



JANET T. MILLS
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION



MELANIE LOYZIM
COMMISSIONER

TESTIMONY OF
MELANIE LOYZIM, COMMISSIONER
DEPARTMENT OF ENVIRONMENTAL PROTECTION
SPEAKING IN SUPPORT OF

**L.D. 210 “AN ACT MAKING UNIFIED APPROPRIATIONS AND ALLOCATIONS FROM
THE GENERAL FUND AND OTHER FUNDS FOR THE EXPENDITURES OF STATE
GOVERNMENT AND CHANGING CERTAIN PROVISIONS OF THE LAW NECESSARY TO
THE PROPER OPERATIONS OF STATE GOVERNMENT FOR THE FISCAL YEARS
ENDING JUNE 30, 2026 AND JUNE 30, 2027”**

**BEFORE THE JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL
AFFAIRS
AND THE JOINT STANDING COMMITTEE ON ENVIRONMENT AND NATURAL
RESOURCES**

HEARING DATE:
FEBRUARY 6, 2025

Senators Rotundo and Tepler, Representatives Gattine and Doudera, and members of the Joint Standing Committees on Appropriations and Financial Affairs and Environment and Natural Resources, I am Melanie Loyzim, Commissioner of the Department of Environmental Protection (DEP), testifying in support of DEP-related initiatives in Governor Mills' FY26/27 Biennial Budget proposal.

Maine – like many states, both blue and red – is facing a tight budget environment. The Mills Administration has spent months carefully developing a balanced budget proposal to preserve the programs lawmakers and Maine people support, including education, revenue sharing, public safety, higher education, and school meals, while also protecting the long-term fiscal health of Maine.

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Ultimately, we took a balanced approach: one that makes some investments - including operational needs such as technology efficiencies, health and safety improvements, collective bargaining impacts, etc. - that proposes some spending cuts, and that makes some targeted revenue increases. We know these proposals are difficult and appreciate that you will consider them with an open mind. We look forward to working with you over the coming months to enact a budget that supports our greatest asset of all: the people of Maine.

DEP's statutory mission is to prevent, abate and control the pollution of the air, water and land and preserve, improve and prevent diminution of the natural environment of the State. Maine's millions of acres of forests, thousands of miles of rivers, streams and brooks, thousands of miles of coastline, and thousands of lakes and ponds are intrinsic to our character and critical for our economy. DEP's initiatives in this biennial budget are limited to only those investments that are absolutely necessary to meet our statutory obligations and to provide effective emergency response services.

This testimony addresses items that relate to DEP in Part A of the Budget document on pages A-250 through A-266 and language Parts MM and NN. I will briefly outline the baseline budget for each Budget Program and describe "new" initiatives proposed under each program.

OVERVIEW

DEP proposes forty new initiatives in Part A of the FY26/27 biennial budget to provide necessary support to meet DEP's statutory obligations, and one language change for the Board of Environmental Protection Fund in Title 38, section 341-G.

DEP's budget includes ten initiatives related to increased costs for centralized services. These include: financial, human resources, technology, vehicles, and insurance, provided by the Department of Administrative and Financial Services. The rates for these services increased due to collective bargaining approved by the Governor and Legislature, in addition to vendor increases, capital needs, and supply chain impacts. DEP's centralized service requests are summarized at the end of this testimony in **Appendix B**. I will not read each of these to you, but I have included the blippie and justification in this testimony on the relevant page in italics for your reference.

DEP's budget proposal also includes adding eight new positions (five initiatives). These are necessary for licensing customer service, land use and water quality license application reviews, consumer product regulation, and shoreland zoning support.

In addition, DEP's budget request includes six other position related initiatives, including two HR approved reorganizations summarized in **Appendix A**, continuing three Limited period positions (LPP) in the beverage container program, increasing hours to full time for one vacant water quality position and transferring the home account for one inadequately funded position.

DEP's proposal contains a total of fifteen Capital Equipment requests, and four miscellaneous initiatives: one for training related to a capital item, one for increased AO for Salmon Habitat Monitoring, one Allocation increase to the Cost and Carbon Efficiency Technology fund, and a request for increased funding related to the marine vegetation mapping program.

I will now give a brief summary of each Program, whether or not there is a new request. For new initiatives, other than those I've already touched on, I will detail the need and impact.

ADMINISTRATION – ENVIRONMENTAL PROTECTION - 0251

The first Budget Program for DEP in the Budget document on **page A-251** is labeled “**Administration – Environmental Protection 0251**”. This Budget Program is comprised of General Fund and Other Special Revenue Funds. The Other Special Revenue Funds component of this Budget Program is collected pursuant to DEP's Indirect Cost Allocation Plan. Both funding sources support centralized agency services that are administered by the Office of the Commissioner. The Commissioner's Office oversees and coordinates policy, strategic planning, regulatory programs, data management, support services, regional office management, Small Business Technical Assistance Program, Quality Assurance and Quality Control programs, priority chemicals program, assistance, education and outreach efforts, and legislative services.

*The **first initiative** in this Budget Program found on page A-251 is a central service rate increase that can be found in **Appendix B**; it provides funding in each year of the biennium for increased statewide insurance coverage rates. The Division of Risk Management within DAFS provides high quality insurance, loss control and claims services to departments and agencies through its self-insurance program. Rate adjustments are based on claims experience, coverage increases, attorney fees on claims and actuarially recommended reserves.*

*The **next initiative** on page A-251 (see also **Appendix B**) provides funding in each year of the biennium from the General Fund and spending authority from Other Special Revenue Funds for increased technology service rates provided by the Office of Information Technology. MaineIT delivers safe, secure and high-performing networks and systems to state agencies. Increased billing rates are due to negotiated and benefit changes to Personal Services, higher operational costs passed along from vendors and network and systems modernization and upgrades.*

*The **next initiative** on page A-251 (see also **Appendix B**) provides funding for increased financial and human resources service center costs. Service Centers provide centralized accounting, payroll, budgeting and human resources services to departments and agencies. Increased billing rates are due to negotiated and benefit changes to Personal Services and higher operational costs.*

*The **final initiative** in this Budget Program on page A-251 (see also **Appendix A**) provides spending authority from Other Special Revenue Funds Personal Services for the approved reorganization of one Office Associate II position to an Office Associate II Supervisor position to better align the position with actual duties being performed.*

AIR QUALITY - 0250

The second Budget Program presented in the Budget document on **page A-253** is labeled “**Air Quality 0250**”. This Budget Program is comprised of General Fund, Highway Fund and Federal Expenditures Fund. This program oversees air emission licensing, monitoring and compliance, meteorological research and associated analysis, and regional greenhouse gas-related efforts. This Budget Program implements state and federal laws to protect and improve outdoor air quality.

*The **first initiative** in this Budget Program found on page A-253 provides funding for a rate increase for leased vehicles (see also **Appendix B**). Central Fleet Management (CFM) within DAFS centrally procures, distributes and disposes of passenger and light trucks to meet program needs. Billing rate increases are due to negotiated and benefit changes to Personal Services and higher operational costs including fuel and vehicle purchase prices.*

The next two initiatives on page A-253 are counterparts:

The first provides one-time funding in General Fund All Other of \$9,000 in FY26 for optical gas imaging camera certification training for 3 Department staff pursuant to Public Law 2021, chapter 294.

The other, **final initiative** on **page A-253** provides one-time funding in General Fund Capital Expenditures of \$117,000 in FY26 to purchase an optical gas imaging camera for the measurement of gaseous emissions across a variety of industries and emission sources. The OGI camera will allow the Department to verify compliance monitoring activities at petroleum storage terminals pursuant to Public Law 2021, chapter 294.

BOARD OF ENVIRONMENTAL PROTECTION FUND - 0025

The third Budget Program in the Budget document on **page A-254** is labeled “**Board of Environmental Protection Fund 0025**”. This Budget Program is comprised of Other Special Revenue Funds. The Board of Environmental Protection (“Board”) is directed by statute to hear appeals on permitting decisions, adopt and amend rules, and to provide permitting decisions on certain types of applications. There are no new initiatives for this Budget Program.

LANGUAGE PART MM

A request for statutory language revision Part MM is on page 86 of the document titled **Final GF Language 2026-2027 Biennial**. The language amends Title 38, section 341-G to increase the amount of Other Special Revenue that may be transferred to the Board of Environmental Protection Fund. This mirrors L.D. 75, *An Act to Update Funding for the Board of Environmental Protection*, which was voted Ought to Pass by the Environment and Natural Resources Committee on January 27, 2025.

This language increases the allocation in this non-lapsing fund from \$325,000 to \$450,000 annually. This amount is the cap on the amount that may be transferred to the Board of Environmental Protection Fund from the Department’s designated other special revenue accounts. Since this is a non-lapsing fund, at the beginning of each fiscal year only the amount needed to bring the cash balance up to \$450,000 will be transferred. The cap amount was last increased in 2003; the proposed increase should be sufficient for another twenty years. The fund pays for the BEP analyst and the BEP administrative support position as well as travel and per-diems for BEP members. It also pays for meeting space, technology costs and transcription services as needed.

COASTAL SAND DUNE RESTORATION AND PROTECTION FUND – Z402

The fourth Budget Program in the Budget document on **page A-255** is labeled “**Coastal Sand Dune Restoration and Protection Fund Z402**”. This Budget Program is comprised of Other Special Revenue Funds. This program supports a recent law which requires the Department to help fund costs related to eligible projects to restore, protect, conserve, nourish or revegetate coastal sand dune systems in Maine. There are no new initiatives for this Budget Program. We expect the full allocation to be encumbered via the Request for Proposals that is currently advertised.

EELGRASS AND SALT MARSH VEGETATION MAPPING FUND - Z324

The fifth Budget Program in the Budget document on **page A-255** is labeled “**Eelgrass and Salt Marsh Vegetation Mapping Fund Z324**”. This Budget Program is comprised of Other Special Revenue Funds. This program supports the law which requires the Department to produce and update maps of eelgrass beds and salt marsh vegetation within the State. There are no new initiatives for this Budget Program.

LAKE WATER QUALITY RESTORATION AND PROTECTION FUND - Z385

The sixth Budget Program in the Budget document on **page A-256** is labeled “**Lake Water Quality Restoration and Protection Fund Z385**”. This Budget Program is comprised of Other Special Revenue Funds. The funds in this program are used for projects that improve or maintain the quality of lake water in the State. There are no new initiatives for this Budget Program area. The Department is now finalizing a contract for a project that will use the full allocation.

LAND APPLICATION CONTAMINANT MONITORING FUND - Z325

The seventh Budget Program in the Budget document on **page A-256** is labeled “**Land Application Contaminant Monitoring Fund Z325**”. This Budget Program is comprised of Other Special Revenue Funds. This program is responsible for the testing and monitoring of soil and groundwater for PFAS and other contaminants and for other related activities, such as providing access to safe drinking

water, at locations where wastewater treatment plant sludge or septage was land applied. There are no new initiatives for this Budget Program area.

LAND RESOURCES - Z188

The eighth Budget Program in the Budget document on **page A-257** is labeled “**Land Resources Z188**”. This Budget Program is comprised of General Fund and Federal Expenditures Fund. This program is responsible for administering the laws and regulations related to a wide range of land development activities, including large-scale developments, stormwater, impacts to natural resources (ponds, streams, wetlands, etc.), mining and gravel pits, shoreland zoning, and hydropower facilities.

*The **first initiative** in this Budget Program found on **page A-257** (see also **Appendix B**) provides funding for increased rates for vehicles leased through the Bureau of General Services, Central Fleet Management.*

The **second initiative** in this Budget Program on **page A-257** transfers one Environmental Licensing Specialist II position and related All Other from the Land Resources program, Federal Expenditures Fund to the Maine Environmental Protection Fund program, Other Special Revenue Funds to align the position with the appropriate funding and better reflects the work being performed. (**counterpart see pg. A-259; page 9 of testimony**)

MAINE ENVIRONMENTAL PROTECTION FUND - 0421

The ninth Budget Program in the Budget document on **page A-258** is labeled “**Maine Environmental Protection Fund 0421**”. This Budget Program is comprised of General Fund, Other Special Revenue Funds and Federal Expenditures Fund – ARP State Fiscal Recovery Funds. The Maine Environmental Protection Fund (MEPF) receives and administers application processing fees that support environmental licensing and compliance activities implemented by each of the Department’s bureaus.

*The **first initiative** in this Budget Program found on **page A-258** (see also **Appendix B**) provides funding for increased rates for vehicles leased through the Bureau of General Services, Central Fleet Management.*

The **next initiative** on **page A-258** authorizes funding in Other Special Revenue Fund All Other of \$5,000 in each year of the biennium for increased sampling to assess the impacts of salmon habitat restoration projects, including biological monitoring.

The **next initiative** on **page A-258** establishes two Environmental Specialist III positions to serve as customer service agents for permit applicants and members of the public. The positions will provide assistance navigating and accessing licensing services offered by the Department. The initiative authorizes funding from Other Special Revenue funds for each year of the biennium.

*The **next initiative** on **page A-259** (see also **Appendix A**) provides funding in General Fund Personal Services for the approved reorganization of one vacant Environmental Specialist III position to an Environmental Specialist IV position to better align the position with the tasks needed for effective implementation of DEP's solid waste diversion programs.*

The **next initiative** on **page A-259** continues three limited-period Environmental Specialist III positions previously established by Public Law 2023, chapter 482 to support the Beverage Container Enforcement program. It provides funding from the General Fund in each year of the biennium. The Beverage Container Enforcement program, Other Special Revenue Funds does not yet have sufficient revenue to support these essential positions.

The **next initiative** on **page A-259** establishes 2 Environmental Licensing Specialist I positions to support Permit by Rule reviews and field work for climate resilience project reviews. The initiative provides funding in General Fund Personal Services in each year of the biennium.

The **next initiative** on **page A-259** continues and makes permanent one Environmental Specialist III position previously established by Public Law 2023, chapter 412 to provide support to municipalities in Northern Maine to implement the Mandatory Shoreland Zoning Act, including educating municipal code enforcement officers and supporting municipalities in updating their Shoreland Zoning ordinances to conform with minimum standards. It authorizes funding from Other Special Revenue Funds and adds this position to the Department's legislative count.

The **next initiative** on **page A-259** establishes one Environmental Specialist III position to review license applications and write wastewater discharge licenses. The initiative authorizes funding from Other Special Revenue Funds.

The **next initiative** on **page A-259** is the counterpart to an initiative previously addressed on Page 8 of my testimony, which transfers one Environmental Licensing Specialist II position and related All Other from the Land Resources program, Federal Expenditures Fund to the Maine Environmental Protection Fund program, Other Special Revenue Funds to align the position with the appropriate funding and better reflects the work being performed. (counterpart see pg. A-257)

The **final initiative** in this Budget Program on **page A-260** provides allocation in Other Special Revenue Funds All Other of \$499,500 in each year of the biennium for unclaimed deposit revenue that the

commingling cooperative is required to pay into the Cost and Carbon Efficient Technology Fund pursuant to Public Law 2023, chapter 482 and modified by Public Law 2023, chapter 529. The Fund collects revenue from any source, public or private, to provide grants to participants of the State's Beverage Container Redemption Program. Grants must be designed to improve operational efficiency, reduce greenhouse gas emissions, and increase the use of reusable and refillable beverage containers in the State.

PERFORMANCE PARTNERSHIP GRANT 0851

The tenth Budget Program in the Budget document on **page A-260** is labeled "**Performance Partnership Grant 0851**". This Budget Program is comprised exclusively of Federal Expenditure Funds. The Performance Partnership Grant is a federal grant to support DEP's implementation of federal rules where the U.S. Environmental Protection Agency has delegated authority to DEP. This includes Air, Land, Water Quality, and Remediation and Waste Management programs. The types of activities funded under this grant include environmental sampling and monitoring, licensing, compliance and enforcement, policy development, data management, education and outreach. There are no new initiatives for this Budget Program area.

REMEDICATION AND WASTE MANAGEMENT 0247

The eleventh Budget Program in the Budget document on **page A-261** is labeled "**Remediation and Waste Management 0247**". This Budget Program is comprised of General Fund, Federal Expenditure Funds, Other Special Revenue Funds and Federal Expenditures Fund – ARP State Fiscal Recovery Funds. This program administers Maine's oil, hazardous material and solid waste control programs, including: emergency response for oil and hazardous materials spills; regulation of above ground and underground oil storage facilities; development of natural resource damage assessment claims; licensing of waste facilities, waste transporters, oil terminals, beneficial reuse of waste materials; oversight of asbestos management and disposal; and investigation and cleanup of uncontrolled hazardous substances sites. This program also administers waste diversion grants and municipal landfill closure and remediation reimbursements.

*The **first initiative** in this Budget Program found on **page A-261** (see also **Appendix B**) provides funding from the General Fund for increased statewide insurance coverage rates provided by the Division of Risk Management.*

*The **next initiative** on **page A-261** (see also **Appendix B**) provides funding from the General Fund for increased rates for vehicles leased through the Bureau of General Services, Central Fleet Management.*

The **next initiative** on **page A-262** establishes one Environmental Specialist IV and one Environmental Specialist III position to implement programs that regulate chemicals in consumer products, including Toxic Chemicals in Children's Products (Public Law 2007, chapter 643), Priority Toxic Chemical Use Reduction (Public Law 2009, chapter 579), Flame Retardants in Upholstered Furniture (Public Law 2017, chapter 311), Reduction of Toxics in Packaging and Toxics in Food Packaging (Public Law 2019, chapter 277), PFAS in firefighting foam (Public Law 2021, chapter 449), and Products containing PFAS (Public Law 2024, chapter 630). The initiative provides funding from the General Fund in each year of the biennium.

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$50,000 in each year of the biennium for 2 Redwave Explore ID units for the purpose of rapid chemical identification. This is an upgrade to existing detection equipment that will provide more rapid results and can detect more chemicals with greater accuracy

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures for 2 truck cabs and frames and 2 custom truck bodies in the Maine Hazardous Waste Fund for the purpose of completing the third phase of the Department's purchase of emergency response vehicles.

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures for 8 truck cabs and frames and 8 custom truck bodies in the Maine Ground and Surface Waters Clean-up and Response Fund for the purpose of completing the third phase of the Department's purchase of emergency response vehicles.

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures for 8 custom truck bodies in the Maine Ground and Surface Waters Clean-up and Response Fund for the purpose of completing the third phase of the Department's purchase of emergency response vehicles.

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$40,000 in FY27 for the purchase of a forklift at the Department's Southern Maine Regional Office for the purpose of replacing the current forklift that can no longer be reasonably repaired.

The **next initiative** on **page A-262** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$600,000 in FY27 for a JBF skimmer boat for the purpose of collecting and removing

petroleum from the water. This replaces the current JBF skimmer that has well exceeded its life expectancy and is no longer supported for maintenance or parts.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$230,000 in each year of the biennium for 2 2000 ft. Reelpak lay-flat booms and 2 boom reels in order to increase the total amount of boom available and double the length of boom that can be rapidly deployed from a reel.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$6,400 in FY27 for 2 2000 ft. non-lay-flat booms for the purpose of responding to maritime oil spills.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$30,000 in each year of the biennium for 2 small disk skimmers for oil spill clean-up efforts. These are to replace the current small skimmers that have exceeded their life expectancy and require custom fabricated replacement parts.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$50,000 in FY26 for one hazmat operations and decontamination trailer to ensure adequate decontamination equipment can be rapidly available and to enable DEP to support more than one emergency clean-up operation at a time.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$10,000 in FY27 for one 10 HP outboard engine to replace the current outboard that has far exceeded its life expectancy.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$9,000 in each year of the biennium for 2 photoionization detectors for the purpose of monitoring hazardous vapor levels and to field screen contaminated soil.

The **next initiative** on **page A-263** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$17,000 in FY26 for 2 10' X 6' aluminum frame mobile pump and treat trailers for the purpose of mobilizing active oil recovery and treatment systems to petroleum remediation sites.

The **final initiative** in this Budget Program on **page A-264** provides one-time funding in Other Special Revenue Funds Capital Expenditures of \$10,000 in FY26 for one multi-parameter meter with a flow cell for the purpose of collecting field parameter readings from monitoring wells at solid waste, hazardous waste and uncontrolled sites to monitor contaminant plume migration and make field decisions regarding sampling.

LANGUAGE PART NN

Part NN directs the State Controller to transfer \$1,376,000 from the General Fund unappropriated surplus to the Department of Environmental Protection, Maine Ground and Surface

Water Clean-up and Response Fund, Other Special Revenue Funds account to support Capital Expenditures. These one-time funds will be utilized to help support some of DEP's one-time capital needs outlined in the initiatives above.

WATER QUALITY 0248

The twelfth Budget Program in the Budget document on **page A-265** is labeled “**Water Quality 0248**”. This Budget Program is comprised of General Fund, Federal Expenditure Funds and Other Special Revenue Funds. This program is responsible for administering the environmental laws that protect and improve the quality of Maine's surface and ground water through licensing, compliance and enforcement activities. The program provides support and oversight of wastewater treatment facilities, administers remediation grants for failed septic systems and boat pumpout facilities, and assists with education and outreach efforts.

*The **first initiative** in this Budget Program found on **page A-265** (see also **Appendix B**) provides funding in each year of the biennium for increased statewide insurance coverage rates provided by the Division of Risk Management.*

*The **next initiative** on **page A-265** (see also **Appendix B**) provides funding for increased rates for vehicles leased through the Bureau of General Services, Central Fleet Management.*

The **next initiative** on **page A-265** provides funding in General Fund All Other of \$14,000 in each year of the biennium for aerial imagery acquisition and processing, and annual equipment maintenance and replacement. This will provide the remaining amount required to cover all of the 5 survey segments for mapping eelgrass and salt marsh distribution required by Title 38, section 1805.

The **last initiative** on **page A-266** provides funding in General Fund Personal Services to increase the hours of one Environmental Specialist II position from 78 hours to 80 hours bi-weekly in order to make it full-time to meet program needs.

I appreciate the opportunity to provide this overview regarding our proposed biennial budget and I welcome any questions you may have.

APPENDIX A: Reclasses/Reorgs/Range Changes

Civil Service Rules require the Director of the Bureau of Human Resources to maintain the classification plan and establish the processes and procedures with which to do so. There is a long-standing process in place to evaluate proper classification of positions and determine through a functional job analysis whether a position meets the requirements for reclassification, including any pay adjustment. The State's collective bargaining unit agreements include negotiated language related to this process. Actions may include changing classification or keeping the same classification, but changing pay range (usually referenced in blippie as range change). Requests may be employee initiated (usually referred to as reclass) or management initiated (usually referred to as reorganization). Approved employee-initiated actions include a retroactive pay component back to the date the request was signed. Reclass/reorg/range change initiatives in Part A of the budget are necessary to fund these approved actions, which is required before the action can be processed and paid. Reclass initiatives in Part B are self-funded.

Page	Program	Fund	FY26 Amount	FY27 Amount
A-251	0251	OSR	3,997	4,154
A-259	0421	GF	15,283	16,775

APPENDIX B: Centralized Services

The Department of Administrative and Financial Services (DAFS) develops, delivers, and maintains centralized government systems that support the financial, human resource, physical and technological infrastructure of state government. The services are billed to agencies through Internal Service Funds.

All components of an internal service fund, including staff, All Other and capital, are included in Internal Service Fund budgeting. Personal Services increases that are the result of collective bargaining, or any other Personal Services action, as well as increases to All Other costs for various reasons, including vendor increases or supply chain costs, etc. impact these budgets. Internal Service Funds are meant to recover the costs of providing the service. DAFS bills agencies for these services and the agencies pay the bills with All Other funds.

In this biennial budget, DAFS has adjusted these rates for all of the reasons outlined above, but primarily the result of significant collective bargaining efforts approved by the Governor and Legislature. Agency All Other funds are not increased in the baseline to reflect the increased costs of the Internal Service Funds, so statewide all agencies will include initiatives for additional All Other to cover these services.

DAFS Centralized Services Internal Service Funds include:

- Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies.
- MaineIT is responsible for the delivery of safe, secure, and high-performing networks and systems to State Agencies for daily performance of their missions for the citizens of Maine. IT enterprise functions benefitting all state agencies are managed through this office to ensure consistency, volume discount efficiencies, and optimum performance and throughput.
- Central Fleet Management (CFM) within DAFS centrally procures, distributes and disposes of passenger and light truck vehicles. CFM handles many aspects of vehicle service including writing vehicle specifications, ordering vehicles, providing drivers with maintenance schedules, service assistance, fueling resources, insurance protection, and accident information processing.
- The Division of Risk Management within DAFS provides high quality insurance, loss control and claims services to all state agencies, the State's higher education institutions and some quasi-state agencies at the lowest possible cost.
- The Division of Leased Space manages leases encompassing office, warehouse, garage, storage, tower, classroom, mixed-use, and training spaces.

- Central Services within DAFS provides a wide range of mail services, including interoffice mail, as well as disposition of state surplus materials and equipment no longer needed by the state agency that purchased them. This group also manages federal surplus property.

Department of Environmental Protection Initiatives related to Central Services increases:

Page	Program	Service	Fund	FY26 Amt	FY27 Amt
A-251	0251	RISK MANAGEMENT	GF	19,155	19,155
A-251	0251	MAINE IT	GF	501,472	501,472
A-251	0251	MAINE IT	OSR	466,320	466,320
A-253	0250	CENTRAL FLEET	GF	202	470
A-253	0250	CENTRAL FLEET	HIGHWAY	246	589
A-257	Z188	CENTRAL FLEET	GF	11,360	16,134
A-258	0421	CENTRAL FLEET	GF	211	489
A-261	0247	RISK MANAGEMENT	GF	2,951	2,951
A-261	0247	CENTRAL FLEET	GF	7,105	8,162
A-265	0248	RISK MANAGEMENT	GF	2,909	6,972