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CHAIR
SEN. MICHAEL D. THIBODEAU
VICE-CHAIR

EXECUTIVE DIRECTOR
GRANT T. PENNOYER

128TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. GARRETT P. MASON
SEN. AMY F. VOLK
SEN. TROY D. JACKSON
SEN. NATHAN L. LIBBY
REP. ERIN D. HERBIG
REP. JARED F. GOLDEN
REP. KENNETH W. FREDETTE
REP. ELEANOR M. ESPLING

**128th Legislature
Legislative Council**

September 20, 2018

PRELIMINARY AGENDA

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	ROLL CALL	
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**LEGISLATIVE COUNCIL
MEETING SUMMARY
June 26, 2018**

CALL TO ORDER

Speaker Gideon called the June 26, 2018 meeting of the Legislative Council to order at 4:48 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators: President Thibodeau, Senator Mason and Senator Libby
Absent: Senator Jackson, Senator Volk (both arrived late)

Representatives: Speaker Gideon, Representative Herbig, Representative Golden, Representative Fredette and Representative Espling

Legislative Officers: Heather Priest, Secretary of the Senate
Robert Hunt, Clerk of the House
Grant T. Pennoyer, Executive Director of the Legislative Council
Dawna Lopatosky, Legislative Finance Director
Jackie Little, Human Resources Director
Suzanne Gresser, Revisor of Statutes
Marion Hylan Barr, Director, Office of Policy and Legal Analysis
Chris Nolan, Director, Office of Fiscal and Program Review
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 Gideon convened the meeting at 4:48 p.m. with a quorum of members present.

SUMMARY OF MARCH 22, 2017 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary for March 22, 2017 be accepted and placed on file. Motion by Senator Mason. Second by Representative Herbig. **Motion passed unanimous (9-0-0-1, with Senator Volk absent).**

REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

Grant Pennoyer, Executive Director, presented the following written report.

1. Youth in Government Program at the State House

In consultation with the Secretary of the Senate and the Clerk of the House, we have established the dates for this coming fall's Youth in Government Program at the State House. The program will be conducting its annual program in the State House and Cross Office Building from Friday, November 9th, to Sunday, November 11th.

2. Copper Reuse Project

The Copper Reuse Project is finally coming to a close. All remaining rough sheets of the copper have been sold and the second of the two authorized artworks is scheduled to be installed later this week on the exit wall leaving the main lobby of the State House. We still have some mementos for sale for those that missed out on a rough copper purchase.

3. Filtered Drinking Fountain Installed

The drinking fountain on the second floor of the State House has been updated to a filtered water dispenser. A similar upgrade of the drinking fountain on the 4th floor is in process. The upgrade for the third floor was delayed to avoid any disruption to the Special Session.

4. Health Insurance Premium Increase

Employee Health and Benefits has announced that health insurance premiums for the State plan will increase by 4% effective July 1, 2018.

Fiscal Report

Chris Nolan, Director, Office of Fiscal and Program Review, presented the following written report.

1. General Fund Revenue Update

Total General Fund Revenue - FY 2018 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$251.5	\$258.3	\$6.7	2.7%	\$253.4	1.9%
FYTD	\$3,115.0	\$3,192.7	\$77.7	2.5%	\$3,044.0	4.9%

General Fund revenue was over budget by \$6.7 million (2.7%) for the month of May and over budget by \$77.7 million (2.5%) for the fiscal year to date. Individual income tax revenue was over budget by \$10.6 million for the month and over budget by \$52.2 million for the fiscal year to date. This positive monthly variance was primarily the result of strong withholding payments and an overage on the individual income tax refund line (less refunded than budgeted). As discussed in last month's report, the year to date variance is primarily the result of stronger than expected 2017 final income tax payments. Sales and use tax revenue (April sales) was over budget by \$4.6 million for the month and over budget by \$6.7 million for the fiscal year to date. Corporate income tax payments were \$3.7 million under budget for the month but \$15.3 million over budget for the fiscal year to date. The monthly variance

was mostly the result of corporate income tax refunds coming in under budget for the month by \$6.2 million (more refunded than budgeted).

2. Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2018 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$27.6	\$29.4	\$1.9	6.8%	\$28.1	4.6%
FYTD	\$302.4	\$307.8	\$5.4	1.8%	\$304.7	1.0%

Highway Fund revenue was over budget by \$1.9 million (6.8%) for the month of May and over budget by \$5.4 million (1.8%) for the fiscal year to date. Fuel taxes were under budget by \$0.3 million for the month but over budget by \$0.9 million for the fiscal year. Motor vehicle registration and fees were over budget by \$2.0 million for the month and \$4.3 million for the fiscal year.

3. Cash Balances Update

The average balance in the cash pool for May was \$1,201.5 million, up from April's average of \$1,074.3 million and above both last year's average balance for May and the ten-year average for the month. May's cash balances reflect a continued recovery from March which is typically the low point in the fiscal year for cash balances that are then usually replenished in April and May. General Fund internal borrowing from other funds was not needed in May (last done in April of 2016). The average Highway Fund balance of \$38.9 million in May was up from \$36.9 million in April.

REPORTS FROM COUNCIL COMMITTEES

1. State House Facilities Committee

Representative Herbig reported that the State House Facilities Committee met on Tuesday, March 27th, to consider the following items.

1. Status Report on the Blaine House Landscaping Project

William Lund, Friends of the Blaine House, and Barbara Claudel, Blaine House Director, provided an overview on the Blaine House Maintenance and Improvement projects for the next several years. They requested that the Legislative Council fund the Blaine House repairs for FY19 in the amount of \$100,000. The committee concurred and recommended to bring to the Legislative Council.

Motion: That upon the unanimous recommendation of the State House Facilities Committee, the Legislative Council approve the transfer of a total of \$100,000 in the upcoming fiscal year from the State House Preservation and Maintenance Fund to the Blaine House Repairs and Maintenance Fund for the Blaine House Grounds Restoration Project. Motion by Representative Herbig. Second by President Thibodeau. **Motion passed unanimous (10-0).**

2. Gold Star Family Memorial in Capitol Park

Mr. Jonathan Kelley gave an overview of the proposal to locate a new Gold Star Family Memorial next to the Maine Vietnam Veterans Memorial in Capitol Park. The Gold Star committee is hoping to move this through quickly so that the memorial could be dedicated on September 30th which is Gold Star Mothers' Day. Given that legislation would be required to locate the memorial in the park, Rep. Golden recommended that it be brought forward to the full Legislative Council for discussion. This item is included under new business later on today's agenda.

3. Statue of Fallen Maine Soldier

Mr. Pennoyer provided an overview of the committee's discussions at its last meeting of the proposal to locate a statue of a fallen Maine soldier in the Capitol Complex. Potential locations were discussed along with the idea of the statute being displayed for a short period of time. The committee decided to table the matter until its next meeting.

4. Killed in Action Flag

Mr. Pennoyer presented some background on the flag including how many other states are flying this flag on special occasions. Mr. Pennoyer further reported to the committee on a similar flag that several states are also flying on special occasions. The committee asked Mr. Pennoyer to research flag etiquette and decided to set aside the matter until its next meeting.

5. Request for Special Lighting of the State House

Mr. Pennoyer reviewed the request by the Consulate General of Israel to light the dome blue of the State House in April in honor of the 70th Anniversary of the founding of the modern State of Israel. Mr. Pennoyer explained that previous requests to light the dome have been declined by the Legislative Council but that there is no standing policy. He further stated that changing the dome color lights is not possible at this time without an upgrade to the equipment. The committee decided to deny this request and further to have Mr. Pennoyer develop a standard policy against these types of requests in the future to bring to the Legislative Council for approval.

6. Press Access through the Connector

Mr. Mal Leary, of the Maine Public Broadcasting Network, brought to the committee's attention the press's concerns about access to the State House after the State House has been locked and the press not being able to attend impromptu public meetings of the Legislature or even meeting with the Governor after normal business hours. Mr. Pennoyer and Mr. Gauvin, Chief of Capitol Police, answered various questions the committee posed. After much discussion, the committee tabled this item.

7. Potential Uses for the State House Café

Mr. Rich Desjardins, operator of Cross Café and State House Café, explained the difficulties he has had over the last few years in keeping the State House Café running. Mr. Pennoyer offered suggestions for other uses of the space for the committee to review. The committee tabled this item for future discussion.

8. Request to Tie Purple Ribbons around Trees in Capitol Park for National Crime Victims' Rights Week

Mr. Pennoyer reviewed the request to tie purple ribbons around trees in Capitol Park and explained that there is a section of the Capitol Park policy that prohibits affixing objects to trees. The committee voted to deny this request.

9. Plaque on Lobby Bench honoring Susan Mitchell

Sen. Jackson made the request for a small 2" plaque to be put on one of the lobby benches in honor of long-term lobbyist Susan Mitchell. Mr. Pennoyer explained that there are no other individuals honored within the State House. After discussion, the committee tabled this request.

10. 100th Anniversary of American Legion Plaque

Members of the American Legion requested that a plaque honoring the 100th Anniversary of the American Legion be hung somewhere in the State House potentially in the Hall of Flags. After learning that the American Legion first met in the Senate Chamber, Sen. Mason suggested the plaque might be hung in the Senate wing. This item will be discussed further at a future meeting pending the outcome of current legislation.

Legislative Council Chair Gideon asked if there was any objection to taking items out of order. There was no objection. The Chair then moved to **New Business, Item 2.**

NEW BUSINESS

Item #2: Gold Star Family Memorial

Mr. Jonathan Kelley explained to the Council that the Gold Star organization is requesting to have this Family Memorial placed next to the Vietnam Memorial in Capitol Park. Their organization has raised the funds for the memorial, its installation and its upkeep. Mr. Pennoyer explained that Legislation is required to amend the statute in order to allow this memorial to be installed in Capitol Park.

Motion: That the Legislative Council authorize the introduction of a new bill to this special session sponsored by Representative Herbig to amend the statute in order to allow this memorial to be installed in Capitol Park. Motion by Senator Jackson. Second by Representative Golden. **Motion passed unanimous (10-0).**

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

REPORTS FROM COUNCIL COMMITTEES

2. Personnel Committee

President Thibodeau reported that the Personnel Committee met on May 15th and again on June 26th to consider the following matters:

1. LIT Director and OPEGA Director Interviews

The committee conducted interviews for the positions of Director, Office of Legislative Information Technology and Director, Office of Program Evaluation and Government Accountability. After careful consideration, the committee voted unanimously to recommend that the Legislative Council appoint Nik Rende as the director of LIT and Danielle Fox as the director of OPEGA. The Personnel Committee believes that both Nik's and Danielle's appointments as director would serve us well. The Personnel Committee is confident that Mr. Rende and Ms. Fox will be effective directors in leading their departments with skill and insight.

Motion: That upon the unanimous recommendation of the Personnel Committee, the Legislative Council appoint Nicholas Rende as director of the Office of Legislative Information Technology, the effective date of his appointment being Wednesday, June 27, 2018, pursuant to 3 MRSA §162, sub-§6, and that Mr. Rende's initial salary in the position be established at Salary Grade 14, step 6 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 President Thibodeau. Second by Senator Mason. **Motion passed unanimous (10-0).**

Motion: That upon the unanimous recommendation of the Personnel Committee, the Legislative Council appoint Danielle Fox as director of the Office of Program Evaluation and Government Accountability, the effective date of her appointment being Monday, August 27, 2018, pursuant to 3 MRSA 37§995, sub-§1, and that Ms. Fox's initial salary in the position be established at Salary Grade 13, step 7 of the Legislature's salary schedule, with an initial 5-year term; 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 Gideon. Second by Senator Mason. **Motion passed unanimous (10-0).**

The Council welcomed both Nik and Danielle as directors and congratulated them on their well-deserved promotions. Senator Libby recognized and thanked Beth Ashcroft for her years of service as Director of OPEGA and wished her well in her future endeavors.

2. NCSL Job Classification and Compensation Study Update

The committee held discussions about the NCSL Job Classification and Compensation Study report. The committee accepted the report with the plan to implement only two of NCSL's recommendations at this time.

Motion: That upon the unanimous recommendation of the Personnel Committee, the Legislative Council accepts the 2018 NCSL Job Classification and Compensation Study report and implements the following two recommendations:

- To reclassify Legal Proofreader and Senior Legal Proofreader positions in the Office of the Revisor of Statutes; and
- To authorize the Executive Director to create more promotional opportunities for Analysts/Attorneys through the use of Senior and Principal designations where appropriate;

and further authorizes ongoing savings in the Legislative and Office of Program Evaluation and Government Accountability accounts from recent staff transitions and

hiring decisions to be used to fund any costs related to the reorganization. Motion by President Thibodeau. Second by Senator Mason. **Motion passed unanimous (10-0).**

3. Harassment Training Update

Ms. Little provided the committee with updates of staff and legislator training. Ms. Little also reviewed the planned work on this project during the interim.

4. SOMER Update

Ms. Little provided an update to the committee about the SOMER project. No Legislative Council action is required at this time.

5. Reimbursement for Attorney Bar Dues

Mr. Pennoyer made a recommendation that the payment limit for renewals of Attorney Bar Dues and other licenses and certifications required as a condition of employment be raised to \$400. The committee recommends this change to the Personnel Policies and Guidelines.

Motion: That the Legislative Council approve an amendment to the Personnel Policies in Part VI, Section J, sub-section 2, "Certification and Licenses," to increase the limit for payment of the renewal of professional licenses required as a condition of employment from \$300 to \$400 effective immediately. Motion by President Thibodeau. Second by Senator Mason. **Motion passed unanimous (10-0).**

6. Legislator Attendance Policy

Ms. Little reviewed the current process for legislator attendance in accordance with the statute and Legislative Council policy. The committee provided guidance and directed staff to present draft policy language for review at the next meeting.

7. New Member Orientation/Pre-Legislative Conference

The committee reviewed agendas from the 2016 New Member Orientation and Pre-Legislative Conference. Mr. Pennoyer and Ms. Little presented some suggestions for the 2018 events. The committee provided feedback. No Legislative Council action is required.

OLD BUSINESS

Item #1: Council Actions Taken by Ballot

Decisions by Legislative Council Ballot:

Motion: That the Legislative Council approves the Marijuana Advisory Commission as an on-going legislative commission established in LD 1719 An Act to Implement a Regulatory Structure for Adult Use Marijuana that will incur additional annual costs to the Legislature of \$2,250 beginning in fiscal year 2018-19 for which a General Fund appropriation is included. And further that the Legislative Council approves this commission as non-conforming with the provisions of Joint Rule 353.

Motion by: Speaker Gideon Second by: President Thibodeau
 Date: April 17, 2018
 Vote: 9-0-1-0 Passed (with Representative Fredette abstained)

Motion: **That the Legislative Council authorize the funding for and approve the nonconforming elements pursuant to Joint Rule 353 of the following legislative studies:**

- **The Commission To Study Long-term Care Workforce Issues (see LD 1466); and**
- **The Task Force for the Study and Planning for the Implementation of Maine’s Early Childhood Special Education Services (see LD 1870).**

Motion by: Speaker Gideon Second by: President Thibodeau
 Date: June 19, 2018
 Vote: 10-0-0-0 Passed

Requests for Introduction of Legislation – Special Session:

LR 3054 Resolve, To Name the Bridge over the Kennebec River in the Town of Norridgewock the Corporal Eugene Cole Memorial Bridge

Submitted by: Representative Bradlee Farrin
 Date: June 19, 2018
 Vote: 10-0-0-0 Passed

LR 3053 An Act To Clarify which Municipalities May Receive a Portion of Day Use and Camping Fees from State Parks and Historic Sites

Submitted by: Representative Ralph Chapman
 Date: June 19, 2018
 Vote: 9-1-0-0 Passed (with President Thibodeau opposed)

LR 3058 Resolve, To Name the Bridge over the Saco River in the Town of Fryeburg the Nathan Desjardins Memorial Bridge

Submitted by: Representative Nathan Wadsworth
 Date: June 19, 2018
 Vote: 10-0-0-0 Passed

NEW BUSINESS

No other New Business was taken up by the Legislative Council.

ANNOUNCEMENTS AND REMARKS

With no other business to consider or further announcements, the Legislative Council meeting was adjourned at 5:17 p.m.

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Executive Director's Report September 20, 2018

1. Update on State House Facilities Projects

The major facilities project this interim has been the continuation of the window painting and pane replacement that began last interim addressing window maintenance issues primarily in the South Wing and the south face of the West Wing. We are also doing a restoration of the original windows that are in the Hall of Flags and the two stairwells and the exterior door in the Hall of Flags.

This year will also bring to an end the project to replace faulty Kitec fitting and piping in the State House heating and cooling system, which has taken four years to accomplish, leaving us better able to focus on other much needed preventive maintenance for the heating and cooling system in the future.

The project to upgrade Parking Lot O, southernmost parking lot in the State House campus, will begin in October with the addition of new lighting and an emergency call box and concluding with a repaving of the entire lot.

The start of the project to renovate the entrance to the Legislative Information Office has been delayed by the lead time on certain materials. We are still working on the completing the project this interim, but it will not end until after the start of the next Legislature.

Also, starting in October is the replacement of carpeting in the Legislative Council Chamber and the Appropriations Committee Room.

Costs of some of these projects have been higher than budgeted, but sufficient funds remain in the facilities budget to complete this work. Under new business later in today's agenda, I will be reviewing these projects with you.

2. MELD Replacement Project

The information system project to replace the outdated bill production system, MELD, is progressing well. We are on track to do some parallel production testing of bills and amendments during the 1st Regular Session of the 129th Legislature with the complete switch over to the new Bill Production System by the 2nd Regular Session.

3. State House Items in Storage

Since the major renovation the State House during the 1998 to 2001 period, numerous items were moved to storage. The Secretary of the Senate, the Clerk of the House and I recently were provided an opportunity to review the items that are stored in two storage facilities. There are numerous items that were placed in storage in the years since the renovation that are broken or that are not going to be used again. I will be working with the Secretary and the Clerk to begin paring back what we are storing as part of PRO Moving's consolidation of State House storage to one facility.

Fiscal Briefing

September 20, 2018

Prepared by the Office of Fiscal & Program Review

1. General Fund Revenue Update (see attached)

Total General Fund Revenue - FY 2019 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
August	\$314.7	\$329.2	\$14.5	4.6%	\$306.1	7.5%
FYTD	\$566.6	\$601.9	\$35.3	6.2%	\$550.7	9.3%

General Fund revenue was over budget by \$14.5 million (4.6%) for the month of August and by \$35.3 million (6.2%) for the fiscal year to date. Individual income tax revenue was over budget by \$2.6 million for the month and by \$16.7 million for the fiscal year to date. Most of this positive variance was the result of higher than budgeted withholding and lower than budgeted refund payments. Corporate income tax revenue was over budget by \$4.3 million for the month and by \$6.6 million for the fiscal year to date. Sales and use tax revenue (July sales) was over budget by \$5.1 million for the month and \$8.4 for the fiscal year to date.

2. Highway Fund Revenue Update (see attached)

Total Highway Fund Revenue - FY 2019 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
August	\$32.0	\$32.8	\$0.9	2.7%	\$32.0	2.5%
FYTD	\$61.2	\$63.4	\$2.2	3.6%	\$58.4	8.6%

Highway Fund revenue was over budget by \$0.9 million (2.7%) for the month of August and by \$2.2 million (3.6%) for the fiscal year to date. Fuel taxes were over budget by \$0.2 million for the month and by \$0.4 million for the fiscal year to date. Motor vehicle registrations and fees were over budget for the month by \$0.7 million and over budget for the fiscal year to date by \$1.8 million. The majority of this variance was in the long-term trailer registration fee line.

3. Cash Balances Update

The average balance in the cash pool for August was \$1,313.9 million, up from July's average of \$1,222.5 million and above both last August's average balance and the ten-year average for the month. General Fund internal borrowing from other funds was not needed in August (has not been needed since April of 2016). The average Highway Fund balance of \$37.3 million in August was up from July's average of \$20.1 million.

4. FY 2018 Year-End Transactions

The FY 2018 closing General Fund balance totaled \$175.8 million, \$74.6 million of which was budgeted and \$101.2 million was unbudgeted. The \$101.2 million not budgeted included \$82.1 million in General Fund revenue surplus, \$14.9 million in unbudgeted lapsed program balances and \$4.2 million in other accounting adjustments. All fixed dollar transfers of what is known as the "cascade" provided for under current law were made (5 MRSA §1507, §1511, §1519 and §1536) with 80% of the remainder of the unbudgeted surplus distributed to the Maine Budget Stabilization Fund (\$76.2 million) and 20% distributed to the Tax Relief Fund for Maine Residents (\$19.0 million). These distributions brought the totals of the Maine Budget Stabilization Fund and the Tax

Relief Fund to \$272.9 million and \$28.4 million respectively. The table below summarizes the sources and uses of FY 2018 unbudgeted unappropriated surplus funds.

FY 2018 General Fund Year-End Summary

Sources of General Fund Year-end Surplus:	
General Fund Revenue Variance	\$82,055,418
Unbudgeted Lapsed Balances	\$14,862,361
Other Accounting Adjustments Increasing (Decreasing) Balance	\$4,241,080
Total Increase in Unbudgeted Unappropriated Surplus	<u>\$101,158,859</u>
Uses of General Fund Year-end Surplus:	
Fixed Dollar Transfers	
Replenish Contingent Account up to \$350,000 (5 MRSA §1507)	(\$350,000)
Transfer to Loan Insurance Reserve up to \$1,000,000 (5 MRSA §1511)	(\$1,000,000)
Transfer to General Fund Operating Capital (5 MRSA §1536)	(\$2,500,000)
Transfer to Retiree Health Insurance UAL (5 MRSA §1519)	(\$2,000,000)
Total Fixed Dollar Transfers	<u>(\$5,850,000)</u>
Percentage Transfers - Remaining Surplus after Fixed Dollar Transfers	\$95,308,859
Maine Budget Stabilization Fund	80.0% (\$76,247,087)
Tax Relief Fund for Maine Residents	20.0% (\$19,061,772)
Total Closing Transfers	<u>(\$101,158,859)</u>

The Highway Fund also has a statutory year-end transfer provision that transfers all but \$100,000 of the increase in the unallocated surplus above the budgeted amount to the Department of Transportation for highway and bridge improvement projects in the next fiscal year. The amounts that transferred and are available in FY 2019 are \$10.9 million. In addition to a \$6.9 million revenue surplus, unexpended Highway Fund allocations that lapsed back to the unallocated surplus totaled \$3.7 million and other net accounting adjustments equaled \$0.4 million.

FY 2018 Highway Fund Year-End Summary

Sources of Highway Fund Year-end Surplus:	
Highway Fund Revenue Variance	\$6,949,635
Unbudgeted Lapsed Balances	\$3,729,292
Other Accounting Adjustments Increasing (Decreasing) Balance	\$365,422
Total Increase in Unbudgeted Unallocated Surplus	<u>\$11,044,349</u>
Uses of Highway Fund Year-end Surplus:	
Required Increase to Budgeted Balance	\$100,000
Net Unallocated Transferred to Transportation	<u>\$10,944,349</u>

General Fund Revenue
Fiscal Year Ending June 30, 2019 (FY 2019)

Updated 9/13/18

August 2018 Revenue Variance Report

Revenue Category	August '18		August '18		Fiscal Year-To-Date			FY 2019 Budgeted Totals
	Budget	Actual	Actual	Variance	Budget	Actual	Variance %	
							Variance %	% Change from Prior Year
Sales and Use Tax	145,103,995	150,217,657	5,113,662	293,394,929	285,037,664	8,357,265	2.9%	5.6%
Service Provider Tax	5,156,244	5,920,655	764,411	11,055,777	10,812,488	243,289	2.3%	5.5%
Individual Income Tax	135,250,000	137,855,970	2,605,970	242,760,497	226,050,000	16,710,497	7.4%	10.5%
Corporate Income Tax	1,300,000	5,551,641	4,251,641	19,082,955	12,510,000	6,572,955	52.5%	53.5%
Cigarette and Tobacco Tax	12,402,410	14,486,854	2,084,444	23,819,055	18,692,658	5,126,397	27.4%	33.8%
Insurance Companies Tax	50,887	201,859	150,972	742,137	319,931	422,206	132.0%	2117.5%
Estate Tax	1,747,915	1,385,219	(362,696)	1,294,803	2,720,215	(1,425,412)	-52.4%	-26.2%
Other Taxes and Fees *	10,143,730	11,600,983	1,457,253	22,579,422	20,926,129	1,653,293	7.9%	8.7%
Fines, Forfeits and Penalties	1,979,541	1,764,941	(214,600)	3,314,602	3,335,353	(20,751)	-0.6%	-0.2%
Income from Investments	412,927	696,864	283,937	696,864	412,927	283,937	68.8%	54.0%
Transfer from Lottery Commission	4,632,452	3,854,137	(778,315)	8,530,203	9,610,993	(1,080,790)	-11.2%	-18.8%
Transfers to Tax Relief Programs *	(2,000,000)	(491,843)	1,508,157	(424,526)	(2,000,000)	1,575,475	78.8%	72.8%
Transfers for Municipal Revenue Sharing	(4,951,998)	(5,334,965)	(382,967)	(11,850,807)	(11,540,516)	(310,291)	-2.7%	-3.9%
Other Revenue *	3,472,645	1,507,368	(1,965,277)	(13,110,028)	(10,327,339)	(2,782,689)	-26.9%	-15.6%
Totals	314,700,748	329,217,341	14,516,593	601,885,884	566,560,503	35,325,381	6.2%	9.3%

* Additional detail by subcategory for these categories is presented on the following page.

**General Fund Revenue
Fiscal Year Ending June 30, 2019 (FY 2019)**

August 2018 Revenue Variance Report

Revenue Category	August '18			August '18			Fiscal Year-To-Date			FY 2019 Budgeted Totals
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	
Detail of Other Taxes and Fees:										
- Property Tax - Unorganized Territory	0	0	0	0	0	0	0	0	0	N/A
- Real Estate Transfer Tax	1,351,000	1,860,073	509,073	2,649,532	3,645,946	996,414	2,649,532	3,645,946	996,414	37.6%
- Liquor Taxes and Fees	2,127,282	2,318,159	190,877	4,224,691	4,772,139	547,448	4,224,691	4,772,139	547,448	13.0%
- Corporation Fees and Licenses	302,591	479,071	176,480	869,343	1,027,970	158,627	869,343	1,027,970	158,627	18.2%
- Telecommunication Excise Tax	(278,815)	0	278,815	(274,791)	0	274,791	(274,791)	0	274,791	100.0%
- Finance Industry Fees	2,279,324	2,389,050	109,726	4,558,648	4,390,350	(168,298)	4,558,648	4,390,350	(168,298)	-3.7%
- Milk Handling Fee	568,990	588,236	19,246	1,177,885	795,074	(382,811)	1,177,885	795,074	(382,811)	-32.5%
- Racino Revenue	763,416	764,294	878	1,526,832	1,483,063	(43,769)	1,526,832	1,483,063	(43,769)	-2.9%
- Boat, ATV and Snowmobile Fees	366,851	301,976	(64,875)	910,760	887,390	(23,370)	910,760	887,390	(23,370)	-2.6%
- Hunting and Fishing License Fees	1,936,105	2,273,992	337,887	3,855,603	4,307,856	452,253	3,855,603	4,307,856	452,253	11.7%
- Other Miscellaneous Taxes and Fees	726,986	626,132	(100,854)	1,427,626	1,269,634	(157,992)	1,427,626	1,269,634	(157,992)	-11.1%
Subtotal - Other Taxes and Fees	10,143,730	11,600,983	1,457,253	20,926,129	22,579,422	1,653,293	20,926,129	22,579,422	1,653,293	7.9%
Detail of Other Revenue:										
- Liquor Sales and Operations	2,280	200	(2,080)	4,845,000	3,900	(945)	4,845,000	3,900	(945)	-19.5%
- Targeted Case Management (DHHS)	121,819	30,659	(91,160)	243,638	46,556	(197,082)	243,638	46,556	(197,082)	-80.9%
- State Cost Allocation Program	2,308,403	1,391,083	(917,320)	4,166,969	3,126,855	(1,040,114)	4,166,969	3,126,855	(1,040,114)	-25.0%
- Unclaimed Property Transfer	0	0	0	0	0	0	0	0	0	N/A
- Tourism Transfer	0	0	0	(9,332,145)	(10,791,601)	(1,459,456)	(9,332,145)	(10,791,601)	(1,459,456)	-15.6%
- Transfer to Maine Milk Pool	(1,343,993)	(2,154,107)	(810,114)	(3,129,545)	(4,235,985)	(1,106,440)	(3,129,545)	(4,235,985)	(1,106,440)	-35.4%
- Transfer to STAR Transportation Fund	0	0	0	(6,206,370)	(6,132,115)	74,255	(6,206,370)	(6,132,115)	74,255	-1.2%
- Other Miscellaneous Revenue	2,384,136	2,239,534	(144,602)	3,925,269	4,872,363	947,094	3,925,269	4,872,363	947,094	24.1%
Subtotal - Other Revenue	3,472,645	1,507,368	(1,965,277)	(10,327,339)	(13,110,028)	(2,782,689)	(10,327,339)	(13,110,028)	(2,782,689)	-26.9%
Detail of Transfers to Tax Relief Programs:										
- Me. Resident Prop. Tax Program (Circuitbreaker)	0	100	100	0	125	125	0	125	125	N/A
- BETR - Business Equipment Tax Reimb.	(2,000,000)	(508,124)	(1,491,876)	(2,000,000)	(603,701)	(1,396,300)	(2,000,000)	(603,701)	(1,396,300)	69.8%
- BETE - Municipal Bus. Equip. Tax Reimb.	0	16,181	16,181	0	179,050	179,050	0	179,050	179,050	N/A
Subtotal - Tax Relief Transfers	(2,000,000)	(491,843)	1,508,157	(2,000,000)	(424,526)	1,575,475	(2,000,000)	(424,526)	1,575,475	78.8%
Inland Fisheries and Wildlife Revenue - Total	2,376,311	2,695,343	319,032	4,899,037	4,927,960	28,923	4,899,037	4,927,960	28,923	0.6%
Total	14,694,831	14,427,433	(267,398)	21,955,688	21,955,688	0	21,955,688	21,955,688	0	0.0%

Highway Fund Revenue Fiscal Year Ending June 30, 2019 (FY 2019)

August 2018 Revenue Variance Report

Revenue Category	August '18		August '18		Fiscal Year-To-Date			FY 2019 Budgeted Totals	
	Budget	Actual	Actual	Variance	Budget	Actual	Variance		
Fuel Taxes:									
- Gasoline Tax	19,611,817	19,676,090	64,273		37,245,555	37,599,477	353,922	1.0%	205,399,700
- Special Fuel and Road Use Taxes	3,827,874	4,033,404	205,530		8,147,313	8,270,991	123,678	1.5%	48,309,400
- Transcap Transfers - Fuel Taxes	(1,720,730)	(1,741,309)	(20,579)		(3,330,976)	(3,369,766)	(38,790)	-1.2%	(18,642,950)
- Other Fund Gasoline Tax Distributions	(490,432)	(492,040)	(1,608)		(931,399)	(940,250)	(8,851)	-1.0%	(5,136,430)
Subtotal - Fuel Taxes	21,228,529	21,476,145	247,616		41,130,493	41,560,451	429,958	1.0%	229,929,720
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	6,438,396	6,608,285	169,889		12,118,783	12,633,103	514,320	4.2%	67,175,787
- License Plate Fees	447,430	491,813	44,383		765,168	840,853	75,685	9.9%	3,458,710
- Long-term Trailer Registration Fees	543,654	933,628	389,974		1,143,067	2,092,912	949,845	83.1%	9,884,523
- Title Fees	1,406,898	1,443,437	36,539		2,522,225	2,689,453	167,228	6.6%	13,696,264
- Motor Vehicle Operator License Fees	857,716	918,512	60,796		1,624,216	1,757,565	133,349	8.2%	9,634,811
- Transcap Transfers - Motor Vehicle Fees	0	0	0		0	0	0	N/A	(15,600,414)
Subtotal - Motor Vehicle Reg. & Fees	9,694,094	10,395,675	701,581		18,173,459	20,013,886	1,840,427	10.1%	88,249,681
Motor Vehicle Inspection Fees									
Other Highway Fund Taxes and Fees	250,208	235,670	(14,539)		500,417	500,623	206	0.0%	3,202,500
Fines, Forfeits and Penalties	132,454	103,111	(29,343)		254,985	259,844	4,859	1.9%	1,280,229
Interest Earnings	106,644	53,376	(53,268)		180,424	118,662	(61,762)	-34.2%	739,039
Other Highway Fund Revenue	21,813	28,118	6,305		43,626	28,118	(15,508)	-35.5%	261,754
Subtotal - Other Highway Fund Revenue	537,584	530,915	(6,669)		940,953	961,262	20,309	2.2%	10,163,100
Totals	31,971,326	32,823,009	851,683		61,224,357	63,442,845	2,218,488	3.6%	333,826,023

**Legislative Council Actions
Taken by Ballot Since the
June 26, 2018 Council Meeting**

Decisions by Legislative Council Ballot:

Motion: **That the Legislative Council authorizes the funding for and approves the nonconforming elements pursuant to Joint Rule 353 of the legislative study included in LD 1095, "An Act To Establish the Maine Coastal Risks and Hazards Commission".**

Motion by: Speaker Gideon Second by: President Thibodeau
Date: June 27, 2018
Vote: 8-0-0-2 Passed (with President Thibodeau and Senator Mason absent)

Motion: **That the Legislative Council approve the design for the American Legion plaque honoring its 100 Years of Service to be displayed in the State House.**

Motion by: Speaker Gideon Second by: President Thibodeau
Date: August 22, 2018
Vote: 10-0 Passed

GRANT T. PENNOYER
EXECUTIVE DIRECTOR
OF THE LEGISLATIVE COUNCIL



MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

MEMO

To: Legislative Council Members
From: Grant T. Pennoyer, Executive Director
Date: September 20, 2018
Re: Draft Policy on Use of State House for Political Purposes

At its last meeting, the State House Facilities Committee rejected a proposal to changes the color of the lights of the State House Dome to commemorate the 70th anniversary of the founding of the modern State of Israel. I had noted that similar requests had always been rejected when bought to the Legislative Council, but because there wasn't an official policy on these types of proposals that I have been forced to go through the process of taking these proposals before the Council for discussion. To address this lack guidance, the committee directed me to develop a policy providing a clear statement of the Council's intent to prohibit the lighting of the Dome to commemorate an event or to recognize some cause.

While working on this policy, Capitol Police suggested that it would be helpful to add to that policy a clear prohibition on projecting images on the State House. While they relied on the law prohibiting political signs on State property to stop a group when it projected a political statement on the side of the State House, they felt it would be helpful to have a Legislative Council policy specifically prohibiting projecting images on the State House. Given that the lighting of the dome and projecting images were related means of using the State House for political statements or purposes, the attached draft policy incorporates the prohibition of these activities and other political signs attached to the State House or surrounding structures in a single policy for your consideration.

I would be happy to answer any questions about the draft policy.

REP. SARA GIDEON
CHAIR

SEN. MICHAEL D. THIBODEAU
VICE-CHAIR

EXECUTIVE DIRECTOR
GRANT T. PENNOYER



128TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. GARRETT P. MASON
SEN. AMY F. VOLK
SEN. TROY D. JACKSON
SEN. NATHAN L. LIBBY
REP. ERIN D. HERBIG
REP. JARED F. GOLDEN
REP. KENNETH W. FREDETTE
REP. ELEANOR M. ESPLING

**Legislative Council Policy
on the Use of the
State House for Political Purposes**

It is the intent of the Legislative Council that the State House and its surrounding grounds reflect a neutral institution of Democracy that is a place for political discussion and an environment within and around the State House that does not reflect any favoritism or bias toward a particular cause or political point of view.

Therefore, it is the policy of the Legislative Council that no political signs or signs advocating for any cause be attached to the State House or any surrounding structures or posted on State House grounds. Persons may carry signs as part of a demonstration or rally, but nothing may be attached to the State House or surrounding trees or structures, such as fences or light posts. The prohibition on posting of signs includes the projecting of images on the State House or any surrounding structures.

This policy includes proposals to change the lighting of the State House Dome to commemorate or recognize an event or worthy cause. The State House Dome lights are not currently equipped to accommodate colors or filters, but any proposal including those as simple as turning off some of the lights for a particular reason are not consistent with maintaining the neutrality of the State House and therefore must be denied.

This policy is adopted by the Maine Legislative Council on

By: _____
Executive Director of the Legislative Council

Authority: 3 MRSA § 162

Adopted:

Effective Date:



MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

MEMO

To: Legislative Council Members
From: Grant T. Pennoyer, Executive Director
Date: September 20, 2018
Re: Revised Costs for Facilities Projects

I wanted to bring to your attention some cost variances in two facilities projects that were planned for this interim. The original estimates for these two projects when they were approved by the Legislative Council as part of the long-range State House maintenance and improvement plan were significantly below revised, current estimates.

The first project with a cost variance is the renovation of the Legislative Information Office (LIO) entry way. This project was approved to improve security for the staff in that office, but also to make information more accessible to the public prior to going through screening. The lobby area of LIO would be modified to make it feel more like an extension of the main lobby. We had estimated the cost of this project to be \$25,000. However, the lowest bid for this project was \$67,340. Some of this variance can be attributed to increases in material costs, but another element was that it turned out to be more complicated than I originally thought when I developed the estimate. I still strongly recommend that this project go forward as we have sufficient funds in the State House Preservation and Maintenance Fund account to cover the cost variance associated with this project.

The second project with a significant variance from estimate is the audio-visual upgrade for the Appropriations Committee Room, which was approved with an estimate of \$20,000. However, given the difficulty of designing a system that could be viewed by both committee members and the audience, the revised estimate for this project is \$56,048. I still feel that this is an important project to make the Appropriations Committee Room, the largest committee room, a much better venue for presentations to large groups.

Given the sizeable cost variances of these two major projects, I wanted to make sure that the Council still approved of these projects continuing as planned this interim. Again, we have more than sufficient funding available to cover the higher costs of these projects. Thank you for considering this reaffirmation of these projects with their higher costs.