

**Testimony of Kirsten LC Figueroa, Commissioner  
Department of Administrative and Financial Services**

**Before the Joint Standing Committee on  
Appropriations and Financial Affairs**

**“An Act Making Supplemental 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 Year Ending June 30, 2023”**

**January 24, 2023**

Good afternoon, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs. I am Kirsten Figueroa, the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in favor of LD 206, the fiscal year 2023 supplemental budget bill.

**Part C on language pages 1 through 3**, adjusts actions from Public Law 2021, chapter 483, by making administrative adjustments to align with the allowable spending timeframe of these federal funds, clarifying Parks language, and redirecting funds available from initiatives not implemented in order to continue and extend the successful Small Business Health Insurance Premium Support Program.

The Maine Jobs & Recovery Plan is Governor Mills’ plan, approved by the Legislature, to invest nearly \$1 billion in federal American Rescue Plan funds to improve the lives of Maine people and families, help businesses, create good-paying jobs, and build an economy poised for future prosperity. The Governor’s Jobs Plan was approved by the Legislature on July 19, 2021, and went into effect as Public Law 2021, chapter 483, on October 18, 2021. This made Maine one of the first four states in the nation and the first in New England to commit 100% of its State Fiscal Recovery Funds. The full amount of funding received was allocated by the Legislature in fiscal years 2022 and 2023 with the understanding that these funds could and would be obligated through December 2024 and expended through December 2026.

In the year plus since the Jobs Plan took effect, the Mills Administration has delivered direct economic relief to nearly 1,000 Maine small businesses, supported more than 100 infrastructure projects around the state to create jobs and revitalize

communities, and invested in workforce programs estimated to offer apprenticeship, career and education advancement, and job training opportunities to 22,000 Maine people. Maine was highlighted by the non-partisan Center on Budget and Policy Priorities as a national leader in deploying American Rescue Plan recovery funds towards talent, jobs, and innovation. The report ranked Maine in the top three states for share of funds allocated towards workforce development, higher education, and business assistance. The White House has also cited three of Maine's initiatives in describing American Rescue Plan workforce best practices and the US Department of Treasury, the federal agency charged with overseeing the American Rescue Plan Act, recognized Maine as the lead example of a state investing in job training with federal recovery funds. And, our website – [Maine.gov/JobsPlan](https://Maine.gov/JobsPlan) – has been recognized with a national creative award for excellence in communication, messaging, and design.

All of the \$997,499,716, but for the initiatives in section C-4, received by the State of Maine and dedicated to MJRP has been distributed through 138 business cases that have been reviewed and approved to ensure alignment with federal eligibility.

The most recent Project and Expenditure Report to the US Treasury indicates that cumulative obligations through September 30, 2022, total \$555,802,131 or 55.17%. The report for expenditures through December 31, 2022 is due at the end of this month.

**Section C-1** authorizes encumbered balances of State Fiscal Recovery Funds to carry through fiscal year 2026. This will allow the funds currently authorized by the Legislature and obligated through the State processes to remain encumbered beyond the standard two years allowed by statute in alignment with the allowable timeframe for spending these federal funds.

**Part C-2** authorizes limited period positions funded with State Fiscal Recovery Funds be extended by financial order beyond the two years allowed in statute, but not later than June 30, 2025, again, in alignment with the allowable timeframe for spending these federal funds.

**Part C-3** clarifies that the funds allocated for the Parks General Operations program may also be used for the Allagash Wilderness Waterway.

**Part C-4** identifies four initiatives from Public Law, chapter 483 that were not implemented.

Part KK of the law authorized \$72,400 for the Department of Agriculture, Conservation and Forestry, Bureau of Agriculture for contracted facilitation services. The Department utilized other funds for this project as the funding was needed before these funds were available.

Part R authorized \$10 million in the Department of Transportation, Multimodal Transportation Fund for the construction of a confined aquatic disposal cell within the Port of Portland and maintenance dredging of the marine facilities of Portland and South Portland. Other funds necessary to move this project forward have not been secured.

Part DD authorized \$465,000 for the Department of Health and Human Services, Medical Care Payments to Providers account for an in-home personal care services pilot program. The pilot did not move forward due to concerns that the program is not permissible as well as possible unintended consequences of Medicaid eligibility.

Part EE authorized \$5,958,014 to the Department of Health and Human Services to be allotted only if Federal Medical Assistance Percentage matching funds were not available as provided in Public Law 2021, chapter 398, Part AAAA. Federal funds were available.

**Part C-5** extends the Small Business Health Insurance Premium Support Program currently scheduled to end April 30, 2023, for an additional eight months to December 31, 2023. Funds are allocated through **Part C-7** and are available because of not implementing the initiatives just highlighted. The total available from these initiatives is \$16,495,414. This program provides monthly payments of \$50 per worker (more for families) to sustain affordable health insurance. Through November 2022, the program has benefited 5,753 small businesses and 46,131 Maine residents.

If as of January 31, 2024, there are any unobligated funds in the Small Business Health Insurance Premium Support Program, **Part C-6** authorizes the transfer of those unobligated funds to the Finance Authority of Maine, Health Care Provider Loan Repayment Fund to support loan repayment for health care professionals who commit to living and working in Maine. Under the program, the authority shall pay up to \$25,000 per year and, in aggregate, the lesser of \$75,000 and 50% of the recipient's outstanding loan balance. In PL2021, chapter 483, \$1 million had been allocated to this effort as a pilot, which was very successful.

We also have two pieces of language not related to the Maine Jobs Plan.

**Part F, on language page 4,** authorizes an extension of position expiration dates to August 1, 2023 for limited period positions set to end in June 2023 with funding continued in the next biennium. We include this language in each biennium to ensure continuity for these positions in the event the budget enactment date is close to or past the end of the existing position end date. For example, a limited period position end date aligns with the last pay period fully paid in June 2023; for cycle A payroll, this is June 10. This language would allow the incumbent to continue in the position between June 10 and June 30 if the position is fully funded in the next year.

**Part P, on language page 8,** authorizes the unobligated balance in the Office of the State Treasurer's Debt Service - Treasury, General Fund account to carry in fiscal year 2022-23 for the same purpose. The request to carry these funds was factored into the Treasurer's budget request for fiscal years 2024 and 2025.

This concludes my testimony. Thank you.