

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
115TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 370, L.D. 995, Bill, "An Act to Provide Employee Protection in the Event of Closure or Reduction in Capacity of State Facilities, Programs or Services"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'5 MRSA §19-B is enacted to read:

§19-B. Employee protection

Any closure or reduction of capacity of a state-operated facility, program or service on or after December 5, 1990 is governed by the following standards.

1. Priority. Temporary state positions and contracted personal services that provide services that could be performed by existing classifications within a department or agency must be eliminated prior to the elimination of permanent state positions, subject to the following conditions.

A. Temporary state positions may be continued for up to 90 days if the work is essential to the operation of the department or agency and permanent state employees are not available to perform the work.

B. An existing contract for personal services that does not have an appropriate termination clause may be continued if the department or agency can demonstrate that significant financial hardship would be caused from termination or curtailment of the contract. All state contracts entered into after the effective date of this section for personal

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2 services that duplicate or correspond to services provided  
3 by permanent state employees within a department or agency  
4 must contain termination clauses that permit termination or  
5 curtailment of the contracts under conditions of closure or  
6 reduction of capacity.

7 2. Replacement. Except when clear and significant savings  
8 can be achieved and except as provided in subsection 1, the State  
9 may not contract for personal services to provide the programs or  
10 services previously provided by permanent state employees who  
11 have been laid off for budgetary reasons.

12 In comparing costs, the cost of inspection, supervision and  
13 monitoring, as well as the indirect overhead costs, must be  
14 included. "Indirect overhead costs" means the pro rata share of  
15 existing administrative salaries and benefits, rent, equipment  
16 costs, utilities and materials.

17 Emergency clause. In view of the emergency cited in the  
18 preamble, this Act takes effect when approved.

21 **FISCAL NOTE**

22  
23 This bill prohibits the State from contracting for services  
24 that were previously provided by state employees who were laid  
25 off for budgetary reasons with certain exceptions. It further  
26 provides that the State demonstrate that significant savings  
27 would be achieved by contracting for personal services previously  
28 provided by these employees. The costs associated with  
29 developing cost-benefit analyses to demonstrate these savings  
30 will be absorbed within existing resources of state agencies.'

33 **STATEMENT OF FACT**

34  
35 The bill requires that temporary or contract positions be  
36 eliminated before permanent state employee positions of the same  
37 classification are eliminated.

38  
39 This amendment limits these actions to positions within  
40 departments and agencies and sets conditions for exceptions.  
41 Further, the amendment requires that clear and significant  
42 savings be demonstrated through the use of contract personnel for  
43 services previously provided by permanent state employment. The  
44 amendment also describes overhead costs that must be included in  
45 calculations to determine potential savings and adds a fiscal  
46 note to the bill.

47 Reported by Senator Berube for the Committee on State and  
48 Local Government. Reproduced and Distributed Pursuant  
to Senate Rule 12.

(5/30/91)

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