

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

—
H.P. 1336 - L.D. 1988

An Act to Address Funding Needs for State Employees Affected by Federal Funding Disruptions

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

Whereas, uncertainty and lack of clarity surrounds the distribution of federal funding to state agencies; and

Whereas, without federal funding, certain state agencies may have to lay off valuable state employees; and

Whereas, if there are unavoidable layoffs, the State is bound, by contractual obligations, to give 10 days' notice of an impending layoff to any bargaining unit employee; and

Whereas, any state employee subject to a layoff due to lack of federal funding may qualify for unemployment benefits; and

Whereas, state agencies will have to fund these unemployment benefits, which were likely not accounted for in prior budgeting; and

Whereas, it is critically important that this legislation take effect before the expiration of the 90-day period; 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:

Sec. 1. Transfer from Reserve for General Fund Operating Capital to Department of Administrative and Financial Services, Departments and Agencies - Statewide program, General Fund account. Notwithstanding any provision of law to the contrary, the State Controller may transfer up to \$2,500,000 from the balance available in the Reserve for General Fund Operating Capital to the Departments

and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services to address funding needs related to layoff obligations for state employees affected by federal funding disruptions that are not otherwise directly chargeable to those federal funding sources.

Sec. 2. Transfer to Department of Administrative and Financial Services, Departments and Agencies - Statewide program, General Fund account; special account funding. Notwithstanding any provision of law to the contrary, the State Controller may authorize the transfer of Personal Services expenditures to address funding needs related to layoff obligations for state employees affected by federal funding disruptions that are not otherwise directly chargeable to those federal funding sources from any federal fund account to the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services. Expenditures may be transferred in circumstances in which federal funding has been appropriated or awarded and has been unexpectedly removed, to help cover the 10-day notice period that is contractually required when a state employee is laid off and to cover shortfalls in an agency's unemployment fund due to these unexpected layoffs.

Sec. 3. Transfer to Reserve for General Fund Operating Capital. Notwithstanding any provision of law to the contrary, the State Controller on or before June 30, 2026 shall transfer the unobligated balance from the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services to the Reserve for General Fund Operating Capital.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.