

Bruce Bickford Senator, District 20

THE MAINE SENATE

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LD 1521 "An Act to Require All State Agencies to Provide a Zero-based Budget Once Every 10 Years."

Joint Standing Committee on Appropriations and Financial Affairs
April 17, 2025

Senator Rotundo, Representative Gattine and members of the Joint Standing Committee on Appropriations and Financial Affairs. I am Senator Bruce Bickford, here to testify in support of LD 1521, "An Act to Require All State Agencies to Provide a Zero-based Budget Once Every 10 Years."

As you all are well aware, Maine's current incremental biennial budget process provides a budget document that details only new initiatives and increases over baseline spending. Under this system, once a program or initiative is added to the "baseline," it is effectively a permanent fixture with subsequent increases for continuing services happening almost automatically to reflect rising costs and other factors – regardless of how well those services are operating.

The only review or oversight effectively occurs internally by the very people dependent upon the continuation of funding; and serious proposals for reductions only occur when proposed by an Executive Branch administration. This process has led to a biennial budget that continuously grows in complexity and cost without providing adequate programmatic information to lawmakers and the general public.

Beginning with fiscal years 2028 and 2029, the Department of Administrative and Financial Services would be tasked with establishing a system that ensures zero-based budgeting occurs for each department and other agencies at least once every 10 years. Under a zero-based budgeting approach like what is presented by LD 1521, a department, agency or bureau would need to identify all current activities, funding, staff and contract resources and justify each's importance to advancing the agency's core mission.

Those departments and agencies not subject to the periodic review requirement in any given budget cycle would need to provide recommendations outlining five percent and ten percent funding reduction proposals. This cyclic approach recognizes the substantial work a zero-based budget requires to prepare while still taking substantial steps towards addressing a budget process that has become increasingly unsustainable.

This is not a novel approach to budgeting. It is the gold standard in the private sector and 17 states use zero-based budgeting in some form along with many local governments. It's time we use it here to see if Maine's government is delivering the best possible services to Maine's people in the most efficient and cost-effective manner.

I urge you to pass LD 1521 for those reasons. Thank you.