

MAINE STATE LEGISLATURE

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L.D. 1967

(Filing No. H-740)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "B" to H.P. 1379, L.D. 1967, Bill, "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1991, June 30, 1992 and June 30, 1993"

Amend the bill by striking out all of Part II and inserting in its place the following:

'Sec. II-1. 5 MRSA §1659 is enacted to read:

§1659. Limitations on department funding of administrative costs

1. Limitation. A department shall require in all agreements with a community agency for the provision of a service that state administered funds may not be used for the following purposes, unless authorized by the head of the department for justifiable situations:

A. Dues and memberships;

B. In-state travel that exceeds \$1,000 or the average of the last 3 years, whichever is less, that is not for:

(1) Direct client services;

(2) Training required for licensing or certification of the community agency. Funds may not be used for individual licensing or certification; or

(3) Training required by the department;

C. Out-of-state travel that is not for direct client services unless prior approval is given by the head of the department;

2 D. Nonpersonnel advertising, excluding public education
4 materials that have the approval of the department;

6 E. Subscriptions;

8 F. Lobbying;

10 G. Bonuses and incentives;

12 H. Legal fees that exceed \$1,000 or the average of the last
14 3 years, whichever is less, unless approved by the
16 department;

18 I. Purchase, rental or lease of vehicles that are not
20 required for direct client services;

22 J. Donations;

24 K. Nonclinical consultants;

26 L. Salary increases for persons with salaries over \$50,000
28 for that portion of the salary that is attributable to
30 administrative functions; and

32 M. Administrative costs that are greater than the statewide
34 average for community agencies' administrative costs during
36 1988-89.

38 2. Repeal. This section is repealed June 30, 1993.

40 **Sec. II-2. Redirection of money saved through limitation of**
42 **administrative costs.** Each department shall identify the amount of
44 administrative costs that would not have been funded for each
46 community agency in fiscal year 1990-91 if the limitations of the
48 Maine Revised Statutes, Title 5, section 1659 had been in
effect. That amount must be assumed to be unnecessary to
maintain the community agency's level of effort for direct
services in agreements entered into during fiscal year 1991-92
and must be withheld from those agreements.

Sec. II-3. Report. By January 1, 1992, each department shall
submit a report to the Joint Standing Committee on Appropriations
and Financial Affairs and the Joint Standing Committee on Human
Resources, identifying the amounts that are saved as a result of
the requirements of this Part by community agency and type of
service along with each exception granted by the head of a
department and a rationale for each exception granted.

Sec. II-4. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	1991-92	1992-93
FINANCE, DEPARTMENT OF		
Executive Branch Departments and Independent Agencies - Statewide		
All Other	(\$180,000)	(\$180,000)
Provides for the deappropriation of funds as a result of limitations on funding of administrative costs for community agencies, as established by the Maine Revised Statutes, Title 5, section 1659, with which departments or agencies contract for services. Notwithstanding Title 5, section 1585, the State Budget Officer shall distribute this amount among the executive branch departments and independent agencies of State Government in accordance with data presented to the Joint Standing Committee on Appropriations and Financial Affairs.		
DEPARTMENT OF FINANCE TOTAL	<u>(\$180,000)</u>	<u>(\$180,000)</u>
HUMAN SERVICES, DEPARTMENT OF		
Purchased Social Services		
All Other	(\$100,000)	(\$100,000)
Provides for the deappropriation of funds due to limitations on funding of administrative costs for community agencies, as		

2 established by the Maine
3 Revised Statutes, Title 5,
4 section 1659, with which the
5 department contracts for
6 services.

6	DEPARTMENT OF HUMAN SERVICES		
8	TOTAL	<u>(\$100,000)</u>	<u>(\$100,000)</u>
10	MENTAL HEALTH AND MENTAL		
12	RETARDATION, DEPARTMENT OF		
14	Departmentwide		
16	All Other	<u>(\$120,000)</u>	<u>(\$120,000)</u>
18	Provides for the		
20	deappropriation of funds due		
22	to limitations on funding of		
24	administrative costs for		
26	community agencies, as		
	established by the Maine		
	Revised Statutes, Title 5,		
	section 1659, with which the		
	department contracts for		
	services.		
28	DEPARTMENT OF MENTAL HEALTH		
30	AND MENTAL RETARDATION		
	TOTAL	<u>(\$120,000)</u>	<u>(\$120,000)</u>
32	SECTION II-4		
34	TOTAL APPROPRIATIONS	<u>(\$400,000)</u>	<u>(\$400,000)</u>

36
38 **STATEMENT OF FACT**

40 This amendment deletes language requiring the Department of
42 Mental Health and Mental Retardation, the Department of
44 Corrections and the Department of Human Services to review the
administrative expenses of agencies with which they contract for
the provision of client services and enacts language limiting
department funding of administrative costs.

Filed by Rep. Manning of Portland
Reproduced and distributed under the direction of the Clerk of the
House
(7/2/91) (Filing No. H-740)