

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1149

H.P. 855 House of Representatives, April 8, 1987
Reference to the Committee on State and Local Government
suggested and ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative WEBSTER of Cape Elizabeth.
Cosponsored by Representatives O'GARA of Westbrook,
PARENT of Benton, and Senator GOULD of Waldo.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

1 AN ACT Requiring Fiscal Impact Statements
2 Describing the Costs and Benefits
3 Associated with Each Legislative
4 Document and Agency Rule that Affect
5 Political Subdivisions of the State.
6

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

9 Sec. 1. 3 MRS A §163-A, sub-§12, as enacted by PL
10 1985, c. 501, Pt. B, §5, is amended to read:

11 12. Statement of costs. To prepare statements
12 pertaining to the existence of cost or the amount of
13 cost to ~~municipalities or counties~~ political subdivi-
14 sions of the State for implementing or complying with
15 a proposed law. The statement of cost shall be made
16 ~~within the limits of information provided to~~ by the

1 office designated by the Legislative Council as hav-
2 ing responsibility for financial analysis as provided
3 in chapter 26. The statements shall be furnished to
4 the appropriate committee for the information of its
5 members and for inclusion in bills which receive an
6 ought to pass report when reported by the committee.
7 A statement shall not be necessary for any bill which
8 has no cost to municipalities ~~or~~ counties political
9 subdivisions as defined in chapter 26; and

10 Sec. 2. 3 MRSA c. 26 is enacted to read:

11 CHAPTER 26

12 FISCAL IMPACT STATEMENTS DESCRIBING COSTS
13 AND BENEFITS OF LEGISLATIVE DOCUMENTS AND STATE
14 AGENCY RULES TO POLITICAL SUBDIVISIONS OF THE STATE

15 §571. Statements reflecting fiscal impact of legis-
16 lation on political subdivisions

17 The Legislature shall designate a staff agency or
18 agencies of the Legislature to analyze legislative
19 documents and to prepare statements of projected fis-
20 cal impact upon political subdivisions of the State
21 for each legislative document.

22 The fiscal impact statements shall identify all
23 costs likely to be incurred by, and all benefits
24 likely to accrue to, each subdivision of the State.

25 Every county, municipality and school administra-
26 tive unit shall cooperate with and expeditiously pro-
27 vide information to the legislative staff agencies in
28 the performance of their duties and responsibilities
29 under this chapter.

30 For the purposes of this chapter "political sub-
31 division" means counties, municipalities and school
32 administrative units.

33 §572. Statements reflecting fiscal impact of state
34 agency rules on political subdivisions

35 The Governor shall designate a staff agency or
36 agencies of the Executive Department to analyze pro-
37 posed state agency rules and to prepare statements of

1 projected fiscal impact upon political subdivisions
2 of the State for each proposed state agency rule.

3 Each fiscal impact statement shall identify all
4 costs likely to be incurred by, and all benefits
5 likely to accrue to, each subdivision of the State.

6 **Sec. 3. 5 MRSA §8052, sub-§4, as amended by PL**
7 **1981, c. 524, §3, is further amended to read:**

8 **4. Relevant information considered.** The agency
9 shall consider all relevant information available to
10 it, including statements and arguments filed, before
11 adopting any rule. No proposed rule may be adopted
12 until a fiscal impact statement has been prepared for
13 each rule as required by section 8053-A and Title 3,
14 chapter 26.

15 **Sec. 4. Appropriation.** The following funds are
16 appropriated from the General Fund to carry out the
17 purposes of this Act.

18 1987-88

19 FINANCE, DEPARTMENT OF

20 Administration-Finance

21	Positions	(1)
22	Personal Services	\$27,508
23	All Other	
24	Capital Expenditures	500
25	Total	<u>\$29,008</u>

26 Provides funds for one
27 position to assess the
28 fiscal impact of pro-
29 posed state agency
30 rules upon political
31 subdivisions.

32 LEGISLATURE

33 Legislative Account

34	Positions	(3)
35	Personal Services	\$ 82,859

1	All Other	110,320
2	Capital Expenditures	6,600
3	Total	<u>\$199,779</u>

4 Provides funds for 2
5 budget analyst and 1
6 senior analysts to as-
7 sess the fiscal impact
8 of proposed legislation
9 upon political subdivi-
10 sions. This appropria-
11 tion also provides
12 funds to renovate
13 office space for these
14 3 positions.

15		
16	TOTAL APPROPRIATIONS	<u>\$228,787</u>

17 STATEMENT OF FACT

18 The purpose of this bill is to establish the re-
19 quirement of a fiscal note for each legislative docu-
20 ment and state agency rule to describe the fiscal im-
21 pact of each proposed law and agency rule upon munic-
22 ipalities, counties and school administrative units.
23 By being made aware of the costs of proposed laws and
24 agency rules, Legislators and state agencies may be
25 able to make decisions with greater facility than
26 previously.

27 This bill will incur an initial cost to the Gen-
28 eral Fund of \$228,787 for the fiscal year 1987-88.
29 In the subsequent years, the Capital Expenditures and
30 All Other costs included in this appropriation will
31 not be necessary.

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