

SEN. MICHAEL D. THIBODEAU
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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**

August 27, 2015

Approved September 24, 2015

CALL TO ORDER

President Thibodeau called the August 27, 2015 meeting of the Legislative Council to order at 1:44 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators: President Thibodeau, Senator Mason, Senator Cushing, and Senator Alfond

Absent: Senator Hill

Representatives: Representative McCabe and Representative Espling

Absent: Speaker Eves, Representative Gideon, and Representative Fredette

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
Chris Nolan, Director, Office of Fiscal and Program Review
Ed Charbonneau, Deputy Director, Revisor of Statutes
John Barden, Director, Law and Legislative Reference Library
Kevin Dieterich, Director, Legislative Information Technology

President Thibodeau convened the meeting at 1:44 p.m. with a quorum of members present.

SUMMARY OF JUNE 24, 2015 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary for June 24, 2015 be accepted and placed on file. Motion by Senator Alfond. Second by Senator Cushing. **Motion passed unanimous (6-0, with Senator Hill and Representatives Eves, Gideon and Fredette absent).**

REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

Grant Pennoyer, Executive Director, reported on the following:

1. Applications for Low-Priority Security Screening begin September 1st

We are in the final stages of getting out a notice and developing the application forms for low-priority screening for persons having regular business in the State House. The recently changed policy regarding State House security screening takes effect September 1st for the purposes of taking applications and for implementation for the 2nd Regular Session. The State House Facilities Committee discussed some possible revisions to the policy.

2. Update on Paint Issues on State House Dome

Stripping of the paint from the problem areas with new copper has been slowed due to weather. We are still hoping that the new paint can be applied by the middle of September.

3. Availability of Original Copper from the State House Dome

We are in the process of working out the logistics and pricing for the sale of the salvaged copper from the State House Dome. We will also have mementos for sale that include a piece of the copper. We are planning to announce the availability of the copper in the middle of September.

4. State House Doors

Yesterday, the 2 new doors on the north side of the main entrance to the State House were made operational. The south doors are scheduled to be replaced over the next few weeks. While the doors have the same general look, you will notice a significant improvement in their operation.

5. Legislator Attendance

LD 1046, enacted as PL 2015, c. 134, requires the Legislative Council at the beginning of each Legislature to establish policies and procedures to record attendance for each legislative day and set salary reductions for legislators that have excessive absences. The Secretary of the Senate, the Clerk of the House and I met recently to research and discuss the issues involved with implementing this bill. We will be reporting back to the Legislative Council later this fall after the effective date of the Act.

6. First State Painting

The Robert Indiana *First State* Painting has been moved to its permanent home above the Appropriations Committee room door.

Fiscal Report

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

General Fund Revenue Update

Total General Fund Revenue - FY 2016 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
July	\$233.1	\$246.3	\$13.2	5.7%	\$218.2	12.9%
FYTD	\$233.1	\$246.3	\$13.2	5.7%	\$218.2	12.9%

General Fund revenue was over budget by \$13.2 million (5.7%) for the first month of fiscal year 2016. Individual income tax revenue was \$2.9 million under budget for the month of July. Sales and use tax revenue was over budget by \$3.0 million, indicating strong sales for June. Corporate income taxes were \$1.2 million over budget continuing their strong performance from June. Cigarette and tobacco taxes were \$3.4 million over budget for July. Various revenue transfer lines from the General Fund to other funds were under budget for July, contributing to the positive General Fund July variance. These transfer line variances are most likely timing issues within the fiscal year.

Highway Fund Revenue Update**Total Highway Fund Revenue - FY 2016 (\$'s in Millions)**

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
July	\$29.4	\$29.1	(\$0.3)	-1.0%	\$28.5	2.2%
FYTD	\$29.4	\$29.1	(\$0.3)	-1.0%	\$28.5	2.2%

Highway Fund revenue was under budget by \$0.3 million (1.0%) in July. Most of the variance occurred within Fuel tax revenues, which were under budget by \$0.5 million for the month. This could be a timing issue between months as the last day of July (the date special fuel taxes are due) was a Friday. Motor vehicle registration and fees revenue was over budget for the month of July by \$0.4 million led by registration and title fees.

Cash Balances Update

The average total cash pool balance for July was \$818.5 million, an increase from June's average balance and significantly higher than both last July and the 10-year average balance for July. There was no General Fund internal borrowing from other funds in July – the first time in the nine years that the State has been doing internal borrowing that it was not necessary. The average Highway Fund balance for July increased over June's average and was higher than last July's balance.

FY 2015 Year-End Cascade Transfers

The FY 2015 closing General Fund balance totaled \$59.1 million, \$33.5 million of which was unbudgeted. The \$33.5 million not budgeted included the \$30.4 million General Fund revenue surplus and \$3.7 in unbudgeted lapsed program balances that were partially offset by \$0.5 million in other accounting adjustments. Under PL 2015 c. 267 (the 2016-2017 Biennial Budget), Section L-8 amended the distribution rules for the year-end "cascade" of funds from the unappropriated surplus of the General Fund, so that after all fixed dollar transfers were distributed; 80% (\$23.9 million) was distributed to the Maine Budget Stabilization Fund and 20% (\$6.0 million) was distributed to the Tax Relief Fund for Maine Residents. The table below summarizes the sources and uses of FY 2015 uncommitted funds.

Senator Cushing asked about Maine's status of reserve funds where they stand relative to the standards suggested by the credit rating agencies. Mr. Nolan responded that Maine's current reserves

are at less than 4% which would not meet the standards and he stated that he would research those numbers more in depth and report back to the Council Members.

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

President Thibodeau of the Personnel Committee, reported that the Personnel Committee held a meeting on August 27th to consider the following matters:

1. Reclassification of Legislative Information Technology – one position

The committee considered a request to reclassify one position in the Office of Legislative Information Technology. The committee approved the plan as proposed.

Motion: That upon the recommendation of the Personnel Committee, the Legislative Council approve the Human Resource Director's proposed reclassification of one position in the Office of Legislative Information Technology. Motion by President Thibodeau. Second by Senator Cushing. **Motion passed unanimous (6-0**, with Senator Hill and Representatives Eves, Gideon and Fredette absent).

2. Upcoming Director Performance Evaluations and Reappointments

The committee discussed the review process for nonpartisan office directors in accordance with the personnel policy on Performance Evaluation and with P.L. c. 102 "An Act to Increase the Effectiveness of the Legislature". No Legislative Council action is required.

3. Status of Collective Bargaining Update

Ms. Little provided an update on the negotiation of a new collective bargaining agreement with the Administrative Unit of Legislative Employees. No Legislative Council action is required.

2. State House Facilities Committee

Senator Mason, Chair of the State House Facilities Committee, reported that the State House Facilities Committee, met on Wednesday, August to consider the following items.

The State House Facilities Committee met on Wednesday, August 19th, to review the 5-year plan for State House Maintenance and Repairs (a copy of that plan was included in your packet of materials for today's meeting). Executive Director Pennoyer presented the various major and annual maintenance projects in the booklet. After discussion and questioning, the committee recommends approval of all projects in the 5-year plan with the exceptions of project 15.3 (Liberty Bell Restoration) and projects 16.2, 16.3, 16.4, and 17.2 (the video in committee room projects). The Executive Director is currently exploring alternatives and options for these particular projects and will be reporting back to the committee at its next meeting.

The committee had questions about certain professional fee costs and sought additional detail of the professional fees listed in the 2015 summary. That additional information was supplied by email after the meeting. The committee will be reviewing the construction management structure

employed by the Legislature along with the costs of that management structure and will be considering a proposal to rebid these services.

The committee also discussed the possible relocation of the Legislative Information Office and a redesign of the security lanes to process visitors to the State House. No decision was made on these matters.

As part of the discussion of security, members of the committee questioned the recently adopted change to allow priority screening for those who have a regular and necessary need to enter the State House as a result of their profession or employment. As noted in the Executive Director's report, the revised policy was effective September 1st for the purposes of accepting applications for access during the 2nd Regular Session. The committee discussed the \$100 annual fee and the timing of the implementation. The committee recommended a discussion by the Legislative Council at this meeting of the policy and a possible revision to the fee for renewals and allowing the access to be effective once the background checks have been completed and the cards issued. An agenda item for this discussion is included under New Business on today's agenda.

The committee also raised some concerns about several parking issues that they will discuss with Chief Gauvin of Capitol Police at its next meeting.

OLD BUSINESS

Item #1: Legislative Council Actions Taken by Ballot Since the June 24, 2015 Meeting

Requests for Introduction of Legislation:

LR 2087 An Act to Fund the Agreement with Certain Judicial Department Employees

Submitted by:	Senator James Hamper	
Approved:	June 30, 2015	Vote: 9-1 in favor (with Rep. Espling opposed)

LR 2101 An Act to Make Certain Technical Corrections to Recently Enacted Laws

Submitted by:	Senator David Burns	
Approved:	July 16, 2015	Vote: 10-0 in favor

Legislative Council Decisions:

That the Legislative Council establishes the Cloture Date as September 25, 2015 and the Related Schedule as listed on the enclosed memo, as recommended by the Revisor of Statutes.

Motion by:	President Thibodeau	
Second by:	Speaker Eves	
Approved:	July 30, 2015	Vote: 8-2 in favor (with Rep. Fredette and Espling opposed)

NEW BUSINESS

Item #1: Approval of the Maine State House & Grounds 5-year Plan

This item was previously addressed and discussed during the State House Facilities Committee report. In response to a question by Senator Cushing, Mr. Pennoyer gave a brief report on the status of the 2015 projects.

Motion: That upon the recommendation of the State House Facilities Committee, the Legislative Council authorize maintenance and improvements to the State House and Grounds as described in the 2015 revision of the Multi-Year Plan with the exceptions of Projects 15.3, 16.2, 16.3, 16.4, and 17.2, to be deferred until such time as the Legislative Council takes further action on them; and further, authorize the Executive Director to take all necessary measures to implement the approved plan in accordance with the schedules contained in the plan. Motion by Senator Mason. Second by Senator Alford. **Motion passed unanimous (6-0**, with Senator Hill and Representatives Eves, Gideon and Fredette absent).

Item #2: Discussion of Recent Security Policy Changes

This item was previously addressed and discussed during the State House Facilities Committee report.

Motion: That the Legislative Council modify the effective date of the recently revised *Legislative Council Policy on Security Screening Protocols for the Maine State House* as beginning September 1, 2015 for the purpose of receiving and processing of applications and allowing activation of the State House access cards once approved. Motion by Senator Mason. Second by Senator Cushing. **Motion passed unanimous (6-0**, with Senator Hill and Representatives Eves, Gideon and Fredette absent).

ANNOUNCEMENTS AND REMARKS

With no other business to consider or further announcements, the Legislative Council meeting was adjourned at 2:12 p.m.