

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

**Before the Joint Standing Committees on  
Appropriations and Financial Affairs  
and Inland Fisheries & Wildlife**

**“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, 2023, June 30, 2024 and June 30, 2025”**

**February 27, 2023**

Good morning, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator LaFontaine, Representative Landry and members of the Joint Standing Committee on Inland Fisheries & Wildlife. I am Kirsten Figueroa, the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2024-2025 biennial budget bill, LD 258, specifically those items on today's agenda relating to DAFS.

This budget advances the Governor's guiding belief that to build a stronger, more prosperous state where opportunity is available to all, we must invest in the infrastructure that supports the people of Maine, our greatest asset.

That is why this budget proposal strengthens the very things that Maine people rely on every day to succeed, building on the strong success of the currently enacted budget and the last legislative session to tackle Maine's greatest challenges.

We have governed cautiously and in a fiscally prudent way over the past four years, making sure that – even in the hardest of times during the pandemic – we live within our means. This budget proposal continues that practice.

We look forward to the discussions over the next several months as we outline each initiative and the impact of the proposed investments.

## **Part E**

The Maine Governmental Facilities Authority (MGFA) was created in 1997 to assist with financing the acquisition, construction, improvement, reconstruction, and equipping of additions to governmental facilities. Under the MGFA process, the Commissioner of the Department of Administrative and Financial Services identifies projects essential to Executive Branch operations, obtains legislative approval for borrowing, and designates those projects to the MGFA Board for issuance of securities.

**Part E, on language pages 8 and 9,** authorizes the Maine Governmental Facilities Authority to issue securities up to an amount of \$39.5 million for the purposes of paying the costs associated with the planning, design, renovation, abatement, construction, financing, furnishing, and equipping, of new and existing facilities to serve as a headquarters for the Department of Inland Fisheries and Wildlife.

This plan will consolidate several Inland Fisheries & Wildlife locations into one central facility. The new facility will accommodate offices, conference rooms, education space, a necropsy lab, equipment and vehicle storage, and the fish health lab. It will create needed adjacencies among department units; provide centralized space for vehicles, storage, and supplies; and enhance opportunities for public education and interaction.

More than 7,000 people per year visit IF&W's main office. This number will increase with additional outreach and educational programming, helping the Department reach its goal to recruit new outdoor enthusiasts. The proposed facility will be designed to meet Maine's Climate Action goals through energy efficiency, use of Maine wood products, and incorporation of technologies to reduce greenhouse gas emissions.

The proposed location, the East Campus, is consistent with the Augusta State Facilities Master Plan. The CETA Building, former nurses' quarters for the Augusta Mental Health Institute, will be renovated and expanded for this project. An adjacent barn/building will provide storage for boats, ATVs, snow machines, and other equipment (all unheated space), and house the necropsy lab (heated space).

There are several benefits to renovating this state-owned building on land already owned and managed by the state. The plan carries the benefit of Property Management Division services and avoids the rent increases endemic to private leases.

It avoids “additional rent” for things that PMD and the state would provide at a lower cost such as heating and cooling, water and sewer charges, maintenance fees, pest control, insurance, janitorial services, trash removal, snow removal and grounds work, and general property management. Leases also contain escalation provisions requiring the state to absorb increased costs including increases in property taxes. For instance, the lease for 109 Capitol Street, executed in 2017, experienced an increase in year two “additional rent” from \$611,854 to \$780,725. Of the increase, \$12,180 per month is attributable to an increase in property taxes. In contrast, this state-owned project renovates an existing historic building, not only advancing the master plan goals for the East Campus but also reusing existing building infrastructure.

This **Part E** language corresponds with an initiative on **page A-24** in the Department of Administrative and Financial Services that provides \$3.2 million in each year for annual principal and interest payments on funds borrowed in support of this project. DAFS has oversight responsibility of all the State's Executive Branch public improvements and public-school projects, including debt service appropriations for MGFA borrowing.

This concludes my testimony. Thank you. I am happy to answer any questions you may have.