# MAINE STATE LEGISLATURE

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## 114th MAINE LEGISLATURE

### SECOND REGULAR SESSION - 1990

Legislative Document

No. 2460

H.P. 1794

House of Representatives, March 29, 1990

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.

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

EDWIN H. PERT, Clerk

Presented by Representative CARTER of Winslow.
Cosponsored by Senator PEARSON of Penobscot, Speaker MARTIN of Eagle Lake and President PRAY of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY

An Act to Implement Meaningful Legislative Oversight of State Finances.

(AFTER DEADLINE)



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

Sec. 1. 3 MRSA §522, as enacted by PL 1981, c. 702, Pt. S, is amended to read:

#### \$522. Purpose and powers

The joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs shall oversee the transfer of funds in accordance with Title 5, section 1585, block grant changes in accordance with Title 5, section 1670 and any other related fiscal matters. The committee has the power to investigate and consider any matter relative to revenues, budgets, appropriations, allocations, expenditures, finances or any other fiscal matter of the State. The committee may meet mentaly—or while the Legislature is in session and during the interim as often as is deemed determined necessary by the ehairmen chairs. Members of the committee shall be-paid-per diem—and—expenses receive the legislative per diem as defined in section 2 for each—day days of attendance as—authorized—by—the Legislative—Gouncil.

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- Sec. 2. 5 MRSA  $\S1585$ , sub- $\S1$ , as amended by PL 1985, c. 737, Pt. B,  $\S7$ , is further amended to read:
- Transfer procedures. Any balance of any appropriation\_ 26 allocation or subdivision of an appropriation or allocation made 28 by the Legislature for any state department or agency, which at any time may not be required for the purpose named in such 30 appropriation, allocation or subdivision, may be transferred at any time prior to the closing of the books to 32 appropriation, allocation or subdivision appropriation or allocation made by the Legislature for the use of the same department or agency for the same fiscal year subject 34 to review and prior approval by the joint standing committee of 36 the Legislature having jurisdiction over appropriations and financial affairs. Financial orders describing such those transfers shall  $\underline{\text{must}}$  be submitted by the Bureau of the Budget to 38 the Office of Fiscal and Program Review 30 days before the 40 transfer is to be implemented. In case of extraordinary emergency transfers, the 30-day prior submission requirement may be waived 42 by vote of the committee.
  - Sec. 3. 5 MRSA  $\S1669$ , first  $\P$ , as amended by PL 1985, c. 737, Pt. B,  $\S9$ , is further amended to read:

No state department or agency may make expenditures of any federal funds or expenditures in anticipation of receipt of federal funds for any new or expanded programs, unless such federal funds are approved by the Legislature. The Governor may, subject to review and prior approval by the joint standing committee of the Legislature having jurisdiction over

appropriations and financial affairs, authorize the expenditure of such federal funds for a period not to exceed 12 calendar months, and shall notify the Office of Fiscal and Program Review of such-action any proposed authorization of an expenditure of federal funds 30 days before the proposed effective date of that authorization.

Sec. 4. Effective date. This Act takes effect only if the Constitution of Maine is amended to add a section authorizing legislative oversight of state finances.

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#### STATEMENT OF FACT

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This bill is a companion measure to L.R. 3717. Changes are made in the laws to implement the legislative financial oversight clause proposed as an amendment to the Constitution of Maine. The Joint Standing Committee on Appropriations and Financial Affairs is given oversight responsibility over state finances and the authority to approve or reject financial changes that vary the terms of an enacted appropriation measure. These changes will take effect only if the proposed constitutional amendment is ratified by the voters.