

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 741

6
7 H.P. 521

House of Representatives, February 27, 1985

8 Reference to the Committee on Appropriations and Financial Affairs
9 suggested and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Carter of Winslow.

11 Cosponsored by Speaker Martin of Eagle Lake, Senator Pearson of
Penobscot and President Pray of Penobscot.

12 STATE OF MAINE
13

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

17 AN ACT to Create the Maine Rainy Day Fund.
18

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

21 5 MRS A §1513 is enacted to read:

22 §1513. Maine Rainy Day Fund.

23 1. Maine Rainy Day Fund. The State Controller
24 shall at the close of each fiscal year transfer from
25 the unappropriated surplus of the General Fund to the
26 Maine Rainy Day Fund an amount not to exceed 1/2 the
27 excess of total General Fund revenues received over
28 accepted estimates in that fiscal year. No accepted
29 revenue estimate shall be increased after adjournment
30 of each First Regular Session of the Legislature.
31 The fund shall not exceed \$25,000,000 which shall not
32 lapse, but remain in a continuing carrying account to
33 carry out the purposes of this Act.

1 2. Expenditures from the fund. Appropriations
2 from the Maine Rainy Day Fund may be made by the 2/3
3 vote of the Legislature upon recommendation of the
4 Governor, but only for prepayment of outstanding Gen-
5 eral Fund bonds or for major construction. Major
6 construction is defined as being any single project
7 with a total cost of over \$500,000.

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

11 STATEMENT OF FACT

12 The purpose of this bill is to stabilize the Gen-
13 eral Fund budget in future fiscal years and eliminate
14 one of the great contributing factors to our present
15 fiscal dilemma, namely spending more than we are tak-
16 ing in due to excess revenue in prior rapid growth
17 years having been used to expand current programs or
18 establish new programs, some of which we are now
19 forced to eliminate or continue with only limited
20 funding. This would serve to enhance the State's
21 bond voting.

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