

REP. HANNAH M. PINGREE
CHAIR
SEN. ELIZABETH H. MITCHELL
VICE-CHAIR

EXECUTIVE DIRECTOR
DAVID E. BOULTER



124TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. PHILIP L. BARTLETT II
SEN. KEVIN L. RAYE
SEN. LISA T. MARRACHE
SEN. JONATHAN T. E. COURTNEY
REP. JOHN F. PIOTTI
REP. JOSHUA A. TARDY
REP. SETH A. BERRY
REP. PHILIP A. CURTIS

MEETING SUMMARY
April 16, 2009
APPROVED MAY 14, 2009

CALL TO ORDER

Legislative Council Chair, Speaker Pingree called the Legislative Council meeting to order at 2:10 P.M. in the Legislative Council Chambers.

ROLL CALL

Senators: President Elizabeth Mitchell, Sen. Philip Bartlett, Sen. Lisa Marrache,
Sen. Kevin Raye, Sen. Jonathan Courtney

Representatives: Speaker Hannah Pingree, Rep. John Piotti, Rep. Seth Berry,
Rep. Philip Curtis

Absent: Rep. Joshua Tardy

Legislative Officers: 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
Debra Olken, Human Resources Director
Patrick Norton, Director, Office of Policy & Legal Analysis
Grant Pennoyer, Director, Office of Fiscal and Program Review
Margaret Matheson, Revisor of Statutes
Paul Mayotte, Director, Legislative Information Services
John Barden, Director, Law and Legislative Reference Library

Chair Pingree convened the meeting at 2:10 P.M. with a quorum of members present.

SUMMARY OF MARCH 26, 2009 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary of March 26, 2009 be accepted and placed on file. Motion by Senator Bartlett. Second by Representative Berry. **Motion passed unanimous (9-0).** [Representative Tardy absent]

Chair Pingree asked if there was any objection to taking one item out of order. Hearing none, the Chair then moved to **New Business, Item 1: Consideration of After Deadline Bill Requests/Addendum.**

ITEM #1: Consideration of After Deadline Bill Requests/Addendum

The Legislative Council considered and acted on twelve and tabled two after deadline 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 STAFF OFFICE DIRECTORS

Executive Director's Report

David Boulter, Executive Director of the Legislative Council, reported on the following:

Preparations for Public Hearing at Augusta Civic Center on April 22, 2009

Working in conjunction with the presiding officers, committee chairs and the Augusta Civic Center, staff from various offices are making all necessary preparations for the legislative hearing on LDs 1020 and 1118 next Wednesday. As with other very large hearings, necessary logistical and security arrangements are being made to assure an orderly hearing.

HVAC Piping Failure - Update

Mr. Boulter is working with a mechanical engineer to develop testing procedures and system monitoring protocols to prevent future piping failures such as was experienced last month, and to install alarms or other warnings in the event of a system malfunction. He will be working with the Building Control Center to implement the recommendations once they are developed.

Paul Mayotte Leaving the Legislature

Paul Mayotte, Director of Information Services is leaving the legislature to pursue other employment opportunities. We wish him well. Deputy Director Scott Clark will handle day-to-day operational aspects of the office during the period of transition.

Fiscal Report

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

Revenue Update

Total General Fund Revenue - FY 2009 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
March	\$173.7	\$162.4	(\$11.3)	-6.5%	\$193.0	-15.9%
FYTD	\$1,841.4	\$1,814.0	(\$27.4)	-1.5%	\$1,903.0	-4.7%

General Fund revenue was under budget by \$11.3 million in March and fell below budget for the Fiscal Year-to-date (FYTD) by \$27.4 million or 1.5% through March 2009. March revenue was 15.9% below March 2008 and 4.7%

below the same 3 quarters in FY 2008. This FYTD decline is greater than the 4.1% decline projected in the current General Fund revenue forecast.

Sales and Use Tax continued its decline in March and for the FYTD has fallen \$31.0 million or 4.7% below budget, 4.2% below FY 2008 amounts for the same period. The Cigarette and Tobacco Products Tax category was \$4.2 million under budget in March. This negative variance was particularly large this month due to suppliers reducing inventories in anticipation of the federal tax changes. With the federal tax increases, this category is expected to decline further below budget for the remainder of FY 2009 and beyond.

Both the Individual and Corporate Income Tax categories were under budget in March. Individual Income Tax remained over budget by \$17.0 million for the FYTD providing some cushion heading into the April tax filing season. Through March, core Individual Income Tax (excluding the effects of the tax reimbursement transfers) declined 2.6% from the same period in FY 2008. The revenue forecast assumes an 8.1% decline for the full fiscal year. Much of the additional decline is projected to occur in April. Corporate Income Tax fell \$1.4 million under budget for the FYTD through March and has declined 19.4% from the same period in FY 2008, compared to an 8.5% decline for the full fiscal year.

Insurance Companies Tax category and the Other Revenue Category were the only 2 categories over budget in March. Insurance Companies Tax reflects payments based on calendar year 2008 performance, which was better than projections. The Other Revenue category rebounded in March due to “catch-up” transfers to the Fund for the Efficient Delivery of Local and Regional Services and a \$3.5 million positive variance in Department of Health and Human Services revenue. Other Revenue remained \$9.8 million under budget through March, largely due to a \$6.0 million timing issue related to the Unclaimed Property Transfer and the transfers to the Maine Milk Pool, which had a negative FYTD variance of \$5.1 million.

Total Highway Fund Revenue - FY 2009 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
March	\$30.0	\$26.7	(\$3.3)	-11.0%	\$27.4	-2.4%
FYTD	\$231.5	\$222.5	(\$9.1)	-3.9%	\$223.7	-0.5%

Highway Fund revenue was under budget by \$3.3 million or 11% in March and \$9.1 million or 3.9% for the FYTD through 3 quarter of FY 2009. The brief reprieve in February from a series of negative variances was just that – brief. Through 3 quarters of FY 2009 Highway Fund revenue has declined 0.5% from the same period in FY 2008 despite indexing fuel tax rates for inflation. While fuel consumption has declined, the negative variances in the fuel tax category have also been driven by a greater than anticipated shift by distributors to the use of “E-10” gasoline-ethanol mix. The E-10 gasoline-ethanol mix qualifies for a tax rate that is approximately \$0.01 lower than the rate for gasoline.

Revenue Forecast Update

The Consensus Economic Forecasting Commission (CEFC) met on Tuesday, March 31st and concluded its update of the economic forecast, last updated on November 1, 2008. A copy of the full CEFC report is available on the web at: http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/consensus_economic_forecast/apr2009_full_report.pdf

The Revenue Forecasting Committee (RFC) will meet on Tuesday, April 28th to conclude the May revenue forecast update. It has a statutory reporting deadline of May 1st.

Information Technology Report

On behalf of the entire Legislative Council, Chair Pingree thanked Mr. Mayotte for his service to the Legislature and wished him well in his future endeavors.

Status of Legislative Studies

(No Report)

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

Chair Pingree presented the Personnel Committee report for the Personnel Committee meeting held earlier in the day.

The Personnel Committee met to discuss proposed language that would clarify in law that the level of group life insurance coverage for Legislators is calculated using the salary for Legislators averaged over their 2-year term in office, a practice that has been in place for several decades. The committee concluded that the language was necessary and appropriate to provide clarity and guidance to the Maine Public Employees Retirement System.

Motion: That, upon the unanimous recommendation of the Personnel Committee, the Legislative Council re-affirm the current retirement system practice of calculating group life insurance coverage for Legislators using the 2-year income averaging method, and pursue legislation clarifying that Legislator coverage levels are to be calculated in that manner. Motion by Senator Mitchell. Second by Senator Bartlett. **Motion passed unanimous (9-0).** [Representative Tardy absent for vote]

2. State House Facilities Committee

Rep. Piotti, chair of the State House Facilities, reported that the committee met on Monday, March 30, 2009 to discuss numerous items. They are discussed below.

A. Multi-Year Plan for State House Maintenance and Improvements

The committee reviewed the proposed multi-year plan for maintenance and improvements for the State House and Grounds for 2009. Because of the current economic conditions, the proposed plan was scaled down and lower priority projects were deferred to out years. During its review, the committee further scaled down the project list for 2009, resulting in some expected budget savings that the Budget Subcommittee can use toward overall Legislative budget savings. Representative Piotti noted that several items were postponed until 2010. He also noted that the 100th anniversary of the 1910 redesign of the State House is approaching and that the necessary improvements should be on a schedule to be completed by then.

Motion: That, upon the unanimous recommendation of the State House Facilities Committee, the Legislative Council authorize maintenance and improvements to the State House and Grounds as described in the 2009 revision of the Multi-Year Plan, as further revised by the committee, and further authorize the Executive Director to take necessary measures to implement the plan in accordance with the schedules contained in the plan. Motion by Representative Piotti. Second by Representative Curtis. **Motion passed unanimous (9-0). [Representative Tardy absent for vote]**

Speaker Pingree asked that, for the benefit of the audience, several projects be described.

Representative Piotti responded by explaining two projects were a building-wide cleaning and repair and repainting of plaster walls in the public areas of the State House.

Mr. Boulter noted that a key project for 2009 is the installation of energy efficient LED lighting to replace the old style metal halide lighting on the exterior of the capitol dome. Installation of this lighting will result in substantial energy savings in comparison to the old technology lamps [84% reduction in electrical energy consumption]. Repairing the entrance drive to the North parking lot, a major project, was postponed because it was not deemed to be essential this year.

B. Request for display of Memorial in the Hall of Flags

The committee considered a request by the Department of Defense, Veterans and Emergency Management for permission from the Legislative Council to place a free-standing memorial symbolizing the global war on terror in the Hall of Flags until the war ends. It discussed the proposal, particularly the proposed indefinite period of display, and a location that would be both respectful of the memorial and not be disruptive to the Legislative events and activities. Permanent floor mounted or free standing displays are more problematic in high traffic areas open to the public and the committee is suggesting a policy to address the issue. Overall, the committee was supportive of a limited display.

Motion: That upon the unanimous recommendation of the State House Facilities Committee, the Legislative Council approve the placement of the war on terror memorial in its display case in a suitable location in the Hall of Flags for a period of three months; further that the chair of the Legislative Council consult with the chairs of the Joint Standing Committee on Legal and Veterans' Affairs about the feasibility of displaying the memorial in the committee room until the war ends or to another time certain; and further that the Legislative Council adopt a policy for the Hall of Flags that memorials, plaques or commemorative displays for extended or permanent exhibit be limited to those that are wall-mounted. Motion by Representative Piotti. Second by Senator Marrache. **Motion passed unanimous (9-0). [Representative Tardy absent for vote]**

Senator Marrache asked for clarification whether the approved motion would prohibit temporary displays in the Hall for Flags. Representative Piotti answered that the motion applies to memorials, plaques or commemorative displays for “extended or permanent exhibit.”

C. Piping Failure Update

The committee was given a report on the discovery of the piping failure that occurred in the State House on March 25th, and the remedial measures taken to abate the water damage. All rooms re-opened for use by the end of March.

D. Building Tour

The committee requested a building tour since many of the facilities committee members are not as familiar with this building as they would like to be. Representative Piotti extended an invitation to all members of the Council to participate in the tour.

Representative Piotti and Senator Marrache noted that the 100th anniversary of the 1910 addition to the State House will be occurring in December 2010. Representative Piotti noted that the anniversary will actually occur during the 125th Legislature but the 124th Legislative Council will need to plan for any celebratory event. He indicated that there is no need to structure a committee now but if anyone is particularly interested in participating in planning an event, to speak with him. It was noted that Senator Raye, Senator Marrache, and Senator Mitchell expressed an initial interest.

3. Budget Subcommittee

President Mitchell, chair of the Budget Subcommittee, reported that the Budget Subcommittee has met two times to discuss a variety of budget savings options and measures. She noted that the subcommittee has met its internal target relating to the employee attrition rate. The subcommittee will reconvene once the Revenue Forecasting Committee has met and released its revised revenue forecast so the subcommittee will know what additional budget savings need to be achieved.

4. CSG Annual Meeting Planning Subcommittee

Senator Bartlett, co-chair of the CSG Annual Meeting Planning Subcommittee, reported that the subcommittee met for the first time on April 9, 2009 to begin its planning for hosting the CSG/ERC annual meeting that will be held August 15-18, 2010. The subcommittee reviewed two proposals for event planning services: one by Great Gatherings and one by Moose Ridge Associates, both having offices in Augusta. The subcommittee selected Moose Ridge Associates, feeling that it has greater fundraising experience and capacity. The subcommittee authorized the Executive Director to enter into discussions with Moose Ridge Associates with a goal of entering into a contract this month. The proposed cost for the event planning consultant is \$17,500 plus expenses, with payment to come from funds raised.

No action by the Legislative Council is required.

Senator Raye asked how payments to the consultant will be structured to avoid allowing the consultant to be paid 100% from the initial money raised.

Rep. Piotti explained that the payment schedule will be part of the specific contract, likely to be partial payments staggered over time, and the money will come from fundraising.

OLD BUSINESS

ITEM 1: Legislative Council Actions Taken by Ballot

There was no action taken by ballot by the Legislative Council since the last meeting.

NEW BUSINESS

ITEM #2: Request from the Department of Defense, Veterans and Emergency Management to display a State of Maine Global War on Terror Memorial in the Hall of Flags (State House Facilities Committee recommendation)

The Legislative Council approved placement of the war on terror memorial in its display case in a suitable location in the Hall of Flags for a period of three months by motion earlier in the meeting. No other action by the Legislative Council was necessary.

ANNOUNCEMENTS AND REMARKS

None

ADJOURNMENT

The Legislative Council meeting was adjourned at 2:47 P.M.