

APPENDIX A

**APPROPRIATIONS
BY MAJOR CATEGORIES**

General Fund Appropriations - Summary

Presented below are tables summarizing the General Fund appropriations starting with the Governor's current services recommendations and FY05 appropriations prior to legislative changes during the 122nd Legislature's 1st Regular and 1st Special Sessions and concluding with the actual appropriations approved through the 1st Special Session. Additional detail and descriptions are available in the remainder of this Appendix.

General Fund Appropriations - Based on Governor's Current Services Recommendations				
	Expenditures	Appropriations based on Current Services Recommendations		
Major Categories	FY04	FY05	FY06	FY07
General Purpose Aid for Local Schools	\$699,041,402	\$734,536,621	\$823,523,640	\$892,834,217
Medicaid/MaineCare	\$505,750,219	\$551,439,847	\$617,291,628	\$658,423,178
Higher Education	\$233,405,441	\$241,255,620	\$253,623,967	\$266,101,037
Teachers' Retirement	\$170,014,497	\$181,698,128	\$249,910,047	\$264,815,162
Tax Relief and Reimbursement	\$128,885,755	\$104,973,442	\$119,843,095	\$125,443,082
Debt Service	\$91,157,529	\$92,632,431	\$115,556,606	\$111,376,882
Personal Services	\$362,183,685	\$399,154,736	\$432,272,897	\$452,910,439
Other - Non-Personal Services	\$393,793,568	\$404,211,253	\$426,837,503	\$438,839,855
Total General Fund Appropriations	\$2,584,232,096	\$2,709,902,078	\$3,038,859,383	\$3,210,743,852
Annual % Change		4.9%	12.1%	5.7%
Total Excluding GPA	\$1,885,190,694	\$1,975,365,457	\$2,215,335,743	\$2,317,909,635
Annual % Change		4.8%	12.1%	4.6%

General Fund Appropriations - Changes from Current Services Recommendations and FY05 Adjustments				
Major Categories	FY05	FY06	FY07	
General Purpose Aid for Local Schools	\$0	\$12,592,326	(\$19,202,073)	
Medicaid/MaineCare	\$44,245,001	\$4,556,396	(\$69,401,724)	
Higher Education	\$0	(\$7,821,595)	(\$19,167,338)	
Teachers' Retirement	\$0	(\$97,700,081)	(\$59,430,515)	
Tax Relief and Reimbursement	\$10,594,925	(\$84,258,473)	(\$82,848,706)	
Debt Service	\$0	(\$4,000,000)	\$1,327,500	
Personal Services	(\$1,661,999)	(\$21,657,434)	(\$31,611,429)	
Other - Non-Personal Services	\$21,393,467	(\$29,954,397)	(\$61,255,704)	
Total General Fund Appropriations	\$74,571,394	(\$228,243,258)	(\$341,589,989)	

General Fund Appropriations - Based on Legislative Changes Through 122nd Legislature's 1st Special				
	Expenditures	Appropriations based on actions through 1st Special Session		
Major Categories	FY04	FY05	FY06	FY07
General Purpose Aid for Local Schools	\$699,041,402	\$734,536,621	\$836,115,966	\$873,632,144
Medicaid/MaineCare	\$505,750,219	\$595,684,848	\$621,848,024	\$589,021,454
Higher Education	\$233,405,441	\$241,255,620	\$245,802,372	\$246,933,699
Teachers' Retirement	\$170,014,497	\$181,698,128	\$152,209,966	\$205,384,647
Tax Relief and Reimbursement	\$128,885,755	\$115,568,367	\$35,584,622	\$42,594,376
Debt Service	\$91,157,529	\$92,632,431	\$111,556,606	\$112,704,382
Personal Services	\$362,183,685	\$397,492,737	\$410,615,463	\$421,299,010
Other - Non-Personal Services	\$393,793,568	\$425,604,720	\$396,883,106	\$377,584,151
Total General Fund Appropriations	\$2,584,232,096	\$2,784,473,472	\$2,810,616,125	\$2,869,153,863
Annual % Change		7.7%	0.9%	2.1%
Total Excluding GPA	\$1,885,190,694	\$2,049,936,851	\$1,974,500,159	\$1,995,521,719
Annual % Change		8.7%	-3.7%	1.1%

General Purpose Aid for Local Schools

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$699,041,403	\$734,536,621	\$823,523,640	\$892,834,217
Annual % Change		5.1%	12.1%	8.4%
Property Tax Reform (LD 1 - PL 2005, c. 2)		\$0	\$13,425,799	\$230,735
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$0	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$0	\$504,459	(\$6,710,676)
Part 2 Budget (LD 1677 - PL 2005, c. 386)		\$0	(\$363,932)	(\$363,566)
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	(\$974,000)	(\$12,358,566)
Appropriations through 1st Special Session	\$699,041,403	\$734,536,621	\$836,115,966	\$873,632,144
Annual % Change		5.1%	13.8%	4.5%

Current Services (LD 468 - PL 2005, c. 12, A)

The significant growth in funding K-12 public education for the 2006-2007 biennium is primarily related to the increase in the State's share of funding K-12 education based on the Essential Programs and Services model enacted during the 2nd special session of the 121st Legislature. The current services request reflects a four-year ramp up of the State's share of funding 55% of the total cost of K-12 education with the State providing 52.6% of 84% of the total cost of EPS in FY06 and 53.86% of 90% of the total cost of EPS in FY07. FY04 expenditures for GPA do not include \$25,000,000 of expenditures shifted to Federal Block Grant Funds.

Property Tax Reform (LD 1 - PL 2005, c. 2)

Additional funding included in PL 2005, c. 2 provides funding for the Fund for the Efficient Delivery of Educational Services. Chapter 2 also allows for the funds appropriated for the Fund in FY06 to be used for transition adjustments and appropriates additional funding to be distributed through the Essential Programs and Services (EPS) model to make sure that eligible school units receive an increase in school subsidies over FY05.

EFY05 Budget (LD 508 - PL 2005, c. 3)

PL 2005, c. 3 transfers \$2,258,474 from the GPA program to the unappropriated surplus of the General Fund by June 30, 2005. This transfer, which is not an appropriation, is not reflected in the table above.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

The adjustment reflects a correction to the estimates provided in the current services proposal for FY06 and FY07 that includes updated information after the current services baseline was established. It also deappropriates funds in FY07 for the Efficient Delivery of Educational Services Fund that was appropriated in PL 2005, Chapter 2 and instead transfers the funds from the General Fund unappropriated surplus to the dedicated fund.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

PL 2005, c. 386 transfers funds to the Management Information Systems program within the Department to establish 1 full-time position and 3 limited-period positions to support the implementation of Essential Programs and Services. It also delays the first transfer to the Fund for the Efficient Delivery of Educational Services until fiscal year 2007-08.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The Part 3 budget deappropriates funds in FY06 due to savings in debt service captured after payments for projects have been made. It also reduces funds for bus purchases, postpones the start of certain capital improvement projects, delays the increase in funding for special education for those school administrative units that are minimum receivers and recognizes savings to local school districts due to the Department assuming responsibility for maximizing federal reimbursement for certain MaineCare services.

Note: The cost to the State to fund 55% of the total cost of K-12 public education beginning in FY06, as required in the MMA initiative (IB 2003, c. 2) which was approved by the voters in June 2004 but which is not part of the Governor's budget proposal:

55% Funding of Total Cost of EPS	FY06	FY07
General Fund Appropriation Required	\$975,704,204	\$982,522,934
Fund for the Efficient Delivery of Educational Services	\$19,912,331	\$20,051,488
Total General Fund Appropriation Required	\$995,616,535	\$1,002,574,422
Net Additional Appropriation Required	\$159,500,569	\$128,942,278

MaineCare/Medicaid¹

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$505,750,218	\$551,439,847	\$617,291,628	\$658,423,178
Annual % Change		9.0%	11.9%	6.7%
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$19,212,380	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$632,621	(\$28,665,930)	(\$51,430,470)
Part 2 Budget (LD 1677 - PL 2005, c. 386)		\$0	\$17,479,476	\$2,513,596
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$24,400,000	\$15,742,850	(\$20,484,850)
Appropriations through 1st Special Session	\$505,750,218	\$595,684,848	\$621,848,024	\$589,021,454
Annual % Change		17.8%	4.4%	-5.3%

Current Services (LD 468 - PL 2005, c. 12, A)

The annual growth in MaineCare/Medicaid spending is driven by increases in the cost and utilization of services and increases in eligibility/caseload. Historically the growth in the overall program (i.e., including all state and federal funding sources) has averaged approximately 8% per year, consistent with national trends. Changes in the mix of funding sources from year to year (e.g., changes in federal funding driven by changes in the Medicaid match rate, increased reliance on other revenue sources such as the Fund for a Healthy Maine and provider taxes, etc.) as well as the ongoing and often uneven implementation of previously enacted "budget initiatives", result in year-to-year fluctuations in the MaineCare/Medicaid General Fund growth rate that vary from the overall program trend. See Appendix D for more detail on MaineCare appropriations and adjustments.

EFY05 Budget (LD 508 - PL 2005, c. 3)

Includes a \$19.2 million net appropriation for MaineCare/Medicaid programs including: \$3.1 million to refund the Federal CMS for Medicaid provider overpayments; \$10.5 million to fund a shortfall in the Medical Care-Payment to Providers (MAP) account; \$6.5 million to fund shortfalls and other adjustments in BDS-seeded MaineCare accounts; and \$2.3 million to offset the Federal CMS disallowance of the 2003-04 Barron Center intergovernmental transfer (IGT) initiative; offset by a \$3.1 million deappropriation in the Nursing Facilities account.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

PL 2005, c. 12, includes a number of adjustments to reduce the growth in MaineCare/Medicaid spending. These include: reducing the benefit package for the childless adult waiver; increasing efforts to identify and recover from other payers; expanding efforts to control the growth in prescription drug spending; and expanding the use of provider and service provider taxes. For MaineCare-seeded mental health programs, c. 12, also assumes savings from the mental health parity initiative, redesigns some services, and moves the delivery of other services to a competitive RFP process. For MaineCare-seeded mental retardation programs, c. 12, includes a Medicaidization of current grant funds in a new capitated waiver program; converting group homes to an individualized support option; and implementing a new rate setting methodology for MR waiver and day habitation programs. The "Current Services" adjustments also include a significant lump-sum reduction to reflect the impact of program changes made during the 2004-2005 biennium.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

The major provision of Part 2 Budget affecting MaineCare/Medicaid programs is the more than \$60 million appropriation to offset the reduction in Federal matching funding as a result of the decrease in the 2006 Federal Medical Assistance Percentage (FMAP).² The Part 2 Budget also re-distributes \$95.7 million in MaineCare hospital funding appropriated in the Part 1 budget, including using \$35.5 million for the State's share of the settlement of the MaineCare hospital payment lawsuit and using \$9 million to help offset the FMAP decrease. The Part 2 budget assumes significant savings from the implementation of a new MaineCare "modified drug formulary" as well as GF savings from extending the service provider tax to include day habilitation, residential training and personal support services. It also assumes \$1 million in child mental health home-based services savings and \$515,992 in adult mental health outpatient therapy services savings. It also includes a \$24.4 million appropriation for a projected fiscal year 2004-05 MaineCare funding shortfall.

The Part 2 Budget also includes a transfer of \$19.5 million in FY06 and \$16.0 in FY07 from the Medical Care-Payments to Provider (MAP) account to other new General Fund accounts to reflect moving funding for non-Medicaid seeded programs out of the MAP account.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The major adjustment to MaineCare/Medicaid programs included in PL 2005, c. 457, is the advancing of Part 2 Budget appropriations from FY07 to FY06 to accelerate the hospital lawsuit settlement payments, achieving net General Fund savings over the biennium of \$1.7 million. Other provisions include: \$1.5 million in savings in the childless adult waiver program, \$2 million in savings from restructuring the MaineCare "Katie Beckett option", and \$250,000 in savings from delaying the nursing facility COLA. The "Part 3" budget also includes an appropriation for the increased cost to MaineCare from privatizing Freeport Towne Square.

¹ Includes funding for related, non-Medicaid seeded programs included in the Medical Care-Payments to Providers (MAP) account (e.g., the GF appropriation for the Drugs for the Elderly and Disabled program). The Part 2 Budget moves these non-Medicaid seeded programs out of the MAP account to new stand-alone General Fund accounts. For the purposes of this summary, funding for these programs is still included in the MaineCare/Medicaid totals.

² Preliminary national estimates of per capita personal income suggest the 2007 FMAP for Maine could decrease further, thereby, absent any changes in the Federal funding formula, requiring an additional increase in state funding and/or reductions in state spending for the MaineCare/Medicaid program for FY06 and beyond.

Higher Education

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$233,405,441	\$241,255,620	\$253,623,967	\$266,101,037
Annual % Change		3.4%	5.1%	4.9%
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$0	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$0	(\$6,419,345)	(\$17,763,188)
Part 2 Budget (LD 1677 - PL 2005, c. 386)		\$0	\$0	\$0
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	(\$1,402,250)	(\$1,404,150)
Appropriations through 1st Special Session	\$233,405,441	\$241,255,620	\$245,802,372	\$246,933,699
Annual % Change		3.4%	1.9%	0.5%

Current Services (LD 468 - PL 2005, c. 12, A)

The Current Services budget increases General Fund appropriations for Higher Education funding by 5.1%, or \$12.4 million, in FY06 over FY05 levels and 4.9%, or \$12.5 million, in FY07 over FY06 levels. The table at the bottom of this page details each of the state's higher education institutions and the student financial assistance programs at the Finance Authority of Maine - FAME, which make up the components of this category.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

The Current Services adjustments reduce FY06 current services appropriations to the Higher Education institutions by \$6.4 million and FY07 current services appropriations by approximately \$17.8 million.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

Part Q of chapter 386 provides for the Maine Community College System to receive transfers from the General Fund Salary Plan for the costs of collective bargaining agreements for employees of the System in amounts not to exceed \$731,740 in FY06 and \$1,583,959 in FY07. These amounts are not included in the appropriation totals above.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The Part 3 budget reduces appropriations to the Higher Education institutions by \$1.4 million in both fiscal years 2005-06 and 2006-07.

Summary of Higher Education by Institution - Appropriations Through 122nd Legislature, 1st Special Session

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
University of Maine System	\$172,596,418	\$179,971,418	\$183,221,418	\$183,121,418
Annual % Change		4.3%	1.8%	-0.1%
Maine Community College System	\$40,614,117	\$41,472,054	\$42,216,033	\$43,313,617
Annual % Change		2.1%	1.8%	2.6%
Maine Maritime Academy	\$7,719,938	\$7,457,281	\$7,548,820	\$7,737,547
Annual % Change		-3.4%	1.2%	2.5%
FAME - Student Financial Assistance	\$12,531,455	\$12,354,867	\$12,816,101	\$12,761,117
Annual % Change		-1.4%	3.7%	-0.4%

Teachers' Retirement (Including Retired Teachers' Health Insurance)

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$170,014,497	\$181,698,128	\$249,910,047	\$264,815,162
Annual % Change		6.9%	37.5%	6.0%
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$0	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$0	(\$229,584,558)	(\$243,511,552)
Part 2 Budget (LD 1677 - PL 2005, c. 386)		\$0	\$0	\$0
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	\$131,884,477	\$184,081,037
Appropriations through 1st Special Session	\$170,014,497	\$181,698,128	\$152,209,966	\$205,384,647
Annual % Change		6.9%	-16.2%	34.9%

Current Services (LD 468 - PL 2005, c. 12, A)

The growth in the cost of teacher retirement contributions in the 2006-2007 biennium is due primarily to reverting back to the shortened amortization schedule after having extended the schedule to the constitutionally required date of June 30, 2028 for the 2004-2005 biennium as required in PL 2003, c. 20, Pt NN-2. The Part 1 Current Services appropriations also reflect an updated actuarial valuation. Both of these factors combined will result in an increase in teacher retirement contribution costs over prior year levels of 39.4% in FY06 and 5.4% in FY07. The Current Services budget also projects the cost to the State associated with funding 40% of the cost of health insurance for retired teachers' to grow 14% per year through the 2006-2007 biennium, requiring General Fund appropriations of \$15.0 million in FY06 and \$17.1 million in FY07.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

The Current Services Budget repealed 5 MRSA § 17151, sub-§3 as enacted by PL 2003, c. 20, Pt NN-2 which required the State to return to the shortened amortization schedule beginning in FY06 and, instead, extended the UAL amortization schedule to the constitutionally required date of June 30, 2028. This action reduced the General Fund appropriation amount required for teacher retirement contributions by \$55.5 million in FY06 and Part PPPP of the Part 1 budget deappropriated \$174.5 million in FY06 and \$184.1 million in FY07 from the Teacher Retirement program for the normal cost and unfunded liability contribution of teachers' retirement that were to be prefunded utilizing pension bond proceeds.

The Part 1 Budget also increased the State's contribution to funding the cost of health insurance for retired teachers' from 40% to 45% effective October 1, 2005, increasing the cost of funding retired teachers' health insurance by \$1.3 million in FY06 and \$1.9 million in FY07.

General Fund appropriations for Retired Teachers' Health Insurance in the Part I Budget were also reduced to recognize savings due to lower than anticipated health insurance rates as savings related to the Medicare Modernization Act, decreasing the amount of funding required for retired teachers' health insurance by \$0.9 million in FY06 and approximately \$2.8 million in FY07.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

None. Proposed increase of state share of Retired Teachers' Health Insurance from 40% to 45% is included as a "Current Services" adjustment.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The "Part 3" Budget appropriates \$132.3 million in FY06 and \$184.1 million in FY07 to the Teacher Retirement program for the normal and unfunded actuarial liability costs of teachers' retirement. The FY06 amount is reduced by the transfer of \$41.9 million from the unappropriated surplus provided in PL 2005, c. 12, Part PPPP, section 2 and the transfer of \$250,000 from the Maine State Retirement System's Administrative Expense Reserve account to the Retirement Allowance Fund in FY06.

Part TT of the "Part 3" budget postpones the 5% increase in the state share of retired teachers' health insurance from October 1, 2005 to January 1, 2006.

Tax Relief and Reimbursement Programs

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$128,885,755	\$104,973,442	\$119,843,095	\$125,443,082
Annual % Change		-18.6%	14.2%	4.7%
Property Tax Reform (LD 1 - PL 2005, c. 2)		\$0	\$168,872	\$162,789
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$10,594,925	\$0	\$0
Current Services Adjustments (LD 468, - PL 2005, c. 12)		\$0	(\$78,132,345)	(\$82,896,495)
Part 2 Appropriations (LD 1677 - PL 2005, c. 386)		\$0	\$0	\$0
"Part 3" Budget (LD 1692 - PL 2005, c. 457)		\$0	(\$6,295,000)	(\$115,000)
Appropriations through 1st Special Session	\$128,885,755	\$115,568,367	\$35,584,622	\$42,594,376
Annual % Change		-10.3%	-69.2%	19.7%

Current Services (LD 468 - PL 2005, c. 12, A)

The decrease from FY04 Expenditures to FY05 Appropriations is due to the conversion of the Maine Residents Property Tax Program (circuit breaker) from an expenditure item to a revenue item, an offset to the individual income tax line. The growth between FY05 and the Current Services recommendation for FY06 is due primarily to the projected cost of the Business Equipment Tax Reimbursement program (BETR).

Property Tax Reform (LD 1 - PL 2005, c. 2)

LD 1 expands the Maine Residents Property Tax Program (Circuit Breaker) and the Homestead Exemption.

EFY05 Budget (LD 508 - PL 2005, c. 3)

EFY05 proposals included \$12,500,000 to the Business Equipment Tax Reimbursement program to address a program shortfall. It also included a transfer provision of \$16,353,882 related to the Maine Residents Property Tax Program (Circuit Breaker) as a "reserve" for the future costs of tax reform and is not reflected in this summary.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

Current Services Adjustments include a downward reprojected of the cost of the BETR program (4.6M in FY06 and \$7.2M in FY07) and the conversion of the BETR program from an expenditure item to a revenue item, an offset to the individual income tax line.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

The Part 2 budget includes a \$1M transfer out of the BETR program appropriation in FY05 to the unappropriated surplus of the General Fund and a \$655,194 transfer out of the Homestead Property Tax Exemption Reimbursement program appropriation in FY 05 to the unappropriated surplus of the General Fund. These amounts are not included in this summary of appropriations and revenues since those amounts are considered adjustments to General Fund balance.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The Part 3 budget includes a one-time limitation of BETR reimbursement to 90% of eligible property taxes and savings due to a delay in reimbursement to municipalities for Tree Growth Tax Reimbursement program and the Veteran's Property Tax Exemption.

Revenue Adjustments *	FY05	FY06	FY07
Maine Residents Property Tax Program	(\$24,742,857)	(\$29,250,942)	(\$28,702,423)
Maine Residents Property Tax Program - EFY 05	(\$2,034,790)	\$2,034,790	\$0
Maine Residents Property Tax Program - Part II	\$650,000	\$0	\$0
LD 1 - Circuit Breaker Expansion	\$0	(\$17,504,355)	(\$17,791,360)
Business Equipment Tax Reimbursement - Part I	\$0	(\$73,463,191)	(\$75,718,341)
Business Equipment Tax Reimbursement - Part III	\$0	\$0	\$7,571,834
Subtotal Revenue Loss	(\$26,127,647)	(\$118,183,698)	(\$114,640,290)
Totals Revenues and Expenditures through 122nd Legislature's 1st Special Session			
Expenditures	\$128,885,755	\$115,568,367	\$35,584,622
Revenue	\$0	\$26,127,647	\$118,183,698
	\$128,885,755	\$141,696,014	\$153,768,320
		9.9%	8.5%
			2.3%

* Reflects amounts of Gross Revenue equal to the cost of the programs and program expansions had they remained as appropriations.

DEBT SERVICE

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$91,157,529	\$92,632,431	\$115,556,606	\$111,376,882
Annual % Change		1.6%	24.7%	-3.6%
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$0	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$0	\$0	\$1,327,500
Part 2 Appropriations (LD 1677 - PL 2005, c. 386)		\$0	\$0	\$0
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	(\$4,000,000)	\$0
Appropriations through 1st Special Session	\$91,157,529	\$92,632,431	\$111,556,606	\$112,704,382
Annual % Change		1.6%	20.4%	1.0%

Current Services (LD 468 - PL 2005, c. 12, A)

The growth in General Fund debt service for the 2006-2007 biennium is related to issuing the previously authorized but unissued bonds on the books. After issuing \$117,275,000 in June of 2004 and \$137,525,000 in June of 2005, there were still \$71.5 million in bonds authorized but unissued as of June 30, 2005 despite no new bonds being authorized in the fall of 2004. Although interest rates and the structure of each bond issue are important factors in the amount of debt service paid in any one year, the long-term trend for debt service is primarily determined by the amount of bonds sent to, and approved by, the voters. As of this presentation no bonds have been approved to be sent to the voters in the fall of 2005. The increase in debt service may be reduced over time depending on the amount of bonds authorized in the next several years. Tax Anticipation Notes (TAN's) are assumed to be \$150,000,000 each year through the forecast period.

The amounts above include the Maine Governmental Facilities Authority (MGFA) debt services costs associated with the non-Judicial projects funded by MGFA debt. The Judicial Department pays the MGFA debt service costs for court facilities. That amount is not included in this presentation.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

The Treasurer's debt service account is authorized to carry \$3,672,000 from FY05 until June 30, 2006 and any appropriations not needed in FY06 and FY07 are to be transferred to the Budget Stabilization Fund each year.

The Current Services budget includes authorization of up to \$9,000,000 to be used by the Maine Governmental Facilities Authority for state facilities. An additional appropriation of \$1,327,500 is included in fiscal year 2006-07 to pay costs associated with additional MGFA borrowing.

The Department of Administrative and Financial Services will carry \$1,436,982 from MGFA debt service savings in fiscal year 2004-05 into fiscal year 2005-06 and \$2,749,600 from MGFA debt service savings in fiscal years 2004-05 and 2005-06 will lapse to the General Fund by June 30, 2006.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

The Treasurer's debt service account will lapse \$2,500,000 to the General Fund by June 30, 2005.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The bond issue in June of 2005 was structured to forego a principal payment in FY06, reducing estimated debt service by more than \$13 million. The debt service account in the Treasurer's Office was reduced by \$4,000,000.

Personal Services

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Current Services (LD 468 - PL 2005, c. 12, A)	\$362,183,685	\$399,154,736	\$432,272,897	\$452,910,439
Annual % Change		10.2%	8.3%	4.8%
Property Tax Reform (LD 1 - PL 2005, c. 2)		\$0	\$52,529	\$56,513
EFY05 Budget (LD 508 - PL 2005, c. 3)		(\$1,161,999)	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		(\$500,000)	(\$20,457,526)	(\$29,901,868)
Part 2 Appropriations (LD 1677 - PL 2005, c. 386)		\$0	\$2,401,251	\$3,572,359
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	(\$3,653,688)	(\$5,338,433)
Appropriations through 1st Special Session	\$362,183,685	\$397,492,737	\$410,615,463	\$421,299,010
Annual % Change		9.7%	3.3%	2.6%

Current Services (LD 468 - PL 2005, c. 12, A)

The significant growth in Personal Services for the 2006-2007 biennium is primarily related to the change in the amortization schedule (the Teacher's Retirement page provides an explanation of that change) and health insurance increases (assumed to grow at 12% annually). Current Services recommendations included no assumed collective bargaining changes. The increase in the salaries and wage component of Personal Services is related to merit increases, which result in growth of approximately 2% per year. Position authorizations were reduced by 20,319 positions administratively offsetting some of these increases.

Health Insurance - Current Services assumes state employee health plan costs will increase at an annual rate of 12 % per year. More recent experience suggests the growth rate will be closer to 6.5% for FY06 and 8% for FY07. The significant growth between FY04 and FY05 reflects the one-time FY04 impact of the hospital payment equity project on state employee health plan costs. PL 2003, c. 20 deappropriated \$10.5 million in FY04 and \$11.5 million in FY05 for savings to be achieved in state employee health plan hospital costs as a result of MaineCare increasing its hospital payments rates. This initiative was only in effect for FY04 with the FY05 deappropriation restored in PL 2003, c. 673.

Property Tax Reform (LD 1 - PL 2005, c. 2)

LD 1 as enacted includes additional funding for a position in Maine Revenue Services.

EFY05 Budget (LD 508 - PL 2005, c. 3)

Funding for reclassifications and range changes totals \$417,394 in FY05. Some savings in Maine Revenue Services and the State Police (both savings from amounts appropriated for the arbitration award and the delay of the Racino in Bangor) provide decreases in Personal Services costs to offset some of the increases. The EFY05 Budget also provided a \$5 million transfer to the Salary Plan account to fund collective bargaining costs in the 2006-2007 biennium and also authorized the General Fund's share of the excess equity in the Retiree Health Insurance fund (estimated to be \$22.4 million) to be transferred to Salary Plan.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

Position changes result in net decreases of General Fund authorized positions by just over 23,846 positions on top of the more than 20 positions that were adjusted downward administratively in the Governor's Current Services base appropriations. The budget adjustments for Health Insurance are based on expected savings from reductions in hospital inpatient rates and from maximizing the cost effectiveness of the pharmaceutical benefit provided by publicly offered health insurance plans. However, the largest adjustments are based on the retirement amortization change.

Approval of the collective bargaining agreements (COLA's of 3% effective July 1, 2005 and another 3% effective July 1, 2006) are also included in this budget. No additional appropriations have been provided for the estimated cost of the collective bargaining agreement (\$10.1 million in FY06 and \$21.0 million in FY07), however, the EFY05 Budget did provide partial funding through transfers to the Salary Plan account.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

Part 2 Budget adds back a net 6,654 additional General Fund positions and provides the on-going funding from reclassifications and range changes totaling \$432,656 in FY06 and \$467,887 in FY07 (some of these reclassifications and range changes were included in the EFY05 Budget).

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

The "Part 3" Budget reduces General Fund positions by -47,500 resulting in net General Fund Personal Services deappropriations of \$3.7 million in FY06 and \$5.3 million in FY07.

"Other" - Non-Personal Services Appropriations

	FY04	FY05	FY06	FY07
	Expenditures	Appropriations	Appropriations	Appropriations
Governor's Current Services (Part 1)	\$393,793,568	\$404,211,253	\$426,837,503	\$438,839,855
Annual % Change		2.6%	5.6%	2.8%
Property Tax Reform (LD 1 - PL 2005, c. 2)		\$0	\$159,517	\$135,002
EFY05 Budget (LD 508 - PL 2005, c. 3)		\$21,359,340	\$0	\$0
Current Services Adjustments (LD 468 - PL 2005, c. 12)		\$0	(\$22,268,208)	(\$39,056,529)
Part 2 Appropriations (LD 1677 - PL 2005, c. 386)		\$0	\$2,677,699	\$752,450
"Part 3" Budget (LD 1691 - PL 2005, c. 457)		\$0	(\$10,542,755)	(\$23,098,827)
Other Legislation - 1st Special Session		\$34,127	\$19,350	\$12,200
Appropriations through 1st Special Session	\$393,793,568	\$425,604,720	\$396,883,106	\$377,584,151
Annual % Change		8.1%	-6.7%	-4.9%

Current Services (LD 468 - PL 2005, c. 12, A)

The "Other" category includes all General Fund expenditures and appropriations not otherwise classified in this report. The growth in FY06 over FY05 reflects the one-time funding reductions in FY05 and a number of programs with high growth rates (see next page for a list of these programs).

Property Tax Reform (LD 1 - PL 2005, c. 2)

LD 1 as enacted includes additional funding for administrative costs of the State Planning Office and Maine Revenue Services.

EFY05 Budget (LD 508 - PL 2005, c. 3)

Some of the major appropriations include: \$2.4 for Clean Election Fund; \$10.2 million for Child Welfare Services; \$4.7 million for the Bureau of Medical Services; \$1 million for General Assistance; \$600,000 for Bureau of Family Independence sanctions related to food stamp error rates; \$110,000 for public drinking water improvements; \$2.0 M to Labor Rehabilitation Services; \$1.1 M for Secretary of State for Help America Vote; and \$750,000 for Highway and Bridge Improvement.

Current Services Adjustments (LD 468 - PL 2005, c. 12)

Also included in this Appendix is a listing of the major non-Personal Services adjustments that are not otherwise included in the other major categories.

Part 2 Budget (LD 1677 - PL 2005, c. 386)

Also included in this Appendix is a listing of the major non-Personal Services adjustments that are not otherwise included in the other major categories.

"Part 3" Budget (LD 1691 - PL 2005, c. 457)

Also included in this Appendix is a listing of the major non-Personal Services adjustments that are not otherwise included in the other major categories.

Other Legislation - 1st Special Session

PL 2005, c. 396 (LD 1432) provided an appropriation to Maine Revenue Services; PL 2005, c. 419 (LD 67) and Resolve 2005, c. 8) affected appropriations to the Department of Inland Fisheries and Wildlife; and PL 2005, c. 434 (LD 1449) affected appropriations to the Department of Marine Resources.

APPENDIX A - OTHER NON-PERSONAL SERVICES APPROPRIATIONS Current Services Growth - Major Increases or Decreases

Department/Program	FY05	FY06	FY07
Corrections			
> Correctional Medical Services Fund	\$13,249,456	\$14,852,239	\$16,634,508
Annual % Change		12.1%	12.0%
Reflect growth in providing medical services to correctional institutions. 12% growth is assumed.			
Education			
> Maine Learning Technology Endowment	\$5,705,192	\$0	\$0
Annual % Change		-100.0%	0.0%
Reflects funding for laptop program for 7th and 8th graders being included in GPA appropriation for FY06 and FY07.			
Health and Human Services			
> Bureau of Medical Services (Medical Care Administration)	\$7,771,358	\$9,965,877	\$10,349,219
Annual % Change		28.2%	3.8%
Reflects increase in contract and other non-personal services costs in administering the MaineCare/Medicaid program.			
> General Assistance - Reimbursement to Cities and Towns	\$4,388,022	\$5,500,000	\$5,500,000
Annual % Change		25.3%	0.0%
Reflects funding needs that assume 2004-2005 biennium budgeted savings of \$730,000 per year will not be realized.			
> Temporary Assistance for Needy Families (TANF)	\$19,336,395	\$24,516,464	\$25,129,325
Annual % Change		26.8%	2.5%
Reflects funding needs that assume 2004-2005 budgeted savings will not continue into the 2006-2007 biennium.			
> Child Welfare Services	\$31,619,520	\$34,726,398	\$35,730,158
Annual % Change		9.8%	2.9%
Reflects ongoing funding needs and assumes 2004-2005 budgeted savings will not be fully realized.			
Judicial Department			
> Courts - Supreme, Superior, District and Administrative	\$26,236,566	\$27,276,947	\$28,064,549
Annual % Change		4.0%	2.9%
Judicial Department growth is related to unaddressed needs in FY05.			
Public Safety			
> Gambling Control Board	\$901,585	\$846,585	\$846,585
Annual % Change		-6.1%	0.0%
Full year of All Other operational costs in FY 07, but does not include estimated cost of on-line monitoring of \$3,264,862.			
Transportation			
> Administration - Ports & Marine Transportation	\$2,509,715	\$3,277,648	\$3,455,206
Annual % Change		30.6%	5.4%
Unsustainable previous program cuts affecting the Maine State Ferry Service.			
Totals from Major Growth Summary	\$111,717,809	\$120,962,158	\$125,709,550
Annual % Change		8.3%	3.9%
Totals from "Other" Summary	\$404,211,253	\$426,937,229	\$438,921,040
Remaining "Other" - Not included in Major Growth Summary	\$292,493,444	\$305,975,071	\$313,211,490
Annual % Change		4.6%	2.4%

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES						
STATEWIDE NON-PERSONAL SERVICES DEAPPROPRIATIONS						
				Total of Non-Personal Services Statewide Deappropriations	(\$9,810,464)	(\$13,971,796)
CAPITAL CONSTRUCTION/REPAIRS/IMPROVEMENTS - ADMINISTRATION						
468	B			Reduces funding for major repairs and capital construction projects to stay within available resources.	(\$6,423,971)	(\$6,423,971)
BUREAU OF REVENUE SERVICES						
1691	C			Deappropriates funds for the multistate tax commission, training and information technology savings.	(\$325,000)	(\$380,000)
DIVISION OF PURCHASES						
1691	B			Reduces All Other for the procurement system.	(\$129,000)	(\$200,000)
BAXTER COMPENSATION AUTHORITY						
BAXTER COMPENSATION AUTHORITY						
1677	Z			Provides funds for claims of former students of the Governor Baxter School for the Deaf and the Maine School for the Deaf.	\$1,000,000	\$0
DEPARTMENT OF HEALTH AND HUMAN SERVICES (formerly BDS)						
DEPARTMENTWIDE						
1691	PP			Deappropriates funds for savings to be achieved by implementing the managed behavioral health care services system.	\$0	(\$10,431,749)
MENTAL HEALTH SERVICES - COMMUNITY						
468	B			Reduces funding for technology, training and transportation.	\$0	(\$208,879)
468	B			Eliminates funding for costs associated with the court appointed Receiver for the Riverview Psychiatric Center.	(\$131,681)	(\$131,681)
1691	HH			Deappropriates funds for savings to be achieved by eliminating 3 contract Housing Coordinator positions located in the regions, shifting these responsibilities to state employees.	(\$194,731)	(\$194,731)
MENTAL RETARDATION SERVICES - COMMUNITY						
468	B			Achieves net savings by using grant funds to create a MaineCare capitated waiver. Corresponding federal matching funds are reflected in the Medical Care - Payments to Providers program.	(\$2,257,676)	(\$2,257,676)
1691	NN			Provides a one-time adjustment to appropriations and allocations to reflect the availability of Other Special Revenue Funds from the sale of the Freeport Towne Square property.	\$0	(\$1,000,000)
MENTAL HEALTH SERVICES - CHILDREN						
468	B			Reduces funding for a specialized contract for crisis services/consultation for children with autism as the program has never been implemented and also reduces funding for mediation and dispute resolution services for parents and teens in conflict and for mediation services to children under the Rights of Recipients of Mental Health Services.	(\$150,000)	(\$299,000)

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
OFFICE OF SUBSTANCE ABUSE						
	468	YYY		Appropriates funds for grants to community agencies that are significantly affected by changes to the noncategorical MaineCare benefits package required in this Act.	\$1,500,000	\$0
DEPARTMENT OF CONSERVATION						
PARKS - GENERAL OPERATIONS and DIVISION OF FOREST PROTECTION						
	468	B		Reduces funding for capital equipment replacements in order to maintain program costs within available resources.	(\$684,003)	(\$648,503)
	468	U		Provides additional funding for the maintenance of state parks.	\$132,245	\$132,245
ADMINISTRATIVE SERVICES - CONSERVATION						
	1691	F		Deappropriates funds for forest fire suppression, resulting in delays for helicopter replacements.	(\$390,000)	\$0
DEPARTMENT OF CORRECTIONS						
ADMINISTRATION - CORRECTIONS						
	1677	J		Provides funds to conduct a study which identifies the cost and benefits and cost savings associated with alternative corrections service delivery options.	\$300,000	\$0
COUNTY JAIL PRISONER SUPPORT AND COMMUNITY CORRECTIONS FUNDS						
	1691	G		Provides for the deappropriation of funds to represents 1% reduction in both fiscal years and to fund 1/2 of the correctional alternatives study.	(\$204,171)	(\$55,525)
JUVENILE COMMUNITY CORRECTIONS						
	1691	G		Adjusts allocations to conduct a study which identifies the cost and benefits and cost savings associated with alternative corrections service delivery options.	(\$300,000)	\$0
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT						
INTERNATIONAL COMMERCE						
	468	JJJ		Provides funds to continue the current level of services provided to Maine's small, medium and micro business by the Maine Small Business Development Centers.	\$100,000	\$100,000
OFFICE OF INNOVATION						
	468	JJJ		Provides funds for the operation of the Fractionation Development Center.	\$210,000	\$210,000
	468	B		Reduces funding for grants to the Maine Technology Institute in order to maintain program costs within available resources.	(\$127,739)	(\$272,866)
	468	JJJ		Deappropriates funds for the Maine Technology Institute.	(\$80,145)	(\$101,668)
DEPARTMENT OF EDUCATION						
ADULT EDUCATION						
	468	FFFF		Provides additional funds to increase state subsidy for local adult education programs.	\$400,000	\$500,000
	468	B		Reduces funding for rents, insurance, technology and grants in order to maintain program costs within available resources. CP - amended initiative	(\$108,010)	(\$230,722)

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
PRE-SCHOOL HANDICAPPED						
	468	YY		Reduces funding for Child Development Services from savings achieved through administrative and program cost efficiencies and other reductions.	(\$412,781)	(\$7,181,749)
EDUCATIONAL RESTRUCTURING AND IMPROVEMENTS						
	468	B		Reduces funding in the Educational Restructuring and Improvements program to fund required budgeted increases in Personal Services.	(\$226,070)	(\$380,865)
	468	B		Reduces funding of Reading Recovery services within the Educational Restructuring and Improvements program in order to fund a portion of an increase in the Maine Education Assessment contract costs.	(\$281,012)	(\$82,979)
	1677	A		Reduces funding of Reading Recovery services within the Educational Restructuring and Improvements program.	(\$289,753)	(\$322,283)
LEARNING SYSTEMS						
	468	B		Reduces funding for the Maine Education Assessment contract in order to maintain program costs within available resources.	(\$318,988)	(\$517,021)
EDUCATION IN THE UNORGANIZED TERRITORY						
	468	QQQQ		Appropriates funds for the additional cost of providing targeted funds, identified under essential programs and services for technology, assessment and kindergarten to grade 2, to the school administrative unit or private school that each student from the unorganized territory attends.	\$412,600	\$437,356
DEPARTMENT OF ENVIRONMENTAL PROTECTION						
REMEDICATION AND WASTE MANAGEMENT						
	1677	W		Provides funds for the clean-up of the Lewis Wolman Company site in Waterville.	\$950,000	\$0
LAND AND WATER QUALITY						
	1691	M		Deappropriates General Fund support for sampling and laboratory analysis for surface water ambient toxics monitoring.	(\$125,000)	(\$125,000)
DEPARTMENTWIDE						
	468	W		Deappropriates funds from savings achieved through function and cost reductions.	(\$219,715)	(\$215,133)
GOVERNOR BAXTER SCHOOL FOR THE DEAF						
	468	B		Reduces funding for a grant in order to maintain program costs within available resources.	(\$608,139)	(\$793,363)
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Formerly DHS)						
FOSTER CARE						
	468	B		Reduces funding by reducing the number of children in state custody by 10% over the biennium.	(\$160,740)	(\$482,220)
	468	B		Reduces funding by maximizing Title IV-E federal revenue.	(\$200,000)	(\$200,000)
	1691	HH		Deappropriates and deallocates funds to reflect the elimination of the foster care supplemental clothing payment made in the spring and fall of each year.	(\$120,000)	(\$120,000)
	1677	K		Provides funding needed as a result of the decrease in the 2005 Federal Financial Participation Rate.	\$612,896	\$818,857

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES						
	468	B		Reduces funding that is not necessary to meet the maintenance of effort requirement.	\$0	(\$612,911)
CHILD WELFARE SERVICES						
	468	B		Reduces funding by reducing the number of children in state custody by 10% over the biennium.	(\$685,260)	(\$2,055,780)
	468	B		Reduces funding to be replaced by federal allocations through the development of an alternative rate structure for unlicensed foster care providers.	(\$500,000)	(\$1,000,000)
	1691	HH		Deappropriates funds to reflect the elimination of the foster care supplemental clothing payment made in the spring and fall of each year.	(\$480,000)	(\$480,000)
	1677	K		Reduces funding for community intervention programs in fiscal year 2006-07. The foster care system will be restructured in fiscal year 2006-07 to redeploy caseworkers to assess reports of abuse and neglect, permitting the reduction in funding for overlapping services provided by community intervention programs. Reduces funding by \$550,000 from reduced assessments, \$150,000 from additional reductions of children in state custody, and \$950,000 from the transfer of community intervention program expenditures to federal Title IV-E funding.	\$0	(\$1,650,000)
BUREAU OF ELDER AND ADULT SERVICES						
	1691	HH		Deappropriates funds for savings to be achieved by consolidating the homemaker and independent housing programs. These savings are to be achieved in administrative costs and not direct services.	(\$100,000)	(\$100,000)
BUREAU OF HEALTH						
	1691	HH		Deappropriates funds for savings to be achieved by eliminating funding for hospital specialty clinic at Central Maine Medical Center, Eastern Maine Medical Center and Maine Medical Center.	(\$212,813)	(\$213,713)
PURCHASED SOCIAL SERVICES						
	1677	A		Transfers funds from the human immunodeficiency virus/sexually transmitted disease (HIV/STD) program from the Purchased Social Services account to the Bureau of Health account.	(\$218,390)	(\$218,390)
COMMUNITY SERVICES CENTER						
	1677	A		Provides funding for costs incurred for licensing home child care, child care centers and nursery schools and reduces funding in the Other Special Revenue funds account no longer required for similar purposes. This request will increase General Fund undedicated revenue by \$130,053 in each of fiscal years 2005-06 and 2006-07.	\$130,053	\$130,053
MATERNAL AND CHILD HEALTH BLOCK GRANT MATCH						
	1691	HH		Deappropriates funds for savings to be achieved by restructuring the maternal and child health program.	(\$211,378)	(\$211,378)

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
DEPARTMENT OF INLAND FISHERIES AND WILDLIFE						
FISHERIES AND HATCHERIES OPERATIONS						
	468		III	Provides funding for hatchery renovations and the purchase of 4 fish transport trucks and fish tanks.	\$235,000	\$310,000
JUDICIAL DEPARTMENT						
COURTS - SUPREME, SUPERIOR, DISTRICT & ADMINISTRATIVE						
	468		B	Reduces funding for indigent defense costs in order to maintain program costs within available resources.	(\$388,412)	(\$388,412)
	468		B	Reduces funding for general operations and rents and from savings attributable to increased efficiencies.	(\$411,588)	(\$561,588)
DEPARTMENT OF LABOR						
MAINE CENTERS FOR WOMEN, WORK AND COMMUNITY						
	468		B	Provides funds to sustain efforts to serve Maine's Micro-Entrepreneurs through the MCWWC.	\$100,000	\$100,000
REHABILITATION SERVICES						
	468		B	Reduces funding by eliminating one Human Services Aide III position and by reducing contracts for advocacy, education, and outreach.	(\$86,945)	(\$209,077)
EMPLOYMENT SERVICES ACTIVITY						
	468		B	Reduces funding for rent expenditures, contracts and grants.	(\$148,769)	(\$224,355)
	1691		T	Shifts funding for Career Centers to the Special Administrative Expense Fund.	(\$300,000)	(\$300,000)
MAINE STATE LIBRARY						
MAINE STATE LIBRARY and ADMINISTRATION - LIBRARY						
	468		B	Reduces funding for office and educational supplies, general operations, and technology in order to maintain current services within available resources.	(\$133,267)	(\$151,492)
LEGISLATURE						
LEGISLATURE						
	ALL			Miscellaneous All Other adjustments in all budget bills.	(\$106,380)	(\$107,620)
MAINE STATE MUSEUM						
MAINE STATE MUSEUM						
	468		B	Reduces funding of professional services, out-of-state travel, general operations, technology, equipment, office supplies, and grants in order to maintain current services within available resources.	(\$119,308)	(\$130,533)
PINE TREE LEGAL ASSISTANCE						
LEGAL ASSISTANCE						
	1677		A	Appropriates funds to maintain legal services for low-income people. Additional state funds are needed to replace cuts by the federal government. The state appropriation will leverage federal dollars that require matching funds from non-federal sources.	\$175,000	\$175,000

Major Appropriation Adjustments - Non-Personal Services Not Included in Major Categories

Dept	Prog	LD	Part	Initiative Description or Summary	FY06	FY07
MAINE PUBLIC BROADCASTING CORPORATION						
MAINE PUBLIC BROADCASTING CORPORATION						
	468		B	Reduces funding for grants in order to maintain program costs within available resources.	(\$51,303)	(\$109,589)
DEPARTMENT OF PUBLIC SAFETY						
STATE POLICE						
	468		B	Reduces funding for the radio replacement system as authorized by Public Law 2001, chapter 439, Part U. Notwithstanding the deappropriations made in this initiative, the funding ratio for the State Police program remains at the current levels of 63% from the Highway Fund and 37% from the General Fund for the 2006-2007 biennium and that future funding for the State Police program should reflect a goal of achieving a funding split of 60% from the Highway Fund and 40% from the General Fund.	(\$1,200,000)	(\$1,200,000)
	1677		P	Provides funds towards the replacement radio system to support the operations of the Statewide Radio and Network System Reserve Fund established in Title 5, section 1520.	\$0	\$1,496,000
DRUG ENFORCEMENT AGENCY						
	1677		A	Provides funds to partially offset grant reductions and eventual elimination of federal dollars for the Maine Drug Enforcement Agency.	\$742,287	\$1,000,020
EMERGENCY MEDICAL SERVICES						
	1691		W	Reduces grants to regional emergency medical services councils.	(\$124,678)	(\$124,678)
FINGERPRINT AND BACKGROUND INFORMATION - STATE EXPENSE						
	1691		CC	Transfers funding for this program from the Department of Public Safety, General Fund to the Department of Education, Other Special Revenue Funds.	(\$370,903)	(\$369,929)
GAMBLING CONTROL BOARD						
	468		B	Freezes positions and related costs due to delayed implementation of Off Track Betting slot machines in Maine.	(\$450,000)	\$0
	1677		A	Restores funds needed for a December 2005 start up of a temporary Off Track Betting facility in Bangor.	\$170,699	\$598,558
DEPARTMENT OF TRANSPORTATION						
Several Transportation Programs						
	1691		GGG	Eliminates the General Fund support for several programs as a result of the establishment of the Marine Highway Transportation account and the State Transit, Aviation and Rail Transportation Fund.	(\$3,760,657)	(\$4,157,226)