

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 814

S. P. 257

In Senate, March 9, 1977

Referred to Committee on State Government. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary

Presented by Senator Snowe of Androscoggin.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Provide for a Council of Economic Advisors.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 2 MRSA § 6, sub-§ 1, as last amended by PL 1975, c. 766, § 1, is further amended by adding at the end the following:

Chairman, Council of Economic Advisors.

Sec. 2. 2 MRSA § 6, sub-§ 10 is enacted to read:

10. The salaries of the following state officials and employees to no more than \$6,000:

Members of the Council of Economic Advisors, other than the Chairman

Sec. 3. 5 MRSA c. 373 is enacted to read:

CHAPTER 373

COUNCIL OF ECONOMIC ADVISORS

§ 8001. Statement of necessity

The orderly development of a diversified and vigorous economy in the State of Maine is of vital importance to the well-being of its citizens. State Government bears an important responsibility for nurturing a healthy environment in which economic development can occur, and responsible policy and program development and management by State Government is a significant factor in the health of the economic development. In addition to the efforts of operating departments, there are several staff agencies which conduct analyses of current and potential activities of State Government, but their capacity is limited. Like the operating departments, the staff agencies are burdened with

a range of responsibilities and duties which limit their capability to conduct a thorough analysis of many issues. Legislative or executive branch staff agencies are also responsible for serving their separate branches, and this responsibility may, on occasion, limit the objectivity of an analysis. An independent state agency with the ability to conduct objective analyses would provide a needed complement to existing agencies. It would assist State Government in making more informed and responsible decisions affecting the state's economy and would provide further information to Maine citizens to assist them in their direction of public policy. It is found then that the Executive and the Legislative Branches of State Government and Maine citizens would benefit from the establishment of a further resource for economic analysis of issues which may affect the economy of the State; the Council of Economic Advisors is created for this purpose.

§ 8002. Establishment; purpose

The Council of Economic Advisors, hereinafter referred to as the "council," is established as an independent agency to provide the Executive and Legislative Branches and Maine citizens with an economic analysis of existing and proposed legislation, regulations and programs in order that more informed and responsible decisions can be made with appropriate consideration of the general economy and the economic climate of the State.

§ 8003. Membership; organization

The council shall consist of 3 members, one of whom shall be appointed as chairman, appointed by the Governor, subject to review by the Joint Standing Committee on Appropriations and Financial Affairs and to confirmation by the Legislature. The first chairman shall be appointed for a term expiring on October 1, 1980 and the term of each succeeding chairman shall expire on October 1st every 4 years thereafter. The remaining members shall be appointed for 3-year terms, except that of the first members appointed, one shall be appointed for a term of 2 years. Each appointment shall be for the term prescribed and until a successor is appointed and qualified. Any vacancy shall be filled for the unexpired portion of the term by the Governor, subject to review by the Joint Standing Committee on Appropriations and Financial Affairs and to confirmation by the Legislature.

The members of the council shall have a working knowledge of Maine's economic conditions, problems and opportunities, and shall be capable, by virtue of training and experience, of analyzing and drawing conclusions about the economic impact of existing and proposed legislation, regulations and programs.

The council shall meet at the call of the chairman or at the request of the 2 remaining members.

§ 8004. Powers and duties

The Council of Economic Advisors shall have the following powers and duties.

1. **Review and evaluate.** The council shall, on its own initiative, or may, at the request of the Governor or a joint standing committee of the Legislature and with the approval of the council, review and evaluate:

A. The costs and benefits of existing and proposed legislation, regulations and programs;

B. The impact of existing and proposed legislation, regulations and programs on the economic climate;

C. The impact of existing and proposed legislation, regulations and programs on the credit or credit rating of the State or any instrumentality; and

D. The impact of existing and proposed legislation, regulations and programs on the revenues and the tax structure of the State.

2. **State agency assistance.** The council may request state agencies to conduct analyses or provide information to the council as deemed necessary and such requests shall not be unreasonably denied. The council shall, to the extent possible, use the services, facilities and information of state agencies and other public and private entities in order to avoid duplication of effort.

3. **Reports.** The council shall report its findings to the Governor and to the Legislature and may publish such findings as it deems appropriate. The findings and records of the council shall be available to the public, consistent with Title 1, chapter 13, subchapter 1.

4. **Rules and procedures.** The council may develop such rules and procedures as it deems necessary to carry out this chapter.

5. **Funds.** In addition to the utilization of appropriated funds, the council, with the approval of the Governor and the Legislative Council, may accept transfers of funds from state agencies to assist it in its work, any other provisions governing such transfers notwithstanding.

§ 8005. Powers and duties of the chairman

The chairman shall serve on a full-time basis and shall be the chief administrative officer of the council. The chairman shall appoint, determine compensation for and remove the staff of the council and shall prescribe their duties as may be necessary to implement the purposes of this chapter.

§ 8006. Construction

This chapter shall be construed liberally to effectuate the legislative intent and the purposes of this chapter. All powers granted in this chapter shall be broadly interpreted to effectuate such intents and purposes and not as a limitation of powers.

Sec. 4. Appropriation. There is appropriated from the General Fund to the Council of Economic Advisors the sum of \$230,000 to carry out the purposes of this Act. The breakdown shall be as follows:

	1977-78	1978-79
COUNCIL OF ECONOMIC ADVISORS		
Personal Services	\$ 87,135	\$ 87,135
All Other	27,865	27,865
	<hr/>	<hr/>
	\$115,000	\$115,000

STATEMENT OF FACT

The purpose of this bill is to establish a Council of Economic Advisors as an independent agency serving both the Governor and the Legislature, as recommended by the Governor's Task Force on Economic Development.

The council will have 3 members, a full-time chairman and 2 part-time members, and a small staff. It will conduct economic analyses of existing and proposed legislation, regulations and programs as requested or on its own initiative. It is expected that these analyses will contribute to more informed and responsible decision making at the state level. It will require an annual appropriation of \$115,000.