

**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 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, 2025, June 30, 2026  
and June 30, 2027”**

**February 27, 2025**

Good afternoon, Senator Rotundo, Representative Gattine, 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 2026-2027 biennial budget bill, LD 210, specifically those items on today’s agenda relating the Department of Administrative and Financial Services.

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.

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.

## **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 internal controls. We also administer the state's lottery operations, medical and adult use cannabis programs, and the sale of distilled spirits within Maine's borders. And we oversee the three state-owned landfills.

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

Now to the details. This is the biennial budget so we are meant to give a brief summary of each Program, whether or not there is a new request. For new initiatives, I will detail the need and impact. You will also see the blippie and justification from the budget document in italics that I won't be reading but is there for orientation and additional information.

The State's collective bargaining unit agreements include negotiated language related to the position evaluation process. Reclasses may be employee (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. Our Department's reclass and reorganization requests related to OCP and BABLO are summarized at the end of testimony as **Appendix A**. While we won't read the specifics, we have included the blippie and justification in this testimony on the relevant page in italics for your reference.

Today's budget includes requests for increases to centralized services. Primarily these include: financial, human resources, technology, passenger/light truck vehicles, insurance, postal, and surplus provided by the Department of Administrative and Financial Services. Other examples are legal services provided by the Office of the Attorney General and dispatch services provided by the Department of Public Safety. These rates are being adjusted as a result of vendor increases, capital needs, supply chain impacts, but the primary factor is the significant collective bargaining efforts approved by the Governor and Legislature. Centralized service requests related to today's Offices are summarized at the end of this testimony as **Appendix B**. While we won't read the specifics, we have included the blippie and justification in this testimony on the relevant page in italics for your reference.

We'll start with the Office of Cannabis Policy (OCP) programs.

### **Adult Use Cannabis Public Health & Safety & Municipal Opt-In Fund (Z263)**

The first program is the **Adult Use Cannabis Public Health & Safety & Municipal Opt-In Fund** on page A-6. *This program has a baseline Other Special Revenue*

*Fund allocation of \$4,314,730 in fiscal year 2026 and \$4,190,876 in fiscal year 2027.*

Currently, this fund receives 12% of the cannabis excise tax revenue and 12% of sales tax revenue from the sales of adult use cannabis and adult use cannabis products. Funds in this program can be used for public health, safety awareness, education, and enhanced law enforcement training programs supporting the adult use of cannabis. For a limited time, the funds may be used to provide reimbursement to a municipality for qualifying expenses incurred when the municipality opts to permit the operation of some or all adult use cannabis establishments within the municipality. Also for a limited time, currently through July 31, 2026, there is Personal Services funding allocated for a limited period Cannabis Business Advocate position (*Public Law 2023, chapter 683*).

Additionally, legislation enacted in the previous session directs portions of this revenue to other Departments:

- \$2 million each year from this fund to the Department of Health and Human Services, Recovery Community Centers Fund *for operational support for recovery community centers and to provide funding for capacity building for recently established or new recovery community centers (Public Law 2023, chapter 658)*;
- \$150,000 each year from this fund to the Department of Economic and Community Development to support the Social Equity Program *aimed at increasing workforce development programs and providing support to individuals who are members of impacted communities and businesses that are owned by members of impacted communities (Public Law 2023, chapter 683)*;
- \$111,170 in fiscal year 2026 and \$28,232 in fiscal year 2027 to support the cost of one limited period Career Center Consultant position in the Department of Labor *to increase access to workforce development opportunities for impacted communities and provides funding for related All Other costs (Public Law 2023, chapter 683)*;
- *If any funds remain after the authorized uses in the program and the transfers identified above, the State Controller may transfer to the General Fund in the amount of the cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility*

provided, *estimated at \$1,581,923 in FY26 and \$1,780,000 in FY27*, as well as the cost of a position within MRS. (RR 2023, c. 2, Pt. A, §§44, 45)

It is estimated this Fund needs approximately \$5 million per year to fund the various legislatively authorized activities. There should be one initiative in this account to adjust the allocation to this amount, which we will include in the change package.

**Part F** was heard earlier this month by the Joint Standing Committee on Taxation. This Part affects the excise tax and sales tax rates applied to adult use cannabis and the transfers of that revenue to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund. **Part F** proposes that the excise tax rates are reduced by one-third, the sales tax rate is concurrently increased from 10% to 14%, and the percentage amount transferred to this fund is reduced, for both excise and sales, from 12% to 9%, which will generate the \$5 million need detailed above. Below is my testimony.

*Part F is found on pages 44 through 46 of the language document. This Part changes the excise tax and sales tax rates applied to adult use cannabis and the transfers of that revenue to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund.*

*The average retail price of cannabis flower has declined 56% over four years. Similarly, the wholesale price of cannabis (the purchase amount that manufacturers and retailers buy cannabis from cultivators) has also substantially declined. However, the weight-based excise tax paid by cultivators has remained the same, thus, the burden of the cannabis excise tax paid by cultivators relative to the wholesale price that cultivators receive for their product has increased significantly.*

*The Mills Administration is proposing a reduction of the excise tax in recognition of the fact that cannabis cultivators have appealed to the legislature the last two sessions for relief from the adult use cannabis excise tax. This Part proposes that the excise tax rate is reduced by one-third and the sales tax rate is concurrently increased from 10% to 14%. The sales tax adjustment puts Maine in similar range with other states that have cannabis sales tax.*

*The adult use cannabis excise tax is assessed based upon weight, at a current rate of \$335 per pound of cannabis flower. This excise tax is paid by cannabis cultivators at the time that they sell their product to either a cannabis manufacturing or retail licensee.*

*At the outset of Maine's adult use cannabis industry in the fall of 2020, cannabis flower fetched an initial average retail price of \$15.83/gram, versus \$7.09/gram in December 2024. This constitutes a 56% decline in price over four years, however this decline was expected as Maine's legalized market matured and is consistent with other states.*

*Similarly, the wholesale price of cannabis (the purchase amount that manufacturers and retailers buy cannabis from cultivators) has also substantially declined.*

*Meanwhile, the weight-based excise tax paid by cultivators has remained the same, thus, the burden of the cannabis excise tax paid by cultivators relative to the wholesale price that cultivators receive for their product has increased significantly.*

*The Mills Administration is proposing a 1/3 reduction of the excise tax from \$335/lb to \$223/lb in recognition of the fact that cannabis cultivators have appealed to the legislature the last two sessions for relief from the adult use cannabis excise tax. The Administration has been supportive of a 1/3 reduction in the excise tax in each of the last two sessions and the Governor has proposed the relief in her budget.*

*This Part also reduces the transfers of tax revenue received on the sale of adult use cannabis to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund from 12% to 9%. It is estimated the fund needs approximately \$5 million per year to various legislatively authorized activities such as public safety personnel training, business expense tax deductions, and recovery community centers. The reduced percentage will generate the estimated \$5 million.*

### **Adult Use Cannabis Regulatory Coordination Fund (Z264)**

**On page A-7 is the baseline for the Adult Use Cannabis Regulatory Coordination Fund. This program supports the implementation, administration, and regulation of**

the adult use of cannabis. This program includes 25 positions in the General Fund, and 4 positions in the Other Special Revenue Fund funded from licensing and application fees. The positions consist of senior leadership, a compliance division, a licensing division and a data analytics division.

There are seven initiatives in this program.

The first is a reorganization.

*The first initiative on page A-7 provides funding for the approved reorganization of one Public Service Coordinator I position to a Public Service Manager II position. This increases the General Fund Personal Services appropriation by \$10,283 in fiscal year 2026 and by \$10,680 in fiscal year 2027.*

The next four initiatives are necessary to cover increased vendor costs for essential operations activities of the Office, specifically those related to the licensing management system, the point-of-sale compliance checks contract, the inventory tracking system, and audit testing. There are two corrections to this section. The second initiative for the licensing system should be \$26,164 each year, bringing the baseline for this contract to \$127,046 per year, instead of asking for an additional \$127,046 each year. And the fourth initiative for the inventory tracking system should be \$256,583 in the first year instead of \$102,633. We will correct these in the change package. With these corrections, the revised total for these four initiatives will be \$416,816 in FY26 and \$291,317 in FY27 for a total of \$708,133 in the biennium versus \$755,947.

The last two initiatives are for increases to centralized services, specifically technology and financial and human resources service centers, which are outlined in **Appendix B**. The technology request is larger in the second year to fund a single data warehouse for all OCP data, currently stored in various databases that do not talk to each other, to allow for quick and efficient queries for internal needs, reporting requirements, legislative requests, and requests from the public. The amount for this effort is \$440,914.

*The second initiative provides funding for the anticipated increase to the ALMS maintenance agreement. This initiative increases allocation in the Other Special Revenue Funds account by \$127,046 in each fiscal year. We will adjust this to*

**\$26,164 per year in the change package.** This initiative also appears in the Medical Use of Cannabis Fund on page A-37.

The third initiative provides funding for the anticipated increased costs associated with the contracts performing compliance checks. This initiative increases allocation in the Other Special Revenue Funds account by \$31,436 in fiscal year 2026 and \$8,570 in fiscal year 2027. This initiative also appears in the Medical Use of Cannabis Fund on page A-37.

The fourth initiative provides funding for the State of Maine's inventory tracking system contract. This initiative increases allocation in the Other Special Revenue Funds account by \$102,633 in fiscal year 2026 and by \$153,950 in fiscal year 2027. **We will adjust the FY26 amount to \$256,583 in the change package.**

The fifth initiative, on page A-8, provides funding for State of Maine to perform audit testing. This initiative increases allocation in the Other Special Revenue Funds account by \$102,633 in each fiscal year.

The sixth initiative provides Other Special Revenue Funds of \$255,395 in fiscal year 2026 and \$696,309 in fiscal year 2027 for statewide technology services provided by MaineIT.

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 benefiting all state agencies are managed through this office to ensure consistency, volume discount efficiencies, and optimum performance and throughput. MaineIT is established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. MaineIT expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs, including vendor increases, supply chain costs, and network and systems modernization and upgrades. This recoupment process results in increased billing rates to departments and agencies.

The seventh initiative on page A-8 provides Other Special Revenue Funds allocation of \$7,421 in fiscal year 2026 and \$10,678 in fiscal year 2027 to support the share of the cost for the financial and human resources service center within the Department of Administrative and Financial Services.



*Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies. Service Centers are established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. The Service Centers expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs. This recoupment process results in increased billing rates to departments and agencies.*

### **Medical Use of Cannabis Fund (Z265)**

The **Medical Use of Cannabis Fund** can be found on **page A-37** of the budget document. This account includes funding for 20 positions and has a baseline Other Special Revenue Funds allocation of approximately \$3.5 million per year. The program revenues are primarily generated from applications and reapplications for registration as a qualifying patient, caregiver, dispensary, manufacturing facility and cannabis testing facility and for registry identification cards.

There are four initiatives in this program.

The first two we just discussed related to vendor increases for essential operations activities of the Office, specifically the licensing system and point-of-sale compliance checks. Like the explanation above, there is one correction to this section: the increase for the licensing management system should be \$8,857 each year, bringing the baseline for this contract to \$156,849 per year, instead of asking for an additional \$156,849 each year. We will correct this in the change package. With these corrections, the revised total for these two initiatives will be \$137,270 for the biennial vs. \$433,254.

The last two initiatives are for centralized services, specifically technology and financial and human resources service centers, which are outlined in **Appendix B**. Again, the technology request is larger in the second year to fund the single data warehouse for all OCP data. The amount for this effort is \$188,963.

*The first initiative, on page A-37, provides funding for the anticipated increase to the ALMS maintenance agreement. This initiative increases Other Special Revenue*

*Funds allocation by \$156,849 in each fiscal year. We will adjust this to \$8,857 per year in the change package.*

*The second initiative provides funding for the anticipated increased costs associated with the contracts performing compliance checks. This initiative increases Other Special Revenue Funds allocation by \$93,898 in fiscal year 2026 and \$25,658 in fiscal year 2027.*

*The third initiative provides Other Special Revenue Funds of \$164,051 in fiscal year 2026 and \$353,014 in fiscal year 2027 for statewide technology services provided by MaineIT.*

*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 benefiting all state agencies are managed through this office to ensure consistency, volume discount efficiencies, and optimum performance and throughput. MaineIT is established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. MaineIT expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs, including vendor increases, supply chain costs, and network and systems modernization and upgrades. This recoupment process results in increased billing rates to departments and agencies.*

*The fourth initiative provides Other Special Revenue Funds allocation of \$7,421 in fiscal year 2026 and \$10,677 in fiscal year 2027 to support the cost for the financial and human resources service center within the Department of Administrative and Financial Services.*

*Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies. Service Centers are established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. The Service Centers expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs. This recoupment process results in increased billing rates to departments and agencies.*

## **Alcoholic Beverages – General Operations (0015)**

On page A-9 is the baseline budget for the Alcoholic Beverages – General Operations program. The Bureau effectively regulates the alcohol beverage industry in Maine by ensuring responsible business practices by agency liquor stores, beer and wine wholesalers, and bars and restaurants within a favorable economic climate. Through the guidance of the State Liquor and Lottery Commission, the Bureau has responsibility for the pricing, listing and delisting of spirits. The Bureau is tasked with managing a profitable business organization.

The General Fund baseline supports 15 positions in the Division of Liquor Licensing and Enforcement. The Division reviews applications for liquor licenses and periodically inspects each location. In addition, the Division collects the excise taxes on beer, wine, and flavored malt beverages.

A fee on the registration of labels of alcoholic beverages is deposited into the Other Special Revenue account. These funds are used for education and awareness programs for alcohol servers.

This program also includes the Alcoholic Beverage Fund with an additional 11 positions.

There are two new initiatives in this Program.

The first incorrectly increases allocation. You will notice that there is a significant jump in the All Other baseline budget for this fund. This is the result of erroneously including cost of goods sold in this category. Pursuant to Title 5, section 1666, cost of goods sold expenditures in Enterprise Funds are not subject to legislative allocation. The baseline All Other allocation for the Alcoholic Beverage Fund is overstated by \$180,071,938 in each year. The annual allocation should be approximately \$12.9 million each year. We will make this correction in the biennial budget change package.

The second initiative increases funding for centralized services, specifically the financial and human resources service centers, which are outlined in **Appendix B**.

*The second initiative on page A-9 provides General Fund of \$8,625 in fiscal year 2026 and \$11,442 in fiscal year 2027 and allocation in the Alcoholic Beverage Fund by \$21,485 in fiscal year 2026 and by \$29,457 in fiscal year 2027 to support the cost for the financial and human resources service center within the Department of Administrative and Financial Services.*

*Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies. Service Centers are established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. The Service Centers expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs. This recoupment process results in increased billing rates to departments and agencies.*

## **Lottery Operations**

The last DAFS program scheduled for today is **Lottery Operations on page A-33**. The Maine State Lottery offers instant ticket scratch games and draw games to the public generating over \$88 million last year to the General Fund. The operations of this program are supported entirely by the proceeds from the sale of lottery tickets. The budget allocation supports the administration of the state's lottery games, including 24 positions responsible for customer service, marketing, field sales, security, and general operations.

There are two initiatives in this program for centralized services, specifically technology and the financial and human resources service centers, which are outlined in **Appendix B**.

*The first initiative, on page A-33, provides allocation in the State Lottery Fund of \$1,754 in each fiscal year for statewide technology services provided by MaineIT.*

*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 benefiting all state agencies are managed through this office to ensure consistency, volume discount efficiencies, and optimum performance and throughput. MaineIT is established as an internal service fund intended to recoup their costs through billings to departments and agencies for*

*services provided. MaineIT expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs, including vendor increases, supply chain costs, and network and systems modernization and upgrades. This recoupment process results in increased billing rates to departments and agencies.*

*The second initiative adjusts the State Lottery Fund by reducing fiscal year 2026 allocation by \$12,476 and increasing fiscal year 2027 allocation by \$3,529 to support the cost for the financial and human resources service center within the Department of Administrative and Financial Services.*

*Service Centers within DAFS provide centralized accounting, payroll, budgeting and human resources services to departments and agencies. Service Centers are established as an internal service fund intended to recoup their costs through billings to departments and agencies for services provided. The Service Centers expenses are higher due to negotiated and benefit changes to Personal Services as well as increases in operational costs. This recoupment process results in increased billing rates to departments and agencies.*

*This concludes my testimony. Thank you.*

## 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-7	Z264-Adult Use Cannabis Regulatory Coordination Fund	OSR	\$10,283	\$10,680

## **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 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 Administrative and Financial Services

Page	Program	Service	Fund	FY26 Amt	FY27 Amt
A-8	Z264	MaineIT	OSR	\$255,395	\$696,309
A-8	Z264	Service Centers	OSR	\$7,421	\$10,678
A-9	0015	Service Centers	GF	\$8,625	\$11,442
A-9	0015	Service Centers	ABF	\$21,485	\$29,457
A-33	0023	MaineIT	SLF	\$1,754	\$1,754
A-33	0023	Service Centers	SLF	(\$12,476)	\$3,529
A-37	Z265	MaineIT	OSR	\$164,051	\$353,014
A-37	Z265	Service Centers	OSR	\$7,421	\$10,677