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Richard S. Cohen John M. R. Paterson Donald G. Alexander deputy attorneys general

JOSEPH E. BRENNAN ATTORNEY GENERAL

## STATE OF MAINE Department of the Attorney General AUGUSTA, MAINE 04333

## July 5, 1977

Honorable Stephen T. Hughes House of Representatives State House Augusta, Maine

Dear Representative Hughes:

This letter is a post-script to our opinion of March 18, 1977, and our letter to you of June 22, 1977, concerning Androscoggin County finances.

In our opinion we mentioned the "priority expenditures" limitation for federal revenue sharing funds, set forth in 31 U.S.C. § 1222, and the probable application of this limitation to payments of dues in the County Commissioners Association. We concluded that the use of revenue sharing funds for this purpose would apparently be prohibited by the limitation.

It has come to our attention that we should have noted this part of the March 18th opinion was retrospective only. The "priority expenditures" limitation of 18 U.S.C. § 1222 was repealed by P.L. 94-488, 90 Stat. 2341, effective for entitlement periods beginning on or after January 1, 1977. We do not believe this repeal would affect expenditures made from a previous year's revenue sharing funds, such as the Androscoggin County funds in question, but it may affect the interpretation of the appropriate federal officials. This is another reason why a final determination would have to be made by these officials.

While the repeal of 18 U.S.C. § 1222 would presumably affect our prior comments with regard to permissible use of revenue sharing funds in the future, it would not change our opinion that such expenditures must be included in the county Page 2

budget under State law. 30 M.R.S.A. § 253. Therefore, even if revenue sharing funds may be used for expenditures like dues to a county association in the future, the expenditures would still be subject to the county budget process.

We hope this follow-up correspondence helps to clarify the situation with regard to revenue sharing funds and will prevent possible misconceptions.

Sincerely,

S. KIRK STUDSTRUP Assistant Attorney General

SKS/ec

cc: Joint Standing Committee on Performance Audit

Roger A. LaRochelle