

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

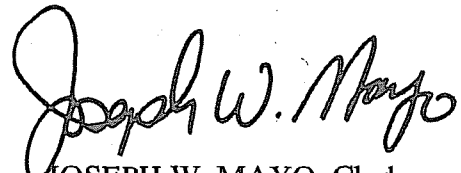
No. 1505

H.P. 1109

House of Representatives, May 13, 1993

An Act to Encourage More Efficient Spending of State Tax Dollars.

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


JOSEPH W. MAYO, Clerk

Presented by Representative DAGGETT of Augusta.
Cosponsored by Representative: MITCHELL of Vassalboro, Senators: BUSTIN of Kennebec,
HANDY of Androscoggin.

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

4 Sec. 1. 5 MRSA §1659-A is enacted to read:

6 **§1659-A. Expenditure of savings**

8 Savings from funds received through a contract between a
10 social service provider and a state agency may be spent for
12 program costs. A state department or agency contracting with a
14 social service provider may not restrict the use of those savings
16 or deduct savings from future contracts except as required by
18 restrictions on the use of federal funds that are part of the
20 funding of the contract.

22 As used in this section, program costs include costs that
24 the service provider may incur during the direct delivery of
26 services to clients and exclude administrative costs as defined
28 in former section 1660-B.

30 As used in this section, savings means the money remaining
after all provisions of the contract between the state department
or agency to the social service provider have been satisfied.

24 **STATEMENT OF FACT**

26 This bill allows social service providers to spend savings
28 from funds received through a contract with a state agency for
30 program costs. The State may not restrict the use of those
savings or deduct those savings from future contracts except as
provided by federal law.