

MAINE STATE LEGISLATURE

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REP. JOHN RICHARDSON
CHAIR

SEN. BETH EDMONDS
VICE-CHAIR



122ND 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

**LEGISLATIVE COUNCIL
FEBRUARY 16, 2006
AGENDA**

<u>Page</u>	<u>Item</u>	<u>Action</u>
	CALL TO ORDER	
	ROLL CALL	
1	SUMMARY OF THE JANUARY 12, 2006 COUNCIL MEETING	Acceptance

**REPORTS FROM EXECUTIVE DIRECTOR AND
STAFF OFFICE DIRECTORS**

- | | |
|----|---|
| 6 | • Executive Director's Report (David Boulter) |
| 7 | • Fiscal Report (Grant Pennoyer) |
| 23 | • Update of Interim Studies (Patrick Norton) |
| 25 | • Office of Information Services' Report (Paul Mayotte) |

REPORTS FROM COUNCIL COMMITTEES

- **Personnel Committee** (Rep. Cummings, Chair)

No Report

- **State House Facilities Committee** (Sen. Gagnon, Chair)

Report of the State House Facilities Committee meeting on January 12, 2006.

The State House Facilities Committee will meet immediately following the Legislative Council meeting

OLD BUSINESS

26	Item #1: Council actions taken by ballot (No action required)	Information
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NEW BUSINESS

27	Item #1: Consideration of After Deadline Bill Requests	Decision
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	Item #2: Submission of Study Reports	Acceptance
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- | | | |
|----|--|--|
| 32 | <ul style="list-style-type: none">• Committee to Study State Compliance with the Federal Indian Child Welfare Act of 1978 | |
| 33 | <ul style="list-style-type: none">• Health Care System and Health Security Board | |
| 34 | <ul style="list-style-type: none">• Study Commission to Study Alternative Voting Procedures, the Citizen Initiative Process and Minor Party Ballot Access | |
| 35 | <ul style="list-style-type: none">• Joint Standing Committee on Agriculture, Conservation and Forestry's staff study report on "Maine Forestland Ownership: Trends and Issues" | |

ANNOUNCEMENTS AND REMARKS

ADJOURNMENT

EDMONDS
DE-CHAIR



122ND MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

SEN. MICHAEL F. BRENNAN
SEN. PAUL T. DAVIS, SR.
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REP. ROBERT W. DUPLESSIE
REP. JOSHUA A. TARDY

DAVID E. BOULTER
EXECUTIVE DIRECTOR

**MEETING SUMMARY
JANUARY 12, 2006**

CALL TO ORDER

The Chair, Speaker Richardson, called the Legislative Council meeting to order at 1:57 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators:	President Edmonds, Sen. Brennan, Sen. Davis, Sen. Gagnon, Sen. Weston
Representatives:	Speaker Richardson, Rep. Cummings, Rep. Bowles, Rep. Duplessie, Rep. Tardy
Legislative Officers:	Joy O'Brien, Secretary of the Senate Millicent MacFarland, Clerk of the House Michael Cote, Assistant Clerk of the House David Boulter, Executive Director, Legislative Council Grant Pennoyer, Director, Office of Fiscal and Program Review Patrick Norton, 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 DECEMBER 27, 2005 COUNCIL MEETING

Motion: That the Meeting Summary of December 27, 2005 be accepted and placed on file.
(Motion by Rep. Duplessie, second by President Edmonds, unanimous).

Speaker Richardson asked if there was objection to taking an item out of order. Hearing none, the Chair then moved to **New Business, Item 1.**

NEW BUSINESS

Item #1: Consideration of After Deadline Bill Requests

Twenty-six after deadline requests were considered by the Legislative Council. The Council's actions on these requests are included on the attached list.

The Chair then returned to agenda items in the order they appeared on the agenda.

REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS

- **Executive Director's Report**

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

1. Arrangements are being made to provide for public viewing of the Governor's State of the State Address in the Welcome Center on Tuesday, January 17th, as are appropriate security measures in the building.
2. Unannotated versions of Maine Statutes are now available to Legislators and others for purchase.

- **Fiscal Report**

General Fund revenue was \$29.3 million over budget for the month of December resulting in a positive variance for the fiscal year-to-date of \$21.6 million (+1.7%). The December variances now reflect the December 2005 revenue revisions of the Revenue Forecasting Committee (RFC), which increased the FY 06 General Fund revenue estimate by \$112.1 million. Very strong performances in the Corporate Income Tax and Estate Tax are the major contributors to the positive fiscal year-to-date variance. The performance of the revenue from taxable sales of goods and services remains disappointing and would have been under budget in December except for a \$2.1 million audit settlement.

Highway Fund revenue was under budget in December by \$0.6 million, reducing the positive variance for the FYTD to \$0.5 million (+0.3%). The December Highway fund variances in this report, as with the General Fund, reflect the revised budgeted revenue of the RFC in its December 2005 report. The RFC increased Highway Fund budgeted revenue in FY 06 by \$6.0 million. The fuel tax line has been the major drag on Highway Fund revenue. January will likely see a sizeable negative variance as a result of the failure to collect all of the \$3.6 million gas tax audit payment that was budgeted for January.

REPORTS FROM COUNCIL COMMITTEES

- **Personnel Committee**

Rep. Cummings, Chair, Personnel Committee reported that the committee met prior to the Legislative Council meeting on January 12, 2006 to consider several items.

It unanimously approved requests for temporary disability income benefits, consistent with the Personnel Policies and Guidelines for Legislative Employees, for a member of the nonpartisan staff and a member of the Secretary of Senate's Office.

No further action by the Council was required.

- **State House Facilities Committee** (Sen. Gagnon, Chair)

The State House Facilities Committee was scheduled to meet immediately following the Legislative Council meeting.

OLD BUSINESS

Item #1: Council actions taken by ballot

A copy of a list of actions taken by ballot by the Legislative Council since its December 27, 2005 meeting is attached.

NEW BUSINESS

Item #2: Request for Reconsideration of Council Decision on Extension of Study Reporting Deadline and Holding an Additional Meeting

- **Study Commission Regarding Liveable Wages** (Second request for extension request, from January 15, 2006 to February 1, 2006. First request for an extension from December 7, 2005 to January 15, 2006 was approved at the November 28, 2005 Council meeting; Council denied 2nd request at the December 27, 2005 Council meeting).

Motion: That the requests from the Study Regarding Liveable Wages for an extension of the reporting deadline and to hold 1 additional meeting be approved. (No motion or second was made; vote failed 5-3, Sen. Weston, Rep. Bowles and Rep. Tardy opposed).

Item #3: Request to Hold Two Additional Meetings and for an Extension of the Reporting Deadline to Submit Legislation

- **Task Force to Study Maine's Homeland Security Needs** (Request to hold 2 additional meetings in Augusta and extend reporting deadline to February 3, 2006 for the purpose of submitting legislation to the 2nd Regular Session).

Motion: That the request by the Task Force to Study Maine's Homeland Security Needs to hold 2 additional meetings in Augusta, the costs of which would be funded by MEMA and extend its reporting deadline to February 3, 2006 be approved. (No motion or second was made; approved 7-0, absent for the vote were Sen. Davis, Sen. Gagnon and Rep. Duplessie).

Item #4: Request to Hold Two Off-Site Meetings

- **Commission to Study the Cost of Providing Certain Services in the Unorganized Territories** (Requesting permission to change the timing of the two meetings to be held at locations convenient to the unorganized territory). (Request to extend reporting deadline to July, 2006 and to hold two additional meetings after session adjournment was approved at the November 28, 2005 Council meeting).

Motion: That the request by the Commission to Study the Cost of Providing Certain Services in the Unorganized Territories to hold 2 off-site meetings be approved. (No motion or second was made; approved 8-0, absent for the vote were Sen. Davis and Rep. Cummings).

Item #5: Submission of Study Reports

- Task Force to Study Cervical Cancer Prevention, Detection And Education
- Blue Ribbon Commission on the Future of Mainecare

Motion: That the study reports of the Task Force to Study Cervical Cancer Prevention, Detection and Education and the Blue Ribbon Commission on the Future of Mainecare be accepted and placed on file. (No motion or second was made; approved 8-0, absent for the vote were Sen. Davis and Rep. Cummings).

Item #6: Legislative Youth Advisory Council Request for Meeting with Legislative Council

The chairs of the Legislative Youth Advisory Council invited Council members to attend a breakfast meeting that will be held immediately prior to its February 3, 2006 meeting.

Motion: That the Legislative Council accept the Legislative Youth Advisory Council's invitation on February 3, 2006. (Motion by President Edmonds, second by Rep. Cummings, unanimous).

The Chair, Speaker Richardson, moved for reconsideration of the Council's action whereby the Council denied the Study Commission Regarding Liveable Wages' request for an additional meeting. (Motion by Rep. Duplessie, second by Sen. Gagnon, unanimous).

Motion: That the Legislative Council grant the Study Commission Regarding Liveable Wages' request for an additional meeting. (Motion by Rep. Duplessie, second by Sen. Gagnon, approved 8-1, Sen. Weston opposed).

Item #7: Presentation by National Conference of State Legislatures of Its Report on the Maine Legislature / An Examination of Practices, Procedures and Organization

Five staff members from the National Conference of State Legislatures who conducted the study made a presentation to the Legislative Council. They were Brian Weberg, Director, Legislative Management Program; Brenda Erickson, Program Principal, Legislative Management Program; Corina Eckl, Director, Fiscal Affairs Program; Bruce Feustel, Senior Fellow, Legislator and Legislative Staff Training; and Pam Greenberg, Program Principal, Legislative Information Technology. The NCSL staff each summarized various sections of the reports and related recommendations.

Chair Richardson reminded the Legislative Council members that the Council had contracted with NCSL to perform the examination of the practices, procedures and the organization of the Legislature. The Council will be discussing the report at a future meeting to decide which recommendations, if any, it may want to adopt. Chair Richardson and the members of the Legislative Council thanked the staff from NCSL for all of their hard work.

A copy of the summary of the National Conference of State Legislatures' report on the Maine Legislature / An Examination of Practices, Procedures and Organization is attached.

ANNOUNCEMENTS AND REMARKS

Sen. Gagnon announced that the State House Facilities Committee would be meeting immediately after the Council meeting.

ADJOURNMENT

The Legislative Council meeting was adjourned at 3:35 p.m. (Motion by Rep. Duplessie, second by Rep. Bowles, unanimous).

Legislative Council Meeting
February 16, 2006

Executive Director's Report

1. Closing of Memorial Bridge in Augusta

One week from today, DOT will be closing Memorial Bridge for 3 months in order to conduct bridge repairs. DOT has identified alternative routes, including using the new third bridge for those heading east and I-95 or the Gardiner-Randolph bridge for those heading south. Significant congestion is expected, so travelers should allow extra time traveling to and from the State House.

2. Union Street renovations

DOT and the City of Augusta are developing plans to upgrade Union Street adjacent to Capitol Park. I am working with DOT, BGS and Maine Historic Preservation Commission to secure street improvements that will enhance Capitol Park. In particular, we are exploring ways to place utilities underground similar to how utilities are handled elsewhere in the Capitol complex.

Fiscal Briefing for the Legislative Council

Legislative Council Meeting
February 16, 2006

*Prepared by the
Office of Fiscal & Program Review*

1. General Fund and Highway Fund Revenue Update

Attachment A

- Highlights and Summary A-1, A-2
- January 2006 Revenue Variance Table A-3
- General Fund Revenue Monthly History Bar Chart A-4
- Highway Fund Revenue Monthly History Bar Chart A-5

2. Economic and Revenue Forecast Update

Attachment B

- Summary and Revenue Forecast Schedule B-1
- Economic Forecast Summary Table B-2, B-3

3. Cash Pool and Cash Balance Trends

Attachment C

- Highlights and Summary C-1
- January 2006 Composition of Cash Pool C-2
- Cash Pool Bar Graph - Major Components C-3
- Cash Pool Line Graph - Major Components C-4
- General Fund Cash History Chart with TAN's C-5
- General Fund Cash History Chart without TAN's C-6
- Highway Fund Cash History Chart C-7

Attachment A General Fund and Highway Fund Revenue Update

Highlights and Summary

General Fund Revenue

General Fund revenue was \$13.1 million under budget for the month of January, reducing the positive variance for the fiscal year-to-date (FYTD) to \$8.5 million (+0.6%). Corporate Income Tax, Cigarette Tax and Estate Tax have been the major contributors to the positive FYTD variance (with a combined positive variance of \$23.4 million). Individual Income Tax, Insurance Company Tax and Other Revenue (primarily Judicial Fine Revenue and DHHS Revenue) have partially offset these positive variances lines with combined negative variances totaling \$14.9 million for the FYTD. Individual Income Tax revenue would have been even more negative had it not been for the positive variances from the timing in BETR and Circuit Breaker program expenditures, which were \$15.3 million behind expectation for the FYTD, resulting in a positive revenue variance.

January Sales Tax revenue representing December taxable sales was ahead of budget, reflecting a relatively strong Christmas season. However, after adjusting out the one-time revenue from a \$2.1 million audit settlement in December, the Sales Tax line would be under budget for the FYTD. These weaknesses in taxable sales and individual income tax seem to validate the recent downward revisions to the economic forecast by the Consensus Economic Forecasting Commission (see Attachment B).

General Fund Revenue – January 2006 Variance by Major Category/Line

- **Sales and Use Tax** – January: +\$2.0 million FYTD: -\$0.2 million (-0.0%). See discussion above.
- **Service Provider Tax** – January: +\$1.3 million FYTD: +\$1.2 million (+5.3%).
- **Individual Income Tax** – January: -\$11.2 million FYTD: -\$3.2 million (-0.5%). For the FYTD, lower than anticipated estimated tax payments (\$11.8 million) and higher refunds (\$6.1 million) are the major contributors to the negative variance. Timing issues related to payments under the Circuit Breaker (Tax and Rent Refund) and BETR tax programs have offset \$15.3 million of the negative variance for the FYTD.
- **Corporate Income Tax** – January: -\$4.4 million FYTD: +\$11.6 million (+13.9%). Recent negative variance was related to Tax Year 2004 refunds that were recently paid.
- **Cigarette and Tobacco Tax** – January: -\$2.3 million FYTD: +\$5.6 million (+12.8%). The forecast for this line has been complicated by the recent tax change. Some of this variance may be related to timing issues.
- **Public Utilities Tax** – No revenue is budgeted in this line until May.
- **Insurance Company Tax** – January: -\$0.0 million FYTD: -\$3.1 million (-20.7%). Although this line is not forecast using the tax models and is not directly affected by the economic forecast, the RFC will likely revisit its estimate of this line given this negative variance.
- **Estate Tax** – January: -\$1.3 million FYTD: +\$5.6 million (+12.8%). Some monthly variances, up and down, are common for this line. January was one of the few months without a major surprise estate tax payment.

- **Property Tax -Unorganized Territory** – The October transfer represents an estimate based on the prior year and was slightly over budget. The next transfer will be in June, based on actual General Fund expenditures.
- **Income from Investments** – January: +\$0.3 million FYTD: +\$0.7 million (+25.7%). Positive General Fund revenue variances have raised cash balances and rates of return on the cash pool have exceeded assumptions.
- **Revenue Sharing Transfers** – January: +\$0.8 million FYTD: -\$0.6 million (-0.9%). This revenue line is calculated based on 5.1% of Sales, Service Provider, Individual Income and Corporate Income Taxes. The variance in this line reflects the inverse of the total variances for the above mentioned tax lines.
- **Lottery Transfer** – January: -\$0.4 million FYTD: -\$1.0 million (-3.5%). Lottery revenue was under budget for January and for the FYTD despite being adjusted downward by \$3.0 million by the RFC in December.
- **Other Revenue** – January: +\$2.0 million FYTD: -\$8.6 million (-7.4%). The Department of Health and Human Services (under budget for the FYTD by \$7.6 million) and the Judicial Department (under budget for the FYTD by \$4.8 million) were the major factors in this negative variance. Revenue from the Real Estate Transfer Tax was strong again in January after being under budget in December, resulting in a FYTD positive variance of \$3.1 million.

Highway Fund Revenue

Highway Fund revenue was under budget in January by \$4.6 million, resulting in a negative variance for the FYTD of \$4.2 million (-2.3%). The Fuel Taxes line is the major reason for this negative variance. It was under budget by \$4.3 million in January alone, largely due to the uncollected \$3.6 million audit assessment that was budgeted for January collection.

Highway Fund Revenue – January 2006 Variance by Major Category/Line

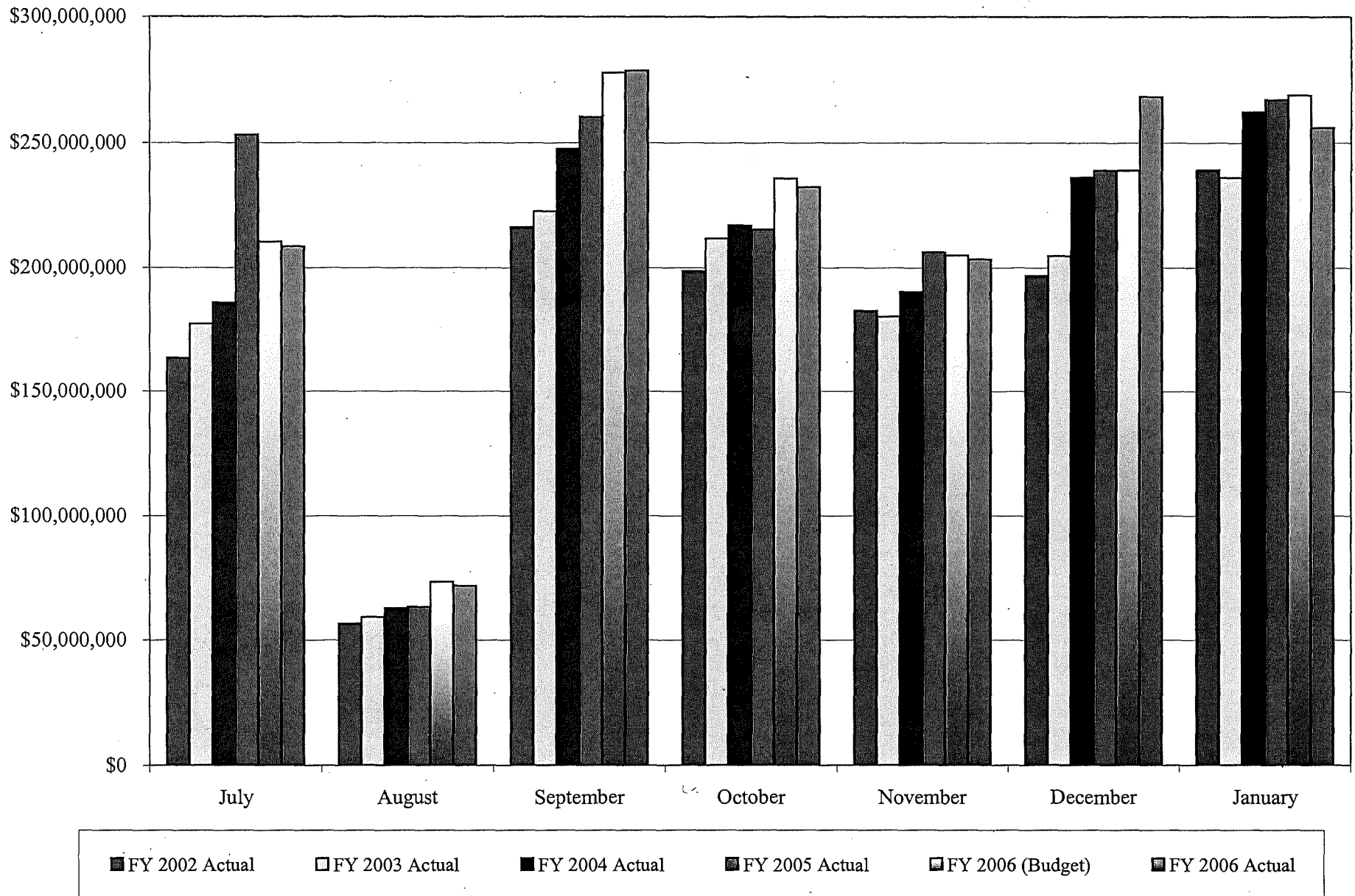
- **Fuel Taxes** – January: -\$4.3 million FYTD: -\$4.9 million (-4.1%). See discussion above.
- **Motor Vehicle Registration and Fees** – January: -\$0.3 million FYTD: +\$0.2 million (+0.5%).
- **Inspection Fees** – This revenue line is running slightly under budget for the FYTD.
- **Fines** – Highway Fund fine revenue is running slightly under budget for the FYTD.
- **Income from Investments** – January: -\$0.0 million FYTD: +\$0.1 million (+7.2%). Higher than expected rates of return appear to partially balance out the recent very low cash balances in the Highway Fund.
- **Other Revenue** – January: +\$0.1 million FYTD: +\$0.5 million (+9.0%).

General Fund and Highway Fund Revenue
Fiscal Year Ending June 30, 2006
REFLECTING DECEMBER 2005 RFC ADJUSTMENTS

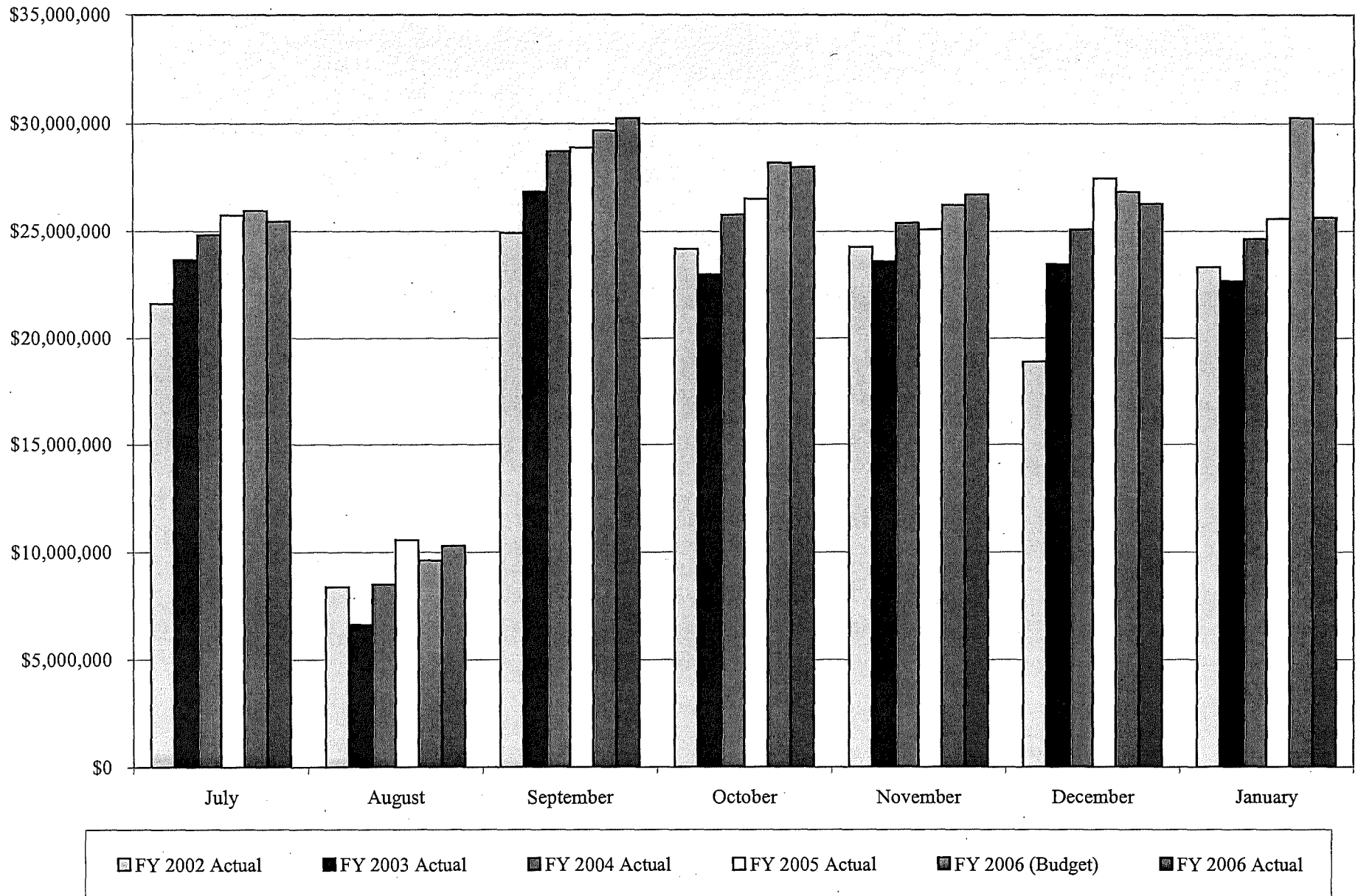
JANUARY 2006 VARIANCE REPORT

Revenue Line	January Budget	January Actual	January Variance	FY06 YTD Budget	FY06 YTD Actual	FY06 YTD Variance	FY06 YTD Variance %	FY06 Budgeted Totals
General Fund								
Sales and Use Tax	92,732,927	94,741,670.12	2,008,743.12	513,618,790	513,456,218.41	(162,571.59)	0.0%	933,701,080
Service Provider Tax	3,067,642	4,399,393.06	1,331,751.06	21,854,609	23,022,256.14	1,167,647.14	5.3%	46,494,165
Individual Income Tax	143,146,864	131,958,646.87	(11,188,217.13)	658,471,207	655,250,268.39	(3,220,938.61)	-0.5%	1,239,297,845
Corporate Income Tax	8,557,631	4,128,061.64	(4,429,569.36)	83,323,776	94,895,605.08	11,571,829.08	13.9%	165,220,000
Cigarette and Tobacco Tax	13,080,918	10,765,660.41	(2,315,257.59)	81,402,461	87,587,650.83	6,185,189.83	7.6%	147,238,325
Public Utilities Tax	0	2,264.39	2,264.39	0	2,264.39	2,264.39	0.0%	21,440,000
Insurance Companies Tax	8,016	5,345.93	(2,670.07)	14,985,953	11,890,563.34	(3,095,389.66)	-20.7%	77,141,931
Estate Tax	2,961,702	1,665,592.68	(1,296,109.32)	43,772,457	49,367,392.42	5,594,935.42	12.8%	64,079,793
Property Tax - Unorganized Territory	0	0.00	0.00	9,522,077	9,560,399.00	38,322.00	0.4%	11,278,476
Income from Investments	244,843	539,841.37	294,998.37	2,750,650	3,458,558.82	707,908.82	25.7%	4,286,062
Transfer to Municipal Revenue Sharing	(12,775,759)	(11,996,616.36)	779,142.64	(65,005,187)	(65,617,841.75)	(612,654.75)	-0.9%	(121,620,368)
Transfer from Lottery Commission	3,871,862	3,516,936.59	(354,925.41)	30,006,965	28,970,855.82	(1,036,109.18)	-3.5%	50,334,250
Other Revenue	14,243,355	16,288,134.96	2,044,779.96	115,946,827	107,320,273.82	(8,626,553.18)	-7.4%	216,529,079
Totals	269,140,001	256,014,931.66	(13,125,069.34)	1,510,650,585	1,519,164,464.71	8,513,879.71	0.6%	2,855,420,638
Highway Fund								
Fuel Taxes	22,305,291	18,045,609.04	(4,259,681.96)	119,667,782	114,789,282.40	(4,878,499.60)	-4.1%	230,922,713
Motor Vehicle Registration and Fees	6,816,081	6,514,384.51	(301,696.49)	46,527,380	46,751,985.29	224,605.29	0.5%	87,172,358
Inspection Fees	273,701	213,620.50	(60,080.50)	2,738,632	2,673,189.39	(65,442.61)	-2.4%	4,397,970
Fines	164,561	134,300.42	(30,260.58)	1,082,681	1,056,699.39	(25,981.61)	-2.4%	1,973,665
Income from Investments	136,217	90,986.88	(45,230.12)	892,434	956,578.43	64,144.43	7.2%	1,600,000
Other Revenue	565,944	634,556.89	68,612.89	5,850,494	6,378,020.68	527,526.68	9.0%	9,286,173
Totals	30,261,795	25,633,458.24	(4,628,336.76)	176,759,403	172,605,755.58	(4,153,647.42)	-2.3%	335,352,879

Monthly Historical Comparisons - General Fund Revenue FY 2002 - FY 2006



Monthly Historical Comparisons - Highway Fund Revenue FY 2002 - FY 2006



Attachment B Economic and Revenue Forecast Update

Highlights and Summary

Consensus Economic Forecasting Commission (CEFC) Report

- The CEFC met on January 27, 2006 to review its fall forecast and to report by the February 1st deadline established by 5 MRSA Chapter 151-B. That report was distributed and is available on-line at:
 - <http://www.maine.gov/legis/ofpr/rfcmain.htm>
- This revised forecast was more pessimistic than the previous assessment of the economy in all of the major forecast variables, projecting slower employment and personal income growth and higher inflation.
- The tables on pages 2 and 3 of this attachment summarize the annual growth assumptions for the major economic variables forecast by the CEFC and also provide detail forecasts of the annual growth of some of the major components of personal income. The tables also provide a historical comparison of this forecast to recent CEFC forecasts.
- Major reasons for the more pessimistic economic forecast include:
 - The recent release of 4th quarter calendar year 2005 growth estimates by the U.S. Bureau of Economic Analysis (BEA) showed slower growth than previously anticipated; and
 - Oil prices, previously forecast to decline, are now assumed to remain at high levels.

Revenue Forecasting Committee (RFC) Schedule

- The RFC has a statutory report deadline of March 1st.
- Maine Revenue Services is currently running the revised economic forecast through the tax models.
- The RFC will meet:

**Thursday, February 23rd, 9:00 a.m.
Room 228 of the State House
(Appropriations Committee Room)**

Consensus Economic Forecasting Commission

Recommendations - Historical Projections vs. Current Projections

<u>Calendar Years</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 11/2002	0.0	0.7	1.0	1.0	1.0	1.0		
> Consensus 2/2003	-0.3	0.0	0.8	1.0	1.0	1.0		
> Consensus 11/2003	-0.4	0.0	0.8	1.0	1.0	1.0		
> Consensus 2/2004	-0.3	0.0	0.8	1.0	1.0	1.0		
> Consensus 11/2004	-0.3	-0.1	0.9	1.7	1.5	1.1	1.3	1.3
> Consensus 2/2005	-0.3	-0.1	0.9	1.7	1.5	1.1	1.3	1.3
> Consensus 11/2005	-0.3	0.1	1.1	0.8	0.9	0.7	0.8	0.8
> Consensus 2/2006	-0.3	0.1	1.1	0.0	0.5	0.6	0.6	0.7
• Personal Income (Annual Percentage Change)								
<u>Calendar Years</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 11/2002	3.0	3.5	4.0	4.5	4.5	4.5		
> Consensus 2/2003	4.3	3.2	4.0	4.5	4.5	4.5		
> Consensus 11/2003	4.3	3.5	4.0	4.5	4.5	4.5		
> Consensus 2/2004	4.3	4.0	4.0	4.5	4.5	4.5		
> Consensus 11/2004	3.4	4.1	5.5	4.0	4.0	4.0	4.0	4.0
> Consensus 2/2005	3.4	4.1	5.5	4.0	4.0	4.0	4.0	4.0
> Consensus 11/2005	2.4	3.6	6.0	5.5	5.5	5.0	5.0	5.0
> Consensus 2/2006	2.4	3.6	6.0	5.0	5.0	4.5	4.5	4.5
• CPI (Annual Percentage Change)								
<u>Calendar Years</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 11/2002	1.7	2.5	2.5	2.5	2.5	2.5		
> Consensus 2/2003	1.7	2.5	2.5	2.5	2.5	2.5		
> Consensus 11/2003	1.6	2.0	2.0	2.0	2.5	2.5		
> Consensus 2/2004	1.6	2.3	2.0	2.0	2.5	2.5		
> Consensus 11/2004	1.6	2.3	2.8	2.0	2.0	2.0	2.0	2.0
> Consensus 2/2005	1.6	2.3	2.8	2.0	2.0	2.0	2.0	2.0
> Consensus 11/2005	1.6	2.3	2.7	3.2	2.8	2.5	2.2	2.2
> Consensus 2/2006	1.6	2.3	2.7	3.4	3.0	2.8	2.8	2.8

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

Consensus Economic Forecasting Commission
Major Components of Personal Income
History of Recent Forecasts

<u>Calendar Years</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 - Wage and Salary Component (Annual Percentage Change)								
> Consensus 11/2004	2.9	3.6	5.2	4.9	4.9	4.6	4.6	4.6
> Consensus 2/2005	2.9	3.6	5.2	4.9	4.9	4.6	4.6	4.6
> Consensus 11/2005	3.2	3.8	4.9	4.7	4.8	4.6	4.6	4.6
> Consensus 2/2006	3.2	3.8	4.9	4.0	4.2	4.2	4.2	4.2
• Personal Income - Other Labor Income Component (Annual Percentage Change)								
> Consensus 11/2004	9.7	6.3	5.2	3.2	3.1	3.0	2.6	2.6
> Consensus 2/2005	9.7	6.3	5.2	3.2	3.1	3.0	2.6	2.6
> Consensus 11/2005	9.0	4.7	8.8	6.6	6.8	6.6	6.6	6.6
> Consensus 2/2006	9.0	4.7	8.8	6.6	6.0	6.0	5.0	5.0
• Personal Income - Non-farm Proprietors' Income Component (Annual Percentage Change)								
> Consensus 11/2004	0.3	6.2	6.2	6.9	5.7	5.2	4.8	4.8
> Consensus 2/2005	0.3	6.2	6.2	6.9	5.7	5.2	4.8	4.8
> Consensus 11/2005	-8.0	7.0	9.2	8.0	8.2	6.2	6.0	6.0
> Consensus 2/2006	-8.0	7.0	9.2	8.0	6.0	5.0	5.0	5.0
• Personal Income - Dividends, Interest & Rents Component (Annual Percentage Change)								
> Consensus 11/2004	-2.0	-1.9	6.9	0.4	0.5	2.8	2.9	2.8
> Consensus 2/2005	-2.0	-1.9	6.9	0.4	0.5	2.8	2.9	2.8
> Consensus 11/2005	-3.9	-4.2	4.2	4.2	4.6	2.4	2.7	2.6
> Consensus 2/2006	-3.9	-4.2	4.2	1.0	2.0	2.0	3.0	3.0
• Personal Income - Transfer Payments Component (Annual Percentage Change)								
> Consensus 11/2004	7.4	8.3	5.6	4.3	3.8	4.2	4.0	3.8
> Consensus 2/2005	7.4	8.3	5.6	4.3	3.8	4.2	4.0	3.8
> Consensus 11/2005	7.6	8.4	6.8	6.4	6.2	6.0	6.0	6.0
> Consensus 2/2006	7.6	8.4	6.8	7.0	7.2	5.9	5.7	5.7

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

Attachment C

Cash Pool and Cash Balance Trends

Highlights and Summary

January 2006 Cash Pool Average Balances (see pages 2)

- Average balance of the Cash Pool was \$642.6 million in January, which compares favorably to the average since the beginning of FY02 of \$594.5 million, but is less than the balance of a year ago, \$691.1 million.
- Highway Fund balance dropped to an average balance of \$17.4 million in January as a result of the current tight budget situation, significantly below the recent 12-month moving average balance of approximately \$60 million. See trend discussion below.
- General Fund cash position averaged \$62.4 million in January. This amount included \$123.6 million in Tax Anticipation Notes (TAN's), \$47.9 million in the Budget Stabilization Fund, \$23.1 million in the Reserve for General Fund Operating Capital and \$1.9 million of internal borrowing from Other Special Revenue. See trend discussion below.
- Other State Funds and Independent Agency Funds have remained close to averages over the last 4½ years.

Cash Pool Trends (see pages 3 and 4)

- The bar chart and the line chart on pages 3 and 4 provide some recent history for the major components of the Cash Pool. In the line graph, you will note that "Total Other Funds" represents the most stable and the largest portion of the "Total Cash Pool," see top 2 lines in the line graph.

General Fund Cash Balance Trends (see charts on pages 5 and 6)

- General Fund trend (as measured by a 12-month moving average) continues to improve in the chart on page 6, which factors out the effect of the General Fund's reduced reliance on Tax Anticipation Notes (TAN's).
- The declining trend in the chart on page 5 reflects reduced TAN borrowing, which decreased from \$190 million in FY05 to \$123.6 million in FY06.

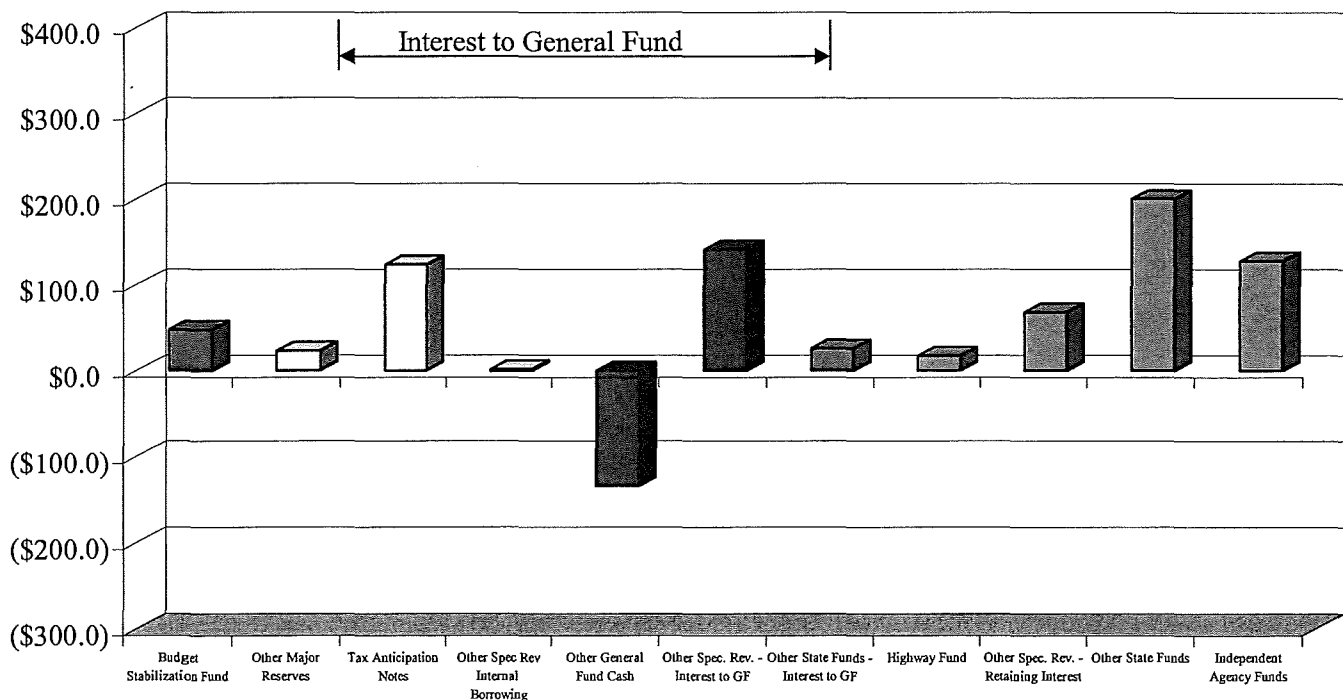
Highway Fund Cash Balance Trends (see chart on page 5)

- Highway Fund cash balances have dropped precipitously during this fiscal year.
- Highway and Bridge Improvement program shortfall due to inflationary pressures and earmarking of a higher portion of new federal funding has eroded cash balances and delayed the normal seasonal recovery in Highway Fund cash.
- February's average daily beginning balances as tracked by OFPR have shown some modest improvement, but balances remain near 10-year lows.

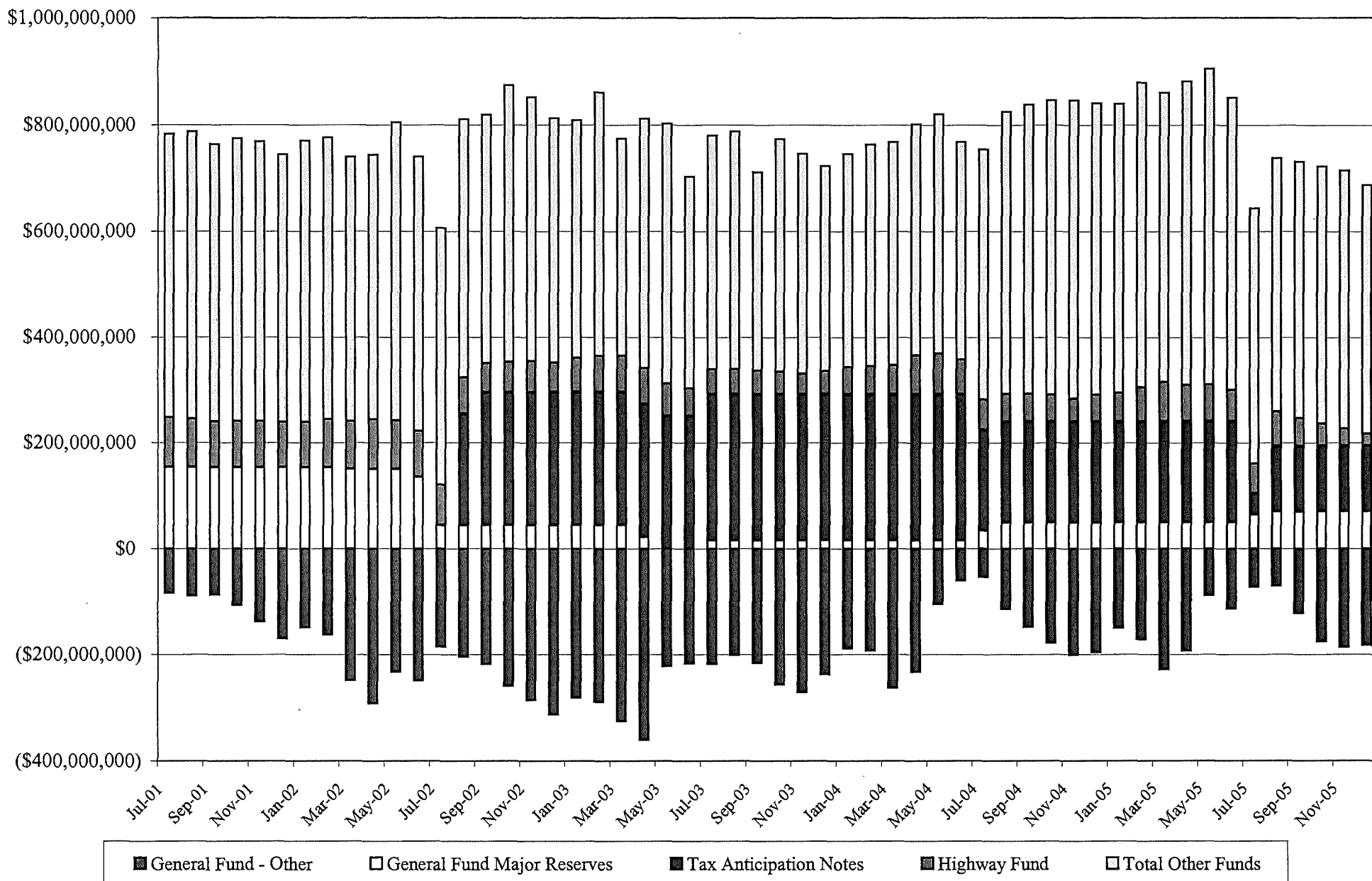
Composition of State's Cash Pool January 2006 Average Daily Balances

	January 2006
General Fund - Total	\$62,326,249
General Fund - Detail	
Budget Stabilization Fund (Rainy Day Fund)	\$47,920,879
Reserve for General Fund Operating Capital	\$23,093,792
Tax Anticipation Notes	\$123,625,000
Internal Borrowing from Other Special Revenue	\$1,935,484
General Fund - Other	(\$134,248,906)
Highway Fund	\$17,393,344
Other Special Revenue - Contributing to General Fund	\$141,163,782
Other Special Revenue - Retaining Interest Earned	\$68,074,712
Other State Funds - Contributing Interest to General Fund	\$25,703,621
Other State Funds	\$200,121,458
Independent Agency Funds	\$127,817,647
Total Cash Pool	\$642,600,813

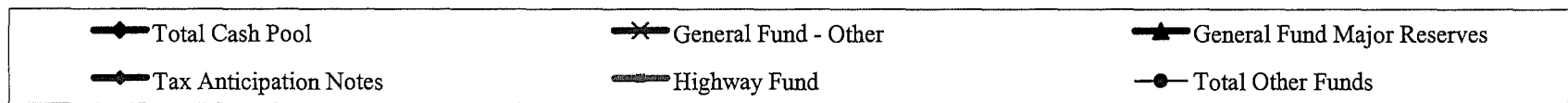
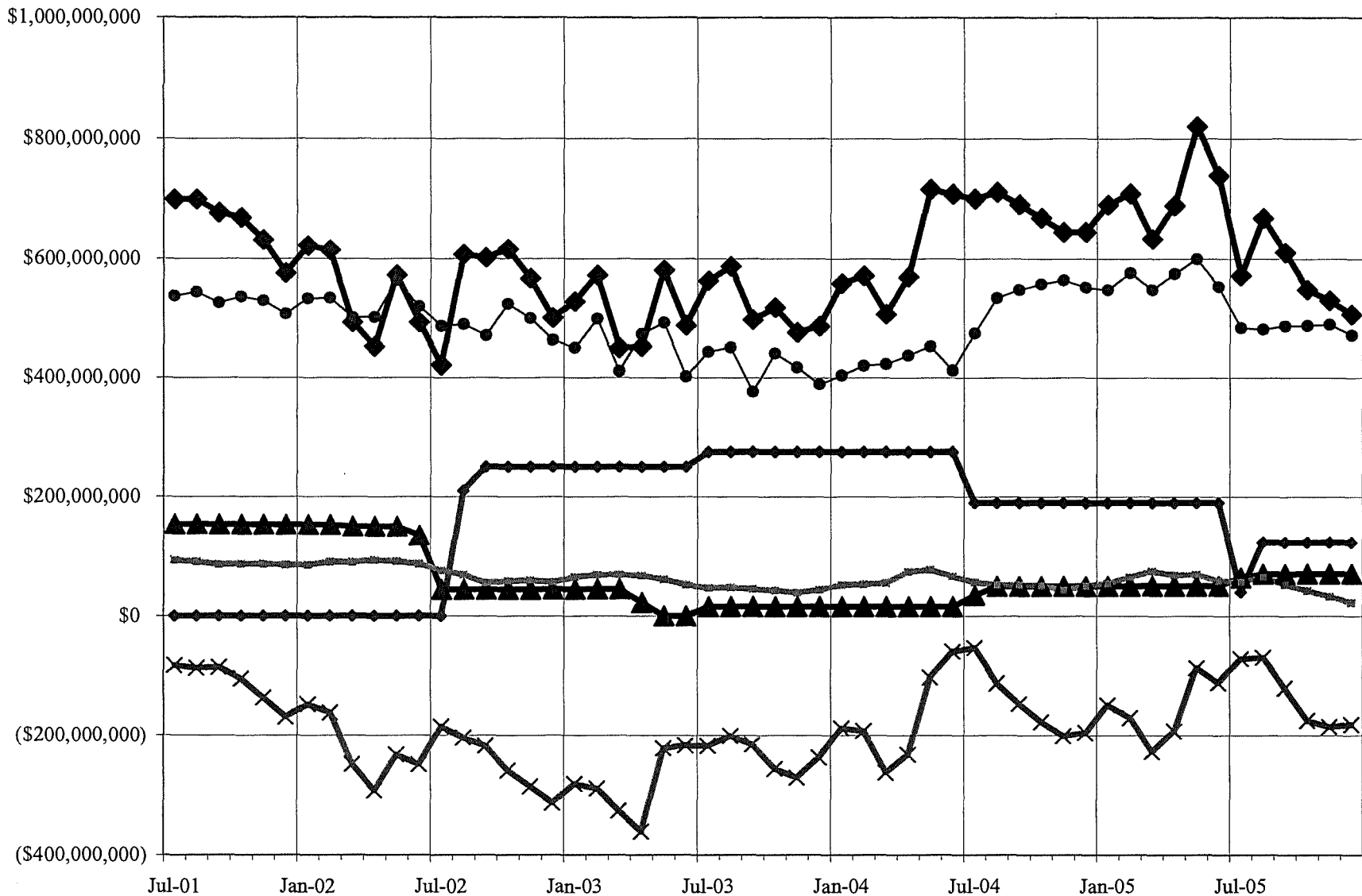
Composition of Cash Pool Average Daily Balances in January 2006



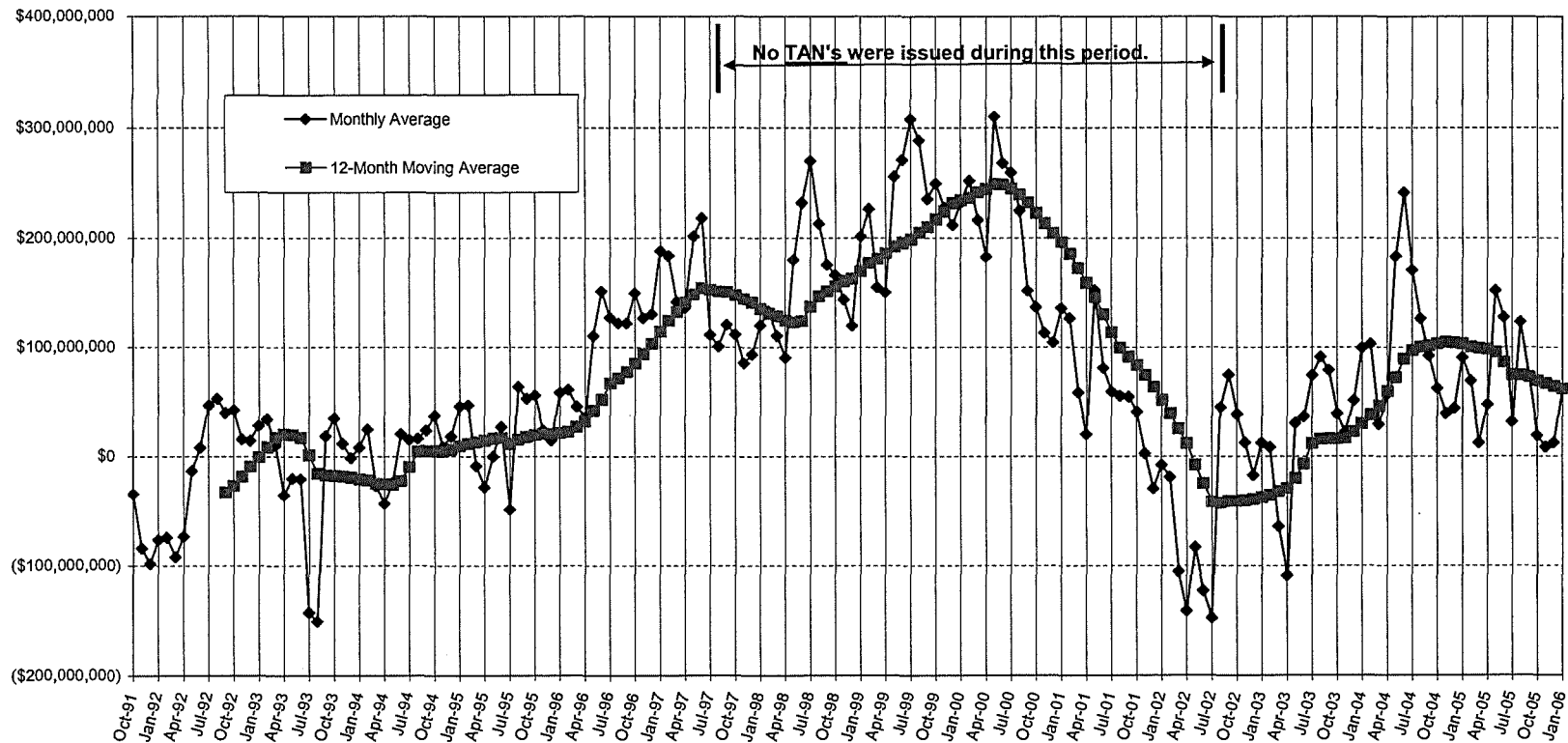
Cash Pool Bar Graph - Major Components - July 2001 to December 2005



Cash Pool Line Graph - Major Components - July 2001 to December 2005



GENERAL FUND DAILY STARTING CASH BALANCES

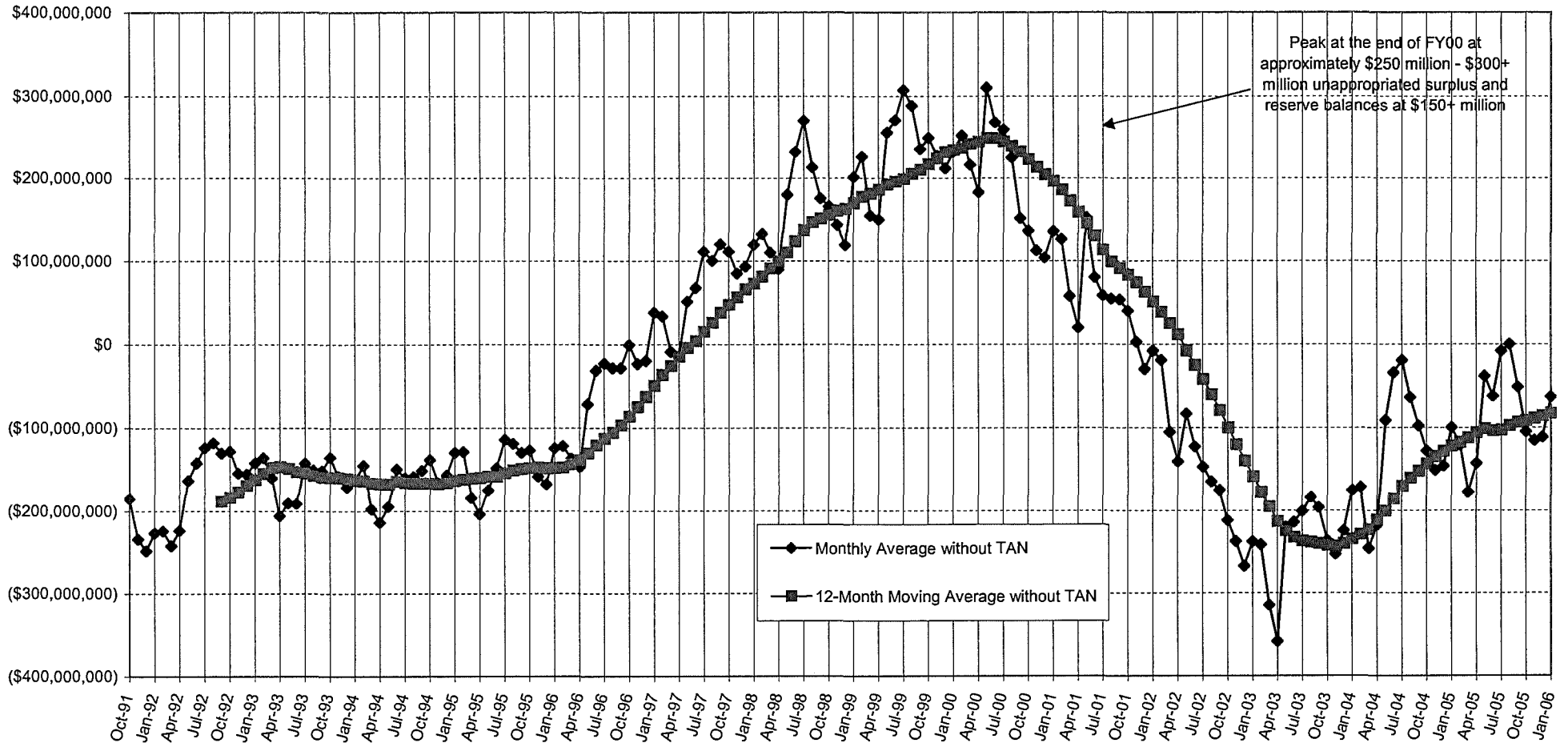


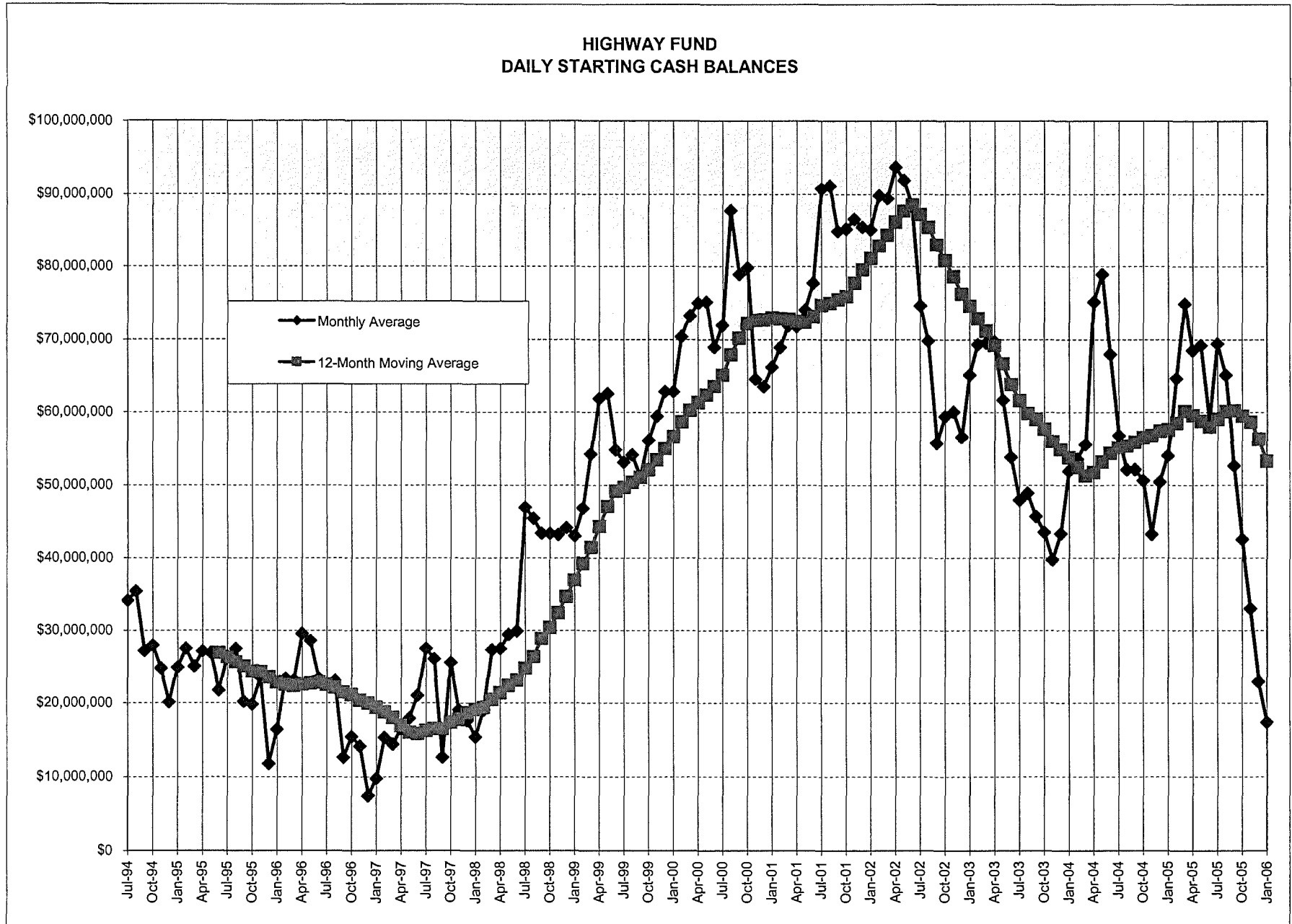
TAX ANTICIPATION NOTES (TAN's) - History from FY 1990-91 ⁽¹⁾

Fiscal Year	Amount Authorized	Amount Issued	Reference
2005-06 ⁽¹⁾	\$314,718,914 ⁽¹⁾	\$123,625,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2004-05 ⁽¹⁾	\$309,540,537 ⁽¹⁾	\$190,000,000	5 MRSA, §150 (as amended by PL 2001, c. 705)
2003-04 ⁽¹⁾	\$293,657,381 ⁽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 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







Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013

Telephone: (207) 287-1670

Fax: (207) 287-1275

February 13, 2006

To: Representative John Richardson, Chair, Legislative Council
Senator Beth Edmonds, Vice-Chair, Legislative Council

From: Patrick Norton, Director, OPLA

Re: Status of studies

Except as noted below, authorized study commissions have generally completed their work and submitted their required reports. The exceptions are:

Interim studies

Homeland security. The Homeland Security Task Force received an extension of their reporting deadline to February 3rd. The Task Force has completed its work for this session (this is a two year study), and OPLA staff is finalizing the report of the Task Force. Legislation to implement the recommendations of the Task Force is in production. The recommendations include 2 pieces of legislation.

Freedom of access. The Freedom of Access Advisory Committee received approval to hold its final 2 meetings in January. Those meeting were held, and OPLA staff is finalizing the Advisory Committee's report to the Judiciary Committee and the Chief Justice. Following receipt of that report, the Judiciary Committee is authorized to report out a bill to make any necessary changes in law.

Liveable wages. The Liveable Wages Study Commission received an extension of its reporting deadline to February 1st. The Commission has completed its work and OPLA staff is finalizing the report of the Task Force. Legislation (8 bills) to implement the recommendations of the Commission is in production.

Unorganized territories cost of services. The Commission to Study the Cost of Providing Certain Service in the Unorganized Territories received an extension of their reporting deadline to July 1, 2006. The Legislative Council has also authorized 2 off-site meetings. The Commission, which is staffed by OFPR, has held one off-site meeting since the start of the session, January 26th in Millinocket. The Commission plans to hold one additional off-site meeting during the session, tentatively planned for the end of February or early March in Dover-Foxcroft.

Harbor master education, safety and training. A Joint Order (HP 1190) was passed on May 31, 2005 directing the Marine Resources Committee to study methods to promote

education, safety and training for harbor masters. The study was to take place during the 2nd Regular Session by the Committee, and the Committee was directed to report out a bill based on its study by March 3, 2006. A bill is from the Committee is expected.

Permanent on-going study and advisory bodies

Legislative Youth Advisory Council. The Legislative Youth Advisory Council (LYAC) is a permanent, 22-member advisory council which is authorized to meet at least 6 times per year. The LYAC is staffed by OPLA. The Council has met in January and February of this year. OPLA staff is finalizing the 2006 annual report of the Council, which is due in February of each year. The Council is planning to hold several additional meetings throughout the year. No legislation is expected this session from LYAC.

Citizen Trade Policy Commission. The Citizen Trade Policy Commission is a permanent, 17-member Commission which is staffed by OPLA. The Commission is authorized to meet at least twice annually, but has been regularly meeting on a monthly or bi-monthly basis. The Commission met in January of this year and has tentatively scheduled a meeting for mid-February or perhaps March. No additional legislation is expected this session from this commission.

cc: David Boulter, Executive Director

122nd MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL
Preliminary Technology Report
February 16, 2006

Bill Drafting System:

- ROS is using the MELD system to draft the new bills entering the process
- MELD functions will be reviewed in a production mode during the warranty period to maximize the warranty protection
 - ROS is drafting statute based bills using MELD
 - A post-session processing test will be conducted during the week of the 20th
- HP is committed closing a block of open warranty items this week
- HP has scheduled a software update for 3/6/06

House Internet Video:

- All work and testing will be completed during the week of the 13th

Data Backup:

- Process changes have been made to ensure data backups are complete, current and recoverable
- All legislative backup data is current at this time

Wireless Network:

- Additional wireless capacity installed in the House Chamber
- Reviewing wireless performance on the 3rd floor and in the area of the Council Chamber

**Actions Taken by Ballot by
the Legislative Council Since
the January 12, 2006 Council Meeting**

1. Request for Introduction of Legislation

- A. LR 3102: **An Act to Amend the Charter of the Kennebunk Light and Power District**

Submitted by: Representative Christopher Babbidge

Accepted: February 7, 2006, 9 – 0 – 0 – 1

- B. LR 3133: **An Act to Strengthen Maine's Craft Brewers**

Submitted by: President Beth Edmonds

Accepted: January 31, 2006, 10 – 0 – 0 – 0

- C. LR 3125: **An Act Amending and Restating the Charter of the President and Trustees of Colby College**

Submitted by: Senator Kenneth Gagnon

Accepted: January 26, 2006, 10 – 0 – 0 – 0

- D. LR 3132: **Resolve, Directing the Department of Transportation to Amend Its Rules Governing Noise Abatement and Reimbursement**

Submitted by: Representative Kevin Glynn

Accepted: January 31, 2006, 10 – 0 – 0 – 0

- E. LR 3106: **An Act Protecting Youth From Losing Health Insurance**

Submitted by: Senator Arthur Mayo

Accepted: January 19, 2006, 9 – 1 – 0 – 0

- F. LR 3107: **An Act to Protect the Confidentiality of Prescription Information**

Submitted by: Senator Arthur Mayo

Accepted: January 19, 2006, 10 – 0 – 0 – 0

- G. LR 3104: **Resolve, Directing the State Board of Property Tax Review to Accept and Review the Appeal Filed by the Town of Palermo**

Submitted by: Senator Carol Weston

Accepted: January 19, 2006, 10 – 0 – 0 – 0

LEGISLATIVE COUNCIL
REQUESTS TO INTRODUCE LEGISLATION
SECOND REGULAR SESSION
February 16, 2006

Action

SPONSOR: Rep. Finch, Edward D.

LR 3172 Resolve, To Allow the Department of Inland Fisheries
 And Wildlife To Convey a Part of a Parcel of Land in
 Fairfield

SPONSOR: Rep. Gerzofsky, Stanley J.

LR 3098 JOINT RESOLUTION MEMORIALIZING THE SECRETARY OF THE
 NAVY TO HONOR THE GIFT BESTOWED IN 1791 OF 1,000 ACRES
 KNOWN AS BRUNSWICK COMMONS BY THE PEJEBSCOT PROPRIETORS
 TO THE CITY OF BRUNSWICK FOREVER, AND RETURN IT TO THE
 CITY AT NO COST

SPONSOR: Rep. Gerzofsky, Stanley J.

LR 3120 An Act Regarding License Suspension Notification

SPONSOR: Rep. Jackson, Troy D.

LR 3148 An Act To Allow a Second Option To Apply for Continued
 Coverage under the State Group Health Plan

SPONSOR: Rep. Jackson, Troy D.

LR 3149 An Act To Allow Heavy Equipment To Be Moved during
 Nighttime Hours

SPONSOR: Rep. Jackson, Troy D.

LR 3167 An Act To Protect Victims from Domestic Abuse

SPONSOR: Rep. Makas, Elaine

LR 3105 An Act To Establish a Minimum Salary for Teachers

SPONSOR: Rep. Simpson, Deborah

LR 3103 An Act To Establish An Automated Victim Notification
System For Crimes Involving Domestic Violence

SPONSOR: Rep. Simpson, Deborah

LR 3162 An Act To Correct Inequities in the Judicial Retirement
System

SPONSOR: Rep. Tardy, Joshua A.

LR 3137 Resolve, To Study the Adequacy of Information Provided
by the Office of the Secretary of State Regarding
Referendum Questions

SPONSOR: Rep. Tuttle, Jr., John L.

LR 3136 Resolve, To Expedite a Workers' Compensation Case

SPONSOR: Rep. Webster, David C.

LR 3099 An Act To Simplify and Relieve Personal Property Taxes
for Small Businesses

SPONSOR: Rep. Woodbury, Richard G.

LR 3126 RESOLUTION, Proposing an Amendment to the Constitution
of Maine To Create a Property Taxation Exemption for
Property Owners with Limited Personal Property
Assessments

SPONSOR: Rep. Woodbury, Richard G.

LR 3163 An Act To Exempt Personal Property of Less than \$20,000
from the Personal Property Tax

ADDENDUM

LEGISLATIVE COUNCIL
REQUESTS TO INTRODUCE LEGISLATION
SECOND REGULAR SESSION
February 16, 2006

Action

SPONSOR: Rep. Pingree, Hannah

LR 3186 JOINT RESOLUTION MEMORIALIZING CONGRESS AND THE PRESIDENT
FOR REIMBURSEMENT OF ALL STATE COSTS INCURRED BY THE
IMPLEMENTATION OF THE FEDERAL MEDICARE PART D PROGRAM

DAVID E. BOULTER
EXECUTIVE DIRECTOR
OF THE LEGISLATIVE COUNCIL



MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

February 13, 2006

TO:

FROM:  Dave Boulter, Executive Director

SUBJECT: **Your After Deadline Bill Request(s)**

The Legislative Council has scheduled its next meeting for:

**Thursday, February 16, 2006
1:00 p.m.
Room 334, Legislative Council Chamber**

In accordance with the Joint Rules, the Council will consider After Deadline Bill Requests at that time, including the request(s) you have filed with the Revisor's Office. In addition, the Council is required by Joint Rule 35 to decide all requests for Memorials (Joint Resolutions that memorialize another governmental agency or official) for introduction.

You should plan to attend this Council meeting or present your request(s) to a member of the Legislative Council prior to the meeting. The Council may, but is not obligated to, table a request until the following meeting if the sponsor is not present, so it will have the benefit of information from the sponsor when it votes.

The Council's review of After Deadline Requests is pursuant to Joint Rule. Please be advised that the Council asks that all sponsors first research whether there is an existing bill or LR available to a committee that could accommodate their request. The review procedure then will be as follows:

1. The Council Chair, Speaker John Richardson, will read the name of the sponsor and the title of the request.
2. Once recognized to speak by the Chair, the sponsor may proceed to the microphone. The sponsor should be prepared to concisely answer the following:
 - Why the bill request is "late" (filed after the cloture date);
 - Why the bill request constitutes an emergency such that the Legislature needs to consider the bill this session; and
 - Whether the likely committee of jurisdiction has a bill already referred to it that could be amended to include the proposal.

Council members may also ask questions related to the content or the intent of the bill to clarify the request, although sponsors generally are not asked to speak to the merits of the bill.

3. Following the questions Council members will vote on bill requests individually; a roll call vote is required pursuant to Joint Rule.

A complete list of the Council's action on After Deadline Requests is distributed to Council members and all sponsors as soon after adjournment of the Council meeting as possible. The list and the roll call votes are available in the Executive Director's office if you should have any questions.

I hope this information is useful. Please drop by or call me if you have any questions.

Attachment

cc: Members, Legislative Council



JAN 27 2006

MAINE STATE LEGISLATURE
Augusta, Maine 04333

**COMMITTEE TO STUDY STATE COMPLIANCE WITH THE FEDERAL INDIAN
CHILD WELFARE ACT OF 1978**


January 24, 2006

The Honorable John Richardson, Chair
The Honorable Beth Edmonds, Vice-Chair
Legislative Council
122nd Maine Legislature
115 State House Station
Augusta, Maine 04333

Dear Representative Richardson and Senator Edmonds:

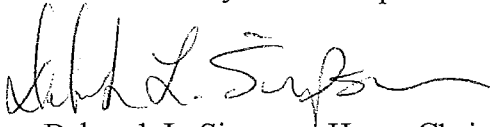
Pursuant to Resolve 2005, Chapter 118, the Committee to Study State Compliance with the Federal Indian Child Welfare Act of 1978 is pleased to submit its final report. Copies of the report have been placed on file with the Law and Legislative Reference Library.

Sincerely,



Sen. Margaret Rotundo, Senate Chair

Committee to Study State Compliance with the Federal Indian Child Welfare Act of 1978



Rep. Deborah L. Simpson, House Chair

Committee to Study State Compliance with the Federal Indian Child Welfare Act of 1978

Enclosure

cc: Members of the Legislative Council (w/enc.)



MAINE STATE LEGISLATURE
Augusta, Maine 04333

HEALTH CARE SYSTEM AND HEALTH SECURITY BOARD

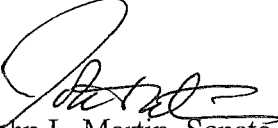
January 23, 2006


The Honorable John Richardson, Chair
The Honorable Beth Edmonds, Vice-Chair
Legislative Council
122nd Maine Legislature
115 State House Station
Augusta, Maine 04333

Dear Representative Richardson and Senator Edmonds:

This letter is to inform you that the Health Care System and Health Security Board has completed its work and submitted its final report pursuant to Resolve 2005, Chapter 119.

Sincerely,


Senator John L. Martin, Senate Chair
Health Care System and Health Security Board


Representative Marilyn E. Canavan, House Chair
Health Care System and Health Security Board

Enclosure

cc: Members of the Legislative Council (w/enc.)

JAN 26 2006



JAN 30 2006

MAINE STATE LEGISLATURE
Augusta, Maine 04333

**STUDY COMMISSION TO STUDY ALTERNATIVE VOTING PROCEDURES, THE
CITIZEN INITIATIVE PROCESS AND MINOR PARTY BALLOT ACCESS**

January 23, 2006

The Honorable John Richardson, Chair
The Honorable Beth Edmonds, Vice-Chair
Legislative Council
122nd Maine Legislature
115 State House Station
Augusta, Maine 04333

Dear Representative Richardson and Senator Edmonds:

This letter is to inform you that the Study Commission to Study Alternative Voting Procedures, the Citizen Initiative Process and Minor Party Ballot Access has completed its work and submitted its final report pursuant to Resolve 2005, Chapter 121.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Diamond".

Senator, Bill Diamond, Senate Chair
Study Commission to Study Alternative Voting Procedures, the Citizen Initiative Process and
Minor Party Ballot Access

Representative Sean Faircloth, House Chair
Study Commission to Study Alternative Voting Procedures, the Citizen Initiative Process and
Minor Party Ballot Access
Enclosure

cc: Members of the Legislative Council (w/enc.)



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013

Telephone: (207) 287-1670

Fax: (207) 287-1275

January 26, 2006

To: Representative John Richardson, Chair, Legislative Council
Senator Beth Edmonds, Vice-Chair, Legislative Council

From: Patrick Norton, Director

Re: Staff study on forestland ownership trends in Maine

An April 26, 2005 request by the Joint Standing Committee on Agriculture, Conservation and Forestry to carryover LD 1406, An Act to Preserve Public Access and Job Opportunities in the North Woods, included a request that the Council also authorize a staff study by the Office of Policy and Legal Analysis on forestland ownership trends in Maine. That request was approved by the Council.

Pursuant to that authorization, I am pleased to submit a copy of our staff study report on this issue, entitled "Maine Forestland Ownership: Trends and Issues".

Copies of this report have been provided to the Joint Standing Committee on Agriculture, Conservation and Forestry and have been placed on file with the Law and Legislative Reference Library.

I appreciate this opportunity to assist you in gathering and analyzing information on this issue, and would be happy to respond to any questions you may have about this report.

Sincerely,

A handwritten signature in black ink that reads "Patrick Norton".

Patrick Norton, Director

cc: Members, Legislative Council
David Boulter, Executive Director

JAN 26 2006