STATE OF MAINE

ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON

STATE GOVERNMENT

BILL SUMMARY

MAY 1986

PREPARED BY:

Edward Potter, Legislative Analyst

OFFICE OF POLICY AND LEGAL ANALYSIS
STATE HOUSE, STATION 13   AUGUSTA, MAINE 04333
(207) 289-1670

STATE OF MAINE
OFFICE OF POLICY AND LEGAL ANALYSIS
ROOM 101/107
STATE HOUSE STATION 13
AUGUSTA, MAINE 04333
TEL.: (207) 289-1670

HELEN T. GINDER, DIRECTOR
HAVEN WHITESIDE, ASST. DIRECTOR
GILBERT W. BREWER
DAVID C. ELLIOTT
MARTHA E. FREEMAN
JERI B. GAUTSCHI
CHRISTOS GIANOPOULOS
WILLIAM T. GLIDDEN, JR.

JULIE S. JONES
JOHN B. KNOX
EDWARD POTTER
MARGARET J. REINSCH
LARS H. RYDELL
JOHN R. SELSER
ANDREA L. COLNES, RES. ASST.

ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-AM	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

The State Treasurer also divested several funds that he administers of non-sullivan signatory firms. As of April 30, 1985 these funds had total investments of $1,110,250 or 16.5% of the total portfolio in firms doing business in or with South Africa. Of this amount, $138,000 or 12.5% was invested in one non-sullivan signatory firm, Chesebrough Pond's which has recently signed the Sullivan Principles.

Following the reports from the State Treasurer and the Maine State Retirement System, the bill, LD 488 was withdrawn. The State Government Committee was willing to enact into law a prohibition against the investment of public monies in non-Sullivan signatory firms, but the sponsor requested a "leave-to-withdraw" with the intention of preparing for stronger action through a joint resolution.

A Joint Resolution was introduced in the Second Regular Session requesting the Maine State Retirement System to divest itself of 1/3 of its investments in businesses doing business in or with South Africa. In addition, the joint resolution requested the Maine State Retirement System to restrict future investments in firms doing business in or with South Africa to only those firms with a rating of I, II, or V (new Sullivan Principle signatories). The joint resolution was adopted in both Houses.

LD 628 RESOLUTION, PROPOSING AN AMENDMENT TO THE CONSTITUTION OF MAINE TO REQUIRE THAT LOCAL UNITS OF GOVERNMENT BE REIMBURSED FOR THE COSTS INCURRED IN EXECUTING STATE-MANDATED — ND LD 2143

Sponsor: WEBSTER, M., Jackson, Bell
Committee Report: OTP-ND-NT

<u>SUMMARY:</u> LD 628 was introduced during the First Regular Session of the 112th Legislature and held over for further consideration during the Second Regular Session.

LD 628 proposed to prohibit the Legislature and the Executive branch from enacting any law or adopting or amending any rule that would impose a new or expanded requirement on any municipality or local governing unit that requires a new or increased municipal or local unit expenditure unless the State reimburses the municipality or local governing unit. If the total sum of all the proposed new or required expenditures do <u>not</u> exceed $100,000, the State would not be required to reimburse the municipalities or local governing units.

The Committee voted to hold the bill to the Second Regular Session in 1986 because the bill raised a number of issues and questions that could not be readily resolved. Some of these issues include:

A. Local units of government

The phrase, "local units of government," was not defined. Unlike the term "municipality" which is defined in 30 MRSA §1901, sub-§6, "local units of government" can be interpreted to include school administrative districts, utility districts, etc. Since the resolution proposed to amend the Maine Constitution and to produce a substantial impact on the State, the specific units of government need to be clearly defined.

B. Delegation of Authority

This issue relates specifically to the liability of the Legislature to appropriate monies to fund increased costs resulting from rules adopted by executive agencies. An opinion from the Attorney General with respect to this particular question was considered.

The Constitution prohibits the surrender of or suspension of the Legislative power of taxation (See Article IX, Section 9). Thus, the Legislature affirms the expenditure of state revenues in accordance with programs approved and revenues raised by the Legislature.

If an executive agency adopts a rule that increases a cost to a municipality(ies) and the State is required to fund the cost which requires an increase in taxes, this situation may violate Section 9 of Article 9.

C. New or expanded requirement.

The bill lacked a definition for "new or expanded requirement." While the phrase may appear obvious in intent and meaning, there may be cases or interpretations for which solutions may not be as obvious. For example, stricter enforcement of the current criminal code could increase costs to county and municipal law enforcement agencies. Is this a "new or expanded requirement"?

Following a substantial study of the issue which was conducted by the Maine Municipal Association, the State Government Committee concluded that a reasonable beginning effort to achieve some of the purposes of the bill would be the requirement for a fiscal note for every legislative document and state agency rule that has a fiscal impact on a municipality, county, or school district.

In LD 2143, the new draft of LD 628, the Office of Fiscal and Program Review is required to prepare fiscal notes for bills and resolves that describe the fiscal impact on political subdivisions of the State. In addition, the Governor is required to designate a state agency to develop fiscal impact statements describing fthe fiscal impact of rules on political subdivisions of the States.

With the information provided by this bill, state legislators and state agencies, it is argued, can make better decisions about the bills and rules under consideration.

The on-going costs of the proposal are estimated to be roughly $130,000 a year. Roughly $25,000-$100,000 of additional monies will be required to conduct renovations for additional staff persons in the Office of Fiscal and Program Review to undertake the duties imposed by the bill. The bill failed passage because of the cost imposed.

LD 697 RESOLUTION, PROPOSING AMENDMENTS TO THE CONSTITUTION OF MAINE TO CHANGE THE REAPPORTIONMENT PROCEDURES TO REFLECT CHANGES IN LEGISLATIVE PROCEDURES AND TO — ND LD 2252

Sponsor: MACBRIDE, Martin, J., Sewall, Pray
Committee Report: OTP-ND

SUMMARY: The bill was passed in new draft, LD 2252 which:

1. Allows the commission to make nonsubstantive corrections in the reapportionment plan presented to the Legislature when the commission members are unanimous with respect to the propose corrections;

2. Provides that 8 members of the 15-member commission shall constitute a quorum. Currently, a quorum consists of 7 members which means that one political party with all its members present on the commission can conduct official commission business in the absence of all the members from the other political party;

3. Requires the Legislature to establish a budget for the apportioning commission in the fiscal year prior to the fiscal year in which the commission convenes; and