

# MAINE STATE LEGISLATURE

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OFFICE OF  
THE GOVERNOR

NO. 2012-007  
DATE December 27, 2012

**AN ORDER CURTAILING ALLOTMENTS PURSUANT TO  
5 MRSA §1668**

**WHEREAS**, on December 3, 2012, the Commissioner of Administrative and Financial Services reported to me in writing after receiving communication from the Revenue Forecasting Committee and the advice of his economic advisors within the Maine Revenue Services that the anticipated income and other available funds of the State General Fund will not be sufficient to meet the General Fund expenditures authorized by the 125th Legislature for State Fiscal Year 2013;

**WHEREAS**, in light of the Maine Constitution's requirement for a balanced budget in each fiscal year, this presents a serious situation that must be addressed forthwith;

**WHEREAS**, in these circumstances, 5 M.R.S.A. Section 1668 provides the Governor with the authority and discretion to curtail allotments equitably and in a limited manner so that expenditures in the General Fund will not exceed the anticipated income and other available funds of the State General Fund in Fiscal Year 2013;

**WHEREAS**, in order to address the anticipated continued shortfall in Fiscal Year 2013, I have directed the following review process involving state departments and agencies:

- Departments and agencies were assigned reduction targets for Fiscal Year 2013;
- Departments and agencies have presented options and program impact analyses in connection with the reduction targets for Fiscal Year 2013;
- Discussions were held with affected departments and agencies about the options and program impact analyses they presented; and
- Proposed reduction options and analyses were evaluated based on a number of factors, including without limitation the following:
  - The hierarchy of needs and the impact of proposed reductions in service on public health, safety, education, welfare and effective program operations;
  - Whether any such impact would be direct or indirect;
  - The extent to which an impact on program beneficiaries could be minimized;
  - The extent to which a department or agency had available other resources to support the program or to meet a public service need;
  - The extent to which efforts supported by new spending could be delayed to avoid or minimize adverse impacts;

- o The extent to which expenditure growth could be reduced so as to minimize any impact on services;
- o The extent to which a department or agency may be required to issue rules under the provisions of 5 M.R.S.A. chapter 375 in order to accomplish savings in a timely manner;
- o The availability of other options to achieve the same level of savings and avoid or minimize any impact on services to the public;
- o Whether an option avoids termination of a program or service; and
- o Whether proposed reductions could be made in a fair and equitable manner, and preserve insofar as practicable the intent of the Legislature.

**WHEREAS**, , in ordering these curtailments, I have followed the guiding principles set forth in 5 M.R.S.A. Section 1668, the Superior Court's decision in *Butterfield et al. v. Department of Human Services*, and the June 18, 2002 guidance letter from the Office of the Attorney General;

**WHEREAS**, reliance upon said factors constitutes a rational, reasonable, fair, just and therefore equitable means by which to exercise discretion in the curtailment of allotments;

**WHEREAS**, the allotment curtailments ordered herein are made, insofar as practicable, consistent with the intent of the 125th Legislature by minimizing the impact to services involving the health and safety of the public, the educational welfare of our students, and the effective operation of state government;

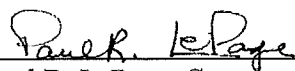
**WHEREAS**, this order is a temporary measure designed to reduce expenditures so that they will not exceed the anticipated income and other available funds; and

**WHEREAS**, I intend to propose a supplemental budget for consideration that will present a comprehensive solution to the various fiscal challenges facing the State;

**NOW, THEREFORE**, I, Paul R. LePage, Governor of the State of Maine, hereby order as follows:

1. The Commissioner of Administrative and Financial Services shall curtail Fiscal Year 2013 quarterly allotments by \$35,452,373 in the General Fund accounts as specified in the attached financial order.

Any portion of this Order declared by a court of this State to be invalid as a matter of law shall be severed from those portions not so declared, and shall be subject to revision by a subsequent Order. The effective date of this Executive Order is December 27, 2012.

  
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 Paul R. LePage, Governor

Attachment