

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
108TH LEGISLATURE (Filing No. H-1265)  
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "C" to H.P. 2345, L.D. 2212, RESOLUTION,  
Proposing an Amendment to the Constitution to Limit the Amount  
of Revenues which may be Raised by Taxes in any Fiscal Year.

Amend the Resolution by striking out all of the title  
and inserting in its place the following: 'RESOLUTION,  
Proposing an Amendment to the Constitution to Limit the Amount  
of State Expenditures which may be Made from Undedicated  
Revenues without Voter Approval.'

Further amend the Resolution by striking out everything  
after the first paragraph and inserting in its place the  
following:

'Constitution, Art. I, §22, sub-§§ 1 to 3 are enacted to  
read:

1. Limitation of expenditures. Total state General  
Fund appropriations, but not expenditures from state dedicated  
revenue accounts in effect on January 1, 1979, during any  
fiscal year shall not exceed such appropriations for the prior  
fiscal year by a greater percentage than the lesser of: The  
percentage change in the cost of living or Maine personal income  
as established by recognized indices selected by the Legislature  
in such a manner that the limitation shall  
be set no later than  
four weeks after the convening of any regular legislative session.  
Debt service payments and payments for retirement of bonded  
indebtedness of the State shall be excluded from this limitation. Any amount  
appropriated above this limitation shall not be effective until  
ratified by the electors in accordance with law, except for

funds needed in a declared emergency in which case such needed expenditures may be authorized by the Legislature and the Governor in an emergency bill. Emergency expenditures may be made only during the fiscal year for which the emergency is declared and shall be excluded from future calculations of total expenditures.

2. Declaration of emergency. The expenditure limit of subsection 1 may be exceeded only if all the following conditions are met:

A. The Governor requests the Legislature to declare an emergency;

B. The request is specific as to the nature of the emergency and the amount of funding required to meet the emergency. This request shall also state the Governor's recommended method of funding the emergency; and

C. The Legislature declares an emergency in/the specifics accordance with of the Governor's request by a two-thirds vote of each branch prior to incurring any of the expenses connected with the emergency.

3. Protection of local government from state required costs. The Legislature and the Executive Department are prohibited from requiring that nonstate levels of government provide any new or expanded programs or services without reasonable financing from sources other than property taxes or from shifting the cost of existing programs and services to nonstate levels of government, except / <sup>such shifts</sup> governed by statutes in effect on January 1, 1979.'

Further amend the Resolution by striking out all of the 2nd and 3rd paragraphs of the constitutional referendum procedure and inserting in their place the following:

"Shall the Constitution be amended, as proposed by the first special session of the 108th Legislature, to Limit the Amount of State Expenditures which may be Made from Undedicated Revenues without Voter Approval?"

The legal voters of each city, town and plantation shall vote by ballot on this question, and shall designate their choice by a cross or check mark placed within the corresponding square below the words "Yes" or "No." The ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns, and, if it appears that a majority of the legal votes are in favor of the amendment, the Governor shall proclaim that fact without delay and this amendment shall become part of the Constitution on July 1, 1979 and shall remain in effect only if ratified by the voters at the general election in 1982.'

Statement of Fact

The amendment provides for limitation on state General Fund expenditures only.

Filed by Three Members of the Appropriations and Financial Affairs Committee

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