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**STATE OF MAINE
ONE HUNDRED AND THIRTY-FIRST LEGISLATURE
COMMITTEE ON STATE AND LOCAL GOVERNMENT**

MEMORANDUM

TO: Senator Margaret Rotundo, Senate Chair
Representative Melanie Sachs, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Tim Nangle, Senate Chair *TN*
Representative Holly Stover, House Chair *HS*
Joint Standing Committee on State and Local Government

DATE: February 1, 2023

RE: Supplemental budget recommendations

On January 31, 2023, the Joint Standing Committee on State and Local Government reviewed the budget items in the Governor’s proposed supplemental budget for FY23, LD 206, pertaining to those state agencies under the committee’s jurisdiction. Attached are the supplemental budget work sheets which indicate the committee’s vote on each initiative and language part.

In summary, the committee voted as follows:

INITIATIVES

The committee voted unanimously of members present to move **IN** all budget initiatives under the committee’s jurisdiction with the **following exception**:

- Capital Construction/Repairs/Improvements, Department of Administrative and Financial Services, 059 (Ref #4)

The committee voted 7-4 to move **IN** Ref #4 as proposed

Four members voted **IN** Ref #4 with the additional recommendation that the Joint Standing Committee on Appropriations and Financial Affairs determine whether the Greater Augusta Utility District should reimburse the Department of Administrative and Financial Services for some or all of the construction costs.

LANGUAGE PARTS

The committee voted unanimously of those present to move **IN** all language parts under the committee's jurisdiction with the **following exception**:

- The committee voted 7-4 to move **IN** Part D as proposed.

Four members voted **IN** Part D with the restriction that the Department of Administrative and Financial Services may not spend funds to purchase zero emission vehicles.

- The committee voted 10-1 to vote **IN** Part I.

Thank you for your consideration of our recommendations.

Cc Members, Joint Standing Committee on State and Local Government
Maureen Dawson, OFPR Analyst, AFA Committee
Justin Purvis, Clerk, AFA Committee

Sec. A-1. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Capital Construction/Repairs/Improvements - Administration 0059

Initiative: Provides one-time funding for additional renovations required for the Cultural Building.

Ref. #: 3 One Time Committee Vote: 11-0 IN AFA Vote: _____

GENERAL FUND	2022-23	2023-24	2024-25
Capital Expenditures	\$5,000,000	\$0	\$0
GENERAL FUND TOTAL	\$5,000,000	\$0	\$0

Justification:

This initiative provides one-time funding to replace the plumbing and electrical within the Cultural Building. The condition of the plumbing and electrical was worse than expected once they were open to inspection. It will be significantly less expensive to do these repairs and replacements now, while there is unobstructed access.

Capital Construction/Repairs/Improvements - Administration 0059

Initiative: Provides one-time funding for required capital construction associated with the Augusta East Campus.

Ref. #: 4 One Time Committee Vote: 7-4 IN AFA Vote: _____

GENERAL FUND	2022-23	2023-24	2024-25
Capital Expenditures	\$300,000	\$0	\$0
GENERAL FUND TOTAL	\$300,000	\$0	\$0

Justification:

This initiative provides one-time funding to make necessary adjustments to the water main system to maintain the necessary pressure required to utilize the sprinkler systems within the Augusta East Campus.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS	2022-23	2023-24	2024-25
GENERAL FUND	\$5,300,000	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$5,300,000	\$0	\$0

Sec. A-4. Appropriations and allocations.

The following appropriations and allocations are made.

AUDITOR, OFFICE OF THE STATE

Audit Bureau 0067

Initiative: Provides funding for the approved reclassification of one Senior Auditor position to a Principal Auditor position, retroactive to August 12, 2022.

Ref. #: 40

One Time

Committee Vote:

11-0 IN

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

Personal Services

2022-23

2023-24

2024-25

\$9,601

\$0

\$0

OTHER SPECIAL REVENUE FUNDS TOTAL

\$9,601

\$0

\$0

Justification:

The Senior Auditor position was reclassified to a Principal Auditor position with an effective date of August 12, 2022. Retroactive pay is due from effective date.

Audit Bureau 0067

Initiative: Provides funding for the approved reclassification of one Public Service Manager II position to a Public Service Manager III position, retroactive to September 21, 2022.

Ref. #: 41

One Time

Committee Vote:

11-0 IN

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

Personal Services

2022-23

2023-24

2024-25

\$8,517

\$0

\$0

OTHER SPECIAL REVENUE FUNDS TOTAL

\$8,517

\$0

\$0

Justification:

The Public Service Manager II (Audit Manager) position was reclassified to a Public Service Manager III (State Audit Director) with an effective date of September 21, 2022. Retroactive pay is due from effective date.

Audit Bureau 0067

Initiative: Provides funding for the approved reclassification of one Public Service Executive II position from range 35 to range 37, retroactive to September 19, 2022.

Ref. #: 42

One Time

Committee Vote:

11-0 IN

AFA Vote: _____

GENERAL FUND

Personal Services

2022-23

2023-24

2024-25

\$10,679

\$0

\$0

GENERAL FUND TOTAL

\$10,679

\$0

\$0

Justification:

The Public Service Executive II (Deputy State Auditor) position was approved for a reclassification from range 35 to range 37 effective September 19, 2022. Retroactive pay is due from effective date.

Audit Bureau 0067

Initiative: Provides funding for continuing the transition of auditing workpapers from paper to electronic using 3rd-party software with support from the Department of Administrative and Financial Services, Office of Information Technology.

Ref. #: 43 One Time Committee Vote: 11-0 AFA Vote: _____

IN

OTHER SPECIAL REVENUE FUNDS	2022-23	2023-24	2024-25
All Other	\$29,718	\$0	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	\$29,718	\$0	\$0

Justification:

This initiative provides All Other funding for technology services and STACAP to continue the implementation of electronic auditing work papers for 30 end users, as well as technology costs for implementation support, including server development, from MainIT.

AUDITOR, OFFICE OF THE STATE

DEPARTMENT TOTALS	2022-23	2023-24	2024-25
GENERAL FUND	\$10,679	\$0	\$0
OTHER SPECIAL REVENUE FUNDS	\$47,836	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$58,515	\$0	\$0

Sec. A-8. Appropriations and allocations. The following appropriations and allocations are made.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Fund for Efficient Delivery of Local & Regional Svcs Z254

Initiative: Provides one-time funding to restore lapsed funds for contractual awards relating to the efficient delivery of local and regional services.

Ref. #: 91 One Time Committee Vote: 11-0 AFA Vote: _____

GENERAL FUND				
All Other				
GENERAL FUND TOTAL				
		2022-23	2023-24	2024-25
		\$741,427	\$0	\$0
		\$741,427	\$0	\$0

Justification:

A request for proposal in 2018 awarded \$3M in dedicated funds to three entities for projects authorized through the Efficient Delivery of Local and Regional Services program. Projects were put on hold during the pandemic and a balance in the contracts totaling \$741,427 lapsed to the General Fund at the end of fiscal year 2021-22. Funds are required to fulfill contractual obligations.

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

DEPARTMENT TOTALS		2022-23	2023-24	2024-25
GENERAL FUND		\$741,427	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS		\$741,427	\$0	\$0

Sec. A-25. Appropriations and allocations. The following appropriations and allocations are made.

SECRETARY OF STATE, DEPARTMENT OF

Administration - Archives 0050

Initiative: Provides one-time funding for high-density shelving at the former Eastside Wellness Center and in the Cultural Building in the Maine State Archives.

Ref. #: 219 One Time Committee Vote: 11-0 AFA Vote: _____

IN

GENERAL FUND	2022-23	2023-24	2024-25
Capital Expenditures	\$1,500,000	\$0	\$0
GENERAL FUND TOTAL	\$1,500,000	\$0	\$0

Justification:

Due to the need for more storage space for archival records, the Maine State Archives will occupy the Eastside Wellness Center building permanently. To use it as a storage facility, proper shelving is needed to store archival record boxes. This facility currently does not include any shelving. As the Archives return to the Cultural Building after renovations, there is a need for adequate shelving to properly house boxes of archival records on the second floor. New shelving will allow for the more efficient storage of boxes, therefore increasing capacity by an estimated 15%.

Administration - Archives 0050

Initiative: Provides funding for the approved reorganization of one Office Associate II position to an Office Specialist I position and related All Other costs.

Ref. #: 220 One Time Committee Vote: 11-0 AFA Vote: _____

IN

GENERAL FUND	2022-23	2023-24	2024-25
Personal Services	\$1,105	\$0	\$0
GENERAL FUND TOTAL	\$1,105	\$0	\$0

Justification:

This management-initiated reorganization from an Office Associate II position to an Office Specialist I position was approved by the Bureau of Human Resources on May 17, 2022.

Administration - Archives 0050

Initiative: Provides funding for the approved reorganization of one Inventory & Property Associate II position to an Archivist II position.

Ref. #: 221 One Time Committee Vote: 11-0 AFA Vote: _____

IN

GENERAL FUND	2022-23	2023-24	2024-25
Personal Services	\$986	\$0	\$0
GENERAL FUND TOTAL	\$986	\$0	\$0

Justification:

This management initiated reorganization from an Inventory and Property Associate II position to an Archivist II position was approved by the Bureau of Human Resources on August 31, 2022.

SECRETARY OF STATE, DEPARTMENT OF

DEPARTMENT TOTALS	2022-23	2023-24	2024-25
GENERAL FUND	\$1,502,091	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$1,502,091	\$0	\$0

Sec. A-26. Appropriations and allocations.

The following appropriations and allocations are made.

TREASURER OF STATE, OFFICE OF

Administration - Treasury 0022

Initiative: Provides funding for the approved reclassification of one Office Associate II position to an Office Specialist I position, retroactive to July 2020.

Ref. #: 234

One Time

Committee Vote:

11-0

AFA Vote:

GENERAL FUND

Personal Services

GENERAL FUND TOTAL

2022-23

\$12,083

\$12,083

2023-24

\$0

\$0

2024-25

\$0

\$0

Justification:

This initiative will fund a reclassification to align work functions to the appropriate classification, and will also fund the retroactive payment for this position.

TREASURER OF STATE, OFFICE OF

DEPARTMENT TOTALS

GENERAL FUND

DEPARTMENT TOTAL - ALL FUNDS

2022-23

\$12,083

\$12,083

2023-24

\$0

\$0

2024-25

\$0

\$0

PART D

7-4

IN

4 IN w/ change

Sec. D-1. PL 2021, c. 398, Part M is amended to read:

Sec. M-1. Department of Administrative and Financial Services; lease-purchase authorization. Pursuant to the Maine Revised Statutes, Title 5, section 1587, the Department of Administrative and Financial Services, in cooperation with the Treasurer of State, may enter into financing agreements in fiscal years 2021-22 and 2022-23 for the acquisition of motor vehicles for the Central Fleet Management Division. The financing agreements entered into ~~in each fiscal year~~ may not exceed \$7,500,000 in fiscal year 2021-22 and \$15,000,000 in fiscal year 2022-23 in principal costs, and a financing agreement may not exceed 6 years in duration. The interest rate may not exceed 7%. The annual principal and interest costs must be paid from the appropriate line category allocations in the Central Fleet Management Division account.

PART D
SUMMARY

This Part increases the borrowing authority of the Department of Administrative and Financial Services to enter into financing arrangements in fiscal year 2022-23 for the acquisition of motor vehicles for the Central Fleet Management Division and adjusts the interest rate. The Division was unable to fully utilize the borrowing authority in fiscal year 2021-22 due to automobile supply issues.

PART G

11-0

IN

Sec. G-1. Payments to State from Maine Governmental Facilities Authority operating account. Notwithstanding any provision of law to the contrary, the Maine Governmental Facilities Authority shall transfer \$149,955 from the balance in the authority's operating account to the State as undedicated revenue no later than June 30, 2023.

PART G
SUMMARY

This Part directs the Maine Governmental Facilities Authority to transfer \$149,955 from the balance in the authority's operating account to the State as undedicated revenue no later than June 30, 2023. This balance is a result of the overpayment of debt service on closed bond issuances.

PART H

11-0 In

Sec. H-1. Carry provision; Department of Administrative and Financial Services. Notwithstanding any other provision of law to the contrary, at the end of fiscal year 2022-23, the State Controller shall carry forward to fiscal year 2023-24 any unexpended balance remaining in the Information Services, General Fund account.

PART H
SUMMARY

This Part authorizes the State Controller to carry forward to fiscal year 2023-24 any unexpended balance appropriated in in the Information Services, General Fund account, All Other line category in fiscal year 2022-23 to be expended for the same purposes.

PART I

10-1 In

Sec. I-1. Transfer of Personal Services balances to All Other; Department of Administrative and Financial Services. Notwithstanding any provision of law to the contrary, for fiscal year 2022-23 only, the Department of Administrative and Financial Services is authorized to transfer available balances of Personal Services allocations in the Information Services program, General Fund account after all salary, benefit and other obligations are met to the All Other line category of the Information Services program, General Fund account for the purposes of funding statewide cybersecurity costs. These amounts may be transferred by financial order upon the recommendation of the State Budget Officer and approval of the Governor. These transfers are not considered adjustments to appropriations.

PART I
SUMMARY

This Part authorizes the Department of Administrative and Financial Services to transfer by financial order available Personal Services balances in the Information Services program, General Fund account for fiscal year 2022-23 only, in order to fund statewide cybersecurity costs.