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REP. KENNETH W. FREDETTE  
REP. JEFFREY M. MCCABE  
REP. ALEXANDER R. WILLETTE

ACTING EXECUTIVE DIRECTOR  
SUZANNE M. GRESSER

126<sup>TH</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL

**LEGISLATIVE COUNCIL  
MEETING SUMMARY  
June 23, 2014  
Approved July 24, 2014**

**CALL TO ORDER**

Legislative Council Chair Mark Eves called the June 23, 2014 Legislative Council meeting to order at 3:17 p.m. in the Legislative Council Chamber.

**ROLL CALL**

Senators: President Alfond, Senator Jackson, Senator Haskell and Senator Katz  
Absent: Senator Thibodeau  
Representatives: Speaker Eves, Representative Berry Representative McCabe,  
Representative Fredette and Representative Willette  
Legislative Officers: Darek Grant, Secretary of the Senate  
Robert Hunt, Assistant Clerk of the House  
Dawna Lopatosky, Legislative Finance Director  
Jackie Little, Human Resources Director  
Grant Pennoyer, Director, Office of Fiscal and Program Review  
Suzanne Gresser, Revisor of Statutes

Speaker Eves convened the meeting at 3:15 p.m. with a quorum of members present.

**SUMMARY OF MAY 27, 2014 MEETING OF LEGISLATIVE COUNCIL**

**Motion:** That the Meeting Summary for May 27, 2014 be accepted and placed on file. Motion by President Alfond. Second by Representative Willette. **Motion passed unanimous (9-0-0-a, with Senator Thibodeau absent).**

## REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

### Executive Director's Report

No report

### Fiscal Report

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

#### Revenue Update

Total General Fund Revenue - FY 2014 (\$'s in Millions)						
	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$247.7	\$233.5	(\$14.2)	-5.7%	\$249.6	-6.4%
FYTD	\$2,586.4	\$2,605.1	\$18.7	0.7%	\$2,598.6	0.2%

General Fund revenue was under budget by \$14.2 million (5.7%) in May but remained over budget for the fiscal year by \$18.7 million with one month remaining. Sales and Use Tax collections, income tax withholding and insurance premium taxes were the major causes of the variance for the month of May. Most of these variances are timing issues as each of these categories is either over or very close to budget for the fiscal year. Some areas of concern include the Estate Tax, Transfers for Tax Relief Programs and Transfers from Lottery Commission categories; each is likely to end the year with negative variances. The primary contributing factors to the General Fund surplus in FY 2014 are the positive variance from the new Property Tax Fairness Credit and the smaller decline than projected of the 2013 tax year income tax liability.

#### Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2014 (\$'s in Millions)						
	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$26.7	\$27.3	\$0.6	2.3%	\$26.9	1.7%
FYTD	\$266.4	\$271.3	\$4.9	1.9%	\$273.3	-0.7%

Highway Fund revenue was over budget by \$0.6 million (2.3%) in May which increased the FY 2014 positive variance to \$4.9 million with one month remaining. The \$4.5 million positive variance in the Fuel Taxes category is the primary contributing factor.

#### Cash Balance Update

Average cash balances in FY 2014 for the total cash pool have remained higher than the previous 2 years since January. Although General Fund internal borrowing last month was higher than May 2013, it now appears to be tracking very closely with FY 2012, which was also the first year of a biennium and included substantial Other Special Revenue borrowing from the second year to keep the General Fund in balance. Total cash pool balances are once again sufficient to avoid any external cash flow borrowing for FY 2014.

## MaineCare Update

Supplemental funding and other legislative actions this past session appear to have been sufficient to meet MaineCare's FY 2014 funding requirements. The decision to pay \$9.3 million of hospital settlement payments for 2011 crossover claims in the 50<sup>th</sup> weekly payment cycle has certainly lessened any funding cushion to cover any unanticipated volatility in the last 2 weekly cycles in FY 2014.

## REPORTS FROM COUNCIL COMMITTEES

### 1. Personnel Committee

Legislative Council Chair Eves reported that the Personnel Committee held a meeting on June 23, 2014 to consider the following matters:

1. Nonpartisan Employee's Request for Position Reclassification.

The Personnel Committee tabled this item for a future meeting.

2. Recruitment of Director, Legislative Information Technology

The committee discussed the proposed recruitment plan, process and timeline for the position of Director, Office of Legislative Information Technology. The Personnel Committee approved the proposed plan.

3. Recruitment of Executive Director

The committee discussed the proposed recruitment plan, process and timeline for the position of Executive Director. The Personnel Committee formed a subcommittee to work with the Human Resources Director to further develop the plan.

4. Proposed Reorganization of Legislative Information Office

The committee discussed the proposed reorganization and revised position descriptions for the Legislative Information Office. The Personnel Committee will discuss this further at a future meeting.

5. Acting Executive Director Position

The Personnel Committee recommended an acting Executive Director for Legislative Council approval.

**Motion:** That upon the unanimous recommendation of the Personnel Committee, the Legislative Council appoint Suzanne Gresser as Acting Executive Director of the Legislative Council with authority to carry out all powers and duties of the Executive Director, effective June 24, 2014 and continuing until such time as a permanent Executive director is appointed. Motion by Speaker Eves. Second by President Alfond. **Motion passed unanimous (9-0-0-1, with Senator Thibodeau absent).**

Speaker Eves thanked Ms. Gresser for accepting the position of Acting Executive Director.

6. Approval of Meeting Minutes

The Personnel Committee approved the minutes of Personnel Committee meetings for: December 19, 2013, January 8, 2014, April 15, 2014, April 28, 2014 and May 19, 2014.

2. **State House Facilities Committee**

No report

**OLD BUSINESS**

None

**NEW BUSINESS**

**Item #1: Correction of May 19, 2014 Meeting Summary**

Speaker Eves reviewed the corrections needed to be made to the May 19, 2014 Meeting Summary and made the following motion:

**Motion:** That the Legislative Council correct the adopted Meeting Summary of May 19, 2014 by making the following changes to the description of the last motion:

Motion: That the Legislative Council authorize ~~the Personnel Committee to handle a staffing matter on its behalf~~ Speaker Eves and Senator Katz to execute on behalf of the Legislative Council the agreement recommended by the Personnel Committee. Motion by Speaker Eves. Second by ~~President Alfond~~ Representative Willette. **Motion passed unanimous (7-0-0-3**, with Senators Jackson and Thibodeau and Representative Fredette absent).

Motion by Speaker Eves. Second by Representative Willette. **Motion passed unanimous (9-0-0-1**, with Senator Thibodeau absent).

**Item #2: Acceptance of Funds to Support the Task Force to End Student Hunger in Maine**

President Alfond informed the Legislative Council that the Task Force to End Student Hunger established in Resolve 2013, chapter 107, was in receipt of \$500 in funding contributions and that the following additional contributions had been pledged: \$1000 by the Cianbro Foundation; \$1500 by the Maine Media Collection; and \$1500 by the Donato Tramuto Foundation. President Alfond indicated that the total of the amounts received and pledged exceed the amount required to undertake the study, but that the Resolve contemplated that the funding would be received 30 days after the effective date of the Resolve.

**Motion:** That the Legislative Council extend by 60 days the time frame in which the Task Force to End Student Hunger may receive funding contributions and that the Legislative Council authorize the task force to begin to meet in order to conduct its work. Motion by Representative Fredette. Second by Senator Haskell. **Motion passed unanimous (9-0-0-1**, with Senator Thibodeau absent).

## **ANNOUNCEMENTS AND REMARKS**

Senator Haskell expressed her delight over the finished Lady of Wisdom statue at the top of the dome.

Speaker Eves announced that the next scheduled meeting of the Legislative Council is Thursday, July 24, 2014. There will also be a Personnel Committee meeting prior to that meeting.

Representative Berry announced that there will be a State House Facilities Meeting scheduled in July prior to the Legislative Council meeting.

With no other business to consider or announcements, the Legislative Council meeting was adjourned at 3:34 p.m.