

ONE-HUNDREDTH LEGISLATURE

Legislative Document

No. 246

S. P. 101 In Senate, January 12, 1961. Referred to Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary. Presented by Senator Ferguson of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SIXTY-ONE

RESOLVE, Providing Funds for Urban Planning.

Urban planning; appropriation. Resolved: That there is appropriated from the Unappropriated Surplus of the General Fund the sum of \$125,000 to be expended by the Department of Economic Development to finance the joint local-state-federal planning assistance program, pending receipt of federal reimbursements.

This appropriation shall not lapse but shall remain a continuing carrying account until the programs shall have been completed.

STATEMENT OF FACTS

The Department of Economic Development is authorized by statute, to assist municipalities and organized planning regions, and engage in state planning, with financial participation by the Federal Government, the State and municipalities either individually or as members of a regional planning body. The relevant federal legislation is Section 701 of the Housing Act of 1954, as amended.

The federal procedure requires in effect that local and state funds be in hand before full operations begin with written agreements between DED and the federal agency, and between DED and local communities, as well as formal contracts with private parties who execute any phase of the planning program. The federal share of the program is up to 50% of the total costs, which is payable, however, in three progress payments as the work is completed. It is, therefore, necessary for the State to finnance the federal share, as well as its own, until such time as the federal reimbursements are received. This has been accomplished for several years by an advance of \$67,510 from the contingent account; a very unsatisfactory arrangement, since periodic council action is necessary to to continue the use of the advance.

The passage of this resolve will permit the return of the advance from the contingent account and finance the program to its conclusion.