

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## SECOND REGULAR SESSION-2004

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Legislative Document

No. 1798

H.P. 1320

House of Representatives, December 22, 2003

### An Act Requiring Long-range Budget Planning

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 17, 2003. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative WOODBURY of Yarmouth.  
Cosponsored by Senator TURNER of Cumberland and  
Representatives: DUDLEY of Portland, MAILHOT of Lewiston, MILLETT of Waterford,  
PINGREE of North Haven, ROSEN of Bucksport, Senators: BRENNAN of Cumberland,  
DOUGLASS of Androscoggin, ROTUNDO of Androscoggin.

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

4 **Sec. 1. 5 MRSA §1665, sub-§7**, as repealed and replaced by PL  
1999, c. 127, Pt. A, §6 and affected by §7, is amended to read:

6 **7. General Fund and Highway Fund revenue and expenditure**  
7 **forecasts.** By September 30th of each even-numbered year, the  
8 State Budget Officer shall prepare and deliver a report to the  
9 Governor, the Legislature and the joint standing committee of the  
10 Legislature having jurisdiction over appropriations and financial  
11 affairs containing a forecast of revenue and expenditures for the  
12 following ~~biennium~~ 3 bienniums. The forecast must assume the  
13 continuation of current laws and include reasonable and  
14 predictable estimates of growth in revenues and expenditures  
15 based on national and local trends and program operations.  
16 General Fund and Highway Fund revenue must be forecasted by  
17 income source as provided in chapter 151-B. Expenditure  
18 forecasts for the General Fund and the Highway Fund must be  
19 forecasted on the basis of current law and assumed inflation  
20 variables related to program operations. The forecast for the  
21 General Fund and the Highway Fund must be presented in a budget  
22 fund flow statement and a comparative statement showing each  
23 income source for revenue projections and expenditure estimates  
24 for each major program category.

26 **Sec. 2. 5 MRSA §1666-B** is enacted to read:

28 **§1666-B. Long-range budget plan**

30 The Governor or the Governor-elect, with the assistance of  
31 the State Budget Officer and based upon the forecast of revenue  
32 and expenditures prepared pursuant to section 1665, subsection 7,  
33 shall prepare a long-range budget plan that encompasses the  
34 following 3 bienniums. The plan must be submitted to the  
35 Legislature at the same time as the biennial budget required by  
36 section 1666.

38 **SUMMARY**

40  
42 Current law requires the State Budget Officer to prepare a  
43 forecast of revenues and expenditures for the biennium  
44 immediately following the biennium in which the forecast is  
45 prepared. This bill extends the forecast to encompass the 6  
46 years following the current biennium and requires the Governor to  
47 use the forecast to develop a long-range budget plan for the  
48 following 3 bienniums. The plan is submitted by the Governor to  
the Legislature along with the regular biennial budget.