, sub-§ 2, ¶D**, as amended by PL 2007, c. 438, §93, is further amended to read:

D. For stamps at the face value of ~~100~~150 mills, the discount rate is ~~1.15~~0.77%.

**Sec. E-5. 36 MRSA §4403, sub-§ 1**, as amended by PL 2019, c. 530, Pt. A, §3, is further amended to read:

**1. Smokeless tobacco before January 5, 2026.** Before January 5, 2026, a ~~A~~-tax is imposed on smokeless tobacco, including chewing tobacco and snuff, at the rate of:

A. On amounts of smokeless tobacco packaged for sale to the consumer in a package that contains one ounce or more of smokeless tobacco, \$2.02 per ounce and prorated; and

B. On smokeless tobacco packaged for sale to the consumer in a package that contains less than one ounce of smokeless tobacco, \$2.02 per package.

Beginning January 2, 2020, the tax rates in this subsection are subject to adjustment pursuant to subsection 5.

**Sec. E-6. 36 MRSA §4403, sub-§1-A** is enacted to read:

**1-A. Smokeless tobacco on or after January 5, 2026.** On or after January 5, 2026, a tax is imposed on smokeless tobacco, including chewing tobacco and snuff, at the rate of:

A. On amounts of smokeless tobacco packaged for sale to the consumer in a package that contains one ounce or more of smokeless tobacco, \$3.03 per ounce and prorated; and

B. On smokeless tobacco packaged for sale to the consumer in a package that contains less than one ounce of smokeless tobacco, \$3.03 per package.

The tax rates in this subsection are subject to adjustment pursuant to subsection 5.

**Sec. E-7. 36 MRSA §4403, sub-§ 2**, as amended by PL 2023, c. 441, Pt. E, §16 and affected by §28, is further amended to read:

**2. Other tobacco.** Beginning January 2, 2020, and before January 1, 2024, a tax is imposed on all tobacco products, other than those subject to tax under subsection 1, at the rate of 43% of the wholesale sales price. Beginning January 1, 2024, and before January 5, 2026, a tax is imposed on all tobacco products, other than those subject to tax under subsection 1, at the rate of 43% of the cost price. Beginning January 5, 2026, a tax is imposed on all tobacco products, other than those subject to tax under subsection 1-A, at the rate of 65% of the cost price. Beginning January 2, 2020, the tax rate imposed pursuant to this subsection is subject to adjustment pursuant to subsection 5.

**Sec. E-8. 36 MRSA §4403, sub-§5**, as enacted by PL 2019, c. 530, Pt. A, §5, is amended to read:

**5. Equivalence.** If the tax on cigarettes under chapter 703 is increased after January 2, 2020~~5, 2026~~, the assessor shall calculate a rate of tax on other tobacco products under subsections 1 and 2 that is equivalent to the same percentage change in the tax rate for one cigarette. The

adjusted rates calculated by the assessor take effect at the same time as the increase in the tax on cigarettes.

**Sec. E-9. Application.** This Part is effective on or after January 5, 2026.

## **PART E SUMMARY**

This Part increases the cigarette excise tax rate by 50 mills, changing the rate per pack of 20 cigarettes from \$2 to \$3, and the rate per cigarette from 10¢ to 15¢. This cigarette tax rate increase also causes the tobacco products tax rate to increase by an equivalent amount automatically under 36 M.R.S. § 4403(5).

## **PART F**

**Sec. F-1. 36 MRSA §1811, sub-§1, ¶D,** as amended by PL 2023, c. 643, Pt. H, §23 and affected by §29, and as amended by PL 2023, c. 673, §22 and affected by §28, is further amended by amending subparagraph (5) to read:

(5) Ten percent on the value of adult use cannabis, adult use cannabis products and, if sold by a person to an individual who is not a qualifying patient, cannabis and cannabis products beginning on the first day of the calendar month in which adult use cannabis and adult use cannabis products may be sold in the State by a cannabis establishment licensed to conduct retail sales pursuant to Title 28-B, chapter 1, except that the applicable tax rate under this subparagraph is 14% for sales occurring on or after January 1, 2026.

**Sec. F-2. 36 MRSA §1818,** as amended by PL 2021, c. 645, §5, is further amended to read:

All sales tax revenue collected pursuant to section 1811 on the sale of adult use cannabis and adult use cannabis products must be deposited into the General Fund, except that, before January 1, 2026, on or before the last day of each month, the State Controller shall transfer 12% of the sales tax revenue received by the assessor during the preceding month pursuant to section 1811 to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established under Title 28-B, section 1101. Beginning January 1, 2026, on or before the last day of each month, the State Controller shall transfer 9% of the sales tax revenue received by the assessor during the preceding month pursuant to section 1811 to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established under Title 28-B, section 1101.

**Sec. F-3. 36 MRSA §4923,** as amended by PL 2023, c. 679, Pt. C, § 13, is further amended to read:

Beginning on the first day of the calendar month in which adult use cannabis may be sold in the State by a cultivation facility under Title 28-B, chapter 1, an excise tax on adult use cannabis is imposed in accordance with this chapter.

**1. Excise tax on cannabis flower.** Before January 1, 2026, aA cultivation facility licensee shall pay an excise tax of \$335 per pound or fraction thereof of cannabis flower sold to other licensees in the State. On or after January 1, 2026, a cultivation facility licensee shall pay an excise tax of \$223 per pound or fraction thereof of cannabis flower sold to other licensees in the State.

**2. Excise tax on cannabis trim.** Before January 1, 2026, aA cultivation facility licensee shall pay an excise tax of \$94 per pound or fraction thereof of cannabis trim sold to other licensees in the State. On or after January 1, 2026, a cultivation facility licensee shall pay an excise tax of \$63 per pound or fraction thereof of cannabis trim sold to other licensees in the State.

**3. Excise tax on immature cannabis plants and seedlings.** Before January 1, 2026, aA cultivation facility licensee shall pay an excise tax of \$1.50 per immature cannabis plant or seedling sold to other licensees in the State. On or after January 1, 2026, a cultivation facility licensee shall pay an excise tax of \$1 per immature cannabis plant or seedling sold to other licensees in the State.

**3-A. Excise tax on mature cannabis plants.** ~~Beginning~~ On or after July 1, 2021, and before January 1, 2026, a cultivation facility licensee shall pay an excise tax of \$35 per mature cannabis plant sold to other licensees in the State. On or after January 1, 2026, a cultivation facility licensee shall pay an excise tax of \$23 per mature cannabis plant sold to other licensees in the State.

**4. Excise tax on cannabis seeds.** Before January 1, 2026, aA cultivation facility licensee shall pay an excise tax of 30¢ per cannabis seed sold to other licensees in the State. On or after January 1, 2026, a cultivation facility licensee shall pay an excise tax of 20¢ per cannabis seed sold to other licensees in the State.

~~**5. Excise tax on purchases from registered caregivers and registered dispensaries.** A cultivation facility licensee authorized pursuant to Title 28-B to purchase cannabis plants and cannabis seeds from registered caregivers and registered dispensaries that transacts such a purchase shall pay to the assessor the excise taxes that would have been imposed under subsections 1 to 4 on the sale of the cannabis plants and cannabis seeds if the cannabis plants and cannabis seeds had been sold by a cultivation facility licensee to another licensee.~~

**6. Multiple licenses.** When a cultivation facility licensee also holds a license to operate another cannabis establishment, the taxes imposed by subsections 1 to 4 apply to any transfer of cannabis from the cultivation facility to the other cannabis establishment or, if no such transfer is made, to any activity undertaken pursuant to Title 28-B, section 501, subsection 2 or 4 with regard to cannabis cultivated by the cultivation facility.

**7. Sales and transfers between licensed cultivation facilities.** No excise tax is imposed on a sale of adult use cannabis to a cultivation facility or on a transfer of adult use cannabis to a cultivation facility.

**Sec. F-4. 36 MRSA §4925,** as amended by PL 2021, c. 645, §6, is further amended to read:

All excise tax revenue collected by the assessor pursuant to this chapter on the sale of adult use cannabis must be deposited into the General Fund, except that, before January 1, 2026, on or

before the last day of each month, the assessor shall transfer 12% of the excise tax revenue received during the preceding month pursuant to this chapter to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in Title 28-B, section 1101. Beginning January 1, 2026, on or before the last day of each month, the assessor shall transfer 9% of the excise tax revenue received during the preceding month pursuant to this chapter to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in Title 28-B, section 1101.

**Sec. F-5. Application.** This Part is effective on or after January 1, 2026.

## **PART F SUMMARY**

This Part reduces the cannabis excise tax rates by one-third and concurrently increases the sales tax on adult use cannabis to 14%. It also changes the adult use cannabis sales tax and excise tax transfers to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund from 12% to 9%.

## **PART G**

**Sec. G-1. 36 MRSA §182, sub-§1,** as amended by PL 2007, c. 437, §2, is further amended to read:

**1. Generally.** The State Tax Assessor may, through the Attorney General, file an action in Superior Court applying for an order to enjoin from doing business any person who has:

- A. Failed to register with the assessor when the person is required to register by any provision of Part 3, ~~chapter 358~~ or Part 5 or by any rule adopted pursuant to this Title, as long as the assessor has provided written notice and the person continues to fail to register 15 days after receiving notice from the assessor of such failure;
- B. Failed to file with the assessor any overdue return required by Part 3, ~~chapter 358~~ or Part 5 within 15 days after receiving notice from the assessor of such failure;
- C. Failed to pay any tax required by Part 3, ~~chapter 358~~ or Part 5 when the tax is shown to be due on a return filed by that person, or that is otherwise conceded by that person to be due, or has been determined by the assessor to be due and that determination has become final;
- D. Knowingly filed a false return required by Part 3, ~~chapter 358~~ or Part 5; or
- E. Failed to deduct and withhold, or truthfully account for or pay over or make returns of, income taxes in violation of the provisions of chapter 827.

**Sec. G-2. 36 MRSA §1752, sub-§1-K, 1-L, 1-M, 1-N, 1-O, 1-P, 1-Q and 1-R** are enacted to read:

**1-K. Ancillary service.** “Ancillary service” means a service that is associated with or incidental to the provision of telecommunications services, including, but not limited to, detailed telecommunications billing service, directory assistance, vertical service and voicemail service.

**1-L. 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. “Breast pump” includes breast pump replacement parts, breast pump collection and storage supplies and breast pump kits. For the purposes of this subsection, “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.

**1-M. Cable and satellite television or radio services.** “Cable and satellite television or radio services” means all cable and satellite television or radio services, including the installation or use of associated equipment, for which a charge is made.

**1-N. Conference bridging service.** “Conference bridging service” means an ancillary service that links two or more participants in an audio or video conference call and may include the provision of a telephone number. “Conference bridging service” does not include the telecommunications services used to reach the conference bridge.

**1-O. Detailed telecommunications billing service.** “Detailed telecommunications billing service” means an ancillary service of separately stating information pertaining to individual calls on a customer’s billing statement.

**1-P. Digital audio-visual and digital audio services.** “Digital audio-visual and digital audio services” means the electronic transfer of digital audio-visual works and digital audio works to an end user with the right of less than permanent use granted by the seller, including when conditioned upon continued payment from the purchaser or a subscription.

For purposes of this subsection:

A. “End user” means a person other than a person who receives by contract a product transferred electronically for further commercial broadcast, rebroadcast, transmission, retransmission, licensing, relicensing, distribution, redistribution or exhibition of the product, in whole or in part, to another person;

B. “Permanent” means perpetual or for an indefinite or unspecified length of time;

C. “Subscription” means an agreement with a seller that grants a purchaser the right to obtain products transferred electronically, in a fixed quantity or for a fixed period of time, or both; and

D. “Transfer electronically” or “electronic transfer” means obtainment by the purchaser by means other than tangible storage media.

**1-Q. Digital audio-visual works.** “Digital audio-visual works” means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

**1-R. Digital audio works.** “Digital audio works” means works that result from the fixation of a series of musical, spoken or other sounds, including ringtones. For purposes of this subsection, “ringtones” means digitized sound files that are downloaded onto a device and that may be used to alert the purchaser with respect to a communication.

**Sec. G-3. 36 MRSA §1752, sub-§2-F, 2-G and 2-H** are enacted to read:

**2-F. Directory assistance.** “Directory assistance” means an ancillary service of providing telephone number information or address information or both.

**2-G. Durable medical equipment.** “Durable medical equipment” means equipment, including repair and replacement parts for such equipment, that:

A. Can withstand repeated use;

B. Is primarily and customarily used to serve a medical purpose;

C. Generally is not useful to a person in the absence of illness or injury; and

D. Is not worn in or on the body.

“Durable medical equipment” does not include mobility enhancing equipment.

**2-H. Fabrication services.** “Fabrication services” means the production of tangible personal property for a consideration for a person who furnishes, either directly or indirectly, the materials used in that production.

**Sec. G-4. 36 MRSA §1752, sub-§3-E**, as repealed by PL 2003, c. 673, Pt. V, §10 and affected by §29, is reenacted to read:

**3-E. Home service provider.** “Home service provider” means the facilities-based carrier or reseller with which a customer contracts for the provision of mobile telecommunications services.

**Sec. G-5. 36 MRSA §1752, sub-§4-A and 4-B** are enacted to read:

**4-A. International telecommunications service.** “International telecommunications service” means a telecommunications service that originates or terminates in the United States and terminates or originates outside the United States, respectively. For purposes of this subsection, “United States” includes a territory or possession of the United States.



**4-B. Interstate telecommunications service.** “Interstate telecommunications service” means a telecommunications service that originates in one state, territory or possession of the United States and terminates in a different state, territory or possession of the United States. For purposes of this subsection, “state” includes the District of Columbia.

**Sec. G-6.** 36 MRSA §1752, sub-§5-D, ¶D, as enacted by PL 2023, c. 643, Pt. H, §2 and affected by §29, and as enacted by PL 2023, c. 673, §2 and affected by §28, is repealed.

**Sec. G-7.** 36 MRSA §1752, sub-§6-J and 6-K are enacted to read:

**6-J. Mobile telecommunications services.** “Mobile telecommunications services” means commercial mobile radio service as defined in 47 Code of Federal Regulations, Section 20.3 as in effect October 1, 2015. For purposes of sourcing, “mobile telecommunications services” does not include air-ground radiotelephone service as defined in 47 Code of Federal Regulations, Section 22.99 as in effect October 1, 2015.

**6-K. Mobility enhancing equipment.** “Mobility enhancing equipment” means equipment, including repair and replacement parts for such equipment, that:

A. Is primarily and customarily used to provide or increase the ability to move from one place to another and which is appropriate for use either in a home or a motor vehicle;

B. Is not generally used by persons with normal mobility; and

C. Does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

“Mobility enhancing equipment” does not include durable medical equipment.

**Sec. G-8.** 36 MRSA §1752, sub-§7-E, as repealed by PL 2003, c. 673, Pt. V, §13 and affected by §29, is reenacted to read:

**7-E. Place of primary use.** “Place of primary use” means the street address representative of where a customer’s use of mobile telecommunications services primarily occurs, which must be either the residential street address or the primary business street address of the customer and must also be located within the licensed service area of the home service provider. For purposes of determining the place of primary use, “customer” means the person or entity that contracts with the home service provider for mobile telecommunications services or, if the end user of such services is not the contracting party, the person that is the end user of such services. The term “customer” does not include a reseller of mobile telecommunications services or a serving carrier under an agreement to serve the customer outside the home service provider’s licensed service area.

**Sec. G-9.** 36 MRSA §1752, sub-§7-F, as enacted by PL 2019, c. 401, Pt. B, §2, is repealed.

**Sec. G-10. 36 MRSA §1752, sub-§8-C**, as enacted by PL 2011, c. 655, Pt. PP, §1 and affected by §4, is repealed.

**Sec. G-11. 36 MRSA §1752, sub-§9-D**, as repealed by PL 2003, c. 673, Pt. V, §15 and affected by §29, is reenacted to read:

**9-D. Reseller.** “Reseller,” when used in relation to mobile telecommunications services, means a provider that purchases telecommunications services from another telecommunications service provider and then resells, uses as a component part of or integrates the purchased services into mobile telecommunications services. “Reseller” does not include a serving carrier with which a home service provider arranges for services to its customers outside the home service provider’s licensed service area.

**Sec. G-12. 36 MRSA §1752, sub-§11, ¶B, sub-¶4**, as amended by PL 2023, c. 643, Pt. H, §§5-11 and affected by §29, and as amended by PL 2023, c. 673, §§5-11 and affected by §28, is repealed.

**Sec. G-13. 36 MRSA §1752, sub-§11, ¶B, sub-¶7**, as amended by PL 2023, c. 643, Pt. H, §§5-11 and affected by §29, and as amended by PL 2023, c. 673, §§5-11 and affected by §28, is repealed.

**Sec. G-14. 36 MRSA §1752, sub-§11, ¶B, sub-¶14**, as amended by PL 2023, c. 643, Pt. H, §§5-11 and affected by §29, and as amended by PL 2023, c. 673, §§5-11 and affected by §28, is further amended to read:

(14) The sale of repair parts used in the performance of repair services on telecommunications equipment ~~as defined in section 2551, subsection 19~~ pursuant to an extended service contract that entitles the purchaser to specific benefits in the service of the telecommunications equipment for a specific duration;

**Sec. G-15. 36 MRSA §1752, sub-§11, ¶B, sub-¶15**, as amended by PL 2023, c. 643, Pt. H, §§5-11 and affected by §29, and as amended by PL 2023, c. 673, §§5-11 and affected by §28, is repealed.

**Sec. G-16. 36 MRSA §1752, sub-§14, ¶B, sub-¶4**, as amended by PL 2023, c. 643, Pt. H, §§14-18 and affected by §29, and as amended by PL 2023, c. 673, §§14-18 and affected by §28, is further amended to read:

(4) The price received for labor or services used in installing or applying or repairing the property sold or fabricated, if separately charged or stated;

**Sec. G-17. 36 MRSA §1752, sub-§14-D**, as repealed by PL 2003, c. 673, Pt. V, §17 and affected by §29, is reenacted to read:

**14-D. Serving carrier.** “Serving carrier,” when used in relation to mobile telecommunications services, means a facilities-based carrier providing mobile

telecommunications services to a customer outside a home service provider's licensed service area.

**Sec. G-18. 36 MRSA §1752, sub-§17-B**, as amended by PL 2023, c. 643, Pt. H, §19 and affected by §29, and as amended by PL 2023, c. 673, §19 and affected by §28, is repealed and replaced with the following:

**17-B. Taxable service.** “Taxable service” means:

A. The rental of living quarters in a hotel, rooming house or tourist or trailer camp;

B. The transmission and distribution of electricity;

C. The sale of an extended service contract on an automobile or truck that entitles the purchaser to specific benefits in the service of the automobile or truck for a specific duration;

D. The sale of prepaid calling service;

E. Cable and satellite television or radio services;

F. Fabrication services;

G. Telecommunications services;

H. The installation, maintenance or repair of telecommunications equipment;

I. Ancillary services; and

J. Digital audio-visual and digital audio services.

**Sec. G-19. 36 MRSA §1752, sub-§17-C and 17-D** are enacted to read:

**17-C. Telecommunications equipment.** “Telecommunications equipment” means any 2-way interactive communications device, system or process for transmitting or receiving signals and capable of exchanging audio, video, data or textual information. “Telecommunications equipment” includes all transmission media that are used or capable of being used in the provision of a 2-way interactive communications, including, without limitation, copper wire, coaxial cable and optical fiber, except those transmission media designed and primarily used to transmit electricity. “Telecommunications equipment” does not include computers, except those components of a computer used primarily and directly as a 2-way interactive communications device capable of exchanging audio, video, data or textual information.

**17-D. Telecommunications services.** “Telecommunications services” means the electronic transmission, conveyance or routing of voice, data, audio, video or any other

information or signals to a point or between or among points. “Telecommunications services” includes transmission, conveyance or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether the service is referred to as “Voice over Internet Protocol” services or is classified by the Federal Communications Commission as enhanced or value added. “Telecommunications services” does not include:

A. Data processing and information services that allow data to be generated, acquired, stored, processed or retrieved and delivered by an electronic transmission to a purchaser when the purchaser’s primary purpose for the underlying transaction is to obtain the processed data or information;

B. Installation or maintenance of wiring or equipment on a customer’s premises;

C. Tangible personal property;

D. Advertising, including, but not limited to, directory advertising;

E. Billing and collection services provided to 3rd parties;

F. Internet access service;

G. Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance and routing of those services by the programming service provider. Radio and television audio and video programming services include, but are not limited to, cable service as defined in 47 United States Code, Section 522(6) and audio and video programming services delivered by commercial mobile radio service providers as defined in 47 Code of Federal Regulations, Section 20.3;

H. Ancillary services; or

I. Digital products delivered electronically, including, but not limited to, software, music, video, reading materials or ringtones.

**Sec. G-20. 36 MRSA §1752, sub-§22-A** is enacted to read:

**22-A. Vertical service.** “Vertical service” means an ancillary service that is offered in connection with one or more telecommunications services and offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections. “Vertical service” includes conference bridging service.

**Sec. G-21. 36 MRSA §1752, sub-§23-A** is enacted to read:

**23-A. Voice mail service.** “Voice mail service” means an ancillary service that enables the customer to store, send or receive recorded messages. “Voice mail service” does not

include a vertical service that the customer may be required to have in order to use the voice mail service.

**Sec. G-22. 36 MRSA §1760, sub-§9-I** is enacted to read:

**9-I. Fuel used at a manufacturing facility.** Ninety-five percent of the sale price of fabrication services for the production of fuel for use at a manufacturing facility.

**Sec. G-23. 36 MRSA §1760, sub-§94,** as amended by PL 2019, c. 401, Pt. B, §15, is repealed.

**Sec. G-24. 36 MRSA §1760, sub-§116, 117, 118, 119, and 120** are enacted to read:

**116. Durable medical equipment; breast pumps.** Beginning January 1, 2026, sales of:

A. Durable medical equipment for home use; and

B. Breast pumps for home use.

**117. Mobility enhancing equipment.** Beginning January 1, 2026, sales of mobility enhancing equipment for home use or use in a motor vehicle.

**118. Fabrication services for resale.** Beginning January 1, 2026, the production of tangible personal property through fabrication services if a sale to the consumer of that tangible personal property would be exempt or otherwise not subject to tax under this Part.

**119. International telecommunications service.** Beginning January 1, 2026, sales of international telecommunications service to a business for use directly in that business.

**120. Interstate telecommunications service.** Beginning January 1, 2026, sales of interstate telecommunications service to a business for use directly in that business.

**Sec. G-25. 36 MRSA §1819, sub-§2,** as amended by PL 2023, c. 643, Pt. H, §24 and affected by §29, and as amended by PL 2023, c. 673, §23 and affected by §28, is further amended to read:

**2. Sourcing for sales of tangible personal property and taxable services; generally.** The sale of tangible personal property or a taxable service is sourced in this State pursuant to this subsection, except the sale of mobile telecommunications services, which is sourced under subsection 6. Except as provided in subsections 3 to 5, the provisions of this subsection do not apply to the lease or rental of tangible personal property.

**Sec. G-26. 36 MRSA §1819, sub-§6** is enacted to read:

**6. Sourcing for mobile telecommunications services.** The sale of mobile telecommunications services is sourced in this state pursuant to this subsection.

A. Mobile telecommunications services provided to a customer whose place of primary use is located in this State, the charges for which are billed by or for the customer's home service provider, are deemed to be provided at the customer's place of primary use. A home service provider is responsible for obtaining and maintaining a record of a customer's place of primary use. Subject to paragraph B and if the home service provider's reliance on the information provided by its customer is in good faith, the home service provider:

(1) May rely on the applicable residential or business street address supplied by the home service provider's customer; and

(2) May not be held liable for any additional taxes under this Part based on a different determination of the place of primary use.

B. If the assessor determines that the address used by a home service provider as a customer's place of primary use does not meet the definition provided by section 1752, subsection 7-E, the assessor shall notify the customer in writing of that determination and provide the customer an opportunity to demonstrate that that address is the customer's place of primary use. If the customer fails to demonstrate to the assessor's satisfaction within 30 days from the time it receives notice from the assessor, or within another time period as the assessor may allow, that the address in question is the customer's place of primary use, the assessor shall provide the home service provider with the proper address to be used as the customer's place of primary use. The home service provider shall begin using the address provided by the assessor as the customer's place of primary use within 30 days from the date it receives notice of the assessor's determination.

C. A home service provider is entitled to the hold harmless protections provided by the federal Mobile Telecommunications Sourcing Act, Public Law 106-252, Section 1, 114 Stat. 2, (2000).

D. Notwithstanding any other provision of this Part, otherwise nontaxable charges that are aggregated with and not separately stated from taxable mobile telecommunications charges are subject to taxation unless the home service provider can, to the satisfaction of the assessor, reasonably identify such charges from books and records kept in the regular course of its business. A customer may not rely upon the nontaxability of bundled services unless the customer's home service provider separately states the otherwise nontaxable services or the home service provider elects, after receiving written notice from the customer in the form required by the provider, to provide verifiable data based upon the home service provider's books and records that are kept in the regular course of business and that reasonably identify the nontaxable charges.

**Sec. G-27. 36 MRSA, c. 358** is repealed.

**Sec. G-28. Application.** This Part applies to sales of tangible personal property and taxable services on or after January 1, 2026.

## PART G SUMMARY

This Part makes the following changes to the sales and use tax and service provider tax provisions:

- Relocates the taxable services and related provisions under the service provider tax to the sales tax and its accompanying 5.5% rate; and repeals the service provider tax.
- Adds digital audio-visual and digital audio services to taxable services under the sales tax, broadening and merging with the related digital services and products previously taxed under the service provider tax, and harmonizing sales taxation of such services and products with lease stream taxation of rental payments.
- Provides a broader and simpler sales and use tax exemption for durable medical equipment (DME), breast pumps, and mobility enhancing equipment for home use or use in a motor vehicle.

## PART H

**Sec. H-1. 36 MRSA §5122, sub-§2, ¶M-2**, as amended by PL 2023, c. 523, Pt. B, §1, is further amended by amending subparagraph (1), division (b) to read:

(b) An amount equal to the aggregate of retirement benefits under military retirement plans included in the individual's federal adjusted gross income; ~~and~~

**Sec. H-2. 36 MRSA §5122, sub-§2, ¶M-2**, as amended by PL 2023, c. 523, Pt. B, §1, is further amended by amending subparagraph (2), division (f) to read:

(f) "Retirement plan benefits" means employee retirement plan benefits, except pick-up contributions for which a subtraction is allowed under paragraph E, reported as pension or annuity income for federal income tax purposes and individual retirement account benefits reported as individual retirement account distributions for federal income tax purposes. "Retirement plan benefits" does not include distributions that are subject to the tax imposed by the Code, Section 72(t); and

**Sec. H-3. 36 MRSA §5122, sub-§2, ¶M-2**, as amended by PL 2023, c. 523, Pt. B, §1, is further amended by enacting a new subparagraph (3) to read:

(3) For tax years beginning on or after January 1, 2025, the amount in subparagraph (1), division (a) must be reduced by an amount equal to the total amount in subparagraph (1), division (a) multiplied by a fraction, the numerator of which is the taxpayer's federal adjusted gross income less the applicable amount, except that the numerator may not be less than zero, and the denominator of which is \$50,000 in the case of a married individual filing a separate return and \$100,000 in all other filing cases. The fraction contained in this subparagraph may not produce a result that is more

than one. The applicable amount must be adjusted for inflation in accordance with section 5403, subsection 10.

For purposes of this subparagraph, "applicable amount" means:

- (a) For individuals filing as single individuals, \$100,000;
- (b) For individuals filing as heads of households, \$150,000;
- (c) For individuals filing married joint returns or as surviving spouses, \$200,000;  
or
- (d) For married individuals filing separate returns, 1/2 of the applicable amount under division (c).

**Sec. H-4. 36 MRSA §5403, sub-§8**, as amended by PL 2023, c. 412, Pt. ZZZ, §9, is further amended to read:

**8. Personal exemption phase-out.** Beginning in 2018 and each year thereafter, by the dollar amount of the applicable amounts specified in section 5126-A, subsection 2, paragraphs A, B and C, except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2017; ~~and~~

**Sec. H-5. 36 MRSA §5403, sub-§9**, as enacted by PL 2023, c. 412, Pt. ZZZ, §10, is amended to read:

**9. Dependent exemption tax credit amount.** Beginning in 2024 and each year thereafter, by the dollar amount of the dependent exemption tax credit under section 5219-SS, except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2023. If the credit amount, adjusted by application of the cost-of-living adjustment, is not a multiple of \$5, any increase must be rounded to the next lowest multiple of \$5-; ~~and~~

**Sec. H-6. 36 MRSA §5403, sub-§10** is enacted to read:

**10. Income deduction for retirement plan benefits; applicable amount.** Beginning in 2025 and each year thereafter, by the dollar amount of the applicable amounts specified in section 5122, subsection 2, paragraph M-2, subparagraph (3), except that for the purposes of this subsection, notwithstanding section 5402, subsection 1-B, the "cost-of-living adjustment" is the Chained Consumer Price Index for the 12-month period ending June 30th of the preceding calendar year divided by the Chained Consumer Price Index for the 12-month period ending June 30, 2024.

## PART H SUMMARY



This Part establishes a phase-out of the pension deduction for nonmilitary pensions under the income tax based on the income of the taxpayer. The phase-out begins with income over \$100,000 for individuals, \$150,000 for heads of households and \$200,000 for married individuals filing jointly. The amendment adjusts these amounts for inflation in future years.

## **PART I**

**Sec. I-1. Tax expenditures.** In accordance with the Maine Revised Statutes, Title 5, section 1666 and to the extent not otherwise provided in this Act, funding is continued for each individual tax expenditure, as defined in Title 5, section 1666, reported in the budget document submitted to the Legislature by the Governor on January 10, 2025 in the first regular legislative session.

## **PART I SUMMARY**

This Part continues authorization for each individual tax expenditure provided by statute.

## **PART J**

**Sec. J-1. 4 MRSA §1610-Q** is enacted to read:

### **§ 1610-Q. Additional securities for capital construction, repairs, and improvements**

Notwithstanding any limitation on the amount of securities that may be issued pursuant to section 1606, subsection 2, the authority may issue additional securities in an amount not to exceed \$56,000,000 outstanding at any one time for capital repairs and improvements to state-owned facilities and hazardous waste cleanup on state-owned properties.

**Sec. J-2. Maine Governmental Facilities Authority; issuance of securities.** Pursuant to the Maine Revised Statutes, Title 4, section 1606, subsection 2 and section 1610-Q, and notwithstanding the limitation contained in Maine Revised Statutes, Title 4, section 1606, subsection 2 regarding the amount of securities that may be issued, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in an amount up to \$56,000,000. Proceeds must be used for the purpose of paying the costs associated with capital repairs and improvements to and construction of state-owned facilities and hazardous waste cleanup on state-owned properties as designated by the Commissioner of Administrative and Financial Services.

**Sec. J-3. 4 MRSA §1610-R** is enacted to read:

### **§ 1610-R. Additional securities**

Notwithstanding any limitation on the amount of securities that may be issued pursuant to section 1606, subsection 2, the authority may issue additional securities in an amount not to exceed \$25,000,000 outstanding at any one time for correctional facilities.

**Sec. J-4. Maine Governmental Facilities Authority; issuance of securities.** Pursuant to the Maine Revised Statutes, Title 4, section 1606, subsection 2 and section 1610-R, and notwithstanding the limitation contained in Maine Revised Statutes, Title 4, section 1606, subsection 2 regarding the amount of securities that may be issued, the Maine Governmental Facilities Authority is authorized to issue securities in its own name in an amount up to \$25,000,000. Proceeds must be used for the purpose of paying the costs associated with capital repairs and improvements to and construction of correctional facilities as designated by the Commissioner of Administrative and Financial Services.

## **PART J SUMMARY**

This Part authorizes the Maine Governmental Facilities Authority to issue additional securities up to an amount of \$56,000,000 to pay for the costs of capital repairs and improvements to and construction of state-owned facilities and hazardous waste cleanup on state-owned properties and \$25,000,000 to pay for costs associated with correctional facilities.

## **PART K**

**Sec. K-1. Department of Administrative and Financial Services; lease-purchase authorization.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, in cooperation with the Treasurer of State, may enter into financing agreements in fiscal years 2025-26 and 2026-27 for the acquisition of motor vehicles for the Central Fleet Management Division. The financing agreements entered into in each fiscal year may not exceed \$13,500,000 in principal costs, and a financing agreement may not exceed 6 years in duration. The interest rate may not exceed 7%. The annual principal and interest costs must be paid from the appropriate line category allocations in the Central Fleet Management Division account.

## **PART K SUMMARY**

This Part authorizes the Department of Administrative and Financial Services to enter into financing arrangements in fiscal years 2025-26 and 2026-27 for the acquisition of motor vehicles for the Central Fleet Management Division.

## **PART L**

**Sec. L -1. Department of Administrative and Financial Services; lease-purchase authorization.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, in cooperation with the Treasurer of State, may enter into financing arrangements in fiscal years 2025-26 and 2026-27 for the acquisition of hardware, software and systems to support the operations of the Statewide Radio Network System Reserve Fund, established in Title 5, section 1520, specifically, for purchasing portables, ongoing upgrades of tower hardware, and the purchase of equipment in support of tower maintenance. The financing agreements entered into in each fiscal year may not exceed \$3,000,000 in fiscal year 2025-2026 and \$3,000,000 in fiscal year 2026-2027 in principal costs, and a financing agreement may not exceed 7 years in duration. The interest rate on each financing agreement may not exceed 7% interest rate. The annual principal and interest costs must be paid from the appropriate line category appropriations in the Department of Administrative and Financial Services, Office of Information Technology accounts.

#### **PART L SUMMARY**

This Part authorizes the Department of Administrative and Financial Services to enter into financing arrangements in fiscal years 2025-26 and 2026-27 for the acquisition of hardware, software and systems to support the operations of the Statewide Radio Network System Reserve Fund.

#### **PART M**

**Sec. ??-1. Department of Administrative and Financial Services; lease-purchase authorization.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, in cooperation with the Treasurer of State, may enter into financing arrangements in fiscal years 2025-26 and 2026-27 for improvements to the State's technology infrastructure and data centers; purchase of enterprise software; modernization of databases, storage and other components; and improved security of personally identifiable information and other confidential data. The financing agreements entered into in each fiscal year may not exceed \$8,000,000 in fiscal year 2025-2026 and \$8,000,000 in fiscal year 2026-2027 in principal costs, and a financing agreement may not exceed 7 years in duration. The interest rate on each financing agreement may not exceed 7% interest rate. The annual principal and interest costs must be paid from the appropriate line category appropriations in the Department of Administrative and Financial Services, Office of Information Technology accounts.

#### **PART M SUMMARY**

This Part authorizes the Department of Administrative and Financial Services to enter into financing arrangements in fiscal years 2025-26 and 2026-27 for improvements to the State's technology infrastructure and data centers; purchase of enterprise software; modernization of databases, storage and other components; and improved security of personally identifiable information and other confidential data.

## PART N

**Sec. N-1. 5 MRSA §1591, sub-§1, ¶A**, as amended by PL 2005, c.12, Part GGGG, §2, is further amended to read:

A. Any balance remaining in the Salary Plan program in the Department of Administrative and Financial Services at the end of any fiscal year to be carried forward for the next fiscal year; ~~and~~

**Sec. N-2. 5 MRSA §1591, sub-§1, ¶B** as amended by PL 2005, c.12, Part GGGG, §2, is further amended to read:

B. Any balance remaining in the General Fund Capital, Construction, Repairs, Improvements - Administrative program in the Department of Administrative and Financial Services at the end of any fiscal year to be carried forward for the next fiscal year; and

**Sec. N-3. 5 MRSA §1591, sub-§1, ¶C** is enacted to read:

C. Any balance remaining in the Department of Administrative and Financial Services, Debt Service - Government Facilities Authority program, General Fund account at the end of any fiscal year to be carried forward for the next fiscal year.

**Sec. N-4. 5 MRSA §1591, sub-§1, ¶D** is enacted to read:

D. Any balance remaining in the Department of Administrative and Financial Services, Central Administrative Applications program, General Fund account at the end of any fiscal year to be carried forward for the next fiscal year.

## PART N SUMMARY

This Part authorizes remaining balances in the Department of Administrative and Financial Services, Debt Service – Government Facilities Authority program and Central Administrative Applications program to carry each fiscal year.

## PART O

**Sec. O-1. 5 MRSA §285, sub-§1, ¶F-13** is enacted to read:

F-13. Any employee of the Maine Developmental Services Oversight and Advisory Board;

**PART O  
SUMMARY**

This Part authorizes employees of the Maine Developmental Services Oversight and Advisory Board to participate in the state health insurance plan.

**PART P**

**Sec. P-1. Transfer of interest earnings; General Fund.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$42,393,017 from the interest earnings on the Federal Expenditures Fund - ARP State Fiscal Recovery Fund and the Federal Expenditures - ARP Fund to the unappropriated surplus of the General Fund.

**PART P  
SUMMARY**

This Part authorizes the State Controller to transfer \$42,393,017 to the unappropriated surplus of the General Fund.

**PART Q**

**Sec. Q-1. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$350 from the Department of Administrative and Financial Services, Sale of State Property, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-2. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$40,229 from the Department of Administrative and Financial Services Maine Military Authority Facilities - Limestone, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-3. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$1,500 from the Department of Administrative and Financial Services, BPI Insurance & Loss Prevention, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later

than June 30, 2026.

**Sec. Q-4. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$500 from the Department of Administrative and Financial Services, Monument for Women Veterans, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-5. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$1,784 from the Department of Administrative and Financial Services, BPI Food Vending Services, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-6. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$6,222 from the Department of Administrative and Financial Services, Monument to Franco-Americans, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-7. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$4,355 from the Department of Administrative and Financial Services, Employee Suggestion System, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-8. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$3,600 from the Department of Administrative and Financial Services, Fund for Efficient Delivery of Local & Regional Services, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-9. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$3,633 from the Department of Administrative and Financial Services, Human Resources Training, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-10. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$596 from the Department of Administrative and Financial Services, Accident Sickness & Health Insurance, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-11. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$3,943,283

from the Department of Administrative and Financial Services, Reimbursement-Homestead Property Tax Exemption-OSR, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. Q-12. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$2,300,081 from the Department of Administrative and Financial Services, Property Tax Stabilization, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

## **PART Q SUMMARY**

This Part authorizes the State Controller to transfer cash balances in various Department of Administrative and Financial Services accounts to the unappropriated surplus of the General Fund on or before June 30, 2026.

## **PART R**

**Sec. R-1. Attrition savings.** Notwithstanding any provision of law to the contrary, the attrition rate for the 2026-2027 biennium is 5% for judicial branch and executive branch departments and agencies only. The attrition rate for subsequent biennia is 1.6%.

**Sec. R-2. Calculation and transfer; attrition savings.** The State Budget Officer shall calculate the amount of the savings in this Part that applies against each General Fund account for all executive branch departments and agencies statewide and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal years 2025-26 and 2026-27. The State Budget Officer shall submit to the Joint Standing Committee on Appropriations and Financial Affairs a report of the transferred amounts no later than October 1, 2025.

**Sec. R-3. Appropriations and allocations.** The following appropriations and allocations are made.

### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Reduces funding to reflect projected savings from an increase in the attrition rate from 1.6% to 5% for fiscal years 2025-26 and 2026-27.

### **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF Executive Branch Departments and Independent Agencies - Statewide 0017**

Initiative: Reduces funding to reflect projected savings from an increase in the attrition rate from 1.6% to 5% for fiscal years 2025-26 and 2026-27.

<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
Personal Services	<u>(\$19,333,382)</u>	<u>(\$20,023,933)</u>
<b>GENERAL FUND TOTAL</b>	<u>(\$19,333,382)</u>	<u>(\$20,023,933)</u>

**JUDICIAL DEPARTMENT**  
**Courts – Supreme, Superior and District 0063**

Initiative: Reduces funding to reflect projected savings from an increase in the attrition rate from 1.6% to 5% for fiscal years 2025-26 and 2026-27.

<b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
Personal Services	<u>(\$2,100,122)</u>	<u>(\$2,140,911)</u>
<b>GENERAL FUND TOTAL</b>	<u>(\$2,100,122)</u>	<u>(\$2,140,911)</u>

**PART R**  
**SUMMARY**

This Part sets the attrition rate for the 2026-2027 biennium from 1.6% to 5% for judicial branch and executive branch departments and agencies.

**PART S**

**Sec. S-1. 7 MRSA §164, sub-§5,** is enacted to read:

**5. Funding.** A separate non-lapsing, interest-bearing account, administered by the department, is established in the department to support public-private partnerships to carry out the purposes of the program. The account consists of money appropriated or allocated to it or received from any private or public source.

**PART S**  
**SUMMARY**

The part establishes a separate, non-lapsing, interest-bearing account administered by the Department of Agriculture, Conservation and Forestry to support public-private partnerships to carry out the purposes of the Maine Working Farmland Access and Protection Program. The account consists of money appropriated or allocated to it or received from any private or public source.

**PART T**

**Sec. T-1. 7 MRSA §2188,** as enacted by PL 1999, c. 84, §3, is amended to read:

**Fees**



An application fee and an examination fee may be established by the department in amounts that are reasonable and necessary for their respective purposes. After an applicant is notified of the applicant's eligibility for a license following examination, the applicant shall submit the annual license fee before a license is issued.

The fee for an original or renewal annual license may not exceed ~~\$75~~180.

## **PART T SUMMARY**

This part will update the fee for an original or renewal of an annual arborist license to no more than \$180.

## **PART U**

**Sec. U-1. 12 MRSA §685**, as amended by PL 2011, c. 682, §9, is further amended to read:

The Commissioner of Agriculture, Conservation and Forestry shall prepare a biennial budget and shall submit to the Legislature requests for appropriations sufficient to carry out its assigned tasks. The commission may accept contributions of any type from any source to assist it in carrying out its assigned tasks, and make such requirements in respect to the administration of such funds, not inconsistent with this subchapter, as are required as conditions precedent to receiving such funds, federal or otherwise. The commission shall give public notice of all contributions, in the state paper, stating the source, the amount and the purpose of such contributions. The commission may contract with municipal, county, state and federal governments or their agencies to assist in the carrying out of any of its assigned tasks. The Commissioner of Agriculture, Conservation and Forestry, with the consent of a majority of the commission, shall appoint a director who is the principal administrative, operational and executive employee of the commission. The director shall attend all meetings of the commission and is permitted to participate fully but is not a voting member of the commission.

The commission shall establish and maintain at least 2 field offices, one in Greenville and one in Ashland, designed principally to provide assistance to the public on permit applications and to carry out such other functions of the commission as appropriate. These field offices must be established at locations in or close to the commission's jurisdiction and chosen to provide the maximum benefit to the public while minimizing costs. Historic levels of permitting activity, the convenience of access and the availability and cost of office facilities must be considered in choosing the field office locations. Each office must be open on a part-time basis at least 2 days a month or as public demand for the services of such field offices warrants and as resources allow. Whenever practicable, the commission shall make use of existing personnel to staff these field offices. Personnel must receive regular training to address customer service and other needs.

A Dedicated account is established. The account is authorized to accept funding for Commission related activities. This includes surcharges for digital/ online fee payments.

## **PART U SUMMARY**

This part establishes a dedicated account for the Maine Land Use Planning Commission to accept funds including surcharges for digital/online payments.

## **PART V**

**Sec. V-1. Transfer of funds from unencumbered balance forward, Department of Agriculture, Conservation and Forestry, Division of Forest Protection.** Notwithstanding any other provision of law to the contrary, the State Controller shall leave \$250,000 of unencumbered balance forward remaining in the Personal Services line category and \$300,000 of unencumbered balance forward remaining in the All Other line category in the Department of Agriculture, Conservation and Forestry, Division of Forest Protection, General Fund account at the close of fiscal year 2024-25 and shall transfer all remaining money from the unencumbered balance forward in the Personal Services line category above \$250,000 and in the All Other line category above \$300,000 on or before August 1, 2025, to the Capital Expenditures line category in the Department of Agriculture, Conservation and Forestry, Division of Forest Protection, General Fund account to carry out the mission of the Division of Forest Protection.

**Sec. V-2. Transfer of funds from unencumbered balance forward, Department of Agriculture, Conservation and Forestry, Division of Forest Protection.** Notwithstanding any other provision of law to the contrary, the State Controller shall leave \$250,000 of unencumbered balance forward remaining in the Personal Services line category and \$300,000 of unencumbered balance forward remaining in the All Other line category in the Department of Agriculture, Conservation and Forestry, Division of Forest Protection, General Fund account at the close of fiscal year 2025-26 and shall transfer all remaining money from the unencumbered balance forward in the Personal Services line category above \$250,000 and in the All Other line category above \$300,000 on or before August 1, 2026, to the Capital Expenditures line category in the Department of Agriculture, Conservation and Forestry, Division of Forest Protection, General Fund account to carry out the mission of the Division of Forest Protection.

## **PART V SUMMARY**

This part authorizes a one-time transfer in each year of the biennium of all funds in excess of \$550,000 from unencumbered balance forward in the Personal Services and All Other line categories in the Division of Forest Protection, General Fund account to the Capital Expenditures line category in the Division of Forest Protection, General Fund account.

## **PART W**

**Sec. W-1. Transfer from General Fund unappropriated surplus; Department of Agriculture, Community-based greenhouse - Bureau of Agriculture.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$500,000 from the unappropriated surplus of the General Fund to the Department of Agriculture, Conservation and Forestry, Other Special Revenue Funds Community-based greenhouse - Bureau of Agriculture for one-time funding for grants for durable (glass, polycarbonate, etc.) greenhouse structures and associated siting and installation costs to schools, community centers, and other eligible public entities as determined by the Department of Agriculture, Conservation and Forestry for shared and educational uses, and to enhance community-based opportunities for food production.

## **PART W SUMMARY**

This Part provides one-time funding for community-based opportunities for food production.

## **PART X**

**Sec. X-1. 22 MRSA §3024, ¶1,** as enacted by PL 2017, c. 284, Pt. EEE, §1 is amended to read:

The salary of the Chief Medical Examiner of the State must be set by the Governor. Other nonsalaried medical examiners and nonsalaried medicolegal death investigators, upon the submission of their completed report to the Chief Medical Examiner, must be paid a fee of up to ~~\$100~~150 for an inspection and view and are entitled to receive travel expenses to be calculated at the mileage rate currently paid to state employees pursuant to Title 5, section 8. An additional fee of \$50 may be authorized by the Chief Medical Examiner for payment to other nonsalaried medical examiners and nonsalaried medicolegal death investigators for visits to death scenes other than hospitals.

**Sec. X-1. 22 MRSA §3024, ¶3,** as enacted by PL 2017, c. 284, Pt. EEE, §1 is amended to read:

The Chief Medical Examiner may, in an unusual circumstance as determined by the Chief Medical Examiner, prescribe a special fee for the service of a medical examiner or medicolegal death investigator or for any consultant service the Chief Medical Examiner determines necessary, except that it will not pay for standard blood, urine or vitreous collections as those are now included in the external examination fee.

## **PART X SUMMARY**

This language change would update the fee for external examinations conducted by nonsalaried medical examiners and nonsalaried medicolegal death investigators to \$150 from

\$100. It will also eliminate the fees currently paid at the OCME's discretion for blood (\$15), urine (\$15), and vitreous (\$15) collections.

## **PART Y**

**Sec. Y-1. Transfer to the Department of Inland Fisheries and Wildlife, Office of the Commissioner - Inland Fisheries and Wildlife.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$2,500,000 from the unappropriated surplus of the General Fund to the Department of Inland Fisheries and Wildlife, Office of the Commissioner - Inland Fisheries and Wildlife, Other Special Revenue Funds account for the purpose of funding unmet capital construction and repair needs for state dams.

## **PART Y SUMMARY**

This Part provides one-time funding to support unmet capital construction and repair needs for state dams.

## **PART Z**

**Sec. Z-1. 34-A MRSA §1403, sub-§8, ¶C,** as enacted by PL 1989, c. 127, §3 is amended to read:

C. The commissioner may contract with the Attorney General of the United States or officer designated by the Congress for the care, custody, subsistence, education, treatment and training of any prisoner or juvenile accepted under this subsection. Except as provided in subparagraph (1), All sums paid pursuant to contracts authorized by this subsection shall accrue to the General Fund.

- (1) Sums paid pursuant to contracts authorized by this subsection involving the United States Marshals Service shall accrue to the department for deposit into the client benefit welfare accounts at the department's correctional facilities. Sums accrued to the department under this paragraph may not exceed \$250,000 each fiscal year. Any sums paid pursuant to contracts under this paragraph in excess of \$250,000 each fiscal year shall accrue to the General Fund.

## **PART Z SUMMARY**

This Part authorizes that sums paid by the United States Marshals Service shall accrue to the department for deposit into the client benefit welfare accounts at the department of correction facilities.

## **PART AA**

**Sec. AA-1. Department of Corrections; transfer of funds for overtime expenses.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any provision of law to the contrary, the Department of Corrections, by financial order upon the recommendation of the State Budget Officer and approval of the Governor, may transfer Personal Services, All Other or Capital Expenditures funding between accounts within the same fund for the purposes of paying overtime expenses in fiscal years 2025-26 and 2026-27. These transfers are not considered adjustments to appropriations.

### **PART AA SUMMARY**

This Part authorizes the Department of Corrections to transfer funds in Personal Services, All Other or Capital Expenditure line categories between accounts within the same fund by financial order for the purpose of paying departmental overtime expenses in the fiscal year of 2025-26 and 2026-27.

## **PART BB**

**Sec. BB-1. Transfers and adjustments to position count.** The Commissioner of Corrections shall review the current organizational structure of the Department of Corrections to improve organizational efficiency and cost-effectiveness and shall recommend to the State Budget Officer transfers of positions and available balances. In accordance with the requirements of this section and notwithstanding any provision of law to the contrary, the State Budget Officer shall transfer the position counts and available balances by financial order, in accordance with the recommendations of the Commissioner, from July 1st to December 1st of each fiscal year of the 2026-2027 biennium. Position adjustments made after December 1st and before July 1st of each fiscal year may not be considered an adjustment to position count or appropriations. The transfer and adjustment authorized by this section must comply with the requirements of the Maine Revised Statutes, Title 5, section 1585. Any transfer or adjustment pursuant to this section that would result in a program or mission change or facility closure must be reported by the Bureau of the Budget to the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters for review before the associated financial order is submitted to the Governor for approval; these transfers are considered adjustments to authorized position count, appropriations and allocations.

### **PART BB SUMMARY**

This Part allows the Commissioner of the Department of Corrections to review the current organizational structure to improve organizational efficiency and authorizes the State Budget Officer to transfer positions and available balances by financial order. The ability to make these transfers is limited to the period of July 1st to December 1st of each fiscal year in the 2026-2027

biennium. Any transfers resulting in a mission change or facility closure must have legislative review.

## **PART CC**

**Sec. CC-1. Transfer of Personal Services balances to All Other; Department of Corrections.** Notwithstanding any provision of law to the contrary, for fiscal year 2025-2026 and 2026-2027 only, the Department of Corrections is authorized to transfer available balance of Personal Services appropriations and allocations in the Long Creek Youth Development Center program after all salary, benefit and other obligations are met to the All Other line category of the program for the purposes of funding juvenile community programs and services. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

### **PART CC SUMMARY**

This Part authorizes the Department of Corrections to transfer, by financial order, unobligated balance from Personal Services to the All Other line category in the Long Creek Youth Development program for fiscal year 2025-26 and 2026-27.

## **PART DD**

**Sec. DD-1. Transfer from General Fund unappropriated surplus; Department of Corrections. Administration – Corrections.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$3,661,559 from the unappropriated surplus of the General Fund to the Department of Corrections, Administration - Corrections, Other Special Revenue Funds account for one-time implementation costs of the offender management system.

### **PART DD SUMMARY**

This part provides one-time implementation costs of the offender management system.

## **PART EE**

**Sec. EE-1. 20-A MRSA §13007, sub-§2** is amended to read:

E. Report and pay in each fiscal year from fees collected pursuant to subsection 1 to the Treasurer of State to be credited to the Higher Education Administrative Fund, Other Special

Revenue Funds account within the Department of Education, an amount sufficient to fund annual New England Board of Higher Education dues.

**PART EE  
SUMMARY**

This Part directs a portion of fees collected for educator credentialing to cover the annual cost of New England Board of Higher Education dues.

**PART FF**

This Part is intentionally left blank.

**PART FF  
SUMMARY**

This Part is intentionally left blank.

**PART GG**

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**PART GG  
SUMMARY**

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**PART HH**

**Sec. HH-1. Rename Learning Systems Team program.** Notwithstanding any other provision of law, the Learning Systems Team program within the Department of Education is renamed the Federal Programs Team program.

**PART HH  
SUMMARY**

This Part changes the name of the Learning Systems Team program to the Federal Programs Team program.

## **PART II**

**Sec. II-1. Department of Education, Education Stabilization Fund; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$45,000,000 from the Department of Education, Education Stabilization Fund, Other Special Revenue Funds account, to the unappropriated surplus of the General Fund no later than June 30, 2026.

**Sec. II-2. Department of Education, Fund for the Efficient Delivery of Educational Services; transfer of funds.** Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$2,214,574 from the Department of Education, Fund for the Efficient Delivery of Educational Services, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026.

## **PART II SUMMARY**

This Part authorizes the State Controller to transfer cash balances from the Department of Education accounts to the unappropriated surplus of the General Fund on or before June 30, 2026.

## **PART JJ**

**Sec. JJ-1. Department of Education, General Purpose Aid for Local Schools; lapsed balances.** Notwithstanding any provision of law to the contrary, \$10,000,000 from unencumbered balance forward from the Department of Education, General Purpose Aid for Local Schools, General Fund carrying account, All Other line category lapses to the unappropriated surplus of the General Fund no later than June 30, 2026.

## **PART JJ SUMMARY**

This Part lapses \$10,000,000 of unencumbered balance forward from the Department of Education, General Purpose Aid for Local Schools, General Fund account to the unappropriated surplus of the General Fund in fiscal year 2025-26.

## **PART KK**



**Sec. KK-1. Transfer from Department of Education, General Purpose Aid for Local Schools program, General Fund; Department of Education, Preschool Special Education Program Fund, General Fund.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$21,000,000 of the unencumbered balance forward from the Department of Education, General Purpose Aid for Local Schools program, General Fund account, All Other line category to the Department of Education, Preschool Special Education Program Fund, General Fund account, All Other line category.

## **PART KK SUMMARY**

This Part authorizes the transfer of \$21,000,000 in unencumbered balance forward from the General Purpose Aid for Local Schools program to the Preschool Special Education Program Fund within the Department of Education.

## **PART LL**

**Sec. LL-1. 2 MRSA §9** is amended to read:

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

- A. **Commissioner.** “Commissioner” means the Commissioner of the Maine Department of Energy Resources appointed pursuant to section 3.
- B. **Department.** “Department” means the Maine Department of Energy Resources as established by section 2.

**21. Department Office established.** The Governor's Energy Office, referred to in this section as "the office," is established in the Executive Department to carry out responsibilities of the State relating to energy resources, planning and development. The office is directly responsible to the Governor. The Department of Energy Resources is established as a cabinet-level department to carry out responsibilities of the State relating to energy resources, planning, programs and development and is the successor to the office that was established under Title 2, §9. The department shall conduct planning, develop policies and establish programs designed to ensure all Maine households, communities, and businesses have access to an affordable, reliable, and resilient energy supply to meet energy demand and support economic development. The department is designated as the state energy office for the state of Maine.

**32. Director Commissioner.** The office department is under the control and supervision of the Director of the Governor's Energy Office, referred to in this section as "the director." Commissioner of the Maine Department of Energy Resources who reports directly to the Governor. The director is appointed by the Governor and serves at the pleasure of the Governor.

- A. **Appointment.** The Governor shall appoint the commissioner, subject to review by the joint standing committee of the Legislature having jurisdiction over energy,

utility and technology matters and confirmation by the Senate. The commissioner serves at the pleasure of the Governor.

- B. **Deputy.** The commissioner shall appoint a deputy commissioner to assist the commissioner with the operations of the department. The deputy commissioner serves at the pleasure of the commissioner.
- C. **Staff.** The commissioner may employ, subject to the Civil Service Law, personnel for the department and prescribe the duties of these employees as the Commissioner deems necessary to fulfill the duties of the department.
- D. **Delegation.** The commissioner may delegate duties assigned to the commissioner under this chapter to staff of the department.

**43. Powers and Duties.** ~~The director~~ commissioner is responsible for the execution of the duties of ~~the office~~ department. ~~The director shall:~~

- a. Advise the Governor and other state agencies on matters related to energy;
  - b. ~~A.~~ Serve as a member of the Efficiency Maine Trust Board, established under Title 5, section 12004-G, subsection 10-C;
  - c. ~~B.~~ In collaboration with the relevant state agencies, coordinate state energy policy and actively foster cooperation with the Efficiency Maine Trust, established in Title 35-A, chapter 97, and the Maine State Housing Authority, established in Title 30-A, chapter 201; and
  - d. Represent the state's interests in relevant regional energy organizations and forums to coordinate energy policy.
- B. Duties of the department.** Under the supervision of the commissioner, the department shall:
- a. ~~C.~~ In consultation with the Efficiency Maine Trust Board, established in Title 5, section 12004-G, subsection 10-C, ~~prepare~~ Prepare and submit a comprehensive state energy plan to the Governor and the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by January 15, 2009 and submit an updated plan every 2 years thereafter of each odd year. Within the comprehensive state energy plan, the director shall identify opportunities to lower the total cost of energy to consumers in this State and transmission capacity and infrastructure needs and recommend appropriate actions to lower the total cost of energy to consumers in this State and facilitate the development and integration of new renewable energy generation within the State and support the State's renewable resource portfolio requirements specified in Title 35-A, section 3210 and wind energy development goals specified in Title 35-A, section 3404. The comprehensive state energy plan must include a section that specifies the State's progress in meeting the oil dependence reduction targets in subsection 5. The office shall make recommendations, if needed, for additional legislative and administrative actions to ensure that the State can meet the reduction targets in subsection 5. The recommendations must include a cost and resource estimate for technology development needed to meet the reduction targets. The state energy plan shall:
  - i. Identify opportunities to lower and maintain reasonable total energy costs for consumers in the State;

- ii. Evaluate energy data, including, but not limited to, data on energy supply, demand and costs in this State with consideration of all available energy sources;
- iii. Include a section that details the State's progress toward meeting its energy goals for new renewable energy generation and energy storage, including distributed energy resources;
- iv. Evaluate the State's progress in meeting the oil dependence reduction targets in subsection 510;
- v. Identify resource and transmission capacity and infrastructure needs to facilitate the development and integration of new renewable energy generation within the State and support the State's renewable resource portfolio requirements specified in Title 35-A, section 310 in close coordination with the Public Utilities Commission Grid Planning Process and transmission and distribution utilities;
- vi. Address the association between energy planning and meeting the greenhouse gas reduction goals in the state climate action plan pursuant to [Title 38, section 577](#);
- vii. Include a cost and resource estimate for technology development to meet targets; and
- viii. Include energy supply and demand forecasts which shall be considered in other planning efforts including updates to the state's climate action plan and the Efficiency Maine Trust's Triennial Plan.

(1) ~~Beginning in 2015, the update to the plan must:~~

~~(a) Be submitted to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters and the joint standing committee of the Legislature having jurisdiction over natural resources matters;~~

~~(b) Address the association between energy planning and meeting the greenhouse gas reduction goals in the state climate action plan pursuant to [Title 38, section 577](#). The director shall consult with the Department of Environmental Protection in developing this portion of the plan;~~

~~(c) Include a section devoted to wind energy development, including:~~

~~(i) The State's progress toward meeting the wind energy development goals established in [Title 35-A, section 3404, subsection 2](#), including an assessment of the likelihood of achieving the goals and any recommended changes to the goals;~~

~~(ii) Examination of the permitting process and any recommended changes to the permitting process;~~

~~(iii) Identified successes in implementing the recommendations contained in the February 2008 final report of the Governor's Task Force on Wind Power Development created by executive order issued May 8, 2007;~~

~~(iv) A summary of tangible benefits provided by expedited wind energy developments, including, but not limited to, documentation of community benefits packages and community benefit agreement payments provided;~~

~~(v) A review of the community benefits package requirement under Title 35-A, section 3454, subsection 2, the actual amount of negotiated community benefits packages relative to the statutorily required minimum amount and any recommended changes to community benefits package policies;~~

~~(vi) Projections of wind energy developers' plans, as well as technology trends and their state policy implications;~~

~~(vii) Recommendations, including, but not limited to, identification of places within the State's unorganized and deorganized areas for inclusion in the expedited permitting area established pursuant to Title 35-A, chapter 34-A and the creation of an independent siting authority to consider wind energy development applications;~~

~~(d) Include a description of activities undertaken pursuant to paragraph H; and~~

~~(e) Include a description of the State's activities relating to the expansion of natural gas service, any actions taken by the office to expand access to natural gas in the State and any recommendations for actions by the Legislature to expand access to natural gas in the State.~~

The joint standing committee of the Legislature having jurisdiction over utilities and energy matters may report out legislation by February 1st of each odd-numbered year relating to the content of the plan. The joint standing committee of the Legislature having jurisdiction over natural resources matters may make recommendations regarding that legislation to the joint standing committee of the Legislature having jurisdiction over energy matters.

b. Make recommendations, if needed, for additional legislative and administrative actions to ensure that the State can meet energy targets. Develop, recommend and, as appropriate, take action to implement integrated or comprehensive strategies, including at regional and federal levels, to carry out the goals and objectives of the state energy plan, to secure Maine's interest in energy resources, their supply and cost-effective use, and lower the total cost of energy to consumers in this state;

i. Based on the comprehensive state energy plan, the department may conduct competitive solicitations for renewable resources for energy, associated environmental attributes or a combination of both, to achieve the emission reduction and renewable energy goals of the State and to meet expected growth in electric demand and reliability needs. After the department conducts a competitive solicitation, the commission may direct an investor-owned transmission and distribution utility to enter into one or more contracts for energy or renewable energy credits from renewable resources.

c. ~~€1.~~ By January 15th of each year, prepare and submit to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters an

annual report that describes the activities of the department office during the previous calendar year in carrying out its duties under this subsection and describes the State's progress in implementation of the state energy plan prepared pursuant to paragraph C and its annual accounting pursuant to subsection 2-A, paragraph B. After receipt and review of the annual report required under this paragraph, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters may submit legislation relating to energy policy;

- d. ~~D.~~ In collaboration with other relevant state agencies, private industry and nonprofit organizations, collect and analyze energy data, including, but not limited to, data on energy supply, demand and costs in this State with consideration of all available energy sources;
- e. ~~E.~~ Review and coordinate ~~Coordinate~~ the dissemination of energy information developed by other state agencies intended for to the public and the media;
- f. ~~F.~~ Provide technical assistance and information to the Governor and the Legislature regarding the State's short-range and long-range energy needs and the resources to meet those needs;
- g. ~~G.~~ Seek, accept and administer funds from public and private sources and develop partnerships with public and private entities to support the goals of the office, including, but not limited to, promoting energy efficiency, demand-side management and distributed generation;
- h. Receive and administer funds from the federal government, including from the U.S. Department of Energy's State Energy Program;
- i. ~~H.~~ Work with transmission and distribution utilities, state agencies involved in the permitting of energy generation facilities and other relevant entities to negotiate agreements that create value for electricity consumers with developers of renewable generation who are interested in building energy generation facilities or developing or utilizing energy transmission infrastructure in this State; ~~This paragraph does not authorize the director to be a signatory to any such agreement unless that authority is otherwise granted by law;~~
- j. ~~I.~~ Monitor energy transmission capacity planning and policy affecting this State and make recommendations to the Governor and the Legislature as necessary for changes to the relevant laws and rules to facilitate energy infrastructure planning and development;
- k. Monitor petroleum inventories, deliveries, curtailments, shortfalls or other matters relating to the availability of petroleum products in the State;
- l. Prepare and submit a State Energy Security Plan in accordance with federal requirements;
- m. Establish and manage a program to promote clean energy job development and clean-tech business innovation in coordination with industry, educational, and training organizations to support current and future workforce needs;
- n. Coordinate with the Maine Public Utilities Commission and the Efficiency Maine Trust to monitor beneficial electrification trends and opportunities; and

- o. Review and report on the status and impacts of the implementation of the renewable portfolio requirements established in Title 35-A section 3210 as described in Title 35-A section 3210 subsection 11.

~~J. Take action as necessary to carry out the goals and objectives of the state energy plan prepared pursuant to paragraph C including lowering the total cost of energy to consumers in this State.—~~

**54. Coordination; advice to state agencies.** The department ~~director~~ shall advise state agencies regarding energy-related principles for agencies to consider, along with the laws and policies governing those agencies, in instances including: ~~conjunction with the sale, lease or other allowance for use of state-owned land or assets for the purpose of development of energy infrastructure. For the purposes of this subsection, "state-owned" means owned by the State or by a state agency or state authority. At a minimum, the director shall consider the following principles in advising state agencies under this subsection:—~~

~~A. The principles for the determination of the long-term public interest of the State as specified in Title 35-A, former section 122, subsection 1-D, paragraph B;—~~

~~B. Avoiding wherever possible the use of lands subject to the provisions of the Constitution of Maine, Article IX, Section 23;—~~

~~C. Maximizing the benefit realized from the State's strategic location within New England and the northeastern region; and—~~

~~D. Complying with the provisions of the memorandum of agreement between the Maine Turnpike Authority and the Department of Transportation under Title 35-A, former section 122, subsection 1-C, when applicable.~~

A. The sale, lease, or other allowance for use of state-owned land or assets for the purpose of development of energy infrastructure;

B. The issuance of revenue obligation securities for energy facilities pursuant to Title 10 section 1044;

C. Energy programs at state facilities and operations to improve energy efficiency, greenhouse gas emission reduction, and demand management; and

D. The administration of State and federally funded energy programs to support:

a. The federal low-income home energy assistance program which provides heating assistance to eligible low-income persons and any state funded or privately funded heating assistance program of a similar nature assigned to it for administration; and

b. The federal weatherization assistance program which offers home weatherization grants and heat system upgrades to eligible persons of low income.

Nothing in this subsection alters any of the responsibilities or limits any of the authority of the Department of Administrative and Financial Services, Bureau of General Services pursuant to Title 5. Nothing in this subsection alters or limits the ability of departments or agencies of the State, along with the Bureau of General Services pursuant to Title 5, to generate or cogenerate energy at state facilities for use on site and elsewhere.

**6. Rulemaking.** The department may adopt rules the commissioner deems necessary for the proper implementation of this chapter pursuant to the Maine Administrative Procedures Act. Rules adopted pursuant to this subsection are routine technical rules, as defined in Title 5, chapter 375, subchapter 2-A, unless otherwise specified.

**7 2-A. Funding.** In addition to funds provided from the General Fund or other available resources,  
~~t~~The office is funded in accordance with this subsection.

A. The office is funded by federal funds that are available to and received by the office. Such federal funds may be applied to support the personal services and all other costs of the office.

B. To the extent federal funds are inadequate to meet the funding needs of the office, the office may receive funds from the Efficiency Maine Trust, established in Title 35-A, chapter 97, but only for that portion of the office's activities that support or reasonably relate to programs or activities of the Efficiency Maine Trust. The director shall keep an accounting of the office's resources devoted to its various duties and activities, including that portion of its resources devoted to activities in support of or reasonably related to programs or activities of the Efficiency Maine Trust. The office shall provide the accounting to the joint standing committee of the Legislature having jurisdiction over energy matters as part of its annual report under subsection 3, paragraph C-1. The joint standing committee of the Legislature having jurisdiction over energy matters shall make recommendations to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs with regard to any proposed allocation of the Efficiency Maine Trust funds to support the office. In accordance with any legislative allocation or deallocation of Efficiency Maine Trust funds to support the office, the director shall request from the Efficiency Maine Trust and the trust shall provide the allocated resources to the office.

~~C. Any additional funding of the office must be provided from the General Fund or other available resources.—~~

**8. Acceptance and administration of funds.** The department may accept, administer and expend funds, including but not limited to funds from the Federal Government or from private sources, for purposes consistent with this chapter. The commissioner shall provide a report of the amount of any outside funding received from private sources and its designated purpose to the Governor and the joint standing committee of the Legislature with jurisdiction over energy, utility and technology issues on an annual basis.

**9. Contracts; agreements.** The department may employ expert and professional consultants, contract for services as the commissioner determines necessary, within the limits of the funds provided and consistent with the powers and duties of the department, and enter into agreements with the Federal Government and other agencies and organizations as will promote the duties of the department.

**10 5. Oil dependence reduction plan.** The office, with input from stakeholders and in consultation with the Efficiency Maine Trust, shall develop a plan to reduce the use of oil in all sectors of the economy in this State. The plan must:

A. Be designed to achieve the targets of reducing the State's consumption of oil by at least 30% from 2007 levels by 2030 and by at least 50% from 2007 levels by 2050;

B. Focus on near-term policies and infrastructure changes that set the State on a reasonable trajectory to meet the 2030 and 2050 targets in paragraph A;

C. Prioritize the improvement of energy efficiency and the transition to the use of alternative energy sources for heating and transportation; and

D. Draw on existing state data and studies rather than new analyses, including, but not limited to, analyses and data from the State's climate action plan pursuant to Title 38, section 577 and the progress updates to the climate action plan under Title 38, section 578, the comprehensive state energy plan pursuant to subsection 3, paragraph C, the Efficiency Maine Trust's triennial plan pursuant to Title 35-A, section 10104, subsection 4 and analyses completed by the Federal Government, nonprofit organizations and other stakeholders.

**116. Maine Energy Resources Development Program.** The Maine Energy Resources Development Program, referred to in this subsection as "the program," is established to promote energy research and demonstration activities related to both the use of indigenous, renewable resources and more efficient use of energy. The ~~office~~ department, as funding allows, shall administer the program. The ~~director~~ commissioner may accept private money for the purpose of funding the program.

A. The ~~director~~ commissioner shall include, in the comprehensive state energy plan under subsection 3, paragraph C, a report that specifies, in regard to the program, the expenditure of program funds, the purposes for which the funds were used and the amount of the funds and the sources from which the funds were derived.

B. For all proposed program expenditures of \$10,000 or more, the ~~director~~ commissioner shall seek approval for those expenditures from the Governor. If the Governor approves, the director shall seek approval for those expenditures from the Legislature under the procedures authorizing the transfer of funds set forth in Title 5, section 1585.

**116-A. Distributed Solar and Energy Storage Program.** The Distributed Solar and Energy Storage Program, referred to in this subsection as "the program," is established to provide funding to foster the continued growth of cost-effective distributed solar facilities and energy storage systems in this State. The ~~office~~ department, as funding allows, shall develop the program no later than July 1, 2024.

A. As used in this subsection, the following terms have the following meanings.

(1) "Distributed solar facility" means a solar generating facility interconnected to a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B.

(2) "Energy storage system" has the same meaning as in Title 35-A, section 3481, subsection 6.

(3) "Combined project" means a distributed solar facility that is paired with an energy storage system.

B. The program must be designed to obtain and provide available federal funds to support cost-effective distributed solar facilities and energy storage systems. The ~~office~~ department shall consult with the Public Utilities Commission in developing and administering the program.

C. In order to support the office's activities in administering the program, the ~~office~~ department may request funds from the Public Utilities Commission for the office's administrative costs, which may include, but are not limited to, costs associated with hiring consultants and office personnel and contracting for technical analysis. Notwithstanding Title 35-A, section 117, if the office requests funding in accordance with this paragraph, the commission may provide funding, to the extent available, from the Public Utilities Commission Reimbursement Fund under section 117. If the Public Utilities Commission Reimbursement Fund does not have sufficient funding, notwithstanding Title 35-A, section 116, subsection 4, the commission may provide funding from the Public Utilities Commission Regulatory Fund in accordance with this paragraph.



D. The ~~office~~ department shall apply for available federal funds to fund the program, including, but not limited to, funds from the United States Environmental Protection Agency's Greenhouse Gas Reduction Fund under 42 United States Code, Section 7434. Nothing in this paragraph limits other uses of federal funds received by the ~~office—department~~ consistent with applicable federal requirements.

E. Except as provided in paragraphs C and F, ratepayer funds may not be used to implement the program or to provide funding under the program to distributed solar facilities or energy storage systems.

F. The ~~office~~ department may petition the Public Utilities Commission to procure energy, capacity or renewable energy credits in accordance with Title 35-A, section 3803 from distributed solar facilities or combined projects that receive federal funding pursuant to the program. The commission may not direct a transmission and distribution utility to enter into a long-term contract for energy, capacity or renewable energy credits from a distributed solar facility or a combined project unless the commission finds that the contract will benefit ratepayers and the procurement is in accordance with Title 35-A, section 3804

**127. Reporting of petroleum inventories and deliveries.** The following provisions govern the reporting of petroleum inventories and deliveries.

A. As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings:

- (1) "Petroleum product" means propane; gasoline; unleaded gasoline; gasohol; kerosene; #2 heating oil; diesel fuel; kerosene-based jet fuel; aviation gasoline; #4, #5 and #6 residual oil for utility and nonutility uses; and Bunker C oil;
- (2) "Primary storage facility" means a facility that receives petroleum products into the State by pipeline or by ship; and
- (3) "Primary supplier" means a refiner, marketer, distributor, firm or person who makes the first sale of any petroleum product to resellers or consumers in this State.

B. Each owner or lessee of a primary storage facility in the State shall make an accurate report of petroleum inventories and deliveries on the first and 3rd Monday of each month to the office on a form provided by the ~~director~~ commissioner. The form must contain a conspicuous statement of the penalties provided in paragraph D and must require, with regard to the owner's or lessee's primary storage facility, the following information:

- (1) The total inventory of each petroleum product stored in the State, as measured within not more than 3 working days prior to the reporting date; and
- (2) The quantities of each petroleum product delivery expected into the State within 15 days of the reporting date or within any longer period established by the commissioner ~~director~~.

C. Each primary supplier of petroleum products shall make an accurate report of actual and anticipated deliveries on the 3rd Monday of each month to the office on a form provided by the commissioner ~~director~~, unless the report is already being submitted in accordance with federal regulations. The form must contain a conspicuous statement of the penalties provided in paragraph D and must require the following information:

- (1) Actual deliveries of all petroleum products in this State during the preceding calendar month;

(2) Anticipated deliveries of all petroleum products in this State during the following calendar month or during any longer period established by the ~~commissioner~~ director; and

(3) Allocation fractions for all petroleum products for the following month or for any longer period established by the ~~commissioner~~ director.

D. A person who violates this subsection is subject to the following penalties.

(1) An owner or lessee of a primary storage facility or a primary supplier who fails to provide the information required by this subsection commits a Class D crime. Violation of this subparagraph is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A.

(2) An owner or lessee of a primary storage facility or a primary supplier who knowingly or recklessly supplies false or misleading information is guilty of a violation of Title 17-A, section 453. An owner or lessee of a primary storage facility who supplies false or misleading information commits a civil violation for which a fine of \$2,500 may be adjudged.

E. The ~~department~~ office shall provide reports to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters as follows:

(1) If the ~~department~~ office determines, based on available information, that there is or may be a significant shortfall in supply inventories or anticipated deliveries into the State of home heating oil or kerosene, the ~~department~~ office shall provide a report including:

(a) The information that suggests a supply shortfall;

(b) Current and anticipated inventories of home heating oil and kerosene storage supplies;

(c) Any recommendations of the office for actions by the State in response to the anticipated supply shortfall; and

(d) A report on inventories, deliveries, curtailments, shortfalls or other matters relating to the availability of petroleum products in this State, at the request of the joint standing committee of the Legislature having jurisdiction over utilities and energy matters.

**Sec. LL-2. 5 MRSA §15302, sub-§3** is amended to read:

**3. Board of Directors of the Maine Technology Institute.** The institute is governed and all of its powers exercised by a board of directors, referred to in this chapter as the "board," consisting of 13 voting members and 2 nonvoting members.

A. The Governor shall appoint 10 voting directors, 8 of whom must be representatives of targeted technologies. The other 2 directors must have demonstrated significant experience in finance, lending or venture capital. In making the appointments from targeted technologies, the Governor shall consider recommendations submitted by representatives of targeted technology sectors. Directors of the board appointed by the Governor are entitled to receive

reimbursement at the legislative rate for necessary expenses for their attendance at authorized meetings of the board.

B. The Commissioner of Economic and Community Development or the commissioner's designee, the President of the Maine Community College System or the president's designee and the Chancellor of the University of Maine System or the chancellor's designee are ex officio voting directors.

C. The Director of the Governor's Office of Policy Innovation and the Future or the director's designee is an ex officio nonvoting director.

D. The Maine Technology Institute Director is a nonvoting director.

E. The Commissioner of the Department of Energy Resources or the commissioner's designee is an ex officio nonvoting director.

**Sec. LL-3. 30-A MRSA §4723, sub- §2 B-1** is amended to read:

B-1. The Governor, in making appointments or reappointments to fill vacancies for commissioners under [paragraph B](#), shall ensure that commissioners of the Maine State Housing Authority include the following:

(1) A commissioner who represents tenants, who is an advocate for tenants' rights or who resides in housing subsidized by the United States Department of Housing and Urban Development or the Maine State Housing Authority;

(2) A commissioner who has knowledge and expertise in civil rights or in affirmatively advancing fair housing policy;

(3) A commissioner who represents residents with disabilities or aging residents;

(4) A commissioner with expertise in energy efficiency issues regarding residential structures; ~~and~~

(5) A commissioner with expertise in the sustainability requirements established in Title 30-A, section 4726; and

~~(5)~~ Four ~~Three~~ members who have:

(a) Experience or expertise in any of the following: housing development and rehabilitation; supporting unhoused populations; improving labor standards; economic and community development; transportation; municipal land use planning; the building trades; the real estate market; or banking and finance; and

(b) An interest in and commitment to increasing the availability and affordability of housing opportunities for the people of the State.

**Sec. LL-4. 10 MRSA §965, sub-§3** is amended to read:

**3. At-large members.** Nine members appointed by the Governor in accordance with the following and subject to review by the joint standing committee of the Legislature having jurisdiction over economic development matters and subject to confirmation by the Legislature must be appointed from at large.

- A. Two of the at-large members must be veterans.
- B. Two of the at-large members must be knowledgeable in the field of natural resource enterprises or financing.
- C. One of the at-large members must be knowledgeable in the field of student financial assistance.
- D. One of the at-large members must be knowledgeable in the field of higher education.
- E. One of the at-large members must be knowledgeable in the field of clean energy or technology solutions to climate change.

**Sec. LL-5. 38 MRSA §579** is amended to read:

The department may participate in the regional greenhouse gas initiative under chapter 3-B. The commissioner or the commissioner's designee and ~~the members of the Public Utilities Commission~~ the commissioner of the Department of Energy Resource's or their designee are authorized to act as representatives for the State in the regional organization as defined in section 580-A, subsection 20, may contract with organizations and entities when such arrangements are necessary to efficiently carry out the purposes of this section and may coordinate the State's efforts with other states and jurisdictions participating in that initiative, with respect to:

- 1. Regional market.** The design, conduct and supervision of a regional market for carbon dioxide allowances;
- 2. Additional offset categories.** The establishment and mutual recognition of additional offset categories that recognize the State's unique geography, economy and natural resources; and
- 3. Ensuring no unfair disadvantage.** Efforts seeking to ensure that electricity generated within participating states and jurisdictions is not unfairly disadvantaged as a result of imports of electricity from nonparticipating states and jurisdictions.

**Sec. LL-6. 2 MRSA §6, sub-§3** is further amended to read:

- 1. Range 91.** The salaries of the following state officials and employees are within salary range 91:
  - Commissioner of Transportation;
  - Commissioner of Agriculture, Conservation and Forestry;

Commissioner of Administrative and Financial Services;  
Commissioner of Education;  
Commissioner of Environmental Protection;  
Executive Director of Dirigo Health;  
Commissioner of Public Safety;  
Commissioner of Professional and Financial Regulation;  
Commissioner of Labor;  
Commissioner of Inland Fisheries and Wildlife;  
Commissioner of Marine Resources;  
Commissioner of Corrections;  
Commissioner of Economic and Community Development;  
Commissioner of Defense, Veterans and Emergency Management; ~~and~~  
Executive Director, Workers' Compensation Board; and  
Commissioner of Energy Resources

**Sec. LL-7. 2 MRSA §6, sub-§4** is further amended to read:

**4. Range 88.** The salaries of the following state officials and employees are within salary range 88:

Director, Bureau of Air Quality;  
Director, Bureau of Water Quality;  
Director, Bureau of Land Resources;  
Director, Bureau of Remediation and Waste Management;  
Deputy Commissioner, Environmental Protection; and  
Deputy Chief of the State Police; and  
Deputy Commissioner, Energy Resources

**Sec. LL-8. 5 MRSA §931, sub-§1-G** is further amended to read:

G. Employees working in the Governor's office, Governor's Office of Communications, ~~Governor's Energy Office~~ and at the Blaine Mansion

**Sec. LL-9. 5 MRSA §960,** is enacted to read:

**§960. Department of Energy Resources**

**1. Major policy-influencing positions.** The following positions are major policy-influencing positions within the Department of Energy Resources. Notwithstanding any other provisions of law, these positions and their successor positions are subject to this chapter.

**A. Deputy Commissioner**

**Sec. LL-10.** Transition provisions, Governor's Energy Office program. The following provisions govern the transition of the Governor's Energy Office program from Executive Department to the Department of Energy Resources program, Department of Energy Resources.

1. The Department of Energy Resources is the successor in every way to the powers, duties and functions of the Governor's Energy Office program.
2. All existing rules, regulations and procedures in effect, in operation or adopted in or by the Governor's Energy Office program or any of its administrative units or officers are hereby declared in effect and continue in effect until rescinded, revised or amended by the Department of Energy Resources.
3. All existing contracts, agreements and compacts currently in effect in the Governor's Energy Office program continue in effect.
4. All records, property and equipment previously belonging to or allocated for the use of the Governor's Energy Office program become, on the effective date of this Act, part of the property of the Department of Energy Resources.
5. All existing forms, licenses, letterheads and similar items bearing the name of or referring to the Governor's Energy Office program may be utilized by the Department of Energy Resources until existing supplies of those items are exhausted.
6. Notwithstanding any provision of law to the contrary, the State Controller shall transfer any unobligated balances related to the coastal zone management program remaining in the Bureau of Policy and Management program, Department of Marine Resources, other special revenue and federal funds to the Department of Energy Resources no later than the effective date of this Act.

#### **PART LL SUMMARY**

The Part transitions the Governor's Energy Office from a program within the Executive Department to the Department of Energy Resources.

#### **PART MM**

**Sec. MM-1. 38 MRSA §341-G. Board of Environmental Protection Fund**, as amended by PL 2003, chapter 245, §2, is further amended to read:

There is established the Board of Environmental Protection Fund to be used by the board as a nonlapsing fund to carry out its duties under this Title. Notwithstanding any other provision of law, the funds identified in subsection 1 transfer annually to the Board of Environmental Protection Fund in an amount not to exceed ~~\$325,000~~\$450,000. Money in the Board of Environmental Protection Fund may only be expended in accordance with allocations approved by the Legislature.

#### **PART MM SUMMARY**

This part increases the not to exceed transfer dollar amount from \$325,000 to \$450,000 to bring it in line with the current baseline allocation and expenditure need.

**PART NN**

**Sec. NN-1. Transfer from General Fund unappropriated surplus; Maine Ground and Surface Water Clean-up and Response Fund.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$1,376,000 from the unappropriated surplus of the General Fund to the Department of Environmental Protection, Maine Ground and Surface Water Clean-up and Response Fund, Other Special Revenue Funds account to support Capital Expenditures within the program.

**PART NN  
SUMMARY**

This Part directs the State Controller to transfer \$1,376,000 to the Department of Environmental Protection, Maine Ground and Surface Water Clean-up and Response Fund, Other Special Revenue Funds account to support Capital Expenditures.

**PART OO**

**Sec. OO-1. Personal Services balances; Maine Health Data Organization; transfers authorized.** Notwithstanding any other provision of law, in the 2026-2027 biennium, the Maine Health Data Organization is authorized to transfer up to \$300,000 in each fiscal year, available balances of Personal Services allocations, after all salary, benefit and other obligations are met, to the All Other line category in the Maine Health Data Organization, Other Special Revenue Funds account.

**PART OO  
SUMMARY**

This Part authorizes transfers of Personal Services to All Other in the Maine Health Data Organization, Other Special Revenue Funds account.

**PART PP**

**Sec. PP-1. Transfer from General Fund unappropriated surplus; Housing Authority - State.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$3,000,000 from the unappropriated surplus of the General Fund to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account to support a manufactured home and mobile home park preservation and assistance program.

Program funds must be prioritized for the purpose of maintaining housing affordability in manufactured home and mobile home parks, including by supporting 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, 2027, unobligated amounts remaining from this transfer must be transferred to the unappropriated surplus of the General Fund.

## **PART PP SUMMARY**

This Part directs the State Controller to transfer \$3,000,000 to the Maine State Housing Authority, Housing Authority - State, Other Special Revenue Funds account to support a manufactured home and mobile home park preservation and assistance program.

## **PART QQ**

**Sec. QQ-3. 36 MRSA §4641-B, sub-§4-B, ¶E-1** as enacted by PL 2023, c. 412, Part AAAA, §3, is amended to read:

E-1. In fiscal year 2025-26 and each fiscal year thereafter, the Treasurer of State shall credit the revenues derived from the tax imposed pursuant to section 4641-A, subsection 1 in accordance with this paragraph.

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

(2) On a monthly basis, the Treasurer of State shall apply 50% of the revenues in accordance with this subparagraph. The Treasurer of State shall first pay revenues available under this subparagraph to the Maine State Housing Authority, which shall deposit the funds in the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, until the amount paid equals the amount certified by the Maine State Housing Authority under subparagraph (1), after which the Treasurer of State shall credit 1/2 of any remaining revenues available under this subparagraph to the General Fund and 1/2 of any remaining revenues available under this subparagraph to the Housing First Fund established in Title 22, section 20-A, subsection 2.

(3) On a monthly basis, the Treasurer of State shall credit 50% of the revenues to the Maine State Housing Authority. The Maine State Housing Authority shall deposit the funds received pursuant to this subparagraph in the Housing Opportunities for Maine Fund created in Title 30-A, section 4853. Beginning July 1, 2025, the Maine State Housing Authority shall use 25% of funds transferred to the Housing Opportunities for Maine Fund



under this subparagraph to support the creation of new housing units, through new construction or adaptive reuse, that are affordable to low-income households.

(3-A) Transfers to General Fund. For the months beginning on or after July 1, 2025, \$4,847,891 in fiscal year 2025-26 and \$5,147,141 in fiscal year 2026-27 from the total transfers pursuant to subparagraph 3 to the Housing Opportunities for Maine Fund in Title 30-A, section 4852, must be transferred to General Fund undedicated revenue.

## **PART QQ SUMMARY**

This Part directs a portion of the real estate transfer tax to the General Fund in fiscal years 2025-26 and 2026-27.

## **PART RR**

**Sec. RR-1. 22 MRSA §1322-F, sub-§1** as enacted by PL 2005, c. 403, §1 is amended to read:

1. Fee imposed. Beginning ~~July 1, 2006~~ July 1, 2026, a fee is imposed on manufacturers or wholesalers of paint sold in the State to support the Lead Poisoning Prevention Fund under section 1322-E. The fee must be imposed at the manufacturer or wholesaler level, in the amount of ~~2575¢~~ per gallon of paint estimated to have been sold in the State during the prior year, as determined by rule adopted by the department.

2. Rules. ~~By July 1, 2006, the~~ The department shall adopt rules to implement this section, including rules to determine which manufacturers or wholesalers of paint sold in the State are responsible for the fees imposed under subsection 1 and rules establishing the estimated number of gallons of paint sold in the State in the prior year for each manufacturer and rules determining the manner of payment. The rules must provide for waivers of payment for manufacturers and wholesalers of paint that is sold in low quantities in the State. The costs for development of these rules and for administration of the Lead Poisoning Prevention Fund must be reimbursed from the fees collected. The rules must specify that the first payment of fees is due ~~by April 1, 2007~~ October 1, 2026. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. RR-2. 22 MRSA §1322-E, sub-§3** as enacted by PL 2005, c. 403, §1 is amended to read:

**3. Prevention purposes.** Allocations from the fund must be made for the following purposes:

- A. Contracts for funding community and worker educational outreach programs to enable the public to identify lead hazards and take precautionary actions to prevent exposure to lead;
- B. An ongoing major media campaign to fulfill the purposes of the educational and publicity program required by section 1317-B;
- C. Measures to prevent children's exposure to lead, including targeted educational mailings to families with children that occupy dwellings built prior to 1978 with culturally appropriate information on the health hazards of lead, the identification of lead sources, actions to take to prevent lead exposure and the importance of screening children for lead poisoning;
- D. Measures to prevent occupational exposures to lead for private and public employees;
- E. Funding an assessment of current uses of lead and the availability, effectiveness and affordability of lead-free alternatives;
- F. Funding for educational programs and information for owners of rental property used for residential purposes; ~~and~~
- G. Implementation of the lead-safe housing registry by the department pursuant to section 1331-; ~~and~~
- H. Funding for Childhood Lead Poisoning Prevention Program, including, but not limited to, State personnel and contracted resources dedicated to reducing lead hazard exposures and preventing harm from lead poisoning, blood lead testing and laboratory analysis, short-term relocation of families with a lead poisoned child to a lead safe residence, and other related programming costs.

**PART RR  
SUMMARY**

This Part increases the per gallon fee, assessed at the manufacturer or wholesaler level, from \$0.25 to \$0.75 to support the Lead Position Prevention Fund.

**PART SS**

**Sec. SS-1. 36 MRSA c. 381** is enacted to read:

CHAPTER 381

**PHARMACY ASSESSMENT**

**§2898-A. Definitions**

As used in this chapter, unless the context otherwise indicates the terms used in this chapter have the same meaning as in 32 MRSA c. 117, s. 13702-A, and the following terms have the following meanings.

1. Pharmacy provider. "Pharmacy Provider" means a pharmacy as defined in 32 M.R.S.A. c.117, s. 13702-A, including a pharmacy located in a federally qualified health center (as defined in 42 United States Code, Section 1395x, subsection(aa)) located in Maine.

2. Assessment. "Assessment" means the per pharmacy prescription assessment authorized by this chapter.

3. Pharmacy Prescription. "Pharmacy Prescription" means any outpatient pharmacy prescription filled, refilled or dispensed by a pharmacy provider from a pharmacy location in Maine.

### **§2898-B. Pharmacy assessment**

1. Assessment established. Beginning April 1, 2026, each pharmacy provider shall be subject to a per Pharmacy Prescription assessment. The assessment shall equal \$0.70 cents per pharmacy prescription.

2. Payment of Assessment. By the 30<sup>th</sup> of each month, each pharmacy provider subject to the assessment imposed by section 1 shall submit to the assessor the number of Pharmacy Prescriptions filled by each pharmacy location in Maine in the previous month and remit the total assessment due. Revenues derived by the tax imposed by this chapter must be credited to a General Fund suspense account.

3. Deposit of assessments. On or before the 15<sup>th</sup> of each month, the state controller shall transfer the revenues generated from the assessment into the Medical Care - Payments to Providers Other Special Revenue Funds account in the Department of Health and Human Services to be used for MaineCare for payments to Pharmacy providers under the MaineCare program.

## **PART SS SUMMARY**

This Part establishes a per prescription assessment on pharmacy providers.

## **PART TT**

Sec. \_\_\_\_\_. 36 MRSA, c. 380, §2897 is enacted to read:

### **CHAPTER 380**

### **AMBULANCE TAX**

#### **§2897-A. Definitions**

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

**1. Ambulance Service Provider.** "Ambulance service provider" means any person, persons, or organization that holds itself out to be a provider of transportation of ill or injured persons or that routinely provides such transportation by air, ground, or water vehicle that is designed, constructed or routinely used or intended to be used for such purpose and is licensed in accordance with Title 32, chapter 2-B and has a base location (as defined in rules promulgated pursuant to Title 32, chapter 2-B) in Maine. "Ambulance service provider" does not include:

A. The Maine Army National Guard, the Maine Air National Guard or the United States Armed Forces

B. A municipal fire or police department or any other governmental entity that provides emergency ambulance services;

C. An organization that is required to pay any tax under Title 36, chapters 373 or 377.

**2. Net operating revenue.** "Net operating revenue" means gross revenue collected by an ambulance service provider for the delivery of ambulance services less any deducted amounts for bad debts, charity care or payer discounts.

**§2897-B. Ambulance service tax**

**1. Tax Imposed.** For state fiscal years beginning on or after July 1, 2026, a tax is imposed on every ambulance service provider. The tax is equal to 6% of its net operating revenue as identified in the ambulance service provider's audited financial statement for the providers previous fiscal year.

**2. Transfer of Liability.** If an ambulance service provider liable for the tax sells or quits the business, the ambulance service provider shall make a final return and payment within 15 days after the date of selling or quitting the business. The successor, successors or assignees, if any, shall withhold a sufficient amount of the purchase money to cover the amount of the tax, along with applicable interest and penalties, until such time as the former owner produces a receipt from the State Tax Assessor showing that the taxes have been paid, or a certificate from the assessor stating that no trust fund taxes, interest or penalties are due. The liability of a purchaser is limited to the amount of the purchase price. A purchaser who fails to withhold a sufficient amount of the purchase price is jointly and severally liable for the payment of the taxes, penalties and interest accrued and unpaid on account of the operation of the business by the former owner, owners or assignors and the assessor may make an assessment against the purchaser at any time within 6 years from the date of the sale, transfer or assignment.

**3. Return required in state fiscal years beginning on or after July 1, 2026.** For tax due for state fiscal years beginning on or after July 1, 2026, an Ambulance Service Provider subject to the tax imposed by section 2897-B shall submit to the assessor a return on a form prescribed by the assessor and pay one half of the total tax due by November 15th of the state fiscal year for which the tax is being imposed and one half of the total tax due by May 15th of the state fiscal year for which the tax is being imposed.

**4. Application of revenues.** All revenues received in each fiscal year that result from the tax pursuant to this chapter from ambulance service providers must be credited to the Medical Care - Payments to Providers Other Special Revenue Funds account in the Department of Health and Human Services to be used for MaineCare provider payments.

## **PART TT SUMMARY**

This Part establishes a tax on ambulance providers of 6%. Funds must be credited to the Department of Health and Human Services to be used for MaineCare provider payments.

## **PART UU**

**Sec. UU-1. 22 MRSA §1708, sub-§3**, as enacted by PL 1975, c. 365, §1 is amended to read:

**3. Compensation for nursing homes.** A nursing home, as defined under section 1812-A, or any portion of a hospital or institution operated as a nursing home, when the State is liable for payment for care, must be reimbursed at a rate established by the Department of Health and Human Services pursuant to this subsection. ~~The department may not establish a so-called "flat rate."~~ This subsection applies to all funds, including federal funds, paid by any agency of the State to a nursing home for patient care. The department shall establish rules concerning reimbursement that:

A. Take into account the costs of providing care and services in conformity with applicable state and federal laws, rules, regulations and quality and safety standards;

A-1. [PL 2001, c. 666, Pt. A, §1 (RP); PL 2001, c. 666, Pt. E, §1 (AFF).]

B. Are reasonable and adequate to meet the costs incurred by efficiently and economically operated facilities;

C. Are consistent with federal requirements relative to limits on reimbursement under the federal Social Security Act, Title XIX;

D. Ensure that any calculation of an occupancy percentage or other basis for adjusting the rate of reimbursement for nursing facility services to reduce the amount paid in response to a decrease in the number of residents in the facility or the percentage of the facility's occupied beds excludes all beds that the facility has removed from service for all or part of the relevant fiscal period in accordance with section 333. If the excluded beds are converted to residential care beds or another program for which the department provides reimbursement, nothing in this paragraph precludes the department from including those beds for purposes of any occupancy standard applicable to the residential care or other program pursuant to duly adopted rules of the department;

E. Contain an annual inflation adjustment that:

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- ~~(1) Recognizes regional variations in labor costs and the rates of increase in labor costs determined pursuant to the principles of reimbursement and establishes at least 4 regions for purposes of annual inflation adjustments; and~~
- ~~(2) Uses the applicable regional inflation factor as established by a national economic research organization selected by the department to adjust costs other than labor costs or fixed costs; and~~

~~F. Establish a nursing facility's base year every 2 years and increase the rate of reimbursement beginning July 1, 2014 and every year thereafter until June 30, 2018. For the state fiscal year beginning July 1, 2018, the base year for each facility is its fiscal year that ended in the calendar year 2016. For state fiscal years beginning on or after July 1, 2019, subsequent rebasing must be based on the most recent cost report filings available. The department may provide a mechanism for subsequent adjustments to base year costs to reflect any material difference between as filed cost reports used in rebasing and subsequent determinations of audited, allowable costs for the same fiscal period. The department's rules must provide that, beginning in the state fiscal year beginning July 1, 2018, the rates set for each rebasing year must include an inflation adjustment for a cost-of-living percentage change in nursing facility reimbursement each year in accordance with the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index nursing homes and adult day care services index.~~

~~Any rebasing done pursuant to this paragraph may not result in a nursing facility receiving a reimbursement rate that is lower than the rate in effect on June 30, 2018.~~

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. UU-2. 22 MRSA §7402 and §7403**, as enacted by PL 2021, c. 398, Pt. AAAA, §1, is amended to read:

Services provided by essential support workers that are reimbursed by the department under the MaineCare program or another state-funded program must include in the reimbursement rate the following:

**1. At least 125% of the minimum wage.** An amount equal to at least 125% of the minimum wage established in Title 26, section 664, subsection 1 for the labor portion of the reimbursement rate as determined under the process set forth in 22 MRSA §3173-J, sub-§2, ¶C-5 and subject to sufficient appropriations ~~An increase to the minimum wage must be applied to the reimbursement rate at the time the increase takes place; and~~

~~2. **Taxes and benefits.** An amount necessary to reimburse the provider for taxes and benefits paid or costs incurred by the provider that are directly related to the reimbursed wage increase in subsection 1. This amount must be adjusted whenever an increase to the minimum wage is applied to the reimbursement rate under subsection 1.~~

~~32. **Effective date.** This section takes effect January 1, 2022.~~

### ~~§7403. **Rebasing**~~

~~Except as otherwise provided, the department shall rebase reimbursement rates for the MaineCare program and other state-funded program reimbursement rates described in section 7402 at least every 5 years. Rebasing must be based on the most recent cost report filings available or provider cost surveys or other market data when cost reports are not available. The department may provide a mechanism for subsequent adjustments to base year costs to reflect any differences it determines are material between as-filed cost reports used in rebasing and subsequent determinations of audited, allowable costs for the same fiscal period.~~

**Sec. UU-3. 22 MRSA §3173-J**, as enacted by PL 2021, c. 639, §2 and amended by PL 2023, c. 238, §1, is further amended to read:

### **§3173-J. Rate-setting system for development and maintenance of sustainable, efficient and value-oriented MaineCare payment models and rates**

This section establishes a rate-setting system for the development and maintenance of MaineCare payment models and rates that comply with the requirement in 42 United States Code, Section 1396a that rates be consistent with efficiency, economy and quality of care; that are adequate to support MaineCare member access to services; and that are equitable and data-driven.

- 1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
  - A. "Alternative payment model" means a health care payment model that uses financial incentives to promote or leverage greater value for patients, purchasers, payers or providers and that connects at least a portion of reimbursement to performance on defined quality measures.
  - B. "MaineCare section of policy" means a set of MaineCare-covered services, as categorized by the department through the adoption of rules that specify the parameters for coverage.
  - C. "Rate determination" means a process conducted by the department to establish the reimbursement rate methodology, base rate amount or payment model for a MaineCare section of policy or for a specific covered service, whether through

adoption or adaptation of a benchmark rate from another payer or development through a rate study.

- D. "Rate study" means an analysis conducted by the department or its contracted vendor to develop a recommended rate methodology and resulting base rate amount and payment model based on the service model and cost components for the service.

**2. Rate-setting system principles and processes.** The department shall establish MaineCare provider reimbursement rates, including those paid through fee-for-service and alternative payment models. The rates must be established in accordance with the following principles and processes and adopted through rulemaking as described in subsection 3; provided that changes in rates required by the federal government, one-time payments authorized by the federal government to assist with emergency or extraordinary circumstances, or rate reductions for the purpose of responding to projected MaineCare budget shortfalls shall not be subject to this section. The department shall:

- A. Develop annually a schedule of rate determination by MaineCare section of policy in consultation with the MaineCare Rate Reform Expert Technical Advisory Panel established under subsection 5 as follows:
- (1) Post the rate determination schedule on its publicly accessible website;
  - (2) Provide an opportunity for the public to review and comment on the rate determination schedule and make available a summary of these comments on its publicly accessible website; and
  - (3) Conduct off-schedule rate determinations as the department finds appropriate;
- B. Conduct or contract for, every 4 years, a comprehensive benchmarking report to compare MaineCare rates for all services to those paid by Medicare, at least 5 comparison Medicaid states and any appropriate Maine commercial payers; provided that the department may ensure that completion of such benchmarking report occurs on a schedule compatible and in alignment with any federally required comparative analysis of Medicaid fee-for-service payment rates. The department shall provide public notice of the initiation of the comprehensive benchmarking process, provide an opportunity for the public to review and comment on the draft report and make available a summary of these comments alongside the final report;
- C. No less frequently than once every 5 years, conduct a rate determination process for each MaineCare section of policy or for a specific covered service, in accordance with the following procedures:
- (1) Provide public notice of initiation of the rate determination for a MaineCare



section of policy or for a specific covered service;

(2) Consider and, when appropriate, adopt alternative payment models that use financial incentives to promote or leverage greater value for the MaineCare program. This consideration must include a review of research on any available national models or best practices regarding payment models for the service;

(3) Determine whether a Medicare rate is available for the service and whether the Medicare rate represents the most appropriate benchmark and payment model;

(4) In the absence of a Medicare rate, determine whether a rate from a non-Medicare payer source, including, but not limited to, commercial health care rates in the State or other states' Medicaid rates, is available for the service and whether this alternate payer rate represents the most appropriate benchmark and payment model. The department shall determine an appropriate percentage of the benchmark rate for the service, taking into consideration the findings of the benchmarking report conducted in accordance with paragraph B;

(5) Conduct a rate study for every service for which a benchmark rate or payment model in accordance with subparagraph (3) or (4) either is unavailable or is inconsistent with the goals of efficiency, economy and quality of care to support member access. Each rate study must include the following:

(a) A review of data, which must include:

(i) An assessment as to whether the delivery of service and associated requirements have changed since the previous rate study, if available, to determine if the rate methodology needs to be revised;

(ii) The collection of data on provider costs and cost-related aspects of the delivery of service and associated requirements through existing cost reports, provider surveys and other available data sources; and

(iii) Research on any available national models or best practices regarding cost-related aspects of the delivery of service and associated requirements; and

(b) Developing or updating rates by considering the following:

(i) The appropriateness of adoption of a change in payment model consistent with the purposes of this section;

(ii) The current rate assumptions and their appropriateness given current provider costs, best practices or changes in the delivery of service and associated requirements;

(iii) The findings for related services of any comprehensive benchmarking report under paragraph B; and

(iv) The degree to which services are dependent on MaineCare reimbursement, including, but not limited to, cost factors, such as average wage, that may be reflective of restraints of MaineCare reimbursement versus costs of the broader marketplace; and

(6) Upon completion of the rate determination process, present the department's rationale and recommendations for rate methodology, resulting base rate amount and payment model for public comment prior to the rule-making process; convene a meeting of interested providers and other interested members of the public to discuss the recommendations and hear comments; and respond in writing to comments with an explanation of whether and how feedback was incorporated into the final rate determination; and

D. Ensure that base rate amounts developed under paragraph C are updated to keep pace with changes in the costs of delivering the service by:

(1) For rates benchmarked to Medicare rates according to paragraph C, subparagraph (3), referencing Medicare rates for the most current year available, updated at least annually, and reviewing the current established percentage benchmark, as appropriate, taking into consideration the findings of the most recent benchmarking report conducted in accordance with paragraph B;

(2) For rates benchmarked to an alternate payer source in accordance with paragraph C, subparagraph (4), updating rates to the most current year of data for that payer source at least once every 2 years and reviewing the current established percentage benchmark, as appropriate, taking into consideration the findings of the benchmarking report conducted in accordance with paragraph B; and

(3) For base rates determined through a rate study in accordance with paragraph C, subparagraph (5), subject to available funds as set forth in section 4 below, providing an annual cost-of-living adjustment effective on a consistent date to be established by the department for each service that has not received a rate adjustment within the 12 months prior to the effective date of the cost-of-living adjustment and for which the department determines benchmarking in accordance

with paragraph C, subparagraph (3) or (4) is not appropriate or advisable. In establishing and implementing cost-of-living adjustments, the department shall:

(a) Use inflation indices determined through rulemaking to reflect a reasonable cost of providing services for different categories of services; rather than reflecting other factors, such as private sector price increases or cost-shifting from different payers; and

(b) Maximize use of a single, consistent and general cost-of-living adjustment index for services where the cost of direct care staffing is the primary driver of overall cost increases, consistent with the cost-of-living adjustment applied to the minimum wage as set forth in title 26, section 664, subsection 1. ~~laws, in order to ensure that the cost of living adjustment reflects increases to provider costs for delivering the service rather than other factors, such as private sector price increases or cost-shifting from different payers.~~ The Department shall:

(i) Apply this adjustment to services provided by essential support workers as defined in title 22, section 7401; and

(ii) For any services to which the department applies this adjustment equal to the increase in minimum wage, apply this adjustment to the reimbursement rate between 6 and 12 months after the minimum wage increase goes into effect.

**3. Rulemaking for establishment of rate methodology.** ~~In addition to the requirements of Title 5, chapter 375, r~~Rulemaking for MaineCare provider reimbursement rate methodologies must comply with the following.

A. Establishment of a rate methodology for a new MaineCare section of policy or specific new service or changes to an existing rate methodology must be adopted through rulemaking in accordance with the Maine Administrative Procedure Act. Rulemaking is not required for the addition of new billing codes or to specify rates for specific billing codes if there is no change in the overall methodology and rates are posted in accordance with this section.

B. For services the department benchmarks to Medicare or other available payer rates for reimbursement, the department shall adopt a rule specifying the percentage, frequency of benchmark updates for alternate payer sources and other aspects of the benchmark methodology. Additional rulemaking is not required for rate changes tied to the adopted benchmark methodology, or for the addition of new billing codes, unless the department changes the benchmarking percentage or methodology.

~~C. No later than July 1, 2023, the department shall adopt a rule specifying the appropriate cost of living adjustment methodology for different types of services in accordance with subsection 2, paragraph D, subparagraph (3). Additional rulemaking is not required for rate increases adjustments tied to annual cost-of-living adjustments increases unless the department changes the cost-of-living adjustment methodology.~~

D. In addition to the authority provided by Title 5, chapter 375 subchapter 2 section 8056(1)(B)(1), rules established under this Section may incorporate by reference any part of a code, standard, rule, regulation, schedule or any other source deemed appropriate by the department. In addition, notwithstanding anything in statute, rules established under this Section shall not be subject to Title 5, Chapter 375, subchapter 2 section 8056(1)(B)(2)-(4); provided that such rules identify the incorporated matter by title or source, as appropriate.

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A unless rules to adopt MaineCare reimbursement rates are designated as major substantive rules in another section of law.

#### **4. Funding.**

A. Reimbursement adjustments are subject to the availability of appropriations. The department may reduce otherwise specified cost of living adjustment amounts or rates in proportion to available funding, including elimination of a scheduled adjustment as necessary.

B. The department may use funds from the MaineCare Stabilization Fund established in [section 3174-KK](#) in order to fund the rate adjustments made in accordance with this section when funding may be needed in addition to any appropriations associated with separate initiatives. Use of the Stabilization Fund is a one-time use and must be followed by an ongoing appropriation in order to ensure the resulting reimbursement continues at the adjusted level;

C. If sufficient funds are not appropriated for reimbursement adjustments in accordance with this section and there are not sufficient funds available in the MaineCare Stabilization Fund for this purpose, the department shall, proportional to any funding for reimbursement adjustments that may be available, prioritize:

(1) Reimbursement adjustments resulting from any rate determinations for sections of policy or services that do not yet have reimbursement established through a rate determination under this section;

(2) Rate adjustments for services where there is evidence of member access issues.

**5. MaineCare Rate Reform Expert Technical Advisory Panel.** The MaineCare Rate Reform Expert Technical Advisory Panel, referred to in this subsection as "the panel," is established for the purpose of advising the commissioner by providing technical, nonpartisan,

3rd-party expertise to inform the department's planned schedule and actions on rate assumptions, payment models and other related technical matters. The panel may not propose rates or methodologies. The commissioner or the commissioner's designee shall serve as chair.

A. The panel includes the following members:

(1) A representative from the Maine Health Data Organization;

(2) A representative from the Department of Professional and Financial Regulation, Bureau of Insurance;

~~(3) A representative from the Department of Professional and Financial Regulation;~~

~~(4)~~ A representative from the department's division of licensing and certification;

~~(5)~~ A representative from the Office of Affordable Health Care;

~~(6)~~ A representative from the Department of Labor; and

~~(7)~~ A representative from the Department of Administrative and Financial

B. The panel shall:

(1) Review annual schedules of MaineCare sections of policy scheduled for rate determinations under subsection 2, paragraph A;

(2) Review common assumptions and recommendations from across rate determinations under subsection 2, paragraph C;

(3) Review findings from benchmarking reports to inform the appropriateness of MaineCare rate levels across services; and

(4) Advise on other related technical matters, as appropriate.

C. The panel shall meet at least ~~twice~~ once per year and as otherwise convened by the commissioner. Meetings of the panel are public, and the panel shall provide public notice of each meeting and an opportunity for public comment.

**6. MaineCare Advisory Committee.** The MaineCare Advisory Committee, required by 42 Code of Federal Regulations, Section 431.12 and further described in department rules, and referred to in this subsection as "the committee," shall participate in the department's rate-setting system in accordance with this subsection.

A. The committee must include a permanent rate system subcommittee that allows broad participation by the full spectrum of types of MaineCare providers. Participation in the rate system subcommittee may not be limited by number or type of stakeholder in order to allow for participation by any stakeholder affected by MaineCare reimbursement policy and interested in participating in the work of the subcommittee.

B. At each meeting of the committee or rate system subcommittee, if requested by the chair of the committee or rate system subcommittee, the department shall provide updates on the department's planned and completed activities under this section for discussion and advisement, including, but not limited to, the following:

- (1) Schedule and status of rate determination, planned and in progress, by MaineCare section of policy;
- (2) Status of and plans for comprehensive benchmarking studies; and
- (3) Contemplated rulemaking to establish rate methodology resulting from rate determination processes.

C. The rate system subcommittee may formulate and present recommendations to the committee pertaining to the department's activities under this section.

**7. Index of MaineCare rates by service code; publicly accessible website.** The department shall maintain and annually update a centralized master index of rates by service code and post this index on its publicly accessible website. The index ~~must~~ may contain the following, as applicable:

A. The service code, including any modifiers that affect reimbursement;

B. The current year rate;

C. The source for the rate, including, but not limited to, Medicare or alternate payer benchmark, rate study or other source, and the year and the author of the review, study or report that justified the rate;

D. The year the base rate was last updated prior to the application of any subsequent cost-of-living adjustments;

E. Whether the rate is subject to cost-of-living adjustments and, if so, the identity of the benchmark index;

F. The section of MaineCare policy pursuant to which the rate was adopted; and

G. The target date for the next rate review.

In addition to the index, the department shall post on its publicly accessible website all rate studies, benchmark reports and other materials used by the department to develop the rates and payment models.

**8. Notice prior to implementation.** For planned rate changes that do not require rulemaking as described in subsection 3, the department shall provide notice prior to implementation, of no less than 30 calendar days for cost-of-living adjustments and no less than 7 calendar days for Medicare fee schedule changes or the addition of new service codes, to stakeholders who request to receive such notice.

## **PART UU SUMMARY**

This Part simplifies and consolidates statutory language that relates to the adjustment of MaineCare reimbursement into the MaineCare rate reform statute under 22 M.R.S.A. 3173-J, and stipulates that such adjustments are subject to available appropriations. This includes repeal of the requirement for including a regional inflation adjustment in the calculation of nursing facility rates and the requirement for rebasing of nursing facility rates every two years. It also clarifies reimbursement adjustment and rebasing for essential worker reimbursement to be under and consistent with 22 M.R.S.A. 3173-J. It establishes exceptions to the rate setting process for rate adjustments required by law, payments authorized by the federal government in urgent circumstances, or rate reductions resulting from budget short falls. It permits comparative benchmarking to occur on a schedule consistent with that required by federal law and regulation. It also defines how inflation and cost of living indices should be used when establishing and implementing cost-of-living adjustments in order to provide for greater budget predictability. This Part also repeals the requirement that the department must adopt a rule specifying a cost-of-living adjustment methodology, and allows the department to establish rules under this section that incorporate by reference sources in addition to those permitted by Title 5, chapter 375, subchapter 2, section 8056(1)(B)(1), and exempting these rules from the requirements of Title 5, chapter 375, subchapter 2, section 8056(1)(B)(2)-(4). It also defines a process for prioritizing rate adjustments when funds are limited. It removes a second representative of the Department of Professional and Financial Regulation from the MaineCare Rate Reform Expert Technical Advisory Panel, further defines the scope of the panel's review, and reduces the minimum frequency of meetings to once annually.

## **PART VV**

**Sec. VV-1. 22 MRSA §3104-A, sub-§1, ¶D**, as enacted by PL 2013, c. 368, Pt. OO, §2, is repealed.

**Sec. VV-2. 22 MRSA §3762, sub-§3¶B, sub-¶(2), ¶D**, as enacted by PL 2013, c. 368, Pt. OO, §2, is repealed.

## **PART VV SUMMARY**

This Part repeals the hardship exception that allows access to state-funded SNAP benefits and state-funded TANF benefits for individuals who have obtained proper work documentation but are unemployed.

## **PART WW**

**Sec. WW-1. 22 MRSA §9067** is enacted to read:

### **Health Information Technology**

**1. Fee assessed.** Beginning October 1, 2025, the department may assess a fee on Maine hospitals based on the number of inpatient beds, up to a total assessment collection of \$1,800,000 per fiscal year, to support Health Information Technology initiatives, including but not limited to a state-designated statewide health information exchange. The assessment will be collected by October 1 of each year. This assessment does not apply to state or municipally owned hospitals.

**2. Fund.** The Health Information Technology Fund is established as a nonlapsing fund to receive any fees collected pursuant to this chapter. The department shall use these funds as the state share of costs related to Health Information Technology initiatives.

## **PART WW SUMMARY**

This part allows the department to assess a fee on Maine hospitals based on the number of inpatient beds, up to a total assessment collection of \$1,800,000 per fiscal year, to support Health Information Technology initiatives. It also establishes the Health Information Technology fund to collect and disperse these fees.

## **PART XX**

**Sec. XX-1. 34-B MRSA §1203-B**, as enacted by PL 2023, c. 89, §7, is amended to read:

**2-A. Licensing fees and terms.** Fees and terms for licenses under this section are as follows.

A. The application fee for a provisional license may not be less than \$100 nor more than \$280. The term of a provisional license is established pursuant to subsection 5.



B. The application fee for a full license may not be less than \$100 nor more than \$280. The term of a full license is for 2 years.

C. The fee for the biennial renewal of a full license may not be less than \$70 nor more than \$170.

D. The processing fee to add a service site to an issued license may not be less than \$35 nor more than \$70.

E. The processing fee to add a service to an issued license may not be less than \$70 nor more than \$140.

F. A licensee under this section shall maintain a valid license. An issued license is not valid when the information on the license is no longer accurate. A processing fee not to exceed \$10 must be paid to the department to secure a reissued license with accurate information. The fee applies to each license replaced. The reissued license must have the same expiration date as the replaced license.

G. The transaction fee for the electronic renewal of a license may not be less than \$25 nor more than \$50 for the electronic renewal of a license. The transaction fee may not exceed the cost of providing the electronic renewal service.

H. The department shall adopt rules to implement this subsection. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375,

## **PART XX SUMMARY**

This Part clarifies the licensing fees and terms for agencies that provide services to adults with certain conditions.

## **PART YY**

**Sec. YY-1. 34-B MRSA §3613**, as enacted by PL 2023, c. 643, Pt. EEEE, §1 and affected by §3, is repealed.

**Sec. YY-2. 34-B MRSA §3613**, as enacted by PL 2023, c. 643, Pt. KKK, §1, is repealed.

**Sec. YY-3. 34-B MRSA §3613**, as enacted by PL 2023, c. 675, §9, is amended to read:

**1. Definition.** As used in this section, unless the context otherwise indicates, "crisis receiving center" means a center that provides immediate and short-term walk-in access to an array of both clinical and nonclinical mental health and substance use disorder crisis stabilization services to all individuals seeking care regardless of ~~severity~~ acuity or insurance coverage and within bounds of licensing.

## **PART YY SUMMARY**

This Part repeals the conflicted crisis receiving center's language and for the language approved in PL 2023, chapter 675, replaces the word severity with acuity.

## **PART ZZ**

**Sec. ZZ-1. Transfer of Personal Services balances to All Other; state psychiatric centers.** Notwithstanding any provision of law to the contrary, for fiscal years 2025-26 and 2026-27 only, the Department of Health and Human Services is authorized to transfer available balances of Personal Services appropriations and allocations in the Disproportionate Share - Dorothea Dix Psychiatric Center program, the Disproportionate Share - Riverview Psychiatric Center program, the Riverview Psychiatric Center program and the Dorothea Dix Psychiatric Center program after all salary, benefit and other obligations are met to the All Other line category of those programs. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

## **PART ZZ SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer by financial order available Personal Services balances in the Disproportionate Share - Dorothea Dix Psychiatric Center program, the Disproportionate Share - Riverview Psychiatric Center program and the Riverview Psychiatric Center program in order to provide flexibility in the payment of operational expenses.

## **PART AAA**

**Sec. AAA-1. Transfer of funds.** Notwithstanding any provision of law to the contrary, for fiscal years 2025-26 and 2026-27 only, the Department of Health and Human Services may transfer from available balances of appropriations in the All Other line category after the deduction of all appropriations, financial commitments, other designated funds or any other transfer authorized by statute from any account within the Department of Health and Human Services, excluding balances in the IV-E Foster Care/Adoption Assistance and State funded Foster Care/Adoption Assistance programs, for the purpose of the information system modernization project in the office of aging and disability services, including the modernization of and merging of information systems within the Department of Health and Human Services, Office of Aging and Disability Services, by financial order upon the recommendation of the State Budget Officer and approval of the Governor. This transfer is not considered an adjustment to appropriations.

## **PART AAA SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer by financial order available All Other balances from any account within the Department of Health and Human Services, excluding balances in the IV-E Foster Care/Adoption Assistance and State funded Foster Care/Adoption Assistance programs for the purpose of the information system modernization project in the Office of Aging and Disability Services.

## **PART BBB**

**Sec. BBB-1. Transfer of funds.** Notwithstanding any other provision of law, for fiscal years 2025-26 and 2026-27, the Department of Health and Human Services may transfer without a 30-day wait, available balances between the State-Funded Foster Care/Adoption Assistance program and the IV-E Foster Care/Adoption Assistance program in the All Other line category. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

## **PART BBB SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer appropriations within the Office of Child and Family Services related to the cost of administering the child welfare program.

## **PART CCC**

**Sec. CCC-1. Transfer of Personal Services balances to All Other; Department of Health and Human Services, Office for Family Independence and Office for Family Independence - District.** Notwithstanding any provision of law to the contrary, in fiscal years 2025-26 and 2026-27 only, the Department of Health and Human Services is authorized to transfer available balances of appropriations in the Personal Services line category in the Office for Family Independence program and the Office for Family Independence - District program after all financial commitments for salary, benefit, other obligations and budgetary adjustments have been made to the All Other line category in either the Office for Family Independence program or the Office for Family Independence - District program in order to provide for administrative expenses. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

## **PART CCC**

## SUMMARY

This Part authorizes the Department of Health and Human Services to transfer available balances of Personal Services appropriations to All Other in the Office for Family Independence program and the Office for Family Independence – District program for the 2026-2027 biennium.

## PART DDD

**Sec. DDD-1. Carrying provision; Department of Health and Human Services, Office for Family Independence program.** Notwithstanding any provision of law to the contrary, the State Controller shall carry forward any unexpended balance remaining of the \$1,217,885 appropriated in Public Law 2023, chapter 412 in the Office for Family Independence program, General Fund account, All Other line category at the end of fiscal year 2024-25 to fiscal year 2025-26 for the same purpose of technology development and testing.

## PART DDD SUMMARY

This Part allows the Department of Health and Human Services, Office for Family Independence program to carry up to \$1,217,885 to meet technology development and testing obligations, as required by Public Law 2023, chapter 412.

## PART EEE

**Sec. EEE-1. Transfer of federal American Rescue Plan Act of 2021 savings.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any provision of law to the contrary, until June 30, 2026, balances of appropriations and allocations in various General Fund and Other Special Revenue Funds accounts in the MaineCare programs within the Department of Health and Human Services that are available as part of the increased 10% Federal Medical Assistance Percentage for MaineCare home and community-based services per the federal American Rescue Plan Act of 2021, Public Law 117-2, Section 9817 may be transferred by financial order, upon recommendation of the State Budget Officer and approval of the Governor, to the Medical Care - Payments to Providers program, Home and Community Based Services - ARP Savings Other Special Revenue Funds account and the Office of MaineCare Services program, Home and Community Based Services Admin - ARP Savings Other Special Revenue Funds account within the Department of Health and Human Services to be used for federally authorized purposes.

**Sec. EEE-2. Transfer between Other Special Revenue Funds accounts.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any provision of law to the contrary, until June 30, 2026 the Department of Health and Human Services may transfer balances of appropriations and allocations by financial order, upon recommendation of the State Budget Officer and approval of the Governor, between the Medical Care - Payments to Providers program, Home and

Community Based Services - ARP Savings Other Special Revenue Funds account and the Office of MaineCare Services program, Home and Community Based Services Admin - ARP Savings Other Special Revenue Funds account.

### **PART EEE SUMMARY**

This part allows the Department to transfer funds that are available as part of the increased 10% Federal Medical Assistance Percentage for MaineCare home and community-based services per the federal American Rescue Plan Act of 2021, Public Law 117-2, Section 9817 from the General Fund and Other Special Revenue Funds to the Medical Care - Payments to Providers program, Home and Community Based Services - ARP Savings Other Special Revenue Funds account and the Office of MaineCare Services program, Home and Community Based Services Admin - ARP Savings Other Special Revenue Funds account within the Department of Health and Human Services.

It also allows the Department to transfer funds via financial order between the Medical Care - Payments to Providers program, Home and Community Based Services - ARP Savings Other Special Revenue Funds account and the Office of MaineCare Services program, Home and Community Based Services Admin - ARP Savings Other Special Revenue Funds account within the Department of Health and Human Services.

### **PART FFF**

**Sec. FFF-1. Transfer of funds from unencumbered balance forward; Department of Health and Human Services, Office of MaineCare Services.** Notwithstanding any provision of law to the contrary, in fiscal year 2025-26 and 2026-27, the Department of Health and Human Services may transfer by financial order from the unencumbered balance forward to the All Other line category in the Office of MaineCare Services program, General Fund account to be used for the Medicaid Enterprise System modernization project.

### **PART FFF SUMMARY**

This Part allows the transfer from the unencumbered balance forward to the All Other line category in the Office of MaineCare Services program, General Fund to be used for the Medicaid Enterprise System modernization project.

### **PART GGG**

**Sec. GGG-1. Transfer of funds between MaineCare General Fund accounts.** Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law to the contrary, until June 30, 2027, available balances of appropriations in MaineCare General Fund accounts may be transferred between accounts by financial order upon the recommendation of the State Budget Officer and approval of the Governor.

### **PART GGG SUMMARY**

This Part authorizes the Department of Health and Human Services to transfer available balances of appropriations between the MaineCare General Fund accounts for the 2026-2027 biennium.

### **PART HHH**

**Sec. HHH-1. Lapsed balances. Department of Health and Human Services, Maine Background Check Program.** Notwithstanding any provision of law to the contrary, \$1,500,000 of the unexpended balance from the Maine Background Check Program, Other Special Revenue Funds account lapses to the unappropriated surplus of the General Fund no later than June 30, 2026.

### **PART HHH SUMMARY**

This Part lapses \$1,500,000 from the Maine Background Check Program, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later that June 30, 2026.

### **PART III**

**Sec. III-1. Emergency rule-making authority; health and human services matters.** The Department of Health and Human Services is authorized to adopt emergency rules under the Maine Revised Statutes, Title 5, section 8054 and emergency major substantive rules under Title 5, section 8073, as applicable, determined necessary by the department to implement those provisions of this Act over which the department has authority or subject matter jurisdiction for, or to effectuate any funding allocation or appropriation made under this Act, which specific authority has not been provided in any other Part of this Act, notwithstanding the requirement that the department demonstrate that immediate adoption is necessary to avoid a threat to public health, safety or general welfare.

### **PART III**

## SUMMARY

This Part authorizes the Department of Health and Human Services to adopt emergency rules to implement any provisions of this Act over which it has specific authority that has not been addressed by some other Part of the Act without the necessity of demonstrating that immediate adoption is necessary to avoid a threat to public health, safety or welfare.

## PART JJJ

**Sec. JJJ-1. Carrying provision; Department of Health and Human Services, Office of Behavioral Health. Behavioral Health Crisis Receiving Centers.** Notwithstanding any provision of the law to the contrary, at the end of fiscal year 2024-25, the State Controller shall carry forward, to be used for the same purpose, in fiscal year 2025-26, any unexpended balance remaining of the \$1,900,000 appropriated in Public Law 2023, chapter 643 in the Mental Health Services – Community program, General Fund account, All Other line category for the establishment of 2 behavioral health crisis receiving centers, in Androscoggin and Penobscot counties.

## PART JJJ SUMMARY

This Part carries forward any unexpended balance remaining of the \$1,900,000 appropriated in Public Law 2023, chapter 643 for the establishment of 2 behavioral health crisis receiving centers in Androscoggin and Penobscot counties to fiscal year 2025-26.

## PART KKK

**Sec. KKK-1. Carrying balance in fiscal years 2025-26 and 2026-27; Maine Commission on Public Defense Services.** Notwithstanding any provision of law to the contrary, at the end of fiscal years 2025-26 and 2026-27, the State Controller shall carry forward for the Maine Commission on Public Defense Services any remaining balance in the Personal Services line category in the Maine Commission on Public Defense Services program, General Fund account to the next fiscal year. These funds may be transferred to All Other to support contracted attorney costs.

**Sec. KKK-2. Transfer of Personal Services balances to All Other; Maine Commission on Public Defense Services.** Notwithstanding any provision of law to the contrary, for fiscal years 2025-26 and 2026-27, the Maine Commission on Public Defense Services is authorized to transfer up to \$2,500,000 of available balances of appropriations in the Personal Services line category in the Maine Commission on Public Defense Services program, after all financial commitments for salary, benefit and other obligations have been met, to the All Other line category in order to fund costs associated with assigned legal counsel. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

**PART KKK  
SUMMARY**

This Part authorizes the Maine Commission on Public Defense Services to carry any remaining balance in the Personal Services line category for fiscal years 2025-26 and 2026-27 and allows that program to move Personal Services to All Other in order to fund contractual services that may be needed if vacancies occur.

**PART LLL**

**Sec. LLL-1. 12 MRSA §10202, sub-§9**, as amended by PL 2023, c. 17, Pt. N, §1, is further amended to read:

**9. Fiscal Stability Program.** The Fiscal Stability Program is established to ensure that the general public and hunters and anglers share the cost of the fish and wildlife conservation programs of the department. To achieve this goal, beginning with the ~~2026-2027~~2028-2029 biennial budget and for each biennial budget thereafter, the biennial budget submitted by the executive branch must include an additional General Fund appropriation of 18% in excess of the department's requested biennial budget.

**PART LLL  
SUMMARY**

This Part amends the fiscal stability program to begin in the 2028-2029 biennium.

**PART MMM**

**Sec. MMM-1. Transfer of funds; Department of Inland Fisheries and Wildlife carrying account.** On or before August 1, 2025, the State Controller shall transfer \$100,000 from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Enforcement Operations program, General Fund account for the purchase of one replacement aircraft engine and propeller. On or before August 1, 2026, the State Controller shall transfer \$100,000 from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Enforcement Operations program, General Fund account for the purchase of one replacement aircraft engine and propeller.

**Sec. MMM-2. Transfer of funds; Department of Inland Fisheries and Wildlife carrying account.** On or before August 1, 2025, the State Controller shall transfer \$125,000 from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Enforcement Operations program, General Fund account for the purchase of boat/motor/trailer replacements. On or before August 1, 2026, the State Controller shall transfer \$125,000 from the Inland Fisheries and Wildlife



Carrying Balances – General Fund account to the Enforcement Operations program, General Fund account for the purchase of boat/motor/trailer replacements.

**Sec. MMM-3. Transfer of funds; Department of Inland Fisheries and Wildlife carrying account.** On or before August 1, 2025, the State Controller shall transfer \$250,000 from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Administrative Services IFW, General Fund account for the upgrade of regional offices for ADA compliance and energy efficiency. On or before August 1, 2026, the State Controller shall transfer \$200,000 from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Administrative Services IFW, General Fund account for the upgrade of regional offices for ADA compliance and energy efficiency.

### **PART MMM SUMMARY**

This Part transfers funds from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Enforcement Operations program, General Fund account for the purchase of replacement aircraft engines and propellers, and boats/motor/trailer replacements in fiscal year 2025-26 and fiscal year 2026-27. This Part also transfers funds from the Inland Fisheries and Wildlife Carrying Balances – General Fund account to the Administrative Services IFW, General Fund account for the upgrade of regional offices for ADA compliance and energy efficiency in fiscal year 2025-26 and fiscal year 2026-27

### **PART NNN**

**Sec. NNN-1, 12 MRSA §11109, sub-§3, ¶D,** as repealed and replaced by PL 2015, c.494, Pt. D, §2, is amended to read:

D. A resident combination hunting and fishing license is ~~\$43~~ \$50.00 and permits hunting of all legal species, subject to the permit requirements in subchapter 3.

**Sec. NNN-2. 12 MRSA §11109, sub-§3, ¶E,** as repealed and replaced by PL 2015, c. 494, Pt. D, §2, is amended to read:

E. A resident combination archery hunting and fishing license is ~~\$43~~ \$50.00 and permits hunting of all legal species, subject to the permit requirements in subchapter 3.

**Sec. NNN-3. 12 MRSA §11109, sub-§3, ¶J,** as repealed and replaced by PL 2015, c. 494, Pt. D, §2, is amended to read:

J. A nonresident combination hunting and fishing license is ~~\$150~~ \$157.00.

**Sec. NNN-4. 12 MRSA §11109, sub-§7, ¶B,** as amended by PL 2015, c. 245, §3, is further amended to read:

B. A resident combination archery hunting and fishing license is ~~\$43~~ \$50.00

**Sec. NNN-5. 12 MRSA §11109-A, sub-§5,** as amended by PL 2023, c. 49, §2 and affected by §3, is further amended to read:

**5. Fee.** The fee for a super pack license is ~~\$207~~ \$214.00 for residents and ~~\$182~~ \$189.00 for a person holding 2 or more lifetime licenses.

**Sec. NNN-6. 12 MRSA §12501, sub-§6,** as amended by PL 2023, c. 228, §§11 and 12, is further amended to read:

**6. Schedule of fees.** The fees for fishing licenses are as follows.

A. A resident fishing license is ~~\$25~~ \$32.00.

B. A resident combination hunting and fishing license is ~~\$43~~ \$50.00.

C. A resident combination archery hunting and fishing license is ~~\$43~~ \$50.00.

D. Repealed, Laws 2013, c. 538 § 41, eff. Jan. 1, 2015.

E. A 3-day fishing license for a resident or nonresident, valid for the 72-hour period specified on the license, is ~~\$23~~ \$30.00.

F. A nonresident 7-day fishing license, valid for 7 days from date indicated on license, is ~~\$43~~ \$50.00.

G. A nonresident 15-day fishing license, valid for 15 days from date indicated on license, is ~~\$47~~ \$54.00.

H. A nonresident season fishing license for persons 16 years of age or older is ~~\$64~~ \$71.00.

I. Repealed, Laws 2017, c. 427 § 18, eff. Jan. 1, 2019.

J. A one-day fishing license for a resident or nonresident, valid for the 24-hour period indicated on license, is ~~\$11~~ \$18.00.

## **PART NNN SUMMARY**

This Part increases fishing license fees, assessed by the Department of Inland Fisheries and Wildlife, by \$7.

## **PART OOO**

**Sec. OOO-1. 26 MRSA c.25, sub-c.6** is enacted to read:

### **SUBCHAPTER 6**

### **TARGETED WORKFORCE INVESTMENT PROGRAM**

#### **§2040. Targeted Workforce Investment**

1. **Program established.** The Targeted Workforce Investment program is established to provide training and other workforce development activities in support of industries or occupations for which there is a defined need in the state economy.
2. **Administration.** The Department of Labor will administer the program and may expend funds in accordance with applicable funding agreements or as deemed necessary by the Commissioner of Labor. To the extent that funds are available, the program may include:
  - a. Pre-apprenticeship, career exploration programs, and outreach efforts to build a talent pipeline;
  - b. Training, education, and career pathway programs to develop industry-aligned skills;
  - c. Wraparound and case management supports to connect Mainers, especially individuals from under-represented communities, to in-demand jobs;
  - d. Investments in Registered Apprenticeship and other upskilling programs; and,
  - e. Employer outreach and education to create sustained, quality job opportunities.
3. **Funding.** The Department of Labor is authorized to accept funds, public or private, and may expend these funds for purposes that are consistent with this subchapter. Any funds received under this subchapter must be deposited in a non-lapsing account to be carried forward for use consistent with this subchapter.
4. **State agency coordination.** To better prepare the Maine workforce for investments in the State, state and quasi-state agencies shall coordinate with the Department of Labor on workforce development initiatives that affect the agencies and their respective industries. These agencies shall further consult with the Department of Labor when seeking out funding opportunities that include workforce as an allowable activity. Notwithstanding any other provision of law to the contrary, amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

## **PART OOO SUMMARY**

This Part establishes the Targeted Workforce Investment program within the Department of Labor.

## **PART PPP**

**Sec. PPP-1. 26 MRSA §1081, sub-§5,** is enacted to read:

**5. Oaths and witnesses.** In the discharge of the duties imposed by this chapter, the commission and any duly authorized representative shall have power to administer oaths and affirmations, take depositions, certify official acts and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda and other records deemed necessary as evidence in connection with a disputed claim. Oaths and affirmations required by reason of duties performed pursuant to this chapter may be administered by any of such persons as may be designated for the purpose by the commissioner. In the discharge of the duties imposed by this chapter, the commission or any duly authorized representative, when the interests of any interested party demand, may issue commissions to take depositions to any unemployment compensation or employment security official empowered to take such depositions under this chapter or the laws of any other state, for either of the following causes:

A. When the deponent resides out of, or is absent from, the State;

B. When the deponent is bound to sea or is about to go out of the State; or

C. When the deponent is so aged, infirm or sick as to be unable to attend at the place of hearing.

Such depositions shall be taken by written interrogatories to be compiled by the commission, and the adverse party shall be afforded an opportunity to refute such testimony before a determination is made. The deponent shall be sworn and the deposition shall be signed and sworn to by the deponent before admissible as testimony at a hearing before the commission.

Subpoenas shall be issued pursuant to Title 5, section 9060.

**Sec. PPP-2. 26 MRSA §1081 sub-§6** is enacted to read:

**6. Refusal to appear.** A person who without just cause fails or refuses to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda and other records, if it is in that person's power to do so, in obedience to a subpoena of the commission or the duly authorized representative commits a Class E crime. This crime is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A. If a person refuses to obey a subpoena duly issued by the commission or the duly authorized representative, any court of this State within the jurisdiction of which the person resides or transacts business has jurisdiction to issue to that person an order requiring the person to appear and produce evidence or testimony, and any failure to obey that order may be punished by the court as contempt of court.

**Sec. PPP-3. 26 MRSA §1081 sub-§7** is enacted to read:

**7. Protection against self-incrimination.** No person may be excused from attending and testifying or from producing books, papers, correspondence, memoranda and other records before the commission or duly authorized representative, or in obedience to the subpoena of the commission—or the duly authorized representative in any cause or proceeding before the commission,—or duly authorized representative, on the ground that the testimony or evidence, documentary or otherwise, required of that person may tend to incriminate that person or subject that person to a penalty or forfeiture; but no individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which that person is compelled, after having claimed privilege against self-incrimination, to testify or produce

evidence, documentary or otherwise, except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

**Sec. PPP-4. 26 MRSA §1082 sub-§4-A**, as enacted by PL 1987, c. 641, §3, is repealed.

**Sec. PPP-5. 26 MRSA §1082 sub-§8**, as enacted by PL 1987, c. 641, §4, is repealed.

**Sec. PPP-6. 26 MRSA §1082 sub-§9-A**, as amended by PL 2003, c. 452, Pt. O, §5, is repealed.

**Sec. PPP-7. 26 MRSA §1082 sub-§10**, as enacted by PL 1987, c. 641, §6, is repealed.

**Sec. PPP-8. 26 MRSA §1401-A**, as amended by PL 2017, c. 110, §10, is further amended to read:

F. The Center for Workforce Research and Information; ~~and~~

G.

H.

I. The State Workforce Board;

J. The Bureau of Paid Family and Medical Leave; and

K. The Division of Administrative Hearings.

**Sec. PPP-9. 26 MRSA §1401-C** is enacted to read:

**§1401-C. Division of Administrative Hearings.**

**1. Division established.** There is established within the Department of Labor the Division of Administrative Hearings to hear and decide appeals from decisions pertaining to Chapter 7, Chapter 13, and any other appeals as the commissioner may require.

A. The Division shall be under the direction of the Director of the Division of Administrative Hearings appointed by the commissioner and subject to the Civil Service Law. The Director must be an attorney admitted to practice law in the State.

B. The Director shall administer the office, supervise and assign cases to the administrative hearing officers, and preside at hearings as necessary.

C. Administrative hearing officers shall preside at appeal proceedings. These administrative hearing officers shall be under the direction of the Director and hired subject to the Civil Service Law.

**2. Oaths and witnesses.** In the discharge of the duties imposed by this chapter, the commissioner, the Division of Administrative Hearings and any duly authorized representative of them shall have power to administer oaths and affirmations, take depositions, certify official acts and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda and other records deemed necessary as evidence in connection with a disputed claim or the administration of this chapter. Oaths and affirmations required by reason of duties performed pursuant to this chapter may be administered by any of such persons as may be designated for the purpose by the commissioner. In the discharge of the duties imposed by this

chapter, the commissioner, the Division of Administrative Hearings or any duly authorized representative of them, when the interests of any interested party demand, may issue commissions to take depositions to any unemployment compensation or employment security official empowered to take such depositions under this chapter or the laws of any other state, for either of the following causes:

A. When the deponent resides out of, or is absent from, the State;

B. When the deponent is bound to sea or is about to go out of the State; or

C. When the deponent is so aged, infirm or sick as to be unable to attend at the place of hearing.

Such depositions shall be taken by written interrogatories to be compiled by the commission or the Division of Administrative Hearings, and the adverse party shall be afforded an opportunity to refute such testimony before a determination is made. The deponent shall be sworn and the deposition shall be signed and sworn to by the deponent before admissible as testimony at a hearing before the Division of Administrative Hearings or the commission.

Subpoenas shall be issued pursuant to Title 5, section 9060.

**3. Refusal to appear.** A person who without just cause fails or refuses to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda and other records, if it is in that person's power to do so, in obedience to a subpoena of the commissioner, the Division of Administrative Hearings or the duly authorized representative of any of them commits a Class E crime. This crime is a strict liability crime as defined in Title 17-A, section 34, subsection 4-A. If a person refuses to obey a subpoena duly issued by the commissioner, the Division of Administrative Hearings or the duly authorized representative of any of them, any court of this State within the jurisdiction of which the person resides or transacts business has jurisdiction to issue to that person an order requiring the person to appear and produce evidence or testimony, and any failure to obey that order may be punished by the court as contempt of court.

**4. Protection against self-incrimination.** No person may be excused from attending and testifying or from producing books, papers, correspondence, memoranda and other records before the Division of Administrative Hearings or duly authorized representative, or in obedience to the subpoena of the Division of Administrative Hearings or the duly authorized representative in any cause or proceeding before the Division of Administrative Hearings or duly authorized representative, on the ground that the testimony or evidence, documentary or otherwise, required of that person may tend to incriminate that person or subject that person to a penalty or forfeiture; but no individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which that person is compelled, after having claimed privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

**Sec. PPP-10. 26 MRS §1194 sub-§5**, as amended by PL 1987, c.641, §10 is further amended to read:

**5. Commission review.** The commission may on its own motion affirm, modify or set aside any decision of the Division of Administrative Hearings on the basis of the evidence previously submitted in that case or direct the taking of additional evidence, or may permit any of the parties of that decision to initiate further appeals before it. The commission shall permit such further appeal by any of the parties interested in a decision of the Division of Administrative Hearings and by the deputy whose decision has been overruled or modified by the Division of Administrative Hearings. The commission may remove to itself or transfer to the ~~chief administrative hearing officer~~ Director of the Division of Administrative Hearings or to another administrative hearing officer the proceedings on any claim pending before the Division of Administrative Hearings. Any proceedings so removed to the commission shall be heard in accordance with the requirements in subsection 3. All hearings conducted pursuant to this section may be heard by a quorum of commissioners, as defined in section 1081, subsection 3. The commission shall promptly notify the interested parties of its findings and decisions.

### **PART PPP SUMMARY**

Sections 1, 2, and 3 enact language that moves existing authority in Title 26 Section 1082 for the Unemployment Insurance Commission to Section 1081, which applies only to the Unemployment Insurance Commission.

Section 4, 5, 6, and 7 repeal the language that applies to both the Division of Administrative Hearings and the Unemployment Insurance Commission. This language is enacted in a new section specific to the Division of Administrative Hearings and a new section specific to the Unemployment Insurance Commission.

Section 8 adds the Division of Administrative Hearings as a bureau within the Department of Labor. In addition, the Bureau of Paid Family and Medical Leave is added as a bureau of the Department of Labor. The Bureau of Paid Family and Medical Leave was inadvertently omitted previously from this listing.

Section 9 enacts language that moves existing authority in Title 26 Section 1082 for the Division of Administrative Hearings to Section 1401-C, which applies only to the Division of Administrative Hearings.

### **PART QQQ**

**Sec. QQQ-1. 26 MRSA §1401-B, sub-§1, ¶B,** as amended by PL 2013, c. 467, §5, is further amended to read:

B. The commissioner shall appoint to serve at the commissioner's pleasure:

- (1) Deputy Commissioner;
- (2) Director of Legislative Affairs;
- (3) Director of Operations;
- (4) Director of Communications;

- (5) Director, Bureau of Labor Standards;
- (6) Director, Bureau of Employment Services; ~~and~~
- (7) Director, Bureau of Rehabilitation Services; and
- (8) Associate Commissioner.

### **PART QQQ SUMMARY**

This Part amends Title 26 §1401-B sub-§1 ¶B to add an Associate Commissioner position to those appointed by the Commissioner of Labor. This position is already listed in Title 5 §943 as a major policy-influencing position.

### **PART RRR**

**Sec. RRR-1. 35-A §7104 sub-§5**, as amended by PL 2019 c. 343 Pt. UUU §4, is further amended to read:

5. Funds for Communications Equipment Fund. The commission shall annually transfer ~~\$85,000~~ \$250,000 from a state universal service fund established pursuant to this section to the Communications Equipment Fund established under Title 26, section 1419-A.

If the Department of Labor, Bureau of Rehabilitation Services does not receive from federal or other sources funds in addition to the ~~\$85,000~~ \$250,000 sufficient to carry out the purposes of Title 26, section 1419-A, the commission, at the request of the Department of Labor, Bureau of Rehabilitation Services, may transfer from the state universal service fund to the Communications Equipment Fund an additional \$100,000.

The commission may require contributions to the state universal service fund in an amount necessary to collect amounts transferred pursuant to this subsection.

### **PART RRR SUMMARY**

This Part increases the level of funding provided to the Communications Equipment Fund through the State Universal Service Fund of the Public Utilities Commission.

### **PART SSS**

**Sec. SSS-1. Rename Bureau of Public Health program.** Notwithstanding any other provision of law, the Bureau of Health program within the Department of Marine Resources is renamed the Bureau of Public Health and Aquaculture program.



## **PART SSS SUMMARY**

This part renames the Bureau of Health program to the Bureau of Public Health and Aquaculture program.

## **PART TTT**

**Sec. TTT-1. Promotion adjustments in Department of Professional and Financial Regulation, Bureau of Financial institutions.** There is created within the Department of Professional and Financial Regulations, Bureau of Financial Institutions a promotion process based on professional benchmark competencies.

1. A person employed by the Bureau as a Bank Examiner may be promoted to a Senior Bank Examiner if that person demonstrates achievement of certain competency benchmarks as determined by the bureau.
2. A person employed by the Bureau as a Senior Bank Examiner may be promoted to a Principal Bank Examiner if that person demonstrates achievement of certain competency benchmarks as determined by the bureau.

## **PART TTT SUMMARY**

This Part establishes a career ladder for the Bank Examiner job classifications within the Department of Professional and Financial Regulations, Bureau of Financial Institutions. The changes will improve the ability of the Bureau to attract and retain capable examiners in order to respond to the increasing complexities of the work.

## **PART UUU**

**Sec. UUU-1. 25 MRSA §1501**, as amended by PL 2023, c. 17, Pt. N, §1, is further is amended to read:

### **§1501. Chief; deputy; members of force; rules and regulations**

The Commissioner of Public Safety, with the advice and consent of the Governor and subject to review by the joint standing committee of the Legislature having jurisdiction over criminal justice matters and to confirmation by the Legislature, shall appoint a Chief of the State Police, as heretofore appointed, to serve for a term of 4 years unless removed for cause. The appointment must be made from the commissioned officer ranks of the State Police. The Chief of the State

Police may be removed by impeachment or by the Governor on the address of both branches of the Legislature.

The Chief of the State Police is the executive head of the Bureau of State Police, as heretofore established, and shall execute the duties of the office under the direction and subject to the approval of the Commissioner of Public Safety. In the absence of the Commissioner of Public Safety, the Chief of the State Police shall assume the duties and has the authority of the commissioner, except that the Chief of the State Police has no authority to change any general rules and regulations unless the Chief of the State Police is serving in the capacity of acting commissioner as a result of the death, removal, extended leave of absence or resignation of the commissioner.

Subject to the approval of the Commissioner of Public Safety, the chief may appoint one commissioned officer of the State Police to act as the chief's deputy and 23 commissioned officers of the State Police to act as the chief's majors, all of whom serve at the pleasure of the chief. Subject to the Civil Service Law, the Chief of the State Police may enlist suitable persons as members of the State Police to enforce the law and employ such other employees as may be necessary. The Chief of the State Police shall make rules, subject to the approval of the State Civil Service Appeals Board, for the discipline and control of the State Police. If a deputy chief or major is removed or fails to be reappointed for any reason other than malfeasance of office and, at that time, does not have at least the number of years of creditable service necessary for a service retirement benefit pursuant to Title 5, section 17851, subsection 4, the deputy chief or major must be reinstated at the commissioned rank held at the time of the appointment with all the rights and privileges as provided by law and personnel rules.

It is the intent of the Legislature that the Governor may in the Governor's discretion appoint the same person to serve as Commissioner of Public Safety and Chief of the Maine State Police. In this event, the Governor shall appoint the Chief of the State Police, subject to review by the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters and to confirmation by the Legislature, to serve at the pleasure of the Governor. Such appointment may be made from the commissioned officer membership of the State Police. In the event that the Commissioner of Public Safety and the Chief of the State Police are the same person, the commissioner may receive only the salary designated for the Commissioner of Public Safety.

#### **PART UUU SUMMARY**

This part increases the number of chief's majors the Commissioner of Public Safety may appoint from 2 to 3. Public Law 2023, chapter 643 established a third major position.

#### **PART VVV**

**Sec. VVV-1. 25 MRSA §2003, sub-§1, ¶E**, as amended by PL 2011, c.298, §7, is further

amended by amending subparagraph (4) to read:

(4) Submits an application fee along with the written application to the proper issuing authority pursuant to the following schedule:

(a) ~~Resident~~ For a resident of a municipality or unorganized territory, ~~\$35~~ \$50 for an original application and ~~\$20~~ \$35 for a renewal, except that a person who paid \$60 for a concealed firearms permit or renewal during 1991 or 1992 is entitled to a credit toward renewal fees in an amount equal to \$30 for a person who paid \$60 for an original application and \$45 for a person who paid \$60 for a permit renewal. The credit is valid until fully utilized; and

(b) ~~Nonresident~~ For a nonresident, ~~\$60~~ \$80 for an original or renewal application; and

**Sec. VVV-2. 25 MRSA §2003, sub-§15**, as amended by PL 2015, c. 123, §11, is further amended to read:

A. If the issuing authority is other than the Chief of the State Police, ~~\$25~~ \$40 of the fee for an original application and ~~\$15~~ \$30 of the fee for a renewal must be paid over to the Treasurer of State.

B. If the Chief of the State Police is the issuing authority as the designee of a municipality under section 2002-A, ~~\$25 of the fee for an original application and \$15 of the fee for a renewal~~ the application fee must be paid over to the Treasurer of State.

C. If the Chief of the State Police is the issuing authority because the applicant is a resident of an unorganized territory, a nonresident or an applicant under subsection 18, the application fee must be paid over to the Treasurer of State. ~~The fee must be applied to the expenses of administration incurred by the State Police.~~

## **PART VVV SUMMARY**

This Part increases the fees charged to an individual applying for or renewing a permit to carry a concealed handgun. The bill also amends the provision that directs a portion of the collected fees to the Treasurer of State by increasing the amount paid to the Treasurer of State.

## **PART WWW**

**Sec. WWW-1. Department of Administrative and Financial Services and Department of Public Safety; lease-purchase authorization for motor vehicles for State Police.** Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial

Services, in cooperation with the Treasurer of State, on behalf of the Department of Public Safety, may enter into financing agreements in fiscal years 2025-26 and 2026-27 for the acquisition of motor vehicles for the State Police. The financing agreements entered into in each fiscal year may not exceed \$3,655,000 in principal costs, and a financing agreement may not exceed 60 months in duration. The interest rate may not exceed 7%. The annual principal and interest costs must be paid from the appropriate line category appropriations and allocations in the State Police accounts.

### **PART WWW SUMMARY**

This Part authorizes the Department of Administrative and Financial Services and the Department of Public Safety to enter into financial arrangements in fiscal year 2023-24 and 2024-25 for the acquisition of motor vehicles for the State Police.

### **PART XXX**

**Sec. XXX-1. Department of Administrative & Financial Services; transfer of funds.** Notwithstanding any provision of law to the contrary, on or before June 30, 2026, the State Controller shall transfer \$2,400,000 from the Department of Public Safety, Administration-Public Safety, Other Special Revenue Funds account to the unappropriated surplus of the General Fund no later than June 30, 2026. Funds were transferred to this program in Public Law 2023, chapter 643, Part VVV to fund certain first responder overtime costs associated with the Lewiston mass casualty even on October 25, 2023 and the subsequent apprehension operation.

### **PART XXX SUMMARY**

This Part authorizes the State Controller to transfer \$2,400,000 from the Department of Public Safety, Administration-Public Safety, Other Special Revenue Funds account to the unappropriated surplus of the General Fund on or before June 30, 2026. Funds were transferred to this program in Public Law 2023, chapter 643, Part VVV to fund certain first responder overtime costs associated with the Lewiston mass casualty even on October 25, 2023 and the subsequent apprehension operation. All submitted requests for reimbursement have been processed by the Department of Public Safety. This balance will not be used to the authorized purpose.

### **PART YYY**

**Sec. YYY-1. Sec. ?-1. 39-A MRSA §154, sub-§6, ¶A** as amended by PL 2023, c. 17, §1, is further amended to read:

A. The assessments levied under this section may not be designed to produce more ~~than~~ \$14,700,000 beginning in the 2023-24 fiscal year revenue than is sufficient for expenditures allocated pursuant to subsection 2 and to maintain a reserve of up to 1/4 of the board's annual budget. Assessments collected that exceed ~~the~~ this limit by a margin of more than 10% must be

used to reduce the assessment that is paid by insured employers pursuant to subsection 3. Any amount collected above the board's allocated budget and within the 10% margin must be used to create a reserve of up to 1/4 of the board's annual budget.

### **PART YYY SUMMARY**

This Part amends the provision of law governing the Workers' Compensation Board Administrative Fund to ensure the board will be able to fund expenditures allocated by the Legislature and maintain its reserve. This Part removes current statutory language that places a specific dollar amount on the maximum value of assessments that may be levied from insured employers and replaces it with language providing that assessments levied may not be designed to produce more revenue than is sufficient for the Workers' Compensation Board to fund the expenditures allocated by the Legislature and to maintain a reserve of up to 1/4 of the board's annual budget. This part retains language from current law that requires that any funds collected above the maximum assessment that exceed a margin of 10% be used to reduce the assessments paid by insured employers.

### **PART ZZZ**

**Sec. ZZZ-1. Suspension of Appropriation Limit.** Notwithstanding any provision of law to the contrary, the requirements in Maine Revised Statutes, Title 5 section 1534 establishing an appropriation limit and the criteria for exceeding the limit is suspended for fiscal year 2025-26.

### **PART ZZZ SUMMARY**

This Part suspends the appropriation limit for fiscal year 2025-26.

### **PART AAAA**

**Sec. AAAA-1. Transfer of Personal Services balances to All Other; Judicial Department, Courts – Supreme, Superior and District; fiscal year 2025-26.** Notwithstanding any provision of law to the contrary, for fiscal years 2025-26, the Judicial Department is authorized to transfer up to \$80,000 of available balances of appropriations in the Personal Services line category in the Courts – Supreme, Superior and District program, after all financial commitments for salary, benefit and other obligations have been met, to the All Other line category in order to fund costs associated with market pay study. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

**PART AAAA  
SUMMARY**

This Part authorizes the Judicial Branch to transfer Personal Services to All Other in order to fund a market pay study.

**PART BBBB**

**Sec. BBBB-1. Department of Administrative and Financial Services, Bureau of General Services-Capital Construction & Improvement Reserve Fund.** Notwithstanding any provision of law to the contrary, the Department of Administrative and Financial Services shall seek reimbursement of costs associated with the repair of the Mackworth Island Causeway through risk management administered by the Department of Administrative and Financial Services pursuant to the Maine Revised Statutes, Title 5, section 1725-A, the Department of Defense, Veterans and Emergency Management, Maine Emergency Management Agency and the United States Department of Homeland Security, Federal Emergency Management Agency. Any reimbursement received must be transferred to the Bureau of General Services-Capital Construction & Improvement Reserve Fund, Other Special Revenue Funds account established for capital improvements and repairs and conducts capital improvements and repairs on State-owned facilities.

**PART BBBB  
SUMMARY**

This Part directs the Department of Administrative and Financial Services to seek reimbursement for costs to repair the Mackworth Island causeway. The causeway suffered significant storm damage during the winter of 2024-2025. Any reimbursement received must be deposited into the Capital Construction & Improvement Reserve Fund, Other Special Revenue Funds account for capital improvements and repairs and conducts capital improvements and repairs on State-owned facilities.

**PART CCCC**

**Sec. CCCC-1. 20-A MRS §11611** is amended to read:

**5. Institution of higher education.** "Institution of higher education" means a public institution of higher education located within this State that meets the requirements of and conforms to the definitions contained in the federal Higher Education Act of 1965, Section 1201, as amended, United States Code, Title 20, Section 1141; and the federal Higher Education Act of 1965, Section 491, as amended, United States Code, Title 20, Section 1088; and the regulations, guidelines and procedures promulgated by the Secretary of Education and published in the Federal Register pursuant to these sections of law.

**Sec. CCCC-2. 20-A MRSA §11612** is amended to read:

The Maine State Grant Program is established. Under the program, grants may be given only to residents of the State who:

- 1. Graduated.** Have graduated from an approved secondary school or matriculated at a public post-secondary school prior to high school graduation, or have successfully completed a general educational development examination or its equivalent;
- 2. Accepted as undergraduate.** Have been accepted for enrollment as undergraduates or are in good standing as undergraduates at public institutions of higher education in an eligible program of study and have not received a previous baccalaureate degree;

**Sec. CCCC-3. 20-A MRSA §11614** is amended to read:

**6. Safety net.** Notwithstanding the provisions of this section, the authority may not allocate less in grants under this chapter for students attending the University of Maine System, the Maine Maritime Academy, or the Maine Community College System ~~and private postsecondary institutions~~ than was allocated for students in each of those institutions or groups of institutions of higher education in 1988-89.

**8. Exception for certain public institutions outside the State.** The authority may adopt rules establishing criteria and an application process for making grant awards to students at public institutions of higher education who wish to pursue a course of study available only at a public institution outside the State as part of the New England regional student program offered by the New England Board of Higher Education established by Title 5, section 12004-K, subsection 2. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**PART CCCC  
SUMMARY**

These Part limits the use of Maine State Grant awards to students attending Maine institutions of public higher education. In limited circumstances, the grant would remain available to students of Maine public higher education institutions who wish to pursue courses of study available only at certain eligible New England public higher education institutions that are part of the New England Board of Higher Education Compact.

**PART DDDD**

**Sec. DDDD-1. Carry balances; Debt Service - Treasury.** Notwithstanding any provision of law to the contrary, the State Controller shall carry any remaining balances in the Debt Service-Treasury program in the Office of the State Treasurer in each year of the 2026-2027 biennium into the following fiscal year.

**PART DDDD  
SUMMARY**

This Part gives authority for Debt Service – Treasury program to carry the funds in the following biennium.

**PART EEEE**

**Sec. EEEE-1. 20-A MRSA c.431 §12723**, as enacted by PL 2021, c.372 §1 is repealed.

**Sec. EEEE-2. 20-A MRSA c.431 §12724** is enacted to read:

**§12724 Maine Free Community College Program**

The Maine Community College shall waive tuition and mandatory fees for eligible students. The availability of the waiver is limited to the amount appropriated.

**Eligibility.** For purposes of this Part, an eligible student is a high school graduate, or a person who obtains the equivalent of a high school diploma in the previous two academic years.

**Conditions.** In order to receive 2 years of free community college, an eligible student must:

- A. Pursue an associate degree or academic credential;
- B. Live in the State at the time of enrollment in a community college and for the duration of that enrollment;
- C. Accept all available federal and state grants, scholarships and other sources of funding; and
- D. Access the free college waiver for no longer than 200% of the stated completion time for the program of study.

**Report.** The Maine Community College System shall prepare a report by January 15<sup>th</sup> of each year to be submitted to the Governor and the joint standing committees of the Legislature having jurisdiction over education and over appropriations and financial affairs.

**PART EEEE  
SUMMARY**

This Part repeals outdated language related to tuition waivers and codifies and makes permanent the Maine Free Community College Program.

**PART FFFF**

**Sec. FFFF-1. Judges and Justice Salary Adjustment.** Notwithstanding any provision of law to the contrary, effective July 1, 2025 and July 1, 2026, the State Court Administrator shall increase the salaries of each judge or justice on the Supreme Judicial, Superior, and Districts Courts by 3% total in each of those fiscal years.



**PART FFFF  
SUMMARY**

This Part provides for a raise of 3% for judges and justices of the state courts in fiscal years 2025-26 and 2026-27.

**PART GGGG**

**Sec. GGGG-1. Transfer balances.** Notwithstanding any provision of law to the contrary, at the close of fiscal year 2024-25, the State Controller shall transfer any remaining unencumbered balance in the Aquaculture Research Fund, Other Special Revenue Funds account, Bureau of Policy and Management program, to the Aquaculture Research Fund, Other Special Revenue Funds account, Bureau of Public Health program.

**Sec. GGGG-2. Transfer balances** Transfer balances. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2024-25, the State Controller shall transfer any remaining unencumbered balance in the Aquaculture Management Fund, Other Special Revenue Funds account, Bureau of Policy and Management program, to the Aquaculture Management Fund Other Special Revenue Funds account, Bureau of Public Health program

**PART GGGG  
SUMMARY**

This Part authorizes the State Controller to transfer any unobligated balance at the close of fiscal year 2024-25 from the Aquaculture Research Fund, Other Special Revenue Funds account and the Aquaculture Management Fund, Other Special Revenue Funds account within the Bureau of Policy and Management program to the accounts within the Bureau of Public Health program