MAINE STATE LEGISLATURE

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1 2	FIRST REGULAR SESSION
3 4	ONE HUNDRED AND TWELFTH LEGISLATURE
5 6	Legislative Document No. 538
7 8 9	H.P. 389 House of Representatives, February 13, 1985 Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed. EDWIN H. PERT, Clerk
10	Presented by Representative Bell of Paris. Cosponsored by Senator Perkins of Hancock, Representative Higgins of Scarborough and Representative Foster of Ellsworth.
12 13	STATE OF MAINE
14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FIVE
17 18 19	AN ACT to Establish a Budget Stabilization Fund.
20 21	Be it enacted by the People of the State of Maine as follows:
22	5 MRSA §1513 is enacted to read:
23	§1513. Budget Stabilization Fund
24 25 26 27 28 29 30 31 32 33	1. Transfer to fund. There is established a Budget Stabilization Fund. The State Controller shall at the close of each fiscal year transfer from the unappropriated surplus of the General Fund to the Budget Stabilization Fund an amount equal to the excess of total General Fund revenues received over accepted General Fund revenue estimates in the fiscal year. No accepted revenue estimate may be increased after adjournment of each first regular session of the Legislature.

1	2. Expenditures from the fund. Appropriation	s
2	from the Budget Stabilization Fund may be made by th	e
3	Legislature upon recommendation of the Governor, bu	ŧ
4	only for prepayment of outstanding General Fun	d
5	bonds, for purposes for which issuance of bonds ha	s
6	been approved or for major construction. Major con	-
7	struction is defined as being any single project wit	h
8	a total cost of over \$500,000.	

3. Investment of funds. The money in the fund may be invested as provided by law, with the earnings credited to the fund.

STATEMENT OF FACT

The purpose of this bill is to help stabilize the General Fund budget in future fiscal years and eliminate one of the great contributing factors present fiscal dilemma, namely spending more than we are taking in, due to excess revenue in prior rapid-growth years having been used to expand current programs or establish new programs.