

# MAINE STATE LEGISLATURE

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**Legislative Document**

**No. 576**

S. P. 221

In Senate, February 7, 1957.

Referred to the Committee on State Government, sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Rogerson of Aroostook.

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**STATE OF MAINE**

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-SEVEN

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**AN ACT Relating to the Department of Finance and Administration.**

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

**Sec. 1. R. S., c. 15-A, additional.** The Revised Statutes are hereby amended by adding thereto a new chapter, to be numbered 15-A, and to read as follows:

**Chapter 15-A.**

**Department of Finance and Administration. Budgeting.  
Accounts and Controls. Public Improvements. Purchasing.**

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|-----------------|---|
| Sections 1- 3.  | Department of Finance and Administration.                     |
| Sections 4-16.  | Bureau of the Budget.   |
| Sections 17-23. | Bureau of Accounts and Control.                               |
| Sections 24-33. | Bureau of Public Improvements.                                |
| Sections 34-42. | Bureau of Purchases.  |
| Sections 43-44. | Automobile Travel by State Employees.                         |
| Section 45.     | Bonds of State Officials and Employees.                       |
| Section 46.     | Departments to Exchange Information and Records without Cost. |
| Section 47.     | Disposition of Uncollectible Accounts.                        |
| Section 48.     | Fiscal Year.  |
| Section 49.     | Petty Cash Funds.   |
| Section 50.     | Return of Working Capital Advances.                           |
| Section 51.     | State Contingent Account.                                     |
| Section 52.     | State Funds Eliminated.                                       |
| Section 53.     | Weekly Payment of Salaries or Wages.                          |
| Section 54.     | Financial Reports of Federal Funds.                           |

**Department of Finance and Administration.**

**Sec. 1. Department of Finance and Administration; Commissioner; appointment; removal; vacancy; salary.** The Department of Finance and Administration, as heretofore established, shall exercise such powers and perform such duties as are set forth in this chapter and chapters 16 and 17 of the Revised Statutes.

The Department shall be under the supervision and control of a Commissioner of Finance and Administration, hereinafter called the "Commissioner," who shall be appointed by the Governor, with the advice and consent of the Council, to serve for a term of 7 years, and until his successor is appointed and qualified.

The Commissioner may be removed from office by the Governor and Council for cause.

Any vacancy in the said office shall be filled by appointment for a like term in the manner as hereinbefore provided.

The salary of the Commissioner shall be fixed by the Governor and Council.

**Sec. 2. Powers and duties of Commissioner.** The Commissioner may employ such Bureau Chiefs as may be necessary, with the approval of the Governor. The Bureau Chiefs shall be under the immediate supervision, direction and control of the Commissioner and shall perform such duties as he may prescribe, except as otherwise provided by law.

The salaries of the Bureau Chiefs shall be fixed by the Commissioner, with the approval of the Governor.

The Commissioner may also employ such deputies, assistants and employees as may be necessary, subject to the provisions of the Personnel Law.

In the event of a vacancy in the office of the Commissioner because of death, resignation, removal from office or other cause, the various Bureau Chiefs, deputies and assistants shall continue in office and perform such duties as have been prescribed or assigned to them, until said vacancy has been filled by the appointment and qualification of a new Commissioner.

The Commissioner shall have the duty and authority:

- I. To serve as the principal administrative and fiscal aide to the Governor;
- II. To coordinate financial planning and programming activities of departments and agencies of the State Government for review and action by the Governor and Council;
- III. To constantly review the administrative activities of other departments and agencies of the State, study organization and administration, investigate duplication of work and to formulate plans for better and more efficient management, and to report periodically to the Governor and on request to the Legislature;
- IV. To prepare and report to the Governor or to the Legislature such financial data or statistics as may be required or requested by them;

V. To supervise and direct the activities of the bureau which may by statute be designated as being under the Department of Finance and Administration;

VI. To exercise such other powers and perform such other duties as may be designated by statute.

Sec. 3. Organization; Bureau Chiefs; vacancy. The Commissioner shall organize the Department of Finance and Administration into bureaus, as follows:

I. Bureau of the Budget, the head of which shall be the State Budget Officer;

II. The Bureau of Accounts and Control, the head of which shall be the State Controller;

III. Bureau of Public Improvements, the head of which shall be the State Director of Public Improvements;

IV. Bureau of Purchases, the head of which shall be the State Purchasing Agent;

V. Bureau of Taxation, the head of which shall be the State Tax Assessor.

In the absence of any Bureau Chief from his official duties, or in the event of a vacancy in the position of any one of them, the Commissioner, or his authorized agent, shall have the powers and perform the duties prescribed for such Bureau Chief.

#### Bureau of the Budget.

Sec. 4. Definition. The words "Governor-elect," wherever used in sections 5 to 16, inclusive, shall be held to mean the candidate elected to the office of Governor of the State of Maine in September of the even-numbered years, or his successor.

Sec. 5. Powers and duties relating to budgeting. The Department of Finance and Administration, through the Bureau of the Budget, shall have the duty and authority:

I. To prepare and submit to the Governor-elect, biennially, a state budget document in accordance with the provisions set forth in this chapter;

II. To examine and recommend for approval the work program and quarterly allotments of each department and agency of the State Government, before the appropriations made for such department or agency shall become available for expenditure;

III. To examine and recommend for approval any changes in the work program and quarterly allotments of any department or agency of the State Government during the fiscal year;

IV. To make rules and regulations, subject to the approval of the Commissioner, for the carrying out of the provisions of sections 5 to 16, inclusive.

Sec. 6. Scope of the state budget. The budget of the State Government shall present a complete financial plan for each fiscal year of the ensuing biennium.

It shall set forth all proposed expenditures for the administration, operation and maintenance of the departments and agencies of the State Government; all interest and debt redemption charges during each fiscal year and all expenditures for capital projects to be undertaken and executed during each fiscal year of the biennium. In addition thereto, the state budget shall set forth the anticipated revenues of the State Government and any other additional means of financing expenditures proposed for each fiscal year of the biennium.

Sec. 7. Form of the state budget document. The state budget document, setting forth a financial plan for the State Government for each fiscal year of the ensuing biennium, shall be set up in 3 parts, the nature and contents of which shall be as follows:

Part 1 shall consist of a budget message by the Governor-elect which shall outline the financial policy of the State Government for the ensuing biennium, describing in connection therewith the important features of the financial plan. It shall also embrace a general budget summary setting forth the aggregate figures of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated revenues together with the other means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding figures for the last completed fiscal year and the fiscal year in progress. The general budget summary shall be supported by explanatory schedules or statements, classifying the expenditures contained therein by organization units, objects and funds, and the income by organization units, sources and funds.

Part 2 shall embrace the detailed budget estimates both of expenditures and revenues as provided in this chapter. It shall include statements of the bonded indebtedness of the State Government showing the debt redemption requirements, the debt authorized and unissued and the condition of the sinking funds. It shall also contain any statements relative to the financial plan which the Governor-elect may deem desirable, or which may be required by the Legislature.

Part 3 shall embrace complete drafts or summaries of the budget bills, that is, the legislative measures required to give legal sanction to the financial plan when adopted by the Legislature. These bills shall include an appropriation bill, authorizing by departments and agencies, and by funds, all expenditures of the State Government for each fiscal year of the ensuing biennium, and such other bills as may be required to provide the income necessary to finance the budget.

Sec. 8. Budget estimates. On or before October 1st of the even-numbered years, all departments and other agencies of the State Government and corporations and associations receiving or desiring to receive state funds under the provisions of law shall prepare, on blanks furnished them by the State Budget Officer, and submit to said Officer, estimates of their expenditure requirements for each fiscal year of the ensuing biennium contrasted with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year. The expenditure estimates shall be classified to set forth the data by funds, organization units, character and objects of expenditure. The

organization units may be sub-classified by functions and activities, or in any other manner, at the discretion of the State Budget Officer.

Tentative revenue estimates prepared by the State Budget Officer on October 1st of the even-numbered years shall be revised by this Officer during the following month of November for inclusion in the budget. The revenue estimates shall be classified so as to show the income by organization units, sources and funds.

Sec. 9. Review and revision of budget estimates. The Governor-elect, with the assistance of the State Budget Officer, shall review the budget estimates, altering, revising, increasing or decreasing the items of said estimates as may be deemed necessary in view of the needs of the various departments and agencies and the total anticipated income of the State Government during the ensuing biennium. The State Budget Officer, at the direction of the Governor-elect, shall then prepare a state budget document in the form required by the provisions of this chapter. The Governor shall transmit said budget document to the Legislature not later than the close of the 2nd week of the regular legislative session.

Sec. 10. Advisory Committee on Budget. There shall be an Advisory Committee on Budget consisting of 3 members, one from each House of the Legislature selected by the presiding officer thereof prior to October 1st of the even-numbered years. In each case the selection shall be, if practicable, the senior ranking member of the Senate and House respectively of the Committee on Appropriations and Financial Affairs, who is to serve as a member of his respective branch of the next succeeding Legislature. These two shall select a 3rd member who shall be a member of the next succeeding Legislature and a member of the minority party. The members of the Committee shall be paid the necessary expenses incurred in the performance of their duties, and in addition thereto, they shall receive \$15 per day for the time actually spent while the Legislature is not in session. This Committee shall meet with the Governor-elect, when so requested by him, during the preparation of the budget, and shall advise with the Governor-elect on any and all matters pertaining to the financial policy of the State Government. The Governor-elect, however, shall be fully responsible for all budgetary recommendations made to the Legislature.

Sec. 11. Form of appropriation bill. The general fund appropriation bill provided for in section 7 shall be drawn so as to authorize the appropriation to be made to each department or agency of the State Government for each fiscal year of the biennium. Such appropriation shall provide specific amounts for personal services, capital expenditures and amounts for all other departmental expenses. Appropriations for the acquisition of property shall be in such detail under each department or agency as the Governor-elect shall determine. Such appropriations shall not be segregated in greater detail than the major classes or projects for which they are expendable during each fiscal year of the biennium.

Sec. 12. Handling appropriations. No appropriations to any state government or agency shall become available for expenditure until allotted upon the basis of the work program duly approved by the Governor and Council as provided in this chapter.

Sec. 13. No agent or officer of state to exceed appropriations. No agent or officer of the State or any department or agency thereof, whose duty it is to expend money under an appropriation by the Legislature, shall contract any obligation on behalf of the State in excess of the appropriation. Whoever exceeds in his expenditure said appropriation shall not have any claim for reimbursement.

Any such agent or officer who shall violate the provisions of this section shall be guilty of a misdemeanor and, upon conviction, be fined a sum equal to such excess of appropriation by him expended, and imprisoned for no longer than 11 months in the discretion of the court. All prosecutions under this section shall be by indictment and the fines inure to the State.

Sec. 14. Appropriations for construction of buildings, structures, highways and bridges to be carried forward to next fiscal year; unexpended balances to revert. All appropriations by the Legislature for the construction of buildings, structures, highways and bridges shall constitute continuous carrying accounts for the purposes designated by the Legislature in such appropriations. The State Controller is authorized to carry forward all such appropriations to the succeeding fiscal year, provided the construction shall have been begun by the letting of a contract or contracts or by actually starting the work during the year for which the appropriations were made. Any balance remaining after the completion of the object of the appropriations shall revert to the general fund in the State Treasury or to the fund from which it was apportioned under existing provisions of law.

Sec. 15. Transfer of unexpended appropriations on recommendation of State Budget Officer. Any balance of any appropriation or subdivision of an appropriation made by the Legislature for any state department or agency, which at any time may not be required for the purposes named in such appropriation or subdivision may, upon the recommendation of the department or agency head concerned and the State Budget Officer, be transferred by the Governor and Council, at any time prior to the closing of the books, to any other appropriation or subdivision of an appropriation made by the Legislature for the use of the same department or agency for the same fiscal year.

Sec. 16. Work program and allotments. Not later than June 1st of each year, the Governor shall require the head of each department and agency of the State Government to submit to the Bureau of the Budget a work program for the ensuing fiscal year. Such work program shall include all appropriations made available to said department or agency for its operation and maintenance and for the acquisition of property, and it shall show the requested allotments of said appropriations by quarters for the entire fiscal year, classified to show allotments requested for specific amounts for personal services, capital expenditures and amounts for all other departmental expenses. The Governor and Council, with the assistance of the State Budget Officer, shall review the requested allotments with respect to the work program of each department or agency and shall, if they deem it necessary, revise, alter or change such allotments before approving the same. The aggregate of such allotments shall not exceed the total appropriations made available to said department or agency for the fiscal year

in question. The State Budget Officer shall transmit a copy of the allotments as approved by the Governor and Council to the head of the department or agency concerned and also a copy to the State Controller. The State Controller shall thereupon authorize all expenditures to be made from the appropriations on the basis of such allotments and not otherwise.

The head of any department or agency of the State Government, whenever he shall deem it necessary by reason of changed conditions, may revise the work program of his department or agency at the beginning of any quarter during the fiscal year, and submit such revised program to the Bureau of the Budget with his request for a revision of the allotments of the remaining quarters of that fiscal year. If, upon such reexamination of the work program, the State Budget Officer, with the approval of the Governor and Council, shall decide to grant the request for the revision of the allotments, the same procedure, so far as it relates to review, approval and control shall be followed as in the making of the original allotments.

In order to provide some degree of flexibility to meet emergencies arising during each fiscal year in the expenditures for operation and maintenance of the various departments and agencies of the State Government, the State Budget Officer, with the approval of the Governor and Council, may require the head of each department and agency in making original allotments, to set aside a reserve, the exact amount of which shall be determined by the State Budget Officer, of the total amount appropriated to the department or agency. At any time during the fiscal year this reserve or any portion of it may be returned to the appropriation to which it belongs and may be added to any one or more of the allotments, provided the State Budget Officer shall deem such action necessary and shall notify the State Controller of such action. Any unused portion of such reserve shall remain at the end of the fiscal year as an unexpended balance of appropriation. Any unexpended and unencumbered balance of allotment at the end of each quarter shall be credited to a reserve set up for the fiscal year.

#### Bureau of Accounts and Control.

Sec. 17. Powers and duties relating to accounting. The Department of Finance and Administration, through the Bureau of Accounts and Control, shall have authority:

- I. To maintain an official system of general accounts, unless otherwise provided by law, embracing all the financial transactions of the State Government;
- II. To examine and approve all contracts, orders and other documents, the purpose of which is to incur financial obligations against the State Government, to ascertain that moneys have been duly appropriated and allotted to meet such obligations and will be available when such obligations will become due and payable;
- III. To audit and approve all bills, invoices, accounts, payrolls and all other evidences of claims, demands or charges against the State Government; and to determine the regularity, legality and correctness of such claims, demands or charges;



IV. To inquire into and cause an inspection to be made of articles and materials furnished, or work and labor performed, for the purpose of ascertaining that the prices, quality and amount of such articles or materials are fair, just and reasonable, and that all the requirements expressed or implied pertaining thereto have been complied with, and to reject or disallow any excess;

V. To make monthly reports on all receipts and expenditures of the State Government to the Governor and the State Auditor; to make monthly reports on appropriations, allotments, encumbrances and authorized payments to the Governor, to the State Auditor and to the head of the department or agency directly concerned;

VI. To prescribe the forms of receipts, vouchers, bills or claims to be filed by any and all departments and agencies with the Department of Finance and Administration;

VII. To prescribe such subsidiary accounts, including cost accounts, for the various departments and agencies as may be desired for the purposes of administration, supervision and financial control;

VIII. To examine the accounts of every department or agency receiving appropriations from the State;

IX. To report to the Attorney General for such action, civil or criminal, as he may deem necessary, all facts showing illegality in the expenditure of public moneys or the misappropriation of public properties;

X. To exercise the rights, powers and duties conferred and imposed by law upon the State Auditor which were effective November 9, 1931 insofar as these relate to financial administration and general accounting control of the State Government, involving the keeping of general accounts, the auditing before payment of all bills or vouchers and the authorizing of all claims against the State for which appropriations have been made. The State Controller shall set up and maintain special accounts in the general fund with respect to moneys received for designated purposes from the Federal Government.

Sec. 18. Signature of outgoing State Controller valid. The facsimile signature of the State Controller who is leaving office shall be valid until new signature plates for the signing of checks have been obtained for his successor.

Sec. 19. Disbursements; exceptions. No money shall be drawn from the State Treasury except in accordance with appropriations duly authorized by law. Every disbursement from the Treasury shall be upon the authorization of the State Controller, which authorization shall be in the form of a warrant drawn in favor of the payee, and said warrant shall, upon being countersigned by the Treasurer of State and delivered to the payee, become a check against a designated bank or trust company acting as a depository of the State Government.

Notwithstanding the provisions of the foregoing paragraph, the Chairman of the Maine Employment Security Commission is hereby authorized to prepare and sign warrants for the payment of benefits to eligible unemployed persons, which warrants shall, upon being countersigned by one other designated member of the Commission and delivered to the payee, become a check against a

designated bank or trust company acting as a depository of the State Government. The authority of the Chairman to prepare and sign such warrants is hereby limited solely to the payment of benefits to eligible unemployed persons. The facsimile signatures of the Chairman of the Commission and the designated member of the Commission who are leaving office shall be valid until new signature plates for the signatures herein authorized have been obtained for their successors.

Sec. 20. Unappropriated surplus; report. The State Controller shall maintain on the books of the State an account to be known as "Unappropriated Surplus." The balances of all revenue and appropriation accounts not otherwise provided for by law, together with any other necessary adjustments of balances previously closed to the unappropriated surplus account, shall be closed to this account at the end of each fiscal year. Any amounts authorized for allocation by the Governor and Council or representing permanent working capital advances shall be removed from unappropriated surplus and set up in separate accounts so that the balance of the unappropriated surplus account shall be the amount of free and unencumbered surplus according to generally accepted accounting principles.

The State Controller shall include in his official annual financial report a statement of the unappropriated surplus account reflecting all changes in this account during the fiscal year and the balance of this account at the close of the fiscal period.

Sec. 21. Reproduction of certain documents authorized. The State Controller is authorized to cause to be made, at the expense of the State, by any photostatic, photographic, microfilm or other mechanical process which produces a clear, accurate and permanent copy or reproduction thereof, copies of any part or all of the state cancelled checks, vouchers and other documents on file in the Bureau of Accounts and Control.

Sec. 22. Records open to public inspection. The books, accounts, vouchers, affidavits and other records and papers in the office of the State Controller relating to the public business shall be open for inspection to the citizens of this State at all reasonable times and for all proper purposes.

Sec. 23. State Controller to prepare official annual financial report; newspaper publication. The State Controller shall prepare as soon as possible after the close of each fiscal year an explanatory report in pamphlet form of the financial condition of the State together with such supporting figures for such fiscal year as may be necessary to furnish a comprehensive and concise report. This report shall be the official annual financial report of the State Government.

The State Controller shall publish a condensed summary of such report on or before September 5 of each year in all daily newspapers and in all weekly newspapers published in the State which are entered as second-class matter with the United States Post-Office Department and which are published regularly at least 52 times a year. Monthly newspapers may be used for this purpose on authorization of the Governor and Council. Such condensed summary shall not require newspaper space in excess of a 6-column page or its equivalent.

**Bureau of Public Improvements.**

**Sec. 24. Definition.** Whenever the words "public improvement" or "public improvements" shall appear in this chapter they shall be held to mean and include the construction, alteration or repair of any and every building or public work now owned or leased or hereafter constructed, acquired or leased by the State of Maine or any department, officer, board, commission or agency thereof, or constructed, acquired or leased, in whole or in part, with state funds. Nothing in this section shall apply to the construction, improvement, repair or maintenance of any and all ways, roads or bridges with appurtenances which, by law, are under the supervision of the State Highway Commission.

**Sec. 25. Powers and duties relating to public improvements.** The Department of Finance and Administration, through the Bureau of Public Improvements, shall have authority:

I. To develop over-all long range public improvement programs for all departments and agencies of the State Government and present recommendations pertaining thereto to the Governor, the Governor-elect, the Budget Committee and the Legislature;

II. To advise all state departments and agencies in connection with all engineering and architectural questions and matters pertaining to any and all public improvements;

III. To review the operation and maintenance of all state owned and leased buildings and property and to make recommendations with respect thereto to the controlling department or agency head concerned;

IV. To regularly inspect all state owned and leased buildings in the State and report to the controlling department head whatever construction, repairs, alterations and improvements are deemed necessary. If the State Director of Public Improvements considers it advisable, he shall make a similar report to the Governor and Council;

V. To prepare, at the request of the Governor and Council or the Legislature, data pertaining to existing or proposed public improvements;

VI. To approve the employment of qualified architects and engineers in the planning and construction of public improvements;

VII. To prepare plans and specifications for any public improvement when it is in the best interests of the State to do so;

VIII. To examine and approve all proposals, plans, specifications and contracts for public improvements which require their submission to the Governor and Council for their final approval and acceptance;

IX. To inspect and approve materials, equipment, methods used and changes in plans in making all public improvements, and inspect all public improvements during the course of construction or repair, such inspection and approval of materials, equipment, methods and changes in plans to be in addition to and not in lieu of the responsibility of the architect or engineer employed to supervise the work;

- X. To make final inspection upon the completion of any public improvement and to make recommendations for the acceptance or rejection thereof to the authority which approved the execution of the project;
- XI. To make an inventory of all removable equipment belonging to the State Government and keep it current;
- XII. To list all real estate belonging to or under lease to the State Government, showing controlling agency, location, metes and bounds, cost of rental rate and when acquired or rented;
- XIII. To collect and maintain a complete and accurate file of drawings showing plans of location and situation of all public improvements;
- XIV. To collect and maintain records of construction costs and progress of all public improvements;
- XV. To have general supervision of the State House and the public grounds, buildings and property connected with the State House, and make or supervise the making of all construction, repairs, alterations and improvements in and about such grounds and buildings;
- XVI. To control and maintain all that portion of the state lands situated in the City of Augusta and lying between State Street on the west and the location of the Maine Central Railroad Company on the east which is now or hereafter may be designated as a public park;
- XVII. To provide, with the consent of the Governor and Council, food service in the state office buildings located at the seat of government and elsewhere in the State as may be determined by the Governor and Council;
- XVIII. To assign rooms in all buildings used by the State for offices and determine the occupancy thereof in such manner as the public service may require;
- XIX. To lease all grounds, buildings, facilities and office space required by any and all departments and agencies of the State Government;
- XX. To purchase or contract for all telephone, telegraph, electric, water, sewage and gas services for any and all departments and agencies of the State Government;
- XXI. To make rules and regulations, subject to the approval of the Commissioner, for the purposes of carrying out the provisions of sections 24 to 33, inclusive.

The head of any agency, board, commission or department of the State Government, not otherwise exempted by the provisions of law, who contemplates any public improvement, shall first obtain the approval of the State Director of Public Improvements for such work. The provisions of this paragraph are not intended to restrict the head of any agency, board, commission or department of the State Government from making temporary emergency repairs to any state owned building, public work or property or any property under lease to the State Government which is under his supervision and control whenever it

appears that such repairs are immediately necessary to prevent injury to persons or further damage to such buildings or property.

Sec. 26. Competitive bids for public improvements. Any contract for any public improvement involving a total cost of more than \$3,000 shall be awarded by a system competitive bidding in accordance with the provisions of this chapter and such other conditions and restrictions as the Governor and Council may from time to time prescribe.

Sec. 27. Maine granite to be considered for construction material for public works and buildings. Whenever any public work is to be undertaken or repaired by contract by the State or any county or municipality, or any public building is to be erected or repaired, not under contract by the State or any county or municipality, in which concrete may be used, Maine granite shall be set up as an alternative construction material and the officials of the State, county or municipality shall require alternate bids to be offered, one based on the use of concrete, and the other on the use of Maine granite on all or such part of the building or other project as may be deemed expedient from an engineering standpoint.

Sec. 28. Advertisements for sealed proposals; bond. The trustees, commissioners or other persons in charge of any public improvement which is subject to the provisions of this chapter shall, after consultation with the State Purchasing Agent and the State Director of Public Improvements, advertise for sealed proposals not less than 2 weeks in such papers as the Governor and Council may direct. The last advertisement shall be at least one week before the time named therein for the closing of such bids. Sealed proposals submitted in accordance with such advertisements shall be addressed to the State Director of Public Improvements and shall remain sealed until opened in the presence of a committee of the Executive Council at such time as the Governor and Council may direct.

No contract shall be awarded unless the faithful performance thereof shall be secured by a bond in the penal sum of not less than 20% of the amount of the contract, payable to the State, and deposited with the Treasurer of State.

Sec. 29. Questionnaire as pre-bid qualification. In order to facilitate the work of any public official, it shall be lawful for said official to require, from any person proposing to bid on public work duly advertised, a standard form of questionnaire and financial statement, containing a complete statement of the person's financial ability and experience in performing public work, before furnishing such persons with plans and specifications for the proposed public work advertised.

Sec. 30. Procedure if answers unsatisfactory. Whenever the public official is not satisfied with the sufficiency of the answers contained in such standard questionnaire and the financial statement of such persons, he may refuse to furnish such persons with plans and specifications on public work duly advertised, and the bid of any person to whom plans and specifications have not been issued may be disregarded.

Sec. 31. Procedure of contractor. Any contractor, after being notified of his classification by the public official and being dissatisfied therewith, may request a hearing before the public official and present such further evidence with respect to his financial responsibility, plant and equipment or experience as might tend to justify in his opinion a higher classification. After hearing the additional evidence, the public official may in his discretion change the classification of the contractor.

Sec. 32. Penalty. Any contractor who makes or causes to be made any incomplete, false or fraudulent statement in the documents required by section 29 shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than \$100 nor more than \$1,000; or in the case of an individual or officer or employee charged with the duty of preparing such documents for a person, firm, copartnership, association or corporation, by imprisonment for not more than 6 months, or by both.

Sec. 33. "Person" defined. The word "Person" as used in sections 28 to 33, inclusive, shall mean and include any individual, copartnership, association, corporation or joint stock company, their lessees, trustees or receivers appointed by any court whatsoever.

#### Bureau of Purchases.

Sec. 34. Powers and duties relating to purchasing. The Department of Finance and Administration, through the Bureau of Purchases, shall have authority:

- I. To purchase all services, supplies, materials and equipment required by the State Government or by any department or agency thereof, subject to the provisions set forth in this chapter;
- II. To adopt and enforce, subject to the provisions of this chapter, specifications which shall apply to services, supplies, materials and equipment purchased for the use of the State Government or any department or agency thereof;
- III. To purchase or contract for all postal service required for the use of the State Government or any department or agency thereof;
- IV. To establish and conduct a central duplicating service at the seat of government. Such duplicating service shall be available to all departments and agencies of the State Government. The Superintendent of Public Printing is hereby empowered to make charges to those departments and agencies of the State Government making use of the facilities and supplies of the central duplicating service;
- V. To establish and operate, with the approval of the Commissioner, such storerooms which, in the judgment of the State Purchasing Agent, are deemed necessary for the storage and distribution of supplies, materials and equipment required for use by the State Government or any department or agency thereof;

VI. To transfer to or between state departments and agencies, or sell supplies, materials and equipment which are surplus, obsolete or unused;

VII. To establish and conduct a central mailing room for the state departments and agencies at the seat of government.

Sec. 35. Scope of purchasing authority. The terms "services," "supplies," "materials" and "equipment" as used in sections 34 to 42, inclusive, shall be held to mean any and all services, articles or things which shall hereafter be used by or furnished to the State or any department or agency thereof, and any and all printing, binding, publication of laws, journals and reports. Except as provided in this chapter, any and all services, supplies, materials and equipment needed by one or more departments or agencies of the State Government shall be directly purchased or contracted for by the State Purchasing Agent, as may be determined from time to time by rules adopted pursuant to this chapter, which rules the Department of Finance and Administration is authorized and empowered to make. It is the intent and purpose of sections 34 to 42, inclusive, that the State Purchasing Agent shall purchase collectively all services, supplies, materials and equipment for the State or any department or agency thereof in a manner that will best secure the greatest possible economy consistent with the grade or quality of the services, supplies, materials and equipment best adapted for the purposes for which they are needed.

The trustees of the University of Maine, the State Board of Education and the directors of the Maine Port Authority may authorize the Department of Finance and Administration to act for them in any purchases.

The word "services," when used in sections 34 to 42, inclusive, shall be held to mean any and all window cleaning services, elevator repair and maintenance services, laundry service, linen supply service, dry cleaning service, janitor service, floor maintenance service, rubbish and garbage disposal service, tree surgeon service, all types of office machine repair and maintenance service, exterminator service, refrigerator repair and maintenance service and oil burner repair and maintenance service when any such service is performed by an independent contractor. The State Purchasing Agent may, with the approval of the Commissioner, add to or eliminate from the various types of service set forth in this paragraph such services performed by independent contractors as may be deemed by him to be in the best interests of the State.

Sec. 36. Rules and regulations. The State Purchasing Agent, with the approval of the Commissioner, may adopt, modify or abrogate rules and regulations for the following purposes:

I. Authorizing any state department or agency to purchase directly certain specified services, supplies, materials and equipment, limiting their powers in relation thereto, and describing the manner in which purchases shall be made;

II. Prescribing the manner in which the supplies, materials and equipment shall be purchased, delivered, stored and distributed;

III. Requiring monthly reports by state departments or agencies of stocks of supplies, materials and equipment on hand and prescribing the form of such reports;

IV. Prescribing the dates for making requisitions and estimates, the periods for which they are to be made, the form thereof and the manner of authentication;

V. Prescribing the manner of inspecting all deliveries of supplies, materials and equipment, and making chemical and physical tests of samples submitted with bids and samples from deliveries;

VI. Providing for transfer of supplies, materials and equipment which are surplus from one state department or agency to another which may need them, and for the disposal by private and public sale of supplies, materials and equipment which are obsolete and unusable;

VII. Prescribing the amount of deposit or bond to be submitted with a bid on a contract and the amount of bond to be given for the faithful performance of a contract;

VIII. Providing for such other matters as may be necessary to give effect to the foregoing rules and to the provisions of this chapter.

Sec. 37. Standardization Committee. A Standardization Committee is hereby established. It shall consist of the Governor or his representative, the State Purchasing Agent, two public members and such department or agency heads or their representatives as may be designated by the Governor. The two public members and the department or agency heads or their representatives shall serve at the pleasure of the Governor. The two public members shall be representative of the industry and commerce of Maine.

The Governor or his representative, the State Purchasing Agent and the appointed department agency heads or their representatives shall serve on the Standardization Committee without additional compensation but shall be reimbursed for expenses incurred in connection with such service. The two public members shall receive a per diem allowance of \$40 as compensation for their services and expenses for attendance at Committee meetings.

The State Purchasing Agent shall be the recording secretary of the Standardization Committee and shall maintain a complete record of the minutes of every Committee meeting. The Committee shall meet at least semi-annually and at such other times as the Commissioner of Finance and Administration may request or at such other times as may be deemed necessary by at least 3 members of the Committee. Committee meetings shall be held at such locations as may be agreed upon by a majority of the members of the Committee.

The per diem allowance of the public members and the expenses of the Governor or his representative, the State Purchasing Agent and the designated department or agency heads or their representatives, for attendance at Committee meetings, shall be paid from the appropriation of the State Bureau of Purchases.

It shall be the duty of the Standardization Committee to advise the State Purchasing Agent and the Commissioner of Finance and Administration in the formulation, adoption and modification of the rules and regulations which shall prescribe the purchasing policy of the State and to assist the State Purchasing



Agent in the formulation, adoption and modification of such specifications as may be deemed necessary for the procurement of services, supplies, materials and equipment required for use by the State or any department or agency thereof.

Sec. 38. Requisitions required. Except as otherwise provided in this chapter and the rules and regulations adopted hereunder, services, supplies, materials and equipment shall be purchased by or furnished to the State Government or any department or agency thereof only upon requisition to the State Purchasing Agent. The State Purchasing Agent, or his authorized representative, shall examine each requisition submitted to him by any department or agency of the State Government and may revise it as to quantity, quality or estimated cost.

Sec. 39. Bids, awards and contracts.

I. Except as otherwise provided by law, or by rules and regulations adopted pursuant to the provisions of sections 34 to 42, inclusive, the State Purchasing Agent shall make purchases of services, supplies, materials and equipment needed by the State or any department or agency thereof by competitive bidding;

II. The requirement of competitive bidding may be waived by the State Purchasing Agent whenever:

A. The purchase of required services, supplies, materials and equipment involves the expenditure of less than \$50 and the interests of the State would best be served thereby;

B. In the opinion of the Governor an emergency exists of a nature which requires the immediate procurement of services, supplies, materials or equipment, the State Purchasing Agent may be authorized by the Governor to make purchases without the formality of competitive bidding.

III. Competitive bidding shall mean the transmission of a written or oral proposal or invitation to bid to at least 3 responsible suppliers to be replied to at a stated time. In obtaining competitive bids, if the State Purchasing Agent shall find that 3 responsible bidders are not available, he may make such exceptions to the provisions of subsection I as he may deem in the best interests of the State;

IV. Proposals or invitations to bid shall be sent to a representative registry of responsible suppliers on file in the office of the State Bureau of Purchases. Suppliers desiring to have their names entered on a registry of suppliers shall submit, in writing, to the State Purchasing Agent, a request for such action. The State Purchasing Agent shall prescribe the manner and form in which such a request shall be submitted and is hereby empowered to limit the number of names of out-of-state bidders on any and all registries. However, in the interests of economy to the State, the name of any supplier entered in such registry, who fails to submit a bid on 3 consecutive proposals or invitations to bid, may be removed from said registry at the discretion of the State Purchasing Agent;

V. Bids shall be received only in accordance with the specifications contained in the proposal or invitation to bid. However, a bidder may submit an alternative bid on services, supplies, materials and equipment which do not conform to but approximate the specifications contained in the proposal or invitation to bid, provided such alternative bid sets forth complete specifications pertaining to the alternative services, supplies, materials or equipment being offered. Bids which do not conform to the foregoing provision shall be disregarded. Alternative bids shall be considered only in the event no bid is received for the services, supplies, materials or equipment specified in the proposal or invitation to bid and the foregoing requirements have been complied with. The State reserves the right to reject any or all bids, in whole or in part, to waive any formality and technicality in any bid and to accept any item or items in any bid. No bid may be withdrawn during a period of 21 calendar days immediately following the opening thereof;

VI. Each bid, with the name of the bidder, shall be entered on a record. Each record with the successful bid indicated shall, after the award or letting of the contract, be open to public inspection. A bond for the proper performance of each contract may be required of each successful bidder in the discretion of the State Purchasing Agent, with the approval of the Commissioner;

VII. Except as otherwise provided by law, orders awarded or contracts made by the State Purchasing Agent or by any department or agency of the State Government shall be awarded to the lowest responsible bidder, taking into consideration the qualities of the services, supplies, materials or equipment to be supplied, their conformity with the specifications, the purposes for which they are required, the date of delivery and the ultimate cost thereof to the State, it being the intent and purpose, as previously stated in this chapter, that the State Purchasing Agent shall purchase collectively all services, supplies, materials and equipment for the State or any department or agency thereof in a manner that will best secure the greatest possible economy consistent with the grade or quality of the services, supplies, materials and equipment best adapted for the purposes for which they are needed;

VIII. In the case of low tie bids, awards shall be made by lot, except when:

A. A responsible low bidder offers an item produced or manufactured in Maine at the same price as an item produced or manufactured outside of Maine, in which case the award shall be made to the bidder offering the item produced or manufactured in Maine;

B. A responsible in-state low bidder offers an item produced or manufactured outside of Maine at the same price as an out-of-state low bidder offers an item produced or manufactured outside of Maine, in which case the award shall be made to the in-state low bidder.

IX. The phrase "in-state bidder" shall be held to mean one having its principal place of business, or a branch thereof, located in Maine or having a regularly employed representative who is a bona fide resident of the State of Maine.

Sec. 40. Deliveries. Supplies, materials and equipment, purchased or contracted for by the State Purchasing Agent, shall be delivered by him or by the contractor to the department or agency by which or for whom the same are to be used from time to time as required.

Sec. 41. Unlawful purchases. Whenever any department or agency of the State Government, required by this chapter and rules and regulations adopted pursuant thereto applying to the purchase of services, supplies, materials or equipment through the State Purchasing Agent, shall contract for the purchase of such services, supplies, materials or equipment contrary to the provisions of this chapter or the rules and regulations made hereunder, such contract shall be void and have no effect. If any such department or agency purchases any services, supplies, materials or equipment contrary to the provisions of this chapter or rules and regulations made hereunder, the head of such department or agency shall be personally liable for the costs thereof, and if such services, supplies, materials or equipment are so unlawfully purchased and paid for out of state moneys, the amount thereof may be recovered in the name of the State in an appropriate action instituted therefor.

Sec. 42. Motor vehicles sold by State. Any motor vehicle sold by the State shall be sold to the highest bidder. Specific terms of delivery and terms of interim usage prior to delivery shall be stated to the prospective purchaser prior to the time that the State accepts any bid, and such terms shall be complied with by agents or employees of the State having control of the disposition of such motor vehicle or vehicles after any such bids have been accepted. This section shall not apply to the exchange of motor vehicles for new models between the State and authorized dealers.

#### Automobile Travel by State Employees.

Sec. 43. State owned cars; marking. The State shall provide no automobiles for travel of state employees. This shall not apply to the Governor, the State Police, the Department of Inland Fisheries and Game, the Department of Sea and Shore Fisheries, inspectors in the Motor Vehicle Division of the Secretary of State, supervisors in the Maine Forestry District, the State Highway Commission nor to such other agencies, boards, commissions and departments of the State Government as the Governor and Council may from time to time designate.

All state owned cars shall display a marker or insignia, approved by the Secretary of State, plainly designating them as state owned vehicles. The Governor and Council may designate the use of certain state owned cars without the said insignia thereon.

Sec. 44. Payment per mile for use of privately owned automobiles; regulated. The State shall pay for the use of privately owned automobiles for travel by employees of the State in the business of the State not more than 7c per mile for the first 5,000 miles actually travelled by such employees on such business in any one fiscal year, and 6c for each mile exceeding 5,000 miles, except that the State shall pay inspectors of seed potatoes 8c for every mile so travelled. The Governor, with the advice and consent of the Council, may suspend the operation

of this section and require state officials and employees to travel in automobiles owned or controlled by the State, if such automobiles be available.

#### Bonds of State Officials and Employees.

Sec. 45. Bonds of state officials and employees; premiums; notice of cancellation. All state officials and employees shall be bonded. The Insurance Commissioner shall select and prescribe the forms and types of bond, subject to the approval of the Governor and Council. Such bonds shall be in blanket or comprehensive form, so called, and for such an amount or amounts as may be determined by the State Auditor and the Commissioner of Finance and Administration with the approval of the Governor and Council. In event of inability to obtain a blanket or comprehensive form, so called, a list shall be submitted annually to the Governor and Council for their approval, as recommended by the State Auditor and the Commissioner of Finance and Administration, and designating such state officials and employees who in their discretion shall be bonded. The condition of any bond covering state officials and employees shall be to faithfully discharge the duties of the office or employment of such official or employee. All such bonds shall be deposited with the Treasurer of State for safekeeping.

The premiums necessarily incurred and due and payable on account of any bond or bonds required in accordance with the preceding paragraph shall be paid by the State out of the State Treasury and charged to an appropriation provided therefor by appropriate legislative action.

The Insurance Commissioner is expressly authorized to accept a cancellation notice from the surety on any bond, canceling said bond in full or as to any individual, provided the surety gives written notice to said Insurance Commissioner of such desire and intent, and that said cancellation is received by the Insurance Commissioner at least 30 days before the effective date of such cancellation.

#### Departments to Exchange Information and Records without Cost.

Sec. 46. Departments to exchange information and records without cost. No state agency, board, commission, department or institution shall be charged for information or copies of records furnished by another state agency, board, commission, department or institution.

#### Disposition of Uncollectible Accounts.

Sec. 47. Charging off of accounts due the State. The State Controller shall charge off the books of account of the State or any department, institution or agency thereof, such accounts receivable, including all taxes for the assessment or collection of which the State is responsible, and all impounded bank accounts, as shall be certified to him as impractical of realization by or for said State, department, institution or agency. Such certification shall be by the Attorney General, the Commissioner of Finance and Administration and the Treasurer of State, subject to the approval of the Governor and Council. In each such case, the charging off of such accounts shall be recommended by the head of the department, institution or agency originally responsible for such account.

#### Fiscal Year.

Sec. 48. Uniform fiscal year. The fiscal year of the State Government shall commence on the 1st day of July and end on the 30th day of June each year. The fiscal year shall be followed in making appropriations and in financial reporting, and shall be uniformly adopted by all departments and agencies of the State Government.

#### Petty Cash Funds.

Sec. 49. Petty cash funds; allowed with the approval of the Commissioner of Finance and Administration; reimbursement. A petty cash fund shall be allowed by the Commissioner of Finance and Administration to each state department or agency, which shall in his opinion require such a fund. Said fund so established shall be reimbursed only upon statements and bills audited by the State Controller.

#### Return of Working Capital Advances.

Sec. 50. Return of working capital advances. Whenever a working capital advance, or any part thereof, is no longer required for the purpose for which it was made, such amount shall be returned to the state fund from which the advance was made. Such return shall be made only on the recommendation of the department or agency head having jurisdiction over the advance and with the approval of the Commissioner of Finance and Administration and the Governor and Council.

#### State Contingent Account.

Sec. 51. State contingent account; allocations; restoration; report. The Governor, with the advice and consent of the Council, may allocate from the state contingent account amounts not to exceed in total the sum of \$450,000 in any fiscal year. Such allocations may be made to meet any expense necessarily incurred under any requirement of law, or for the maintenance of government within the scope existing at the time of the previous session of the Legislature or contemplated by laws enacted thereat, or to pay bills arising out of some emergency requiring an expenditure of money not provided by the Legislature. The Governor and Council shall determine the necessity for such allocations. All such allocations shall be supported by a statement of facts setting forth the necessity for the allocations. At the close of each fiscal year there shall be transferred from the unappropriated surplus of the general fund an amount sufficient to restore the state contingent account to \$450,000.

The State Controller shall include in his official annual financial report at the close of each fiscal year, a statement showing all transfers made from the state contingent account for the fiscal period.

#### State Funds Eliminated.

Sec. 52. State funds eliminated. Unless the Legislature shall otherwise direct, the Commissioner of Finance and Administration, with the approval of the Governor and Council, shall have authority to discontinue any or all special expendable state funds with the exception of the sinking funds and trust funds,

and to merge the balance or balances of such fund or funds so discontinued with the general fund.

#### Weekly Payment of Salaries or Wages.

**Sec. 53.** Weekly payment of salaries or wages; exceptions. All state officers and employees, except temporary and seasonal employees, shall be paid their salaries or wages weekly, the dates of payment to be determined by the State Controller. Payment may be made once in each calendar month or fortnightly to such state officers and employees as consent to such time of payment. Temporary and seasonal employees of the State shall be paid at such times as the Commissioner of Finance and Administration shall specify.

#### Financial Reports of Federal Funds.

**Sec. 54.** Reports re federal funds required. The Governor and every state officer and department head who shall be intrusted with the expenditure of federal funds in this State shall file in the office of the State Controller a detailed report of all disbursements, including the purposes for which such disbursements were made and the persons to whom any money was paid, supported by proper vouchers, said report to be filed within 30 days after the entire fund has been disbursed.

Any state officer excepting the Governor, whether elected or appointed, and any department head who shall fail or neglect to file such report as herein provided shall be subject to removal from office by authority of the Governor, and if the Governor of the State shall fail or neglect to file such report, he shall be subject to impeachment in the manner provided in Article IX, section 5, of the Constitution of the State of Maine.'

**Sec. 2.** R. S., c. 16, §§ 1-53, repealed. Sections 1 to 53, inclusive, of chapter 16 of the Revised Statutes, as amended, are hereby repealed.

**Sec. 3.** R. S., c. 62, §§ 1-7, repealed. Sections 1 to 7, inclusive, of chapter 62 of the Revised Statutes are hereby repealed.

**Sec. 4.** R. S., c. 61, § 8, sub-§ XXI, amended. The last sentence of subsection XXI of section 8 of chapter 61 of the Revised Statutes is hereby amended to read as follows:

'Such amounts shall become available in accordance with the provisions of chapter ~~46~~ 15-A.'

**Sec. 5.** R. S., c. 63-A, § 15, sub-§ V, amended. The first sentence of subsection V of section 15 of chapter 63-A of the Revised Statutes as enacted by chapter 417 of the Public Laws of 1955 is hereby amended to read as follows:

'The Board of Trustees shall submit budget estimates to the State Budget Officer in accordance with the provisions of section ~~40~~ 8 of chapter ~~46~~ 15-A.'

**Sec. 6.** R. S., c. 102, § 10, amended. The second paragraph of section 10 of chapter 102 of the Revised Statutes is hereby amended to read as follows:

'Such an offer may be made to the State upon obligations due the State, whether arising from taxes, bonds, notes or otherwise by presentation to the Treasurer

of State; and upon recommendation, certification and approval in the manner prescribed in section ~~32~~ **47** of chapter ~~15~~ **15-A**, the Treasurer of State shall thereupon accept and receipt for the sum or sums so offered in full and final settlement, and the balance of any such obligation shall be charged off the books of account of the State.'

**Sec. 7. R. S., c. 85, § 2, amended.** The third paragraph of section 2 of chapter 85 of the Revised Statutes is hereby amended to read as follows:

'No painting, portrait, statue or tablet shall be accepted or placed in the State House without the permission of the Commission. The Commission shall advise the ~~superintendent of public buildings~~ **State Director of Public Improvement** where to hang paintings, portraits and pictures and where to place statues and other works of art.'

**Sec. 8. Departmental Garage operations discontinued.** The operations of the Departmental Garage shall be discontinued at the close of business on August 31, 1957.

At the close of business on August 31, 1957, the Motor Transport Division of the State Highway Commission shall purchase, take title to and pay for the motor vehicles of the Departmental Garage not on requisition to agencies, commissions and departments of the State Government other than the State Highway Commission and such other equipment and supplies of the Departmental Garage as the State Highway Commission may deem usable in the operations of the Motor Transport Division.

The purchase price to be paid by the Motor Transport Division of the State Highway Commission to the working capital fund of the Departmental Garage for the motor vehicles, equipment and supplies acquired by the Motor Transport Division under the provisions of this section shall be the net book value thereof as determined from the records of the Departmental Garage at the close of business on August 31, 1957.

Motor vehicles, equipment and supplies of the Departmental Garage not acquired by the Motor Transport Division of the State Highway Commission under the provisions of this section shall be transferred to other agencies, commissions and departments of the State Government having need therefor, or otherwise disposed of by the State Purchasing Agent in a manner satisfactory to the Governor and the Commissioner of Finance and Administration.

Pending the final disposition of the motor vehicles, equipment and supplies not acquired by the Motor Transport Division of the State Highway Commission, the Motor Transport Division shall furnish storage space therefor in a location and under conditions satisfactory to the State Purchasing Agent.

The accounts of the Departmental Garage shall remain open on the books of the State until June 1, 1958, to provide sufficient time for the liquidation of all claims against and the collection of all moneys due the working capital fund of the Departmental Garage. As soon as practicable after June 1, 1958, the State Controller shall transfer the cash balance in the working capital fund of the

Departmental Garage to the unappropriated surplus account of the general fund and close the accounts of the Departmental Garage working capital fund.

The State Highway Commission is hereby authorized to allocate from the unappropriated surplus of the general highway fund to the working capital fund of the Motor Transport Division an amount not to exceed the purchase price of the motor vehicles, equipment and supplies acquired from the Departmental Garage under the provisions of this section.

**Sec. 9. Legislative intent.** It is the intent of the Legislature that this act shall in no way affect the tenure of office of the present Commissioner of Finance and Administration or such departmental personnel as may be determined by the Commissioner to be essential to the efficient operation of the Department.

With respect to the year end closing at June 30, 1957, all encumbered balances of the Superintendent of Public Buildings shall be credited to the appropriation for the Bureau of Public Improvements and all appropriations to the Superintendent of Public Buildings made by the 98th Legislature shall be credited to the appropriation for the Bureau of Public Improvements.

With respect to the year end closing at June 30, 1957, all encumbered balances of the Continuing Property Records Division of the Bureau of Accounts and Control shall be credited to the appropriation for the Bureau of Public Improvements and all appropriations to the Bureau of Accounts and Control made by the 98th Legislature for the operation and maintenance of the Continuing Property Records Division shall be credited to the appropriation for the Bureau of Public Improvements.

With respect to the year end closing at June 30, 1957, all encumbered balances of the Budget Office Division of the Department of Finance and Administration shall be credited to the appropriation for the Bureau of the Budget and all appropriations to the Department of Finance and Administration made by the 98th Legislature for the operation and maintenance of the Budget Office Division shall be credited to the appropriation for the Bureau of the Budget.

**Sec. 10. Rules and regulations declared lawful.** Rules and regulations duly and properly promulgated by the Department of Finance and Administration as authorized under the provisions of laws in effect prior to the passage of this act, which rules and regulations were in effect prior to the passage of this act, are hereby declared lawful and in effect.

Nothing contained herein shall be construed as depriving the Department of Finance and Administration of the right to amend, revise or otherwise change its rules and regulations in accordance with existing law in their present form or as amended or supplemented.

**Sec. 11. Appropriation.** In addition to any sums which may be appropriated by the Legislature for the operation of the Department of Finance and Administration for the fiscal years 1957-58 and 1958-59, there is hereby appropriated from the General Fund the following sum:



	1957-58	1958-59
Bureau of the Budget		
Personal Services	\$ 9,854	\$10,296
Capital Expenditures	655	
All Other	1,375	1,375
Bureau of Public Improvements		
Personal Services	28,626	29,900
Capital Expenditures	3,520	
All Other	7,460	7,460

Any balances at June 30, 1958 shall not lapse but shall be carried forward into the following fiscal year to be expended for the same purposes. Unless otherwise directed by the Legislature, any unencumbered balances at June 30, 1959 shall lapse to the unappropriated surplus account of the General Fund.

**Sec. 12. Effective date.** The provisions of this act shall be retroactive to July 1, 1957.