

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1449

S.P. 590

In Senate, April 3, 2025

**Resolve, Requiring the Commissioner of Administrative and
Financial Services to Conduct a Study of the State's Grant,
Contracting and Procurement Practices**

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

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator TIPPING of Penobscot.

1 **Sec. 1. Grant, contracting and procurement practices study. Resolved:** That
2 the Commissioner of Administrative and Financial Services, referred to in this resolve as
3 "the commissioner," shall conduct a comprehensive study of the State's grant, contracting
4 and procurement practices.

5 **Sec. 2. Scope. Resolved:** That the study conducted under section 1 must include an
6 evaluation of:

7 1. Current state grant and contract reimbursement rates and identification of historical
8 cost-of-living or inflation adjustments;

9 2. Application procedures for contracts across state agencies;

10 3. Standard contract language that permits flexibility in terms and conditions, allows
11 for multiyear contract terms and clarifies when upfront payments are permitted;

12 4. Delays that have occurred in grant execution and payment;

13 5. The impact of state grant and contracting practices on wages for employees of
14 contracted nonprofit organizations;

15 6. Best practices from other states or regions and alignment of state practices with
16 applicable federal standards;

17 7. Whether state agency staffing levels are adequate to draft, answer questions about
18 and process contracts and, if the levels are not adequate, recommendations on adequate
19 staffing levels or alternative methods for management;

20 8. Complications arising from the tiered procurement process that may require
21 multiple agencies to review contracts;

22 9. The number of appeals and overturned decisions related to procurement processes;

23 10. Request-for-proposal processes and response scoring considerations;

24 11. Strategies for implementing new federal procurement and contracts guidance into
25 state policies and regulations;

26 12. Inefficiencies, potential risks or barriers to equitable access in the grant
27 procurement process;

28 13. The feasibility of using master contracts that may be amended as needed; and

29 14. The feasibility of allocating funds carried forward from the previous fiscal year to
30 service providers or nonprofit organizations to sustain the operation of existing programs
31 when state agency contracts with those providers or nonprofit organizations are delayed.

32 **Sec. 3. Stakeholder engagement. Resolved:** That the commissioner shall engage
33 with stakeholders, including representatives from nonprofit organizations, the Department
34 of Administrative and Financial Services, Office of State Procurement Services, private
35 sector experts and other relevant parties, to gather input and ensure the study conducted
36 under section 1 is comprehensive and inclusive.

37 **Sec. 4. Report. Resolved:** That, by January 1, 2026, the commissioner shall submit
38 a report with findings and recommendations pursuant to the study conducted under section
39 1 to the Joint Standing Committee on State and Local Government. The report must include
40 specific recommendations to ensure efficiency, transparency, equity and accountability in

1 the distribution and management of public funds. The Joint Standing Committee on State
2 and Local Government is authorized to report out a bill based on the commissioner's
3 findings and recommendations to the Second Regular Session of the 132nd Legislature.

4 **SUMMARY**

5 This resolve directs the Commissioner of Administrative and Financial Services to
6 conduct a comprehensive study of the State's grant, contracting and procurement practices.
7 The commissioner is required to submit a report with findings and recommendations,
8 including specific recommendations to ensure efficiency, transparency, equity and
9 accountability in the distribution and management of public funds, by January 1, 2026 to
10 the Joint Standing Committee on State and Local Government, which may report out a bill
11 based on the findings and recommendations to the Second Regular Session of the 132nd
12 Legislature.