

REP. HANNAH M. PINGREE
CHAIR
SEN. ELIZABETH H. MITCHELL
VICE-CHAIR

EXECUTIVE DIRECTOR
DAVID E. BOULTER



124TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. PHILIP L. BARTLETT II
SEN. KEVIN L. RAYE
SEN. LISA T. MARRACHE
SEN. JONATHAN T. E. COURTNEY
REP. JOHN F. PIOTTI
REP. JOSHUA A. TARDY
REP. SETH A. BERRY
REP. PHILIP A. CURTIS

MEETING SUMMARY
MARCH 25, 2010
Approved April 6, 2010

CALL TO ORDER

Legislative Council Chair, Speaker Pingree called the March 2010 Legislative Council meeting to order at 1:45 P.M. in the Legislative Council Chambers.

ROLL CALL

Senators: Senate President Elizabeth Mitchell, Sen. Philip Bartlett, Sen. Lisa Marraché, Sen. Kevin Raye, Sen. Jonathan Courtney

Representatives: Speaker Hannah Pingree, Rep. John Piotti, Rep. Seth Berry, Rep. Philip Curtis

Rep. Joshua Tardy [arrived after the start of the meeting]

Legislative Officers: Joy O'Brien, Secretary of the Senate
Millicent MacFarland, Clerk of the House
David E. Boulter, Executive Director of the Legislative Council
Debra Olken, Human Resources Director
Patrick Norton, Director, Office of Policy & Legal Analysis
Grant Pennoyer, Director, Office of Fiscal and Program Review
Suzanne Gresser, Revisor of Statutes
John Barden, Director, Law and Legislative Reference Library
Scott Clark, Director, LIS

Chair Pingree convened the meeting at 1:45 P.M. with a quorum of members present.

SUMMARY OF FEBRUARY 25, 2010 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary of February 25, 2010 be accepted and placed on file.
Motion by Senator Bartlett. Second by Representative Berry. **Motion passed unanimously.**
(9-0) [Representative Tardy absent for vote.]

Chair Pingree asked if there was any objection to taking 1 item out of order. There was no objection. The Chair then moved to **New Business, Item 1.**

NEW BUSINESS

Item #1: Consideration of After Deadline Bill Requests / Addendum

The Legislative Council then proceeded to consider and vote on the bill requests in accordance with the previously adopted protocol. Of the ten bill requests, the council authorized three requests for introduction in the 2nd Regular Session of the 124th Legislature, six failed to be authorized, and one was tabled until a future Legislative Council meeting. The Legislative Council's actions on the requests are included on the attached list.

The Legislative Council then returned to the other items on its agenda.

REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

David Boulter, Executive Director of the Legislative Council, reported on the following:

Receipt of Energy Efficiency Award

Efficiency Maine has approved a one-time incentive award to the legislature in the amount of \$6,000 in recognition of the Legislative Council's leadership on the project to install energy efficient lighting in the Capitol dome. Efficiency Maine noted that the project has great significance as a public reminder of the importance of energy efficiency as well as the practical benefit of long-term cost savings. The money is to partially offset the initial installation costs of the LED lighting for the exterior of the State House dome.

Efficiency Maine has a variety of programs that may be of relevance. Efficiency upgrades for many lighting installations in state buildings may be eligible for a commercial incentives program.

Fiscal Report

Grant Pennoyer, Director, Office of Fiscal and Program Review, reported the following.

Revenue Update

Total General Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$104.9	\$102.5	(\$2.4)	-2.3%	\$114.5	-10.5%
FYTD	\$1,547.1	\$1,553.9	\$6.8	0.4%	\$1,651.6	-5.9%

General Fund revenue was \$2.4 million (2.3%) under budget in February, but it remained over budget for the fiscal year-to-date (FYTD) by \$6.8 million (0.4%). These variances differ from the Executive Branch's February report because these variances are based on the revised monthly distribution of the March 2010 revenue forecast.

Some of the concerns in the current revenue performance for the FYTD based on the March 2010 revenue revision include: Real Estate Transfer Tax and Inland Fisheries and

Wildlife revenue. The negative variances from these sources have been more than offset by strong performances in all other major categories.

Total Highway Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$24.8	\$25.0	\$0.2	0.8%	\$25.9	-3.7%
FYTD	\$184.9	\$189.5	\$4.6	2.5%	\$195.8	-3.2%

Highway Fund revenue was \$0.2 million (0.8%) over budget in February and was \$4.6 million (3.2%) over budget for the FYTD based on the March 2010 revenue forecast. Fuel Tax collections, despite the upward revision in the March forecast, have accumulated a positive variance of \$3.8 million through February.

Cash Balances

The State's average cash balances continue to be well below historical averages and General Fund internal borrowing has reached record highs at an average of \$303.2 million in February. Despite the low total cash pool balances, the State has avoided external borrowing through March. This will produce budgeted debt service savings that have yet to be fully recognized in supplemental budget proposals. The State Treasurer and State Controller have been evaluating cash needs and cash flow. Preparations for external borrowing are in place to quickly use this option, when the need arises.

The Dirigo Health Fund (DHF) made progress toward repaying the \$25 million General Fund cash advance. To date, DHF has repaid half, \$12.5 million, with 3 months remaining to pay the remainder.

Average balances in the Federal Expenditures Fund have shown some improvement from the lowest average of -\$40.0 million in October 2009. February's negative balance improved to \$15.5 million, which was still significantly negative and above the norm. This balance does not yet reflect the full effect of \$29.7 million of federal withholding from Medicaid match that is related to the disallowance of targeted cash management billings. The Governor's supplemental budget proposals would offset this effect, if approved.

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

(No Report)

2. State House Facilities Committee

- **Multi-Year Plan for Maintenance & Improvements 2010 Revision**

Facilities Committee Chair Piotti reported that the State House Facilities Committee met on Wednesday, March 24, 2010 to review the State House Facilities and Grounds Improvement Plan for 2010. The Legislative Council had scaled back or postponed facility improvement and maintenance projects last year as a budget savings measure.

The committee concluded that further postponement of key projects could result in facility deterioration or be more costly in future years. Key projects include plaster and paint repair to the dome, something that has not occurred in over 16 years, repair of the high dome windows, repairs and safety improvements to the Capitol Street entrance, and

restoration of the Governor Enoch Lincoln monument in Capitol Park. The proposed work can be accomplished within the Legislative Council's existing budget for facility improvements, and is scheduled to begin in May.

The committee unanimously recommends approval of the plan, as revised for 2010.

Motion: That upon the unanimous recommendation of the State House Facilities Committee, the Legislative Council authorize maintenance and improvements to the State House and Grounds as described in the 2010 Revision of the Multi-Year Plan, and further authorize the Executive Director to take all necessary measures to implement the plan in accordance with the schedules contained in the plan. Motion by Representative Piotti. Second by Senator Marraché. **Motion passed.** (10-0)

3. Budget Subcommittee (No Report)

Legislative Council Chair Pingree reminded council members that the Legislative Council will meet next week to consider proposed legislative studies and any remaining items before the legislature adjourns. The meeting will likely be held in the latter part of the week, perhaps in the evening.

4. CSG Annual Meeting Planning Subcommittee

Subcommittee Chair Bartlett reported that the annual meeting planning is proceeding very well. Reservations have been made for the major venues, working closely with CSG/ERC staff who will be executing vendor contracts. Fundraising is underway. Senator Bartlett encouraged other Legislative Council members to join in the fundraising effort.

OLD BUSINESS

ITEM 1: Legislative Council Actions Taken by Ballot

A copy of the list of actions taken by ballot by the Legislative Council since its February 25, 2010 meeting was included in the Council's packet of information. No further action by the Legislative Council was required.

Chair Pingree then proceeded to **Item 2** under New Business.

NEW BUSINESS

ITEM #2: Request from the Joint Standing Committee on Natural Resources to Meet Over the Interim and for \$5,000 to Retain Experts

The council discussed the committee's request and concluded there was insufficient information about the need for studying the issue and for hiring experts. The council concluded that the request should be placed on the study table for consideration along with all other legislative study requests.

Speaker Pingree requested that the executive director place the request from the Joint Standing Committee on Natural Resources on the study table agenda for consideration at the Legislative

Council meeting next week. President Mitchell asked that OPLA staff to prepare information that explains the scope of the study, and the proposed uses for the requested funds. No formal motion was necessary.

ITEM #3: Annual Report on the Status of the Maine Workers' Compensation System
(Workers' Compensation Board)

ITEM #4: Review and Evaluation of LD 20: An Act to Require Insurance Companies to Cover the Cost of Prosthetics (Joint Standing Committee on Insurance and Financial Services)

Motion: To accept the Annual Report on the Status of the Maine Workers' Compensation System and the Review and Evaluation of LD 20: An Act to Require Insurance Companies to Cover the Cost of Prosthetics and place them on file. Motion by Senator Mitchell. Second by Senator Bartlett. **Motion passed unanimous. (10-0)**

ANNOUNCEMENTS AND REMARKS

None

ADJOURNMENT

The Legislative Council meeting was adjourned at 2:35 P.M. Motion by Representative Curtis. Second by Senator Courtney. **Motion to adjourn passed. (9-1)** [Representative Tardy opposed]