



**MAINE MUNICIPAL
ASSOCIATION SINCE 1936**

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Testimony of the Maine Municipal Association (MMA)

In Support of Parts O & Q

LD 2214, 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 29, 2024

Senator Rotundo, Representative Sachs, and members of the Appropriations Committee. My name is Rebecca Graham, and I am testimony in support of Parts O & Q of LD 2214 on behalf of the 70 municipal leaders who were elected by their peers to serve on the Association's Legislative Policy Committee and directed to establish MMA's position on bills of municipal interest.

Part O. The appropriation request for the Administration of Corrections in Part O does not contain the requested county jail operations shortfall amount that was submitted to the Commissioner and the Administration in August. As a result, the current contribution for county jail operations is below the state's moral obligation to provide 20% of the necessary funding for the operations of county jails and has been for the past two budget cycles. This is a crucial gap that if left unmet, will fall upon the property taxpayer who, like the facilities, cannot control the health and welfare needs of the individuals who have been placed in their care.

Additionally, it follows increased state mandates on county operations that were provided believing there was a recognized need to work more collaboratively as a system in service of those who find themselves incarcerated.

As a result of work accomplished in the 130th legislature, this body created the County Corrections Professional Standards Council which was established to evaluate and advise the commissioner with regard to the composition of programs and services required; to develop rules for reporting to the department the information required and, beginning July 1, 2023 to develop budget recommendations for the department related to the County Jail Operations Fund which must be submitted to the commissioner and the Governor as part of the State's biennial budget process; to make supplemental county jail funding recommendations to the department related to the fund as may be needed from time to time to address shortfalls, emergencies or other needs; and to consider the need for legislation regarding required programs, services and reporting and to submit such legislation to the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters.

Twice the council, which has been unfunded and is providing these services to the state through volunteers, has made detailed and informed recommendations to the Commissioner for the necessary increases in state's portion of county operations that are driven not only by the cost of unfunded mandates, including medically assisted treatment in county facilities, but also the inflationary measures experienced by all agencies in the past two budget cycles. While the Commissioner asked and received a 10% inflationary measure for prison operations, he did not include the 7% increase recommendations submitted by the council. Under this current budget cycle, counties are now carrying a \$13 million shortfall, while the health needs of this population has tripled.

While officials appreciate the \$4 million appropriation for current unmet cost of providing medically assisted treatment for substance use disorder identified in many county facilities, the remaining \$9 million burden as a result of lagging court trials, state probation revocations, and the health needs of this population will fall on the backs of property taxpayers who are already struggling and paying more than 80% of the bill. These services need and deserve to be appropriately funded by "all in" revenue sources and the continued promise of providing at least 20% of the cost of this enormous burden in partnership with local government.

Officials urge you to consider the inclusion of the remaining unmet county short fall of \$9 million for the state's portion of county jail operations as presented to the administration.

Part Q. The increasing storms experienced in our communities statewide have caused significant damage well beyond local capacity to manage recovery and prepare adequately before the next damaging weather or natural disaster event. For this reason, officials welcome the bolstering of the disaster recovery fund from the current \$3 million appropriation to \$15 million.

However, it's important to note that this level of funding is still tiny compared to the recovery needs of these increasing events when a single damaged stream passage culvert costs a municipality \$2 million. For this reason, officials question the wisdom of removing the CPI factor for the Disaster Recovery Fund in current law tied to that appropriation. Inflation has increased the cost of building and rebuilding at least 30% and shows no signs of deflation anytime soon.

Conversely, an inflationary measure can be revisited if after several budget cycles the disaster fund grows while experiencing less demand. From the municipal view, both are unlikely scenarios in the near future. For these reasons, officials ask you to consider keeping the CPI measure in statute until the need for the fund shows a downward trend.

Thank you for considering the municipal perspective on these issues. If you have any questions about the Association's position on these provisions of the supplemental budget bill, please do not hesitate to contact me at rgraham@memun.org or 1-800-452-8786.