

MEETING SUMMARY
March 22, 2007
Approved April 26, 2007

CALL TO ORDER

Legislative Council Chair, President Edmonds called the Legislative Council meeting to order at 1:21 P.M. in the Legislative Council Chamber.

ROLL CALL

Senators: President Beth Edmonds, Sen. Elizabeth Mitchell, Sen. John Martin, Sen. Carol Weston, Sen. Richard Rosen

Representatives: Speaker Glenn Cummings, Rep. Hannah Pingree, Rep. Sean Faircloth, Rep. Joshua Tardy, Rep. Robert Crosthwaite

Legislative Officers: Millie MacFarland, Clerk of the House
Joy O'Brien, Secretary of the Senate
Michael Cote, Assistant Clerk of the House
David E. Boulter, Executive Director of the Legislative Council
Rose Breton, Legislative Finance Director
Margaret Matheson, Revisor of Statutes
Patrick Norton, Director, Office of Policy & Legal Analysis
Grant Pennoyer, Director, Office of Fiscal and Program Review
Lynn Randall, State Law Librarian
Paul Mayotte, Director, Legislative Information Services

Legislative Council Chair, President Edmonds convened the meeting at 1:21 P.M. with a quorum of members present.

SUMMARY OF FEBRUARY 22, 2007 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary of February 22, 2007 be accepted and placed on file. Motion by Rep. Faircloth, second by Rep. Mitchell. **Motion passed, unanimous (7-0). [Sen. Weston, Rep. Tardy, and Rep. Crosthwaite arrived after the vote]**

Legislative Council Chair President Edmonds asked if there was any objection to taking one item out of order. No objection was expressed so Legislative Council Chair President Edmonds proceeded to Item 1 under New Business: Consideration of After Deadline Bill Requests.

NEW BUSINESS

ITEM #1: Consideration of After Deadline Bill Requests

The Legislative Council considered and acted on eighteen after deadline bill requests. The Legislative Council's actions on these 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.

State House Facilities Work Plan 2007

A tentative plan for State House renovation and improvement work is being developed for 2007 in consultation with the Legislature's architect and general contractor. It is anticipated that a draft plan will be presented to the State House Facilities Committee for its review prior to presentation to the Legislative Council, hopefully in April.

Artwork in the State House

The artwork currently on display in the first floor lobby of the State House is scheduled to be removed next week and a new arts exhibit will be installed on March 28th. The exhibit will be by *Very Special Arts of Maine*, entitled, "A Matter of Perception." The exhibit is being coordinated by the Maine Arts Commission.

Fiscal Report

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

Revenue Update

General Fund revenue was under budget by \$1.1 million in February, increasing the negative variance for the fiscal year-to-date (FYTD) to \$6.8 million (-0.4%). The 3.6% FYTD growth over last year for the same period compares favorably to the 3.0% growth forecasted for FY 2007.

Although corporate income tax collections were over budget in February, they included an audit resulting in \$4.0 million and would have been negative otherwise. At this time, it is too early to project the outcome of the March 15th corporate income filings.

Individual income tax revenue was \$4.8 million under budget in February, but remained \$1.7 million over budget for the FYTD. Excluding a \$13.9 million FYTD positive variance from the BETR and Circuitbreaker program transfers, individual income tax

revenue was under budget by \$11.9 million for the FYTD. However, Maine Revenue Services' analysis of individual income tax refunds indicates positive signs for April final payments.

Some problematic areas that will be reviewed by the Revenue Forecasting Committee include judicial fines revenue (negative FYTD variance of \$2.3 million) and cigarette and tobacco tax revenue (negative FYTD variance of \$3.3 million).

Highway Fund revenue rebounded in February with a \$1.0 million positive variance, which reduced the FYTD negative variance to \$0.3 million (-0.1%). Fuel tax collections were over budget by \$0.5 million in February but remained under budget for the FYTD by \$0.3 million.

Revenue Forecasting Committee

The Revenue Forecasting Committee (RFC) will meet on Monday, March 26th at 9:30AM in the Legislative Council Chambers. It will review the results of the March 15th corporate income tax filing deadline and finalize the March update to the revenue forecast.

Cash Pool and Cash Balance Trends

The average Cash Pool balance was \$532.0 million in February. This is below the average for the last 5 years of \$625.1 million. However, 4 of those years included substantial Tax Anticipation Note (TAN) borrowings (\$250 million in FY 2003, \$275 million in FY 2004, \$190 million in FY 2005 and \$123.6 million in FY 2006). For this fiscal year, the General Fund has relied on internal borrowing from Other Special Revenue Funds rather than TAN borrowing, which has reduced the total Cash Pool balance.

General Fund internal borrowing has increased during recent months as the General Fund headed into a period of its greatest cash shortages before individual income tax collections in April restore General Fund cash balances. General Fund internal borrowing averaged \$103.3 million in February and increased to \$186.0 million in mid-March. The State Controller and the State Treasurer believe that the state will complete this fiscal year without external borrowing.

Highway Fund average cash balance remained relatively low in February when Highway Fund cash balances typically recover. Highway Fund average balance was only \$14.9 million in February; average February balances for the last 5 years were \$60.6 million. Low Highway Fund cash balances will have substantially reduced the Department of Transportation's ability to carry out major projects.

Mr. Pennoyer announced that two publications produced by OFPR have been released and are available on the legislature's website:

"Compendium of State Fiscal Information" (available on line at <http://www.maine.gov/legis/ofpr/06compendium/c06toc.htm>); and "The Fiscal Note Process: An Overview" (Available on the web at <http://www.maine.gov/legis/ofpr/fiscalnote.htm>).

Information Technology Report

Paul Mayotte, Director, Office of Legislative Information Services, reported the following.

Daylight Saving Time

The change in DST on March 11th occurred without incident for the majority of the Legislature's applications and systems. Several desktop PCs advanced two hours rather than one and the issue is being corrected. Staff assisted several offices with the synchronization of Palm Pilot calendars.

MELD Bill Drafting

The Revisor's Office and the Office of Legislative Information Services are working jointly to identify and correct MELD issues as the system is used this session. Identified problems are being addressed on a priority basis.

Voyager Systems, Inc

The contract for the conversion of Wang Tracker and Bill Status applications has been reviewed by the Attorney General's office and should be finalized shortly.

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

(No Report)

2. State House Facilities Committee

(No Report)

3. Subcommittee to Review the Study Committee Process

Senator Mitchell, chair of the committee, reported the subcommittee met on February 28, 2007 to follow-up on study committee process issues. The subcommittee found that the current study committee process no longer provides a clear or predictable process for drafting study legislation, study committee membership and procedures vary widely and restricts the ability of the Legislature to direct the course of legislative studies and the efficient use of study-related legislative resources.

The subcommittee unanimously made 13 recommendations for improvements in the study committee process. They are fully described in the report and summarized on pages 1 and 2 of the Executive Summary. Implementing the recommendations will require several amendments to Joint Rule 353 (Studies) and Legislative Council adoption of several policies governing drafting of study-related orders and legislation. Senator Mitchell also explained that she would be offering an amendment (included with the packet) that relates to joint select committees.

Motion: That the final report of the Subcommittee to Review the Study Committee Process, including its recommendations for implementation, and Senator Mitchell's amendment be accepted. Motion by Sen. Martin, second by Rep. Pingree. **Motion passed, unanimous (10-0).**

The Legislative Council chair then asked OPLA Director Pat Norton to prepare the joint rule amendments for introduction and to distribute a summary of the study process changes to all Legislators and staff.

4. Budget Subcommittee

(No Report)

5. Subcommittee to Administer Technology (President Edmonds, Chair)

Senate President Beth Edmonds reported that the subcommittee met on February 22nd and again on March 7th to discuss several technology-related issues, summarized below:

Laptop computers in the chambers

The subcommittee discussed the advantages and feasibility of installing laptops in the chambers. It discussed the need for a plan that identifies the technology to be developed (e.g. “push” or “pull”), integration of systems with other legislative systems, costs to implement, long-term cost savings and a funding strategy. The House has a goal of electronically providing bills, amendments and supplements to the chamber by January 1, 2008.

Use of maine.gov and legislative websites

The subcommittee members feel that the Legislative Council should consider a formal policy on the use of .gov websites to assure that use is appropriate and promotes education about legislative services and operations, and limits partisan announcements and discussions to appropriate locations on the websites. The subcommittee is currently reviewing a draft policy.

Use of mass email

As with the website use, the subcommittee members feel that the Legislative Council should consider a formal policy on the manner and use of mass email by the legislature. It has concluded that policy guidance is needed to assure that mass emails fulfill a legitimate legislative purpose, and are not used for campaigns or other inappropriate purposes. The subcommittee is currently reviewing a draft mass email policy.

The subcommittee has scheduled its next meeting for Wednesday March 28, 2007 to finalize its proposed policies for the Legislative Council’s consideration in April.

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 22, 2007 meeting is attached. No further action by the Legislative Council is required.

There was no other Old Business.

NEW BUSINESS

ITEM #1: Consideration of After Deadline Bill Requests (including addendum)

(See above discussion.)

ITEM #2: Invitation from Kids Consortium for Legislative Council to participate in a ceremony recognizing student's involvement in Project Citizen.

The Legislative Council reviewed the invitation. No action by the Legislative Council was required or taken.

ITEM #3: Request by the Maine Citizen Trade Policy Commission to introduce a Joint Resolution (LR#2572)

This request was considered along with other requests to introduce legislation under Item 1: New Business. No additional action was taken.

ANNOUNCEMENTS AND REMARKS

None

ADJOURNMENT

The Legislative Council meeting was adjourned at 2:02 P.M. Motion by Sen. Mitchell. **Motion passed, 9-0-0-1 (Rep. Tardy absent for the vote).**