

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

**Before the Joint Standing Committees on
Appropriations and Financial Affairs
and Veterans and Legal Affairs**

**“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 23, 2024

Good afternoon, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Hickman, Representative Supica and members of the Joint Standing Committee on Veterans and Legal Affairs. 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 supplemental budget bill, LD 2214.

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 Administrative and Financial Services

The Department of Administrative and Financial Services (DAFS) consists of ten bureaus, a handful of boards and commissions, and more than 1,200 employees serving the public and all three branches of state government.

The Department has a broad range of responsibilities. We serve as the principal fiscal advisor to Governor Mills, prepare the state budget, coordinate the financial planning and programming activities of state agencies, prepare the financial records of the state, and advise the Maine Legislature on the economic status of the state and financial statutes of state government.

Additionally, DAFS oversees all aspects of: human resources, including employee benefits, contract negotiations, recruiting, retaining, training and performance; information technology services, including cyber security, data management, application development, project management, technology infrastructure, accessibility, and network services; maintenance, repairs and capital improvements of state-owned buildings and grounds; leased space; procurement, contracting and vendor management; state postal services; surplus property; tax collection, tax law and tax policy; and fleet management.

Various internal services for state agencies are provided by the Department, including review of accounting transactions and procedures and the implementation of account controls. We oversee three state-owned landfills. We also administer the state's lottery operations, medical and adult use cannabis programs, and the sale of distilled spirits within Maine's borders.

DAFS employees are respected as conscientious stewards of the State's assets: fiscal, human, physical and technical. We are valued for the professional expertise we provide that ensures State departments and agencies efficiently, effectively, and economically fulfill their important missions for the people of Maine. We lead and collaborate with open doors, open minds, and open hearts.

DAFS has six committees of jurisdiction – plus significant interaction with the Joint Standing Committee on Appropriations and Financial Affairs.

Two divisions of our ten, the Office of Cannabis Policy and the Bureau of Alcoholic Beverages and Lottery Operations, fall under the jurisdiction of the Joint Standing Committee on Veterans and Legal Affairs and will be covered in this testimony.

There are three initiatives among the two Divisions. Two of them relate to the approved reclassification/range change of Inspector positions that exist in both Divisions. The positions were evaluated in tandem by the Bureau of Human Resources.

We'll start with the two initiatives in the Office of Cannabis Policy (OCP).

The first appears on **page A-1** in the **Adult Use Cannabis Regulatory Coordination Fund** and on **page A-4** in the **Medical Use of Cannabis Fund**.

This initiative provides funding for the approved reclassification and reorganization of 16 Field Investigator positions (range 22) to OCP Compliance Inspector positions (range 25), including applicable retroactive pay effective June 22, 2022. These positions exist in both programs. In the **Adult Use Cannabis Regulatory Coordination Fund**, the initiative increases the General Fund appropriation by \$76,953 in fiscal year 2024 and by \$45,336 in fiscal year 2025. In the **Medical Use of Cannabis Fund**, the initiative increases the Other Special Revenue Funds allocation by \$178,726 in fiscal year 2024 and by \$116,423 in fiscal year 2025, including funding for related All Other costs.

The second initiative, on **page A-1** in the **Adult Use Cannabis Regulatory Coordination Fund**, increases the allocation in fiscal year 2025 by \$571,117 in the Other Special Revenue Funds account to align with projected expenditures and available resources.

Now to the Bureau of Alcoholic Beverages and Lottery Operations.

Alcoholic Beverages – General Operations (0015)

Going back to **page A-1**, is the initiative in the **Alcoholic Beverages – General Operations** program to provide funding for the approved range change of 12 Liquor Licensing Inspector positions from range 22 to range 25 effective June 14, 2022. The cost of reclassifications and retroactive payments for the General Fund positions require additional appropriation of \$177,634 in fiscal year 2024 and \$58,283 in fiscal year 2025. The reclassifications and retroactive payments for positions budgeted in the Alcoholic Beverage Fund are funded by a transfer of allocation from All Other to Personal Services of \$91,577 in fiscal year 2024 and \$72,128 in fiscal year 2025.

Department of Public Safety

I will also cover the one item for the Department of Public Safety **Gambling Control Board** on **page A-128**. The Gambling Control Board receives funding through the revenue forecasting process for administrative expenses of the board, for distributions to municipalities and distributions to the Penobscot Nation and Passamaquoddy Tribe. Based on the December 2023 Revenue Forecasting Committee report, the allocation in the Other Special Revenue Funds account is reduced by \$72,426 in fiscal year 2024 and by \$98 in fiscal year 2025.

This concludes my testimony. Thank you.