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STATE OF MAINE
ONE HUNDRED AND THIRTIETH LEGISLATURE
COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

MEMORANDUM

TO: Senator Cathy Breen, Senate Chair
Representative Teresa Pierce, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Stacy Brenner, Senate Chair ^{SB per}
Representative Ralph Tucker, House Chair ^{RT per}
Joint Standing Committee on Environment and Natural Resources

DATE: February 5, 2021

SUBJ: Supplemental budget recommendations

The Joint Standing Committee on Environment and Natural Resources on February 3, 2021 reviewed the budget items pertaining to the agencies under our jurisdiction in the Governor's proposed supplemental budget for FY21.

As described below, the members present at the February 3rd meeting voted to recommend acceptance of the budget proposals pertaining to the Department of Environmental Protection but disagreed regarding acceptance of the budget proposal and corresponding language sections pertaining to the waste motor oil disposal site remediation fund overseen by the Finance Authority of Maine (FAME).

Department of Environmental Protection

The 12 members¹ voting recommend acceptance of the Department of Environmental Protection's budget proposals as presented in OFPR Worksheet pages 1 through 3.

¹ Representative Blume absent at the time of this vote.

Finance Authority of Maine

Of the 13 members voting, 8 members² recommend acceptance of the budget proposal for the FAME as presented in OFPR Worksheet page 3 as well as the inclusion in the final budget amendment of the associated provisions located at language part M.

5 members³ recommend acceptance of the budget proposal for the FAME as presented in OFPR Worksheet page 3 as well as the inclusion in the final budget amendment of the associated provisions located at language part M; however, those 5 members recommend that language section M-13 be amended as follows:

Sec. M-13. Transfer from the Waste Motor Oil Revenue Fund to the Uncontrolled Sites Fund and the Department of Transportation.

Notwithstanding any provision of the Maine Revised Statutes, Title 10, section 1020 to the contrary, as soon as practicable after the effective date of this legislation, the Finance Authority of Maine shall transfer to the ~~Uncontrolled Sites Fund established under Title 38, section 1364, subsection 6~~ all amounts remaining in the Waste Motor Oil Revenue Fund after payment of the authority's fund administration expenses to the effective date of the legislation as follows:

1. Fifty percent of those amounts shall be transferred to the Uncontrolled Sites Fund established under Title 38, section 1364, subsection 6. The Department of Environmental Protection shall establish within that fund a segregated subsidiary account, shall deposit into that subsidiary account all amounts transferred pursuant to this section and, in accordance with its authority under Title 38, chapter 13-B, may expend funds from that subsidiary account only for the purpose of abating, cleaning up or mitigating the threats or hazards posed or potentially posed by perfluoroalkyl and polyfluoroalkyl substance contamination in the State; and

2. Fifty percent of those amounts shall be transferred to the highway and bridge capital program within the Department of Transportation.

Attached is the OFPR Worksheet indicating the Committee's vote on each initiative as well as a copy of language part M with an indication regarding the vote on that portion as described above. Please let us know if we can provide any additional information or assistance in connection with above described budget items.

Enc.

cc: Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Environment and Natural Resources

² Senators Brenner and Carney; Representatives Tucker, Bell, Blume, Doudera, Gramlich and Zeigler.

³ Senator Bennett; Representatives Hanley, Johansen, O'Connor and Tuell.

Sec. A-14. Appropriations and allocations. The following appropriations and allocations are made.

ENVIRONMENTAL PROTECTION, DEPARTMENT OF

Administration - Environmental Protection 0251

Initiative: Reduces funding by freezing one vacant Environmental Specialist IV position and one vacant Director of Policy Development and Implementation position. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 203 One Time Committee Vote: 12 - 0 AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
Personal Services	(\$154,603)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$154,603)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

Freezes 2 positions. Duties will be reassigned to existing staff, increasing workload, which potentially slows turnaround time.

Air Quality 0250

Initiative: Reduces funding by freezing one vacant Assistant Environmental Engineer position and one vacant Environmental Specialist II position. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 201 One Time Committee Vote: 12 - 0 AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
Personal Services	(\$164,008)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$164,008)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

Freezes 2 positions. Duties will be reassigned to existing staff, increasing workload, which potentially slows turnaround time.

Land Resources Z188

Initiative: Reduces funding by freezing 2 Environmental Specialist II positions. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 205 One Time Committee Vote: 12 - 0 AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
Personal Services	(\$132,434)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$132,434)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

Freezes 2 positions. Duties will be reassigned to existing staff, increasing workload, which potentially slows turnaround time.

Remediation and Waste Management 0247

Initiative: Reduces funding by managing illegal drug operations and potential natural gas cleanup expenses within available resources. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 197 One Time Committee Vote: 12 - 0 AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
All Other	(\$40,164)	\$0	\$0
GENERAL FUND TOTAL	(\$40,164)	\$0	\$0

Justification:

This curtailment will not impact the Department's ability to respond to illegal drug operations or potential natural gas cleanups.

Water Quality 0248

Initiative: Reduces funding by freezing one vacant Biologist I position and one vacant Office Specialist I position. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 199 One Time Committee Vote: 12 - 0 AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
Personal Services	(\$152,522)	\$0	\$0
GENERAL FUND TOTAL	(\$152,522)	\$0	\$0

Justification:

Freezes 2 positions. Duties will be reassigned to existing staff, increasing workload, which potentially slows turnaround time.

ENVIRONMENTAL PROTECTION, DEPARTMENT OF

DEPARTMENT TOTALS	2020-21	2021-22	2022-23
GENERAL FUND	(\$643,731)	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	(\$643,731)	\$0	\$0

Sec. A-16. Appropriations and allocations. The following appropriations and allocations are made.

FINANCE AUTHORITY OF MAINE

Waste Motor Oil Disposal Site Remediation Program Z060

Initiative: Adjusts funding to reflect the termination of the waste motor oil disposal site remediation program.

Ref. #: 218 One Time Committee Vote: 8-5 AFA Vote: _____
(see memo)

	2020-21	2021-22	2022-23
OTHER SPECIAL REVENUE FUNDS			
All Other	(\$5,000,000)	\$0	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>(\$5,000,000)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

The collection of premiums imposed on the sale or distribution of motor vehicle oil has terminated by operation of law, and, therefore, the account is no longer necessary.

FINANCE AUTHORITY OF MAINE

	2020-21	2021-22	2022-23
DEPARTMENT TOTALS			
OTHER SPECIAL REVENUE FUNDS	(\$5,000,000)	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	<u>(\$5,000,000)</u>	<u>\$0</u>	<u>\$0</u>

support the operations of Bureau of Revenue Services tax administration must be capable of collecting data that facilitates evaluation of tax expenditures conducted for the purpose of legislative oversight of those programs.

**PART K
SUMMARY**

This Part extends the time to repay the financial agreement authorized by PL 2019, c. 343, Part O.

PART L

Sec. L-1. Transfer from General Fund unappropriated surplus; Maine Budget Stabilization Fund. Notwithstanding any provision of law to the contrary, the State Controller shall transfer \$41,000,000 during fiscal year 2020-21 from the General Fund unappropriated surplus to the Maine Budget Stabilization Fund established in the Maine Revised Statutes, Title 5, section 1532.

**PART L
SUMMARY**

This Part requires the transfer of \$41,000,000 in fiscal year 2020-21 from the unappropriated surplus of the General Fund to the Maine Budget Stabilization Fund.

Committee vote: 8-5 (see memo) **PART M** *AFA vote:*

Sec. M-1. 10 MRSA §1020, sub-§2, ¶D, as amended by PL 2009, c. 434, §1 and affected by §84, is further amended to read:

D. All revenue received from the State Tax Assessor pursuant to former subsection 6 and former subsection 6-A.

Sec. M-2. 10 MRSA §1020, sub-§6-A, as repealed and replaced by PL 2011, c. 211, §5 and affected by §27, is repealed.

Sec. M-3. 10 MRSA §1020-B, as amended by PL 2011, c. 211, §13, is repealed.

Sec. M-4. 10 MRSA §1020-C, sub-§1, ¶A, as amended by PL 2011, c. 548, §1 and affected by §36, is further amended to read:

A. "Eligible dealer" means a motor vehicle oil dealer that has sold or distributed motor vehicle oil outside the State on which the motor vehicle oil premium was imposed by section 1020, former subsection 6-A.

Sec. M-5. 10 MRSA §1020-D is enacted to read:

§ 1020-D. Repeal.

This subchapter is repealed September 30, 2021.

Sec. M-6. 10 MRSA §1053, sub-§6, ¶E, as amended by PL 2007, c. 464, §9, is further amended to read:

E. The sum of \$120,000,000 consisting of not more than \$100,000,000 for loans and up to \$20,000,000 for use of bond proceeds to fund capital reserve funds for revenue obligation securities issued pursuant to this subchapter relating to loans for paper industry job retention projects; and

Sec. M-7. 10 MRSA §1053, sub-§6, ¶F, as amended by PL 2007, c. 464, §9, is further amended to read:

F. The sum of \$100,000,000 consisting of not more than \$85,000,000 for loans and up to \$15,000,000 for use of bond proceeds to fund capital reserve funds for revenue obligation securities issued pursuant to this subchapter relating to loans for transmission facilities projects as defined in section 963-A, subsection 49-H ;and .

Sec. M-8. 10 MRSA §1053, sub-§6, ¶G, as enacted by PL 2007, c. 464, §9, is repealed.

Sec. M-9. 36 MRSA §112, sub-§8, ¶A, as amended by PL 2011, c. 548, §10, is further amended to read:

A. Collection of the tax on fire insurance companies imposed by Title 25, section 2399; and

Sec. M-10. 36 MRSA §112, sub-§8, ¶D, as amended by PL 2011, c. 548, §10, is repealed.

Sec. M-11. 36 MRSA §144, sub-§2, ¶A, as amended by PL 2011, c. 211, §18 and c. 380, Pt. M, §2, is further amended to read:

A. Subsection 1 does not apply in the case of ~~premiums imposed pursuant to Title 10, section 1020, subsection 6-A,~~ sales and use taxes imposed by Part 3, estate taxes imposed by chapter 575 or 577, income taxes imposed by Part 8 and any other tax imposed by this Title for which a specific statutory refund provision exists.

Sec. M-12. 36 MRSA §191, sub-§2, ¶RR, as corrected by RR 2011, c. 1, §51, is repealed.

Sec. M-13. Transfer from the Waste Motor Oil Revenue Fund to the Uncontrolled Sites Fund. Notwithstanding any provision of the Maine Revised Statutes, Title 10, section 1020 to the contrary, as soon as practicable after the effective date of this legislation, the Finance Authority of Maine shall transfer to the Uncontrolled Sites Fund established under Title 38, section 1364,

subsection 6 all amounts remaining in the Waste Motor Oil Revenue Fund after payment of the authority's fund administration expenses to the effective date of the legislation.

PART M SUMMARY

This Part amends the Finance Authority of Maine's waste motor oil disposal site remediation program by directing all remaining funds in the Waste Motor Oil Revenue Fund to the Department of Environmental Protection's Uncontrolled Sites Fund and by repealing the laws governing the program. Except for the statutory provision regarding the premium imposed on the sale or distribution of motor vehicle oil, the laws governing the program are repealed September 30, 2021. The premium imposed on the sale or distribution of motor vehicle oil previously terminated by operation of law, and repeal of the corresponding statutory provision is effective when the legislation is approved. The bill also amends other sections of law by correcting cross-references and making technical changes resulting from the repeal of the laws governing the program.

PART N

~~Sec. N. 1. 22 MRSA, §3762, sub-§8, ¶B, as amended by PL 2015, c. 267, Pt. RRRR, §3, is further amended to read:~~

~~B. The department shall provide limited transitional transportation benefits to meet employment-related costs to ASPIRE-TANF program participants who lose eligibility for TANF assistance due to employment, and to employed families with children with income less than 200% of the nonfarm income official poverty line. The department may also make transitional transportation benefits available to families in which one or both adults are working and who, although they remain financially eligible for TANF benefits, request that their benefits be terminated. Benefits may be provided for up to 18 months following loss of TANF eligibility. The department may adopt rules that impose a weekly limit on available transitional transportation benefits and that require a contribution from each participant toward the cost of transportation. For the purposes of employed families, whose household income is less than 200% of the nonfarm income official poverty line and who do not qualify based on the loss of TANF due to earnings or are a two parent household who request termination of TANF benefits when at least one adult is working, the department may use up to \$1.4 million annually from the federal TANF block grant for expenditures under this program.~~

PART N SUMMARY

This Part changes eligibility for transitional transportation to include families who are employed and have income less than 200% of the nonfarm income official poverty line. It also allows the department to use up to \$1.4 million annually in TANF block grant expenditures to support employed families who have transportation costs and have income less than 200% of the nonfarm income official poverty line.