

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1429

6
7 H.P. 992

House of Representatives, April 30, 1985

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

10 EDWIN H. PERT, Clerk

Presented by Representative Jackson of Harrison.
Cosponsored by Senator Twitchell of Oxford.

11
12 STATE OF MAINE
13

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

17 AN ACT to Improve the Budgetary Process.
18

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

21 Sec. 1. 5 MRSA §1664, as amended by PL 1983, c.
22 526, §1, is further amended to read:

23 §1664. Form of budget document

24 The state budget document, setting forth a finan-
25 cial plan for the State Government for each fiscal
26 year of the ensuing biennium, shall be set up in 3
27 parts, the nature and contents of which shall be as
28 follows:

29 Part 1 shall consist of a budget message by the
30 Governor-elect, or the Governor, which shall outline
31 the financial policy of the State Government for the
32 ensuing biennium, describing in connection therewith
33 the important features of the financial plan. It
34 shall embrace a general budget summary setting forth

1 the aggregate figures of the budget in such manner as
2 to show the balanced relations between the total pro-
3 posed expenditures and the total anticipated revenues
4 together with the other means of financing the budget
5 for each fiscal year of the ensuing biennium, con-
6 trasted with the corresponding figures for the last
7 completed fiscal year and the fiscal year in
8 progress. It shall specifically describe the esti-
9 mated loss in revenue during the last completed fis-
10 cal year and the fiscal year in progress, and the an-
11 ticipated loss in revenue for each fiscal year of the
12 ensuing biennium, caused by tax expenditures provided
13 in Maine statutes; the term "tax expenditures" means
14 those state tax revenue losses attributable to provi-
15 sions of Maine tax laws which allow a special exclu-
16 sion, exemption or deduction or which provide a spe-
17 cial credit, a preferential rate of tax or a deferral
18 of tax liability. The general budget summary shall
19 be supported by explanatory schedules or statements,
20 classifying the expenditures contained therein by or-
21 ganization units, objects and funds, and the income
22 by organization units, sources and funds.

23 Part 2 shall embrace the detailed budget esti-
24 mates both of expenditures and revenues as provided.
25 It shall include statements of the bonded indebted-
26 ness of the State Government showing the debt redemp-
27 tion requirements, the debt authorized and unissued
28 and the condition of the sinking funds. It shall con-
29 tain any statements relative to the financial plan
30 which the Governor-elect, or the Governor, may deem
31 desirable, or which may be required by the Legisla-
32 ture. The detailed budget estimates shall include,
33 but not be limited to:

34 1. Assumptions. A detailed statement of any and
35 all economic revenue or other assumptions used as ba-
36 sis for the estimates;

37 2. Four-year projection of revenues and expendi-
38 tures. A 4-year projection of total anticipated rev-
39 enues and total anticipated expenditures;

40 3. Four-year summary of employment statistics.
41 Figures for the last 4 complete fiscal years indicat-
42 ing the levels of employment, unemployment, wages,
43 personal income and per capita income in the State;

1 4. Four-year projection of employment statis-
2 tics. A 4-year projection of the anticipated levels
3 of employment, unemployment, wages, personal income
4 and per capita income in the State; and

5 5. Projections for new or expanded programs.
6 For any budget document including any new or expanded
7 program, a 4-year projection of anticipated expendi-
8 tures under that new or expanded program.

9 Part 3 shall embrace complete drafts or summaries
10 of the budget bills, the legislative measures re-
11 quired to give legal sanction to the financial plan
12 when adopted by the Legislature. These bills shall
13 include General Fund appropriation bills and alloca-
14 tion bills for the following: Highway Fund, Inland
15 Fisheries and Wildlife Fund, Federal Revenue Sharing
16 Fund, Coastal Protection Fund, Maine Nuclear Emergen-
17 cy Planning Fund, Maine Endangered and Nongame Wild-
18 life Fund and for the administrative expenses of the
19 Bureau of Alcoholic Beverages and the State Liquor
20 Commission, authorizing expenditures for each fiscal
21 year of the ensuing biennium and such other bills as
22 may be required to provide the income necessary to
23 finance the budget.

24 Sec. 2. 5 MRSA §§1674 and 1675 are enacted to
25 read:

26 §1674. Biennial funding; bills and resolves

27 No Act or resolve requiring continued funding may
28 be passed by the Legislature, unless that Act or re-
29 solve carries an appropriation that is large enough
30 to provide full funding for a complete biennium. Any
31 funds so appropriated, but not needed due to the ef-
32 fective date of the Act or resolve, shall not be used
33 for any other purposes.

34 §1675. Monthly summary statements

35 The Governor shall, at least once each month, is-
36 sue a report setting forth the total state employee
37 work force for that month and the total amount of
38 money expended for that month for the following:

1. Salaries. Salaries for state officers and employees;

2. Workers' compensation. Coverage and benefits for state officers and employees under the Workers' Compensation Act;

3. Unemployment compensation. Contributions to the State Unemployment Compensation Fund;

4. Insurance. Contributions for health insurance coverage for state officers and employees; and

5. Retirement. Contributions for retirement for state officers and employees.

The report shall include a monthly summary of expenditures compared with budgeted expenditures.

STATEMENT OF FACT

The purpose of this bill is to reform the budgetary process so that the Legislature has sufficient information to effectively deal with state spending during each biennium.

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