

Joseph E. Brennan attorney general



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STATE OF MAINE Department of the Attorney General Augusta, Maine 04333

May 23, 1977

Honorable Mary Najarian House of Representatives State House Augusta, Maine

Re: L.D. 1676; Federal Budgeting Bill.

Dear Representative Najarian:

Last week I had occasion to review a questionnaire sent out by the State Planning Office regarding the above-captioned legislation. That questionnaire indicated to me an ambiguity in my drafting of the legislation which you may wish to correct.

The proposed § 1681-1 defines federal expenditures to exclude "federal pass-through funds which are received by the state government and passed directly to local government and where the state is permitted no discretion with respect to disposition of the funds under the terms of the grant and federal law." I had intended this section to exclude from the definition only those federal funds received by State agencies and passed through to local governments based on a formula over which a State agency exercised no discretion. I understand now that the legislation may be read to exempt from the definition all federal funds which the agency receives and does not have discretion as to spending. This would include funds received by our office to support specific personnel doing specific tasks. Such exemption was not intended.

To remove the ambiguity, I suggest that the second sentence of § 1681-1 be amended to read as follows:

> "This definition shall not include federal pass-through funds which are received by the state government and passed directly to local

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> government in those cases and where the state is permitted no discretion with respect to disposition of the funds to local government under the terms of the grant and federal law."

This clarifies the original intent in drafting the legislation that this exemption be limited to programs involving funds passed directly through to local governments.

Sincerely,

DONALD G. ALEXANDER Deputy Attorney General

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cc: Hon. Judy Kany Hon. Donald Carter Hon. Richard Spencer

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