

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 132

S.P. 62

In Senate, January 11, 1999

An Act to Increase the Cap on the Maine Rainy Day Fund.

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President LAWRENCE of York.
Cosponsored by Senators: CATHCART of Penobscot, MICHAUD of Penobscot,
Representatives: SHIAH of Bowdoinham, STEVENS of Orono.

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

Sec. 1. 5 MRSA §1513, sub-§1, as amended by PL 1997, c. 643, Pt. E, §1, is further amended to read:

1. Maine Rainy Day Fund. The State Controller shall at the close of each fiscal year transfer from the unappropriated surplus of the General Fund to the Maine Rainy Day Fund 1/2 the excess of total General Fund revenues received over accepted estimates in that fiscal year. Accepted revenue estimate may not be increased after adjournment of each First Regular Session of the Legislature except as provided. For the first year of the biennium, revenue estimates for the 2nd year of the biennium may be adjusted once during the Second Regular Session of the Legislature. Accepted revenue estimates may be increased for other fiscal periods only if an amount not to exceed 1/2 of the increase is transferred by the State Controller to the Rainy Day Fund at the same time from the unappropriated surplus of the General Fund. The fund may not exceed 5% 7% of the total General Fund revenues received in the immediately preceding fiscal year and may not lapse, but remain in a continuing carrying account to carry out the purposes of this section. A reduction in the fund is not necessary in the event the total General Fund revenues received in the immediately preceding fiscal year are less than the total General Fund revenues received in the fiscal year 2 years previous and if the fund is at its 5% 7% limit.

Sec. 2. Transfer into Maine Rainy Day Fund. By October 1, 1999, the State Controller shall transfer all funds in the Reserve for Sales Tax Account into the Maine Rainy Day Fund.

SUMMARY

This bill increases the limit on the percent of the total General Fund revenues that may be transferred into the Maine Rainy Day Fund and requires that all funds in the Reserve for Sales Tax Account be transferred to the Maine Rainy Day Fund.