

MAINE STATE LEGISLATURE

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(EMERGENCY)
FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 755

H. P. 614

House of Representatives, February 23, 1979

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

EDWIN H. PERT, Clerk

Presented by Mr. Rolde of York.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Provide Reserve Funds to Increase Employees' Salaries.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 90-day period will not terminate until after the beginning of the next fiscal year; and

Whereas, the following legislation is vitally necessary to provide funds for salary increases for state employees and to authorize the trustees of the University of Maine and the Maine Maritime Academy to provide funds for salary increases for university and academy employees; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 5 MRSA § 1667, as last amended by PL 1977, c. 712, Pt. F, § 1, is further amended by adding at the end a new paragraph to read:

Fifty percent of the unexpended and unencumbered balance of allotment at the end of each quarter shall be credited to a reserve set up for the fiscal year.

Sec. 2. 5 MRSA § 1669 is enacted to read:

§ 1669. State employees' salary reserve

The remaining 50% of the unexpended and unencumbered balance of allotment at the end of each quarter shall be credited to a state employees' salary reserve for the exclusive purpose of providing increased salaries for state employees and shall not be encumbered for, or diverted to, other purposes. Any balance in the reserve shall not lapse, but shall be carried forward from year to year to be expended for the same purpose. After the end of each quarter, the State Controller shall prepare a financial statement indicating the source and amount, by departments, of additions to the reserve, the beginning and ending balances and such other information necessary to comprise a meaningful financial statement. The State Controller shall transmit the financial statement to the Commissioner of Finance and Administration, the Legislative Finance Officer and such other persons who may request it.

Allocation from the reserve shall be made by special Act of the Legislature to provide increased salaries for state employees.

The trustees of the University of Maine and the Maine Maritime Academy are authorized to establish similar employees' salary reserve programs provided that the reserves are not commingled with the state employees' salary reserve.

Sec. 3. Transitional provisions. The state employees' salary reserve shall be credited with the amount of any excess of unencumbered appropriation balances at June 30, 1979; except those that carry forward as provided by law over the amount estimated in the state budget document dated February 6, 1979.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect June 30, 1979.

STATEMENT OF FACT

The purpose of this bill is to provide an ongoing method of financing salary increases for state, university and Maine Maritime Academy employees. In addition, the financing method provides an incentive for employees and departments to operate their programs in an efficient and economical manner.

This bill authorizes financial reserves to provide funds for state, university and Maine Maritime Academy employees' salary increases. The state employees' salary reserve will be increased by 50% of the unexpended and unencumbered allotment at the end of each quarter. This reserve will be decreased only by allocations made by the Legislature to provide state employees' salary increases.