

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1282

H. P. 1034

House of Representatives, March 16, 1979

On Motion of Mrs. Kany of Waterville, referred to the Committee on State Government. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Ms. Lund of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Refine the State's Accounting System.

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

Sec. 1. 3 MRSA § 4, as amended by PL 1975, c. 771, § 10, is further amended to read:

§ 4. Postaudit

A postaudit of all accounts and other financial records of the Legislature and the ~~Executive Department of the Governor~~ **Governor's office**, except the Governor's Expense Account, shall be performed at least once every 2 years by independent certified public accountants designated by the Governor. Such audit report shall be filed with the Legislature and with the State Library.

Sec. 2. 5 MRSA § 1541, sub-§ 3, is amended to read:

3. Audit. To audit and approve all bills, invoices, accounts, payrolls and all other evidences of claims, demands or charges against the State Government; and to determine the regularity, legality and correctness of such claims, demands or charges. **The State Controller may elect to audit electronically based systems for adequate safeguards and procedural controls;**

Sec. 3. 5 MRSA § 1543, first ¶, is repealed and the following enacted in its place:

No money shall be drawn from the State Treasury, except in accordance with appropriations duly authorized by law. Every disbursement from the State Treasury shall be upon the authorization of the State Controller and the Treasurer of State, as evidenced by their facsimile signatures, except that the Treasurer of State may authorize interbank and intrabank transfers for purposes of pooled investments. Disbursements shall be in the form of a check against a designated bank or trust company acting as a depository of the State Government.

Sec. 4. 39 MRSA § 54, first ¶, as last amended by PL 1975, c. 493, § 1, is further amended to read:

While the incapacity for work resulting from the injury is total, the employer shall pay the injured employee a ~~weekly~~ compensation equal to 2/3 his average gross weekly wages, earnings or salary, but not more than the average weekly wage in the State of Maine as computed by the Employment Security Commission; 133 1/3% of such average weekly wage as of July 1, 1977; 166 2/3% of such average weekly wage as of July 1, 1979; and 200% of such average weekly wage as of July 1, 1981; nor less than \$25 weekly; and such weekly compensation shall be adjusted annually on July 1st so that it continues to bear the same percentage relationship to the average weekly wage in the State of Maine as computed by the Employment Security Commission, as it did at the time of the injury.

Sec. 5. 39 MRSA § 55, as last repealed and replaced by PL 1973, c. 788, § 224, is amended to read:

§ 55. Compensation for partial incapacity

While the incapacity for work resulting from the injury is partial, the employer shall pay the injured employee a ~~weekly~~ compensation equal to 2/3 the difference, due to said injury, between his average gross weekly wages, earnings or salary before the injury and the weekly wages, earnings or salary which he is able to earn thereafter, but not more than the average weekly wage in the State of Maine as computed by the Employment Security Commission; 133 1/3% of such average weekly wage as of July 1, 1977; 166 2/3% of such average weekly wage as of July 1, 1979; and 200% of such average weekly wage as of July 1, 1981; and such weekly compensation shall be adjusted annually on July 1st so that it continues to bear the same percentage relationship to the average weekly wage in the State of Maine as computed by the Employment Security Commission, as it did at the time of the injury.

Sec. 6. 39 MRSA § 58, first sentence, as repealed and replaced by PL 1975, c. 770, § 217, is amended to read:

If death results from the injury, the employer shall pay the dependents of the employee, dependent upon his earnings for support at the time of his injury, a ~~weekly~~ payment equal to 2/3 his average weekly wage in the State of Maine as computed by the Employment Security Commission; 133 1/3% of such average weekly wage as of July 1, 1977; 166 1/3% of such average weekly wage as of July 1,

1977; 166 2/3% of such average weekly wage as of July 1, 1979; and 200% of such average weekly wage as of July 1, 1981; nor less than \$25 weekly; from the date of death, until such time as provided for in the following paragraph.

STATEMENT OF FACT

Section 1: The state's independent auditors have suggested that the audit scope be limited to the accounts of the Legislature and the Governor's office to eliminate duplicate coverage of agencies such as the Development Office, Criminal Justice Planning and Assistance Agency, Community Services, etc., which are assigned to the Executive Department of the Governor.

Section 2: This modification will authorize the State Controller to perform program audits of large volume payment systems in lieu of auditing individual source documents. The installation of agency-based computer systems, such as the Medicaid Management Information System (MMIS), has replaced the traditional voucher with electronic data files. The volume of transactions, use of computer edit routines, and de-emphasis of paper documentation requires that the central disbursing agent concentrate on the reliability of agency internal controls as a basis for processing payments. Audits would include reviews of system documentation and 3rd-party audits, statistical sampling of output, tests of procedural compliance, etc.

Section 3: This change will enable the Treasurer of State to more readily transfer funds between state accounts and to facilitate the investment and availability of cash.

Sections 4, 5 and 6: This modification will enable employees to process workers' compensation benefits on the same basis as their regular payroll. Injured employees would not experience disruption of benefits when the employer pays on other than a weekly basis.