

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act Regarding the Accounting Procedure for Certain State Programs

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

PART A

Sec. A-1. 5 MRSA §1547, sub-§1, as enacted by PL 1999, c. 731, Pt. RRR, §1 and amended by PL 2003, c. 600, §4, is further amended to read:

1. Office of the State Controller shall complete financial statements, notes and other documentation. Following the official close of the State's fiscal year ending on June 30th, the Department of Administrative and Financial Services, Office of the State Controller, under the direction of the State Controller, shall prepare and complete all financial statements, notes and other documentation as considered necessary by the State Controller in accordance with all governing rules, statutes and generally accepted accounting principles. The report must identify all nonexpenditure payments that are accounted for as an offset to revenue. This information must be made available to the Department of Audit no later than November 1st of that year.

Sec. A-2. 5 MRSA §1663 is amended to read:

§ 1663. Scope of budget

The budget of the State Government ~~shall~~must present a complete financial plan for each fiscal year of the ensuing biennium. It ~~shall~~must set forth all proposed expenditures for the administration, operation and maintenance of the departments and agencies of the State Government; all nonexpenditure payments that are accounted for as an offset to revenue; 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~~must 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.

PART B

Sec. B-1. 36 MRSA §6203-A, as enacted by PL 2003, c. 673, Pt. BB, §2, is repealed.

Sec. B-2. 36 MRSA §6203-B is enacted to read:

§ 6203-B. Claim to be paid from General Fund

The State Tax Assessor shall certify that the claimant is eligible for reimbursement under this chapter. The assessor shall determine the benefit for each claimant and shall pay the benefit from General Fund appropriations for the Maine Residents Property Tax Program.

Sec. B-3. 36 MRSA §6221 is enacted to read:

§ 6221. Financial projections report

1. Report to Legislature. By January 15th annually, the State Tax Assessor shall submit to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over taxation matters a report that contains the following information with regard to the projected cost of benefits under this chapter:

A. The projected costs of benefits for the current biennium and ensuing 2 biennia; and

B. The economic factors and underlying assumptions that contribute to the projected costs.

Sec. B-4. Transfer; circuit breaker reserve. The State Controller shall transfer any balance in the circuit breaker reserve account on June 30, 2009 to General Fund undedicated revenue within the individual income tax category.

Sec. B-5. Effective date. Those sections of this Part that repeal the Maine Revised Statutes, Title 36, section 6203-A and enact Title 36, section 6203-B take effect July 1, 2009.

PART C

Sec. C-1. 36 MRSA §700-B, as enacted by PL 2005, c. 623, §1, is amended to read:

§ 700-B. Certification and payment of claim

1. Certification. By June 30, 2009 and each subsequent year, the State Tax Assessor shall certify to the State Controller amounts certified to the Treasurer of State as reimbursements to be paid to municipalities during the fiscal year under section 694, subsection 5. The Treasurer of State shall certify to the State Controller payments due under section 700-A.

2. Payment. ~~The State Controller shall transfer amounts certified under subsection 1 to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from the General Fund undedicated revenue within the individual income tax category after the reduction for the transfer to the Local Government Fund required by Title 30-A, section 5681, subsection 5. The assessor and the Treasurer of State shall pay amounts required under section 694, subsection 5 and section 700-A from General Fund appropriations for municipal business equipment tax reimbursement.~~

Sec. C-2. 36 MRSA §6656, sub-§1, as enacted by PL 2005, c. 618, §20 and affected by §22, is amended to read:

1. Reimbursement claim. Notwithstanding any other provision of law, except as provided in section 6652 and section 6662, upon receipt of a timely and properly completed claim for reimbursement, the State Tax Assessor shall certify that the claimant is eligible for reimbursement under this chapter. The assessor shall determine the benefit for each claimant and shall ~~certify to the State Controller the~~

~~amounts to be transferred to the Business Equipment Tax Reimbursement reserve account established, maintained and administered by the State Controller from General Fund undedicated revenue within the individual income tax category pay the benefit from General Fund appropriations for business equipment tax reimbursement.~~

Sec. C-3. Transfer; Business Equipment Tax Reimbursement reserve account.

The State Controller shall transfer any balance in the Business Equipment Tax Reimbursement reserve account on June 30, 2009 to General Fund undedicated revenue within the individual income tax category.

Sec. C-4. Effective date. Those sections of this Part that amend the Maine Revised Statutes, Title 36, section 700-B and Title 36, section 6656 take effect July 1, 2009.

SUMMARY

This bill provides more transparency to the appropriations process by returning the funding mechanism for the Maine Residents Property Tax Program and business equipment tax reimbursement to General Fund appropriations rather than an offset to General Fund revenue within the individual income tax category beginning in the 2010-2011 biennium. It also requires the State Tax Assessor to issue an annual financial report for the Maine Residents Property Tax Program at the same time as a similar existing report is required for the Business Equipment Tax Reimbursement program.

This bill requires the State Controller's official annual report of the State and the state budget to specifically identify all nonexpenditure payments that are accounted for as an offset to revenue to increase access to the information by the public.