

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

**Before the Joint Standing Committees on
Appropriations and Financial Affairs
and Innovation, Development, Economic Advancement and Business**

**“An Act to Make Supplemental Appropriations and Allocations for the
Expenditures of State Government, General Fund and Other Funds, and to
Change Certain Provisions of the Law Necessary to the Proper Operations
of State Government for the Fiscal Years Ending
June 30, 2024 and June 30, 2025”**

February 22, 2024

Good afternoon, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Curry, Representative Roberts and members of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business. I am Kirsten Figueroa, the Commissioner of the Department of Administrative and Financial Services. I am here today to present the fiscal year 2024-2025 items in the supplemental budget bill, LD 2214, related to the Department of Economic and Community Development.

The supplemental budget is a balanced, prudent, and responsible proposal that advances the Governor’s long-held belief that we must continue to invest in the people of Maine, our greatest asset.

That is why the Governor’s proposal strikes the balance between making timely investments to address urgent needs – like public safety, mental health, housing, education, and health care – and saving money to ensure that our state continues to stand on strong fiscal footing in the future.

We look forward to working with the Legislature in the coming weeks to arrive at a budget that protects our fiscal health and that makes prudent and timely investments to support the health, safety, and welfare of Maine people.

Department of Economic & Community Development

There are two initiatives in DECD that are administrative fixes.

Administration – Economic & Community Development (0069)

The **Administration – Economic & Community Development** program is on **page A-33**. The Commissioner's Office provides overall coordination of the Department, including financial and personnel management, administrative and policy development, coordination of legislative and media activities, program development and evaluation; departmental strategic planning, and coordinated management of statewide initiatives relating to workforce development, business attraction and retention and business tax incentive programs. The Commissioner's Office coordinates the programs and services of the department with those programs and services of other state agencies and economic development organizations to create efficiencies and promote Maine as a place to live, work and visit.

The one initiative in this program transfers one limited-period Public Service Executive I position and related All Other costs and allocations from the Office of Tourism program to this account for the administration of the outdoor recreation economy federal award from the Northern Border Regional Commission. This position and allocation were originally established in Public Law 2023, chapter 412, and, for ease of tracking and grant oversight, should have been created in this program. Specifically, the initiative increases the Federal Expenditures Fund allocation in this account by \$425,700 in fiscal year 2025 and decreases the Federal Expenditures Fund allocation in the **Office of Tourism (0577)** program, which is at the bottom of this same page.

Community Development Block Grant Program (0587)

The Office of Community Development program provides federal funds as grants to municipalities to implement programs to improve economic, social, infrastructure, planning and housing conditions primarily for the benefit of low and moderate-income persons, as well as program administration. State funds provide the required match for federal grant funds that are used for the administration of the Community Development Block Grant Program.

There is one initiative in this program, also on **page A-33**, correcting an error in Public Law 2023, chapter 412. That law eliminated one vacant Office Associate II position from the correct program, the **Community Development Block Grant Program**. However, the headcount and allocation reductions were made in the Federal Expenditures Fund but should have been in the Federal Block Grant Fund.

This concludes my testimony. Thank you.