# MAINE STATE LEGISLATURE

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#### EIGHTY-FIFTH LEGISLATURE

### Legislative Document

No. 280

S. P. 290

In Senate, Feb. 4, 1931.

Referred to Committee on Administrative Code and 1000 copies printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Weatherbee of Penobscot.

#### STATE OF MAINE

## IN THE YEAR OF OUR LORD ONE THOUSAND NINE HUNDRED AND THIRTY-ONE

RESOLVE, Proposing an Amendment to the Constitution to Provide for Eliminating the Office of Treasurer of State and Establishing a State Budget System.

Resolved: That article five, part four, of the constitution as amended by the twenty-third and twenty-seventh amendments to the constitution is hereby amended by striking out all of said part of such article and inserting in place thereof the following, so that said part of such article as amended shall read as follows:

'Section 1. All money received on account of the state government from any source whatsoever shall be paid into the treasury thereof. No money shall be drawn from the treasury, but in consequence of appropriations made by law.

'Sect. 2. By the end of the fourth week of each regular session of the legislature, the governor shall submit to this body a budget setting forth all proposed expenditures of the state government for each fiscal year of the forthcoming biennium, including those already authorized by law, and all taxes, revenues, borrowings, and other income by which such expenditures are to be financed. This budget shall be arranged in such form as the legislature may prescribe by law, or in default thereof, as the governor may determine. For the purpose of preparing his budget, the governor shall have power to require any department, officer, board, institution, or agency

of the state government to furnish him with whatever information he may deem necessary.

The governor shall submit to the legislature with his budget a general appropriation bill containing all proposed expenditures, and such other bills as are required to provide the income necessary to finance these expenditures. He may amend or supplement the appropriation bill while it is before the legislature. The legislature, or a committee representing both houses, shall hold open hearings on the appropriation bill and other bills, at which the governor and the executive officers of the various departments and agencies shall appear whenever requested. The appropriation bill and other bills shall be reported out of committee for legislative action by the end of the tenth week of the session. The legislature shall provide by rules or otherwise for the discussion of the budget and the bills accompanying it on the floor of each house for two full legislative days during consecutive weeks before final action is taken thereon. The legislature may increase, decrease, add, or omit items in the general appropriation bill, but it shall not increase the items of this bill to exceed in the aggregate the total income as estimated and set forth in the budget. Before final action on the general appropriation bill, the legislature shall not enact any other appropriation bill, except on recommendation of the governor. After final action on the general appropriation bill or on recommendation of the governor, special appropriation bills may be enacted by the legislature, provided such bills clearly indicate the specific means of financing the appropriations contained in them.

'Sect. 4. The governor may disapprove or reduce items or parts of items in any bill appropriating money. So much of such bill as he approves shall, upon his signing it, become a law. As to each item disapproved or reduced he shall transmit to the house in which the bill originated his reason for such disapproval or reduction, and the procedure shall be the same as in the case of a bill disapproved as a whole.'

Resolved: That the aldermen of cities, the selectmen of towns and assessors of the several plantations of this state are hereby empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of senators and

representatives, on the second Monday in September following the passage of this resolve, to give in their votes upon the amendment proposed in the foregoing resolution, and the question shall be:

"Shall the constitution be amended as proposed by a resolution of the legislature providing for the elimination of the office of treasurer of state and the establishment of a state budget system?"

And the inhabitants of said cities, towns and plantations shall vote by ballot on said question, those in favor of the amendment voting "Yes" upon their ballots and those opposed to the amendment voting "No" upon their ballots, and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings, and return made to the office of secretary of state in the same manner as votes for governor and members of the legislature and the governor and council shall count the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of the amendment, the governor shall forthwith make known the fact by his proclamation and the amendment shall thereupon as of the date of said proclamation become a part of the constitution.

Resolved: That the secretary of state shall prepare and furnish to the several cities, towns and plantations, ballots and blank returns in conformity with the foregoing resolve accompanied by a copy thereof.

#### STATEMENT OF FACTS

The proposed amendment would eliminate the office of treasurer of state from the constitution, thus making it possible to merge the work of this office with the department of finance provided in the Administrative Code by setting up therein a bureau of the treasury. This would be necessary in order to complete the fiscal machinery under the department of finance and to insure the development of a modern financial system for the state government.

A bill has been prepared for the purpose of establishing a bureau of the treasury in the department of finance immediately upon the expiration of the term of office of the present treasurer of state, or on the first Wednesday in January, 1933, provided the constitutional amendment is adopted.

The proposed amendment provides for the establishment of a state budget system along the general lines of the one adopted by the state of Massachusetts, one of the few states having an Executive Council. It sets up practically the same procedure for budgetary control as that operating under the governor and council of Massachusetts.

Section I of the proposed amendment is self-explanatory.

Section 2 requires the governor to submit the budget to the legislature not later than the end of the fourth week of the session. This arrangement fixes the responsibility for the budget on the governor coming into office rather than on the outgoing governor, which is quite desirable. It seems necessary to allow a governor-elect this much time though the information will be collected in advance for him, greatly facilitating his task, and he might readily submit the budget earlier. The section also provides in general terms for the form of the budget. These are supplemented by the provisions of the "State Administrative Reorganization Code."

Section 3 requires the governor to submit to the legislature an appropriation and other bills to carry out the budget. It provides a procedure for the legislative handling of the budget and the budget bills, which it is believed will be most effective in increasing the thoroughness of legislative consideration and in expediting legislative action. The legislature is not hampered in its action on the budgetary recommendations of the governor; it may make any changes it sees fit, either increases or reductions, so long as it keeps the budget in balance.

Section 4 provides for the veto by the governor of items or parts of items in any appropriation bill. This is a highly desirable feature of any state budget system which leaves the legislature free to change the governor's budgetary proposals.