

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1688

S.P. 646

In Senate, January 11, 1996

An Act to Require Legislative Approval of Financial Obligations of the State beyond the Current Biennium.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator MICHAUD of Penobscot.
Cosponsored by Senator: HANLEY of Oxford, Representative: REED of Falmouth.

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

4 **Sec. 1. 5 MRSA §1590** is enacted to read:

6 **§1590. Long-term financial obligations**

8 Notwithstanding any other provision of law, prior
10 legislative review is required before an agent or officer of any
12 state department or agency may enter into a contract or other
14 legally binding agreement that will require a General Fund
16 appropriation in excess of \$1,000,000 in any year beyond the
18 current biennium. Notification describing an agreement subject
20 to this section must be provided to the Bureau of the Budget and
22 the Office of Fiscal and Program Review at least 30 days before
24 execution of the agreement. The joint standing committee of the
26 Legislature having jurisdiction over appropriations and financial
28 affairs shall promptly review the notification and report to the
30 Legislature. The Legislature may prohibit the execution of the
32 agreement by enacting legislation to that effect. If the
Legislature fails to act within 30 days of the receipt of the
notification, execution of the agreement may proceed.

24 **STATEMENT OF FACT**

26 This bill requires prior legislative approval of any
28 contract that will require a General Fund appropriation in excess
30 of \$1,000,000 in any year beyond the current biennium. The Joint
32 Standing Committee on Appropriation and Financial Affairs must
review any such agreement and report to the Legislature. The
Legislature may enact legislation to prohibit the execution of
the agreement.