

**127th MAINE LEGISLATURE****LD 1606****LR 2716(02)****An Act To Provide Funding to the Maine Budget Stabilization Fund****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Appropriations and Financial Affairs****Fiscal Note Required: Yes****Fiscal Note**

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$47,473,399	\$7,179,558	\$7,853,653	\$8,567,153
Highway Fund	\$0	\$0	\$3,244	\$3,244
Appropriations/Allocations				
General Fund	\$2,948,899	\$6,784,358	\$6,843,953	\$6,843,953
Highway Fund	\$0	\$0	\$3,244	\$3,244
Federal Expenditures Fund	\$966,158	\$8,864,258	\$8,983,120	\$8,983,120
Other Special Revenue Funds	\$92,499	\$2,022,207	\$2,033,251	\$2,033,251
Revenue				
General Fund	(\$24,500)	(\$395,200)	(\$1,009,700)	(\$1,723,200)
Federal Expenditures Fund	\$966,158	\$8,864,258	\$8,983,120	\$8,983,120
Other Special Revenue Funds	\$91,999	\$2,014,207	\$2,012,251	\$1,998,251
Transfers				
General Fund	(\$44,500,000)	\$0	\$0	\$0
Fund Detail by Section				
Appropriations/Allocations				
General Fund				
PART A, Section 2	\$0	\$931,283	\$920,239	\$920,239
PART B, Section 3	\$0	\$4,000,000	\$4,000,000	\$4,000,000
PART D, Section 2	\$2,465,896	\$0	\$0	\$0
PART E, Section 1	\$0	\$0	\$97,155	\$97,155
PART F, Section 1	\$483,003	\$1,853,075	\$1,826,559	\$1,826,559
Highway Fund				
PART E, Section 1	\$0	\$0	\$3,244	\$3,244

Federal Expenditures Fund

PART B, Section 3	\$0	\$4,920,692	\$5,013,037	\$5,013,037
PART F, Section 1	\$966,158	\$3,943,566	\$3,970,083	\$3,970,083

Other Special Revenue Funds

PART A, Section 2	\$0	\$1,652,208	\$1,663,252	\$1,663,252
PART F, Section 1	\$92,499	\$369,999	\$369,999	\$369,999

Revenue**General Fund**

PART G, Section 1	(\$24,500)	\$0	\$0	\$0
PART H, Section 1	\$0	(\$395,200)	(\$1,009,700)	(\$1,723,200)

Federal Expenditures Fund

PART B, Section 3	\$0	\$4,920,692	\$5,013,037	\$5,013,037
PART F, Section 1	\$966,158	\$3,943,566	\$3,970,083	\$3,970,083

Other Special Revenue Funds

PART A, Section 2	\$0	\$1,652,208	\$1,663,252	\$1,663,252
PART F, Section 1	\$92,499	\$369,999	\$369,999	\$369,999
PART G, Section 1	(\$500)	\$0	\$0	\$0
PART H, Section 1	\$0	(\$8,000)	(\$21,000)	(\$35,000)

Transfers**General Fund**

PART I, Section 1	(\$44,500,000)	\$0	\$0	\$0
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Fiscal Detail and Notes

Part A provides a General Fund appropriation of \$931,283 in fiscal year 2016-17 to increase wages for selected positions at state mental health facilities. Part A also includes an Other Special Revenue Funds allocation of \$1,652,208 for the Federal Medical Assistance Percentage (FMAP) match for these costs.

Part B provides a General Fund appropriation of \$4,000,000 in fiscal year 2016-17 for rate increases for personal support and related services. Part B also includes Federal Expenditures Fund allocations required for the FMAP match.

Part C authorizes the use of funds in the Salary Plan program, up to \$939,883 in fiscal year 2015-16 and up to \$6,088,514 in fiscal year 2016-17 to provide pay increases for certain law enforcement employees.

Part D provides a General Fund appropriation of \$2,465,896 in fiscal year 2015-16 for the County Jail Operations Fund within the Department of Corrections.

Part E will increase costs to the State Employee Health Plan due to the change in the maximum allowable costs list rules for pharmacy benefits managers for contracts beginning on or after September 1, 2016. The bill would not have any impact on the current biennial budget since the State's contract with a pharmacy benefits manager ends on June 30, 2017. Moving forward it is estimated that there will be an annual cost of \$97,155 to the General Fund and \$3,244 to the Highway Fund for contributions to the costs of the State Employee Health Plan.

Part F provides General Fund appropriations to the Department of Health and Human Services of \$483,003 in fiscal year 2015-16 and \$1,853,075 in fiscal year 2016-17 and Other Special Revenue Funds allocations of \$92,499 in fiscal year 2015-16 and \$369,999 in fiscal year 2016-17 for additional payments to MaineCare providers who are subject to Maine's Service Provider Tax. Federal Expenditures Fund allocations are also included for the FMAP match.

Part G provides that consolidated loans are eligible for the educational opportunity tax credit in tax year 2015 provided that the consolidated loans only include educational loans. This would reduce General Fund revenue by \$24,500 in fiscal year 2015-16 and reduce Local Government Fund revenue by \$500 in fiscal year 2015-16.

Part H expands the educational opportunity tax credit and would reduce General Fund and Local Government Fund revenue by \$395,200 and \$8,000, respectively, in fiscal year 2016-17.

Part I transfers \$44,500,000 in fiscal year 2015-16 from the unappropriated surplus of the General Fund to the Maine Budget Stabilization Fund.