

MAINE STATE LEGISLATURE

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

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1641

S. P. 579

In Senate, May 25, 1979.

Reported by Three Members from the Committee on Appropriations and Financial Affairs in Report "B" 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

AN ACT to Limit the Amount of State Expenditures During any Fiscal Year.

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

Sec. 1. 5 MRSA c. 142 is enacted to read:

CHAPTER 142

LIMITATION ON STATE EXPENDITURES

§ 1531. Limitation of expenditures

Total state appropriations and allocations, including dedicated revenues, during any fiscal year shall not exceed the appropriations and allocations, including dedicated revenues, 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 approved by a 3/4 vote of the members elected to each branch of Legislature, except for funds needed in case of a declared emergency in which case the needed funds 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.

§ 1532. Declaration of emergency

The expenditure limit of section 1531 may be exceeded only if all the following conditions are met:

1. Governor declares emergency. The Governor requests the Legislature to declare an emergency;

2. Nature of emergency specified. The request is specific as to the nature of the emergency and the amount of funding, to the extent possible, required to meet the emergency. This request shall also state the Governor's recommended method of funding the emergency; and

3. Legislature declares emergency. The Legislature declares an emergency in accordance with the specifics of the Governor's request by a 2/3 vote of the members elected to each branch.

§ 1533. 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 or from shifting the cost of existing programs and services to nonstate levels of government without making provisions for reasonable financing from sources other than property taxes.

§ 1534. Exclusions

The following expenditures shall be exempt from the limitations established in section 1531.

1. Moneys received from the United States. Moneys received directly or indirectly from the United States of America;

2. Authorized indebtedness. 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;

3. Unemployment Insurance Compensation Fund moneys. Moneys paid to and from the Unemployment Insurance Compensation Fund;

4. Proceeds of contracts, grants and bequests. The proceeds of contracts, grants, gifts, donations and bequests made to the State for a purpose as specified by the contractor or donor;

5. Proceeds of certain state levied taxes. Expenditures of the proceeds of state levied taxes on owners of products or resources used to promote or protect the products and resources; and

6. Funds from certain excise taxes. Expenditures of funds from the excise tax collected under Title 12, sections 1015 and 1015-A when the amount collected is no greater than the cost of providing the product or service.

Sec. 2. Effective date. This Act shall become effective on July, 1980.

STATEMENT OF FACT

This bill puts a statutory limit on state expenditures including dedicated revenues, except certain exclusions listed in the bill.