

# MAINE STATE LEGISLATURE

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1 (Governor's Bill)  
2 (EMERGENCY)  
3 SECOND REGULAR SESSION  
4

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5 ONE HUNDRED AND TENTH LEGISLATURE  
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7 **Legislative Document**

**No. 1878**

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9 S. P. 784 In Senate, January 26, 1982  
Taken from the table by the President and on motion by Senator  
McBreairty of Aroostook withdrew request for ruling through the Chair  
subsequently referred to the Committee on Appropriations and Financial  
Affairs and 1,500 ordered printed. Sent down for concurrence.

10 MAY M. ROSS, Secretary of the Senate  
Presented by Senator Najarian of Cumberland.

Cosponsors: Representative Brenerman of Portland, Representa-  
tive Davis of Monmouth and Senator Huber of Cumberland.

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12 STATE OF MAINE  
13

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14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-TWO  
16

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17 **AN ACT Making Additional Appropriations to the Work**  
18 **Incentive Program from the General Fund for the Current**  
19 **Fiscal Year Ending June 30, 1982.**  
20

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

24 Whereas, the 90-day period may not terminate until the  
25 beginning of the next fiscal year; and

26 Whereas, the Federal Government has reduced its funding  
27 of the Work Incentive Program by 37% retroactive to October  
28 1, 1981; and

1 Whereas, sufficient funds should be made available to  
2 effect an immediate reduction in the work force of the  
3 Department of Human Services and the Department of Labor;  
4 and

5 Whereas, certain obligations and expenses incident to  
6 the operation of the Work Incentive Program will become due  
7 and payable on or after January 1, 1982; and

8 Whereas, in the judgment of the Legislature, these  
9 facts create an emergency within the meaning of the Consti-  
10 tution of Maine and require the following legislation as  
11 immediately necessary for the preservation of the public  
12 peace, health and safety; now, therefore,

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

14 **Appropriations from the General Fund.** In order to pro-  
15 vide for necessary expenditures of government and other pur-  
16 poses for the fiscal year ending June 30, 1982, the follow-  
17 ing sums or as much thereof as shall severally be found  
18 necessary, as designated in the following tabulations, are  
19 appropriated out of any moneys in the General Fund not  
20 otherwise appropriated.

21 APPROPRIATIONS  
22 FROM GENERAL FUND

23 1981-82

24 HUMAN SERVICES, DEPARTMENT OF

25 Work Incentive Program

26 Personal Services \$ 54,057

27 All Other 41,635

28 Provides funds to cover salary  
29 costs, unemployment benefits, ac-  
30 crued vacation time and related  
31 expenses of federally funded employ-  
32 ees currently employed by the Work  
33 Incentive Program.

34 DEPARTMENT OF HUMAN SERVICES

35 Total Current Services \$ 95,692

1     LABOR, DEPARTMENT OF

2	Bureau of Employment Security	
3	Personal Services	\$ 75,945
4	All Other	<u>58,493</u>

5             Provides funds to cover salary  
6             costs, unemployment benefits, ac-  
7             crued vacation time and related  
8             expenses of federally funded employ-  
9             ees currently employed by the Work  
10            Incentive Program.

11            DEPARTMENT OF LABOR

12	Total Current Services	\$134,438
13	TOTAL	\$230,130

14            **Emergency clause.** In view of the emergency cited in  
15            the preamble, this Act shall take effect when approved.

16    STATEMENT OF FACT

17            The purpose of this bill is to partially offset a  
18            shortfall caused by the Federal Government in the Work  
19            Incentive Program.

20            On December 11, 1981, the United States Congress  
21            enacted a continuing resolution which cut the level of fund-  
22            ing for the Work Incentive Program for fiscal year 1982 by  
23            33% from the funding level authorized in last August's Fed-  
24            eral Budget Reconciliation Act. This translates into a 37%  
25            cut in the federal funds for Maine's Work Incentive Program  
26            for fiscal year 1982, from \$1,956,088 to \$1,238,632.

27            During the first quarter of fiscal year 1982, the  
28            Department of Human Services and the Department of Labor  
29            expended a total of \$544,615 of which 10% was state funds.  
30            These expenditures were based on the assumption that Maine  
31            would receive the amount of federal funds authorized in  
32            August.

33            The 37% retroactive cut and the rate of expenditures  
34            during the first quarter of fiscal year 1982 have a negative  
35            effect on cash flow in the 2nd quarter of fiscal year 1982.  
36            Only \$100,479 in Federal Work Incentive Program funds

1 authorized for fiscal year 1982 will be available. In addition,  
2 \$50,000 in state matching Work Incentive Program funds  
3 and \$138,752 in Federal Work Incentive Program funds brought  
4 forward from fiscal year 1981 will be available in the 2nd  
5 quarter. Thus, a total of \$228,752 will be available during  
6 the 2nd quarter compared with the \$544,615 expended during  
7 the first quarter.

8 An emergency appropriation of \$230,000 would enable the  
9 Department of Human Services and the Department of Labor to  
10 operate the Work Incentive Program at the reduced level,  
11 \$324,000 per quarter, authorized by the United States Congress  
12 for the 3rd and 4th quarters of fiscal year 1982.  
13 Even with this appropriation, over 40 positions will have to  
14 be eliminated. Much of the emergency appropriation would be  
15 used to offset the costs of eliminating these positions. It  
16 should be noted that an emergency appropriation of \$164,000  
17 would be required to close the program down.

18 In conclusion, the Federal Government has left the  
19 State in the untenable position of not having enough money  
20 during the 2nd quarter of fiscal year 1982, either to close  
21 down the Work Incentive Program or to operate it at the  
22 reduced level authorized for the 3rd and 4th quarters of  
23 fiscal year 1982. A one-time emergency appropriation is  
24 being requested of the 110th Maine Legislature in order to  
25 continue the Work Incentive Program at the reduced level.  
26 No matter what shape a federal welfare employment program  
27 will take, it is important for Maine to get into place, the  
28 pieces and basic design which will be most responsive to its  
29 citizens. The emergency appropriation of \$230,000 would  
30 help Maine to do this.