

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out all of Parts I, M, O, P, X, Y, Z, AA, BB and CC.

Amend the bill by striking out all of Part II and inserting the following:

**PART II**

**Sec. II-1. PL 2011, c. 380, Pt. JJJ, §1** is amended to read:

**Sec. JJJ-1. Transfer from Other Special Revenue Funds to unappropriated surplus of the General Fund.** Notwithstanding any other provision of law, the State Controller shall transfer ~~\$43,000,000~~\$115,000,000 on June 30, 2012 from Other Special Revenue Funds to the unappropriated surplus of the General Fund. On July 1, 2012, the State Controller shall transfer ~~\$43,000,000~~\$115,000,000 from the General Fund unappropriated surplus to Other Special Revenue Funds as repayment. This transfer is considered an interfund advance.

**PART JJ**

**Sec. JJ-1. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Statewide Radio Network System 0112**

Initiative: Deappropriates debt service savings due to an unanticipated delay in the public safety radio system project.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	(\$1,728,198)	\$0
<b>GENERAL FUND TOTAL</b>	(\$1,728,198)	\$0

<b>ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF DEPARTMENT TOTALS</b>	<b>2011-12</b>	<b>2012-13</b>
<b>GENERAL FUND</b>	<b>(\$1,728,198)</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>(\$1,728,198)</b>	<b>\$0</b>

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)**

**Developmental Services - Community 0122**

Initiative: Reduces funding for reimbursement in rental assistance to United States Department of Housing and Urban Development levels.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	(\$1,200,000)
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>(\$1,200,000)</b>

**Developmental Services Waiver - MaineCare 0987**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$5,808,535	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$5,808,535</b>	<b>\$0</b>

**Developmental Services Waiver - Supports Z006**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$1,967,371	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$1,967,371</b>	<b>\$0</b>

**Mental Health Services - Child Medicaid 0731**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$5,290,051	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$5,290,051</b>	<b>\$0</b>

**Office of Substance Abuse - Medicaid Seed 0844**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$983,953	\$0
<b>GENERAL FUND TOTAL</b>	<b>\$983,953</b>	<b>\$0</b>

<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY BDS)</b>		
<b>DEPARTMENT TOTALS</b>	<b>2011-12</b>	<b>2012-13</b>
<b>GENERAL FUND</b>	<b>\$14,049,910</b>	<b>(\$1,200,000)</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$14,049,910</b>	<b>(\$1,200,000)</b>

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

**Departmentwide 0019**

Initiative: Reduces funding from salary savings. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings in this Part that applies to each General Fund account in the Department of Health and Human Services and shall transfer the amounts by financial order upon the approval of the Governor. These transfers are considered adjustments to appropriations in fiscal year 2011-12 and fiscal year 2012-13.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
Personal Services	(\$5,000,000)	(\$3,000,000)
<b>GENERAL FUND TOTAL</b>	<b>(\$5,000,000)</b>	<b>(\$3,000,000)</b>

**Low-cost Drugs To Maine's Elderly 0202**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$1,401,437	\$0

GENERAL FUND TOTAL	\$1,401,437	\$0
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**Medical Care - Payments to Providers 0147**

Initiative: Restores funding reduced in this Act from limiting access to buprenorphine and naloxone combination drugs for MaineCare recipients.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$600,000
GENERAL FUND TOTAL	\$0	\$600,000

<b>FEDERAL EXPENDITURES FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$1,033,542
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$1,033,542

**Medical Care - Payments to Providers 0147**

Initiative: Restores funding reduced in this Act from reducing the number of specialty pharmacy providers to a single exclusive provider.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$200,000
GENERAL FUND TOTAL	\$0	\$200,000

<b>FEDERAL EXPENDITURES FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$344,514
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$344,514

**Medical Care - Payments to Providers 0147**

Initiative: Restores funding reduced in this Act for outpatient services at acute care hospitals.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$3,180,269

GENERAL FUND TOTAL	\$0	\$3,180,269
<b>FEDERAL EXPENDITURES FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$5,478,236
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$5,478,236

**Medical Care - Payments to Providers 0147**

Initiative: Restores funding reduced in this Act from eliminating coverage of certain diabetic supplies when purchased in medical supply stores.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	\$100,000
GENERAL FUND TOTAL	\$0	\$100,000

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	(\$100,000)
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	(\$100,000)

**Medical Care - Payments to Providers 0147**

Initiative: Reduces funding as a result of the collection of overpayments to MaineCare providers due to errors in calculating cost of care.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	(\$11,000,000)
GENERAL FUND TOTAL	\$0	(\$11,000,000)

**Medical Care - Payments to Providers 0147**

Initiative: Reduces funding on a one-time basis as a result of the collection of legal settlement payments from MaineCare providers.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
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All Other	(\$363,696)	\$0
GENERAL FUND TOTAL	(\$363,696)	\$0

**Medical Care - Payments to Providers 0147**

Initiative: Reduces funding through increased cost avoidance efforts due to claims being submitted to a 3rd-party carrier as the primary payer and MaineCare as the payer of last resort.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	(\$500,000)	(\$500,000)
GENERAL FUND TOTAL	(\$500,000)	(\$500,000)

<b>FEDERAL EXPENDITURES FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	(\$861,285)	(\$861,285)
FEDERAL EXPENDITURES FUND TOTAL	(\$861,285)	(\$861,285)

**Medical Care - Payments to Providers 0147**

Initiative: Provides funding in the MaineCare and MaineCare-related accounts necessary to make cycle payments through the remainder of fiscal year 2011-12.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$91,805,960	\$0
GENERAL FUND TOTAL	\$91,805,960	\$0

<b>FEDERAL EXPENDITURES FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$207,077,368	\$0
FEDERAL EXPENDITURES FUND TOTAL	\$207,077,368	\$0

**State-funded Foster Care/Adoption Assistance 0139**

Initiative: Eliminates funding for the supplemental services for children with complex emotional and behavioral needs.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	(\$1,999,984)
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>(\$1,999,984)</b>

**State-funded Foster Care/Adoption Assistance 0139**

Initiative: Reduces funding by reducing contracts in the alternative response program.

<b>GENERAL FUND</b>	<b>2011-12</b>	<b>2012-13</b>
All Other	\$0	(\$1,290,000)
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>(\$1,290,000)</b>

<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)</b>		
<b>DEPARTMENT TOTALS</b>	<b>2011-12</b>	<b>2012-13</b>
GENERAL FUND	\$87,343,701	(\$13,709,715)
FEDERAL EXPENDITURES FUND	\$206,216,083	\$5,995,007
OTHER SPECIAL REVENUE FUNDS	\$0	(\$100,000)
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$293,559,784</b>	<b>(\$7,814,708)</b>

<b>SECTION TOTALS</b>	<b>2011-12</b>	<b>2012-13</b>
GENERAL FUND	\$99,665,413	(\$14,909,715)
FEDERAL EXPENDITURES FUND	\$206,216,083	\$5,995,007
OTHER SPECIAL REVENUE FUNDS	\$0	(\$100,000)
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$305,881,496</b>	<b>(\$9,014,708)</b>

**PART KK**

**Sec. KK-1. 36 MRSA §5111, sub-§1-B**, as amended by PL 2011, c. 380, Pt. N, §1 and affected by §19, is further amended to read:

**1-B. Single individuals and married persons filing separate returns; tax years from 2002 to 2013.** For tax years beginning on or after January 1, 2002 but not later than December 31, ~~2012~~2013, for single individuals and married persons filing separate returns:

If Maine Taxable income is:	The tax is:
Less than \$4,200	2% of the Maine taxable income

At least \$4,200 but less than \$8,350	\$84 plus 4.5% of the excess over \$4,200
At least \$8,350 but less than \$16,700	\$271 plus 7% of the excess over \$8,350
\$16,700 or more	\$856 plus 8.5% of the excess over \$16,700

**Sec. KK-2. 36 MRSA §5111, sub-§1-C**, as enacted by PL 2011, c. 380, Pt. N, §2 and affected by §19, is amended to read:

**1-C. Single individuals and married persons filing separate returns; tax years beginning 2014.** For tax years beginning on or after January 1, ~~2013~~2014, for single individuals and married persons filing separate returns:

If Maine Taxable income is:	The tax is:
At least \$5,000 but less than \$19,950	6.5% of the excess over \$5,000
\$19,950 or more	\$972 plus 7.95% of the excess over \$19,950

**Sec. KK-3. 36 MRSA §5111, sub-§2-B**, as amended by PL 2011, c. 380, Pt. N, §3 and affected by §19, is further amended to read:

**2-B. Heads of households; tax years from 2002 to 2013.** For tax years beginning on or after January 1, 2002 but not later than December 31, ~~2012~~2013, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine Taxable income is:	The tax is:
Less than \$6,300	2% of the Maine taxable income
At least \$6,300 but less than \$12,500	\$126 plus 4.5% of the excess over \$6,300
At least \$12,500 but less than \$25,050	\$405 plus 7% of the excess over \$12,500
\$25,050 or more	\$1,284 plus 8.5% of the excess over \$25,050

**Sec. KK-4. 36 MRSA §5111, sub-§2-C**, as enacted by PL 2011, c. 380, Pt. N, §4 and affected by §19, is amended to read:

**2-C. Heads of households; tax years beginning 2014.** For tax years beginning on or after January 1, ~~2013~~2014, for unmarried individuals or legally separated individuals who qualify as heads of households:

If Maine Taxable income is:	The tax is:
At least \$7,500 but less than \$29,900	6.5% of the excess over \$7,500
\$29,900 or more	\$1,456 plus 7.95% of the excess over \$29,900

**Sec. KK-5. 36 MRSA §5111, sub-§3-B**, as amended by PL 2011, c. 380, Pt. N, §5 and affected by §19, is further amended to read:

**3-B. Individuals filing married joint return or surviving spouses; tax years from 2002 to 2013.** For tax years beginning on or after January 1, 2002 but not later than December 31, ~~2012~~2013, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine Taxable income is:	The tax is:
Less than \$8,400	2% of the Maine taxable income
At least \$8,400 but less than \$16,700	\$168 plus 4.5% of the excess over \$8,400
At least \$16,700 but less than \$33,400	\$542 plus 7% of the excess over \$16,700
\$33,400 or more	\$1,711 plus 8.5% of the excess over \$33,400

**Sec. KK-6. 36 MRSA §5111, sub-§3-C**, as enacted by PL 2011, c. 380, Pt. N, §6 and affected by §19, is amended to read:

**3-C. Individuals filing married joint return or surviving spouses; tax years beginning 2014.** For tax years beginning on or after January 1, ~~2013~~2014, for individuals filing married joint returns or surviving spouses permitted to file a joint return:

If Maine Taxable income is:	The tax is:
At least \$10,000 but less than \$39,900	6.5% of the excess over \$10,000
\$39,900 or more	\$1,944 plus 7.95% of the excess over \$39,900

**Sec. KK-7. 36 MRSA §5126, first ¶**, as amended by PL 2011, c. 380, Pt. N, §11 and affected by §19, is further amended to read:

For income tax years beginning on or after January 1, 1998 but before January 1, 1999, a resident individual is allowed \$2,400 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 1999 but before January 1, 2000, a resident individual is allowed \$2,750 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, 2000 but before January 1, ~~2013~~2014, a resident individual is allowed \$2,850 for each exemption that the individual properly claims for the taxable year for federal income tax purposes, unless the taxpayer is claimed as a dependent on another return. For income tax years beginning on or after January 1, ~~2013~~2014, a resident individual is allowed a deduction equal to the total amount of deductions allowed for personal exemptions in accordance with the Code, Section 151.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

## SUMMARY

This amendment delays for one year the effective date of the decrease in the individual income tax rates and the conformity of the personal exemption with the amount allowed under federal law, scheduled to take effect beginning January 1, 2013, as enacted in Public Law 2011, chapter 380.

This amendment restores MaineCare reductions proposed in the bill.

This amendment increases the one-day interfund advance from \$102,000,000 as proposed in the bill to \$115,000,000.

The effect of the one-year delay in the individual income tax rate decrease and personal exemption conformity, when combined with the removal of those parts of the bill that reduced MaineCare benefits, is that a savings is created in fiscal year 2011-12 in the amount of \$30,866 and in fiscal year 2012-13 of \$600,612.

**FISCAL NOTE REQUIRED**

**(See attached)**