

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

(New Title)
New Draft of S. P. 96, L. D. 182
FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1640

S. P. 580

In Senate, May 25, 1979

Reported by Three Members from the Committee on Appropriations and Financial Affairs in Report "C" and printed under Joint Rules No. 2.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

RESOLUTION, Proposing an Amendment to the Constitution of Maine to Limit the Amount of State Expenditures which may be made without Voter Approval.

Constitutional amendment. RESOLVED: Two-thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of this State be proposed:

Constitution, Art. 1, § 22, sub-§§ 1 to 4 are enacted to read:

1. Limitation of expenditures. Total state appropriations and allocations, including dedicated revenues during any fiscal year shall not exceed such appropriations and allocations, including dedicated revenue, 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. Any amount above this limitation shall not be effective until ratified by the electors in accordance with law, except for funds needed in case of 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 accordance with the specifics of the Governor's request by a two-thirds vote of the members elected to each branch.

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 those shifts governed by statutes effective on July 1, 1980.

4. **Exclusions.** The following expenditures shall be exempt from the limitations established in subsection 1:

- A. Moneys received directly or indirectly from the United States of America;
- B. Moneys derived from the issuance of, or to pay interest on, or to repay the principal of indebtedness authorized and issued in accordance with law;
- C. Moneys paid to and from the Unemployment Insurance Compensation Fund;
- D. The proceeds of contracts, grants, gifts, donations and bequests made to the State for a purpose as specified by the contractor or donor;
- E. Expenditures of the proceeds of state levied taxes on owners of products or resources used to promote or protect such products and resources; and
- F. Expenditure of funds from the excise tax collected under the Maine Revised Statutes, Title 12, sections 1015 and 1015-A, when the amount collected is no greater than the cost of providing the product or service.

Constitutional referendum procedure; form of question; effective date. Resolved: That the city aldermen, town selectmen and plantation assessors of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at the next special statewide election on the Tuesday following the first Monday of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Shall the Constitution of Maine be amended to limit the amount of state expenditures which may be made 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 voters are in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment shall become part of the Constitution on July 1, 1980 and shall remain in effect only if ratified by the voters at the general election in 1984.

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purpose of this referendum.

STATEMENT OF FACT

This resolution puts a constitutional limit on state expenditures including dedicated revenue, except for certain exclusions listed in the legislation.