SEN. MICHAEL D. THIBODEAU
CHAIR

REP. MARK W. EVES
VICE-CHAIR

EXECUTIVE DIRECTOR
GRANT T. PENNOYER

127TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. GARRETT P. MASON
SEN. ANDRE E. CUSHING
SEN. JUSTIN L. ALFOND
SEN. DAWN HILL
REP. JEFFREY M. MCCABE
REP. SARA GIDEON
REP. KENNETH W. FREDETTE
REP. ELEANOR M. ESPLING

LEGISLATIVE COUNCIL
MEETING SUMMARY
January 8, 2015
Approved January 29, 2015

CALL TO ORDER

Speaker Eves called the January 8, 2015 meeting of the Legislative Council to order at 12:15 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators:	President Thibodeau, Senator Mason, Senator Alfond and Senator Hill
Absent:	Senator Cushing
Representatives:	Speaker Eves, Representative McCabe, Representative Gideon, Representative Fredette and Representative Espling
Legislative Officers:	Heather Priest, Secretary of the Senate Robert Hunt, Clerk of the House Jennifer McGowan, Assistant Clerk of the House Grant T. Pennoyer, Executive Director of the Legislative Council Jackie Little, Human Resources Director Marion Hylan Barr, Director, Office of Policy and Legal Analysis Chris Nolan, Director, Office of Fiscal and Program Review Suzanne Gresser, Revisor of Statutes John Barden, Director, Law and Legislative Reference Library Nik Rende, Acting Director, Legislative Information Technology Beth Ashcroft, Director, Office of Program Evaluation and Government Accountability

Speaker Eves convened the meeting at 12:15 p.m. with a quorum of members present.

SUMMARY OF NOVEMBER 25, 2014 AND DECEMBER 3, 2014 MEETINGS OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summaries for November 25, 2014 and December 3, 2014 be accepted and placed on file. Motion by Senator Alfond. Second by Speaker Eves. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

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REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

Grant Pennoyer, Executive Director, reported on the following:

1. Heating and Plumbing Issues

   Work is nearing completion on addressing a few remaining leaks in the heating system in the West Wing of the State House and in the Office of Legislative Information Technology. The areas of the West Wing that are affected include the Assistant Republican Leader's Office and one heating unit in the Legislative Conference Room. The hot water supply values to those areas have been turned off. With these values turned off, there has been a significant improvement in the pressure in the State House heating system, indicating that these leaks were the most significant of the current plumbing problems.

2. Installation of Backup Cooling System for Computer Server Room

   We are still waiting for the backup cooling system for the Computer Server Room to arrive. Electrical work and additional plumbing have been completed and made ready for the unit to arrive. Fortunately, we have not experienced an issue with existing cooling units that ironically can happen when we have extremely cold weather.

3. Status of Bills Filed for the First Regular Session

   Of the nearly 1700 bills filed by Legislators by the cloture deadline, approximately 150 have been voided or withdrawn, leaving approximately 1540 legislator bills. There are approximately 140 other bills in the mix, which include about 120 bills filed by departments and agencies and about 20 others that are filed pursuant to statute or law. The current total (still subject to change) is slightly below the 126th Legislature's numbers. The Office of the Revisor of Statutes (ROS) has concluded work on indexing all of these bills (in record time). Before they post the official list on the Legislative Information Office's website, Legislators have received lists of their bills to confirm that they indeed are planning to sponsor the bills. ROS will notify the Council and their Chiefs of Staff that the posting of the list is imminent. This posting is projected to be sometime early next week.

4. Orientation/Training Sessions for Committee Chairs/Leads and New Members

   Next Tuesday afternoon, January 13th, the National Conference of State Legislatures (NCSL) has put together two concurrent orientation/training sessions, one for new members and one for Committee Chairs and Minority Leads. Agendas for both these events were released today.

Fiscal Report

Chris Nolan, Director, Office of Fiscal and Program Review, reported on the following:

General Fund Revenue Update

Total General Fund Revenue - FY 2015 ($'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
November	$235.1	$239.2	$4.1	1.7%	$227.2	5.3%
FYTD	$1,176.3	$1,208.0	$31.7	2.7%	$1,107.6	9.1%

General Fund revenue was over budget by $4.1 million (1.7%) for November, increasing the positive variance of the fiscal year through November to $31.7 million (2.7%). These positive variances do not reflect the December revenue forecast, which increased budgeted revenue for FY 2015 by $45.5 million.

Individual income tax revenue was $4.1 million over budget for the month of November driven largely by lower than expected refunds. The sales and use tax category came in $3.2 million over budget. Total taxable sales for the month of October (November revenue) were 6.6% higher than October 2013. The decreased energy prices are fueling consumer confidence and helping this category. These positive variances were partially offset by a negative variance of $4.1 million in corporate income tax receipts caused by higher than expected refunds and lower than expected final payments from audits. This negative variance is expected to even out over the coming months, as final payments from audits are difficult to forecast on a monthly basis.

Preliminary December 2014 revenue (even when compared to the December 2014 forecast) continues to be strong. Preliminary sales tax collections are on target with the new forecast. December sales tax collections are based upon November sales, so it remains to be seen how the low energy prices affected holiday sales.

Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2015 ($'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
November	$28.5	$29.1	$0.6	2.1%	$29.7	-2.2%
FYTD	$117.7	$120.9	$3.2	2.7%	$120.5	0.3%

Highway Fund revenue was over budget by $0.6 million (2.1%) in November and by $3.2 million (2.7%) for the fiscal year through November. The FY 2015 $7.5 million increase in Highway Fund budgeted revenue in the December revenue forecast is not yet reflected.

Motor fuel excise taxes continue to exceed budget. Through the first five months of the fiscal year motor fuel excise taxes are $1.9 million over budget. Compared to the first five months of Fiscal Year 2014, motor fuel excise tax receipts have increased by .4%. Continued decreased fuel prices compared to last fiscal year are contributing to higher revenues in this category.

Preliminary December 2014 motor fuel tax revenue collections (even when compared to the December 2014 forecast) continue their strong performance. Long-term trailer revenue continues to perform well. This category, although over budget, was not adjusted in the last forecast. Trailer renewals are due in January, so it remains to be seen whether or not companies will opt to renew all trailers or decide to scale back. This line will be reevaluated during the next revenue forecast.

Cash Balances Update

November cash balances while down somewhat from October continue to remain strong. November's total cash balance of $623.3 million is well above both last year's balance through November of $440.4 million and the ten-year average through November of $482.9 million. General Fund internal borrowing was higher in November than it was last month but was still significantly lower than the prior two Novembers. The average Highway Fund balance in November improved over the prior month and over the past two Novembers.

MaineCare Update

Total MaineCare weekly cycle spending (state and federal dollars) had been tracking closely to spending for a comparable period last fiscal year but in recent weeks has started to trend up. Even with this step up in overall spending, General Fund MaineCare spending through five months appears to be remaining below FY 2014 levels. MaineCare caseloads continue to trend downward driven largely by individuals who lost coverage over the last year or so, now losing the transitional coverage they had maintained for up to one year after first losing eligibility. Moving forward, the negative trend in MaineCare General Funding spending through five months will need to be maintained in order to stay within budgeted resources for the MaineCare program for the current fiscal year.

Interim Legislative Studies Report

Marion Hylan Barr, Director, Office of Policy and Legal Analysis, reported as to the current status of the interim legislative studies and commissions. (Refer to status report in the agenda materials.) Ms. Hylan Barr reported that most commissions are finishing up their work, with reports being prepared. The Task Force to End Student Hunger just finished its report. The Ocean Acidification Commission has a draft report completed but is having copyright issues with some of the contents. The drafting work for the School Funding Commission is being done by the Department of Education and is anticipated to be done soon.

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

Legislative Council Chair Eves reported that the Personnel Committee held a meeting on December 22, 2014 to consider the following matters:

1. Recruitment of Director, LIT

The committee conducted an interview for the position of Director, Office of Legislative Information Technology. After careful consideration, the committee voted unanimously to recommend that the Legislative Council appoint Kevin Dieterich [DEE-TRICK] as the director of LIT. The committee felt that Mr. Dieterich exhibits the appropriate combination of education, skills, and experience to successfully lead LIT. The Personnel Committee believes that Kevin's appointment as director would serve us well. The challenges and needs of the legislature will continue to evolve as it confronts both new and continuing issues. The Personnel Committee is confident that Mr. Dieterich will be an effective director in leading LIT with skill and insight.

Motion: That upon the unanimous recommendation of the Personnel Committee, the Legislative Council appoint Kevin Dieterich of Winthrop as director of the Office of Legislative Information Technology for a 3-year term, the effective date of his appointment being Monday, January 12, 2015, pursuant to 3 MRSA §162, sub-§6, and that Mr. Dieterich's initial salary in the position be established at Salary Grade 14, step 5 of the Legislature's salary schedule; and further, that the Executive Director, in consultation with the director, establish performance standards and goals for the director's position and make such operational and organizational improvements as necessary to assure an effective and well run Office of Legislative Information

Technology. Motion by Speaker Eves. Second by Senator Hill. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

2. Step Increases for Secretary of the Senate and Clerk of the House

   The committee discussed step increases for the Secretary of the Senate and the Clerk of the House. No action was taken.

2. State House Facilities Committee

No Report

OLD BUSINESS

Item #1: Legislative Council Actions Taken by Ballot Since the December 3, 2014 Meeting

Legislative Council Decision:

That the Legislative Council approve the request from the Task Force to End Student Hunger to extend its reporting deadline from December 9, 2014 to December 30, 2014; and further to authorize one additional meeting of the Task Force to take place on Monday, December 22, 2014.

Motion by: President Thibodeau
Second by: Speaker Eves
Approved: January 2, 2015 Vote: 10-0 in favor

NEW BUSINESS

Item #1: Request for a display of the Living Memorial from the Summit Project to be held in the Hall of Flags

Mr. Pennoyer reviewed the request by Rep. Jared Golden to host the Summit Project's Living Memorial in the Hall of Flags for a 2 to 3 week period before it is moved to its permanent home in Portland. The Memorial is currently at Togus.

Motion: That the Legislative Council approve the request to host the Summit Project's Living Memorial in the Hall of Flags; and further for the Executive Director to organize this display. Motion by Senator Mason. Second by Representative McCabe. **Motion passed unanimously (9-0-0-1**, with Senator Cushing absent).

Item #2: 2015 Youth in Government Program

Mr. Pennoyer reviewed the request by Lonney Steeves, Program Director, State YMCA of Maine, for approval to hold the YMCA's 2015 Youth in Government Program at the State House on November 13-15, 2015.

Motion: That the Legislative Council approve the request to hold the 2015 Youth in Government Program on November 13-15, 2015. Motion by Speaker Eves. Second by Representative Espling. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

Item #3: Submission of the Final Report of the Commission to Study College Affordability and Completion

The Commission to Study College Affordability and Completion has submitted its final report for acceptance by the Legislative Council.

Motion: That the Legislative Council accept the final report of the Commission to Study College Affordability and Completion and place it on file. Motion by Senator Alfond. Second by Speaker Eves. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

Item #4: Submission of the First Annual Report of the State Education and Employment Outcomes Task Force

The State Education and Employment Outcomes Task Force has submitted its first annual report for acceptance by the Legislative Council.

Motion: That the Legislative Council accept the first annual report of the State Education and Employment Outcomes Task Force and place it on file. Motion by Senator Alfond. Second by Speaker Eves. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

Item #5: Submission of the Final Report of the Commission on Independent Living and Disability

The Commission on Independent Living and Disability has submitted its final report for acceptance by the Legislative Council.

Motion: That the Legislative Council accept the final report of the Commission on Independent Living and Disability and place it on file. Motion by Senator Alfond. Second by Speaker Eves. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

Item #6: Submission of the Ninth Annual Report of the Right to Know Advisory Committee

The Right to Know Advisory Committee has submitted its ninth annual report for acceptance by the Legislative Council.

Motion: That the Legislative Council accept the ninth annual report of the Right to Know Advisory Committee and place it on file. Motion by Senator Mason. Second by Senator Alfond. **Motion passed unanimous (9-0-0-1**, with Senator Cushing absent).

ANNOUNCEMENTS AND REMARKS

Mr. Pennoyer expressed his appreciation and thanks to Nik Rende for his exemplary service as Acting Director of the Office of Legislative Information Technology.

With no other business to consider or further announcements, the Legislative Council meeting was adjourned at 12:40 p.m.