



MAINE OFFICE OF
**Community
Affairs**

**Testimony of Samantha Horn, Director
Maine Office of Community Affairs**

**Before the Joint Standing Committees on
Appropriations and Financial Affairs and
Housing and Economic Development**

**LD 2212 - “An Act to Make Supplemental 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”**

Hearing Date: February 19, 2026, 1:30 pm

Good afternoon, Senators Rotundo and Curry, Representatives Gattine and Gere, and Members of the Joint Standing Committees on Appropriations and Financial Affairs and Housing and Economic Development. My name is Samantha Horn, and I am the Director of the Maine Office of Community Affairs (MOCA). I am here today to testify in support of LD 2212 the Governor’s Supplemental Budget proposal for State fiscal years 2026 and 2027. This testimony addresses each item and proceeds sequentially from pages A-91 through A-97 and T-7. Also, the language found on pages 40 through 48 and pages 85 through 110.

This is the final budget proposal from the Administration. The proposal delivers financial relief to Maine people, preserves programs lawmakers and Maine people support, and addresses some emergent issues, including impacts of new federal legislation. Governor Mills’ guiding belief has always been that our strongest asset is the people of Maine and that’s why this budget, like those in the past, seeks to invest in and support them. We look forward to working with the Legislature in the coming weeks to enact a balanced budget that supports Maine people and protects the fiscal health of our state.

MOCA was created in 2024 to foster communications and partnerships between the State and communities in this State. Our charge is to engage with municipalities, tribal governments and regional councils to provide coordinated and efficient planning, technical assistance and financial support to better plan for challenges, pursue solutions and create stronger, more resilient communities.

You will see that our supplemental budget requests address ongoing work and critical needs within our programs. Many of the items are “housekeeping” following the transfer of programs

to MOCA but are nonetheless critical for our operations. The substantive items the Office is proposing are focused on the creation of housing, particularly through supports for local code enforcement, and assisting communities with the AI transition.

Adding capacity in the Division of Building Codes and Standards, creating incentives for regionalized code enforcement, and transferring oversight of manufactured housing from the Department of Professional and Financial Regulation to MOCA are important steps toward supporting innovative and dynamic housing construction activity while giving communities much-needed coordinated technical assistance. This set of initiatives includes one ongoing new position that would serve as an expert advisor to communities and industry regarding Maine's building and land use codes and related standards. It also proposes a three-year, one-time funded pilot to incentivize regional code enforcement. Strengthening the development review capacity of all communities, but particularly those that are small and rural, will create regulatory certainty, advance Maine's housing objectives, bolster public safety and environmental protection, and reduce energy use.

Our substantive initiatives also propose the transfer of the Manufactured Housing Board (MHB) staff to MOCA, and language part RRR accomplishes the transfer of the MHB's authority. The MHB has served an important role for many years in ensuring safe and healthy housing. As technology has changed, we are seeing industrialized building techniques become common in all types of construction. Maintaining two separate regulatory systems for manufactured and modular housing vs modular commercial and stick-built is becoming difficult and confusing for the regulated public. We can create a clearer process for building and also provide an increased range of services for Manufactured Home Communities by updating the regulatory process and bringing it into MOCA. Our agency's mission is to provide a one stop shop for assistance and we can provide that coordinated assistance and a point of contact for community residents, community owners, municipalities, and code enforcement officers alike. To provide capacity for enforcement of housing-related issues, funding for an additional position at the Attorney General's Office is proposed to be funded from fee revenue.

A proposed ongoing grant program to assist communities in safely taking advantage of new AI tools will allow experimentation and sharing of information across communities as they implement time and cost-saving techniques. As demonstrated in other U.S. communities, AI has the potential to make government processes, such as building permit processing, far more efficient and timelier.

The substantive initiatives I just mentioned are the result of the recommendations of legislatively initiated housing-related working groups and the AI Task Force. The HED committee has received a full briefing and recommendations from the working group reports, so they are familiar with many of the initiatives, but I would be happy to provide these additional materials to the AFA committee if you would like to see them. The Administration looks forward to discussing our proposed initiatives in detail in the work sessions.

The State's collective bargaining unit agreements include negotiated language related to the reclassification 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 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.

Our budget includes a request for increases to centralized services. This is for financial and human resources services provided by the Department of Administrative and Financial Services. Our Department's centralized service requests are summarized at the end of this testimony as Appendix C. 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.

Now to the details. You will also see the blippie from the budget document in italics that I won't be reading but is there for orientation and additional information. Hopefully, these introductory comments provide helpful background information as you consider the following initiatives.

Community Resilience Partnership (Z412)

The Community Resilience Partnership (CRP) provides grants and technical assistance to communities in Maine to help them identify and address local priorities to reduce greenhouse gas emissions, transition to clean energy, and become more resilient to climate effects such as extreme storms, flooding, rising sea levels, and threats to public health.

The only initiative in this program on page A-91 transfers one Public Service Coordinator II position and All Other costs from the Community Resilience Partnership program to the State Resilience Fund program in fiscal year 2027. Initial funding for the State Resilience Office was from a federal grant that began in October 2024. At that time we set up accounts in MOCA and began hiring. Subsequently, the transfers of the additional programs into MOCA via the biennial budget were proposed within the MOCA accounts. After those accounts were established, the State Resilience Office and the State Resilience Fund were created in statute in April of 2025 as a result of LD 1. The Bureau of the Budget has determined that it would be most consistent with LD 1 to move the accounts for all State Resilience Office programs into the State Resilience Fund. This initiative impacts multiple programs throughout our testimony, including on pages A-94, A-95, and A-97. As we encounter each instance of such a program move, I will reference this initial explanation.

Initiative: Transfers one Public Service Coordinator II position and All Other costs from the Community Resilience Partnership program to the State Resilience Fund program within the same fund.

Division of Building Codes and Standards (Z419)

The Division of Building Codes and Standards (DBCS) manages the training and certification of Municipal Code Enforcement Officers (CEOs), Local Plumbing Inspectors (LPs) and Third-Party Inspectors (TPIs). LPs ensure that municipalities and their residents comply with state plumbing and wastewater requirements while CEOs are responsible for enforcing state laws governing

shoreland zoning, land-use regulations and the Maine Uniform Building and Energy Code (MUBEC). The MUBEC is created and maintained by the Technical Building Codes and Standards Board, for which DBCS provides technical support. In addition to supporting the Board, DBCS provides technical assistance to other state agencies, municipal organizations, and the public.

The first initiative on page A-92 provides funding of \$135,761 in fiscal year 2027 for one Resource Management Coordinator position for support for local code enforcement officers. This second building code professional would offer advice and technical assistance to communities and building professionals facing building and land use code questions.

Initiative: Establishes one Resource Management Coordinator position and provides funding for training and support for local code enforcement officers.

The second initiative on page A-92 provides an allocation for overtime costs and the approved reclassification of a Public Safety Inspector III position to a Public Safety Inspector Supervisor position of \$40,560 in fiscal year 2026 and \$44,752 in fiscal year 2027. This is also listed in Appendix A.

Initiative: Provides funding for the approved reclassification of one Public Safety Inspector III position to a Public Safety Inspector Supervisor position retroactive to August 21, 2024 and transfers All Other to Personal Services one-time to fund the retroactive portion of the reclassification. This initiative also provides funding for authorized overtime.

The third initiative on page A-92 transfers related All Other Federal funding of \$22,486 in fiscal year 2027 from Department of Professional and Financial Regulation to the Maine Office of Community Affairs associated with the functions of the Manufactured Housing Board. This is the first initiative related to the transfer of the Manufactured Housing Board that I mentioned in my introduction. Other related items are found on pages A-92, A-93, A-103, and Part RRR.

Initiative: Transfers All Other funding related to the Manufactured Housing Board from the Office of Professional and Occupational Regulation program within the Department of Professional and Financial Regulation to the Housing Opportunity Program within the Maine Office of Community Affairs within the same fund.

The fourth initiative on page A-92 provides funding of \$145,962 in fiscal year 2027 for services of an Assistant Attorney General position at the Office of the Maine Attorney General related to housing issues, particularly the enforcement of licensing conditions of manufactured housing communities.

Initiative: Provides funding for an attorney position at the Office of the Maine Attorney General.

The last initiative on page A-92 transfers one Senior Manufactured Housing Inspector position and one Manufactured Housing Inspector position from the Office of Professional and Occupational Regulation program within the Department of Professional and Financial Regulation to the

Division of Building Codes and Standards program within the Maine Office of Community Affairs in fiscal year 2027. As I mentioned in the introduction, the Housing Production Innovation Working Group recommended a new configuration of responsibilities for building codes in Maine, bringing codes for modular, manufactured and stick built construction under one umbrella. This would bring streamlining and clarity for developers and communities. Providing opportunities to improve training and support for innovative new construction techniques are key goals. Other related items are found on **pages A-92, A-93, A-103, and Part RRR**

Initiative: Transfers one Senior Manufactured Housing Inspector position and one Manufactured Housing Inspector position from the Office of Professional and Occupational Regulation program within the Department of Professional and Financial Regulation to the Division of Building Codes and Standards program within the Maine Office of Community Affairs within the same fund. Two authorized positions and any incumbent personnel as of July 1, 2026 in the Department of Professional and Financial Regulation are transferred to the Maine Office of Community Affairs. All transferred positions, including those currently unclassified, are classified positions at the Maine Office of Community Affairs. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

Housing Opportunity Program (Z418)

The Housing Opportunity Program (HOP) provides technical assistance, including land use ordinance development, to municipalities to support housing development. HOP also provides grant funding to municipalities and service providers to assist with community housing planning and implementation projects.

The first initiative in this program on page **A-93** transfers one Executive Director Manufactured Housing Board position and one Secretary Specialist position from the Office of Professional and Occupational Regulation program within the Department of Professional and Financial Regulation to the Housing Opportunity Program within the Maine Office of Community Affairs within the same fund in fiscal year 2027. This would carry out the recommendations in the report submitted pursuant to Public Law 2025, chapter 365, An Act to Ensure Affordability and Stability in Residential Housing and in Manufactured Housing Communities, to transfer the responsibility for certification, technical assistance and regulatory coordination of manufactured housing from Office of Professional and Occupational Regulation in the Department of Professional and Financial Regulation to the Maine Office of Community Affairs. Other related items are found on **pages A-92, A-93, A-103, and Part RRR**

Initiative: Transfers one Executive Director Manufactured Housing Board position and one Secretary Specialist position from the Office of Professional and Occupational Regulation program within the Department of Professional and Financial Regulation to the Housing Opportunity Program within the Maine Office of Community Affairs within the same fund. Two authorized positions and any incumbent personnel as of July 1, 2026 in the Department of Professional and Financial Regulation are transferred to the Maine Office of Community Affairs. All transferred positions, including those currently unclassified, are classified positions at the Maine Office of Community Affairs. The

designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

The other initiative in this program is in **Part T**. As detailed by the DAFS Commissioner, the supplemental proposes one-time language to change the use of the state's record high Budget Stabilization Fund (BSF) in order to fund certain affordability and emergency initiatives. The proposal, which encompasses all of **Part T** and the language **Part T** that begins on Page 40 of the language document, transfers a total of \$324.7 million.

MOCA's piece of **Part T**, **section 21** may be found on **Page 48** of the language document. It provides one-time funding to the Housing Opportunity Program of \$500,000 in fiscal years 2026 and 2027 for a three-year pilot project to incentivize regionalized code enforcement, which is essential to support small rural communities in advancing housing and environmental goals while providing for public safety. Regionalization is a more stable model for employing CEOs and there is tremendous interest in establishing multiple pilot locations throughout the state that can form the basis for longer term self-supported regional programs.

Initiative also included on page **T-6**.

Initiative: Provides one-time funding for a three-year pilot project to provide regionalized building code enforcement. Well-trained Code Enforcement Officers are essential to timely, predictable permitting of housing and other development. Municipalities are struggling to staff these positions, in part because small communities typically employ CEOs part time on contract, which is an unattractive employment model and does not encourage regular professional education. Regionalization is a more stable model for employing CEOs and there is tremendous interest in establishing multiple pilot locations throughout the state that can form the basis for longer term self-supported regional programs.

Maine Climate Corps Program (Z416)

The program is established to provide grants, technical assistance and training to community service corps programs with the mission of responding to the impacts of climate change.

The first initiative in this program on page **A-93** corrects by reducing the Legislative Count of one Senior Planner position that was continued as a limited-period position through June 19, 2027. Public Law 2025, chapter 388, **Part D** transferred this position as permanent, in error, from the Department of Education to the Maine Office of Community Affairs.

Initiative: Reduces Legislative Count for one Senior Planner position that was continued as limited-period through June 19, 2027 in the Department of Education in Public Law 2025, chapter 388, Part A.

The second initiative in this program on page **A-93** provides one-time allocation of \$24,508 in fiscal year 2026 and \$500 in fiscal year 2027 for Public Law 2021, chapter 728, to support four eligible participants in the Maine Climate Corps Program that was transferred from the Maine

Attorney General from settlement funds received from antitrust enforcement and the enforcement of Maine Unfair Trade practices. This initiative provides one-time allocation that matches what has not yet been spent of the original \$120,000 provided.

Initiative: Provides one-time funding to support the Maine Climate Corps Program pursuant to Public Law 2021, chapter 728.

Maine Floodplain Program (Z420)

The Floodplain Management Program staff provides technical assistance and training related to the National Flood Insurance Program (NFIP), FEMA flood hazard maps, local floodplain management ordinance requirements and flood insurance. The program also fields questions from municipal officials, property owners, prospective buyers, businesses, lenders, real estate professionals, insurance agents, surveyors and engineers and others about floodplain management.

The only initiative in this program on page A-94 transfers one Senior Planner position, one Planner II position and All Other costs from the Maine Floodplain Program to the State Resilience Fund program in fiscal year 2027. The duties to be performed by the State Resilience Office include administering the Floodplain Management Program and the State Floodplain Mapping Fund. This transfer would align with the duties and responsibilities assigned to the State Resilience Office. This initiative impacts multiple programs and is also found on Pages A-91, A-95 and A-97.

Initiative: Transfers one Senior Planner position, one Planner II position and All Other costs from the Maine Floodplain Program to the State Resilience Fund program within the same respective funds.

Maine Office of Community Affairs (Z396)

This program is responsible for fostering communications and partnerships across state agencies and between the State and communities in this State. The office shall engage with municipalities, tribal governments and regional councils to provide coordinated and efficient planning, technical assistance and financial support to better plan for challenges, pursue solutions and create stronger, more resilient communities.

The first initiative on page A-95 transfers the four limited-period positions and related All Other costs from Maine Office of Community Affairs program to the State Resilience Fund program to align allocations with the duties and responsibilities assigned to the State Resilience Office. It also changes the end date of the positions to September 30, 2029. This initiative also increases funding for the remainder of the All Other costs related to this grant in the State Resilience Fund program. This initiative impacts multiple programs and may also be found on Pages A-91, A-94 and A-97.

Initiative: Transfers one limited-period Public Service Executive II position, 3 limited-period Public Service Manager II positions and related All Other costs from the Maine Office of Community Affairs program to the State Resilience Fund program within the same fund and changes the end date of the positions to September 30, 2029. This initiative also

provides funding for All Other costs for a five-year grant received from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration.

The second initiative on page A-95 provides an allocation of \$243,296 in fiscal year 2027 for processing indirect costs. MOCA has several grants that are authorized to charge a percentage of the grant award for indirect costs. Indirect cost revenues will be used to pay administrative costs for services such as general operations, technology, office supplies, and service center invoices.

Initiative: Provides funding for DICAP costs.

The third initiative on page A-95 provides funding of \$350,000 in fiscal year 2027 for a partnership program supporting municipalities to assess needs and opportunities related to the use of artificial intelligence through grants, technical assistance and information sharing with priority toward expedited permitting for housing development and improved cybersecurity.

Initiative: As part of the Governor's AI Commission recommendations, provides ongoing funding for a partnership program supporting municipalities to assess needs and opportunities related to the use of artificial intelligence through grants, technical assistance and information sharing with priority toward expedited permitting for housing development and improved cybersecurity.

The last initiative on page A-95 provides General Funds of \$47,500 in fiscal year 2026 and \$47,500 in fiscal year 2027 to support the Maine Office of Community Affairs 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 funds intended to recoup their costs through billings to departments and agencies for services provided. The initial General Fund request for service center costs was \$20,000 which is not reflective of actual service center costs. This request brings the General Fund portion of service center costs to \$67,500, which is approximately a 50/50 split between General Fund and Other Special Revenue Funds from DICAP revenues. This initiative is listed in Appendix C.

Initiative: Provides funding for the Department's share of the cost for the financial and human resources service center within the Department of Administrative and Financial Services.

Maine Service Fellows Program (Z417)

The program is established within the Maine Commission for Community Service to increase the opportunities for individuals to devote service to communities in the State; attract and retain in the State motivated adults who have completed a college degree within the prior five years to serve in positions where they can apply skills and abilities to projects for the benefit of citizens of the State; provide rural and underserved communities in the State a resource to address critical health

and human, public safety, education and environmental needs; and strengthen civic engagement through solutions based in whole or in part in volunteer service.

The first initiative in this program on page **A-96** increases allocation by \$10,000 in fiscal year 2027 for projected annual revenues from site fees for Maine Service Fellows placement. The funds will be used to support Maine Service Fellows Program staff in attending critical work-related events, including capacity building and professional development, as well as supporting outreach to increase visibility of the program.

Initiative: Provides funding to align allocations with projected available resources.

The second initiative in this program on page **A-96** provides funding of \$226,110 in fiscal year 2027 for a portion of Resilient Maine: Local Adaptation and Resilience Actions at a Coastwide Scale grant.

Initiative: Provides funding for All Other costs for a five-year grant received from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration.

Municipal Planning Assistance (Z414)

The Municipal Planning Assistance Program (MPAP) provides land use planning expertise, guidance, and technical assistance to Maine municipalities, state agencies, and the public. MPAP administers Maine's Growth Management Law and coordinates with state agencies to promote growth management principles that help municipalities grow sustainably while aligning local policies, various programs, regulations, and investments with state goals, policies, and objectives.

The only initiative in this program on page **A-96** makes a correction by reducing the Legislative Count of one Senior Planner position that was continued as a limited-period position through June 19, 2027. Public Law 2025, chapter 388, Part D transferred this position as permanent, in error, from the Department of Agriculture, Conservation and Forestry to the Maine Office of Community Affairs.

Initiative: Reduces Legislative Count for one Senior Planner position that was continued as limited-period through June 19, 2027 in the Department of Agriculture, Conservation and Forestry in Public Law 2025, chapter 388, Part A.

State Resilience Fund (Z430)

This program coordinates and assists implementation of the State's resilience policies and activities designed to improve resistance to extreme weather events; collaborates with state agencies, county, municipal and tribal governments, regional councils and county, local and tribal emergency management agencies and other stakeholders to harmonize policy objectives and implementation of resilience policies and activities designed to improve resistance to extreme weather events across all levels of government; promotes natural hazard risk management across

all levels of government; assists county, municipal and tribal governments in this State to manage risks from extreme weather events and natural hazards, such as flooding and damaging winds, through planning, technical assistance and financial support.

The first initiative on page A-97 impacts multiple programs and was mentioned earlier under the Maine Office of Community Affairs program that may also be found on pages A-94 and A-95.

Initiative: Transfers one limited-period Public Service Executive II position, 3 limited-period Public Service Manager II positions and related All Other costs from the Maine Office of Community Affairs program to the State Resilience Fund program within the same fund and changes the end date of the positions to September 30, 2029. This initiative also provides funding for All Other costs for a five-year grant received from the U.S. Department of Commerce, National Oceanic and Atmospheric Administration.

The second initiative on page A-97 impacts multiple programs and was mentioned earlier under the Community Resilience Partnership program that may also be found on page A-91.

Initiative: Transfers one Public Service Coordinator II position and All Other costs from the Community Resilience Partnership program to the State Resilience Fund program within the same fund.

The third initiative on page A-97 transfers a position from the Executive Department to the State Resilience Fund program within the Maine Office of Community Affairs. The position was initially funded by the US Dept of Energy's Energy Efficiency and Conservation Block Grant (EECBG), which was awarded to GOPIF in 2023 for a three-year period ending September 2026. The scope of work for the EECBG grant and the position is tied closely to the Community Resilience Partnership, which transferred to MOCA in September 2025. Currently, the incumbent sits with the CRP team in MOCA while GOPIF continues to pay for the position. In January 2026, funding for the position was changed to 75% EECBG and 25% NOAA CRRC grant funding, reflecting a shift in projects as the EECBG scope of work winds down. MOCA anticipates that the funding will shift to 100% NOAA CRRC in September 2026, until September 30, 2029.

Initiative: Transfers one limited-period Public Service Coordinator II position and related All Other costs from the Office of Policy Innovation and the Future program within the Executive Department to the State Resilience Fund program within the Maine Office of Community Affairs, within the same fund, and continues this position through September 30, 2029.

The last initiative on page A-97 impacts multiple programs and was mentioned earlier under the Maine Floodplain Program that may also be found on page A-94.

Initiative: Transfers one Senior Planner position, one Planner II position and All Other costs from the Maine Floodplain Program to the State Resilience Fund program within the same respective funds.

LANGUAGE

MOCA's **Part T** initiative is described on **pages 5 and 6** of this testimony.

Part RRR on **pages 85-110** transfers statutory responsibilities for the oversight of manufactured housing manufacturers and manufactured housing communities currently under the Manufactured Housing Board and administered by the Office of Professional and Occupational Regulation within the Department of Professional and Financial Services to the Maine Office of Community Affairs. The language eliminates the Manufactured Housing Board and provides transition authority to MOCA to continue administering the related programs under current rules and authorizes the office to develop and implement new rules in replacement. It allows the annual license fees assessed to manufactured housing communities to be expanded for legal services provided by the Office of the Attorney General. It increases the surcharge on plan review fees to fund the Technical Building Codes and Standards Board with respect to the Maine Uniform Building and Energy Code. While this language accomplishes the transfer of authority, we are continuing to work with the Housing Committee on a set of committee bills based on off-session task force reports and we expect those bills ultimately will provide language which could be enacted in place of Part RRR.

This concludes the presentation on MOCA's Supplemental Budget. I would be happy to address any questions you may have.

APPENDIX A: Reclasses/Reorgs/Range Changes

Civil Service Rules require the State's Human Resources Officer 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-92	Z419	OSR	49,842	44,752

APPENDIX C: 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 the 2026-2027 biennial budget, DAFS adjusted these rates for all of the reasons outlined above, but primarily because 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 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.

Page	Program	Service	Fund	FY26 Amt	FY27 Amt
A-95	Z396	Svc Center	GF	47,500	47,500