

MAINE STATE LEGISLATURE

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LEGISLATIVE COUNCIL
October 12, 2004
2:00 p.m.
Room 334, Legislative Council Chamber
AGENDA

<u>Page No.</u>	<u>Item</u>	<u>Action</u>
	CALL TO ORDER	
	ROLL CALL	
1	SUMMARY OF THE SEPTEMBER 14, 2004 COUNCIL MEETING	Decision
	REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS	Information
7	• Executive Director's Report (Boulter)	
19	• Fiscal Report (Pennoyer)	
20	• Office of Information Services' Report (Mayotte)	
	• Status of Interim Studies (Elliott)	
	REPORTS FROM COUNCIL COMMITTEES	
	• Personnel Committee (Rep. Richardson, Chair)	
	Report of October 12, 2004 Personnel Committee meeting	
	• State House Facilities Committee (Sen. Gagnon, Chair)	
	No report	

OLD BUSINESS

22	Item #1: Council Actions Taken by Ballot	Information
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NEW BUSINESS

	Item #1: OPEGA Director Update	Information
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23	Item #2: Request for Further Extension of Study Reporting Deadline	Decision
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- Commission to Study Public Health

	Item #3: Reappointment of Grant T. Pennoyer, Director, Office of Fiscal and Program	Decision
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	Item #4: Reappointment of David E. Boulter, Executive Director of the Legislative Council	Decision
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	Item #5: Labor Contract Between Legislative Council and MSEA, Local 1989, AFL-CIO (will be preceded by an Executive Session)	Ratification
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	Item #6: W. Tom Sawyer, Jr., et al v. Legislative Council et. al (CV-04-97) (Executive Session)	Information
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COLLECTIVE BARGAINING (Executive Session)

ANNOUNCEMENTS AND REMARKS

ADJOURNMENT

SEN. BEVERLY C. DAGGETT
CHAIR

REP. PATRICK COLWELL
VICE-CHAIR



121st MAINE STATE LEGISLATURE

LEGISLATIVE COUNCIL

SEN. SHARON ANGLIN TREAT
SEN. PAUL T. DAVIS, SR.
SEN. KENNETH T. GAGNON
SEN. CHANDLER E. WOODCOCK
REP. JOHN RICHARDSON
REP. JOSEPH BRUNO
REP. ROBERT W. DUPLESSIE
REP. DAVID E. BOWLES

DAVID E. BOULTER
EXECUTIVE DIRECTOR

MEETING SUMMARY September 14, 2004

CALL TO ORDER

The Chair, Senate President Daggett, called the Legislative Council meeting to order at 2:21 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators:	President Daggett, Sen. Treat, Sen. Gagnon, Absent: Sen. Davis, Sen. Woodcock
Representatives:	Speaker Colwell, Rep. Richardson, Rep. Bruno, Rep. Duplessie, Rep. Bowles
Legislative Officers:	Millicent MacFarland, Clerk of the House David Boulter, Executive Director, Legislative Council Grant Pennoyer, Director, Office of Fiscal and Program Review David Elliott, Director, Office of Policy and Legal Analysis Margaret Matheson, Revisor of Statutes Lynn Randall, State Law Librarian Paul Mayotte, Director, Legislative Information Services

SUMMARY OF THE AUGUST 24, 2004 COUNCIL MEETING

Motion: That the Meeting Summary of August 24, 2004 be accepted and placed on file. (Motion by Sen. Treat, second by Rep. Duplessie, unanimous).

REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS

- **Executive Director's Report**

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

1. **State House Renovations Update**

The repointing of the West Wing is proceeding well and the work has an estimated completion date of October 15, 2004. November 1, 2004 is the estimated completion date for roof replacement of the West Wing. Interior repairs, re-plastering and painting will begin mid-September with a completion date of the first or second week in November. The damaged first floor marble landing on the north stairs will be replaced; work will begin in October with a completion date by the end of October.

Mr. Boulter showed photographs of some granite repointing to show Council members of the quality of the work being performed.

2. **Office of Program Evaluation and Government Accountability**

Executive Director Boulter said that under current law, the Commissioner of the Department of Administration and Financial Affairs is required to provide office space for the OPEGA office, at no cost to the Legislature. The Commissioner will be furnishing the Legislative Council members with three to four options with recommendations regarding office space by October 1, 2004.

3. **YMCA Youth in Government Program**

Discussions are underway regarding changing the date of the annual Youth in Government Program from the spring to the fall. A spring program is logistically necessary for 2005, but after that, the program will be scheduled for the fall. Mr. Boulter thanked Secretary of the Senate O'Brien for suggesting that future programs be held in the fall.

No Council action required.

- **Fiscal Report**

Grant Pennoyer, Director, Office of Fiscal and Program Review, presented his report to the Council.

General Fund and Highway Fund Revenue for August 2004

The General Fund was ahead of budget by \$25.6 million, resulting in a \$22.1 million positive variance for the first 2 months of Fiscal Year 2005. Sales Tax revenues were over budget \$1.2 million in August and \$4.0 million ahead for the fiscal year to date. Individual Income Tax had a positive variance of \$22.5 million in August and \$14.9 million ahead for the fiscal year to date. Corporate Income Tax revenues were over budget by \$1.9 million and has a positive variance of \$5.7 million for the fiscal year to date. Estate Tax was the only major negative variance through the first two months of Fiscal Year 2005, and being under budget by \$2.3 million for fiscal year to date. The Highway Fund revenue had a positive variance of \$2.1 million in August and ahead of budget \$2.9 million for the fiscal year to date.

Revenue Forecasting Committee Schedule

The Revenue Forecasting Committee has scheduled a meeting with the Consensus Economic Forecasting Commission on October 7, 2004 at 9:00 a.m. in the Appropriations Committee Room. The Bureau of the Budget and the Office of Fiscal and Program Review are reviewing revenue items in conjunction with the agencies and will report back to the Revenue Forecasting Committee.

Cash Pool Status

The General Fund balance would have remained negative but for the Tax Anticipation Note and reserve balances; however the status continues to improve.

Post-employment Retirement Benefit Reporting

Mr. Pennoyer followed up on an inquiry at the August 24, 2004 meeting regarding post-employment retirement benefit reporting and whether it would affect Maine's budget. Mr. Pennoyer stated that it only affects the reporting and does not affect how Maine should budget. Maine budgets on a cash basis with some revenue items subject to modified accrual. The GASB Statement does not prescribe that the Legislature must prefund the retiree health insurance benefits, but it does propose that all states report on it. Maine currently includes that information in its Comprehensive Annual Financial Report.

No Council action required.

- **Office of Information Services' Report**

Paul Mayotte, Director, Legislative Information Services presented his report to the Council on the status of the HP contract to develop a bill drafting system. A memorandum of agreement has been entered into by the Legislature and HP on September 2, 2004. HP has installed a new server with the intent that it will address the Legislature's concerns about the slow performance of the bill drafting system. Testing began on Thursday, September 9, 2004. The preliminary results of the performance test showed a significant improvement in the performance of the application, however not to the level the Legislature had anticipated. On September 10, 2004 when further reviews began to determine why the levels of performance were not as expected it was discovered that the server installed by HP was configured incorrectly. HP is to correct the problem and restart performance testing on Thursday, September 16, 2004 with a completion date of Friday, September 17, 2004.

President Daggett requested that Mr. Mayotte forward information regarding the results of the testing to Council members.

- **Status of Interim Studies**

David Elliott, Director, Office of Policy and Legal Analysis, referred members to the Progress Report on Legislative Studies in their packet.

A copy of the Progress Report on Legislative Studies is attached.

- **Personnel Committee**

Rep. Richardson, Chair of the Personnel Committee, reported that the committee met earlier in the day to consider three items.

It considered a request for a 10 month unpaid leave of absence for a legislative employee to allow the employee to pursue advanced education. The Committee recommended approval of the request.

Motion: That the Legislative Council approve the request by legislative employee Patrick Norton for a leave of absence for up to 10 months to pursue advanced educational opportunities, and delegate to the Executive Director's administration of the leave provisions consistent with Section 7 (F) of the Legislative Council Personnel Policies. (Motion by Rep. Richardson, second by Sen. Treat).

Discussion: Rep. Bruno asked if Mr. Norton was to be employed by the Legislature on a part-time basis during the leave of absence and if so, would the Legislature be paying health insurance benefits for Mr. Norton during the leave.

Executive Director Boulter replied that Mr. Norton's request is for an unpaid leave. Between September 1, 2004 through December Mr. Norton will not be working for the Legislature and will be paying his own health insurance benefits, including the employer share of the insurance. The Legislature will bill Mr. Norton directly during this period. If Mr. Norton will be able to resume employment on a part time basis after December, he would have to work at least 16 hours a week to be eligible for employer paid contributions.

Chair Daggett asked if there were further questions. Seeing none, she called for a vote on the motion. The motion was approved unanimously.

Rep. Richardson also reported that the Personnel Committee had also discussed scheduling performance reviews for the Legislative Council office directors. The committee agreed to establish a schedule to review the work performance of 4 non-partisan directors. The reviews will be conducted within the next 30 days, doing 2 reviews per day and include Margaret Matheson, Lynn Randall, David Elliott and Paul Mayotte. The Committee will also be considering requests for reappointments of Grant Pennoyer and David Boulter for re-appointments to their positions. The Personnel Committee will make its recommendations at the October 12, 2004 Council meeting.

No Council action required

- **State House Facilities Committee**

Sen. Gagnon, Chair of the State House Facilities Committee reported that legislative members of the Committee had met briefly earlier in the day. The Committee discussed a proposed new legislative license plate design. The Secretary of State has the authority under law to determine license plate designs, including legislative plates. Senator Gagnon said the State House Facilities Committee had developed a proposed new design for legislative license plates. He then presented that design to the Legislative Council members. Sen. Gagnon said the committee's goal in the design of the license plate was to show the Legislature as a unified Branch and therefore a single plate design to identify the members of the Legislature, using either an S or H before the number rather than separate plates as is now used.

Rep. Bruno inquired as to how the Tribal members of the House would be noted on the plate. Mr. Boulter said he understood that the design would be modified somewhat to accommodate tribal seals for each tribe. He also noted the Senate President, Senate Secretary, House Speaker and House Clerk will have specially designated license plates as well.

Sen. Gagnon indicated that the committee would present a request to the presiding officers seeking their support for the new plate design. [Note: immediately following the meeting, the presiding officers reviewed the design in detail and gave their support for the design. A letter to that effect was subsequently sent by the presiding officers to the Secretary of State.]

No Council action required.

OLD BUSINESS

None

NEW BUSINESS

Item #1: OPEGA director position

Executive Director Boulter reminded the Legislative Council that at its August 24, 2004 meeting it had requested that the Executive Director's Office develop a proposed job description for the Director of the Office of Program Evaluation and Governmental Accountability consistent with legislative policies and the law. The Council also requested the Executive Director to prepare a suggested recruitment plan with the goal of having a director in the position by the end of 2004.

Discussion of the job description: It was first suggested that the section of the law that created the director position be included and wording of #1 under "Desirable Knowledge, Skills and Abilities" be changed with respect to knowledge of Maine law. After Council discussion it was concluded the wording was sufficient.

Rep. Bowles noted that Rep. David Trahan, who was involved in the enabling law was in attendance, and asked leave of the chair for Rep. Trahan to address the Council. Chair Daggett recognized Rep. Trahan. Rep. Trahan thanked Mr. Boulter for developing a job description that included, after his research, all of the issues and was sufficient. Rep. Trahan said the Legislative Oversight Committee for Office of Program Evaluation and Government Accountability is meeting on October 6, 2004, and at that time, would like to review the job description and the recruitment plan.

A copy of the job description is attached.

Discussion of the recruitment plan: The recruitment process would include publishing the position announcement in the major papers in the State, Boston Globe, NCSL website, CSG website, legislative website and internal posting. A copy of the plan is attached

Rep. Bowles noted that Monday 11/1/04 and Wednesday 11/3/04 was the day prior to and day after Election Day. The Council recommended that the recruitment schedule be adjusted to reflect legislators' unavailability on those days.

Sen. Gagnon suggested that the process of hiring the director be concluded before December 1, 2004 so this Council could make the final selection of OPEGA director.

A copy of the recruitment plan is attached.

Motion: That the Legislative Council adopt the proposed job description for the director of OPEGA and position recruitment plan with the minor changes incorporated and further authorize the Executive Director's Office to administer such duties and further detail as necessary to establish the position and implement the recruitment plan. (Motion by Sen. Treat, second by Rep. Bowles, unanimous).

President Daggett, chair suggested that a subcommittee of the Legislative Council be comprised of members of the Legislative Council Personal Committee and Senator Kenneth Gagnon to guide the interview process, participate in the interviews and ultimately, make a recommendation for the position to the full Legislative Council.

Item #2: Legislative Budget for the 2006-2007 Biennium (required current services submission)

Executive Director Boulter reminded the Legislative council that by law the Legislature has to submit a current services budget for the legislative accounts for the next biennium. The Executive Director's Office is authorized to submit the current services budget on a tentative basis in order for the Bureau of the Budget to receive necessary information as it prepares the State budget for current services. The current services budget does not include new or expanded programs and it does not include adjustments that the Council may subsequently make to its tentative budget.

He also noted, that if the incoming Council follows the practice used in the past, it will form a subcommittee that would review the tentative budget and make adjustments, as appropriate, for the legislative accounts before the budget is finalized. Under the law, the Legislative Council's recommendations are submitted to the Appropriations Committee for its consideration.

No Council action required.

Item #3: Pre-legislative conference dates

Mr. Boulter referred members to the proposed Pre-legislative Conference dates in their packets. The current Legislative Council hosts the Pre-legislative Conference, including the banquet and evening reception.

The Secretary of the Senate, Clerk of the House, and the Executive Director's Office will be working closely with each other and with the Council Members to ensure that the program meets their expectations.

No Council action required.

ANNOUNCEMENTS AND REMARKS

None.

ADJOURNMENT

The Legislative Council meeting was adjourned at 3:27 p.m. (Motion by Speaker Colwell, second by Sen. Treat, unanimous).

Fiscal Briefing for the Legislative Council

October 12, 2004 Meeting

Prepared by the Office of Fiscal & Program Review

1. General Fund & Highway Fund Revenue - September 2004 (See attached)

- **General Fund**

- September 2004 General Fund revenue continued to run ahead of budget in most major tax lines (+17.0M for Sept and +\$39.2M for 1st Qtr of FY05).
- Overview of major revenue lines:
 - Sales Tax (including Service Provider Tax) – \$2.6M under budget in Sept, but remained over budget for 1st Qtr by \$1.3M;
 - Individual Inc Tax – \$8.1M positive variance in Sept and \$23.0M positive variance for 1st Qtr (Maine Revenue Services still thinks that most of this is related to timing issues);
 - Corporate Inc Tax – Over by \$5.5M in Sept and \$11.2M for 1st Qtr;
 - Cigarette Tax – Over by \$1.6M in Sept and \$1.9M for 1st Qtr; and
 - Estate Tax – Over budget in Sept by \$1.4M, reducing the negative variance through the 1st Qtr to -\$0.9M.

- **Highway Fund**

- Highway Fund revenue also continues to perform very well and was \$1.4M ahead of budget in September and \$4.4M ahead for 1st Qtr of FY05.

2. Revenue Forecasting Schedule

- Consensus Economic Forecasting Commission met on October 7th at 9AM in Appropriations Committee Room (See attached summary of preliminary and tentative forecast)
 - Forecast includes some revisions that are more optimistic (particularly in the short term) and others that are more pessimistic – in aggregate forecast will not likely produce any significant increase in the revenue forecast for the major tax lines through the 2006-2007 biennium
- Revenue Forecasting Committee has begun its work on the forecast of the smaller revenue items; review of these items is by the Bureau of the Budget and OFPR in conjunction with the agencies. OFPR and Bureau of the Budget then report to the RFC. Meeting dates have yet to be established.

3. Cash Pool Status

- August 2004 Cash Pool Summary (see attached)
- General Fund & Highway Fund cash trends through September 2004 – both still show an improving trend (see attached)

STATE OF MAINE

Undedicated Revenues - General Fund
For the Third Month Ended September 30, 2004
For the Fiscal Year Ending June 30, 2005
Comparison to Budget

PRELIMINARY AND TENTATIVE

FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

EXHIBIT I

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2005
	Actual	Budget	Variance Over/(under)	Percent Over/(under)	Actual	Budget	Variance Over/(under)	Percent Over/(under)	
Sales and Use Tax	87,498,979	88,885,479	(1,386,500)	(1.6%)	177,825,339	174,633,327	3,192,012	1.8%	896,092,063
Service Provider Tax	3,189,094	4,424,502	(1,235,408)	(27.9%)	6,396,850	8,256,247	(1,859,397)	(22.5%)	46,700,000
Individual Income Tax	116,291,674	108,239,233	8,052,441	7.4%	241,667,968	218,680,653	22,987,315	10.5%	1,166,441,294
Corporate Income Tax	26,575,624	21,074,658	5,500,966	26.1%	32,611,043	21,376,343	11,234,700	52.6%	104,391,604
Cigarette and Tobacco Tax	9,564,962	7,953,558	1,611,404	20.3%	26,791,394	24,939,743	1,851,651	7.4%	96,919,864
Public Utilities Tax	-	-	-	-	(150,000)	(150,000)	-	0.0%	28,050,000
Insurance Companies Tax	524,339	1,057	523,282	49506.3%	1,797,450	1,686,180	111,270	6.6%	65,848,416
Estate Tax	4,222,762	2,780,085	1,442,677	51.9%	1,876,875	2,780,085	(903,210)	(32.5%)	31,941,909
Property Tax - Unorg Territory	-	-	-	-	-	-	-	-	10,580,086
Income from Investments	388,327	129,776	258,551	199.2%	787,382	163,708	623,674	381.0%	1,020,345
Transfer to Municipal Revenue Sharing	(11,911,324)	(11,353,819)	(557,505)	(4.9%)	(23,383,561)	(21,570,280)	(1,813,281)	(8.4%)	(112,894,875)
Transfer from Liquor Commission	(1,982)	-	(1,982)	-	18,110	-	18,110	-	-
Transfer from Lottery Commission	4,745,275	4,318,397	426,878	9.9%	12,927,831	12,742,644	185,187	1.5%	52,074,827
Other Revenues	19,119,840	16,773,222	2,346,618	14.0%	97,616,244	94,089,055	3,527,189	3.7%	264,442,965
Total Collected	260,207,570	243,226,148	16,981,422	7.0%	576,782,925	537,627,705	39,155,220	7.3%	2,651,608,498

NOTES: (1) Included in the above is \$2,471,956 for the month and \$11,472,237 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in February 2004, as updated for laws enacted by the 121st Second Regular and Second Special Sessions.

(3) This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund
For the Third Month Ended September 30, 2004 and 2003
For the Fiscal Years Ending June 30, 2005 and 2004
Comparison to Prior Year

PRELIMINARY AND TENTATIVE

FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

EXHIBIT II

	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)
Sales and Use Tax	87,498,979	90,803,534	(3,304,555)	(3.6%)	177,825,339	178,658,572	(833,233)	(0.5%)
Service Provider Tax	3,189,094	-	3,189,094	-	6,396,850	-	-	-
Individual Income Tax	116,291,674	112,651,883	3,639,791	3.2%	241,667,968	221,420,706	20,247,261	9.1%
Corporate Income Tax	26,575,624	20,479,613	6,096,011	29.8%	32,611,043	20,779,904	11,831,139	56.9%
Cigarette and Tobacco Tax	9,564,962	9,322,131	242,831	2.6%	26,791,394	27,327,821	(536,427)	(2.0%)
Public Utilities Tax	-	-	-	-	(150,000)	(293,688)	143,688	48.9%
Insurance Companies Tax	524,339	106,861	417,478	390.7%	1,797,450	2,040,410	(242,960)	(11.9%)
Estate Tax	4,222,762	1,759,205	2,463,557	140.0%	1,876,875	1,004,446	872,430	86.9%
Property Tax - Unorg Territory	-	-	-	-	-	-	-	-
Income from Investments	388,327	235,608	152,719	64.8%	787,382	530,354	257,028	48.5%
Transfer to Municipal Revenue Sharing	(11,911,324)	(11,420,687)	(490,637)	(4.3%)	(23,383,561)	(21,463,818)	(1,919,743)	(8.9%)
Transfer from Liquor Commission	(1,982)	2,435,493	(2,437,475)	(100.1%)	18,110	7,934,133	(7,916,022)	(99.8%)
Transfer from Lottery Commission	4,745,275	3,261,820	1,483,454	45.5%	12,927,831	10,385,896	2,541,935	24.5%
Other Revenues	19,119,840	18,053,830	1,066,010	5.9%	97,616,244	48,181,627	49,434,618	102.6%
Total Collected	260,207,570	247,689,292	12,518,278	5.1%	576,782,925	496,506,362	73,879,713	14.9%

STATE OF MAINE
Undedicated Revenues - General Fund
For the Third Month Ended September 30, 2004
For the Fiscal Year Ending June 30, 2005
Comparison to Budget

PRELIMINARY AND TENTATIVE
FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

EXHIBIT III

Detail of Other Revenues	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2005
	Actual	Budget	Variance Over/(under)	Percent Over/(under)	Actual	Budget	Variance Over/(under)	Percent Over/(under)	
0100's All Others	3,002,028	2,244,548	757,480	33.7%	8,076,611	4,704,026	3,372,585	71.7%	23,300,764
0300's Aeronautical Gas Tax	157,510	143,534	13,976	9.7%	366,246	326,595	39,651	12.1%	1,097,216
0400's Alcohol Excise Tax	1,233,091	1,115,900	117,191	10.5%	3,935,626	3,817,300	118,326	3.1%	12,172,929
0700's Corporation Taxes	75,486	63,018	12,468	19.8%	393,264	271,048	122,216	45.1%	5,451,707
1000's Banking Taxes	1,657,290	1,314,416	342,874	26.1%	3,911,980	3,318,248	593,732	17.9%	15,423,000
1100's Alcoholic Beverages	224,100	190,892	33,208	17.4%	647,880	731,076	(83,196)	(11.4%)	3,190,044
1200's Amusements Tax	-	(6,000)	6,000	100.0%	-	(6,000)	6,000	100.0%	4,000
1300's Harness Racing/Parimutuels/Slots	96,637	128,000	(31,363)	(24.5%)	231,180	179,959	51,221	28.5%	3,185,074
1400's Business Taxes	245,289	280,534	(35,246)	(12.6%)	1,092,762	1,247,406	(154,644)	(12.4%)	6,515,191
1500's Motor Vehicle Licenses	328,488	462,771	(134,283)	(29.0%)	1,328,062	1,251,021	77,041	6.2%	4,374,115
1700's Inland Fisheries & Wildlife	701,495	1,270,744	(569,249)	(44.8%)	4,877,526	4,167,306	710,220	17.0%	16,102,032
1900's Hospital Excise & Other	56,615	38,945	17,670	45.4%	105,155	107,200	(2,045)	(1.9%)	564,415
2000's Fines, Forfeits & Penalties	3,107,835	3,036,476	71,359	2.4%	9,206,527	8,705,918	500,609	5.8%	35,368,943
2200's Federal Revenues	1,928,173	1,843,472	84,701	4.6%	5,965,698	5,555,276	410,422	7.4%	22,366,198
2300's County Revenues	-	-	-	-	-	-	-	-	-
2400's Revenues from Cities & Towns	1,650	-	1,650	-	12,150	-	12,150	-	5,174,709
2500's Revenues from Private Sources	189,099	190,478	(1,379)	(0.7%)	490,868	524,481	(33,613)	(6.4%)	2,307,000
2600's Current Service Charges	4,223,051	2,234,803	1,988,248	89.0%	58,901,710	58,542,332	359,378	0.6%	85,720,158
2700's Transfers from Other Funds	1,891,300	2,219,691	(328,391)	(14.8%)	(1,935,074)	644,163	(2,579,237)	(400.4%)	22,063,870
2800's Sales of Property & Equipment	704	1,000	(296)	(29.6%)	8,074	1,700	6,374	374.9%	61,600
Total Other Revenues	19,119,840	16,773,222	2,346,618	14.0%	97,616,244	94,089,055	3,527,189	3.7%	264,442,965

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund
For the Third Month Ended September 30, 2004 and 2003
For the Fiscal Years Ending June 30, 2005 and 2004
Comparison to Prior Year

PRELIMINARY AND TENTATIVE

FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

EXHIBIT IV

Detail of Other Revenues	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)
0100's All Others	3,002,028	2,449,393	552,635	22.6%	8,076,611	6,281,601	1,795,010	28.6%
0300's Aeronautical Gas Tax	157,510	271,550	(114,040)	(42.0%)	366,246	431,729	(65,483)	(15.2%)
0400's Alcohol Excise Tax	1,233,091	1,114,984	118,107	10.6%	3,935,626	3,854,579	81,047	2.1%
0700's Corporation Taxes	75,486	85,220	(9,734)	(11.4%)	393,264	291,458	101,806	34.9%
1000's Banking Taxes	1,657,290	748,010	909,280	121.6%	3,911,980	2,218,250	1,693,730	76.4%
1100's Alcoholic Beverages	224,100	165,690	58,410	35.3%	647,880	650,020	(2,140)	(0.3%)
1200's Amusements Tax	-	-	-	-	-	-	-	-
1300's Harness Racing/Parimutuels/Slots	96,637	171,887	(75,251)	(43.8%)	231,180	282,846	(51,666)	(18.3%)
1400's Business Taxes	245,289	316,299	(71,010)	(22.5%)	1,092,762	954,100	138,662	14.5%
1500's Motor Vehicle Licenses	328,488	514,361	(185,873)	(36.1%)	1,328,062	1,154,996	173,066	15.0%
1700's Inland Fisheries & Wildlife	701,495	113,491	588,004	518.1%	4,877,526	5,783,582	(906,056)	(15.7%)
1900's Amnesty, Hosp Excise & Other	56,615	40,040	16,574	41.4%	105,155	146,410	(41,256)	(28.2%)
2000's Fines, Forfeits & Penalties	3,107,835	7,004,618	(3,896,783)	(55.6%)	9,206,527	12,033,430	(2,826,902)	(23.5%)
2200's Federal Revenues	1,928,173	49,201	1,878,972	3819.0%	5,965,698	3,703,073	2,262,625	61.1%
2300's County Revenues	-	-	-	-	-	-	-	-
2400's Revenues from Cities & Towns	1,650	-	1,650	-	12,150	-	12,150	-
2500's Revenues from Private Sources	189,099	163,414	25,685	15.7%	490,868	440,232	50,636	11.5%
2600's Current Service Charges	4,223,051	2,835,667	1,387,383	48.9%	58,901,710	9,254,494	49,647,215	536.5%
2700's Transfers from Other Funds	1,891,300	2,009,783	(118,483)	(5.9%)	(1,935,074)	698,494	(2,633,569)	(377.0%)
2800's Sales of Property & Equipment	704	220	484	220.0%	8,074	2,332	5,742	246.2%
Total Other Revenues	19,119,840	18,053,830	1,066,010	5.9%	97,616,244	48,181,627	49,434,618	102.6%

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - Highway Fund
For the Third Month Ended September 30, 2004
For the Fiscal Year Ending June 30, 2005
Comparison to Budget

PRELIMINARY AND TENTATIVE

FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

Exhibit V

	Month				Year to Date				Total Budgeted Fiscal Year Ending 6-30-2005
	Actual	Budget	Variance Over/(under)	Percent Over/(under)	Actual	Budget	Variance Over/(under)	Percent Over/(under)	
Fuel Taxes	21,451,437	20,666,063	785,374	3.8%	41,997,483	39,641,870	2,355,613	5.9%	218,638,488
Motor Vehicle Registration & Fees	6,374,043	5,741,968	632,075	11.0%	20,116,343	17,940,276	2,176,067	12.1%	78,693,539
Inspection Fees	373,682	331,433	42,249	12.7%	1,034,203	967,998	66,205	6.8%	3,470,359
Fines, Forfeits & Penalties	137,994	178,927	(40,933)	(22.9%)	305,184	526,098	(220,914)	(42.0%)	2,165,359
Earnings on Investments	72,108	89,000	(16,892)	(19.0%)	143,041	180,000	(36,959)	(20.5%)	1,026,195
All Other	498,061	461,805	36,256	7.9%	1,620,996	1,600,590	20,406	1.3%	13,443,932
Total Revenue	28,907,326	27,469,196	1,438,130	5.2%	65,217,250	60,856,832	4,360,418	7.2%	317,437,872

NOTE:

This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - Highway Fund
For the Third Month Ended September 30, 2004 and 2003
For the Fiscal Years Ending June 30, 2005 and 2004
Comparison to Prior Year

PRELIMINARY AND TENTATIVE FOR VERIFICATION PURPOSES & INTERNAL USE ONLY

Exhibit VI

	Month				Year to Date			
	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)	Current Year	Prior Year	Variance Over/(under)	Percent Over/(under)
Fuel Taxes	21,451,437	21,118,639	332,798	1.6%	41,997,483	38,792,489	3,204,994	8.3%
Motor Vehicle Registration & Fees	6,374,043	6,462,081	(88,038)	(1.4%)	20,116,343	19,653,736	462,607	2.4%
Inspection Fees	373,682	384,840	(11,158)	(2.9%)	1,034,203	1,295,646	(261,442)	(20.2%)
Fines, Forfeits & Penalties	137,994	164,433	(26,439)	(16.1%)	305,184	496,598	(191,414)	(38.5%)
Earnings on Investments	72,108	54,240	17,868	32.9%	143,041	111,220	31,821	28.6%
All Other	498,061	542,750	(44,689)	(8.2%)	1,620,996	1,695,873	(74,877)	(4.4%)
Total Revenue	28,907,326	28,726,983	180,342	0.6%	65,217,250	62,045,561	3,171,689	5.1%

NOTE:

This report has been prepared from preliminary month end figures and is subject to change.

Consensus Economic Forecasting Commission

Recommendations - Historical Projections vs. Current Projections

Tentative and Preliminary

<u>Calendar Years</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
• W&S Employment (Annual Percentage Change)										
> Consensus 2/2003	2.9	0.8	-0.3	0.0	0.8	1.0	1.0	1.0		
> Consensus 11/2003	2.9	0.8	-0.4	0.0	0.8	1.0	1.0	1.0		
> Consensus 2/2004	2.9	0.8	-0.3	0.0	0.8	1.0	1.0	1.0		
> Consensus 11/2004	2.9	0.8	-0.3	-0.1	0.9	1.7	1.5	1.1	1.3	1.3
<i>Change in Forecast:</i>					0.1	0.7	0.5	0.1	1.3	1.3
<u>Calendar Years</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
• Personal Income (Annual Percentage Change)										
> Consensus 2/2003	7.0	4.9	4.3	3.2	4.0	4.5	4.5	4.5		
> Consensus 11/2003	7.0	4.9	4.3	3.5	4.0	4.5	4.5	4.5		
> Consensus 2/2004	7.0	4.9	4.3	4.0	4.0	4.5	4.5	4.5		
> Consensus 11/2004	7.0	5.8	3.4	4.1	5.5	4.0	4.0	4.0	4.0	4.0
<i>Change in Forecast:</i>					1.5	-0.5	-0.5	-0.5	4.0	4.0
<u>Calendar Years</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
• CPI (Annual Percentage Change)										
> Consensus 2/2003	3.4	2.8	1.7	2.5	2.5	2.5	2.5	2.5		
> Consensus 11/2003	3.4	2.8	1.6	2.0	2.0	2.0	2.5	2.5		
> Consensus 2/2004	3.4	2.8	1.6	2.3	2.0	2.0	2.5	2.5		
> Consensus 11/2004	3.4	2.8	1.6	2.3	2.75	2.0	2.0	2.0	2.0	2.0
<i>Change in Forecast:</i>					0.75	0.0	-0.5	-0.5	2.0	2.0

(Amounts in italics and boxes represent actuals; shaded amounts reflect revised forecasts and change from previous forecasts)

Updated: October 5, 2004

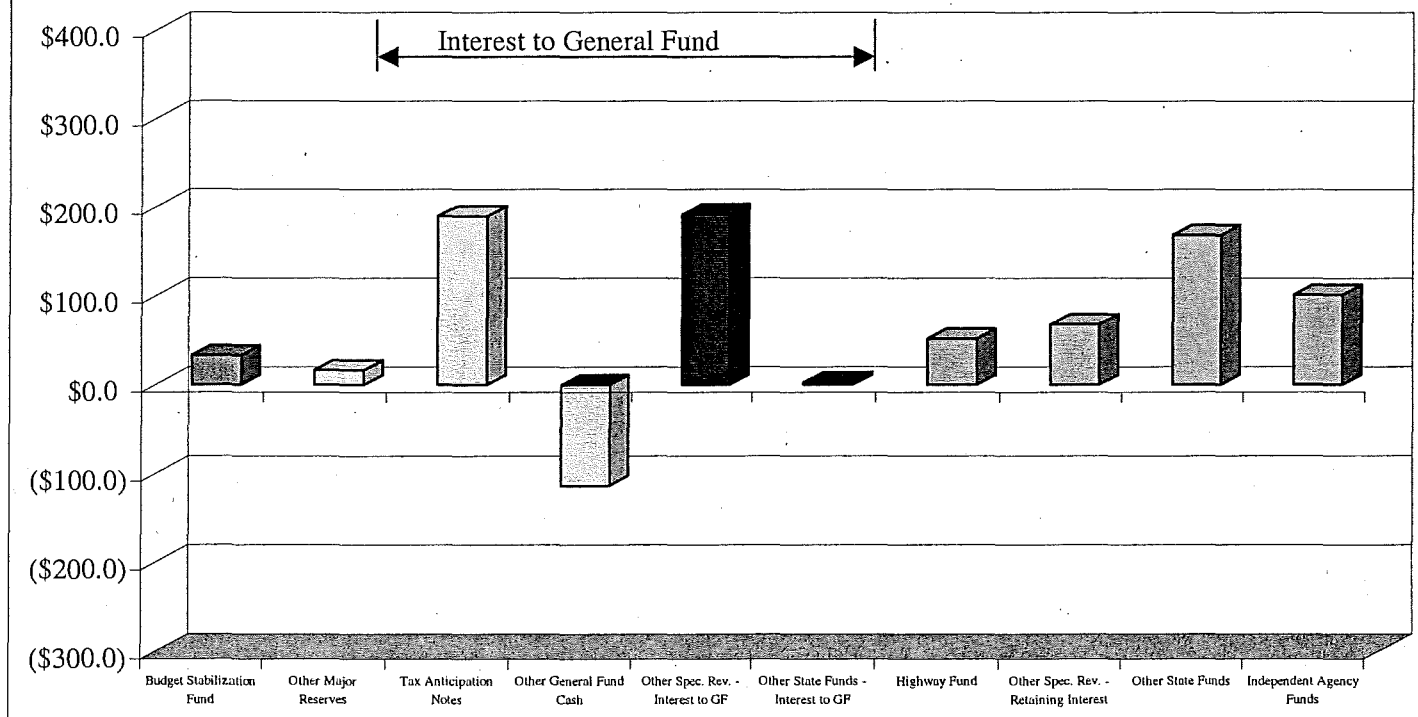
Composition of State's Cash Pool

August 2004 Average Daily Balances

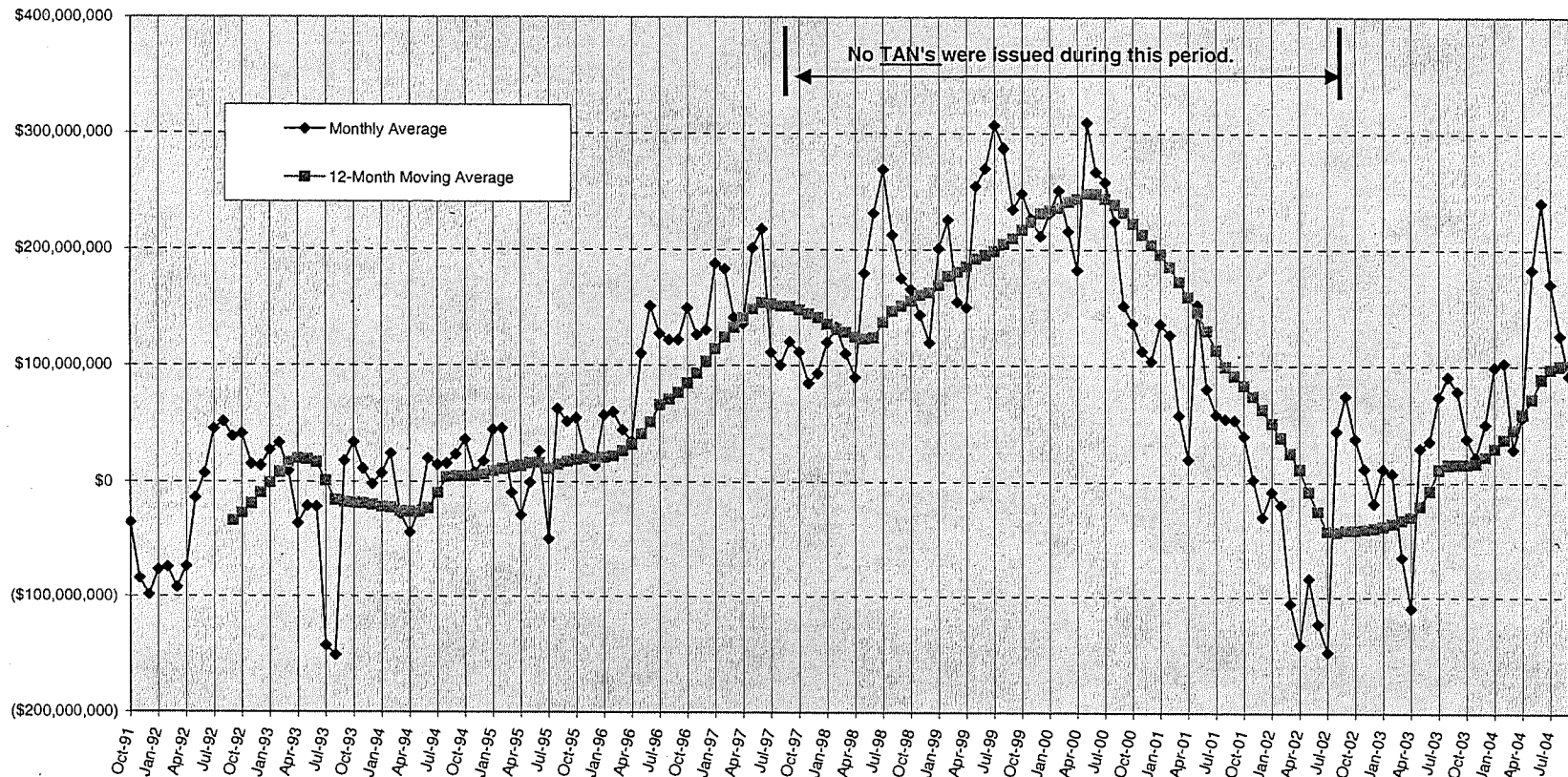
	August 2004
General Fund - Total	\$126,324,546
General Fund - Detail	
Budget Stabilization Fund (Rainy Day Fund)	\$33,164,744
Reserve for General Fund Operating Capital	\$16,532,953
Tax Anticipation Notes	\$190,000,000
General Fund - Other	(\$113,373,152)
Highway Fund	\$52,138,234
Other Special Revenue - Contributing to General Fund	\$192,030,499
Other Special Revenue - Retaining Interest Earned	\$68,202,585
Other State Funds - Contributing Interest to General Fund	\$2,617,458
Other State Funds	\$168,829,396
Independent Agency Funds	\$101,587,605
Total Cash Pool	\$711,730,322

Composition of Cash Pool

Average Daily Balances in August 2004



GENERAL FUND DAILY STARTING CASH BALANCES

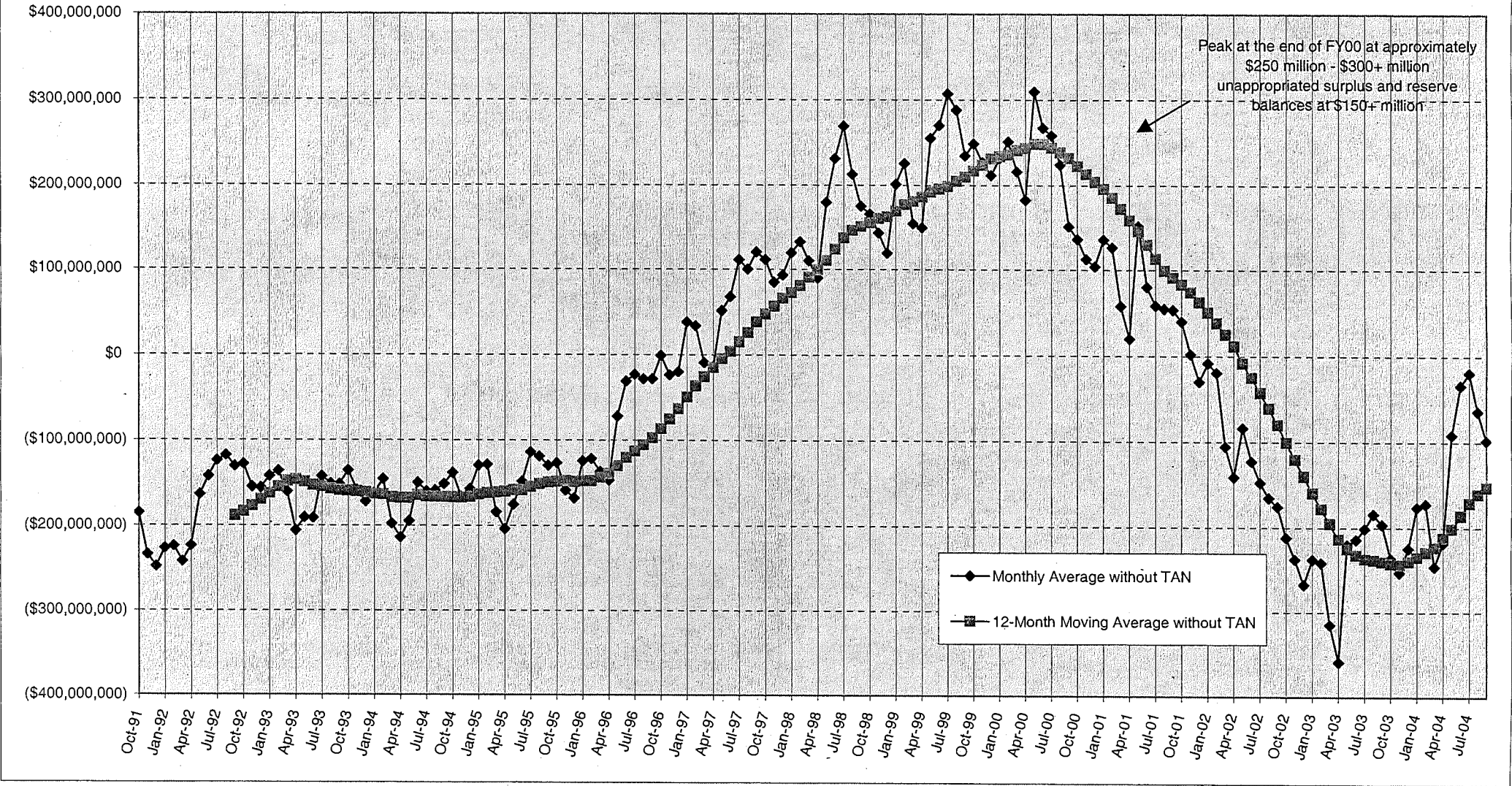


TAX ANTICIPATION NOTES (TAN's) - History from FY 1990-91 ⁽¹⁾

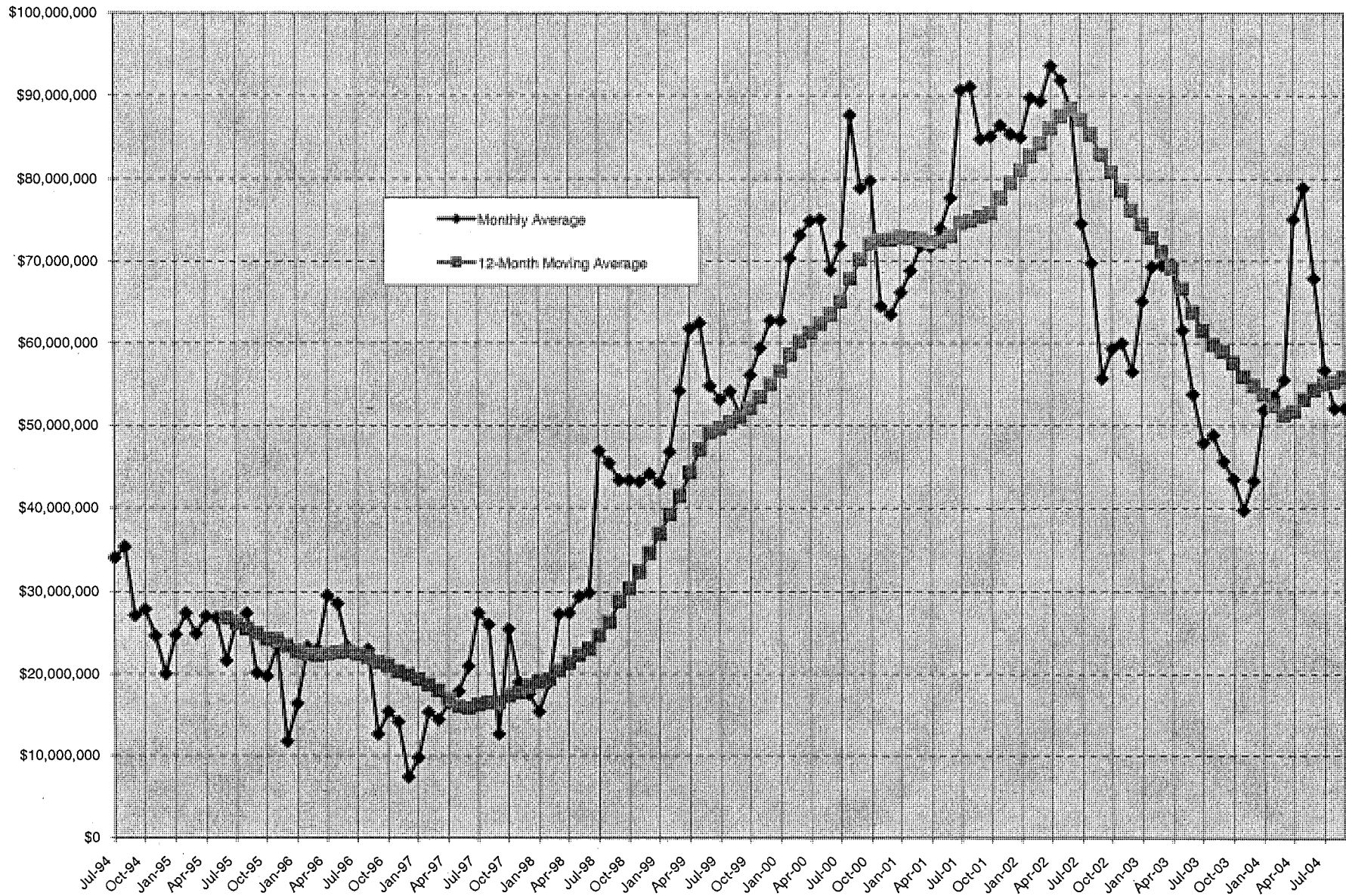
Fiscal Year	Amount Authorized	Amount Issued	Reference
2004-05 ⁽¹⁾	\$301,688,831 ⁽¹⁾	\$190,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2003-04 ⁽¹⁾	\$284,492,042 ⁽¹⁾	\$275,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2002-03 ⁽¹⁾	\$282,869,203 ⁽¹⁾	\$250,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2001-02	\$100,000,000	\$0	5 MRSA, §150 (as amended by PL 2001, c. 467)
1997-98	\$100,000,000	\$0	PL 1997, c. 24, §F-1 (Repealed by PL 1997, c. 643, §E-5)
1996-97	\$190,000,000	\$150,000,000	PL 1995, c. 665 §P-1
1995-96	\$182,000,000	\$182,000,000	PL 1995, c. 368, §V-1
1994-95	\$175,000,000	\$175,000,000	PL 1993, c. 707, §P-2
1993-94	\$170,000,000	\$170,000,000	PL 1993, c. 382, §1
1992-93	\$170,000,000	\$170,000,000	PL 1991, c. 780, §BB-1
1991-92	\$150,000,000	\$150,000,000	PL 1991, c. 589, §1
1990-91	\$125,000,000	\$115,000,000	PL 1991, c. 5, §1

Notes: ⁽¹⁾ 5 MRSA, §150 provides the statutory authorization for Tax Anticipation Notes. As amended by PL 2001, c. 705, the limit is the same as that imposed by the Constitution of Maine, Article IX, Sec. 14, 10% of total General Fund appropriations and Highway Fund allocations or 1% of the State Valuation, whichever is less. The amounts authorized for fiscal years 2002-03 and 2003-04 reflect General Fund appropriations and Highway Fund allocations through the 121st Legislature, 1st Regular Session. Amounts for fiscal year 2004-05 reflect budgeted amounts at the end of the 121st Legislature, 2nd Special Session. Special exceptions to the general authorization levels are detailed in this table.

GENERAL FUND
DAILY STARTING CASH BALANCES - EXCLUDING TAX ANTICIPATION NOTES



HIGHWAY FUND DAILY STARTING CASH BALANCES



**121st MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL
Technology Report
October 12, 2004**

- Performance testing under the memorandum of agreement (MOA) concluded on September 17th
- Using PC and server computer hardware of greater capability than those currently installed in the Legislature, HP was able to meet contract requirements for two of the three processes tested
- Based on discussions with HP senior management a verbal agreement was made based on additional hardware performance upgrades from HP and the resulting performance improvements from those upgrades for the Legislature to issue a conditional acceptance of the HP bill drafting system's performance pending HP's written acceptance of the agreement
- On Friday, October 8, 2004, HP's written acceptance to provide new computer hardware at HP's cost to address the performance issue was received
 - 1 HP Server
 - 8 HP Desktop PCs
- Per the MOA, once HP achieves acceptable performance as defined by the Legislature, negotiations will take place to resolve the remaining functional issues

Progress Report on Legislative Studies
(Studies authorized or undertaken following the 121st Legislature)

Status as of 10/6/2004 4:38:36PM

<u>Study Name</u>	<u>First Meeting Date</u>	<u>Date, Time & Location of Next Meeting</u>	<u>Report Dates/ Reports To</u>	<u>Comments/Status of Study</u>
Recodification of Title 7 SP0586 -			January 15, 2005: ACF Committee	2-year study begun in 2003; OPLA/ROS developing draft for ACF Committee review
Commission to Study Public Health LD0471 - Resolve 2003, Chapter 95	12/5/03		November 3, 2004: 1st Regular Session, 122nd Legislature	Continuation of 2003 study; public hearing to take comments on preliminary recommendations held 9/26/04; requesting additional meeting and extension of reporting deadline to 12/1/04
Health Care System and Health Security Board LD0855 - Public Law 2001, Chapter 439, Part ZZZ	10/12/01		Nov. 1, 2004: 1st Reg. Session of 122nd Legislature	No more meetings - Drafting final report and recommended legislation
Commission to Study Compliance with Maine's Freedom of Access Laws LD1079 - Resolve 2003, Chapter 83	11/19/03	10/8/04 9:00 am State House, Room 438 10/19/04 9:30 am State House, Room 438	November 3, 2004: Joint Standing Committee on Judiciary	Study extended from 2003 by PL 2003, c. 709; commission has formed 3 subcommittees to address new charge
Task Force to Study Parity and Portability of Retirement Benefits for State Law Enforcement Officers, Municipal and County Law Enforcement Officers and Firefighters LD1343 - Resolve 2003, Chapter 76	8/11/03		December 1, 2004: 1st Reg. Session of 122nd Legislature	Continuation of 2003 study; met 8/11/04; 2 additional meetings authorized in 2004
Commission to Improve the Sentencing, Supervision, Management and Incarceration of Prisoners LD1614 - Public Law 2003, Chapter 451	9/4/03	10/14/04 10:00 am Rm 228, SH	2/5/2004: Criminal Justice and Public Safety Committee 1/1/2005: Criminal Justice and Public Safety Committee	Study extended from 2003 by PL 2003, c. 707

Progress Report on Legislative Studies
(Studies authorized or undertaken following the 121st Legislature)

Status as of 10/6/2004 4:38:37PM

<u>Study Name</u>	<u>First Meeting Date</u>	<u>Date, Time & Location of Next Meeting</u>	<u>Report Dates/ Reports To</u>	<u>Comments/Status of Study</u>
Citizen Trade Policy Commission LD1815 - Public Law 2003, Chapter 699	10/6/04	10/6/04 9:00 am State House, Taxation Room - 127	Annual: Governor, Legislature AG and municipalities Annually: Congressional delegation, Maine International Trad : Maine International Trade Center : Maine Municipal Association : United States Trade Representative's Office : NCSL and NAAG	Appointments made; 1st meeting held
Maine Drug Return Implementation Group LD1826 - Public Law 2003, Chapter 679	10/15/04	10/15/04 2:00 pm Room 202, Cross Building	January 31, 2005: Health and Human Services Committee	Appointments made; outside funding secured; 1st meeting scheduled
Health and Human Services Committee Review of the Establishment of the Department of Health and Human Services LD1913 - Public Law 2003, Chapter 689	7/27/04		None Required	1st meeting held 7/27/ 04; 2nd meeting 9/15/04
Intergovernmental Advisory Group LD1930 - Public Law 2003, Chapter 696			Annually in January: State and Local Government Committee	2 of 15 appointments made
Government Oversight Committee (OPEGA) LD2193 - Public Law, Ch. 702	8/19/04	10/6/04 1:00 pm Rm 334, SH		Committee rules adopted; working on mission statement

Selection criteria:

Session ID = 121

Study Type = Legislative

121st MAINE LEGISLATURE
LEGISLATIVE COUNCIL
MOTION TO ACCEPT FUNDS OFFERED BY THE MAINE MEDICAL ASSOCIATION

Date: September 17, 2004

Re: Funding provisions of the Maine Drug Return Implementation Group under P.L. 2003, c. 679, sec. 2(7)

MOTION: Pursuant to P.L. 2003, c. 679, the Legislative Council accepts funds in the amount of \$3,000 offered by the Maine Medical Association (MMA) to fund costs related to the Maine Drug Return Implementation Group, and accepts MMA's representation that it has no pecuniary or other vested interest in the outcome of the matters to be studied. The Implementation Group is hereby authorized to convene.

				Signature
Sen. Beverly C. Daggett	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Beverly C. Daggett</u>
Sen. Sharon Anglin Treat	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Sharon Anglin Treat</u>
Sen. Paul T. Davis, Sr.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Paul T. Davis</u>
Sen. Kenneth T. Gagnon	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	_____
Sen. Chandler E. Woodcock	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	_____
Rep. Patrick Colwell	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Patrick Colwell</u>
Rep. John Richardson	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>John Richardson</u>
Rep. Joseph Bruno	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Joseph Bruno</u>
Rep. Robert W. Duplessie	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>Robert Duplessie</u>
Rep. David E. Bowles	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Abstain <input type="checkbox"/>	<u>David E. Bowles</u>

Totals:

Yes 67
No 1
Absent 3

Approved

Attested D. Boukter

Date 9-23-04



OCT 5 2004

MAINE STATE LEGISLATURE
Augusta, Maine 04333

October 5, 2004

MEMO TO: The Honorable Beverly C. Daggett, Chair, Legislative Council
The Honorable Patrick Colwell, Vice-Chair, Legislative Council

FROM: Senator John L. Martin, Senate Chair *John Martin p.m.*
Representative Margaret M. Craven, House Chair *Margaret Craven p.m.*
Commission to Study Public Health

SUBJ: **Extension Request for Commission to Study Public Health**

We wish to thank the Legislative Council for authorizing the Commission to Study Public Health to conduct a public hearing on Friday, September 24, 2004. After receiving nearly 4 hours of public comment on our draft recommendations, the Commission did not have enough time remaining that day to both consider the testimony provided and complete our deliberations. Commission members believe that the importance of the problems related to obesity and their impact on public health and health care costs warrant a thorough and thoughtful analysis.

Toward this end, we respectfully request an extension of the reporting deadline for the Commission to Friday, December 3, 2004 to permit the Commission sufficient time to complete our review and prepare our findings, conclusions and recommended legislation as required by law. We also propose to convene a final meeting of the Commission on Saturday, November 6, 2004, during which time the Commission would conduct final deliberations on its findings, recommendations and accompanying legislation that will be submitted to the First Regular Session of the 122nd Legislature.

Please contact either one of us should you have any questions regarding this matter. On behalf of the Commission, we thank you for your time and consideration of this request.

cc: Members of the Legislative Council
Mr. David Boulter, Executive Director, Legislative Council
Mr. David Elliott, Director, Office of Policy & Legal Analysis
Ms. Teen Ellen Griffin, Manager, Legislative Information Office
Members, Commission to Study Public Health
James R. Adolf, Esq., Legislative Analyst, Office of Policy & Legal Analysis
Dr. Phillip McCarthy, Legislative Analyst, Office of Policy & Legal Analysis