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STATE OF MAINE

ONE HUNDRED AND TWENTY-SIXTH LEGISLATURE
 COMMITTEE ON LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT

To: Dawn Hill, Senate Chair
 Margaret Rotundo, House Chair
 Joint Standing Committee on Appropriations and Financial Affairs

From: John Patrick, Senate Chair *John L. Patrick*
 Erin Herbig, House Chair *Erin Herbig*
 Joint Standing Committee on Labor, Commerce, Research and Economic
 Development

Date: February 7, 2013

Subject: Second Report Back on the Tabled Item in the Governor's Emergency
 Supplemental Budget Bill (LR 1045) and the Committee's
 Recommendations Regarding the GEA Review of the Maine Public
 Employees Retirement System

We are writing to provide our recommendations on the one remaining tabled item in the Governor's Biennial Budget Bill (LR 1045) that was considered in the public hearing on January 24, 2013. As you are aware, the committee voted on January 30th to unanimously support each initiative and language part under the committee's jurisdiction, except for the item on page **LCED-9, Rehabilitation Services 0799, reference #395 (initiative to reduce funding in the amount of \$20,000 for contracted services with the Maine Center on Deafness)**. Due to serious concerns voiced by several members of the committee about the potential impact of this reduction on those individuals that rely on the civil rights advocacy services provided by the advocates at the Maine Center on Deafness, the committee tabled the discussion in order to provide the Department of Labor with additional time to review their budget and possibly identify other sources for the reduction in funding and to report back to the committee.

In response to the committee's request, the Department of Labor has identified an additional \$7,217.00 in funding cuts to the Department's Bureau of Labor Standards (personal services line) that could be used to offset the proposed \$20,000 reduction to Rehabilitation Services (reference #395, contract with the Maine Center on Deafness). This would result in a net funding reduction to the contract with the Maine Center on Deafness in the amount of **\$12,783**. According to the Department of Labor, this proposed reduction to the Bureau of Labor Standard's budget reflects a delay in hiring for one position that became vacant on 1/18/2013. The department anticipates that it will take approximately three months to fill this position due to the advertising, interview and offer process.

Accordingly, the committee voted on February 7th to **unanimously support** the reduction of \$7,217.00 to the Bureau of Labor Standards (personal services line) to offset the \$20,000

reduction to Rehabilitation Services (reference #395, contract with the Maine Center on Deafness) for a **net funding reduction to the contract with the Maine Center on Deafness in the amount of \$12,783.**

Additionally, the committee voted unanimously on February 6th to recommend language be added to LR 1045 to move the statutory jurisdiction over the Government Evaluation Act agency review of the Maine Public Employees Retirement System from the joint standing committee with jurisdiction over labor matters (currently the LCRED Committee) to the joint standing committee with jurisdiction over retirement matters (the AFA Committee), in order to reflect the relatively recent changes in respective committee jurisdictions. To that end, the committee recommends that the following language be included in LR 1045:

Sec. 1. 3 MRSA § 959, sub-§1, paragraph I is amended to read:

I. The joint standing committee of the Legislature having jurisdiction over labor matters shall use the following list as a guideline for scheduling reviews:

- (1) ~~Maine Public Employees Retirement System in 2013;~~
- (2) Department of Labor in 2007;
- (3) Maine Labor Relations Board in 2009; and
- (4) Workers' Compensation Board in 2009.

Sec. 2. 3 MRSA § 959, sub-§1, paragraph Q is enacted to read:

Q. The joint standing committee of the Legislature having jurisdiction over retirement matters shall use the following list as a guideline for scheduling reviews:

- (1) Maine Public Employees Retirement System in 2013.

Thank you for your consideration of our recommendations. If you have any questions, please do not hesitate to contact us.