

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1472

S.P. 537

In Senate, May 4, 1989

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

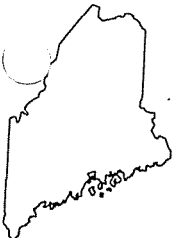
Presented by Senator BUSTIN of Kennebec.

Cosponsored by President PRAY of Penobscot, Speaker MARTIN of Eagle Lake and Representative ROLDE of York.

STATE OF MAINE

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

An Act to Enhance the Auditing and Fiscal Analysis Capabilities of the Maine Legislature.



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

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

5
7 **12. Statement of costs.** To prepare statements pertaining
to the existence of cost or the amount of cost to municipalities
or counties for implementing or complying with a proposed law.
9 The statement of cost shall be made within the limits of
information provided to the office designated by the Legislative
11 Council as having responsibility for financial analysis. The
statements shall be furnished to the appropriate committee for
13 the information of its members and for inclusion in bills which
receive an ought to pass report when reported by the committee.
15 A statement shall not be necessary for any bill which has no cost
to municipalities or counties; and

17
19 **Sec. 2. 3 MRSA §163-A, sub-§§12-A and 12-B** are enacted to read:

21 12-A. Revenue projections. To develop state revenue
projections on a quarterly basis and for the period of the next
23 biennium of the Legislature. The revenue projections shall be
made by the office designated by the Legislative Council as
25 having responsibility for financial analysis. The revenue
projections shall be provided to the joint standing committees of
27 the Legislature having jurisdiction over appropriations and
financial affairs; audit and program review; and taxation.
29 Revenue projections shall be provided to other joint standing or
select committees of the Legislature upon request; and

31 12-B. Conduct budget analyses. To conduct budget analyses,
including analyses of expenditures of executive branch agencies
33 and independent state agencies and legislative offices. Budget
analyses shall:

35
37 A. Be conducted by the office designated by the Legislative
Council as having responsibility for financial analysis;

39 B. Include the expenditure and use of General Fund
appropriations, dedicated fund allocations, federal money,
41 bond proceeds and income from any other sources for use by
the agencies specified in this section; and

43
45 C. Include the expenditure and use of funds that have been
transferred by financial order or other transfer mechanism
47 to any other appropriation or subdivision of an
appropriation.

49 **Sec. 3. 5 MRSA §244, sub-§1** is enacted to read:

1 1. Reports. In conducting audits of state entities within
2 the jurisdiction of the Department of Audit, the State Auditor
3 shall:

5 A. Include in the annual report money that any state entity
6 within the jurisdiction of the department has failed to
7 expend or use as appropriated, allocated or provided to that
8 entity; and

9 B. Report to the joint standing committees of the
10 Legislature having jurisdiction over appropriations and
11 financial affairs and over audit and program review any:

12 (1) Money that a state entity has failed to expend or
13 use as appropriated, allocated or otherwise provided to
14 that entity; and

15 (2) Money that has been transferred to any other
16 appropriation or subdivision of an appropriation in
17 violation of section 1585.

18 **Sec. 4. 5 MRSA §1588 is enacted to read:**

19 **§1588. Department of Finance**

20 The Department of Finance shall cooperate with the office
21 designated by the Legislative Council as having responsibility
22 for financial analysis for the Legislature with respect to
23 providing information and data for purposes defined in Title 3,
24 section 163-A, subsections 12-A and 12-B, and in section 1585 of
25 this Title.

26 **Sec. 5. Appropriation.** The following funds are appropriated
27 from the General Fund to carry out the purposes of this Act.

	1989-90	1990-91
LEGISLATURE		
Legislative Council		
Positions		(3)
Personal Services	\$87,000	\$116,000
All Other	75,000	
Capital Expenditures	8,000	
Provides funds for 2 professional positions and one clerical position within the office designated by the Legislative Council as having		

1 responsibility for fiscal
2 analysis for the Legislature.

3

4 The 2 professional positions
5 require people with expertise
6 and experience in revenue
7 projections, budgeting and
8 auditing of books, records
9 and accounts.

10 This appropriation also
11 provides funds for the
12 purchase of computer
13 equipment and computer
14 software, including
15 econometric models.

17

18 **LEGISLATURE**

19 **TOTAL** \$170,000 \$116,000

21

23

STATEMENT OF FACT

25 This bill provides the Legislature with the persons and
26 resources necessary to conduct budget analyses, to develop
27 revenue projections and to conduct financial analyses. In
28 addition, this bill requires the State Auditor to report to the
29 joint standing committees of the Legislature having jurisdiction
30 over appropriations and financial affairs, audit and program
31 review, and taxation any money that a state entity has failed to
32 expend or use as appropriated by the Legislature, as well as any
33 transfers of money among accounts.

34

35