

# MAINE STATE LEGISLATURE

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March 2, 1993  
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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 726

S.P. 233

In Senate, March 2, 1993

**An Act to Provide State Government with Independent Cost Assessment  
of Federally Mandated and Regulated Programs.**

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Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by President DUTREMBLE of York.  
Cosponsored by Senators: HARRIMAN of Cumberland, PARADIS of Aroostook, PEARSON of  
Penobscot, Representatives: MARTIN of Eagle Lake, RYDELL of Brunswick.

Be it enacted by the People of the State of Maine as follows:

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4 Sec. 1. 5 MRSA c. 146 is enacted to read:

6 CHAPTER 146

8 COST ASSESSMENT OF FEDERALLY  
MANDATED PROGRAMS

10 §1601. Budget Advisory Board on Federal Programs

12 1. Board established. The Budget Advisory Board on Federal  
14 Programs, established in section 12004-I, subsection 25-B and  
16 referred to in this chapter as the "board," consists of 3 members  
18 who serve part time. Members must have training or experience in  
20 finance, accounting or budgeting and may not be state employees  
22 or Legislators.

24 2. Selection. The Commissioner of Finance and  
26 Administration, the State Auditor and the Director of the Office  
28 of Fiscal and Program Review shall each select one member of the  
30 board. Members serve 2-year terms coinciding with the state  
32 budgetary cycle; vacancies are filled for the remainder of the  
34 cycle. Members may be appointed to no more than 3 consecutive  
36 full terms.

38 3. Duties. The board shall meet as often as necessary to  
40 perform its duties. The responsibility of the board is to  
42 biennially conduct an independent audit of the cost and operation  
44 of the federal programs listed in this subsection. The purpose  
46 of the audit is to identify cost-saving and service-provision  
48 options related to state operation of or participation in each  
50 program. The board shall submit the results of its audit,  
including state funding level options, to the Governor and the  
Legislative Council by November 1st of each even-numbered year.  
The board must be available to advise the Governor and the  
Legislature at any time on budgetary matters related to the  
federal programs listed in this subsection.

A. The following federal programs are subject to review by  
the board:

42 (1) Medicaid funding of nursing homes and boarding  
44 homes.

46 4. Compensation. Members of the board are entitled to  
48 reimbursement for actual expenses incurred in carrying out their  
50 duties under this chapter but receive no other compensation.

5. Staff. Upon request of the board, the State Auditor and  
the Legislative Council shall provide staff support to the board.

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Sec. 2. 5 MRSA §12004-I, sub-§25-B is enacted to read:

<u>25-B.</u>	<u>Budget Ad-</u>	<u>Expenses</u>	<u>5 MRSA</u>
<u>Finance</u>	<u>visory Board</u>	<u>Only</u>	<u>§1601</u>
	<u>on Federal</u>		
	<u>Programs</u>		

STATEMENT OF FACT

This bill establishes the Budget Advisory Board on Federal Programs, consisting of 3 part-time members experienced in finance, accounting or budgetary matters. The purpose of the board is to analyze the State's responsibilities and options under certain federal programs and to identify cost-saving or service-provision options. The board is to report to the Governor and the Legislature every 2 years to coincide with the development of the biennial state budget. The board is to be available to advise the Governor and the Legislature at other times.