



SEN. CRAIG V. HICKMAN, SENATE CHAIR
REP. ANNE-MARIE MASTRACCIO, HOUSE CHAIR

MEMBERS:

SEN. JILL C. DUSON
SEN. BRADLEE T. FARRIN
SEN. STACEY GUERIN
SEN. JEFF TIMBERLAKE
SEN. MIKE TIPPING
REP. JOHN M. EDER
REP. ANN HIGGINS MATLACK
REP. ADAM LEE
REP. MICHAEL H. LEMELIN
REP. CHAD PERKINS

MAINE STATE LEGISLATURE
GOVERNMENT OVERSIGHT COMMITTEE

MEETING SUMMARY

September 17, 2025

Call to Order

The Chair, Senator Hickman, called the Government Oversight Committee to order at approximately 9:34 a.m.

ATTENDANCE

Senators: Senator Hickman, Senator Duson, Senator Farrin, Senator Timberlake, and Senator Tipping

Representatives: Representative Mastraccio, Representative Lemelin, Representative Matlack, and Representative Perkins
Absent: Rep. Eder and Rep. Lee

Legislative Staff: Peter Schleck, Director, OPEGA
Matt Kruk, OPEGA Principal Analyst
Jennifer Henderson, OPEGA Senior Analyst
Kari Hojara, OPEGA Senior Analyst
Amy Gagne, OPEGA Senior Analyst
Hillary Risler, OPEGA Analyst
Jennifer Greiner, OPEGA Administrative Secretary/GOC Clerk

Others: Mrs. Jane Diamond
Dr. Michael Allen, Associate Commissioner for Tax Policy, MRS
Kirsten Figueroa, Commissioner of DAFS
Matthew Dunlap, State Auditor

Senator Anne Carney
Representative Amy Kuhn

Sen. Hickman opened the meeting by stating the Senate Republican membership of the Committee has not been completely filled following Sen. Bennett's unenrollment from the Republican Party to become an Independent. Sen. Hickman stated the statute for the GOC membership requires there must be six members each of the Democrat and Republican Parties. Sen. Hickman added that the Senate President is in the process of making a Republican appointment, and until that happens the Committee will not take any votes on any matters. Sen. Hickman stated that the third item on the Agenda, Annual Tax Expenditure Review Categorization, which requires a vote, will be held until a future meeting.

Introduction of Committee Members

The members of the Committee introduced themselves.

Moment of Silence for the Honorable Bill Diamond

Sen. Hickman next lead the Committee in a moment of silence for a founding member of this Committee, the Honorable Bill Diamond, who passed since the last meeting, and recognized Mrs. Diamond, who was in attendance, and expressed to her the Committee's deepest condolences.

Members of the Committee, at Sen. Hickman's invitation, shared remembrances of Sen. Diamond and condolences to Mrs. Diamond and her family.

New Business

(To watch this meeting - the recorded Live Stream can be viewed here: [September 17, 2025 GOC Meeting](#))

Meeting Summary – May 9, 2025

(A copy of this Meeting Summary can be found here: [May 9, 2025 GOC Meeting Summary](#))

The Committee accepted and approved this meeting summary.

OPEGA: Special Project on the Tax Credit for Student Loans

Sen. Hickman next invited OPEGA Analysts Jen Henderson and Kari Hojara, to present a Special Project this Committee assigned to OPEGA in May of this year on the Student Loan Repayment Tax Credit and the Former Educational Opportunity Tax Credit.

The Special Project may be found here: [SLRTC & EOTC 2025](#)

The one-page summary may be found here: [One Pager SLRTC & EOTC 2025](#)

The presentation slides may be found here: [SLRTC & EOTC Presentation Slides](#)

Following the presentation, Sen. Hickman asked members if they had questions for Ms. Henderson and Ms. Hojara.

Rep. Mastraccio stated she is concerned about the unsustainability of the cost of the SLRTC as more people are eligible to apply and asked OPEGA if they had any thoughts on that.

Ms. Hojara stated that at this time, OPEGA has not looked into other alternatives, or how the program might measure against what is in statute for goals, however the statute goals have not changed over time and these will be looked into during the full evaluation in the future.

Rep. Mastraccio stated one way to reduce the cost of the program could be to lower the cap of the yearly benefit for eligible applicants. Rep. Mastraccio stated she believes this is a good program, however she is very concerned about it becoming unsustainable.

Sen. Tipping stated there was a Job Creation Through Educational Opportunity Program, adding the whole point to this and the current SLRTC is to have more people graduate from college in Maine, and more people stay in Maine.

Ms. Henderson stated that as Ms. Hojara mentioned, this program does have statutory goals which are unchanged. Ms. Henderson added one of the common things they noted in testimony about the change from the original EOTC to SLRTC was that the original EOTC was so complicated to administer and complicated to access that created a barrier to its effectiveness.

Sen. Hickman read the Statutory Goals for the Credit into record, which are on page 2 of the report:

- Promote economic opportunity for people in this State by ensuring access to the training and higher education that higher-paying jobs require
- Bring more and higher-paying jobs to this State by increasing the skill level of this State's workforce
- Offer educational opportunity and retraining to individuals impacted by job loss, workplace injury, disability or other hardship
- Keep young people in this State through incentives for educational opportunity and creation of more high-paying jobs
- Accomplish all the goals in this subsection with as little bureaucracy as possible

Ms. Hojara stated during the presentation that there are no performance metrics in statute to evaluate promotional efforts of the SLRTC against to determine if promotion of the credit is successful.

Rep. Mastraccio asked if any entity is required to report on their promotion of the SLRTC.

Ms. Hojara stated that some entities are supposed to be promoting the SLRTC, such as the Maine Department of Labor, and higher education institutions, however there is no report back required to the State of the promoting efforts of the SLRTC. Ms. Hojara also noted that there is no money set aside for promoting of the SLRTC through these entities. Ms. Hojara did state that DECD and MDOL are promoting the credit within their existing efforts.

Rep. Perkins stated that the cost of the program has greatly increased, as well as expansion of the program. Rep. Perkins stated the expansions of the program do not seem to be in line with the legislative goals, specifically bringing in higher skilled workers and higher paying jobs. Rep. Perkins added that the reality is many entry level jobs are filled with people who have gone to college but have degrees that do not provide a higher level of skill, yet they are eligible for this credit. Rep. Perkins stated he thinks that the State is losing revenue because this program has expanded to all degrees.

Rep. Matlack, who is also on the Tax Committee, stated the Tax Committee has reviewed many reports regarding other programs that have been implemented, and what they found was that there were no metrics included in the programs that allow the Tax Committee to see if the program was meeting the program's goals. Rep. Matlack asked if the SLRTC is another program that will be difficult to determine if the program meets the intended goals and what type of degrees people have that are qualifying for the credit.

Ms. Hojara stated that for this Special Project, OPEGA did not develop recommendations or conclusions, however they did notice that there are goals, which have been unchanged, and that there are no metrics in the statute that measure if the goals are met. Ms. Hojara added that if the State has something it is trying to achieve through a program, it should be set up in a way that would ensure it could be evaluated to determine if those goals are being met.

Sen. Timberlake stated he believes this program was started to help people from all walks of life obtain a college degree and stay in Maine after they have graduated instead of going to other states, and he believes it has value. Sen. Timberlake asked if there was information that could show how well the program was working and how many people are using the program and is the program doing what it was intended.

Ms. Hojara stated that there is not an easy way to answer Sen. Timberlake's question based on the Special Project, however during the full evaluation, which OPEGA will do in the future, they will be able to give more thought to whether there is data that might be available to determine whether the people making use of the credit are those who might otherwise be thinking about leaving the state for work. Ms. Hojara added that the MRS worksheet, which people use to file their taxes, asks specifically where people completed their degrees and might be data that can be accumulated and provided which could help answer this question.

Sen. Tipping stated he believes the increase in investment in this program over time is a good thing, stating it is investing more in Maine people, adding that often investing directly in people can have the biggest impact. Sen. Tipping added that he had been to two manufacturing companies recently and learned that a big impact for the companies is not having the educated people to hire in order to scale up. Sen. Tipping stated he is concerned regarding the fact that public higher education institutions are supposed to promote the SLRTC, which he says could be a powerful promotional tool, however noted that OPEGA could not identify any readily available information on current promotion by higher education institutions. Sen. Tipping asked for information regarding what OPEGA did to look into this area.

Ms. Hojara stated that with the nature of the scope of this Special Project, OPEGA did not individually contact each higher education institution to find out how they are promoting the SLRTC. Ms. Hojara added that they looked to the Maine Department of Education and OPLA for any resources where this information was already being compiled. Ms. Hojara stated they did find in 2011 and 2021, the Maine Department of Education did compile reports where they had contacted individually all the institutions at the time and put together a summary of what was being done. Ms. Hojara added that the Maine Department of Education

found that most institutions were doing some promotions in lots of different ways. Ms. Hojara noted that information was not readily accessible for the Special Project, however the Committee could task OPEGA to contact each institution for this information.

Sen. Tipping asked about the Live & Work in Maine promotion on this credit, how it works, what has been spent on that and what kind of materials have been put out by Live & Work in Maine for this program.

Ms. Hojara stated they collected RFPs from FAME for what they have put out for bid for promoting this credit, which is linked in the Special Project Report, and FAME also provided a presentation that Live & Work in Maine provided to FAME, which is also linkable in the report. Ms. Hojara added that for this Special Project, OPEGA did not analyze the promotional presentation to note if it was sufficient or whether it met the program goals, stating the Special Project was just to collect information for the Committee.

Sen. Hickman stated that for a Special Project, “OPEGA compiles readily accessible information to provide the Committee with responsive material in areas of interest. A Special Project provides the benefit of responsiveness, but cannot replicate the depth and detail of a full evaluation. It does not result in findings or conclusions. The Committee can always request OPEGA to do further work if there remain questions of interest.”

Ms. Henderson added that, noted and linked in the References & Additional Resources of the Special Project Report, there was a 2022 report titled *Implementation of the Maine Educational Opportunity Tax Credit*, on behalf of Maine Revenue Services by an independent researcher, Hanna Acheson-Field, during which Ms. Acheson-Field reached out to all the higher education institutions and spoke to them about whether their financial aid officers were promoting this credit, and according to those findings, most of those institutions did promote the credit, though some did not.

That report may be found here: [Implementation of the Maine Educational Opportunity Tax Credit](#)

Rep. Mastraccio stated that the way the credit is written now, anyone with an Associate, Bachelor, or Graduate degree obtained after 2007 can access this credit, and she is concerned that the credit extends back that far as other states have shorter time frames. Rep. Mastraccio stated she believes it is a good program and recruiting tool, but is concerned the cap amount for total individual benefit is possibly too high.

Sen. Tipping stated he appreciated learning there was no information on the current MDOE promotion of the credit, and he would be interested in knowing how the program is being promoted to high school students.

Sen. Hickman next invited Dr. Michael Allen, Associate Commissioner for Tax Policy in Maine Revenue Services to provide to the Committee the MRS input on the SLRTC.

Dr. Allen stated the OPEGA Special Project Report did a good job of pointing out the complexity of the old Educational Opportunity Tax Credit and through a series of Legislative changes that program had become un-administrable and very complicated for tax payers and therefore it never reached the level of cost that MRS had anticipated when it was enacted in 2007.

Dr. Allen stated that MRS had heard from a number of businesses, particularly in high-tech and biotech, who were trying to recruit workers, wanting to use the EOTC as an incentive, and the feedback from the businesses was they did not understand the credit and who is eligible for it and therefore did not promote the credit.

Dr. Allen stated the EOTC was terribly burdensome on MRS administratively, receiving many calls from people questioning their eligibility for the credit. Dr. Allen added that the STEM refundability became probably the biggest issue as there were questions about what degrees fell under the STEM refundability which no one could answer. MRS did find a list of STEM degrees from Immigration and Customs Enforcement, ICE, which was a list of workers the U.S. needed at the time in the STEM area. Dr. Allen noted that a Bachelor of Science in Economics would qualify as a STEM degree, while a Bachelor of Arts in Economics did not.

Sen. Hickman asked if MRS had asked the Legislature for clarification on STEM degrees during this time.

Dr. Allen stated MRS, as well as the business community and tax payers, tried to ask for clarification from the Legislature but did not receive any clarification. Dr. Allen added that this is no longer an issue as the SLRTC is open to all degrees.

Dr. Allen stated in 2021 MRS worked with the Taxation Committee to figure out a way to streamline this credit to make it simpler and more administrable. Dr. Allen added that in 2022 the Governor included in the supplemental budget the legislation that created the loan repayment program.

Dr. Allen stated MRS thought the SLRTC has worked tremendously well, adding that the Special Project Report shows the usage of the credit has increased. Dr. Allen also noted the calls to the MRS have declined due to the simplicity of the credit qualifications. Those qualifications are being a Maine resident with a degree, working at least part time, and actively paying on existing student loans.

Dr. Allen noted the cost of the credit is rising, which he attributes to two reasons, the first being the credit is simple to understand and more people are using it, and second is due to the period during Covid when student loan payments were able to be deferred. One of the requirements is to be paying on the student loans, and now that many of those payments are being made again, more people qualify.

Dr. Allen stated the program is still not costing the State as much as they had initially estimated in 2022, though it is starting to approach that level. Dr. Allen stated that there is uncertainty in the forecast of the cost of the program, adding that the change in the federal administration's view on student loans does create some uncertainty for MRS as far as what type of federal programs there will be available to lower student loans.

Sen. Timberlake asked if the money for the SLRTC is put into the revenue forecast or if the Legislature appropriates the money at the Budget Committee level.

Dr. Allen stated the SLRTC is a credit on the individual income tax return and it is a refundable credit which lowers the individual taxpayer's income tax, noting the revenue forecast for the individual income tax incorporates the impact. The credit is not a line item on the biennial budget and is not an appropriations item.

Rep. Mastraccio stated she looked at the worksheet that taxpayers fill out to see if they qualify for this credit, which states that MRS may seek additional information from the taxpayer. Rep. Mastraccio asked how often MRS follows through and verifies the taxpayer is making payments on existing student loans or at what point does MRS verify the taxpayer's information.

Dr. Allen stated the taxpayer's worksheets are reviewed as they come in and auditors, who are trained, look at the returns as they come in for anything that does not look right. Dr. Allen added that the first time a taxpayer files for the credit is when it usually gets a closer review than the third- or fifth-year filing.

Rep. Mastraccio asked for data on how many tax returns with this credit are verified that the taxpayer qualifies for the credit.

Dr. Allen stated he can ask the Income Tax Division for any data, but also noted this was an issue that came up with the old program due to its complicated qualifications.

Rep. Lemelin asked for clarification on the requirement for a qualifying taxpayer to be working at least part-time, and earn at minimum of \$13,244 annually, and how this amount was determined.

Dr. Allen stated the amount of \$13,244 is a result of the number of hours required to be worked multiplied by the state's minimum wage.

Rep. Perkins asked what the total cost of the SLRTC was originally forecasted to be in 2022.

Dr. Allen stated the MRS forecasted amount for this credit was near \$100 million four to five years after the start of the credit, also noting that while the program is not costing quite that much yet, there still remains uncertainty from the federal program level.

Rep. Perkins asked Dr. Allen if he anticipates the same rate of increase of use of the credit as seen in the last two years, during which it has doubled. Rep. Perkins also asked how soon the credit will reach the \$100 million level.

Dr. Allen stated that when the credit reaches the \$100 million level depends on what happens at the federal level, adding if there is some consistency from the federal level the \$100 million level could be reached in the next few years. Dr. Allen also noted that each year brings a new group of qualifying graduates which increases the cost of the program.

Sen. Tipping asked if there was information on the income distribution of those receiving the credit.

Dr. Allen stated he could provide that information to the Committee, noting that more than 50% of the credit dollars go to taxpayers with adjusted gross income below \$100,000, and just under 43% of the credit dollars go to taxpayers with an adjusted gross income above \$100,000. Dr. Allen also stated the credit is on a taxpayer basis, so for those who are filing jointly, both spouses could be eligible for the credit and joint filers tend to have a higher income because of two people earning income.

Sen. Tipping asked if the income distribution could be broken down by individuals rather than joint filing.

Dr. Allen stated he was not sure if MRS could get information on individual income distribution but would look into it.

Dr. Allen stated the Special Project Report and the history shows that making this credit complicated or changing it on a regular basis results in a negative impact on taxpayers, and MRS urges the Legislature to give this credit more time before making any significant changes.

Rep. Matlack asked what the lifetime cap on this credit is.

Dr. Allen stated the lifetime cap on this credit is \$25,000.

OPEGA Report: Office of Cannabis Policy: Identification and Management of Conflicts of Interest in Procurement

Next, Sen. Hickman invited OPEGA Director Peter Schleck to present to the Committee OPEGA's Report *Office of Cannabis Policy: Identification and Management of Conflicts of Interest in Procurement*.

Director Schleck went over the Report with the Committee, which may be found here: [Office of Cannabis Policy: Identification and Management of Conflicts of Interest in Procurement](#)

Sen. Hickman asked how or if OPEGA verified the information contained on page 4 of the Report which stated the following:

“The OCP Director, in his own words, had ‘never worked for, taken money from, or had a financial stake in METRC.’ Although Lewis Koski worked at METRC: Lewis Koski was not involved in the METRC contract amendment process; and The OCP Director’s professional relationship with Lewis Koski ended over three years prior to commencement of the Director’s involvement in the METRC contract amendment process; and while the OCP Director described himself to OPEGA as a co-founder of FREEDMAN & KOSKI, he did not ever have any ownership or equity in FREEDMAN & KOSKI. His role was limited to performing periodic consulting services for FREEDMAN & KOSKI for which he was compensated on a contract basis.”

Director Schleck stated that OPEGA interviewed Mr. Koski, Mr. Freedman, and Office of Cannabis Policy (OCP) Director Hudak and all statements by them were consistent. Director Schleck added that OPEGA did not seek a subpoena from the Committee for corporate records, bank records or tax records, because once OPEGA got to the fact that even if OCP Director Hudak’s interest in FREEDMAN & KOSKI was an interest covered by statute, it would have been farther back than the one-year period that the statute covers.

Rep. Mastraccio asked about the mutually terminated contract between OCP and BIOTRACK which was in effect in Spring 2019 and terminated in December 2019, noted on page 9 of the report, stating she is concerned about this and would like to know how that process happened, and who does this situation get reported to.

Director Schleck stated this question would be best answered by the Department, adding that he did not have all the information regarding the mutually terminated contract, noting some of that information could fall under procurement-protected information.

Rep. Mastraccio asked Director Schleck if OPEGA had looked deeper into the mutually terminated contract.

Director Schleck stated OPEGA did not look into the mutually terminated contract as part of this evaluation, and that DAFS would be able to provide more information.

Sen. Hickman stated that he believes there was some controversy regarding the mutually terminated contract in the cannabis industry at the time it happened.

Sen. Hickman also stated, for the record, which he noted is not in the Report, that Mr. Freedman of FREEDMAN & KOSKI and now Cannabis Public Policy Consulting (CPPC), was the cannabis “czar” in Colorado, which Sen. Hickman believes launched one of the nation’s first adult-use cannabis markets, and Mr. Freedman in his cannabis “czar” of Colorado role, consulted with the Maine Legislature Marijuana Implementation Legalization Committee when the legislature was considering the new statute that would replace the existing statute that had been approved by the voters. Sen. Hickman stated Mr. Freedman helped Maine draft the new statute and consulted often with the chairs of the committee of Marijuana Implementation Legalization at that time, stating that Mr. Freedman’s involvement in cannabis legalization in Maine goes back before the creation of the Office of Cannabis Policy.

Sen. Hickman asked, in regards to the contract amendment in October 2022 with METRC, which was submitted by then OCP Director Gunderson and then discarded by DAFS, if OPEGA saw that discarded amendment. Sen. Hickman stated he asked this question because people in the industry have an opinion on these matters, and they were concerned that the ultimate contract with the State was far too friendly to METRC to the detriment of industry participants.

Director Schleck stated that this would be a good question for DAFS, also noting if there are then still additional questions on this by members of the Committee, OPEGA can always look into this further if so directed.

Sen. Hickman asked if the OCP extended the contract with AHP, noted on page 13 of the Report, from 2020 for data collection and analysis on the effects of the use of cannabis in Maine that expired in April 2024.

Director Schleck stated this would also be a question for DAFS to answer.

Sen. Duson stated that the desired result on this matter is beyond a simple determination that there is, or is not, an actual conflict of interest, that result being a desire for people to err on the side of public disclosure in the case of a potential conflict of interest. Sen. Duson added that the conclusions of the Report references actual conflicts of interest, however there are still potential, appearance of, and perceived conflicts of interest which is a bit of a gray area. Sen. Duson stated that potential, appearance of or perceived conflicts of interest being further defined would not be effective in terms of getting the result of having people pay really close attention to the possibility of the appearance of conflict of interest, have conversations about what might be perceived as a conflict of interest, and disclose and abstain based on that appearance.

Director Schleck stated the recommendations in the Report represent an invitation for the Department, as a steward of these issues throughout State government, to be a source of clarity and explanation on these matters. Director Schleck noted the Legislative History of Maine's most relevant conflict of interest statute here, beginning on page 43 of the report, which does show that at times the Legislature has considered more prescriptive language, but has not added that language to statute as of now. Director Schleck added that at the Federal level, the appearance standard is defined as, would an objectively reasonable person with knowledge of the facts question the public official's action.

Sen. Duson stated she would like to see, as a result of the Report, that employees are not discouraged, but rather encouraged to be aware of actual, potential, and any appearance of a conflict of interest and to look into any concerns with their supervisor.

Sen. Hickman next invited the Commissioner of DAFS, Kirsten Figueroa, to make a statement to the Committee on the OPEGA Report and to go through the response from the Department if she wished.

Commissioner Figueroa stated that there are so many different threads to this conversation and it is difficult to sort through one part of the conversation without becoming tangled in others. Commissioner Figueroa stated she would do her best to be comprehensive and to answer the Committee's questions and answer them to completion.

Commissioner Figueroa next went over the Department's response to OPEGA's Report, which is included in the Report and begins on page 25.

Commissioner Figueroa stated, in terms of documentation, that it will be challenging to do a one-size-fits-all form for conflicts of interest, adding DAFS has interpreted the conflict of interest statute to involve financial or pecuniary interest, and also stated the appearance of a conflict of interest part of the conversation is the reason the training materials are so broad as some people may not be as in tune with what could be an appearance of a conflict of interest and the training may help them better understand.

Commissioner Figueroa stated that there are very few instances where an employee or agency will determine that a conflict of interest exists for an individual whose responsibility includes procurement activities, however DAFS is prepared to continue these discussions including a review of a draft policy and updated forms already prepared by DAFS and shared with OPEGA, as well as the reasoning for relevant conflict of interest conversations to occur at the Office of State Procurement Services' (OSPS) on the centralized level or at the agency level, depending on the stage of the contract.

Commissioner Figueroa stated, in regards to the original scope of OPEGA's Report, of how the standards and requirements around potential or actual conflicts of interest are handled in OCP's contracting broadly, and specifically as to the OCP director, that her request and hope was that the Committee would choose to close those matters today based on the results of the Report.

Rep. Perkins stated he is trying to understand the procurement process generally, and asked about the IT Procurement Director, if that position was part of OSPS, and asking how many Procurement Directors are in OSPS.

Commissioner Figueroa stated there is one Director of Procurement, and IT Procurement matters fall under OSPS. Commissioner Figueroa added that technology procurements are very complex and usually involve data sharing or system requirements which is why there is an individual who oversees these matters specifically.

Commissioner Figueroa stated she will go through the questions the Committee asked Director Schleck and come before the Committee at the next meeting to answer those questions.

Sen. Hickman stated the Committee may also submit to Commissioner Figueroa written questions prior to the next GOC meeting.

Sen. Hickman stated as Chair of the Veterans and Legal Affairs Committee, which has jurisdiction over OCP, when Director Hudak was hired, industry participants approached him over and over and stated concerns about Director Hudak. Sen. Hickman stated he would ask those who voiced concerns to provide evidence. Sen. Hickman stated that as far as who DAFS hired to be the Director of OCP was always accepted by the VLA Committee members, noting it was people in the industry that had a problem with it, and without any evidence of a conflict of interest or financial gain from any prior relationships Director Hudak may have had, the VLA did not have the staff or time to look into any of those concerns. Sen. Hickman stated that when the letter from Rep. Boyer came to the GOC to look at potential conflicts of interest in OCP, the Committee could then vote to have OPEGA look into those concerns and settle that matter. Sen. Hickman added that there may be critiques about the way OCP runs, but that is separate from who is running OCP. Sen. Hickman stated he is glad that an independent agency, OPEGA, put an end to this part of the conversation.

Commissioner Figueroa stated that this issue has been brought up for 3 years, and DAFS has consistently responded with how they handled this concern and that there was no financial and pecuniary interest of Director Hudak that is by statute a conflict of interest. Commissioner Figueroa added that she believed that the future conversations about whether the conflict of interest statute needs to change or whether forms need to be updated feels like a conversation that can continue, and asked if there was an opportunity for the conversation around Director Hudak and conflict of interest to stop based on what is known and not have a public hearing regarding this matter.

Sen. Hickman stated that the process of a report, prepared by OPEGA for the GOC, is to have a public hearing on reports with a public notice at least 2 weeks in advanced of that public hearing according to statute, adding that sometimes people show up for those public hearings and sometimes they don't, and that the Committee has no idea what will be presented during the public hearing on this report. Sen. Hickman also stated that the Committee did what it thought was best, with a unanimous vote, to look into this matter and see if there was anything in the broader procurement process, noting the Committee of the 131st Legislature also was interested in looking into the State's procurement process, to see how the process is done and if it can be done better, as well as give the public and industry participants the perception and clarity that everything that has been looked into is above board.

Commissioner Figueroa stated that it is probably known, to a degree, how the public hearing for this report will go, adding that it is her hope that it not become another opportunity to repeat statements against Director Hudak, who is not a political employee, who has brought his expertise to Maine and has continued to stay in his position, that is defined by statute, and which he executes daily with a team behind him.

Rep. Matlack stated she wished the Committee was able to vote today and have the matter settled, however as Sen. Hickman stated at the beginning of the Committee, no votes may be taken during this meeting.

Sen. Hickman stated the process, which is in statute, is there must be a public hearing on reports.

Rep. Mastraccio stated she hopes the public hearing will be focused only on the report.

Sen. Duson stated she is also concerned about the direction a hearing on this report will take, specifically in regards to Director Hudak, and that during the public hearing, perhaps the Committee could find a way to emphasize the report's conclusions, noting that Director Hudak has been repeatedly besmirched before two legislative committees.

With no further questions or comments from the Committee, Sen. Hickman put the Committee at ease until 1:45pm.

State Auditor – Further Discussion on Single Audit Findings – Follow Up

Sen. Hickman called the meeting back to order at approximately 1:56 pm.

Sen. Hickman invited State Auditor Matt Dunlap, as Mr. Dunlap requested, for further discussion of the most recent Single Audit findings with a focus on Legislative follow up.

Mr. Dunlap stated the letter the Committee received from his office was sent to committees that had jurisdictions within their area of oversight that his office had produced findings for in the 2024 Single Audit Report, but noted in the case of the Government Oversight Committee, the entire Single Audit Report comes under its purview.

A copy of the letter sent to the Committee may be found here: [Letter from State Auditor to GOC](#)

The 2024 Single Audit may be found here: [2024 Single Audit Report](#)

Mr. Dunlap stated that the Office of State Auditor has been in place since 1907, with an audit function beginning in the 1870's that consisted of a team of people who would review the State's accounts and make sure things were done according to law. Mr. Dunlap stated the work of the office has become more complex over the years, noting the work of the Office of State Auditor is focused primarily in three areas, including auditing the State's financial documents, the large compliance audit which is the Single Audit that reviews the compliance of State agencies with federal criteria for disbursements of federal funds, and fraud examination.

Mr. Dunlap stated the role of the office with the Single Audit is to see how well the agencies are following the rules and to help them improve their work and to make sure funds which are allocated for a public purpose are used in the way they are intended.

Mr. Dunlap stated that the 2024 Single Audit had 76 discrete findings covering a broad range of areas. Mr. Dunlap added that the media took special note of the area around procurement services and contract management, noting this generated a lot of good questions.

Sen. Farrin stated that some things in the Single Audit Report stood out to him, such as the Bureau of Parks and Lands, noting there were 39 payments to one vendor totaling about \$84,000, which included 14 payments that were made on the same day. Sen. Farrin asked if this was something that the Legislature should look further into and are there specific things from the report Mr. Dunlap thinks the Legislature should really focus on. Sen. Farrin also noted that he understands Mr. Dunlap's office's role is to inform the Legislature of the findings and it is the Legislature's job to do something about it.

Mr. Dunlap stated that he believes part of the reform that the Legislature has taken on in this regard is doing a closer review of the findings. Mr. Dunlap stated that in terms of the work of the audit, the challenge Legislators face is that they have limited time in the Legislature and it can be difficult to get a firm understanding of the origins of programs and intended purpose, while trying to do committee work, constituent work and other life responsibilities. Mr. Dunlap also stated that when to worry about something in the Single Audit is a judgement issue and up to the Legislature.

Mr. Dunlap stated that the owners of the information in the Single Audit are the auditees, and it is up to them, if they agree with the Single Audit, how to correct any issues found. Mr. Dunlap noted that when there are instances of year-over-year repeat findings around the same area sometimes is due to a practical matter such as high vacancy rates of staff. Mr. Dunlap also stated the Single Audit is for the use of the Legislature and federal partners, noting it is their role to determine if a finding needs to be addressed or looked further into.

Mr. Dunlap stated, as far as contract management is concerned, agencies are limited by the law to one low cost contract, under \$5,000, per vendor per year to prevent stacking, adding that during the Single Audit they found one vendor had seven low cost contracts with one agency, and this is not following the spirit of the law.

Sen. Farrin stated that this Committee has been very focused on HHS and especially Child Protection Services. Sen. Farrin asked if he understood correctly, that the Single Audit Report showed \$3.7 million in questionable costs and material weakness in compliance with the federal government within DHHS.

Mr. Dunlap stated that Sen. Farrin's understanding is a reasonable conclusion. Mr. Dunlap further stated that there is a distinct structure to these findings, including a finding number, title, any prior year findings, the type of finding, the different lists of criteria that the agency has to follow, and then the context of how the auditor finds issues. Mr. Dunlap stated that the finding that Sen. Farrin asked about, the auditors sampled 45 different contracts, valued around \$9 million, and some problems were found. Mr. Dunlap noted that all state contracts total about \$2.1 billion, and some interpreted this finding to mean that all of the \$2.1 billion is at risk by assuming the same issues found could be found in all State contracts.

Rep. Perkins asked about the chart on the back of the letter sent to the Committee by Mr. Dunlap, that the Department of Health and Human Services has a high number of findings as well as repeat findings and if this was typical for DHHS.

Mr. Dunlap stated the findings for DHHS are fairly typical, adding they are probably the biggest agency in State Government with the most diverse set of programs. Mr. Dunlap also stated auditors cannot make allowances if a particular program is short-staffed, adding the federal government may or may not act on a finding from the Single Audit. Mr. Dunlap noted this is still a worthy finding to review.

Rep. Perkins asked Mr. Dunlap, regarding the other committees and categories broken down on the letter to the GOC, if the findings also track to where they had been in previous years, or are big differences noted.

Mr. Dunlap stated that the other categories vary from year to year, because the nature of the programs, stating sometimes programs are new and have findings the first year or two and then are able to run the program efficiently. Mr. Dunlap also stated there are agencies that do not have a lot of findings for the Single Audit because they are long established programs with professionals who've made a career out of running them. Mr. Dunlap also noted that repeat findings of a program is not necessarily an indictment, it may just be a situation of insufficient resources, insufficient personnel, or insufficient expertise.

Sen. Timberlake stated that he appreciates the Single Audit, however he is concerned that people are not taking the results seriously. Sen. Timberlake referenced the finding of the Bureau of Parks and Lands making 14 payments in one day to one vendor, which is stacking, noting that those payments totaled \$43,000. Sen. Timberlake asked how this can be stopped if people do not take it seriously.

Mr. Dunlap stated that his office does fraud investigations, stating his office receives allegations of fraud, however once looked into, those situations are mostly misunderstandings or people making a mistake and it is not necessarily people stealing, though that does occasionally happen. Mr. Dunlap also stated that people should care about \$1,000, noting that \$1,000 is a lot of money to most taxpayers in the State.

Rep. Mastraccio referenced finding 2024-059 of the Single Audit which noted \$3.7 million in questioned costs of the Child Care Disaster Relief (CCDF), stating she would like an explanation about the \$3.7 million. Rep. Mastraccio also stated she is concerned about the possibility of having to give money back to the federal government because of the findings in the Single Audit, which the federal government may or may not do.

Rep. Mastraccio also stated she sees the Committee as having the role of drawing attention to the fact there are findings in the Single Audit, and that the Committee would like to see the committees of jurisdiction address those findings and then report back to this Committee on what they have done.

Mr. Dunlap stated the dollar amount of the finding Rep. Mastraccio asked about is based on the sample that his office selected, adding if things are found in noncompliance, noting noncompliance does not always mean a question of costs but it does happen, it will be the judgement of the federal agency that is responsible for the grant involved to decide whether to take back the funds. Mr. Dunlap noted that it is not common for the federal government to take back funds, although they can. Mr. Dunlap added that it is up to the State agency involved to develop a corrective action plan that can mitigate the noncompliance from happening in the future.

Rep. Mastraccio stated that if the Committee was to do anything with the Single Audit on a yearly basis, it would be to review corrective action plans, and require committees of jurisdiction to do something about the findings in statute.

Sen. Timberlake noted that the \$2.1 billion in state contracts, that the money went out the door, and it is not known exactly where it all went. Sen. Timberlake stated that at some point it should be known where that \$2.1 billion went, adding that he is very concerned that more people are not alarmed, adding that committees of jurisdiction should be going through the Single Audit and find answers regarding the findings. Sen. Timberlake stated that if nothing is going to be done with the Single Audit, it doesn't need to be done.

Mr. Dunlap stated that audits are risk assessments, which is really looking at internal controls and whether or not those controls are effective and efficient. Mr. Dunlap also stated even if an elevated risk is noted, that does not mean that there will be a problem, however when controls are set in place the use of the controls are mitigating risk. Mr. Dunlap stated that when his office reviews questioned costs and risk assessment, they make note of the risks, however that does not mean the money is being used improperly. Mr. Dunlap added when strong controls are not in place, it can allow things to go wrong that may not be noticed which is a significant deficiency or material weakness.

Sen. Timberlake stated that there needs to be checks and balances of how and why the State writes checks, adding that once the Single Audit is done, the committees of jurisdiction are supposed to review the report and look into the findings to learn how and why those findings happened. Sen. Timberlake stated that is not being done in his opinion. Sen. Timberlake asked Mr. Dunlap how to make this happen and make sure there is a check and balance for every check written by the State.

Mr. Dunlap stated the Executive Branch has their own responsibilities to follow the law, and the Legislature has its own capacity to review the law, adding that he does not control what either the Executive Branch or the Legislature does with the information his office provides.

Rep. Lemelin stated the Single Audit Report indicated that SNAP benefits went to 214 people who are deceased. Rep. Lemelin asked Mr. Dunlap if his office ever looks a little further into what caused the findings in the Single Audit Report, and whether the fraud department looked in to this finding.

Mr. Dunlap stated his office does look for causes of the findings, and stated that in the finding Rep. Lemelin asked about it is not always fraud, adding that all of the auditors in his office are qualified to look for fraud. Mr. Dunlap stated that when auditors find something that does not look right they ask questions, and if they get answers that make sense that is the end of that part, however if those questions generate more and more questions, they do not start thinking about it as fraud until they cannot find an explanation that makes sense within the purview of the law. Mr. Dunlap stated that when they have a suspicion of fraud, his office will investigate as far as they can and if it is criminal fraud they will bring in the Attorney General's office, which rarely happens. Mr. Dunlap stated that most misuse of funds is minor in scale but major enough for the agency to take action with the individual involved. Mr. Dunlap stated in many cases, if there is no indication of fraud and money has not been documented properly then it is more an issue of a poorly run process and the audit finding would help them improve.

Rep. Lemelin asked what was the cause of the finding regarding SNAP benefits being given to people who are deceased.

Mr. Dunlap stated he would have to get back to the Committee on that question. Mr. Dunlap also stated that if his office did find something that was criminal or fraudulent they would bring in the Commissioner's office of that agency, and possibly the Attorney General.

Sen. Farrin stated that the Legislature, and this Committee need to have conversations about taking a deeper dive into the Single Audit findings, but also noted that some findings are reoccurring problems. Sen. Farrin noted that the SNAP/EBT card security has had findings in 2022, 2023 and now in 2024.

Mr. Dunlap agreed with Sen. Farrin, also stating he found the finding Rep. Lemelin was referring to in the Single Audit, finding number 2024-023, and the title of the finding is *Internal control over SNAP deceased client cases needs improvement* with questioned costs over \$11,000. Mr. Dunlap stated the context was 129,000 SNAP clients with \$371.4 million in Federal Benefits. Of the 129,000 clients, 1,789 had a date of death in fiscal year 2024. Mr. Dunlap stated the cause of this finding was *lack of adequate policies and procedures and lack of supervisory oversight*. Mr. Dunlap stated that his office does look into transactions to see if SNAP benefits were used after the person passed away.

With no more Committee questions, Sen. Hickman thanked Mr. Dunlap for being here today and that the Committee will call him back if there are further questions.

Sen. Hickman noted that most of the members of the Committee serve on committees of jurisdiction and can bring this information to those committees and dig down deeper in the Single Audit with their colleagues and agencies.

Rep. Matlack stated that the Commissioner of DAFS was present and asked Sen. Hickman if the Commissioner would like to respond to this part of the meeting.

Sen. Hickman invited Commissioner Figueroa to come forward if she would like to respond.

Commissioner Figueroa stated she would like to respond, stating that it is not an accurate statement to say that the Single Audit gets released and then nothing happens regarding the findings.

Commissioner Figueroa stated that repeat findings in the Single Audit could be repeated because they are in a similar program but not exactly the same.

Commissioner Figueroa stated that the purpose of the Single Audit, as Mr. Dunlap indicated, is an independent review of the State's compliance with the federal program requirements and the report is sent to federal counterparts, which is the first step in the formal findings reporting process, adding that none of this is finalized until the federal government does its evaluation.

Commissioner Figueroa stated the Single Audit did not indicate any evidence of wrongdoing, fraud, waste or abuse and the Auditor did not refer anything to the office of Attorney General or Office of State Controller as defined in statute for fraud, waste, and abuse.

Commissioner Figueroa stated, specific to the procurement review of the Single Audit, while there were internal control weaknesses noted, which DAFS disagreed with in whole or in part with most of the findings, the next step in the process is compliance testing during which there were no findings and no

questioned costs. Commissioner Figueroa also stated that in the Single Audit are management responses to each finding of what is being done, also adding that there are conversations with the Office of State Auditor and the State Controller's Office that discuss what the corrective action plans are, how they are being done, and if the agency is behind on implementing them.

Commissioner Figueroa stated that it is also important to note that agencies do not always agree with the auditor, and sometimes suggested corrective action is not practical.

Commissioner Figueroa stated that with the procurement findings, DAFS disagreed with, in whole or in part, seven of the eight findings, and in one section related to cost analysis the Single Audit Report suggested that there was zero compliance, which she stated is not accurate and DAFS strongly disagreed with that finding.

Commissioner Figueroa stated that DAFS responsibility, and the next step, is to explain their disagreements to the federal government when they come and ask, and then see what the federal government decides on the matter.

Commissioner Figueroa stated that the count and severity of the audit findings have declined, adding that in 2023 there were 97 findings, and in 2024 there were 76 findings. Commissioner Figueroa added that the number of findings classified as material weakness decreased from 17 in 2023 to three in 2024, and the number of findings classified as material noncompliance decreased from 12 in 2023 to six in 2024.

Commissioner Figueroa stated that state employees are human, and work for a large organization and there are going to be mistakes, so there will never be zero findings in the Single Audit, however the declining numbers represent real progress. Commissioner Figueroa added that it is a disservice to the State, to the Executive Branch, to say that nothing is done after the Single Audit is released.

Sen. Farrin stated he could tell that Commissioner Figueroa is very passionate when talking about State employees, the process, and the Executive Branch, noting that the Legislative branch, including the committees, also has a job to do. Sen. Farrin added that it is the Legislature's job, especially on this Committee, when it discusses problems within DHHS, children dying in State care, and foster parents not being paid their bills, to review the Single Audit and where it shows findings, adding that the people of the State of Maine are concerned about these issues and problems. Sen. Farrin stated that all parties need to find a way to work together and find solutions. Sen. Farrin stated it is not about pointing fingers and saying someone is doing something wrong, it's about making it better for the people of the State of Maine.

Commissioner Figueroa stated she is not saying there is "nothing to see here," she is stating that the Auditor comes and does a review, then every single one of the findings are reviewed by the agency and a lot of times there is more context to add to the finding. Commissioner Figueroa also stated there are times when the agency partially agrees with the Single Audit findings, but there are also times where the agency believes the Auditor got it wrong.

Commissioner Figueroa stated she agrees that having the committees of jurisdiction understand what the Single Audit states and what the agencies are doing about it is very important.

Commissioner Figueroa also stated that once the federal government has made their decisions about the findings, then the agency can come back and let the Committee know if the Auditor was right, or the agency was right or if it was a combination of the two.

Sen. Duson asked Commissioner Figueroa for a quick summary of what not agreeing, or agreeing with a finding in the Single Audit looks like.

Commissioner Figueroa stated that it is all documented within the Single Audit, that all responses from the agencies are in the report as well as any corrective action plans. Commissioner Figueroa also stated that she will send the Committee the document she referenced from today as well as the documents that are specific to the procurement findings.

Commissioner Figueroa's written statement responding to the Single Audit may be found here: [DAFS Response to 2024 Single Audit](#)

Commissioner Figueroa stated it is a very serious process between the Office of State Auditor, the Executive branch agencies responsible for the funds, and the interaction with the federal counterpart, adding that this is a constant discussion, also stating she believes it is important to get all the information back to the Legislature.

Sen. Hickman thanked Commissioner Figueroa for coming to share with the Committee on this topic and looks forward to the information she will provide to the Committee.

Request by Judiciary Committee for Review of Maine Seed Potato Certification Program

Sen. Hickman next invited the Chairs of the Judiciary Committee, Sen. Carney and Rep. Kuhn, to present their committees' letter regarding a potential review of the Maine Seed Potato Certification Program.

The letter from the Judiciary Committee may be found here: [Letter from Judiciary to GOC](#)

Sen. Carney thanked the Committee for having them come and consider the Judiciary Committee's request.

Sen. Carney stated that the Seed Potato Certification Program is a very important program to the State, and the Judiciary Committee has noticed that the program means different things to different people.

Sen. Carney stated the Judiciary Committee has taken up two bills, one in the 131st Legislature and one in the 132nd Legislature that requested permission to pursue claims for damages against the State for harm that was alleged to have been caused by failures in the inspection program.

Sen. Carney stated the bill from the 131st Legislature, LD 2202, did pass the Legislature, allowing Ireland Farms to sue the Department of Agriculture, Conservation, and Forestry, for damages, that the immunity that is ordinarily provided by the Maine Tort Claims Act would be waived, and that liability damages and punitive damages "must be determined according to State law, as in litigation between individuals."

Sen. Carney added that this means the \$400,000 liability cap available to government entities is also waived, and that allowing punitive damages against government entities is extremely rare, adding that she does not believe allowing punitive damages was merited by the facts presented to the Judiciary Committee for this matter. Sen. Carney stated that the damages, punitive damages, and costs that Ireland Farms was seeking would have been \$500,000.

Sen. Carney also noted that in the testimony of the lawyer who was representing Ireland Farms was a description of the industry having a \$1.3 billion output per year and being responsible for 6,500 jobs, and producing \$237 million in wages in Maine. Sen. Carney stated that to have this fundamental misunderstanding about liability and purpose of this program is very significant, which is why they wanted to bring it to this Committees' attention.

Sen. Carney stated the bill before the Judiciary Committee earlier this session, LD 1667, passed the Legislature and is currently held by the Governor, was originally very similar to Ireland Farms. Sen. Carney stated the damages cost alleged by Hemphill Farms is \$2.5 million, which is a huge unanticipated hit on the State Budget. Sen. Carney stated the Legislature ultimately reduced the amount to \$400,000. Sen. Carney stated that Hemphill Farms alleged they suffered \$500,000 worth of damages over the course of five years.

Sen. Carney stated that after the second bill came before the Judiciary Committee, they wanted to figure out what the purpose of the Seed Potato Certification Program is, what purpose does it serve for the State, what purpose does it serve for farmers, and is the price that the State is charging for whatever the program is doing – is it an insurance policy on a specific crop, or is it just protecting the industry in general – is the fee that is being charged to potato farms for the program's purpose enough to cover the costs of the lawsuits. Sen. Carney noted that she believes the charge for the program is about \$50 per acre.

Rep. Kuhn stated she wanted to share some of the insufficiencies or deficiencies that were offered by the two farms seeking to sue the State. Rep. Kuhn stated the Potato Board specifically said that over the last approximately eight years, they had witnessed a decline in the level of service provided to farmers in the course of the Seed Potato Certification Program. Some of the deficiencies that were identified were the following:

- Questions regarding adhering to the required inspection schedule, there are supposed to be five inspections, one upon import of the seed, three during the growing process, and one when it is being packed for sale. There are facts in dispute about whether all these inspections had taken place, or in a timely fashion, and whether the inspections that were suspended during COVID resumed. Some alleged missed inspections were in 2023 and 2024.
- Questions regarding the adequacy of testing and training of the inspectors, noting it was alleged that some disease went undetected in the field in 2023 and 2024.
- Questions regarding record keeping and data collection. Farmers testified they had difficulty obtaining records to ascertain exactly what inspections had taken place, whether they were visual inspections or whether samples had gone to labs, and farmers testified that test results were not routinely provided to them.
- Questions regarding the goal and purpose of the program. Rep. Kuhn stated that it seemed to their Committee that the farmers and the potato industry view the Seed Potato Certification Program as an insurance policy, because the seed potatoes are the foundation to the whole industry and farmers pay to participate in the program. Rep. Kuhn stated that the Department said, and their regulations state, that they are not providing a warranty as to the viability of the

seed after the inspections, rather they are only certifying the results on the day of inspection, and they are not saying the seed is fit for a particular purpose.

Sen. Carney added that there is a lab available to the growers to test their own product, and the price is around \$500. Sen. Carney summarized that there is the assumption that the State is providing an insurance policy, steps that the farmer can take for \$500, and then the end result is a potential \$2.5 million exposure to the State. Sen. Carney stated that the Judiciary Committee believes it would be important for this Committee to look into what are the purpose of the program, is the purpose clearly stated and understood by all stakeholders and should there be any adjustments in any way, and looking at the cost of the program and what the program is promising to accomplish and that those costs are balanced.

Sen. Hickman thanked Sen. Carney and Rep. Kuhn for making their request very clear to the Committee, also stating that the Committee is unable to take votes today, however he expects the Committee to be able to vote, at the next meeting in October, on whether the Committee would like to direct OPEGA to move forward with this request.

Rep. Perkins asked if both of the farms were allowed to seek punitive damages.

Sen. Carney stated that for Ireland Farms, the request was for punitive damages and the cap was set at \$500,000 which passed the Legislature. Sen. Carney stated, that for the Hemphill Farm Case, that bill is being held by the Governor, however noting that Resolve for Hemphill Farm was amended to cap damages at \$400,000 and the reference to punitive damages, she believes, was not in the final amendment that passed both chambers of the Legislature. Sen. Carney stated she will clarify this information and provide that to the Committee.

Rep. Perkins asked as the Judiciary Committee heard these bills, was it the Committee's intent to cover the farm's costs for being part of the Seed Potato Certification Program as well as actual damages but not cover liability.

Sen. Carney stated the Judiciary Committee did not look at determining what the liability of the State was, but their charge was to determine if they would recommend to the Legislature as a whole, that the Legislature pass a Resolve allowing these parties to sue the State as an exception to the immunity that is available under State law.

Rep. Perkins asked if the Judiciary Committee was surprised by the fact that Ireland Farms is allowed to seek punitive damages.

Sen. Carney stated that she highlighted the punitive damages to this Committee due it being an indicator that this is a potential exposure of the General Fund of the State, noting that punitive damages can be 10 to 20 times the actual damages.

With no further Committee questions, Sen. Hickman thanked Sen. Carney and Rep. Kuhn and stated the Committee will take this matter up at the next meeting, noting they are welcome to come back to that meeting.

Request by Representative Lemelin for a Case File Review of DHHS Handling of Chelsea Foster/Kinship Placement

Sen. Hickman next invited Committee member, Representative Lemelin, to present his request for a review of the circumstances around the DHHS handling of a juvenile foster child and/or kinship placement in Chelsea in the wake of the murder of two adults in the home, for which the juvenile is in custody.

Rep. Lemelin thanked the Chairs for allowing him to present his request, and then read his letter to the Committee into the record. Rep. Lemelin also stated that Chelsea is where he resides and his House District is Chelsea, Randolph, Pittston, and Dresden.

The letter from Rep. Lemelin to the Committee may be found here: [Letter from Rep. Lemelin to GOC DHHS Kinship Placement](#)

Rep. Lemelin stated that the primary concern he has is that this is happening way too many times, and he believes that someone knew about this situation and could have prevented the murders. Rep. Lemelin stated that people have come forward and stated that the Department and family members knew there was a problem with this kinship placement but no one stepped forward.

Sen. Timberlake thanked Rep. Lemelin for bringing this matter forward, stating that he and Sen. Farrin also submitted a written request to the Committee on this matter.

Sen. Timberlake asked Rep. Lemelin, who also serves on the Health and Human Services Committee, how he thought the Department handled this situation when he heard that the child involved wrote a letter which stated he would kill those two people, that the Department had seen this letter and did not remove the child immediately.

Rep. Lemelin stated that was a mistake. Rep. Lemelin stated he wants OPEGA to look into this matter because rather than pointing a finger, he would like OPEGA to do a deep dive and find what happened.

Rep. Lemelin stated that he believes the problem with the Department is a management issue, stating he has stated this opinion to both the HHS Committee and this Committee many times, and explained why he believes this.

Rep. Lemelin also stated that the foster family involved indicated to the Department several times that the foster child made threats to the family members.

Rep. Lemelin stated that the family also indicated that they tried to get psychiatric help from the Department for the foster child, but they were told there were no beds available. Rep. Lemelin stated he has heard this situation too many times in committee, adding that if a child needs psychiatric care, the child needs to get psychiatric care. Rep. Lemelin also stated that if the foster family is reaching out for help getting a foster child into psychiatric care, and the foster child is threatening the foster family, the Department has to step in.

Rep. Lemelin stated he is not trying to point fingers, stating the only way to find out what happened is for an independent source to investigate this situation, and to find out why the Department did not step in when a family is crying out for help from the Department and telling the Department about the threats made.

Rep. Lemelin stated he would like to find out how to fix the problem, find out what is broken, and if it is a management issue, then that can be fixed.

Sen. Farrin stated he agrees completely with Rep. Lemelin, adding that he wanted to go on record and say the names of the two people murdered, Christopher Honeywell and Ty Carter. Sen. Farrin stated that this needs to be solved for them and their families, as well as to protect the children that are put in these situations. Sen. Farrin also stated that now this also needs to be solved to protect foster parents.

Rep. Lemelin stated he agreed with Sen. Farrin, that the foster families need to be protected, noting that these deaths happened within a mile of his home. Rep. Lemelin stated the foster child involved could have been getting help before he took the life of two people.

Rep. Perkins asked Rep. Lemelin if he knew if once the Department saw the letter, memos, manifestos or whatever form the threat was in, and the Department was made aware of these concerns, if the Department ever contacted law enforcement at that point.

Rep. Lemelin stated he did not know the answer to Rep. Perkin's question.

With no further questions from the Committee, Sen. Hickman thanked Rep. Lemelin for bringing this to the Committee, stating that it is a tragedy.

OPEGA Director's Report

Next, Sen. Hickman invited Director Schleck to present his Director's Report to the Committee.

Director Schleck first directed the members to the updated bill tracking document regarding legislation that was of interest to this Committee and related issues, adding there are a number of carry-over bills directly relevant to this Committee.

The bill tracking document can be found here: [132nd Legislature Update Bill Tracking for GOC](#)

Director Schleck then spoke to the Committee regarding the concerns of Riverview and Dorothea Dix, noting the presentations of results of the staff surveys, the testimony from leadership of the hospitals and the Committee tours which were conducted in July of this year. Director Schleck stated that when the Committee is able to vote, he requests that the Committee decide if they would like more work to be done on this or if the matter is okay, or okay for now (okay meaning no further work needed at this time).

Director Schleck next asked Rep. Perkins through the Chair, in regards to his concerns with the Home Energy Assistance Program, whether he was satisfied with the information the Committee received from Maine State Housing and Director Brennan's testimony at the March 28, 2025 meeting, or does Rep. Perkins have additional questions and concerns.

Rep. Perkins stated that he was satisfied with the answers that Maine Housing provided to the Committee, as well as the resources he received from Maine Housing to find the information independently that he was seeking, and as of now he does not see a need to pursue this matter further.

Sen. Hickman stated that with Rep. Perkin's statement the Committee will close this matter for the time being.

Director Schleck next asked the Chairs, in light of the fact the Committee cannot vote on any matters today, if they would like him to present the new requests for reviews received since the previous Committee meeting or defer.

Sen. Hickman stated he would like Director Schleck to introduce the new requests into the record, adding that if the Committee would like to investigate the requests further, they can be an agenda item for the next meeting.

Director Schleck next presented a request to the Committee from Rep. Russell White, sent on behalf of Ms. Betsey Grant, owner of Tiny Tikes Daycare, acknowledging that Ms. Grant was present at the meeting and has been present all day. Director Schleck stated that he spoke with Rep. White by phone, and that Rep. White was not able to attend the meeting to present the request in person, however he gave permission for Director Schleck to read his letter.

The letter from Rep. White may be found here: [Letter from Rep. White to GOC](#)

With no questions from the Committee regarding Rep. White's letter, Sen. Hickman stated this matter would be put on a future agenda if necessary.

Director Schleck next presented a letter to the Committee from Sen. Timberlake, Sen. Farrin and Sen. Stewart, stating it is a similar request to the one that Rep. Lemelin presented to the Committee.

This letter may be found here: [Letter from Sen. Timberlake, Sen. Farrin, Sen. Stewart Regarding DHHS Kinship Placement](#)

Director Schleck next presented a letter from Sen. Timberlake and Sen. Farrin, with a concern, which is a repeat concern of a Freedom of Access Act Request with DHHS, regarding a FOAA request made by Mr. Ryan Michaels to DHHS for records and the cost he was quoted. Director Schleck acknowledged that Mr. Michaels was present at the meeting and has been present all day.

This letter may be found here: [Letter from Sen. Timberlake, Sen. Farrin Regarding DHHS FOAA Request](#)

Director Schleck recalled that the Committee, in regards to the concern of the cost of a different FOAA request, for records regarding timeliness of Foster Daycare Payments, at the April 25, 2025 meeting, invited Brenda Kielty, Public Access Ombudsman, and she presented to the Committee the FOAA process and her opinion of the cost (and compliance) of that particular request. Director Schleck stated this letter is the same issue, and he believes that Ms. Kielty would say the same thing regarding the cost quote on Mr. Michael's FOAA request, which was the fact that the cost estimate of the FOAA request is a problem, but the hard part

is what is to be done about it. Director Schleck noted there are a number of Freedom of Access Act bills that are currently pending as they are held over for the second regular session of the 132nd Legislature.

Sen. Hickman stated on this issue, there was a bill, LD 1683 An Act to Make a Freedom of Access Act Request Free of Charge upon Petition, which was voted unanimously, Ought Not to Pass. Sen. Hickman requested, for the next meeting, to have the testimony on this bill for the Committee to understand why the bill was unanimously so voted by the committee.

Sen. Farrin stated that what struck him about this new FOAA request is that Mr. Michaels is a father looking for a specific, honed in request for records to help him, and the fact that it would take a year and \$50,875 to fulfill the request, Sen. Farrin thought it should be brought up to the Committee for discussion.

Sen. Hickman asked Sen. Farrin if he would be interested in getting an explanation from DHHS directly and in front of this Committee on the estimation of Mr. Michael's FOAA request.

Sen. Farrin stated he would love to get an explanation from DHHS directly.

Sen. Hickman stated that the Chairs will discuss this as an agenda item for the upcoming meeting, noting he could not imagine there would be any objection to asking someone from the agency to explain this estimate.

Sen. Timberlake stated Mr. Michaels' request is for a single parent and the estimate for his FOAA request is higher than the median income of the State of Maine and unattainable which is why he and Sen. Farrin submitted their letter to the Committee.

Director Schleck next spoke to the Committee about two items that have been received, but are not in the member's notebooks, adding that sometimes people put things under his door that has not been sponsored by a Legislator, but perhaps should be looked into.

Director Schleck stated the first item regards Personal Support Specialists in DHHS, adding that Personal Support Specialists are direct care workers for certain home care programs. Director Schleck stated that the anonymous letter received indicates issues with the billing practice including inadequate controls over certain expenditures. The letter did include a name of a case to look into, however Director Schleck stated he wanted to be very careful with this letter due a name being included as well as potential confidential medical record information. Director Schleck stated he wanted to acknowledge for the record that this letter has been received and there are two options he would like to suggest, the first is to provide this letter to the MaineCare Audit Division within DHHS but if the Committee is not comfortable with referring it back to DHHS, the second option would be to refer it to the Office of State Auditor for Mr. Dunlap to consider if he can look at the cost reports and see if this matter is an issue or not.

Rep. Mastraccio stated that her opinion regarding anonymous letters is that throughout her public office career, she has made it very clear if she receives something anonymous it goes in the circular file, adding that she is working on the record, and if someone has something to say about someone else at a public forum the person should do so on the record. Rep. Mastraccio stated that everyone who comes to the Committee Meeting, and anything that is presented during the meeting is for the public record for the future. Rep. Mastraccio stated that if Director Schleck would like to take the letter and send it to the State Auditor

she is fine with that, but does not want the letter part of the Committee's official record unless it is signed by someone.

There were no further comments on this matter.

Director Schleck stated the second item not in the member's binders is a letter from a mother in the Child Protection System which the content of the letter is not something Director Schleck believes should be talked about in public, however it is similar to other matters that Director Schleck often receives phone calls about. Director Schleck stated that if he receives a phone call from someone with a complaint he tries his best to direct them to an office that can best help them, usually the Child Welfare Ombudsman, who has a specific role to receive complaints and concerns. Like those phone calls, Director Schleck stated he would like to forward this letter to the Child Welfare Ombudsman.

Director Schleck stated he wanted to give the Committee examples of matters that come in that are not for this Committee per se, but it's an issue of some non-trivial matter and he works to find a home for them.

Sen. Hickman stated that for these type of requests Director Schleck presented them in a way that is transparent but also confidential. Sen. Hickman stated he thinks it is fine for Director Schleck to let the Committee know he has received this type of request, and the Committee has no objection to Director Schleck make sure that the complaint goes to the right person.

Director Schleck next presented the tentative future interim meeting dates which are:

- October 15, 2025
- November 19, 2025
- December 17, 2025

Director Schleck added that for the next meeting, October 15, 2025, per statute, will have a public hearing on the report presented today.

Sen. Duson stated that she had received invitations to a Child Welfare Action Network (with collaboration with the Office of Child and Family Services) half-day presentation on improvements in the Child Welfare Services, adding she received the invitation from the Child Welfare Ombudsman, however she is unable to attend. Sen. Duson stated she wanted to ask the Chairs if DHHS or the Child Welfare Ombudsman could present the Committee a summarized update on what is presented at that presentation at one of the Committee's future meetings.

Sen. Hickman stated that the Chairs could certainly talk about this for a future meeting.

Adjourn

Sen. Hickman adjourned the Government Oversight Committee, without objection, at approximately 3:56 pm.