

# MAINE STATE LEGISLATURE

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**LEGISLATIVE COUNCIL  
AUGUST 25, 2005  
1:00 p.m.  
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 JULY 7, 2005 COUNCIL MEETING</b>	Acceptance
	<b>REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS</b>	
6	• Executive Director's Report	
27	• Fiscal Report (Pennoyer)	
30	• Update of Interim Studies (Norton)	
	• Office of Information Services' Report (Mayotte)	
	<b>REPORTS FROM COUNCIL COMMITTEES</b>	
	• <b>Personnel Committee</b> (Rep. Cummings, Chair)	
	• <b>Item #1: Legislative Salary Schedule Adjustment</b> This Item may be preceded by an Executive Session	
	• <b>State House Facilities Committee</b> (Sen. Gagnon, Chair)	
	Report of the August 3, 2005 State House Facilities Committee	
	<b>OLD BUSINESS</b>	
31	<b>Item #1: Council Actions Taken by Ballot</b>	Information

## **NEW BUSINESS**

- 32    **Item #1: Request by Maine Citizen Trade Policy Commission to carry forward \$5,000 from FY 05 to FY 06**
- 34    **Item #2: Request by Maine Emergency Management Agency for OPLA Staff Support to Blue Ribbon Commission to Study Maine's Homeland Security Needs (Senate President Edmonds)**

## **ANNOUNCEMENTS AND REMARKS**

## **ADJOURNMENT**

REP. JOHN RICHARDSON  
CHAIR

SEN. BETH EDMONDS  
VICE-CHAIR



122<sup>ND</sup> MAINE STATE LEGISLATURE

LEGISLATIVE COUNCIL

SEN. MICHAEL F. BRENNAN  
SEN. PAUL T. DAVIS, SR.  
SEN. KENNETH T. GAGNON  
SEN. CAROL WESTON  
REP. GLENN A. CUMMINGS  
REP. DAVID E. BOWLES  
REP. ROBERT W. DUPLESSIE  
REP. JOSHUA A. TARDY

DAVID E. BOULTER  
EXECUTIVE DIRECTOR

## MEETING SUMMARY JULY 7, 2005

### CALL TO ORDER

The Chair, Speaker Richardson, called the Legislative Council meeting to order at 10:44 a.m. in the Legislative Council Chamber.

### ROLL CALL

**Senators:**

Sen. Brennan, Sen. Gagnon, Sen. Davis  
Sen. Weston joined the meeting in progress  
Absent: President Edmonds

**Representatives:**

Speaker Richardson, Rep. Cummings, Rep. Bowles  
Representatives Duplessie and Tardy joined the meeting  
in progress

**Legislative Officers:**

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

### SUMMARIES OF THE JUNE 14 AND 15, 2005 COUNCIL MEETINGS

**Motion:** That the Meeting Summaries of June 14 and 15, 2005 be accepted and placed on file.  
(Motion by Rep. Bowles, second by Sen. Gagnon, unanimous).

### REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS

- **Executive Director's Report**

David Boulter, Executive Director of the Legislative Council reported to the Council that the summer facility renovation work had begun and should proceed without major disruption. The first phase of the work will be outside, beginning with the south wing granite repointing. In

addition, the east porch roof will be replaced with copper and the penthouse mechanical room on the roof will be dismantled. The south entrance to the State House will be closed during the renovation. Inside work will include patching and painting on the third floor.

No Council action required.

• **Fiscal Report**

Grant Pennoyer, Director of Fiscal and Program Review, presented his report to the Council. He explained that the end of fiscal year financial data being presented was preliminary.

**1. General Fund and Highway Fund Revenue Variances for FY 05**

- Based on preliminary data, it appears that General Fund revenue for FY 05 will exceed projections by \$25 million. This amount is above the additional budgeted revenue of \$27.7 million adjusted in early June by the Revenue Forecasting Committee. Individual income tax revenue, despite the upward revision of \$70 million in June, will be over budget by \$10 million. Corporate income tax revenues are above budget estimates by approximately \$12.5 million. Sales tax revenue appears to be the only major line with a significant negative variance and is likely to end the year \$3.5 million under budget.
- No major variances in the Highway fund revenue in June are apparent, for a year-to-date variance of \$3.0 million above projections.

**2. Revenue Forecasting Committee – Forecast Schedule**

- A joint meeting of the Revenue Forecasting Committee and the Consensus Economic Forecasting Commission was held on June 30, 2005. The meeting's primary focus was on ways to improve forecasting. However, the members also discussed certain potential economic risks for Maine, the best way to deal with the uncertainty surrounding these risks and the timeliness of communicating information to the Governor and the Legislature. Another joint meeting is planned for the early fall, when more economic information is available and certain decisions have been made.

**3. Cash Trends**

- The General Fund average balance trend appears to have flattened out and may be trending downward.
- The Highway Fund balance trend also appears to have flattened out and has begun to trend downward.

Additional reserves, totaling approximately \$11 million, will result from the General Fund revenue surplus and lapsed appropriation balances. They should help reduce the amount of Tax Anticipation Notes that will be necessary to be issued on FY 06.

- The Office of Fiscal and Program Review will be looking into the causes for the change in cash trends, which seem at variance with the surplus.

- **Office of Information Services' Report**

Paul Mayotte, Director Legislative Information Services, submitted a written report to the Legislative Council. In it he stated that:

**Bill Drafting System:**

- HP has confirmed in writing that it is proceeding to correct all issues that were found during the last test cycle in the MELD bill drafting system.
- The system deficiencies will be installed as part of HP's next software release in August.
- HP remains on schedule to complete the software project by the August deadline.

## **REPORTS FROM COUNCIL COMMITTEES**

- **Personnel Committee**

Rep. Cummings, Chair of the Personnel Committee, reported that the Committee had met earlier that morning and considered the following items:

The Personnel Committee unanimously approved temporary disability income benefits as provided for in Section VI (H) of the Personnel Policies and Guidelines for a Senate employee.

The Committee discussed the OPLA Director recruitment process for the director position being vacated by David Elliott on August 1<sup>st</sup>, and will make its recommendation for Council action under New Business, Item #2.

The Committee also discussed a potential cost of living adjustment for legislative employees in the MSEA bargaining unit, which will be further discussed in Executive Session.

The Personnel Committee met with Lynn Randall, State Law Librarian, for her annual performance evaluation. No further action by the Legislative Council is required.

- **State House Facilities Committee**

Senator Gagnon, Chair, State House Facilities Committee, reported that the committee had not met this month, but will meet either in late July or early August.

## **OLD BUSINESS**

None.

## NEW BUSINESS

### Item #1: Establishment of Cloture Date for 2<sup>nd</sup> Regular Session

Margaret Matheson, Revisor of Statutes, referred the Council members to her memo of June 24, 2005 in their packet. The memo reminded the Legislative Council pursuant to the Joint Rules, the Legislative Council must establish a cloture date and related schedule for the filing of bill requests for the 2<sup>nd</sup> Regular Session. The members reviewed the proposed schedule and generally agreed to Ms. Matheson's recommended schedule, with two exceptions. Members generally agreed that the proposed filing deadline for the cloture date of Wednesday, October 5<sup>th</sup> at 4:00 p.m. should be changed to Friday, October 7<sup>th</sup> at 4:00 p.m. and that the recommended bill signing day of December 16<sup>th</sup> may be problematic. It was felt that the presiding officers could establish a date for bill signing at a later time.

**Motion:** That the Legislative Council adopt the cloture schedule for filing of legislative requests as recommended by the Revisor of Statutes, but with a filing deadline of October 7, 2005 at 4:00 p.m. and direct the Revisor to so notify Legislators, state agencies and the Governor's office. Further, that the presiding officers establish an appropriate and convenient bill signing day. (Motion by Sen. Gagnon, second by Sen. Davis, unanimous).

A copy of the 121<sup>st</sup> bill cloture schedule is attached.

### Item #2: Recruitment for Director, Office of Policy and Legal Analysis Vacancy

David Elliott, Director of the Office of Policy and Legal Analysis, is retiring as of August 1, 2005 after 24 years of service in OPLA. Executive Director Boulter presented a proposed recruitment plan to the Council that was recommended by the Personnel Committee.

**Motion:** That the Legislative Council adopt the suggested recruitment plan for the position of director of the Office of Policy and Legal Analysis, and further authorize the Executive Director's Office to administer such duties and details as necessary to implement the recruitment plan and solicit applications for the position. (Motion by Rep. Cummings, second by Sen. Davis, unanimous).

A copy of the proposed recruitment plan is attached.

The Chair, Speaker Richardson asked if there was objection to taking an item out of order. Hearing none, he proceeded to Item #4.

### Item #4: Salary Schedule Adjustment for Constitutional Officers and State Auditor

**Motion:** That the Legislative Council approve salary adjustments for the Constitutional Officers and the State Auditor consistent with those increases recently awarded to Confidential Employees of State Government, effective the pay period closest to July 1, 2005. (Motion by Rep. Cummings, second by Sen. Gagnon, unanimous).

## **COLLECTIVE BARGAINING (Executive Session)**

Article 54: Contract re-opener for purpose of salary schedule adjustment.

**Motion:** That, in accordance with 1 MRSA, section 405, subsection 6, the Legislative Council enter into an executive session for the purposes of discussing re-opening collective bargaining agreement between MSEA and the Legislative Council, pursuant to Article 54. (Motion by Rep. Tardy, second by Sen. Davis, unanimous).

The Legislative Council entered into Executive Session at 11:20 a.m.

## **MEETING RECONVENED**

The Council ended its Executive Session and reconvened in open session at 11:33 a.m. on the motion of Rep. Tardy, second by Sen. Brennan, unanimous.

### **Item #3: Contract Re-opener Regarding Salary Schedule Adjustments.**

**Motion:** That, pursuant to its authority under 26 MRSA, section 979-A, subsection 5, the Legislative Council ratifies the Agreement negotiated under Article 54 of the collective bargaining agreement and tentatively agreed to on July 6, 2005 by authorized representatives of the Legislative Council and the Maine State Employees Association, Local 1989, SEIU, AFL-CIO on behalf of the Administrative Unit of Legislative Employees. The Agreement provides for 2 general salary increases of three percent (3%) in FY 06/07. Such ratification is contingent upon and become effective only after the bargaining agent for the Administrative Unit of Legislative Employees has notified the Legislative Council representative that the unit has ratified the Agreement.

Further, that the Legislative Council authorizes its Executive Director to enter into negotiations with the bargaining agent for the Independent Association of Nonpartisan Legislative Professionals (IANLP) over salary adjustments for legislative employees in the IANLP bargaining unit. (Motion by Rep. Cummings, second by Rep. Tardy, unanimous).

## **ANNOUNCEMENTS AND REMARKS**

The Chair, Speaker Richardson and the members of the Legislative Council presented David Elliott with the Joint Resolution recognizing him upon his retirement, for his long and distinguished service to the Legislature and State Government.

David Elliott thanked the Council members for their kind words, and said he will miss the Legislature.

## **ADJOURNMENT**

The Legislative Council meeting was adjourned at 11:43 a.m. (Motion by Rep. Duplessie, second by Sen. Davis, unanimous).



MAINE STATE LEGISLATURE  
OFFICE OF FISCAL AND PROGRAM REVIEW  
5 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0005  
Telephone: (207) 287-1635  
FAX: (207) 287-6469

To: Members, Legislative Council  
Members, Joint Standing Committee on Appropriations and Financial Affairs

From: Grant T. Pennoyer, Director

Date: August 25, 2005

Re: Updates on Revenue, Fund Status/Balances and Cash Balances

Attached for your review are several updates dealing with revenue variances, fund status/balances and cash balance reports.

**Attachment A** provides a summary of General Fund and Highway Fund revenue variances for July 2005 and a final summary of General Fund and Highway Fund revenue for the fiscal year ending June 30, 2005 (FY 05).

**Attachment B** includes updated fund status reports for the General Fund, Highway Fund and Fund for a Healthy Maine. These funds status reports reflect the most current budgeted amounts as well as the effect of closing transactions for FY 05.

**Attachment C** provides updated cash pool information for the month of July and a history of cash pool balances from FY 02 through FY 05. It also includes an update of General Fund and Highway Fund cash balance trends.

I would be happy to review this information with you and to try and answer any questions that you may have.

cc: David Boulter, Executive Director  
Joy O'Brien, Secretary of Senate  
Millie MacFarland, Clerk of the House  
Office Directors  
OFPR Staff

## **Attachment A Revenue Update**

### **General Fund and Highway Fund Revenue – July 2005 Variance Report (Page 2):**

**General Fund** - General Fund revenue was \$2.0 million over budget for the first month of FY 06. This positive variance is largely due to an unusual estate tax payment in July of approximately \$6 million, which contributed to a \$7.1 million positive variance in the Estate Tax line. Absent that positive variance, the General Fund would have had a \$5.0 million negative variance for the first month of FY 06.

Other Negative Variances:

- The Sales Tax line continues to under perform (under budget by \$2.6 million), which may be attributable to the effect of higher fuel prices;
- Health and Human Services' systems issues affecting billings contributed to the \$2.0 million negative variance in the Other Revenue line; and
- Lottery Revenue was \$1.2 million under budget as Powerball changes have yet to take effect and improve Powerball sales.

**Highway Fund** – Highway Fund revenue was \$0.9 million under budget for the first month of FY 06. This negative variance is largely attributable to a negative variance in Fuel Taxes. High oil prices may be affecting fuel usage and travel.

### **General Fund and Highway Fund FY 05 Revenue (Pages 3, 4 & 5):**

Attached is the June 2005 and Final FY 05 Revenue Variance Report for the General Fund and Highway Fund. For the General Fund, additional detail of the components of the General Fund Other Revenue line and a summary of the incremental forecast changes and legislative changes by revenue line are included.

**General Fund and Highway Fund Revenue**  
**Fiscal Year Ending June 30, 2006**  
**Based on All Actions of the 122nd Legislature through 2nd Special Session**

**JULY 2005 VARIANCE REPORT**

FUND	Revenue Line	Budget July '05	Actual July '05	July '05 Var.	FY06 YTD Budget	FY06 YTD Actual	FY06 YTD Variance	FY06 Budgeted Totals
GF	Sales and Use Tax	94,541,384	91,925,611.73	(2,615,772.27)	94,541,384	91,925,611.73	(2,615,772.27)	961,457,885
GF	Service Provider Tax	3,652,193	3,637,926.31	(14,266.69)	3,652,193	3,637,926.31	(14,266.69)	49,287,167
GF	Individual Income Tax	83,347,930	81,512,001.98	(1,835,928.02)	83,347,930	81,512,001.98	(1,835,928.02)	1,167,504,222
GF	Corporate Income Tax	4,853,185	6,572,991.46	1,719,806.46	4,853,185	6,572,991.46	1,719,806.46	118,877,558
GF	Cigarette and Tobacco Tax	7,838,244	9,398,358.31	1,560,114.31	7,838,244	9,398,358.31	1,560,114.31	147,238,325
GF	Public Utilities Tax	0	0.00	0.00	0	0.00	0.00	25,440,000
GF	Insurance Companies Tax	1,534,422	736,893.40	(797,528.60)	1,534,422	736,893.40	(797,528.60)	77,141,931
GF	Estate Tax	1,853,362	8,939,072.87	7,085,710.87	1,853,362	8,939,072.87	7,085,710.87	30,603,203
GF	Property Tax - Unorganized Territory	0	0.00	0.00	0	0.00	0.00	11,278,476
GF	Income from Investments	0	4,207.14	4,207.14	0	4,207.14	4,207.14	6,046,546
GF	Transfer to Municipal Revenue Sharing	(9,513,270)	(9,366,075.10)	147,194.90	(9,513,270)	(9,366,075.10)	147,194.90	(117,153,468)
GF	Transfer from Lottery Commission	5,128,301	3,953,794.97	(1,174,506.03)	5,128,301	3,953,794.97	(1,174,506.03)	53,334,250
GF	Other Revenue	13,086,002	11,037,638.77	(2,048,363.23)	13,086,002	11,037,638.77	(2,048,363.23)	212,238,647
GF	<b>Totals</b>	<b>206,321,753</b>	<b>208,352,421.84</b>	<b>2,030,668.84</b>	<b>206,321,753</b>	<b>208,352,421.84</b>	<b>2,030,668.84</b>	<b>2,743,294,742</b>
HF	Fuel Taxes	18,453,378	17,732,329.87	(721,048.13)	18,453,378	17,732,329.87	(721,048.13)	228,958,605
HF	Motor Vehicle Registration and Fees	6,666,636	6,554,161.22	(112,474.78)	6,666,636	6,554,161.22	(112,474.78)	83,090,358
HF	Inspection Fees	341,049	407,492.80	66,443.80	341,049	407,492.80	66,443.80	4,397,970
HF	Fines	142,648	0.00	(142,648.00)	142,648	0.00	(142,648.00)	1,973,665
HF	Income from Investments	0	0.00	0.00	0	0.00	0.00	1,556,478
HF	Other Revenue	767,092	770,704.72	3,612.72	767,092	770,704.72	3,612.72	9,362,596
HF	<b>Totals</b>	<b>26,370,803</b>	<b>25,464,688.61</b>	<b>(906,114.39)</b>	<b>26,370,803</b>	<b>25,464,688.61</b>	<b>(906,114.39)</b>	<b>329,339,672</b>

**General Fund and Highway Fund Revenue**  
**Fiscal Year Ending June 30, 2005**  
**Based on All Actions of the 122nd Legislature through 1st Special Session**

**JUNE 2005 AND FINAL FY05 VARIANCE REPORT**

FUND	Revenue Line	June '05 Budget	June '05 Actual	June '05 Var.	FY05 YTD Budget	FY05 YTD Actual	FY05 YTD Variance	FY05 Budgeted Totals
GF	Sales and Use Tax	163,925,160	160,791,481.10	(3,133,678.90)	899,710,000	896,576,322.41	(3,133,677.59)	899,710,000
GF	Service Provider Tax	7,513,799	7,959,314.21	445,515.21	44,200,000	44,645,517.02	445,517.02	44,200,000
GF	Individual Income Tax	162,941,572	172,564,906.66	9,623,334.66	1,259,880,674	1,270,225,329.43	10,344,655.43	1,259,880,674
GF	Corporate Income Tax	20,440,222	31,311,775.60	10,871,553.60	123,300,647	135,862,913.44	12,562,266.44	123,300,647
GF	Cigarette and Tobacco Tax	7,636,092	9,016,257.85	1,380,165.85	96,019,864	96,350,703.70	330,839.70	96,019,864
GF	Public Utilities Tax	0	(10,914.00)	(10,914.00)	25,300,000	25,403,213.56	103,213.56	25,300,000
GF	Insurance Companies Tax	19,559,602	25,644,701.16	6,085,099.16	69,615,872	75,669,053.48	6,053,181.48	69,615,872
GF	Estate Tax	6,212,159	6,925,114.42	712,955.42	31,542,767	32,255,726.97	712,959.97	31,542,767
GF	Property Tax - Unorganized Territory	857,724	984,289.00	126,565.00	10,580,086	10,622,666.00	42,580.00	10,580,086
GF	Income from Investments	996,574	1,632,752.03	636,178.03	4,896,463	5,854,625.01	958,162.01	4,896,463
GF	Transfer to Municipal Revenue Sharing	(18,095,861)	(19,004,001.36)	(908,140.36)	(118,681,657)	(119,712,814.17)	(1,031,157.17)	(118,681,657)
GF	Transfer from Lottery Commission	4,284,408	3,631,568.39	(652,839.61)	50,292,750	49,328,102.14	(964,647.86)	50,292,750
GF	Other Revenue	34,680,238	40,793,137.11	6,112,899.11	264,281,977	267,763,694.42	3,481,717.42	264,281,977
GF	<b>Totals</b>	<b>410,951,689</b>	<b>442,240,382.17</b>	<b>31,288,693.17</b>	<b>2,760,939,443</b>	<b>2,790,845,053.41</b>	<b>29,905,610.41</b>	<b>2,760,939,443</b>
HF	Fuel Taxes	40,189,730	39,256,910.11	(932,819.89)	220,838,729	220,484,728.32	(354,000.68)	220,838,729
HF	Motor Vehicle Registration and Fees	8,961,045	9,437,708.44	476,663.44	81,378,234	84,645,422.12	3,267,188.12	81,378,234
HF	Inspection Fees	211,060	440,496.35	229,436.35	4,281,459	4,260,058.93	(21,400.07)	4,281,459
HF	Fines	198,110	145,515.79	(52,594.21)	1,890,359	1,518,580.08	(371,778.92)	1,890,359
HF	Income from Investments	242,779	347,463.73	104,684.73	1,059,903	1,462,255.27	402,352.27	1,059,903
HF	Other Revenue	5,671,574	5,619,298.67	(52,275.33)	13,817,473	13,707,110.54	(110,362.46)	13,817,473
HF	<b>Totals</b>	<b>55,474,298</b>	<b>55,247,393.09</b>	<b>(226,904.91)</b>	<b>323,266,157</b>	<b>326,078,155.26</b>	<b>2,811,998.26</b>	<b>323,266,157</b>

## General Fund Revenue Variances in "Other Revenue"

Revenue Source	Final Budgeted Revenue	Actual Revenue	Variance	Variance % of Budget
- Real Estate Transfer Tax	23,306,346.00	24,113,438.60	807,092.60	3.46%
- Commercial Forestry Excise Tax	3,005,149.00	2,890,634.98	(114,514.02)	-3.81%
- Liquor Sales and Operations	50,000,000.00	49,845,026.94	(154,973.06)	-0.31%
- Liquor Taxes and Fees	17,431,231.00	17,432,526.13	1,295.13	0.01%
- Banking Fees/Assessments	16,563,440.00	18,641,800.00	2,078,360.00	12.55%
- Corporation Fees & Licenses	5,451,707.00	5,637,742.60	186,035.60	3.41%
- Hunting and Fishing License Fees	16,138,609.00	16,691,165.14	552,556.14	3.42%
- Boat, ATV and Snowmobile Fees	4,014,349.00	4,148,935.52	134,586.52	3.35%
- Parimutuel and Gaming Revenue	1,214,900.00	1,362,610.69	147,710.69	12.16%
- Fines, Forfeits and Penalties ***	35,415,714.00	35,506,971.50	91,257.50	0.26%
- Targeted Case Management (HHS)	34,009,373.00	34,518,055.25	508,682.25	1.50%
- HHS Services Rendered	7,359,189.00	7,210,877.86	(148,311.14)	-2.02%
- State Cost Allocation Program	10,692,505.00	12,891,574.42	2,199,069.42	20.57%
- Unclaimed Property Transfer	10,000,000.00	10,000,000.00	0.00	0.00%
- Tourism Transfer	(7,554,189.00)	(7,554,190.00)	(1.00)	0.00%
- Clean Elections Fund Transfer	(2,250,000.00)	(2,232,650.00)	17,350.00	-0.77%
- Other Miscellaneous	39,483,654.00	36,659,174.79	(2,824,479.21)	-7.15%
Total	264,281,977.00	267,763,694.42	3,481,717.42	
IF&W Total Revenue *	21,478,863.00	21,817,659.08	338,796.08	1.58%
Maine Residents Property Tax Program **	(26,090,167.00)	(26,030,227.29)	59,939.71	-0.23%

\* IF&W Revenue is a component of the Other Revenue line but is not included in the Detail of Other Revenue because it includes Other Revenue classified above.

\*\* Maine Residents Property Tax Program or Circuit Breaker is reflected as a reduction of Individual Income Tax revenue and shown here as supplemental information

\*\*\* Additional detail of Fine Revenue

Judicial Fine Revenue	33,347,641.00	31,924,868.09	(1,422,772.91)	-4.26%
Fine Revenue - Other Agencies	2,068,073.00	3,582,103.41	1,514,030.41	73.21%

**General Fund Revenue Projections for FY2004-05  
All Reprojections & Legislative Changes**

Source	Revenue Forecasting Committee - Forecast and Revisions							Legislative Changes						Final Estimate	Actual Revenue	Variance and %
	Dec. 2002 Original	Mar. 2003 #1	Dec. 2003 #2	Mar. 2004 #3	Dec. 2004 #4	Mar. 2005 #5	June 2005 #6	121st 1R	121st 1S	121st 2R	121st 2S	122nd 1R	122nd 1S			
Sales and Use Tax	937,631,233	(6,400,000)	0	4,500,000	18,617,937	0	(15,000,000)	3,185,374	0	0	(42,824,544)	0	0	899,710,000	896,576,322	(3,133,678) -0.3%
Service Provider Tax <sup>1</sup>	0	0	0	0	0	0	(2,500,000)	0	0	0	46,700,000	0	0	44,200,000	44,645,517	445,517 1.0%
Individual Income Tax	1,189,445,209	(11,040,138)	0	(10,590,619)	29,664,902	(4,796,982)	70,000,000	16,699,132	0	0	(18,072,290)	(2,078,540)	650,000	1,259,880,674	1,270,225,329	10,344,655 0.8%
Corporate Income Tax	104,126,081	(7,706,081)	4,420,000	0	18,960,000	0	0	3,339,101	0	0	212,503	(50,957)	0	123,300,647	135,862,913	12,562,266 10.2%
Cigarette and Tobacco Tax	104,139,047	0	(7,219,183)	0	(900,000)	0	0	0	0	0	0	0	0	96,019,864	96,350,704	330,840 0.3%
Public Utilities Tax	28,600,000	0	(550,000)	0	(1,375,000)	0	(1,375,000)	0	0	0	0	0	0	25,300,000	25,403,214	103,214 0.4%
Insurance Companies Tax	59,510,321	0	(8,000)	0	12,767,456	0	(9,000,000)	5,845,595	0	0	500,500	0	0	69,615,872	75,669,053	6,053,181 8.7%
Estate Tax	6,268,801	0	3,058,827	0	(2,899,142)	0	2,500,000	22,414,281	0	0	200,000	0	0	31,542,767	32,255,727	712,960 2.3%
Property Tax - Unorg. Territory	10,634,139	0	0	0	0	0	0	(227,053)	0	0	173,000	0	0	10,580,086	10,622,666	42,580 0.4%
Income from Investments	2,418,000	0	(1,391,805)	0	3,064,390	811,728	0	0	0	0	(5,850)	0	0	4,896,463	5,854,625	958,162 19.6%
Transfer to Municipal Revenue Sharing	(116,022,530)	1,307,602	(225,420)	310,622	(3,429,383)	244,646	(2,677,499)	1,021,650	0	0	713,201	108,604	(33,150)	(118,681,657)	(119,712,814)	(1,031,157) 0.9%
Transfer from Liquor Commission	26,848,192	0	0	0	0	0	0	(26,848,192)	0	0	0	0	0	0	0	0 0.0%
Transfer from Lottery Commission	40,423,093	0	0	0	217,923	0	(2,000,000)	3,000,000	0	(332,681)	8,984,415	0	0	50,292,750	49,328,102	(964,648) -1.9%
Other Revenues	147,191,765	(94,480)	2,164,452	4,175,202	(2,740,774)	5,750,011	(12,204,153)	93,553,969	0	(1,146)	17,453,203	(2,544,709)	11,578,637	264,281,977	267,763,694	3,481,717 1.3%
<b>Total General Fund</b>	<b>2,541,213,351</b>	<b>(23,933,097)</b>	<b>248,871</b>	<b>(1,604,795)</b>	<b>71,948,309</b>	<b>2,009,403</b>	<b>27,743,348</b>	<b>121,983,857</b>	<b>0</b>	<b>(333,827)</b>	<b>14,034,138</b>	<b>(4,565,602)</b>	<b>12,195,487</b>	<b>2,760,939,443</b>	<b>2,790,845,053</b>	<b>29,905,610 1.1%</b>

1) Service Provider Tax was enacted during the 2nd Special Session of the 121st Legislature (PL 2003, c. 673, V).

## **Attachment B Fund Status Reports**

### **General Fund Status:**

- 1) 2004-2005 Final General Fund Status (Page 2)
- 2) 2006-2007 General Fund Status through 122<sup>nd</sup>, 2<sup>nd</sup> Special Session (Page 3)
- 3) General Fund FY 05 Year-end Transfers (Page 4)

The budgeted ending balance at the close of FY 05 was increased by excess revenue, unbudgeted lapsed balances and other accounting adjustments. Year-end transfers and commitments used all but \$6.5 million of the FY 05 increase to unappropriated surplus of \$48.1 million. The General Fund ending balance at the close of FY 05 and the beginning balance of the 2006-2007 biennium increased from \$27.1 million to \$33.7 million after fully funding the FY 05 "Cascade" items and statutory year-end transfers. The budgeted ending balance at the close of FY 07 is now projected to be \$11.6 million.

### **Highway Fund Status:**

- 1) 2004-2005 Final Highway Fund Status (Page 5)
- 2) 2006-2007 Highway Fund Status through 122<sup>nd</sup>, 2<sup>nd</sup> Special Session (Page 6)
- 3) Highway Fund FY 05 Year-end Transfers (Page 7)

Excess revenue, lapsed balances and an unbudgeted transfer of excess equity in the Retiree Health Insurance Fund increased the Highway Fund unallocated surplus by \$12.5 million in FY 05. Year-end transfer provisions distributed all but \$1 million of the additional unallocated surplus. \$2.9 million was transferred to the Highway Fund salary plan and \$8.5 million was transferred to the Highway and Bridge Improvement program within the Department of Transportation. The Highway Fund ending balance at the close of FY 05 and the beginning balance of the 2006-2007 biennium increased from \$7.7 million to \$8.7 million. The budgeted ending balance at the close of FY 07 is now projected to be \$2.0 million.

### **Fund for a Healthy Maine Status:**

- 1) 2004-2005 Final Fund for a Healthy Maine Status (Preliminary) (Page 8)
- 2) 2006-2007 Fund for a Healthy Maine Status through 122<sup>nd</sup>, 2<sup>nd</sup> Spec. Session (Page 9)

Excess revenue, lapsed balances and some prior period adjustments increased the Fund for a Healthy Maine balance at the close of FY 05 from the final budgeted amount of \$2.7 million to \$5.1 million. The budgeted ending balance at the close of the 2006-2007 biennium is now projected to be \$2.4 million. Final reconciliation is not yet complete, so amounts may be subject to change.

## GENERAL FUND STATUS

Reflects Final Status including all FY 05 Closing Transactions

	FY 04	FY 05
<b>AVAILABLE FUNDS</b>		
Transfers/Adjustments to Balance:		
Legislation Enacted During 121st Legislature, 1st Regular Session	(\$59,115,742)	\$10,915,243
Legislation Enacted During 121st Legislature, 2nd Regular Session	\$59,172,406	\$121,118
Legislation Enacted During 121st Legislature, 2nd Special Session	\$0	\$39,094,359
Legislation Enacted During 122nd Legislature, 1st Regular Session		(\$22,544,211)
Legislation Enacted During 122nd Legislature, 1st Special Session		\$4,255,194
Lapsed Balances - Unbudgeted	\$11,269,153	\$14,228,649
Statutory Year-end Transfers <sup>1</sup>	(\$61,868,065)	(\$37,644,754)
Prior Period and Other Accounting Adjustments	(\$4,061,995)	\$3,992,987
Subtotal - Transfers/Adjustments to Balance	(\$54,604,243)	\$12,418,585
Undedicated Revenue:		
December 2002 Base Revenue Estimate	\$2,442,713,204	\$2,541,213,351
March 2003 Revenue Revision	(\$24,330,049)	(\$23,933,097)
May 2003 Revenue Revision	\$3,500,000	\$0
December 2003 Revenue Revision	\$6,663,092	\$248,871
January 2004 Revenue Revision	\$2,066,000	\$0
March 2004 Revenue Revision	\$6,411,381	(\$1,604,795)
December 2004 Revenue Revision	\$0	\$71,948,309
March 2005 Revenue Revision	\$0	\$2,009,403
June 2005 Revenue Revision		\$27,743,348
Legislation Enacted During 121st Legislature, 1st Regular Session	\$181,599,545	\$121,983,857
Legislation Enacted During 121st Legislature, 1st Special Session	\$382,758	\$0
Initiated Bills Approved by the Voters November 2003 <sup>2</sup>	\$161,116	(\$337,327)
Legislation Enacted During 121st Legislature, 2nd Regular Session	\$1,470,280	\$3,500
Legislation Enacted During 121st Legislature, 2nd Special Session	(\$161,116)	\$14,034,138
Legislation Enacted During 122nd Legislature, 1st Regular Session	\$0	(\$4,565,602)
Legislation Enacted During 122nd Legislature, 1st Special Session	\$0	\$12,195,487
Revenue Variance - Actual minus Budgeted	\$63,063,346	\$29,905,610
Subtotal - Undedicated Revenue	\$2,683,539,557	\$2,790,845,053
<b>TOTAL PROJECTED RESOURCES</b>	<b>\$2,628,935,314</b>	<b>\$2,803,263,638</b>
<b>APPROPRIATIONS</b>		
Current Services Appropriations - Prior to Adjustments	\$2,904,908,056	\$3,037,223,745
Other Appropriations Enacted During 121st Legislature, 1st Regular Session	(\$349,384,189)	(\$375,379,773)
Appropriations Enacted During 121st Legislature, 1st Special Session	\$382,758	\$0
Appropriations Enacted During 121st Legislature, 2nd Regular Session <sup>3</sup>	\$86,342,860	(\$10,776,407)
Appropriations Enacted During 121st Legislature, 2nd Special Session	\$750,000	\$54,888,851
Appropriations pursuant to PL 2003, c. 513, Part P	\$0	\$3,945,662
Appropriations Enacted During 122nd Legislature, 1st Regular Session	\$0	\$50,137,267
Appropriations Enacted During 122nd Legislature, 1st Special Session	\$0	\$24,434,127
<b>TOTAL APPROPRIATIONS</b>	<b>\$2,642,999,485</b>	<b>\$2,784,473,472</b>
<b>NET CHANGE (PROJECTED RESOURCES LESS APPROPRIATIONS)</b>	<b>(\$14,064,171)</b>	<b>\$18,790,166</b>
<b>BEGINNING BALANCE <sup>4</sup></b>	<b>\$28,936,649</b>	<b>\$14,872,478</b>
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$14,064,171)</b>	<b>\$18,790,166</b>
<b>ENDING BALANCE <sup>4</sup></b>	<b>\$14,872,478</b>	<b>\$33,662,644</b>

**Notes:**

<sup>1</sup> Closing Transfers reflects those transfers authorized by Maine Revised Statutes Title 5, chapter 141 and reserve of amounts set aside pursuant to PL 2003, c. 513, Part P (the "Cascade"), which are transferred to individual programs in FY05 and increase FY05 appropriations by \$3,945,662.

<sup>2</sup> Reflects the revenue changes associated with LD 1371, IB 2003, c. 1, effective January 4, 2004. The requested additional appropriations associated with that initiated bill of \$360,439 in FY04 and \$346,182 in FY05 are not reflected because the initiated bill was not amended to reflect those additional General Fund costs.

<sup>3</sup> Includes LD 274, PL 2003, c. 510 enacted during the 1st Regular Session, but not signed by the Governor, returned to the 2nd Regular Session of the Legislature.

<sup>4</sup> Reflects the actual beginning and ending balances, including all adjustments through the close of the fiscal year ending June 30, 2005.

## GENERAL FUND STATUS

Reflects Enacted Law through 122nd Legislature, 2nd Special Session and Actual FY 05 Ending Balance

	FY 06	FY 07
<b>AVAILABLE FUNDS</b>		
Transfers/Adjustments to Balance:		
Legislation Enacted During 122nd Legislature, 1st Regular Session	(\$11,339,286)	(\$60,526,470)
Legislation Enacted During 122nd Legislature, 1st Special Session	\$52,560,918	\$33,959,682
Subtotal - Transfers/Adjustments to Balance	\$41,221,632	(\$26,566,788)
Undedicated Revenue:		
December 2004 Base Revenue Estimate	\$2,719,127,178	\$2,828,629,922
March 2005 Revenue Revision	\$4,518,518	\$13,559,873
Legislation Enacted During 122nd Legislature, 1st Regular Session	(\$49,627,185)	(\$41,880,069)
Legislation Enacted During 122nd Legislature, 1st Special Session	\$69,276,231	\$99,410,686
Subtotal - Undedicated Revenue	\$2,743,294,742	\$2,899,720,412
<b>TOTAL PROJECTED RESOURCES</b>	<b>\$2,784,516,374</b>	<b>\$2,873,153,624</b>
<b>APPROPRIATIONS</b>		
Governor's Recommended Current Services Appropriations	\$3,038,859,383	\$3,210,743,852
Other Appropriations Enacted During 122nd Legislature, 1st Regular Session	(\$371,216,736)	(\$469,358,239)
Appropriations Enacted During 122nd Legislature, 1st Special Session	\$142,973,478	\$127,768,250
<b>TOTAL APPROPRIATIONS</b>	<b>\$2,810,616,125</b>	<b>\$2,869,153,863</b>
<b>NET CHANGE (PROJECTED RESOURCES LESS APPROPRIATIONS)</b>	<b>(\$26,099,751)</b>	<b>\$3,999,761</b>

<b>BEGINNING BUDGETED BALANCE <sup>1</sup></b>	<b>\$33,662,644</b>	<b>\$7,562,893</b>
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$26,099,751)</b>	<b>\$3,999,761</b>
<b>ENDING BUDGETED BALANCE <sup>1</sup></b>	<b>\$7,562,893</b>	<b>\$11,562,654</b>

<b>APPROPRIATION LIMITS - Based on LD 1, PL 2005 c. 2 <sup>2</sup></b>		
<b>FY05 Base Appropriation Grown By 3.11% Growth Factor</b>	<b>\$2,794,180,033</b>	<b>\$2,881,079,032</b>
<b>General Purpose Aid for Local Schools Growth until 55% achieved</b>	<b>\$101,579,645</b>	<b>\$139,095,823</b>
<b>Total Appropriations Allowed by LD 1, PL 2005, c. 2 Appropriation Limit</b>	<b>\$2,895,759,678</b>	<b>\$3,020,174,855</b>
<b>Total Appropriations (from Above)</b>	<b>\$2,810,616,125</b>	<b>\$2,869,153,863</b>
<b>Amount that Appropriations are Above (Below) Limit</b>	<b>(\$85,143,553)</b>	<b>(\$151,020,992)</b>

**Notes:**

<sup>1</sup> Reflects budgeted ending balances based on enacted law through the end of 122nd Legislature, 1st Special Session and actual FY05 ending balance.

<sup>2</sup> LD 1, PL 2005, c. 2, establishes an appropriation limitation based on total FY05 Appropriations multiplied by a growth factor that is average real personal income growth (but no greater than 2.75%) plus average population growth. This percentage growth factor is 3.11% for the 2006-2007 biennium. Appropriations to General Purpose Aid for Local Schools (GPA) above FY05 GPA Appropriations are excluded from the limit until the State achieves a state share of 55% (by FY09 based on PL 2005, c. 2). When the state share of GPA Appropriations reaches 55%, GPA appropriations will also be subject to the percentage growth factor. This percentage factor will change, if the State's tax burden is in the middle 1/3 of states.

## Distribution of General Fund Unappropriated Surplus at Year's End

### Detail for Fiscal Year 2004-05

<b>Changes to Unappropriated Surplus over Budgeted Balance</b>	
Prior Period and Other Accounting Adjustments	\$3,992,986
Total Lapsed Balances <sup>1</sup>	\$27,375,960
Less Budgeted Lapsed Balances <sup>1</sup>	(\$13,147,311)
Excess/Surplus Revenue	\$29,905,610
<b>Total Increase (Decrease) of Unappropriated Surplus</b>	<b>\$48,127,246</b>
 <b>Distributions in Order of Priority</b>	
<b>First Priority Transfer before Calculation of %'s</b>	
1) Baxter Compensation Authority <sup>2</sup>	\$7,122,000
<b>Amount of Unappropriated Surplus for Remaining Statutory Transfers</b>	<b>\$41,005,246</b>
2) Budget Stabilization Fund (32% of Unappropriated Surplus after Deducting #1 Above)	\$13,121,679
3) Retirement Allowance Fund (32% of Unappropriated Surplus after Deducting #1 Above)	\$13,121,679
4) Reserve for General Fund Operating Capital (16% of Unappropriated Surplus after Deducting #1 Above)	\$6,560,839
5) State Contingent Account (up to \$350,000 to replenish account - 5 MRSA §1507)	\$349,219
6) Loan Insurance Reserve Fund (up to \$1,000,000 - 5 MRSA §1511)	\$1,000,000
7) DECD - Maine Microenterprise Initiative Fund <sup>3</sup>	\$315,000
<b>Net Increase (Decrease) to Unappropriated Surplus after Year-end Transfers</b>	<b>\$6,536,830</b>

**Notes:**

<sup>1</sup> Total of lapsed balances is from data provided by the Bureau of Accounts and Control. Budgeted lapsed balances are those items already included in Transfers and Adjustments to Balance in the Budgetary Status maintained by the Office of Fiscal and Program Review and are typically statutory language requiring certain amounts to lapse from General Fund carrying accounts.

<sup>2</sup> PL 2005, c. 386, Part Z authorizes a year-end transfer from available unappropriated surplus as the first priority before the statutory transfers (Items 1 to 5 above) of up to \$7,122,000 at the end of FY05 for the Baxter Compensation Authority.

<sup>3</sup> PL 2003, c. 673, Part BBBB authorizes a year-end transfer from available unappropriated surplus as the next priority after the statutory transfers (Items 1 to 5 above) of up to \$315,000 for the Maine Microenterprise Initiative Fund in DECD.

## HIGHWAY FUND STATUS

Reflects Final Status through FY05 Closing Transactions

	FY 04	FY 05
<b><u>AVAILABLE FUNDS</u></b>		
Transfers/Adjustments to Balance:		
Legislation Enacted During 121st Legislature, 1st Regular Session	(\$18,570,000)	(\$12,600,000)
Legislation Enacted During 121st Legislature, 2nd Special Session	\$3,000,000	\$5,918,560
Lapsed Balances - Unbudgeted	\$4,082,721	\$4,835,353
Statutory Year-end Transfers	(\$13,185,120)	(\$8,536,404)
Prior Period and Other Accounting Adjustments	\$1,818,730	\$1,889,053
Subtotal - Transfers/Adjustments to Balance	(\$22,853,669)	(\$8,493,438)
Undedicated Revenue:		
December 2002 Base Revenue Estimate	\$305,049,485	\$314,997,740
December 2003 Revenue Revision	(\$1,847,272)	(\$3,253,880)
March 2004 Revenue Revision	\$1,200,000	\$639,667
December 2004 Revenue Revision		\$3,947,371
March 2005 Revenue Revision		\$1,880,914
Legislation Enacted During 121st Legislature, 1st Regular Session	\$342,104	\$33,520
Legislation Enacted During 121st Legislature, 2nd Special Session	\$0	\$5,020,825
Revenue Variance - Actual minus Budgeted	\$7,283,669	\$2,811,998
Subtotal - Undedicated Revenue	\$312,027,986	\$326,078,155
<b>TOTAL PROJECTED RESOURCES</b>	<b>\$289,174,317</b>	<b>\$317,584,717</b>
<b><u>ALLOCATIONS</u></b>		
Current Services Allocations - Prior to Adjustments	\$333,057,107	\$337,810,322
Other Allocations Enacted During 121st Legislature, 1st Regular Session	(\$43,660,556)	(\$35,652,273)
Allocations Enacted During 121st Legislature, 2nd Regular Session	\$0	(\$75,000)
Allocations Enacted During 121st Legislature, 2nd Special Session	\$4,177,772	\$8,848,848
Allocations Enacted During 122nd Legislature, 1st Regular Session	\$0	\$0
<b>TOTAL ALLOCATIONS</b>	<b>\$293,574,323</b>	<b>\$310,931,897</b>
<b>NET CHANGE (PROJECTED RESOURCES LESS ALLOCATIONS)</b>	<b>(\$4,400,006)</b>	<b>\$6,652,820</b>
<b>BEGINNING BALANCE <sup>1</sup></b>	<b>\$6,478,244</b>	<b>\$2,078,238</b>
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$4,400,006)</b>	<b>\$6,652,820</b>
<b>ENDING BALANCE <sup>2</sup></b>	<b>\$2,078,238</b>	<b>\$8,731,058</b>

**Notes:**

<sup>1</sup> Reflects the actual beginning balance, including all adjustments through the close of the fiscal year ending June 30, 2004.

<sup>2</sup> Reflects actual ending balance, including all adjustments through the close of the fiscal year ending June 30, 2005.

## HIGHWAY FUND STATUS

Reflects Enacted Law through 122nd Legislature, 2nd Special Session and Actual FY 05 Ending Balance

	FY 06	FY 07
<b><u>AVAILABLE FUNDS</u></b>		
Transfers/Adjustments to Balance:		
Legislation Enacted During 122nd Legislature, 1st Special Session	\$0	\$443,276
Subtotal - Transfers/Adjustments to Balance	\$0	\$443,276
Undedicated Revenue:		
December 2004 Base Revenue Estimate	\$330,427,181	\$340,210,231
March 2005 Revenue Revision	(\$386,001)	(\$386,000)
Legislation Enacted During 122nd Legislature, 1st Special Session	(\$701,508)	(\$898,812)
Subtotal - Undedicated Revenue	\$329,339,672	\$338,925,419
<b>TOTAL PROJECTED RESOURCES</b>	<b>\$329,339,672</b>	<b>\$339,368,695</b>
<b><u>ALLOCATIONS</u></b>		
Governor's Recommended Current Services Allocations	\$343,720,550	\$352,630,576
Other Allocations Enacted During 122nd Legislature, 1st Regular Session	(\$8,754,644)	(\$16,836,221)
Allocations Enacted During 122nd Legislature, 1st Special Session	\$1,607,105	\$3,083,197
<b>TOTAL ALLOCATIONS</b>	<b>\$336,573,011</b>	<b>\$338,877,552</b>
<b>NET CHANGE (PROJECTED RESOURCES LESS ALLOCATIONS)</b>	<b>(\$7,233,339)</b>	<b>\$491,143</b>
<b>BEGINNING BALANCE <sup>1</sup></b>	<b>\$8,731,058</b>	<b>\$1,497,719</b>
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$7,233,339)</b>	<b>\$491,143</b>
<b>ENDING BALANCE</b>	<b>\$1,497,719</b>	<b>\$1,988,862</b>

**Notes:**

<sup>1</sup> Reflects actual ending balance for FY05 including all FY05 closing transactions.

## Distribution of Highway Fund Unallocated Surplus at Year's End

### Detail for Fiscal Year 2004-05

<b>Changes to Unallocated Surplus over Budgeted Balance</b>	
Prior Period and Other Accounting Adjustments	(\$87,868)
Excess Retiree Health Insurance Distribution <sup>2</sup>	\$4,942,303
Total Lapsed Balances <sup>1</sup>	\$4,835,353
Less Budgeted Lapsed Balances <sup>1</sup>	\$0
Excess/Surplus Revenue	\$2,811,998
<b>Total Increase (Decrease) of Unallocated Surplus</b>	<b>\$12,501,786</b>
 <b>Distributions of Highway Fund Unallocated Surplus</b>	
1) Transfer of 60% of Excess Retiree Health Insurance Distribution to Salary Plan <sup>2</sup>	\$2,965,382
2) Transfer to Transportation, Highway and Bridge Improvement Program <sup>3</sup>	\$8,536,404
<b>Net Increase (Decrease) to Unallocated Surplus after Year-end Transfers</b>	<b>\$1,000,000</b>

**Notes:**

<sup>1</sup> Total of lapsed balances is from data provided by the Bureau of Accounts and Control. Budgeted lapsed balances are those items already included in Transfers and Adjustments to Balance in the Budgetary Status maintained by the Office of Fiscal and Program

<sup>2</sup> The additional distribution of the excess retiree health insurance in excess of the \$12,500,000 budgeted in PL 2003, c. 673, Part UU was to be distributed 60% to the Highway Fund Salary Plan and 40% to Unallocated Surplus of the Highway Fund pursuant to PL 2005, c. 37, Part A and PL 2005, c. 3, Part C.

<sup>3</sup> PL 2005, c. 405 Part F provided that all increases of Highway Fund unallocated surplus over \$1,000,000 would be transferred to Highway and Bridge Improvement Program within the Department of Transportation.

## FUND FOR A HEALTHY MAINE (FHM) STATUS

Based on all actions of the 121st Legislature through the Second Special Session;  
Actual FY 2005 Revenue and Expenditures; and December 2004 Revenue Forecast

	FY 04	FY 05
<b><u>FHM RESOURCES:</u></b>		
<b><u>Revenue</u></b>		
December 2002 Base Revenue Estimate	\$49,737,100	\$50,441,892
December 2003 Revenue Revision	(\$573,250)	(\$1,644,765)
Revenue - Initiated Bill 2003, c. 1	\$0	\$2,661,450
Revenue - 121st Legislature, 2nd Special Session (PL 2003, c. 687)	\$0	(\$1,076,557)
December 2004 Revenue Revision	\$0	(\$1,845,114)
Revenue Variances (Actual minus Budgeted Revenue)	(\$156,056)	\$574,430
Subtotal - Revenue	\$49,007,794	\$49,111,336
<b><u>Other Resources and Adjustments</u></b>		
Adjustments to Prior Year Balances	\$353,641	\$677,025
Lapsed Balances from Unexpended Funds	\$2,945,108	\$1,165,977
Subtotal - Other Resources and Adjustments	\$3,298,749	\$1,843,002
<b>Total Resources</b>	<b>\$52,306,543</b>	<b>\$50,954,337</b>
<b><u>FHM ALLOCATIONS AND OTHER USES: <sup>1</sup></u></b>		
<b><u>Transfers</u></b>		
Transfers - 121st Legislature, 1st Regular Session	\$6,656,040	\$0
Transfers to General Fund (PL 2003, c. 20, Statewide Deallocations)	\$80,588	\$55,218
Subtotal - Transfers	\$6,736,628	\$55,218
<b><u>Allocations</u></b>		
Governor's Recommended Current Services Allocations	\$48,906,816	\$48,950,405
Other Allocations - 121st Legislature, 1st Regular Session	\$963,109	\$967,827
Allocations - PL 2003, c. 20, Statewide Deallocations	(\$80,588)	(\$55,218)
Allocations - 121st Legislature, 2nd Regular Session	\$410,000	\$0
Allocations - 121st Legislature, 2nd Special Session	\$0	\$0
Subtotal - Allocations	\$50,199,337	\$49,863,014
<b>Total Allocations and Other Uses</b>	<b>\$56,935,965</b>	<b>\$49,918,232</b>
<b>Net Change (Resources minus Allocations and Other Uses)</b>	<b>(\$4,629,422)</b>	<b>\$1,036,105</b>
<b>BEGINNING BALANCE <sup>2</sup></b>		
	\$8,674,690	\$4,045,268
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$4,629,422)</b>	<b>\$1,036,105</b>
<b>ENDING BALANCE <sup>2</sup></b>	<b>\$4,045,268</b>	<b>\$5,081,373</b>

**NOTES:**

<sup>1</sup> For the purposes of this summary, transfers out are treated as an expenditure/use and are positive amounts.

<sup>2</sup> Reflects actual beginning and ending balances including all FY 05 closing transactions. FY 04 beginning balance includes write-offs of commitments against the Fund for a Healthy Maine balance in PL 2003, c. 513 to make fund balance consistent with the cash position of the Fund for a Healthy Maine account in the Department of Administrative and Financial Services.

**FUND FOR A HEALTHY MAINE (FHM) STATUS**

Reflects Enacted Law through the 122nd Legislature, 2nd Special Session and Actual FY 05 Ending Balance

	FY 06	FY 07
<b><u>FHM RESOURCES:</u></b>		
<b><u>Revenue</u></b>		
December 2004 Base Revenue Estimate	\$48,784,525	\$59,424,155
Subtotal - Revenue	\$48,784,525	\$59,424,155
<b><u>Other Resources and Adjustments</u></b>		
122nd Legislature, 1st Regular and 1st Special Sessions	\$0	\$0
Subtotal - Other Resources and Adjustments	\$0	\$0
<b>Total Resources</b>	<b>\$48,784,525</b>	<b>\$59,424,155</b>
<b><u>FHM ALLOCATIONS AND OTHER USES: <sup>1</sup></u></b>		
<b><u>Transfers</u></b>		
Transfers - 122nd Legislature, 1st Regular Session	\$0	\$0
Transfers - 122nd Legislature, 1st Special Session	\$400,000	\$4,600,000
Subtotal - Transfers	\$400,000	\$4,600,000
<b><u>Allocations</u></b>		
Governor's Recommended Current Services Allocations <sup>2</sup>	\$49,501,587	\$50,299,252
Other Allocations - 122nd Legislature, 1st Regular Session	\$0	\$0
Allocations - 122nd Legislature, 1st Special Session, "Part 2" Budget	\$367,409	\$486,821
Allocations - 122nd Legislature, 1st Special Session, "Part 3" Budget	\$0	\$5,213,520
Subtotal - Allocations	\$49,868,996	\$55,999,593
<b>Total Allocations and Other Uses</b>	<b>\$50,268,996</b>	<b>\$60,599,593</b>
<b>Net Change (Resources minus Allocations and Other Uses)</b>	<b>(\$1,484,471)</b>	<b>(\$1,175,438)</b>
<b>BEGINNING BALANCE <sup>3</sup></b>	<b>\$5,081,373</b>	<b>\$3,596,902</b>
<b>NET CHANGE (FROM ABOVE)</b>	<b>(\$1,484,471)</b>	<b>(\$1,175,438)</b>
<b>ENDING BALANCE</b>	<b>\$3,596,902</b>	<b>\$2,421,464</b>

**NOTES:**<sup>1</sup> For the purposes of this summary, transfers out are treated as an expenditure/use and are positive amounts.<sup>2</sup> Current Services allocations are approximately flat-funded from FY 05 levels (FY 05 Allocations = \$49,863,014).<sup>3</sup> Reflects the actual FY 05 ending balance, including all revenue and expenditure variances and closing transactions for FY 05.

## Attachment C

### Cash Pool and Cash Trends

**July 2005 Cash Pool Average Balances (Page 2)** – The average daily balance of July 2005 General Fund cash was negative by \$9.5 million. Excluding the average balances attributable to the major General Fund reserve accounts and Tax Anticipation Notes, the average balance in the General Fund would have been negative by \$113.6 million. The overall negative position for July is largely attributable to the delay in issuing Tax Anticipation Notes (TAN's) and a lower total issue amount. The FY 06 TAN's total \$123.6 million and were issued on July 21<sup>st</sup>. This amount is lower than the FY 05 TAN's by \$66.4 million. This reduced reliance on TAN's indicates an improving trend in overall General Fund cash position.

**Cash Pool Average Balance History (Page 3)** – This graph depicts the history of the average balances in the Cash Pool beginning in FY 02. The greatest volatility in the average balance is in the "General Fund – Other" (red portion of the graph), which represents the General Fund cash position excluding TAN's and reserve balances. While this portion has been negative through this period, the recent trend has been positive. The Green and Yellow portions of the graph show the combined major General Fund reserve accounts. As the reserve balances were depleted in FY 03, the General Fund had to rely on TAN's (light green) to provide liquidity. The reliance on TAN's peaked in FY 03 at \$275 million and has declined to \$123.6 in FY 06. The other portions of the cash pool are much less volatile.

**General Fund Cash Balances (Page 4 & 5)** – These 2 graphs show the historical trends in General Fund cash balances. The average monthly balances in these graphs are generated by OFPR staff looking up and entering daily beginning balances and averaging them over each month. The first graph includes TAN's (and also provides a table of the history of TAN authorizations and amounts issued) and the second excludes TAN's. The trend (measured by a 12-month moving average to smooth out monthly fluctuations) in the first graph is declining but is declining due to the reduced reliance on TAN's and the amounts issued. The second graph gives a better sense of the General Fund trend. A look at the trend through June 2005 initially looked like the General Fund had peaked and was heading downward. This decline was largely due to the substantial initial lease payments for the wholesale liquor operation received at the end of FY 04 and beginning of FY 05.

**Highway Fund Cash Balances (Page 6)** – Attached is a graph showing the historical trends in Highway Fund cash balances very similar to the General Fund graphs (compiled by OFPR staff). After trending upward during the second half of FY 04, the Highway Fund trend headed downward for several months at the end of FY 05. This reduction was largely due to the budgeted transfers to the General Fund, which were recorded in April 2005. The most recent trend line seems to have recovered and seems to be heading upward again.

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Updated: August 24, 2005

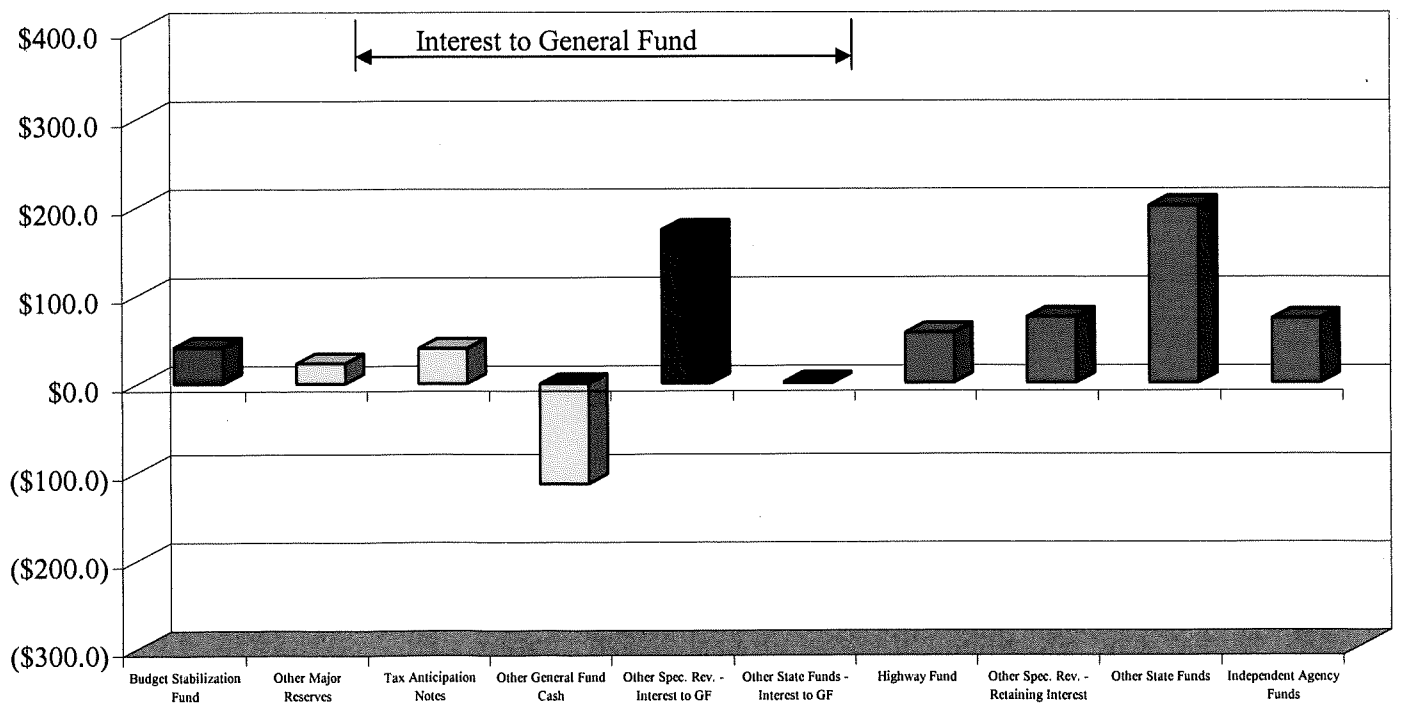
## Composition of State's Cash Pool

### July 2005 Average Daily Balances

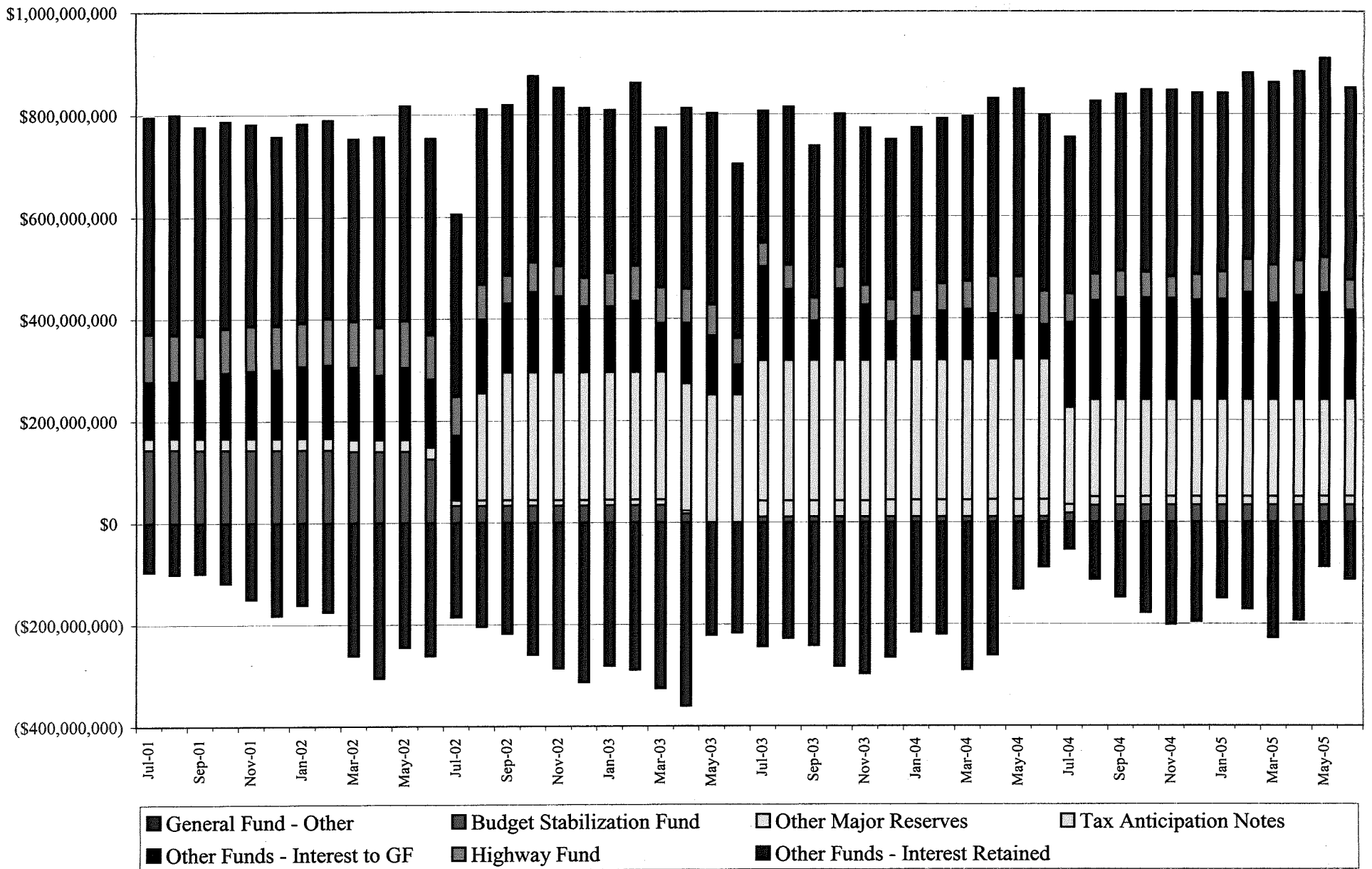
	July 2005
General Fund - Total	(\$9,522,550)
General Fund - Detail	
Budget Stabilization Fund (Rainy Day Fund)	\$41,113,315
Reserve for General Fund Operating Capital	\$23,093,792
Tax Anticipation Notes	\$39,879,032
General Fund - Other	(\$113,608,689)
Highway Fund	\$56,773,897
Other Special Revenue - Contributing to General Fund	\$174,044,110
Other Special Revenue - Retaining Interest Earned	\$74,717,663
Other State Funds - Contributing Interest to General Fund	\$1,679,954
Other State Funds	\$200,568,941
Independent Agency Funds	\$72,980,548
<b>Total Cash Pool</b>	<b>\$571,242,563</b>

## Composition of Cash Pool

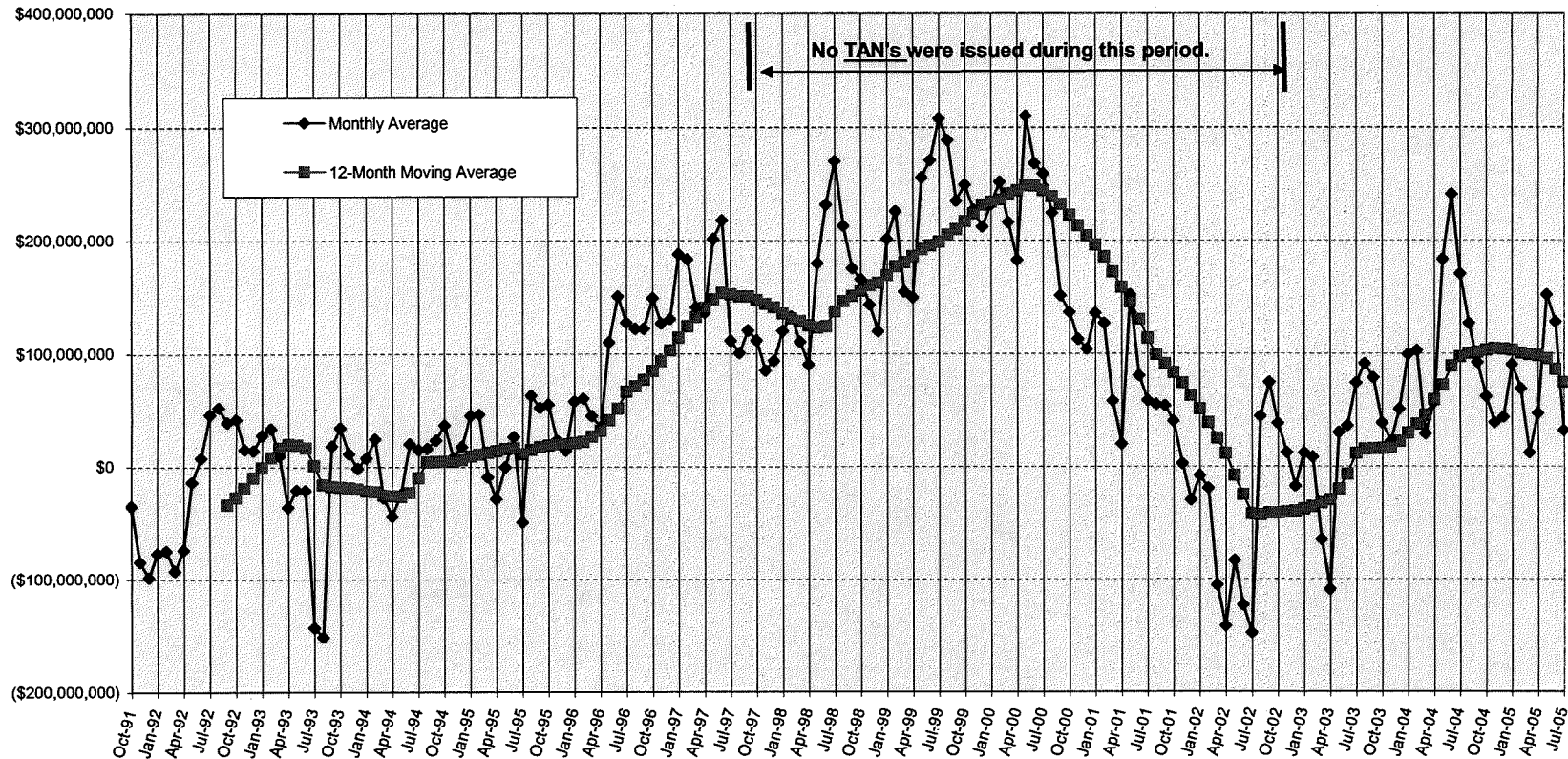
### Average Daily Balances in July 2005



## CASH POOL HISTORY - FY02 TO FY05



# **GENERAL FUND DAILY STARTING CASH BALANCES**

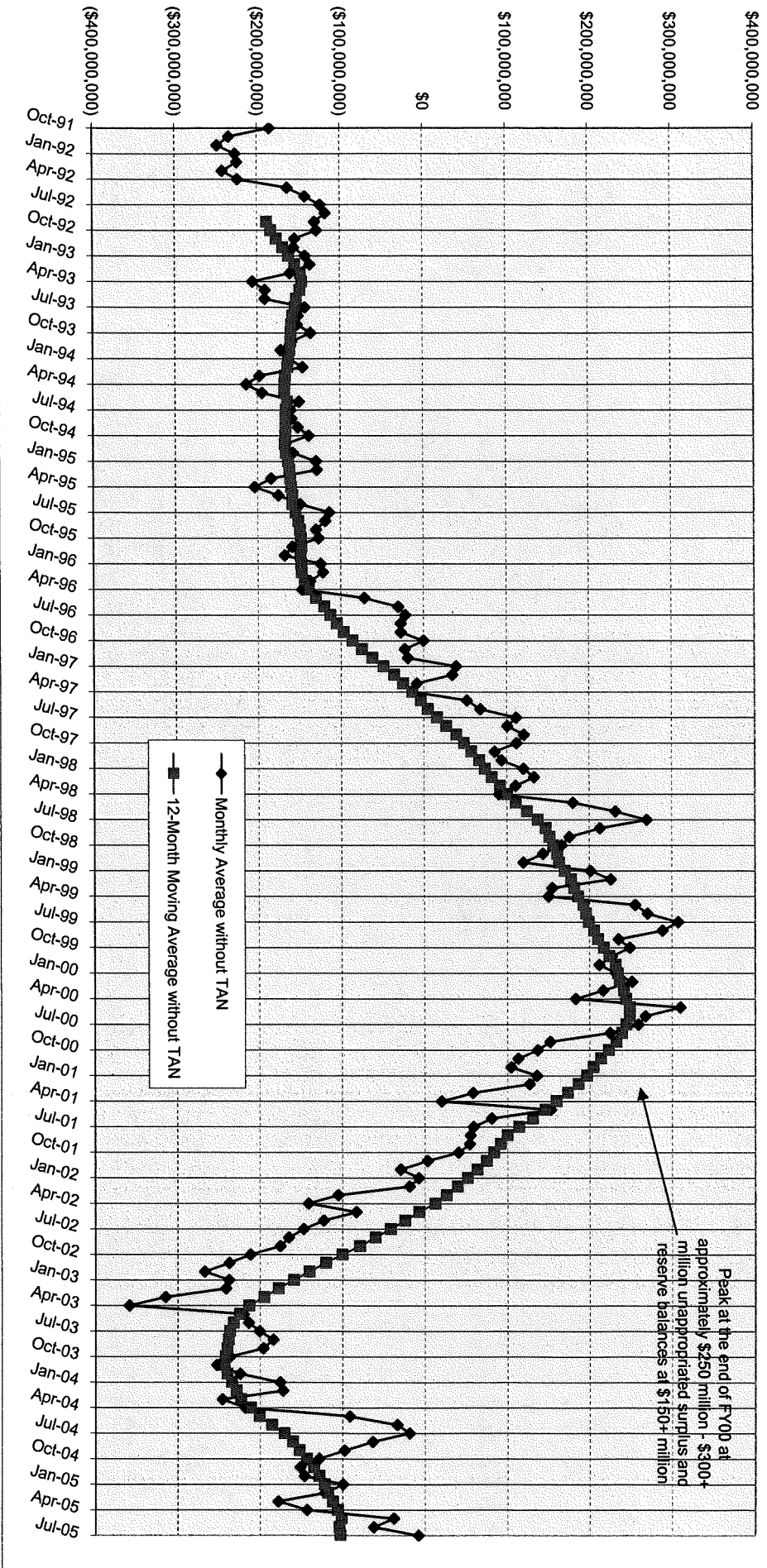


**TAX ANTICIPATION NOTES (TAN's) - History from FY 1990-91 <sup>(1)</sup>**

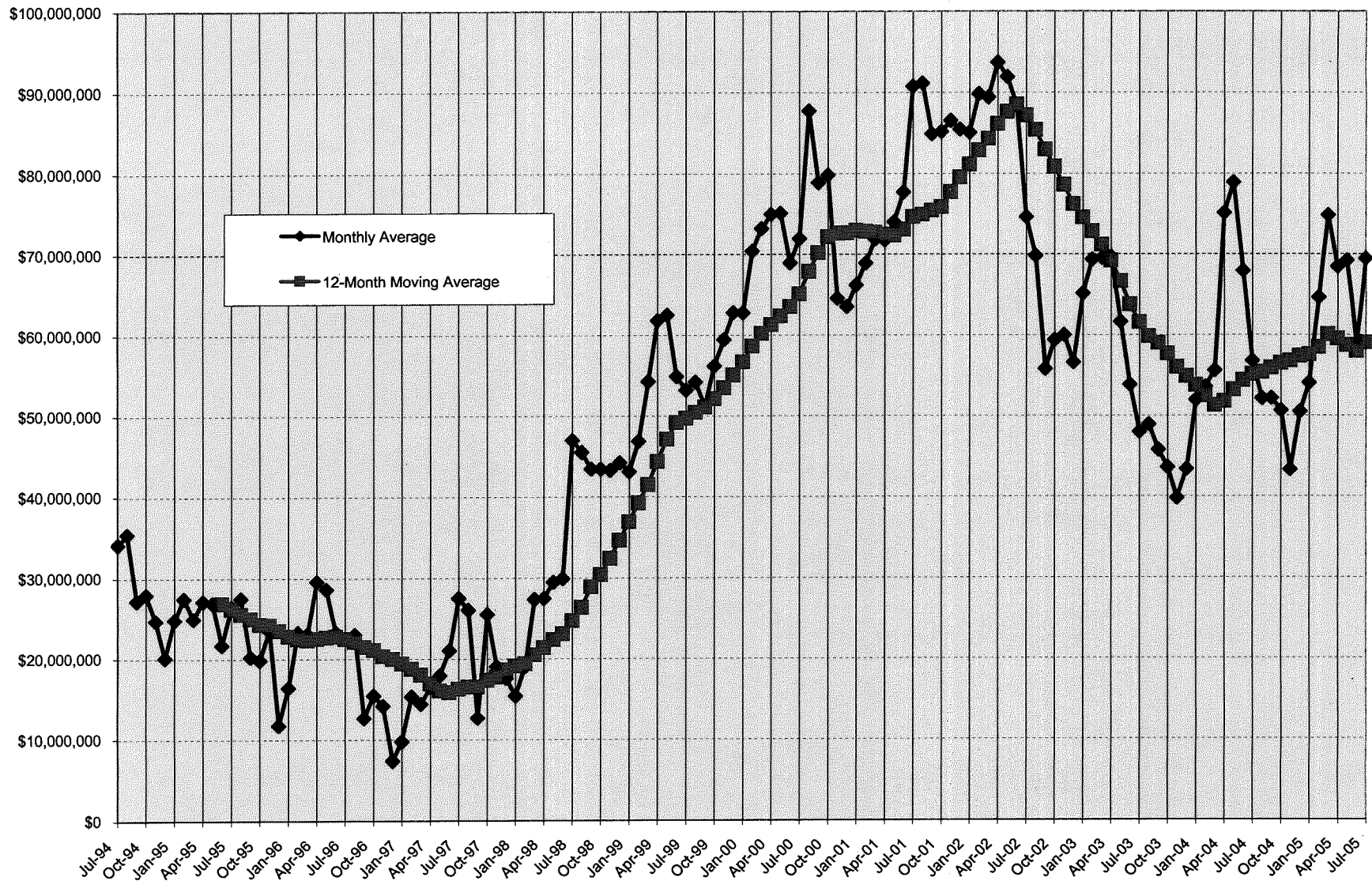
Fiscal Year	Amount Authorized	Amount Issued	Reference
2005-06 <sup>(1)</sup>	\$314,718,914 <sup>(1)</sup>	\$123,625,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2004-05 <sup>(1)</sup>	\$309,540,537 <sup>(1)</sup>	\$190,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2003-04 <sup>(1)</sup>	\$293,657,381 <sup>(1)</sup>	\$275,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2002-03 <sup>(1)</sup>	\$282,869,203 <sup>(1)</sup>	\$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:** <sup>(1)</sup> 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 through 2004-05 reflect final General Fund appropriations and Highway Fund allocations. Amounts for fiscal year 2005-06 reflect budgeted amounts through the 122nd 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



## 2005 Interim Study Status Report

(as of August 18, 2005)

#	Study Name	Policy Area	Appointment Deadline	Start Date	Report Dates/Reports to:	Number of Appointed Members	Appointments made as of 8/18/05	Responsible Agency/Staffing	Study Status as of 8/18/05
1	Study of Forest Ownership in Maine (staff study in conjunction with C/O of LD 1406)	ACF	No appointments needed	July, 2005	ACF	None		OPLA staff study	Initial research begun
2	Commission to Reform the State Budget Process (PL 2005, c. 386, Part O)	AFA	7/30/2005	No later than 15 days after all appointments	To AFA Committee by 1/3/06	12	8	Bureau of the Budget	Awaiting completion of appointments
3	CRJ Committee review of Sex Offender Laws (PL 2005, c. 423)	CRJ	No appointments needed	Not specified	No report	None		OPLA staffing	CRJ met on 8/9/05
4	Task Force to Study Maine's Homeland Security Needs (Resolve 2005, c. 126)	CRJ	7/23/2005	No later than 8/1/2005	12/7/05 Interim Report; 11/1/06 Final Report (both to Legislature)	11	0	Maine Emergency Management Agency staffing	Awaiting completion of appointments
5	Legislative Youth Advisory Council (PL 2001 c.439, as amended by PL 2005, c. 414)	EDU	Continuing	Continuing	Annually; Legislature	22	16	OPLA staffing	OPLA has met with Dept of Education; no LYAC meeting yet scheduled
6	Review and Recodify Laws Pertaining to Violence in Our Schools (Resolve 2005, c. 120)	EDU	No appointments needed	Not specified	Legislation due 12/7/05 to EDU	None		OPLA and ROS	Initial research begun
7	Blue Ribbon Commission on the Future of MaineCare (Resolve 2005, c. 117)	HHS	7/21/2005	No later than 8/1/05	12/7/05 to HHS and AFA	10	0	OPLA and OFPR staffing	Awaiting completion of appointments
8	Governor's Committee to Study the Feasibility of the Importation of Prescription Drugs (P&S 2005, c. 26)	HHS	Not specified	Not specified	1/15/06 to HHS	Two Legislative appointments needed	0	Governor's Office	Awaiting completion of appointments
9	Task Force to Study Cervical Cancer Prevention, Detection and Education (Resolve 2005, c. 121)	HHS	7/21/2005	By 8/1/05	12/7/05 to HHS and Gov; Final Report 11/1/06 to HHS and Gov	16	2	OPLA staffing	Awaiting completion of appointments

# 2005 Interim Study Status Report

(as of August 18, 2005)

#	Study Name	Policy Area	Appointment Deadline	Start Date	Report Dates/Reports to:	Number of Appointed Members	Appointments made as of 8/18/05	Responsible Agency/Staffing	Study Status as of 8/18/05
10	DHHS Working Group on Department's Accounting Structure (PL 2005, c. 412)	HHS	No appointments needed	Not specified	10/1/05 to HHS; AFA and Gov	None		OPLA/OFPR will participate in working group	DHHS staffing. No meetings held yet
11	Review the Establishment of the DHHS (PL 2003, c. 689)	HHS	No appointments needed	Continuing	No report	None		DHHS is lead agency (with drafting assistance from OPLA and ROS)	DHHS briefing to HHS Committee on Dept structure to be scheduled
12	Health Care System and Health Security Board (PL 2001, Part ZZZ)	IFS	10/20/2001	Continuing	12/7/05 to IFS	20	17	OPLA staffing	Meeting expected in October
13	Freedom of Access Advisory Committee (Resolve 2005, c. 123)	JUD	10/2/2005	Not later than 10/1/05	12/7/05 to LC, JUD and Governor	13	2	OPLA staffing	Awaiting completion of appointments
14	Study State Compliance with Federal Indian Child Welfare Act of 1978 (Resolve 2005, c. 118)	JUD	7/21/2005	Not later than 8/1/05	12/7/05 to LC & JUD	12	4	OPLA staffing	Awaiting completion of appointments
15	Study Commission Regarding Livable Wages (Resolve 2005, c. 118)	LAB	10/17/2005	Not later than 10/1/05	12/7/05 to Legislature	12	3	OPLA staffing	Awaiting completion of appointments
16	Task Force on Substance Abuse Testing and Treatment (PL 2005, c. 443)	LAB	Not specified	Not specified	12/7/05 to LAB	None		Department of Labor	N/A
17	Citizen Trade Policy Commission (PL 2003, c. 699)	LAB	Not specified	Continuing	Annually to Legislature, Gov and others	17	17	OPLA staffing	Draft of first annual report being circulated for comments.
18	Commission to Arrange for a Monument Honoring Women Veterans of Maine (Resolve 2005, c. 116)	LVA	10/17/2005	No later than 8/1/2005	1/2/06 and 3/1/06 to Capitol Planning Commission	8	1	OPLA staffing	Awaiting completion of appointments
19	Commission to Study Alternative Voting Procedures, and Citizen Initiative Process and Minor Party Ballot Access (Resolve 2005, c. 127)	LVA	10/17/2005	No later than 8/1/05	12/7/05 to Legislature	11	3	OPLA staffing	Awaiting completion of appointments

## 2005 Interim Study Status Report

(as of August 18, 2005)

#	Study Name	Policy Area	Appointment Deadline	Start Date	Report Dates/Reports to:	Number of Appointed Members	Appointments made as of 8/18/05	Responsible Agency/Staffing	Study Status as of 8/18/05
20	Study of State Regulation of Groundwater Withdrawal ( <i>PL 2005, c. 452</i> )	NAT	Not specified	No later than 10/1/05	11/1/07 to NAT	None		Maine Geological Survey	Ongoing by MGS
21	Committee to Establish a Memorial for Emergency Medical Services Personnel ( <i>Resolve 2005, c. 124</i> )	SLG	10/17/2005	Within 15 days of all appointments	1/15/06 to SLG; 3/15/06 to SLG and Capitol Planning Commission	9	2	DAFS	Awaiting completion of appointments
22	Commission to Study the Cost of Providing Certain Services in the Unorganized Territories ( <i>Resolve 2005, c. 125</i> )	TAX	7/23/2005	No later than 8/1/05	12/7/05 to Legislature	17	7	OFPR	Awaiting completion of appointments

### Appointment Summary

Number of appointed positions	192
Appointments made as of 8/18/05	82
Percent of appointments complete	42.7%

### Study Activity Summary

Studies awaiting appointments	12
Initial activity/research started	6
Other ( <i>no activity or expected to start soon</i> )	4
	22

**122<sup>nd</sup> MAINE STATE LEGISLATURE  
LEGISLATIVE COUNCIL  
Technology Report  
August 25, 2005**

**Final Report**

**Bill Drafting System:**

- HP installed the final production version of the bill drafting software on Monday, August 22<sup>nd</sup>
- This software installation includes all contractual requirements and fixes
- User testing of the software is being conducted by the Revisor's Office with testing to be completed on August 25<sup>th</sup>
- The Legislature have five workdays until September 1<sup>st</sup> to review the test data and advise HP of the test results
- Pending the completion of all testing and a final review with the Revisor and Executive Director, initial test results would indicate a successful test
- Preparations to place the bill drafting system into production will commence upon formal acceptance of the software

**Action Taken by Ballot by  
the Legislative Council**

**1. Request for Introduction of Legislative**

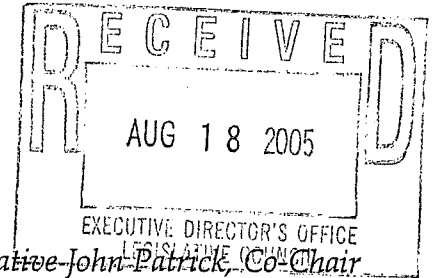
- A. LR 2434:      Resolve, Reauthorizing the Balance of the 1999 Land for Maine's Future  
Bond Issue  
Submitted by:    Speaker John Richardson  
Accepted:        July 29, 2005, 8 - 0 - 0 - 2

# Maine Citizen Trade Policy Commission



*Senator Margaret Rotundo, Co-Chair*

*Representative John Patrick, Co-Chair*



STATE OF MAINE

## MEMORANDUM

TO: Rep. John Richardson, Chair, Legislative Council

FROM: Margaret Rotundo, Senate Chair  
John Patrick, House Chair  
Maine Citizen Trade Policy Commission

DATE: August 17, 2005

RE: Request to carryover funds from FY 04-05 to FY 05-06

The Citizen Trade Policy Commission is an ongoing study commission that was established pursuant to Public Law 2003, chapter 699, in recognition of the need to establish a state-level mechanism to appropriately assess the impact of international trade agreements on Maine's state and local laws, business environment and working conditions. Public Law 2003, chapter 699, requires the Commission to issue an assessment on an annual basis. The Commission held its first meeting in October, 2004, and has held 7 additional meetings and 2 public hearings since that time. Through those meetings the Commission has begun to grasp the complexities of international trade agreements; however, when coupled with the intricacies of Maine's economy and business environment, it is clear that the task of assessing the impact of those agreements on Maine will require close evaluation that will take time and financial resources. This is especially true of the Commission's first assessment as it may establish the foundation for future assessments by the Commission and others.

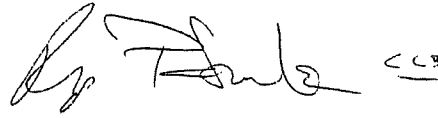
In Fiscal Year 04-05, the Commission was budgeted \$5,000 to complete its first assessment. For the reasons mentioned above, we were unable to utilize those funds before the end of that fiscal year. Therefore, we respectfully request that those funds be carried forward and added to the Commission's FY 05-06 budget in order to provide the Commission with additional funding and time to conduct its first assessment.

Thank you for your consideration of this matter.

Sincerely,

Handwritten signature of Margaret Rotundo in cursive.

Margaret Rotundo  
Senate Co-Chair

Handwritten signature of John Patrick in cursive.

John Patrick  
House Co-Chair

cc:

Members, Legislative Council  
David Boulter, Executive Director  
Patrick Norton, Deputy Director, OPLA

APPROVED

CHAPTER

JUN 23 '05

126

BY GOVERNOR

RESOLVES

STATE OF MAINE

IN THE YEAR OF OUR LORD  
TWO THOUSAND AND FIVE

S.P. 610 - L.D. 1645

Resolve, To Establish the Task Force To Study Maine's  
Homeland Security Needs

**Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it is appropriate and timely to create a task force to receive the report of Maine's Homeland Security Task Force and to involve and educate the Legislature and the public regarding the issues of preparedness and emergency response; and

Whereas, it is also important to identify the State's needs and resource gaps regarding homeland security; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

**Sec. 1. Task force established.** Resolved: That the Task Force to Study Maine's Homeland Security Needs, referred to in this resolve as "the task force," is established; and be it further

**Sec. 2. Task force membership. Resolved:** That the task force consists of 11 members appointed as follows:

1. Two Senators, who may not be members of the same political party, appointed by the President of the Senate;

2. Four members of the House of Representatives, who may not all be members of the same political party, appointed by the Speaker of the House; and

3. Five members representing the public interest who are not directly involved in emergency preparedness or homeland security, one appointed by the President of the Senate, one appointed by the Speaker of the House of Representatives and 3 members appointed by the Governor; and be it further

**Sec. 3. Chair. Resolved:** That the first-named Senate member is the Senate chair of the task force and the first-named House of Representatives member is the House chair of the task force; and be it further

**Sec. 4. Appointments; convening of task force. Resolved:** That all appointments must be made no later than 30 days following the effective date of this resolve. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. Within 15 days after appointment of all members, the chairs shall call and convene the first meeting of the task force, which may be no later than August 1, 2005; and be it further

**Sec. 5. Duties. Resolved:** That the task force shall do the following:

1. Review Maine's homeland security needs in areas, including, but not limited to, law enforcement, emergency preparedness, public health, port and airport security and sensitive-target security;

2. Review the current state of homeland security preparedness, spending priorities and any gap between available resources and identified needs in such areas as personnel, equipment and training, including review of the impact of Maine National Guard and Reserve deployments abroad on Maine's emergency preparedness;

3. As part of its review of needs and preparedness, receive a report on the status of the Maine's Homeland Security Task Force report on its vision and plans and the status of those plans as of May 2005;

4. Hold at least 2 of its meetings outside of Augusta and provide an opportunity for public comment at those meetings; and

5. Review ways to improve the flow of information to the Legislature and the general public about Maine's homeland security needs and preparedness; and be it further

**Sec. 6. Staff assistance. Resolved:** That the Maine Emergency Management Agency shall provide necessary staffing services to the task force; and be it further

**Sec. 7. Compensation. Resolved:** That the legislative members of the task force are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for travel and other necessary expenses related to their attendance at authorized meetings of the task force. All other members not otherwise compensated by their employers or other entities that they represent are entitled to receive reimbursement of necessary expenses and, upon a demonstration of financial hardship, a per diem equal to the legislative per diem for attendance at authorized meetings of the task force; and be it further

**Sec. 8. Report. Resolved:** That, no later than December 7, 2005, the task force shall submit an interim report that includes findings and recommendations, including suggested legislation, to the Second Regular Session of the 122nd Legislature. The task force is authorized to introduce legislation related to its report to the Second Regular Session of the 122nd Legislature at the time of submission of its report. No later than November 1, 2006, the task force shall submit a final report that includes its findings and recommendations, including suggested legislation, to the First Regular Session of the 123rd Legislature. The task force is authorized to introduce legislation related to its report to the First Regular Session of the 123rd Legislature at the time of submission of its report; and be it further

**Sec. 9. Extension. Resolved:** That, if the task force requires a limited extension of time to complete its interim or final study and make its report, it may apply to the Legislative Council, which may grant an extension; and be it further

**Sec. 10. Funding. Resolved:** That the Maine Emergency Management Agency shall transfer \$5,320 at the beginning of fiscal year 2005-06 and \$5,320 at the beginning of fiscal year 2006-07 to the Legislature to support the cost of the task force; and be it further

Sec. 11. Task force budget. Resolved: That the chairs of the task force, with assistance from the task force staff, shall administer the task force's budget. Within 10 days after its first meeting, the task force shall present a work plan and proposed budget to the Legislative Council for its approval. The task force may not incur expenses that would result in the task force's exceeding its approved budget; and be it further

Sec. 12. Appropriations and allocations. Resolved: That the following appropriations and allocations are made.

#### LEGISLATURE

##### Miscellaneous Studies 0444

Initiative: Provides funds for the per diem and expenses for members of the Task Force to Study Maine's Homeland Security Needs as well as public hearings and other costs to support the meetings of the task force.

OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
Personal Services	\$1,320	\$1,320
All Other	\$4,000	\$4,000
OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/> \$5,320	<hr/> \$5,320

Emergency clause. In view of the emergency cited in the preamble, this resolve takes effect when approved.