

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

Amend the bill by inserting after Part PPPP the following:

## PART QQQQ

**Sec. QQQQ-1. Commission created.** The Maine Government Efficiency Commission, referred to in this Part as “the commission,” is created to identify government expenditures that may be eliminated or reduced by consolidating governmental entities, increasing efficiency in the provision of services and eliminating duplication.

**Sec. QQQQ-2. Membership; chair.** The commission consists of 9 members:

1. Two members of the general public, appointed by the President of the Senate;
2. Two members of the general public, appointed by the Speaker of the House of Representatives;
3. Two members of the general public, appointed by the minority leader of the Senate;
4. Two members of the general public, appointed by the minority leader of the House of Representatives; and
5. One member, appointed jointly by the other 8 members, who shall serve as chair and who may vote only in the event of a tie.

The appointing authorities shall make all reasonable efforts to select members who are generally considered experts in the fields of business, finance or government operations and who are supported by the other appointing authorities, the general public and other interested parties. Members may not have any vested interest in State Government such as being recipients of state funds or beneficiaries of state programs and may not be representatives of labor unions.

**Sec. QQQQ-3. Appointments; convening of commission.** All appointments must be made no later than 30 days following the effective date of this Part. The chair shall call the first meeting of the commission within 20 days of the completion of appointments.

**Sec. QQQQ-4. Duties.** The commission shall:

1. Analyze state and national reports, including background papers prepared for the Brookings Institution, that identify areas of state and local spending in which Maine's costs are high relative to comparable states;
2. Identify areas of spending in state and local government, especially spending on administration, that could be reduced by consolidation, elimination of duplication, increases in efficiency or other means, excluding reduction in services or programs, with the goal of identifying at least \$75,000,000 in spending reductions that are projected to be continuing annual savings; and

3. Develop a plan for restructuring government at all levels so that Maine's overall tax burden will within 10 years fall into the middle of the range of other rural states with similar geographic and demographic characteristics.

**Sec. QQQQ-5. Staffing.** The commission may enter into a contract with a private organization or consultant to provide administrative and research assistance in carrying out the duties of the commission if outside funds to support such assistance are received pursuant to section 8. The Office of Program Evaluation and Government Accountability, the Department of Administrative and Financial Services, the Department of Education and the policy institutes of the University of Maine System shall provide assistance requested by the commission to the extent possible within available resources.

**Sec. QQQQ-6. Compensation.** The members of the commission are entitled to receive reimbursement of necessary expenses for their attendance at authorized meetings of the commission.

**Sec. QQQQ-7. Report; implementing legislation.** No later than January 2, 2009, the commission shall submit a final report that includes its findings and recommendations, including suggested legislation and an estimate of the reduction in spending that would result from adoption of each recommendation, for presentation to the First Regular Session of the 124th Legislature. The commission shall submit legislation related to its report to the First Regular Session of the 124th Legislature at the time of submission of its report. It is the intent of the Legislature that any legislation submitted to another Legislature by the commission be considered without amendment, except for revenue-neutral amendments.

**Sec. QQQQ-8. Funding sources.** The commission shall seek outside funds to fully fund all costs of the commission. Contributions to support the work of the commission may not be accepted from any party having pecuniary or other vested interest in the outcome of the matters being studied. Any person, other than a state agency, desiring to make a financial or in-kind contribution must certify to the commission that it has no pecuniary or other vested interest in the outcome of the study. Such a certification must be made in the manner prescribed by the commission. All contributions are subject to approval by the commission. All funds accepted must be forwarded to the commission along with an accounting record that includes the amount of funds, the date the funds were received, from whom the funds were received and the purpose of and any limitation on the use of those funds.

## PART RRRR

**Sec. RRRR-1. 5 MRSA §1518-A,** as enacted by PL 2005, c. 2, Pt. A, §4 and affected by §14, is amended to read:

### **§ 1518-A. Tax Relief Fund for Maine Residents**

**1. Tax Relief Fund for Maine Residents.** There is created the Tax Relief Fund for Maine Residents, referred to in this section as "the fund," which must be used to provide tax relief to residents of the State. The fund consists of all resources transferred to the fund under this section and section

1536; all savings identified by the State Controller from legislation enacted based on recommendations of a government efficiency commission established during the Second Regular Session of the 123rd Legislature; and other resources made available to the fund.

**2. Nonlapsing fund.** Any unexpended balance in the ~~Tax Relief Fund for Maine Residents~~ mayfund does not lapse but ~~must be~~ is carried forward to be used pursuant to subsection 1.

**3. Transfer from revenue growth.** Notwithstanding Title 5, section 1535, beginning with fiscal year 2009-10, at the close of each fiscal year, the State Controller shall transfer to the fund any revenue received by the State for the fiscal year being closed that exceeds the amount of revenue received for the previous fiscal year adjusted by the growth limitation factor calculated under Title 5, section 1534, subsection 2.

**4. Income tax reduction.** Amounts contained in the fund must be used to reduce individual income taxes. The State Tax Assessor shall present legislation annually to reduce income tax burden pursuant to this subsection. This legislation must use any amounts contained in the fund to reduce income taxes until a top rate of 4.5% is reached.

## PART SSSS

**Sec. SSSS-1. Appropriations and allocations.** The following appropriations and allocations are made.

### ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

#### Maine Government Efficiency Commission N040

Initiative: Establishes a base allocation for the Maine Government Efficiency Commission for outside contributions to support the work of the commission.

OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
All Other	\$0	\$500
	<hr style="width: 50%; margin: 0 auto;"/>	
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$500

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

## SUMMARY

Part QQQQ of this amendment establishes the Maine Government Efficiency Commission recommended in the report of the Brookings Institution entitled "Charting Maine's Future: An Action Plan

for Promoting Sustainable Prosperity and Quality Places" and directs the commission to identify at least \$75,000,000 in government expenditures that can be eliminated or reduced annually by consolidating governmental entities, increasing efficiency in the provision of services and eliminating duplication. The commission is also directed to develop a long-term plan for restructuring government at all levels in order to reduce the State's overall tax burden relative to similar states. The commission must submit its report to the 124th Legislature by January 2, 2009. It is intended that legislation to implement the commission's recommendations be voted on without amendment, except for those amendments that are revenue neutral.

Part RRRR requires the transfer to the Tax Relief Fund for Maine Residents, beginning in fiscal year 2009-10, of any growth in revenues over the previous year adjusted by the growth limitation factor and any funds attributable to savings from the enactment of recommendations of the government efficiency commission. The State Tax Assessor is required to present legislation annually to use amounts in the Tax Relief Fund for Maine Residents to reduce the individual income tax burden until a top rate of 4.5% is reached.

**FISCAL NOTE REQUIRED**  
**(See attached)**