

SEN. MICHAEL D. THIBODEAU  
CHAIR

REP. MARK W. EVES  
VICE-CHAIR

EXECUTIVE DIRECTOR  
GRANT T. PENNOYER



SEN. GARRETT P. MASON  
SEN. ANDRE E. CUSHING  
SEN. JUSTIN L. ALFOND  
SEN. DAWN HILL  
REP. JEFFREY M. MCCABE  
REP. SARA GIDEON  
REP. KENNETH W. FREDETTE  
REP. ELEANOR M. ESPLING

127<sup>TH</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL

**127<sup>th</sup> Legislature  
Legislative Council**

**AUGUST 4, 2016  
11:30 AM**

**REVISED AGENDA**

| <u>Page</u> | <u>Item</u>   | <u>Action</u>                           |
|-------------|---|---|
|             | <b>CALL TO ORDER</b>  |   |
|             | <b>ROLL CALL</b>  |   |
| 1           | <b>SUMMARY OF THE APRIL 28, 2016 MEETING OF THE LEGISLATIVE COUNCIL</b> | <b>Information – Approved by Ballot</b> |
|             | <b>REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS</b>       |   |
| 13          | • Executive Director’s Report (Mr. Pennoyer)                            | <b>Information</b>                      |
| ❖ 14        | • Fiscal Report (Mr. Nolan)   | <b>Information</b>                      |
| 19          | • Studies Report (Ms. Hylan Barr)                                       | <b>Information</b>                      |
|             | <b>REPORTS FROM COUNCIL COMMITTEES</b>                                  |   |
|             | • Personnel Committee   |   |
|             | • State House Facilities Committee (No report)                          |   |
|             | <b>OLD BUSINESS</b>   |   |
| 21          | Item #1: Council Actions Taken By Ballot (No Action Required)           | <b>Information</b>                      |

## **NEW BUSINESS**

- |             |          |  |                 |
|-------------|----------|--|-----------------|
| <b>22</b>   | Item #1: | Proposal to Replace the MELD Drafting System (Mr. Pennoyer)  | <b>Decision</b> |
| <b>24</b>   | Item #2: | Review of Proposed Schedule for the Policy Leaders Academy and Bus Tour for the 128 <sup>th</sup> Legislature (Maine Development Foundation) | <b>Decision</b> |
| <b>❖ 26</b> | Item #3: | Request to hold offsite meeting by the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry     | <b>Decision</b> |

## **ANNOUNCEMENTS AND REMARKS**

## **ADJOURNMENT**

SEN. MICHAEL D. THIBODEAU  
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127<sup>TH</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL

LEGISLATIVE COUNCIL  
MEETING SUMMARY

April 28, 2016

Approved by Ballot June 14, 2016

**CALL TO ORDER**

President Thibodeau called the April 28, 2016 meeting of the Legislative Council to order at 1:53 p.m. in the Legislative Council Chamber.

**ROLL CALL**

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

Absent: Senator Cushing

Representatives: Speaker Eves, Representative McCabe, Representative Gideon, Representative Fredette and Representative Espling

Legislative Officers: Heather Priest, Secretary of the Senate  
Robert Hunt, Clerk of the House  
Jennifer McGowan, Assistant Clerk of the House  
Grant T. Pennoyer, Executive Director of the Legislative Council  
Dawna Lopatosky, Legislative Finance Director  
Jackie Little, Human Resource Director  
Marion Hylan Barr, Director, OPLA  
Suzanne Gresser, Revisor of Statutes  
John Barden, Director, Law and Legislative Reference Library  
Kevin Dieterich, Director, Legislative Information Technology

President Thibodeau convened the meeting at 1:53 p.m. with a quorum of members present.

**SUMMARY OF March 24, 2016 MEETING OF LEGISLATIVE COUNCIL**

**Motion:** That the Meeting Summary for March 24, 2016 be accepted and placed on file. Motion by Senator Alfond. Second by Representative Fredette. **Motion passed unanimous (9-0-0-1, with Senator Cushing absent).**

## REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

### Executive Director's Report

Grant Pennoyer, Executive Director, reported on:

#### 1. Status of Major Construction Projects for this Interim

- State House Roof - Work to replace the EPDM (rubber) roof on the north wing of the State House has begun and will continue through the end of June. The project will then shift to the south wing in July.
- House Chamber - Repairs of water damage and other improvements in the House Chamber will begin toward the end of June and are expected to end in late September or early October.
- State Street Sidewalk – The replacement of the State Street sidewalk will begin shortly after the selection of the contractor or contractors for this project. Bids are currently under review.

#### 2. Heating and Cooling System Repairs

The State House has experienced a number of leaks in the heating and cooling system towards the tail end of the heating system. Most of the areas affected are in the West Wing and include: the Legislative Council Chamber, the Governor's Office, staff offices in the Governor's Office, the House Republican Office, the Welcome Center, the kitchenette of the Clerk's Office and the Document Room. Repairs are currently in process for many of these areas. Work in the Legislative Council Chamber will begin Saturday, which will make the Council Chamber unavailable for much of May.

#### 3. Original Copper from the State House Dome

We made a final marketing effort by email to Legislators and Legislative Staff recently as we are reaching the end of the lease of the secure storage facility. The State House Facilities Committee discussed options for the remaining copper in the storage facility.

#### 4. Electric Vehicle Charging Stations

The Capitol Planning Commission recently voted to approve signage for the placement of the electric vehicle charging stations in the Parking Garage. This was the last hurdle in a very long effort led by the Greater Portland Council of Governments to get some charging station located at the Capitol complex. Two parking spots against the inside wall immediately inside the Chamberlain Street entrance will have charging units installed and be reserved for electric vehicles.

### Fiscal Report

Grant Pennoyer, Executive Director, on behalf of OFPR Director Christopher Nolan, reported on:

#### General Fund Revenue Update

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

|       | Budget    | Actual    | Var.     | % Var. | Prior Year | % Growth |
|-------|-----------|-----------|----------|--------|------------|----------|
| March | \$224.2   | \$208.7   | (\$15.5) | -6.9%  | \$200.5    | 4.1%     |
| FYTD  | \$2,338.0 | \$2,348.9 | \$10.9   | 0.5%   | \$2,131.0  | 10.2%    |

General Fund revenue was under budget by \$15.5 million (6.9%) for the month of March but over budget by \$10.9 million (0.5%) for the fiscal year through March. These variances now reflect the March revenue forecast, which increased budgeted revenue for FY 16 by \$67.3 million.

Individual income tax revenue was \$4.3 million under budget for both the month of March and the fiscal year through March. Most of the negative variance was from withholding payments. Withholding payments will slow through the remainder of the fiscal year due to the tax cut enacted in the biennial budget. Refunds were also under budget for the month (more refunds paid out than budgeted). Sales and use tax revenue was over budget by \$4.5 million for the month and over budget by \$7.2 million for the fiscal year to date. February taxable sales (March revenue) increased by 11% over last year. Corporate income tax revenue was under budget by \$2.5 million for March but over budget by \$1.6 million for the fiscal year to date due mainly to refunds.

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

|       | Budget  | Actual  | Var.  | % Var. | Prior Year | % Growth |
|-------|---------|---------|-------|--------|------------|----------|
| March | \$23.7  | \$25.0  | \$1.3 | 5.6%   | \$24.7     | 1.3%     |
| FYTD  | \$244.9 | \$247.8 | \$2.9 | 1.2%   | \$221.6    | 11.8%    |

Highway Fund revenue was over budget by \$1.3 million (5.6%) for the month of March and over budget by \$2.9 million (1.2%) for the fiscal year through March. These positive variances now reflect the March revenue forecast, which increased budgeted revenue for FY 16 by \$2.5 million. Fuel taxes were under budget for the month of March by \$0.2 million but over budget for the fiscal year to date by \$0.4 million. Motor vehicle registration and fees were over budget by \$1.7 million for the month of March and over budget by \$2.1 million for the fiscal year to date.

**Cash Balances Update**

The average balance in the cash pool in March dropped to \$734.3 million from \$840.6 million in February. March is usually the low point for cash balances in the fiscal year, before the usual recovery in late April from income tax payments. March's total cash balances were still well above both last year's balances for March and the ten-year average for March. General Fund internal borrowing from other funds was \$29.8 million in March, This was only the third time this fiscal year such borrowing was necessary and the amount was well below historical levels for March. The average Highway Fund balance of \$46.6 million in March increased slightly from February's average of \$40.0 million but was below last year's balance for March of \$56.2 million.

**Tobacco Settlement Payments**

On April 18<sup>th</sup>, the State received its first 2015 tobacco settlement payment totaling \$51.8 million that accrues to the Fund for a Healthy Maine (FHM) - \$49.4 million was budgeted. It is not known if additional payments will be received.

## REPORTS FROM COUNCIL COMMITTEES

### 1. Personnel Committee

Speaker Eves reported that the Personnel Committee held a meeting earlier today to consider the following matters:

#### 1. Reclassification of a Position in the Revisor of Statutes office

Mr. Pennoyer reviewed with the committee a request for a position reclassification in the Office of the Revisor of Statutes. The committee voted unanimously to recommend this request to the Legislative Council for approval.

**Motion:** That upon the unanimous recommendation of the Personnel Committee, the Legislative Council approve the Executive Director's proposed reclassification of one position in the Office of the Revisor of Statutes. Motion by Speaker Eves. Second by Senator Mason. **Motion passed unanimous (9-0-0-1, with Senator Cushing absent).**

#### 2. Request for Temporary Disability Benefits for Nonpartisan Employee

The committee considered a request by the legislative employee for temporary disability income benefits. The request was consistent with the provisions for temporary disability income benefits under the Legislative Council's personnel policies and guidelines. Upon the recommendation of the Executive Director, the committee voted unanimously to approve the request. No Legislative Council action is required.

#### 3. Discussion about Committee Clerk Hiring Process

The committee reviewed the current Committee Clerk hiring process. No action required by the Legislative Council at this time.

### 2. State House Facilities Committee

Senator Mason reported the State House Facilities Committee met earlier today to consider the following items.

#### 1. Video and audio recordings of Legislative Proceedings

As directed at the last Council meeting, the committee reviewed the contract with Sliq Media Technology that provides video and audio recording and archiving of Legislative proceedings and found that it provided sufficient control of the recordings to the Legislature and was a good value assuming the Legislature planned to use all of the services in the contract.

The committee decided that it had no issues with the recording and archiving of House and Senate proceedings and making these recording available upon request. This issue will be discussed further under Old Business.

The committee once again continued its discussion of whether or not to continue recording committee meetings. Some committee members still had concerns about recording of committee meetings. The committee discussed copyrighting and having a disclaimer for the use of the recordings and that there needs to be better notification of the public about the

broadcasting and recording of committee meetings. Ultimately, the committee decided to table this discussion regarding recording and archiving of committee meetings for a future meeting.

2. Tartan Stone Proposal for the State of Maine

The committee approved a request by a California sculptor for some pieces of copper from the State House dome and for a small piece of scrap granite cut from the end of a step in the old Capitol Park entrance that will be returned to the State as a gift of a Tartan Stone for Maine. The artist has been doing this for several states as is currently working on most of the New England states.

**Motion:** That upon the recommendation of the State House Facilities Committee, the Legislative Council authorizes the Executive Director to gift a piece of granite and some rough copper to stone artist, Frank Maurer, for the creation of the Maine Tartan Stone, the location of the finished stone to be determined. Motion by Senator Mason. Second by Representative McCabe. **Motion passed unanimous (9-0-0-1, with Senator Cushing absent).**

3. Options for Remaining Copper

The committee discussed options for the use of the remaining copper currently stored in the storage facility, the lease for which is ending in June. After recovering a little more than half the costs associated with foregoing the original salvage savings, the committee believes that the remaining copper should be salvaged.

**Motion:** That upon the recommendation of the State House Facilities Committee, the Legislative Council authorizes the Executive Director to salvage any rough copper remaining at the end of the lease for the storage unit. Motion by Senator Mason. Second by Senator Alford. **Motion passed unanimous (9-0-0-1, with Senator Cushing absent).**

4. Updates from the Executive Director

Mr. Pennoyer presented updates of the status for the various facilities projects planned for this interim. The highlights of these updates were included in the Executive Director's Report presented earlier.

**OLD BUSINESS**

**Item #1: Consideration of Bill Requests Tabled from October 22 and November 19**

The Legislative Council took no action on all previously tabled pre-cloture bill requests, so all remain tabled. The Legislative Council's actions on the requests are included on the attached list.

**Item #2: Council Actions Taken by Ballot**

**Requests for Introduction of Legislation:**

**LR 2640 An Act to Protect Maine's Wood Products Industry**

Submitted by: Representative Sara Gideon

Approved: April 1, 2016

Vote: 7-3 in favor (with Sen. Mason, Rep. Fredette and Rep. Espling opposed)

**Item #3: Council Actions on Legislative Studies Taken By Ballot**

|         |  | <b>Action:</b>           |
|---------|--|--------------------------|
| HP 1167 | Working Group to Study Child Care Background Checks  | PASSED                   |
| LD 1097 | "Implementation Committee" to determine feasible options for Preventing TANF program benefits, through electronic benefits transfer cards, from being used to purchase prohibited projects or services | PASSED                   |
| LD 1311 | Commission to Study Maine's Medical Malpractice Screening Panel System   | FAILED                   |
| LD 1528 | York County Court House Site Selection Commission  | PASSED                   |
| LD 1615 | Commission to Continue the Study of Difficult-to-place Patients  | FAILED                   |
| LD 1629 | Commission to Study the Public Reserved Lands Management Fund  | PASSED                   |
| LD 1644 | Commission to Study Ways to Support and Strengthen the Direct Care Workforce across the Long-term Care Continuum   | FAILED                   |
| LD 1675 | Task Force on Public-private Partnerships to Support Public Education  | PASSED<br>with amendment |
| LD 1693 | Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry  | PASSED                   |
| LD 997  | VLA Committee Study to Streamline the Laws Governing the Licensing and Conduct of Beano and Games of Chance  | FAILED                   |
| LD 1110 | TRA Committee Study of Transportation Funding Reform   | FAILED                   |
| LD 633  | Review of calculation and transfer of savings as a result of expansion of MaineCare eligibility  | FAILED                   |

**Item #4: Webcasts and Archived Files**

Senator Mason continued the discussion of recording and archiving of Legislative Proceedings. He noted that the State House Facilities Committee recommend the use of video and audio recordings and video streaming of House and Senate sessions. Senator Mason also stated that the



committee feels that more discussion is needed with the full Legislative Council on how to proceed with recordings of legislative committee meetings beginning with the 128<sup>th</sup> Legislature. Senator Hill suggested that the committee should invite the members of the Right To Know Advisory Committee to its meetings for their input on this subject. Representative Fredette asked after copyrighting the material recorded and also suggested that it would be a good idea to check on whether the immunity from prosecution/suit would still stand with recorded material.

**Motion:** That, upon the recommendation of the State House Facilities Committee, the Legislative Council approves the continued use of video and audio recordings of the House and Senate Legislative Proceedings available by request; further, the Legislative Council authorizes the video streaming of the House and Senate Legislative Proceedings and that the streaming is available on the legislative website; and further, the Legislative Council directs the Executive Director to explore the means to copyright the recorded and archived video files. Motion by Senator Mason. Second by Speaker Eves. **Motion passed unanimous (8-0-0-2, with Senator Cushing and Representative Fredette absent).**

## **NEW BUSINESS**

### **Item #1: Consideration of After Deadline Bill Requests**

The Legislative Council considered and voted on the bill requests in accordance with the established protocol. Of the 3 new bill requests and joint resolution, the council authorized 2 requests for introduction in the 2<sup>nd</sup> Regular Session of the 127<sup>th</sup> Legislature and 1 was tabled. The Legislative Council took no action on any previously tabled bill requests or joint resolutions, thus they remain tabled. The Legislative Council's actions on the requests are included on the attached list.

## **ANNOUNCEMENTS AND REMARKS**

With no other business to consider or further announcements, the Legislative Council meeting was adjourned at 2:31 p.m.

**127th Legislature - Second Regular Session**  
**Legislative Council Action Taken April 28, 2016 on**  
**Pre-Cloture Bill Requests Tabled**  
**October 22 and November 19, 2015**

|   |   | <b>Action</b>   |
|---|---|-----------------|
| <b>Representative Campbell of Orrington</b> |   |                 |
| LR 2330                                     | An Act To Encourage the Development of Commercial Transportation Opportunities in Bucksport   | TABLED 11/19/15 |
| LR 2331                                     | An Act To Encourage the Development of Electrical and Natural Gas Infrastructure in Bucksport   | TABLED 11/19/15 |
| <b>Representative Fowle of Vassalboro</b>   |   |                 |
| LR 2209                                     | An Act To Amend the Public Safety Laws  | TABLED 10/22/15 |
| <b>Representative Fredette of Newport</b>   |   |                 |
| LR 2343                                     | An Act To Authorize a General Fund Bond Issue to Invest in Marine Transportation and Port Infrastructure at Mack Point to Meet the Needs of the Marine Construction and Shipping Business Sector and to Create Jobs | TABLED 10/22/15 |
| <b>Representative Gattine of Westbrook</b>  |   |                 |
| LR 2432                                     | An Act To Promote the Success and Accountability of Welfare Reform Initiatives in Maine   | TABLED 10/22/15 |
| LR 2456                                     | Resolve, To Improve Access to and the Quality of Services for Persons with Mental Illness   | TABLED 11/19/15 |
| <b>Representative Gideon of Freeport</b>    |   |                 |
| LR 2479                                     | An Act To Make Maine Energy-independent   | TABLED 11/19/15 |
| <b>Representative Herbig of Belfast</b>     |   |                 |
| LR 2401                                     | An Act to Provide Job Opportunities to Families Participating in the Temporary Assistance for Needy Families Program  | TABLED 10/22/15 |
| <b>Senator Hill of York</b>                 |   |                 |
| LR 2408                                     | An Act To Provide Accountability in State Government Partnerships   | TABLED 11/19/15 |

**Representative McCabe of Skowhegan**

LR 2321 An Act To Amend the Maine Criminal Code to Clarify the Prohibition on the Exercise of Improper Influence TABLED 10/22/15

LR 2322 An Act To Ensure the Proper Functioning of State Government by Ensuring Execution of Executive Branch Duties TABLED 11/19/15

**Representative Rotundo of Lewiston**

LR 2399 An Act To Fund and Implement Wage Adjustments for All State Correctional Employees Who Perform Direct Care or Supervision of Prisoners TABLED 11/19/15

**Senator Thibodeau of Winterport**

LR 2417 An Act To Ensure Accountability in Maine's Welfare System TABLED 10/22/15

**Representative Wadsworth of Hiram**

LR 2489 An Act To Ensure a Timely Reduction in Energy Costs for Maine Consumers TABLED 11/19/15

**127th Maine State Legislature  
Legislative Council  
Requests to Introduce Legislation  
Second Regular Session  
April 28, 2016**

**AFTER DEADLINE BILL REQUESTS**

**SPONSOR: Rep. Phyllis A. Ginzler**

| <u>LR #</u> | <u>Title</u>  | <u>Action</u> |
|-------------|---|---------------|
| 2798        | An Act To Allow Conveyance of Land Previously Conveyed by the State to the Town of Bridgton | <b>TABLED</b> |

**SPONSOR: Sen. David Woodsome**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u> |
|-------------|--|---------------|
| 2828        | An Act To Make Technical Changes to Public Law 2015, Chapter 483 | <b>PASSED</b> |

**JOINT RESOLUTIONS**

**SPONSOR: Sen. Justin L. Alfond**

| <u>LR #</u> | <u>Title</u>  | <u>Action</u> |
|-------------|---|---------------|
| 2821        | JOINT RESOLUTION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO TAKE ACTION FOR STRONG ENFORCEMENT OF OUR NATION'S TRADE LAWS | <b>PASSED</b> |

**TABLED BY THE LEGISLATIVE COUNCIL**

**AFTER DEADLINE BILL REQUESTS**

**SPONSOR: Sen. Justin L. Alfond**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u>   |
|-------------|--|-----------------|
| 2594        | An Act To Facilitate the Timely Processing of Applications for Supplemental Nutrition Assistance Program Benefits      | Tabled 12/17/15 |
| 2595        | An Act To Prohibit the Expenditure of Any Cash-based Benefits from the State on Lottery Tickets                        | Tabled 12/17/15 |
| 2687        | An Act To Provide an Exemption from State Tax Liability for Employers Who Pay the Student Loan Debt of Their Employees | Tabled 02/25/16 |

**SPONSOR: Rep. Henry E. Beck**

| <u>LR #</u> | <u>Title</u>                        | <u>Action</u>   |
|-------------|-------------------------------------|-----------------|
| 2638        | An Act To Tax Electronic Cigarettes | Tabled 01/28/16 |

**SPONSOR: Sen. James F. Dill**

| <u>LR #</u> | <u>Title</u>                                     | <u>Action</u>   |
|-------------|--|-----------------|
| 2558        | An Act To Provide Assistance to Laid-off Workers | Tabled 12/17/15 |

**SPONSOR: Rep. Michelle Ann Dunphy**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u>   |
|-------------|--|-----------------|
| 2561        | An Act To Adjust the Property Tax Valuation of Old Town Following the Closure of the Old Town Expera Pulp Mill | Tabled 12/17/15 |

**SPONSOR: Rep. Kenneth W. Fredette**

| <u>LR #</u> | <u>Title</u>                             | <u>Action</u>   |
|-------------|--|-----------------|
| 2592        | An Act To Create the Maine Energy Office | Tabled 12/17/15 |

**SPONSOR: Sen. Christopher K. Johnson**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u>   |
|-------------|--|-----------------|
| 2789        | An Act To Create a Veteran-friendly Business Designation | Tabled 03/24/16 |

**SPONSOR: Sen. Roger J. Katz**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u>   |
|-------------|--|-----------------|
| 2630        | An Act To Increase Access to Health Coverage for Drug Addiction Services and Qualify Maine for Federal Funding for Such Services | Tabled 01/28/16 |

**SPONSOR: Sen. Brian D. Langley**

| <u>LR #</u> | <u>Title</u>                         | <u>Action</u>   |
|-------------|--------------------------------------|-----------------|
| 2714        | An Act To Increase Education Funding | Tabled 02/25/16 |

**SPONSOR: Rep. Richard S. Malaby**

| <u>LR #</u> | <u>Title</u>   | <u>Action</u>   |
|-------------|--|-----------------|
| 2739        | An Act To Develop Plans for the Expansion of Infrastructure for State Forensic and Civil Mental Health Treatment | Tabled 03/24/16 |

**SPONSOR: Rep. Jeff M. McCabe**

| <u>LR #</u> | <u>Title</u>  | <u>Action</u>   |
|-------------|---|-----------------|
| 2569        | An Act To Establish a Commission on the Blind and Visually Impaired | Tabled 12/17/15 |

|      |  |                 |
|------|--|-----------------|
| 2782 | An Act To Prevent the Separation of the Hydropower Assets at the Madison Paper Company for 2 Years | Tabled 03/24/16 |
|------|--|-----------------|



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127<sup>TH</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL

**Legislative Council**  
**Executive Director's Report**  
**August 4, 2016**

**1. Status of Major Construction Projects for this Interim**

- **State House Roof** - Work on the north wing is complete with the exception of the new wall panels for the mechanical penthouse, which should be completed by the end of next week. South wing roof work is going well and should conclude by the end of September.
- **House Chamber** – Plaster and molding repairs from water damage, primarily on the upper north and east walls of the House Chamber have begun. With the old carpet removed, we are removing outdated and unused network wiring, upgrading some existing cables, replacing the microphones on the desks and installing new video cameras.
- **State Street Sidewalk** – The replacement of the State Street sidewalk in front of the State House will begin the last week of August and continue through mid-September.
- **Security Screening Changes** – Beginning Saturday, August 13<sup>th</sup>, we will be removing the central kiosk at the State House main entrance and adding an additional screening lane to better handle peak crowds. I will be working with Capitol Police to set up temporary screening while the repairs and rewiring are in process.

**2. Heating and Cooling System Repairs**

We have repaired many of the leaks in the State House heating and cooling system that occurred towards the tail end of the heating system. However, some additional leaks were recently discovered and we will be scheduling repairs to the newly discovered leaks in the West Wing.

**3. Original Copper from the State House Dome**

As noted in my written summary at the end of June, the proceeds from the various copper reuse efforts offset roughly two-thirds of the savings that was foregone by not immediately salvaging the copper. We still have some mementos for sale and have a small amount of rough copper still available. The final phase of the copper reuse project is the selection of an artist to use the roughly 1,000 square feet reserved for the art work. The Artist Selection Committee is holding its first meeting on September 21<sup>st</sup> to review possible locations for the art work and establish some guidelines for the artists that will submit proposals.

**4. Electric Vehicle Charging Stations**

Final installation of the two electric vehicle charging stations in the Parking Garage have been delayed pending the resolution of some payment and accounting issues.

# Fiscal Briefing

August 4, 2016

Prepared by the Office of Fiscal & Program Review

## 1. General Fund Revenue Update (see attached)

| Total General Fund Revenue - FY 2016 (\$'s in Millions) |           |           |       |        |            |          |
|---|-----------|-----------|-------|--------|------------|----------|
|   | Budget    | Actual    | Var.  | % Var. | Prior Year | % Growth |
| June  | \$369.4   | \$369.6   | \$0.2 | 0.0%   | \$545.9    | -32.3%   |
| FYTD  | \$3,356.4 | \$3,366.2 | \$9.8 | 0.3%   | \$3,329.3  | 1.1%     |

General Fund revenue was over budget by \$0.2 million (0.0%) for the month of June and over budget by \$9.8 million (0.3%) for the fiscal year. Individual income tax revenues were over budget for the month by \$8.4 million but under budget for the fiscal year by \$3.6 million. Income tax withholding and estimated payments were the primary factors for the June variance. Estate taxes were \$1.1 million over budget for the month and \$0.6 million over budget for the fiscal year. Sales and use taxes were under budget by \$3.6 million for the month and over budget for the fiscal year by \$14.0 million. Partially offsetting the positive variances was the service provider tax, which was \$7.4 million under budget for the month and \$10.2 million under budget for the fiscal year to date. This variance is likely the result of over accruals in July 2015 (reversed in June 2016) and potentially under estimating the amount of sales tax revenue attributable to the service provider tax revenue category.

## 2. Highway Fund Revenue Update (see attached)

| Total Highway Fund Revenue - FY 2016 (\$'s in Millions) |         |         |       |        |            |          |
|---|---------|---------|-------|--------|------------|----------|
|   | Budget  | Actual  | Var.  | % Var. | Prior Year | % Growth |
| June  | \$25.4  | \$25.7  | \$0.2 | 0.9%   | \$47.6     | -46.1%   |
| FYTD  | \$322.7 | \$327.4 | \$4.7 | 1.5%   | \$323.5    | 1.2%     |

Highway Fund revenue was over budget by \$0.2 million (0.9%) for the month of June and over budget by \$4.7 million (1.5%) for the fiscal year. Strong performances in the motor vehicle registrations and fees and the motor vehicle inspection fees categories were the primary reasons for the positive year-end results. Motor vehicle registrations and fees were over budget by \$3.8 million for the fiscal year, with motor vehicle registration and long-term trailer registration fees accounting for the majority of the overage. Motor vehicle inspection fees were over budget by \$0.5 million for the fiscal year.

## 3. Cash Balances Update

The average balance in the cash pool in June of \$847.9 million was below the May average of \$858.5 million. June's total cash balances were well above both last year's balances for June and the ten-year averages for the month. General Fund internal borrowing from other funds was once again not needed in June and was only needed in four months of this fiscal year. The average Highway Fund balance of \$47.9 million in June decreased from Mays's average of \$51.8 million.

## 4. FY 2016 Year-End Cascade Transfers

The FY 2016 closing General Fund balance totaled \$93.0 million, \$22.1 million of which was unbudgeted. The \$22.1 million not budgeted included \$9.8 million in General Fund revenue surplus, \$7.5 million in unbudgeted lapsed program balances and \$4.8 million in other accounting adjustments. Under the current distribution rules for the year-end "cascade" of funds from the



unappropriated surplus of the General Fund (5 MRSA §1507, §1511, §1519 and §1536 ), after all fixed dollar transfers were distributed; 80% (\$707,300) was distributed to the Maine Budget Stabilization Fund and 20% (\$176,825) was distributed to the Tax Relief Fund for Maine Residents. The table below summarizes the sources and uses of FY 2016 uncommitted funds.

**FY 2016 General Fund Year-End Summary**

|   |                              |
|---|------------------------------|
| <b>Sources of General Fund Year-end Surplus:</b>                              |                              |
| General Fund Revenue Variance   | \$9,829,734                  |
| Unbudgeted Lapsed Balances  | \$7,511,276                  |
| Other Accounting Adjustments Increasing (Decreasing) Balance                  | \$4,791,115                  |
| <b>Total Increase in Uncommitted Unappropriated Surplus</b>                   | <b><u>\$22,132,125</u></b>   |
| <b>Uses of General Fund Year-end Surplus:</b>                                 |                              |
| <b>Fixed Dollar Transfers</b>   |                              |
| Replenish Contingent Account up to \$350,000 (5 MRSA §1507)                   | (\$348,000)                  |
| Transfer to Loan Insurance Reserve up to \$1,000,000 (5 MRSA §1511)           | (\$1,000,000)                |
| Transfer to General Fund Operating Capital (5 MRSA §1536)                     | (\$2,500,000)                |
| Transfer to Retiree Health Insurance UAL (5 MRSA §1519)                       | (\$4,000,000)                |
| Transfer to PUC Cost Recovery Fund (PL 2015, c 483)                           | (\$13,400,000)               |
| <b>Percentage Transfers of Remaining Surplus after Fixed Dollar Transfers</b> |                              |
| Maine Budget Stabilization Fund   | 80.0% (\$707,300)            |
| Tax Relief Fund for Maine Residents   | 20.0% (\$176,825)            |
| <b>Total Closing Transfers</b>  | <b><u>(\$22,132,125)</u></b> |

The Highway Fund also has a statutory year-end transfer provision that transfers all but \$100,000 of the increase in the unallocated surplus above the budgeted amount to the Department of Transportation for highway and bridge improvement projects in the next fiscal year. The amounts that transferred and are available in FY 2017 are \$11.6 million. In addition to a \$4.7 million revenue surplus, unexpended Highway Fund allocations that lapsed back to the unallocated surplus totaled \$5.1 million and other net accounting adjustments equaled \$1.9 million.

**FY 2016 Highway Fund Year-End Summary**

|  |                            |
|--|----------------------------|
| <b>Sources of Highway Fund Year-end Surplus:</b>             |                            |
| Highway Fund Revenue Variance                                | \$4,709,320                |
| Unbudgeted Lapsed Balances                                   | \$5,090,423                |
| Other Accounting Adjustments Increasing (Decreasing) Balance | \$1,855,131                |
| <b>Total Increase in Uncommitted Unallocated Surplus</b>     | <b><u>\$11,654,874</u></b> |
| <b>Uses of Highway Fund Year-end Surplus:</b>                |                            |
| Required Increase to Budgeted Balance                        | \$100,000                  |
| <b>Net Unallocated Transferred to Transportation</b>         | <b><u>\$11,554,874</u></b> |

**General Fund Revenue  
Fiscal Year Ending June 30, 2016 (FY 2016)**

**June 2016 Revenue Variance Report**

| Revenue Category                        | June '16           |                    |                | Fiscal Year-To-Date  |                      |                  | FY 2016 Budgeted Totals |             |                      |
|---|--------------------|--------------------|----------------|----------------------|----------------------|------------------|-------------------------|-------------|----------------------|
|   | Budget             | Actual             | Variance       | Budget               | Actual               | Variance         |                         |             |                      |
|   |                    |                    | %              |                      |                      | %                |                         |             |                      |
| Sales and Use Tax                       | 119,058,577        | 115,431,376        | (3,627,201)    | 1,260,137,966        | 1,274,144,957        | 14,006,991       | 1.1%                    | 6.6%        | 1,260,137,966        |
| Service Provider Tax                    | 7,545,639          | 154,282            | (7,391,357)    | 55,073,214           | 44,916,959           | (10,156,255)     | -18.4%                  | -7.5%       | 55,073,214           |
| Individual Income Tax                   | 134,023,659        | 142,414,395        | 8,390,736      | 1,546,329,595        | 1,542,687,615        | (3,641,980)      | -0.2%                   | 1.4%        | 1,546,329,595        |
| Corporate Income Tax                    | 34,779,483         | 34,836,018         | 56,535         | 138,354,603          | 137,492,442          | (862,161)        | -0.6%                   | -18.6%      | 138,354,603          |
| Cigarette and Tobacco Tax               | 11,267,078         | 10,922,234         | (344,844)      | 136,641,000          | 141,464,095          | 4,823,095        | 3.5%                    | 3.3%        | 136,641,000          |
| Insurance Companies Tax                 | 26,367,642         | 28,002,957         | 1,635,315      | 82,700,000           | 81,250,784           | (1,449,216)      | -1.8%                   | -0.3%       | 82,700,000           |
| Estate Tax                              | 2,649,900          | 3,778,176          | 1,128,276      | 26,598,740           | 27,198,153           | 599,413          | 2.3%                    | -12.8%      | 26,598,740           |
| Other Taxes and Fees *                  | 14,965,204         | 15,370,078         | 404,874        | 140,329,152          | 143,422,744          | 3,093,592        | 2.2%                    | 2.9%        | 140,329,152          |
| Fines, Forfeits and Penalties           | 2,069,104          | 1,920,060          | (149,044)      | 22,411,725           | 20,610,571           | (1,801,154)      | -8.0%                   | -8.8%       | 22,411,725           |
| Income from Investments                 | 223,868            | 461,781            | 237,913        | 1,076,328            | 1,483,723            | 407,395          | 37.9%                   | 146.1%      | 1,076,328            |
| Transfer from Lottery Commission        | 4,928,981          | 3,005,099          | (1,923,882)    | 54,900,000           | 56,972,851           | 2,072,851        | 3.8%                    | 5.5%        | 54,900,000           |
| Transfers to Tax Relief Programs *      | 1                  | (300,503)          | (300,504)      | (64,771,938)         | (64,744,050)         | 27,888           | 0.0%                    | -8.8%       | (64,771,938)         |
| Transfers for Municipal Revenue Sharing | (8,166,930)        | (8,054,938)        | 111,992        | (67,259,423)         | (67,355,586)         | (96,163)         | -0.1%                   | -5.9%       | (67,259,423)         |
| Other Revenue *                         | 19,720,716         | 21,670,494         | 1,949,778      | 23,840,435           | 26,645,874           | 2,805,439        | 11.8%                   | -48.7%      | 23,840,435           |
| <b>Totals</b>                           | <b>369,432,922</b> | <b>369,611,508</b> | <b>178,586</b> | <b>3,356,361,397</b> | <b>3,366,191,131</b> | <b>9,829,734</b> | <b>0.3%</b>             | <b>1.1%</b> | <b>3,356,361,397</b> |

\* Additional detail by subcategory for these categories is presented on the following page.

**General Fund Revenue  
Fiscal Year Ending June 30, 2016 (FY 2016)**

**June 2016 Revenue Variance Report**

| Revenue Category                                     | June '16          |                   | June '16         |          | Fiscal Year-To-Date |                     |                  | % Change from Prior Year | FY 2016 Budgeted Totals |
|--|-------------------|-------------------|------------------|----------|---------------------|---------------------|------------------|--------------------------|-------------------------|
|  | Budget            | Actual            | Actual           | Variance | Budget              | Actual              | Variance         |                          |                         |
| <b>Detail of Other Taxes and Fees:</b>               |                   |                   |                  |          |                     |                     |                  |                          |                         |
| - Property Tax - Unorganized Territory               | 3,018,795         | 1,571,680         | (1,447,115)      |          | 14,225,984          | 12,778,868          | (1,447,116)      | -10.2%                   | 14,225,984              |
| - Real Estate Transfer Tax                           | 1,320,122         | 278,537           | (1,041,585)      |          | 15,697,389          | 15,394,715          | (302,674)        | -1.9%                    | 15,697,389              |
| - Liquor Taxes and Fees                              | 2,161,399         | 2,186,849         | 25,450           |          | 21,214,918          | 22,352,169          | 1,137,251        | 5.4%                     | 21,214,918              |
| - Corporation Fees and Licenses                      | 1,808,478         | 2,440,648         | 632,170          |          | 9,088,649           | 10,052,935          | 964,286          | 10.6%                    | 9,088,649               |
| - Telecommunication Excise Tax                       | 0                 | (137,691)         | (137,691)        |          | 7,500,000           | 6,403,740           | (1,096,260)      | -14.6%                   | 7,500,000               |
| - Finance Industry Fees                              | 2,196,090         | 3,377,900         | 1,181,810        |          | 26,851,990          | 29,463,631          | 2,611,641        | 9.7%                     | 26,851,990              |
| - Milk Handling Fee                                  | 497,136           | 758,502           | 261,366          |          | 5,357,705           | 5,132,699           | (225,006)        | -4.2%                    | 5,357,705               |
| - Racino Revenue                                     | 711,578           | 794,311           | 82,733           |          | 8,761,475           | 8,753,125           | (8,350)          | -0.1%                    | 8,761,475               |
| - Boat, ATV and Snowmobile Fees                      | 835,909           | 842,072           | 6,163            |          | 4,523,561           | 4,291,061           | (232,500)        | -5.1%                    | 4,523,561               |
| - Hunting and Fishing License Fees                   | 1,847,115         | 2,457,986         | 610,871          |          | 15,850,342          | 16,432,790          | 582,448          | 3.7%                     | 15,850,342              |
| - Other Miscellaneous Taxes and Fees                 | 568,582           | 799,285           | 230,703          |          | 11,257,139          | 12,367,010          | 1,109,871        | 9.9%                     | 11,257,139              |
| <b>Subtotal - Other Taxes and Fees</b>               | <b>14,965,204</b> | <b>15,370,078</b> | <b>404,874</b>   |          | <b>140,329,152</b>  | <b>143,422,744</b>  | <b>3,093,592</b> | <b>2.2%</b>              | <b>140,329,152</b>      |
| <b>Detail of Other Revenue:</b>                      |                   |                   |                  |          |                     |                     |                  |                          |                         |
| - Liquor Sales and Operations                        | 9,641,288         | 9,646,830         | 5,542            |          | 9,667,500           | 9,682,240           | 14,740           | 0.2%                     | 9,667,500               |
| - Targeted Case Management (DHHS)                    | 216,915           | 145,563           | (71,352)         |          | 2,640,000           | 2,246,910           | (393,090)        | -14.9%                   | 2,640,000               |
| - State Cost Allocation Program                      | 1,741,009         | 1,415,912         | (325,097)        |          | 18,296,832          | 18,161,858          | (134,974)        | -0.7%                    | 18,296,832              |
| - Unclaimed Property Transfer                        | 7,000,000         | 9,660,866         | 2,660,866        |          | 7,000,000           | 9,660,866           | 2,660,866        | 38.0%                    | 7,000,000               |
| - Tourism Transfer                                   | 0                 | 0                 | 0                |          | (12,854,128)        | (13,112,062)        | (257,934)        | -2.0%                    | (12,854,128)            |
| - Transfer to Maine Milk Pool                        | (1,243,919)       | (2,132,074)       | (888,155)        |          | (15,709,907)        | (17,025,855)        | (1,315,948)      | -8.4%                    | (15,709,907)            |
| - Transfer to STAR Transportation Fund               | 0                 | 0                 | 0                |          | (6,800,000)         | (7,308,989)         | (508,989)        | -7.5%                    | (6,800,000)             |
| - Other Miscellaneous Revenue                        | 2,365,423         | 2,933,397         | 567,974          |          | 21,600,138          | 24,340,906          | 2,740,768        | 12.7%                    | 21,600,138              |
| <b>Subtotal - Other Revenue</b>                      | <b>19,720,716</b> | <b>21,670,494</b> | <b>1,949,778</b> |          | <b>23,840,435</b>   | <b>26,645,874</b>   | <b>2,805,439</b> | <b>11.8%</b>             | <b>23,840,435</b>       |
| <b>Detail of Transfers to Tax Relief Programs:</b>   |                   |                   |                  |          |                     |                     |                  |                          |                         |
| - Me. Resident Prop. Tax Program (Circuitbreak)      | 0                 | 73,128            | 73,128           |          | 0                   | 82,425              | 82,425           | N/A                      | 0                       |
| - BETR - Business Equipment Tax Reimb.               | 1                 | (1,654)           | (1,655)          |          | (34,000,000)        | (35,078,530)        | (1,078,530)      | -3.2%                    | (34,000,000)            |
| - BETE - Municipal Bus. Equip. Tax Reimb.            | 0                 | (371,977)         | (371,977)        |          | (30,771,938)        | (29,747,945)        | 1,023,993        | 3.3%                     | (30,771,938)            |
| <b>Subtotal - Tax Relief Transfers</b>               | <b>1</b>          | <b>(300,503)</b>  | <b>(300,504)</b> |          | <b>(64,771,938)</b> | <b>(64,744,050)</b> | <b>27,888</b>    | <b>0.0%</b>              | <b>(64,771,938)</b>     |
| <b>Inland Fisheries and Wildlife Revenue - Total</b> | <b>2,765,473</b>  | <b>3,383,696</b>  | <b>618,223</b>   |          | <b>21,467,907</b>   | <b>21,685,246</b>   | <b>217,339</b>   | <b>1.0%</b>              | <b>21,467,907</b>       |



## 2016 Interim Legislative Studies and Committee Meetings

Updated July 29, 2016

| Study/Committee  | Citation                     | 2016 Meetings Authorized               | 2016 Meetings Held     | Scheduled Next Meeting Date(s)     | Report Date                      | Chair(s)  | Status/Notes   |
|--|------------------------------|--|------------------------|------------------------------------|----------------------------------|---|--|
| <b>NEW STUDIES</b>   |                              |  |                        |                                    |                                  |   |  |
| Working Group to Study Child Care Background Checks  | H.P. 1167                    | 4                                      |                        | 8/31/2016 (tentative)              | 11/2/2016                        | Sen. Roger Katz<br>Rep. Aaron Frey                            | Appointments completed (5/5)   |
| (Feasibility Study/Implementation Committee to Determine Feasible Options for Preventing TANF Program Benefits, through EBT Cards, from Being Used to Purchase Prohibited Products or Services | PL 2015 c. 484               | 4                                      |                        |                                    | 12/15/2016                       | Not specified   | Appointments not completed (0/8); new study to be convened and staffed by DHHS   |
| York County Court House Site Selection Committee   | PL 2015 c. 468               | 4                                      |                        |                                    | 1/1/2017                         | Member of Supreme Judicial Court (appointed by Chief Justice) | Appointments not completed (4/19); legislative appointments are completed; new study to be convened and staffed by State Court Administrator |
| Commission to Reform Public Education Funding and Improve Student Performance in the State   | PL 2015 c. 389               | 6 per year (12 total)                  | 4/25/2016              |                                    | 1/10/2017                        | Representative of the DOE (appointed by Governor)             | Appointments completed (15/15); new study convened and staffed by DOE  |
| Task Force on Public-private Partnerships to Support Public Education  | Resolve 2015 c. 89           | 4                                      |                        |                                    | 1/15/2017                        | Rep. Teresa Pierce  | Appointments not completed (5/12)  |
| Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry  | Resolve 2015 c. 85           | 4                                      |                        | 8/2/2016<br>8/16/2016<br>8/30/2016 | 12/6/2016                        | Sen. Thomas Saviello<br>Rep. Jeff McCabe                      | Appointments completed (13/13)   |
| Maine Health Exchange Advisory Committee   | S.P. 533 as amended by H-501 | 2                                      |                        |                                    | 11/5/2016                        | Rep. Linda Sanborn  | Appointments not completed (8/19); this study is a JSO. (joint study order) so may begin as soon as appointments are completed               |
| <b>ON-GOING LEGISLATIVE STUDIES</b>  |                              |  |                        |                                    |                                  |   |  |
| State Education and Employment Outcomes Task Force   | 20-A.MRSA Sec. 12901         | no more than 4 times per year          |                        |                                    | 11/1 annually                    | Sen. Brian Langley<br>Rep. Richard Farnsworth                 | Appointments not completed (11/15; legislative appointments are completed)   |
| Task Force To End Student Hunger in Maine  | 20-A.MRSA Sec. 6663          | at least 2 and no more than 4 per year | 6/2/2016               | 9/13/2016                          | 1/10 annually                    | Sen. Justin Alfond<br>Rep. Victoria Kornfield                 | Appointments completed (17/17); staffed by DOE; work ongoing   |
| Right to Know Advisory Committee   | 1.MRSA Sec. 411              | not fewer than 4 times per year        | 6/22/2016<br>7/20/2016 | 8/17/2016<br>9/14/2016             | 1/15 annually                    | Sen. David Burns  | Appointments not completed (15/17); work ongoing   |
| Citizen Trade Policy Commission  | 10.MRSA Sec. 11              | at least 2 times per year              | 6/21/2016              |                                    | annually                         | Sen. Amy Volk<br>Rep. Robert Saucier                          | Appointments not completed (18/22); work ongoing   |
| Judicial Compensation Commission   | 4.MRSA Sec. 1701             | n/a funded by court system             |                        |                                    | 12/15 of each even numbered year |   | Appointments not completed   |

## 2016 Interim Legislative Studies and Committee Meetings

Updated July 29, 2016

| <u>Study/Committee</u>   | <u>Citation</u> | <u>2016 Meetings Authorized</u> | <u>2016 Meetings Held</u> | <u>Scheduled Next Meeting Date(s)</u> | <u>Report Date</u> | <u>Chair(s)</u> | <u>Status/Notes</u> |
|--|-----------------|---------------------------------|---------------------------|---------------------------------------|--------------------|-----------------|---------------------|
| <b>AUTHORIZED COMMITTEE MEETINGS</b>   |                 |                                 |                           |                                       |                    |                 |                     |
| TRA Committee (study of transportation funding reform per letter from President and Speaker) |                 | 4                               |                           |                                       |                    |                 |                     |
| TAX Committee (tax expenditure review per PL 2015, c. 344)                                   |                 | 3                               | 7/19/2016                 |                                       |                    |                 |                     |
| AFA Committee  |                 |                                 |                           |                                       |                    |                 |                     |

**Legislative Council Actions  
Taken by Ballot Since the  
April 28, 2016 Council Meeting**

**Requests for Introduction of Legislation:**

**LR 2830      An Act to Fund Agreements with Bargaining Units for Certain Executive Branch Employees.**

Submitted by: Senator Andre Cushing

Approved: April 28, 2016

Vote: 6-0-0-4 in favor (with Sen. Hill, Rep. Gideon, Rep. Fredette and Rep. Espling absent)

**Decision by Legislative Council Ballot:**

**Motion:            That the Legislative Council accept the Meeting Summary for April 28, 2016 and place it on file.**

Motion by: President Thibodeau

Second by: Speaker Eves

Approved: June 14, 2016

Vote: 9-0-0-1 in favor (with Rep. Fredette absent)

**Motion:            That the Legislative Council accept the funds contributed to fund the Task Force on Public-Private Partnerships to Support Public Education and further to authorize the study to convene.**

Motion by: President Thibodeau

Second by: Speaker Eves

Approved: June 15, 2016

Vote: 8-0-1-1 in favor (with Rep. Espling abstaining and Rep. Fredette absent)

**Motion:            That, upon the unanimous recommendation of the Personnel Committee, the Legislative Council approve the Executive Director's proposed reclassification of one position in the Office of the Executive Director.**

Motion by: President Thibodeau

Second by: Speaker Eves

Approved: July 15, 2016

Vote: 9-0-0-1 in favor (with Sen. Mason absent)

SEN. MICHAEL D. THIBODEAU  
CHAIR

REP. MARK W. EVES  
VICE-CHAIR

EXECUTIVE DIRECTOR  
GRANT T. PENNOYER



127<sup>TH</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL

SEN. GARRETT P. MASON  
SEN. ANDRE E. CUSHING  
SEN. JUSTIN L. ALFOND  
SEN. DAWN HILL  
REP. JEFFREY M. MCCABE  
REP. SARA GIDEON  
REP. KENNETH W. FREDETTE  
REP. ELEANOR M. ESPLING

MEMO

To: President Michael Thibodeau, Chair  
Speaker Mark Eves, Vice-Chair  
Members, Legislative Council

From: Grant T. Pennoyer, Executive Director

Date: August 1, 2016

Re: Proposal to Replace the MELD Drafting System

I am seeking your approval to enter into a contract with Tallan, Inc., to both develop requirements for a new legislative bill drafting system and to implement the new drafting system based on those requirements. This would be a divergence from the normal bidding process where an agency would develop a requirements document and seek bids for the new system based on meeting those requirements. However, the drafting system project is an unusual project. We have been exploring options to replace our inefficient, aging MELD drafting system for a number of years, but haven't found any good options until now.

Earlier this year, we were fortunate to invite a software developer that had significant experience in document sharing applications that we thought might form the basis of a new drafting system for the Maine Legislature. While that vendor's initial presentation about some work they had done for Massachusetts wasn't directly relevant, they suggested a follow-up presentation for some work that was in process in Delaware. At that second presentation, key staff in the production offices and LIT staff all agreed that the drafting application that was in development for Delaware had excellent potential to be adapted for Maine given the similarities of the legislative processes of the two states. We were also very impressed with Tallan staff's knowledge of legislative processes and understood the subtle differences between Maine and Delaware.

Conversations with Delaware legislative staff at several stages of the Legislative process-wide system implementation project, of which the drafting component is only roughly one third of their \$6.5 million project, have confirmed that the project has been going very well. They have also spoken very highly of Tallan's project team and the system project, which is roughly 70% complete.

Tallan was asked to provide Maine with a rough estimate of the cost to the plan and implement a new drafting system to replace MELD. Their initial estimate was based on the hours and programming required for the drafting component of the Delaware project. That estimate was roughly \$2.2 million based on the time spent on that component of the Delaware project. This estimate includes the cost of the requirements-building phase.

Tallan also offered to develop a requirements document for the Maine project and we feel that given Delaware's experience and their presentations to us they would do an excellent job. However, if we use



Tallan to develop the requirements document, it would either preclude a competitive bid process or exclude the most likely successful candidate, Tallan. Therefore, based on what we have determined through years of research and based on the strength of Tallan's presentations and references from Delaware, we are requesting that the Council approve the use Tallan for both the requirements stage of the project and the implementation of the new drafting system.

We also believe that Tallan's approach is the most cost effective method of building a drafting system that will be well integrated with the other existing legislative system with which the drafting system must share data, primarily the legislature's bill tracking and bill status system. Another known vendor that has developed other information systems for Legislatures uses a Linux-based, open-source solution that uses a different programming language than what our current systems use and our IT staff knows. This would limit our independent ability to better integrate other existing legislative applications.

We have been reserving sufficient funds for a MELD replacement system for several years within the Legislature's balance forward. We are now asking for the Legislative Council to approve the use of the balance forward to enter into an initial contract of \$105,000 for Phase I of this project to begin as soon as this fall or more likely in July of 2017 following the 1<sup>st</sup> Regular Session of the 128<sup>th</sup> Legislature. We are still trying to determine whether the resources are available to begin this fall. Ultimately, we are hoping that we can work with Tallan to develop a system that could be tested alongside the MELD system to draft bills for the 128<sup>th</sup> Legislature's Second Regular Session.

I am asking for the Council's approval now so that we can work with Tallan to reserve some of their key staff for this project, particularly for the peak system development period during the interim after the 128<sup>th</sup> Legislature's First Regular Session.

Thank you for your consideration of this proposal.

# MAINE DEVELOPMENT FOUNDATION

Memo

August 1, 2016

To: Maine Legislature / Legislative Council

From: Yellow Breen, President & CEO  
Michael Higgins, Program Manager

Re: Policy Leaders Academy 2016-2017

The Policy Leaders Academy is non-partisan economic education program overseen and sponsored by the Maine Development Foundation for Maine Legislators. MDF is a non-partisan, private non-profit created by the Legislature in 1977 to work with the for-profit, not-for-profit, education, and government sectors on long-term strategies to advance the Maine economy through research, planning, education, leadership development, and development of needed programs.

The Academy has delivered high quality, objective, and not-partisan experiential training to legislators since its founding in 1985. Financial support is provided by MDF from contributions of our business, education and nonprofit members, as well as by Maine-based foundations. All Legislators are invited to participate in the Academy.

MDF collaborates with several organizational partners to ensure the successful delivery of the Policy Leaders Academy: the University of Maine System, the Maine Community Foundation, the Maine Health Access Foundation, and the Maine State Chamber of Commerce. Each of the partners provides financial, staff, and intellectual support to the Academy, and helps connect MDF to their own networks of expertise.

## Proposed Programming

For the First Regular Session of the 128<sup>th</sup> Legislature, MDF proposes the following program activities:

**Legislative Policy Forum** at Governor Hill Mansion as part of the Pre-Legislative Conference for all members. Proposed date December 8, 2016 from 9am to 1:30pm. Attendance has varied in prior years; on average 60 to 70 legislators have participated.

**Three-day Legislative Bus Tour**, tentatively scheduled for January 11 through January 13, 2017. Two buses will be available to transport legislators and MDF staff to locations around the State. On average between 55 to 65 legislators have participated.

# MAINE DEVELOPMENT FOUNDATION

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**Full-day Legislative Summit at the Augusta Civic Center.** The Summit will focus on the current status of the Maine economy, major trends, Maine's *Measures of Growth*, challenges and opportunities. In addition to Legislators, leaders from the business and education community will also be invited. Tentatively scheduled for January 18, 2017.

**Several Policy Forums** on topics of interest to legislators will be scheduled throughout the Legislative Session. Forum topics will be developed in consultation with Legislative Leadership, Committee Chairs and Nonpartisan Offices.

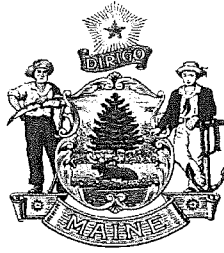
## Request

MDF is requesting feedback and guidance from the Legislative Council on these proposals, and permission to begin detailed planning with Council Executive Director Grant Pennoyer. In particular, any suggestions on the dates and content of proposed programming would be welcome. The Legislative Council's support in promoting and encouraging attendance at these events, as well as its best efforts in minimizing conflicts once the schedule is complete, would be extremely helpful.

The Maine Development Foundation is proud to offer the Policy Leaders Academy to the Maine Legislature with our partners, and we hope it is of value to you in your important work.

Sen. Thomas B. Saviello, Chair  
Rep. Jeff M. McCabe, Chair  
Sen. James F. Dill  
Rep. Norman E. Higgins  
Rep. Deane Rykerson  
Thomas Abello  
Jason Brochu

John Bryant  
Robert Cleaves  
Steve Hanington  
Robert Linkletter  
Ryan McAvoy  
Stephen Shaler



STATE OF MAINE

**Commission to Study the Economic, Environmental and  
Energy Benefits of the Maine Biomass Industry**

TO: Senator Michael D. Thibodeau, President of the Senate, Chair  
Representative Mark W. Eves, Speaker of the House of Representatives, Vice-Chair  
Legislative Council  
c/o Grant Pennoyer, Executive Director, Legislative Council

FROM: Senator Thomas B. Saviello, Senate Chair TS<sup>10</sup>  
Representative Jeff M. McCabe, House Chair JM<sup>20</sup>

DATE: August 3, 2016

RE: Offsite meeting of the Commission to Study the Economic, Environmental and  
Energy Benefits of the Maine Biomass Industry

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The Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry would like permission to meet offsite for its August 30, 2016 meeting. During the morning session, the commission plans to meet at the University of Maine at Farmington to hold discussions relating to its duties established in Resolve 2015, chapter 85.

The afternoon session would consist of visits to a logging operation, Stratton Lumber, the ReEnergy biomass facility and to the Linkletter combined heat and power facility in Athens. The commission considers this a valuable opportunity because it will show the interconnectedness of the value chain from the logging and trucking contractors, to the mills to the biomass facilities. Having a holistic viewpoint of how things work and the challenges and opportunities that exist will assist the commission in making well-informed recommendations in its report. All aspects of this meeting will be open to the public.

Thank you for your consideration of our request. Please contact us if you have any questions.