

MAINE STATE LEGISLATURE

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MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

**MEETING OF LEGISLATIVE COUNCIL
JUNE 30, 2010
1:30 P.M.**

REVISED AGENDA

<u>Page</u>	<u>Item</u>	<u>Action</u>
	CALL TO ORDER	
	ROLL CALL	
1	SUMMARY OF THE MAY 26, 2010 MEETING OF THE LEGISLATIVE COUNCIL	Acceptance
	REPORTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS	
9	▪ Executive Director's Report (Mr. Boulter)	Information
10	▪ Fiscal Report (Mr. Pennoyer)	Information
14	▪ Legislative Studies & Interim Committee Meetings (Mr. Norton)	Information
	REPORTS FROM COUNCIL COMMITTEES	
	• Personnel Committee (Speaker Pingree, Chair)	
	• State House Facilities Committee (Rep. Piotti, Chair) (No Report)	
	• Budget Subcommittee (Senate President Mitchell, Chair) (No Report)	
	• CSG Annual Meeting Planning Subcommittee (Sen. Bartlett & Rep. Smith, Co-chairs)	

OLD BUSINESS

(No Action Required)

Information

NEW BUSINESS

- | | | |
|-----------|--|--------------------|
| 15 | Item #1: Alternative Legislator Salary Payment Schedule
(Proposed by Rep. Dostie) | Information |
| 20 | Item #2: Nonpartisan Staff Study Analyzing General Fund & Other Revenue Expenditures of Programs within the Department of Education
(Requested by Sen. Alford) | Decision |

Item #3: Executive Session (if necessary)

ANNOUNCEMENTS AND REMARKS

ADJOURNMENT

REP. HANNAH M. PINGREE
CHAIR

SEN. ELIZABETH H. MITCHELL
VICE-CHAIR

EXECUTIVE DIRECTOR
DAVID E. BOULTER



SEN. PHILIP L. BARTLETT II
SEN. KEVIN L. RAYE
SEN. LISA T. MARRACHE
SEN. JONATHAN T. E. COURTNEY
REP. JOHN F. PIOTTI
REP. JOSHUA A. TARDY
REP. SETH A. BERRY
REP. PHILIP A. CURTIS

124TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

MEETING SUMMARY
May 26, 2010

CALL TO ORDER

Legislative Council Chair, Speaker Pingree called the May 26, 2010 Legislative Council meeting to order at 1:51 P.M. in the Legislative Council Chambers.

ROLL CALL

Senators: Senate President Elizabeth Mitchell, Sen. Lisa Marraché, Sen. Kevin Raye, Sen. Jonathan Courtney

Absent: Sen. Philip Bartlett

Representatives: Speaker Hannah Pingree, Rep. John Piotti, Rep. Seth Berry

Absent: Rep. Joshua Tardy, Rep. Philip Curtis

Legislative Officers: Michael Cote, Assistant Clerk of the House
David E. Boulter, Executive Director of the Legislative Council
Rose Breton, Legislative Finance Director
Patrick Norton, Director, Office of Policy & Legal Analysis
Grant Pennoyer, Director, Office of Fiscal and Program Review
Suzanne Gresser, Revisor of Statutes
Beth Ashcroft, Director, Office of Program Evaluation and Government Accountability

Chair Pingree convened the meeting at 1:51 P.M. with a quorum of members present.

SUMMARY OF APRIL 6, 2010 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary of April 6, 2010 be accepted and placed on file. Motion by Senator Marraché. Second by Representative Berry. **Motion passed unanimous.**
(7-0) [Representative Tardy, Representative Curtis and Senator Bartlett absent for vote.]

Chair Pingree asked if there was any objection to taking 1 item out of order. There was no objection. The Chair then moved to **REPORTS FROM COUNCIL COMMITTEES.**

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

Speaker Pingree, Chair of the Personnel Committee reported the Personnel Committee met earlier that day and considered several personnel matters.

Temporary Disability Income Benefits

The committee reviewed and unanimously approved requests by a Senate employee, a House employee and a member of the nonpartisan staff for temporary disability income benefits as provided in the council's personnel policies and guidelines. No council action is required.

Reappointment of Office Director

The committee reviewed OFPR Director Grant Pennoyer's performance and considered his request for reappointment to a new 3-year term as director. The committee concluded that Mr. Pennoyer has performed well during his 9 years of service as office director and that he has made and continues to make improvements in the performance of the office. The committee members voted unanimously to recommend that Mr. Pennoyer be reappointed as director of OFPR.

MOTION: That upon the unanimous recommendation of the Personnel Committee, the Legislative Council reappoint Grant T. Pennoyer to a new 3-year term as Director of the Office of Fiscal and Program Review, the date of his reappointment being retroactive to April 26, 2010. Motion by Chair Pingree. Second by Senator Mitchell. **Motion passed unanimously. (7-0)** [Representative Tardy, Representative Curtis and Senator Bartlett absent for vote.]

2. State House Facilities Committee

Representative Piotti, Chair of the State House Facilities Committee reported the committee had one item. He noted that the Legislature had passed a Resolve in 2009 authorizing a working group to arrange for a plaque honoring women veterans of the State to be placed in the Hall of Flags.

Mr. Boulter referred the Legislative Council members to **Item #5** on the Legislative Council's agenda: **Request for Authorization to Install Women Veterans' Plaque in the Hall of Flags.** By letter dated May 20, 2010, Maine Veterans' Services reported that a final design for the plaque has been developed, and the working group that had been established is seeking authorization to install the plaque in an appropriate location in the Hall of Flags. Upon receiving authorization, the working group and Maine Veterans' Services will begin fundraising for construction of the plaque.

MOTION: That the Legislative Council authorize placement of the plaque in the State House Hall of Flags conditional upon completion of all fundraising and construction of the plaque, the location of which to be determined by the chair of the Legislative Council after consultation with the chair of the State House and Capitol Park Commission, director of the Bureau of Maine Veterans' Services and the executive director. Motion by Representative Piotti. Second by Senator Mitchell. **Motion passed unanimously. (7-0)** [Representative Tardy, Representative Curtis and Senator Bartlett absent for vote.]

3. Budget Subcommittee

(No Report)

4. CSG Annual Meeting Planning Subcommittee

There was no committee report in light of Senator Bartlett's absence. Speaker Pingree mentioned that the Legislative Council will hold several monthly meetings prior to the CSG annual meeting in Portland and can receive committee reports at those meetings. She expressed her concerns that the committee's fundraising for the event was not going that well. She asked Senator Courtney, a member of the committee, if he could provide any additional information. Senator Courtney responded that Senator Bartlett and Representative Tardy have been working actively to obtain donations. There was no further discussion.

The Legislative Council then returned to the other items on its agenda.

REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

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

Pre-Legislative Conference & Other Planning

The 125th Legislature will be sworn in on December 1, 2010 and several items on the Legislative Council's agenda today relate to planning for legislator orientation programs for new and returning legislators. Although the convening of the new legislature is months away, a long lead time is necessary to properly plan for the activities and handouts that are part of the Pre-Legislative Conference and New Member orientation programs. Staff is beginning to prepare informational materials such as the Legislators' Handbook by inviting suggestions for updates and improvements of the informational materials. Work will be on-going throughout the summer with a completion goal by mid-fall.

State House Renovations and Improvements

This year's renovations and improvements to the State House and grounds will begin in early July and are scheduled to conclude by early October. The projects, approved by the council earlier this year, will focus on areas that are in serious need of repair, pose safety issues or if left uncorrected may result in more damage or costly repairs in the future. The projects include copper repairs to the low dome on the roof of the State House to prevent water infiltration, repairs and repainting of the interior of the high dome, reconstruction of the entrance drive and installation of a sidewalk at the Capitol Street entrance to the State House, and restoration of Governor Enoch Lincoln's vault and monument in Capitol Park.

Citizen Trade Policy Commission

An agreement between the Department of Labor and the Legislative Council for providing staffing to the policy trade commission during the past year will expire in June. Patrick Norton of OPLA will be working with chairs of the Citizen Trade Policy Commission to develop a plan for assistance to the commission, including providing some staffing assistance during this legislative interim. As part of its planning for staff support, the commission has requested that unspent funds from FY10 be carried over to support its activities for the coming fiscal year.

Fiscal Report

Office of Fiscal and Program Review Director Grant Pennoyer thanked the members of the Legislative Council for reappointing him for another term and expressed his enthusiasm in working with the council members in the years ahead. Mr. Pennoyer reported on the following:

He began by stating that although he has not had many opportunities to present positive fiscal news, he has the opportunity this time. General Fund revenue is above budget projections and while income tax revenue did not make budget, it was very close to projections. Most encouraging was sales tax performance; for the first time in nearly two years, sale tax revenue grew by 2.2%, March to March. The Highway Fund is also performing well and will end the fiscal year with a surplus.

Mr. Pennoyer reported that Dirigo Health has entered into a payment schedule with its contractor Harvard Pilgrim; to defer some payments that otherwise would come due by June 30th until the next fiscal year. Under this arrangement, Dirigo Health can repay the cash advance it received from the General Fund by June 30. In response to a question by Senator Courtney, Mr. Pennoyer stated that the deferred payment schedule does not require legislative approval.

Chair Pingree noted that the Department of Inland Fisheries and Wildlife's revenues are below projections by more than \$1 million. Mr. Pennoyer said that the department has not provided a good explanation for the variance and that his office would be monitoring the situation closely.

Mr. Pennoyer then presented his fiscal summary.

Revenue Update

Total General Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
April	\$342.1	\$344.6	\$2.5	0.7%	\$338.9	1.7%
FYTD	\$2,053.5	\$2,086.5	\$33.0	1.6%	\$2,153.0	-3.1%

General Fund revenue was \$2.5 million (0.7%) over budget in April, increasing the fiscal year-to-date (FYTD) positive variance to \$33.0 million (1.6%). FYTD revenue is 3.1% below the same period in FY 2009.

While Individual Income Tax was under budget by \$10.4 million in April largely due to final payments being less than projected, it remained very close to budget for FYTD through April. Corporate Income Tax continued to build up its positive variance with April collections coming in \$4.6 million over budget and pushing the FYTD variance upward to \$15.5 million.

Sales tax collections in April, representing March taxable sales, were very strong coming in \$5.7 million ahead of projections for the month. Much of this unusual positive variance in sales tax collections may represent sales that would normally have occurred later in the year but occurred earlier due to the unusually warm weather in March.

Some areas of concern include the Real Estate Transfer Tax and Inland Fisheries and Wildlife revenue, which were more than \$1 million under budget each through April. The negative variances from these sources have been more than offset by strong performances in various other categories, such that the positive variance for the FYTD is expected to hold up through the end of the FY 2010.

Total Highway Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
April	\$25.0	\$27.5	\$2.5	10.0%	\$25.5	7.8%
FYTD	\$234.4	\$239.6	\$5.2	2.2%	\$248.0	-3.4%

Highway Fund revenue was \$2.5 million (10.0%) over budget in April, increasing the FYTD positive variance to \$5.2 million (2.2%).

Cash Balances

With the infusion of cash from April's income tax revenue, the State will be able to avoid external borrowing for another year (FY 2006 was the last year the State utilized external cash flow borrowing). Total cash balances in April averaged \$342.8 million and were more than \$90 million higher than last year's balance at this time, despite having \$115.8 million less of reserve balances.

The Dirigo Health Fund (DHF) has repaid all but \$7.5 million of the \$25 million General Fund cash advance. DHF has negotiated a restructured payment schedule with Harvard Pilgrim to defer some payments in order to make the final payments to the General Fund before June 30th.

Average balances in the Federal Expenditures Fund have continued to show some improvement from the lowest average of -\$40.0 million in October 2009. April's negative balance improved to \$7.2 million. Although some negative balances are normal for federal funds, April's balance was still higher than the norm.

Status of Legislative Studies

Mr. Norton presented his written status report that was included in the Legislative Council meeting materials.

Mr. Norton reported that the Task Force on Kinship Families is still pending receipt and acceptance of nonstate funding, which is an item on the Legislative Council's agenda (**New Business, Item #1**). Mr. Norton then proceeded to report on the status of legislative studies and interim committee meetings.

Senator Courtney asked if the Legislative Council members could receive notification when interim committee meetings are scheduled. Mr. Norton explained that meetings are noted on the Weekly Legislative Calendar distributed by the Clerk's office. It was suggested that the Legislative Council members be polled to their preferred email address for sending notices, and that council members be copied on notices to committee members when they are notified of scheduled committee meetings.

OLD BUSINESS

(There was no Old Business.)

NEW BUSINESS

ITEM #1: Acceptance of Funds to Support *Resolve 2009, c. 136: Resolve, to Establish the Task Force on Kinship Families*, as amended by P.L. 2009, c. 576, Part EEEE

University of Maine Center on Aging in partnership with Relatives as Parents (RAPP) and Families and Children Together (F.A.C.T.)

The matter was presented to the Legislative Council because the enabling legislation requires the council to accept and authorize use of the nonstate funds before the task force convenes.

Two principal funding sources for the task force have been identified: Families and Children Together (F.A.C.T.) from Bangor (\$2,500) and the University of Maine Center on Aging (\$1,990). The \$2,500 from F.A.C.T. has been received and the remaining \$1,990 has been promised to be delivered by May 27th. Mr. Boulter indicated that he had reviewed the information from the two funding sources and concluded they are acceptable funding entities.

Motion: To accept funds from the University of Maine Center on Aging in partnership with Relatives as Parents (RAPP) and from Families and Children Together (F.A.C.T.) and authorize convening of the task force established by Resolve, to Establish the Task Force on Kinship Families, as amended by P.L. 2009, c. 576, Part EEEE to convene. Motion by Senator Marrache. Second by Senator Raye. **Motion passed unanimous. (6-0)** [Representative Tardy, Representative Curtis, Representative Piotti and Senator Bartlett absent for vote.]

ITEM #2: Citizens Trade Policy Commission

The Citizen Trade Policy Commission requested approval to carry over its FY10 funds that remain unspent by the close of the fiscal year in order to use those funds to support commission activities in FY11.

Chair Pingree noted that during the legislative budget process, funding for the trade commission was reduced, and the trade commission indicated at that time that carry over of unspent funds would help mitigate the impact of reduced funding.

In response to a question by Senate President Mitchell, Legislative Finance Director Rose Breton stated that currently \$16,700 is unspent. Of that amount, \$7,500 is committed to the Department of Labor for Contracted Services (staffing). The net remaining funds total about \$9,200. If another trade commission meeting is held in June as expected, the amount of unspent funds would be reduced accordingly.

Chair Pingree asked about the amount budgeted and cuts from the trade commission's budget. Ms. Breton explained that the budget had been \$42,370 and was reduced by \$30,000. The FY11 budget is now \$12,370. A motion was then made.

Motion: That the Legislative Council approve the request of the Citizen Trade Policy Commission to carryover unspent funds remaining at the end of FY 10 into FY 11, to be used for the purposes for which they were originally intended. The funds may not be redirected for any other purpose without the prior approval of the Legislative Council.

The Legislative Council further authorizes the Executive Director to take the necessary steps at the appropriate time after the official close of the fiscal year to affect the transfer of these funds. Motion by Representative Berry. Second by Senator Raye. **Motion passed unanimous. (6-0)**

[Representative Tardy, Representative Curtis, Representative Piotti and Senator Bartlett absent for vote.]

ITEM #3: Legislative Council's Orientation Programs and Schedule for 124th Legislature

Mr. Boulter reminded the Legislative Council that in six months, the Legislative Council will hold its orientation program for newly elected legislators. In order to plan for the orientation, Mr. Boulter requested that the Legislative Council establish the date in November when it will be held. Mr. Boulter suggested several potential dates: November 12th (immediately following Veteran's Day holiday), November 16th, November 19th, or November 23rd (2 days prior to Thanksgiving).

Senator Marraché preferred either November 18th or 19th as they would not fall in a week when there is a holiday. Chair Pingree suggested that coordinating post-election caucuses with the date of the New Member Orientation would be efficient. She suggested that the orientation date be Friday, November 19th, and asked if there was an objection. No objection was voiced.

Motion: That the New Member Orientation be held Friday, November 19th.
Motion passed unanimous. (6-0) [Representative Tardy, Representative Curtis, Representative Piotti and Senator Bartlett absent for vote.]

ITEM #4: Policy Leaders Academy – Bus Tours and Legislative Forums for the 125th Maine Legislature

Maine Development Foundation President Laurie Lachance spoke to the Legislative Council about MDF's planning for economic development bus tours and policy forums for the incoming Legislature. She explained that for nearly 30 years, MDF has hosted bus tours of the state during each first regular session, usually 2-3 days in duration. They typically occur in January as the legislature is getting underway. Ms. Lachance stated that MDF solicits feedback from participants and included a summary in her written materials. Based upon the feedback, she recommended that it modify the bus tour schedule by holding one, rather than two, bus tours in the first regular session, followed by a policy forum held during the Pre-Legislative Conference. A second bus tour would be held during the start of the second regular session or possibly during the legislative interim following the first session. Numerous Legislative Council members agreed that this approach would be helpful to the legislative schedule and allow for greater legislator participation.

President Mitchell inquired whether mostly freshman legislators or returning legislators participate in the bus tours. She noted that 1/3 of the legislators participated in the last bus tour. Ms. Lachance stated that most of the participants were Representatives, with only two Senators having participated.

The council then discussed generally timing of bus tours and how it affects the legislative session schedule and activities in January, and alternative dates, including following the first regular session. Chair Pingree cautioned against a bus tour in January of the second regular session because of the immediate work legislators have at the very beginning of the session.

The discussion concluded with the Legislative Council agreeing that bus tours in January of the first regular session should be limited to one, and with one legislative policy forum to be held during the Pre-Legislative Conference. Further, members suggested that MDF poll members' interest in participating in an economic bus tour in the fall of the second regular

session (September – December). Ms. Lachance concluded by saying she would work with Executive Director Boulter and others to develop the bus tour and policy forum program.

Item #6: Legislative Digest of Bill Summaries and Enacted Laws

The digest was distributed to Legislative Council members. No Council action was required.

Item #7: Briefing on Past & On-going OPEGA Reviews

OPEGA Director Beth Ashcroft addressed the Legislative Council on the OPEGA materials included in the packet. She said she was before the council to answer any questions it may have about the information and reports issued since January 2010.

She spoke briefly on the following reports and projects:

- Emergency Communications in Kennebec County issued in February 2010
- Identifying potential savings in professional services contracts for FY11 for review by the Appropriations Committee presented during the 2nd regular session
- Maine Turnpike Authority review (began in May 2010)
- Medical Services in State Correctional Facilities (completion date TBD)

With respect to Emergency Communications, Ms. Ashcroft indicated that the report included implementing legislation that was subsequently enacted. With respect to professional services contracts, about \$200,000 of the identified areas of potential savings were reappropriated to offset other program reductions. OPEGA has identified eight sets of questions that define the scope of the review of the Maine Turnpike Authority. The medical services review is not yet underway, and OPEGA is considering engaging a consultant to assist with quality of care issues and assessments related to medical services.

Chair Pingree thanked Ms. Ashcroft for her update.

ANNOUNCEMENTS AND REMARKS

None

ADJOURNMENT

The Legislative Council meeting was adjourned at 2:45 P.M. Motion by Senator Mitchell. Second by Senator Raye. **Motion to adjourn passed, unanimous. (5-0)** [Representative Tardy, Representative Curtis, Representative Piotti, Representative Berry and Senator Bartlett absent for vote.]



MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

Legislative Council

**Executive Director's Report
June 30, 2010**

1. Women Veterans' Plaque - Update

At the May Legislative Council meeting, the council voted to authorize placement of a plaque in the Hall of Flags honoring Maine women veterans, subject to locating an appropriate location. The director of Maine Veterans Services, chair of the State House and Capitol Park Commission and I met and agreed upon an appropriate and permanent location. Our recommendation will be presented by the chair of the Legislative Council Speaker Pingree who is authorized to make the final decision.

2. Breach in Legislative Website

The "Lawmaker Pubic Bill" status system was taken offline last Friday after the Office of Information Services discovered two security flaws in the Lawmaker web application. The flaws were identified when it was discovered that malware had been inserted into the Lawmaker web database. The web application is outside the legislative's firewall because it is available to the public and no other legislative programs or databases, which are protected by the firewall, were affected.

This was not a data breach and no personal data were exposed. There was no attempted or successful access to any data inside the firewall. Mr. Clark is working with the software vender IRC to reprogram the Lawmaker web program to not only close all security flaws but also to take all necessary steps to assure its applications are security tested in the future before they are released for legislative use.

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Fiscal Briefing

Legislative Council Meeting

June 30, 2010

Prepared by the Office of Fiscal & Program Review

1. Revenue Update (also see attached tables)

Total General Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$208.9	\$224.0	\$15.1	7.2%	\$214.1	4.6%
FYTD	\$2,262.3	\$2,310.5	\$48.1	2.1%	\$2,367.0	-2.4%

General Fund revenue was \$15.1 million (7.2%) over budget in May, increasing the fiscal year-to-date (FYTD) positive variance to \$48.1 million (2.1%). FYTD revenue was 2.4% below the same period in FY 2009.

May's Individual Income Tax performance lead the surge in revenue coming in \$12.0 million over budget in May. Withholding payments were \$6.7 million ahead of projections and refunds continue to fall below projections. For the FYTD, Individual Income Tax revenue was \$11.8 million ahead of projections.

Corporate Income Tax continued to add to its positive variance with May collections coming in \$3.5 million over budget and pushing the FYTD variance upward to \$19.0 million.

Sales tax collections were again ahead of projections in May and were more than \$11.8 million ahead of projections through May. Some concern remains that some of this positive variance may represent earlier spring-related sales than normal due to the weather. So far, this effect has been more than offset by other growth in taxable sales.

Areas of concern remain the Real Estate Transfer Tax and Inland Fisheries and Wildlife revenue, each remained more than \$1 million under budget through May. Fine revenue fell more than \$0.5 million below budget for May. The negative variances from these sources have been more than offset by strong performances in various other categories, such that the positive variance for the FYTD is expected to hold up through the end of the FY 2010.

Total Highway Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$25.0	\$25.3	\$0.3	1.1%	\$26.3	-3.9%
FYTD	\$259.4	\$264.9	\$5.5	2.1%	\$274.3	-3.4%

Highway Fund revenue was \$0.3 million (1.1%) over budget in May, increasing the FYTD positive variance to \$5.5 million (2.1%). Highway Fund revenue through May declined by 3.4% compared to the same period in FY 2009.

The positive variance in the Fuel Tax category that had built up earlier in the fiscal year remains intact and represented the major contributor to the FYTD positive variance with a \$3.6 million positive variance through May. The Motor Vehicle Registration and Fee category also has performed well, largely due to a positive variance in the long-term trailer registration program, and was \$2.2 million ahead of projections through May.

Fiscal Briefing (continued)

2. Cash Balances

Recent revenue performance has benefitted Maine's cash position. In May, average balance in the total cash pool was \$448.4 million, which was almost \$130 million higher than in May of 2009 despite May 2009 having had \$115 million more in General Fund reserve balances.

3. Dirigo Health

The Dirigo Health Fund (DHF) has repaid all but \$5.0 million of the \$25 million General Fund cash advance that is due by June 30, 2010. The plan is to pay an additional \$0.8 million at the end of June from surplus of revenue over expenditures assuming assessments come in as projected and by continuing to cap enrollment. The remaining \$4.2 million balance at the end of June will be paid with cash that will be "freed up" by delaying premium payment to Harvard Pilgrim until July 1st. The cash for the early July payment will come from the \$5 million Fund for a Healthy Maine (FHM) allocation to Dirigo Health. This early payment of FHM cash will likely necessitate earlier cash advances to the FHM from the General Fund.

4. Possible Year-end Surplus Distributions

Presented below is a table that shows the possible General Fund year-end transfers (aka "The Cascade") assuming that the General Fund revenue surplus and other adjustments results in an increase in the unappropriated surplus of \$50 million.

Fixed Transfers

Reserve for FY 2011 Budget Stabilization Fund Transfer (PL 2009, c. 571, UUU)	(\$5,597,244)
Replenish Contingent Account up to \$350,000 (5 MRSA §1507)	(\$350,000)
Transfer to Loan Insurance Reserve up to \$1,000,000 (5 MRSA §1511)	(\$1,000,000)
Up to \$7 million to DOT, Railroad Assistance Program (PL 2009, c. 645, H)	(\$7,000,000)

% of Remaining Uncommitted Unappropriated Surplus	%	
Transfer to Budget Stabilization Fund	35%	(\$12,618,465)
Transfer to Retirement Allowance Fund	20%	(\$7,210,551)
Transfer to Reserve for GF Operating Capital	20%	(\$7,210,551)
Transfer to Retiree Health Internal Service Fund	15%	(\$5,407,913)
Capital Construction & Improvements Reserve Fund	10%	(\$3,605,276)

Total Closing Transfers	<hr style="width: 100%;"/>	(\$50,000,000.00)
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This surplus along with budgeted transfers to the Maine Budget Stabilization Fund (MBSF) could increase balances in that reserve fund by more than \$20 million. In addition, the \$7 million designated to DOT, Railroad Assistance Program was intended to accrue to the MBSF, but remains designated to Railroad Assistance despite \$7 million being directly appropriated for this purpose. This drafting error will likely be corrected in the next budget bill.

For the Highway Fund, if the unallocated surplus increases by the \$5 million revenue variance, all but \$100,000 of the increase or \$4.9 million will be transferred to the Department of Transportation for the Highway and Bridge Capital, Highway and Bridge Capital Light (Maintenance Paving) and/or Maintenance and Operations programs for capital needs.

The actual amounts to be available for General Fund and Highway Fund year-end transfers will not be finalized until late July.

General Fund and Highway Fund Revenue
Fiscal Year Ending June 30, 2010
Reflecting Budgeted Amounts Through 124th Legislature, 2nd Regular Session

MAY 2010 REVENUE VARIANCE REPORT

Revenue Line	May '10 Budget	May '10 Actual	May '10 Variance	FY10 YTD Budget	FY10 YTD Actual	FY10 YTD Variance	FY10 YTD Variance %	FY10 Budgeted Totals
General Fund								
Sales and Use Tax	62,770,570	68,264,477.12	5,493,907.12	723,513,136	735,359,428.34	11,846,292.34	1.6%	883,839,994
Service Provider Tax	4,310,310	4,428,855.51	118,545.51	46,337,022	45,570,051.70	(766,970.30)	-1.7%	55,590,852
Individual Income Tax	85,862,374	97,904,539.39	12,042,165.39	1,123,073,499	1,134,870,948.85	11,797,449.85	1.1%	1,299,630,000
Corporate Income Tax	1,900,700	5,437,308.59	3,536,608.59	124,295,037	143,294,602.60	18,999,565.60	15.3%	147,718,716
Cigarette and Tobacco Tax	10,704,631	11,455,570.12	750,939.12	127,626,704	133,712,817.48	6,086,113.48	4.8%	140,139,902
Insurance Companies Tax	13,303,220	13,116,582.33	(186,637.67)	49,369,104	54,164,667.70	4,795,563.70	9.7%	71,985,000
Estate Tax	2,245,136	779,062.19	(1,466,073.81)	22,861,997	24,170,654.53	1,308,657.53	5.7%	29,593,253
Other Taxes and Fees	27,522,211	26,628,739.99	(893,471.01)	133,442,422	132,284,794.85	(1,157,627.15)	-0.9%	148,808,830
Fines, Forfeits and Penalties	2,460,130	1,916,589.83	(543,540.17)	30,130,853	29,609,253.46	(521,599.54)	-1.7%	32,853,721
Income from Investments	(32,392)	(8,471.94)	23,920.06	18,753	95,416.25	76,663.25	408.8%	103,246
Transfer from Lottery Commission	4,762,916	4,779,477.82	16,561.82	45,782,974	47,320,707.50	1,537,733.50	3.4%	49,843,299
Transfers to Tax Relief Programs	(874,999)	(2,183,325.96)	(1,308,326.96)	(111,484,861)	(112,797,522.43)	(1,312,661.43)	-1.2%	(112,559,862)
Transfers for Municipal Revenue Sharing	(10,394,915)	(10,379,466.26)	15,448.74	(88,942,680)	(89,978,421.23)	(1,035,741.23)	-1.2%	(95,899,642)
Other Revenue	4,316,118	1,815,632.87	(2,500,485.13)	36,321,231	32,790,783.40	(3,530,447.60)	-9.7%	41,358,080
Totals	208,856,010	223,955,571.60	15,099,561.60	2,262,345,191	2,310,468,183.00	48,122,992.00	2.1%	2,693,005,389
Highway Fund								
Fuel Taxes	15,816,489	16,413,303.82	596,814.82	176,682,157	180,305,064.60	3,622,907.60	2.1%	220,305,526
Motor Vehicle Registration and Fees	8,117,812	7,833,714.82	(284,097.18)	69,504,905	71,671,741.06	2,166,836.06	3.1%	75,043,693
Inspection Fees	368,209	261,955.50	(106,253.50)	3,566,965	3,532,085.27	(34,879.73)	-1.0%	3,896,915
Fines, Forfeits and Penalties	141,770	90,056.44	(51,713.56)	1,588,064	1,355,160.92	(232,903.08)	-14.7%	1,745,049
Income from Investments	5,200	15,717.77	10,517.77	108,130	139,653.06	31,523.06	29.2%	113,330
Other Revenue	554,269	666,696.27	112,427.27	7,934,264	7,868,021.36	(66,242.64)	-0.8%	8,387,253
Totals	25,003,749	25,281,444.62	277,695.62	259,384,485	264,871,726.27	5,487,241.27	2.1%	309,491,766

Comparison of Actual Year-to-Date Revenue Through May of Each Fiscal Year

REVENUE CATEGORY	FY 2006	% Chg	FY 2007	% Chg	FY 2008	% Chg	FY 2009	% Chg	FY 2010	% Chg
GENERAL FUND										
Sales and Use Tax	\$776,695,912.29	5.6%	\$795,461,202.60	2.4%	\$803,752,753.05	1.0%	\$760,900,865.19	-5.3%	\$735,359,428.34	-3.4%
Service Provider Tax	\$39,023,058.52	6.4%	\$40,942,009.35	4.9%	\$43,297,431.74	5.8%	\$43,977,044.66	1.6%	\$45,570,051.70	3.6%
Individual Income Tax	\$1,187,362,162.98	5.7%	\$1,279,080,375.97	7.7%	\$1,366,441,880.32	6.8%	\$1,202,668,446.41	-12.0%	\$1,134,870,948.85	-5.6%
Corporate Income Tax	\$161,328,700.54	54.3%	\$140,193,897.61	-13.1%	\$146,794,106.14	4.7%	\$117,205,771.93	-20.2%	\$143,294,602.60	22.3%
Cigarette and Tobacco Tax	\$139,947,609.91	60.2%	\$145,082,532.80	3.7%	\$137,377,059.61	-5.3%	\$130,453,083.60	-5.0%	\$133,712,817.48	2.5%
Insurance Companies Tax	\$51,917,486.60	3.8%	\$50,222,077.54	-3.3%	\$49,541,505.81	-1.4%	\$53,454,023.21	7.9%	\$54,164,667.70	1.3%
Estate Tax	\$66,070,425.00	160.8%	\$46,254,278.01	-30.0%	\$29,094,586.88	-37.1%	\$24,777,386.34	-14.8%	\$24,170,654.53	-2.4%
Other Taxes and Fees	\$128,011,043.35	2.7%	\$129,361,023.31	1.1%	\$125,924,152.02	-2.7%	\$132,237,559.87	5.0%	\$132,284,794.85	0.0%
Fines, Forfeits and Penalties	\$33,282,524.96	4.0%	\$36,885,082.20	10.8%	\$40,177,729.47	8.9%	\$39,406,554.50	-1.9%	\$29,609,253.46	-24.9%
Earnings on Investments	\$5,476,072.09	29.7%	\$583,000.25	-89.4%	\$1,493,676.72	156.2%	\$1,110,395.58	-25.7%	\$95,416.25	-91.4%
Transfer from Lottery Commission	\$47,395,090.59	3.7%	\$46,116,785.74	-2.7%	\$45,586,464.56	-1.1%	\$45,473,514.36	-0.2%	\$47,320,707.50	4.1%
Transfers to Tax Relief Programs	(\$108,450,651.91)	-316.8%	(\$109,703,752.34)	-1.2%	(\$111,716,561.48)	-1.8%	(\$121,600,311.85)	-8.8%	(\$112,797,522.43)	7.2%
Transfers for Municipal Revenue Sharing	(\$104,853,918.30)	-14.1%	(\$104,444,660.41)	0.4%	(\$114,577,048.85)	-9.7%	(\$102,160,745.18)	10.8%	(\$89,978,421.23)	11.9%
Other Revenue	\$53,370,403.15	-44.7%	\$44,817,669.12	-16.0%	\$44,994,757.40	0.4%	\$39,122,880.65	-13.1%	\$32,790,783.40	-16.2%
TOTAL GENERAL FUND REVENUE	\$2,476,575,919.77	5.4%	\$2,540,851,521.75	2.6%	\$2,608,182,493.39	2.6%	\$2,367,026,469.27	-9.2%	\$2,310,468,183.00	-2.4%
HIGHWAY FUND										
Fuel Taxes	\$181,884,807.88	0.4%	\$184,711,916.09	1.6%	\$182,876,388.50	-1.0%	\$178,340,027.21	-2.5%	\$180,305,064.60	1.1%
Motor Vehicle Registration and Fees	\$78,800,336.25	4.8%	\$76,785,930.67	-2.6%	\$76,299,954.66	-0.6%	\$81,312,779.41	6.6%	\$71,671,741.06	-11.9%
Inspection Fees	\$3,936,452.92	3.1%	\$3,946,804.85	0.3%	\$3,507,371.20	-11.1%	\$3,663,784.56	4.5%	\$3,532,085.27	-3.6%
Fines	\$1,651,258.11	20.3%	\$1,535,951.28	-7.0%	\$1,611,242.96	4.9%	\$1,621,767.20	0.7%	\$1,355,160.92	-16.4%
Income from Investments	\$1,440,493.29	31.8%	\$826,786.24	-42.6%	\$1,111,890.60	34.5%	\$435,424.57	-60.8%	\$139,653.06	-67.9%
Other Revenue	\$8,673,444.45	7.0%	\$8,825,560.16	1.8%	\$8,984,850.42	1.8%	\$8,894,828.26	-1.0%	\$7,868,021.36	-11.5%
TOTAL HIGHWAY FUND REVENUE	\$276,386,792.90	2.1%	\$276,632,949.29	0.1%	\$274,391,698.34	-0.8%	\$274,268,611.21	0.0%	\$264,871,726.27	-3.4%

Interim 2010 Legislative Studies and Interim Committee Meetings

Updated June 30, 2010

Study Name	Meetings Authorized	Meetings Held This Year	Next Meeting Date	Report Date	Chairs	Status
Task force on kinship families (Resolve 136)	4 meetings	0	Tentative 1st meeting date being discussed with Chairs	11/3/2010	Sen. Craven; Rep. Jones	All members appointed. All funds received.
Joint Select Committee on Health Care Reform (HP 1262)	5 meetings	2	Not scheduled	11/3/2010	Sen. Brannigan; Rep. Treat	
ACF committee to discuss report on milk handling fees (Resolve 183)	2 meetings	0	Not scheduled	12/1/2010	Sen. Nutting; Rep. Pieh	
AFA Committee	Monthly	2	7/27; 8/30; 9/16; 10/28; 11/18	No report required	Sen. Diamond; Rep. Cain	
EDU committee meetings on MaineCare Rules relating to CDS (PL 571, Part ZZZ)	2 meetings	1	Not scheduled	10/1/2010	Sen. Alford; Rep. Sutherland	
LVA committee review of slot machine revenues (PL 571, Part FFF)	4 meetings	0	Not scheduled	11/3/2010	Sen. Sullivan; Rep. Trinward	
NAT committee study of solid waste and hot mix asphalt plant emissions	5 meetings	4	Not scheduled	11/3/2010	Sen. Goodall; Rep. Duchesne	Committee may not need to hold its 5th meeting.
SLG committee study of APA rulemaking process (Resolve 207)	Up to 3 meetings	0	Not scheduled	11/3/2010	Sen. Simpson; Rep. Beaudette	
SLG meeting with AFA regarding SPO reorganization (PL 571, Part JJJJ)	1 meeting	0	Not scheduled	No report required	Sen. Simpson; Rep. Beaudette	

On-going Legislative Studies

Study Name	Meetings Authorized	Meetings Held This Year	Next Meeting Date	Report Date	Chairs	Status
Citizen Trade Policy Commission (PL 2003, c. 699)	At least 2 per year	4	7/16/2010	12/2/2010	Sen. Jackson; Rep. Rotundo	
Legislative Youth Advisory Council (3 MRSA, section 168-A)	2 per year	0	Not planning to meet until early 2011	2/1/2012	Sen. Sullivan; Rep. Hayes	
Right to Know Advisory Committee (PL 2005, c. 631)	At least 4 times annually	1	9/23/10; 10/21/10; 11/18/10	1/15 annually to JUD, Governor and Chief Justice	Sen. Hobbins	

DAVID E. BOULTER

EXECUTIVE DIRECTOR
OF THE LEGISLATIVE COUNCIL



MAINE STATE LEGISLATURE

OFFICE OF THE EXECUTIVE DIRECTOR
LEGISLATIVE COUNCIL

MEMO

To: Members of the Legislative Council
124th Legislature

D.B.
From: David E. Boulter, Executive Director
Legislative Council

Date: June 24, 2010

Re: Alternative Legislator Salary Payment Schedule

At the request of Chair of the Legislative Council Pingree, the Office of the Executive Director has prepared the following information relating to a request by Rep. Stacy Dostie that the Legislative Council consider and adopt an alternative salary payment schedule option for legislators. Rep. Dostie is interested in legislators being given the option to receive their legislative salary payments monthly (or perhaps biweekly) on a year round basis rather than biweekly only during each legislative session as has been the practice for many years. We have assessed the feasibility of certain payment options and have summarized key points for your information and consideration.

Under Rep. Dostie's proposal, legislators could opt for an alternative payment schedule, the principal benefit being that legislators would receive a salary payment throughout all or most of each year. Although the per payment amount would be lower than with in-session payments, legislators would have a regularized income stream during the year. The total salary paid to legislators for their legislative service during regular sessions of the legislature would not change. We are uncertain how many legislators would opt for the alternative payment schedule since it would double or triple the period over which payments of legislators' salary would be made each year, notwithstanding the predictability of a year round payment schedule.

Our assessment concludes that although the change requested by Rep. Dostie could be developed and implemented, it poses a number of significant logistical, policy and legal issues as discussed below that would have to be resolved.

A. CURRENT BIWEEKLY PAY SCHEDULE DURING LEGISLATIVE SESSION

Currently, legislators are paid on a biweekly pay schedule, as are legislative and other state employees. Session-only employees' pay ceases at the end of their session work. All payrolls are currently processed through the State Controller's Office, using a centralized payroll and accounting system and payroll schedule. The Controller's office currently is not set up for and does not process any monthly state payrolls.

The first payroll for legislators is the first Wednesday in January and the number of salary payments each legislative session is determined jointly by the presiding officers. This usually consists of 11-12 payrolls for a 1st Regular Session and 7-8 payrolls for a 2nd Regular Session. All salary payments end on or before adjournment sine die.

Once legislators have received their last paycheck of the session, their payroll processing “company” is turned off, ensuring no further salary payments are made until a new legislative session is convened. Every other year after elections have taken place and new member orientation has been held, it is necessary to take legislators who were term-limited or who were not re-elected out of position and put newly elected legislators into position. Once all legislator information is entered into the payroll system and verified, a dry run/test payroll is processed through the Controller’s Office to verify that each legislator will be paid correctly and that the deductions are correct. This typically takes place from mid-November through mid-December.

B. OTHER STATES

The office contacted the National Conference of State Legislatures to gain a better understanding of how other states with part-time citizen legislatures compensate legislators. Of the 10 states responding to NCSL’s request for salary payment information, nine states compensate legislators during the session, with the legislative salary being paid out in full by the end of each session. One state, Idaho, pays legislators year round.

C. LEGAL CONSTRAINTS

Relevant law: 3 MRSA §2

Section 2 of Title 3 authorizes legislators to receive a salary for their service as legislators, and establishes the amount of salary to be paid each regular and special session. Section 2, paragraph 1 authorizes the legislature to determine the payment schedules during the session. By Joint Order each session, the legislature delegates that authority to the Speaker and the President jointly. While the law allows latitude in the payment schedule, it requires that all salary (and expense) payments be made by the end of each session.

Title 3, §2, 1st ¶, last sentence. Salary, expenses and travel of Members of the Legislature and representatives of Indian tribes:

“Each Legislator is entitled to mileage on the first day of the session, and those amounts of salary and expenses at such times as the Legislature may determine during the session, *and the balance at the end of the session.*”

There appears to be no authority to extend payment beyond adjournment sine die. To do so would appear to require a change in law expressly authorizing such a salary payment schedule.

D. ALTERNATIVE PAYMENT SCHEDULE

Option 1: Biweekly or monthly payments year round (12 months)

1. If an option is made available to legislators to be paid once a month or biweekly on a year round basis, a new processing procedure would need to be established through the State Controller’s office and administered by the Executive Director’s office. Essentially, it would require the creation of a new pay group (“company”) for each new schedule option

authorized, establish tax and other payroll deduction methodologies and create new positions into which legislators would be placed for salary payment purposes. Creating new positions is necessary to ensure the proper payment schedule for this group of legislators while not affecting other legislators. The number of new positions required would correlate directly to the number of legislators who would likely choose this option. The State Controller's office highly recommends that if a change is made in payment schedule for legislators, that the alternative payment schedule be applied uniformly to all legislators, rather than having individual legislators opting in or out at various times of their choosing. Finally, the controller's office noted that no employee group in State Government is currently afforded salary payment options. The concern is for consistency of payroll procedures for state-paid salaries and accounting control integrity.

2. Once a new processing company is established, legislators would need to elect whether they wanted to be paid biweekly in the current manner or once a month or biweekly for the 12 month time frame. This would need to be done immediately after the election and no changes could be allowed after the selection of a payment option is made.
3. Because the last payment for out-going legislators would occur about mid-December, only about one week (including any shutdown days or holidays) would be available to have the office update the current legislators' payroll in the group, enter any new legislators new hire information that have selected this payment option, update the salary for each and process and verify a dry run payroll before the 1st payroll in January. Because of the very short time frame for setting up legislators in the alternate pay schedule, there would be a much higher likelihood of delay in issuance of the first salary payment and payroll processing errors. Of note, this work would occur during the same time the office is fully engaged preparing for the Pre-Legislative Conference and processing health, retirement and other benefit forms for all incoming legislators. This would be a very challenging effort, and realistically is not feasible.

Option 2: Monthly payments for 10 months

This option is similar to Option 1 except payments would be made for 10 rather than 12 months each year. A 10 month payment cycle would alleviate the time constraints that make Option 1 infeasible.

1. As with Option 1, if an option is made available to legislators to be paid once a month or biweekly on a 10-month basis, a new processing procedure would need to be established through the State Controller's office and administered by the Executive Director's office. It would require the creation of a new pay company for each new schedule option authorized, establish tax and other payroll deduction methodologies and create new positions into which legislators would be placed for salary payment purposes. As with Option 1, creating a new group of positions is necessary to ensure the proper payment schedule for this group of legislators while not affecting other legislators. The State Controller's office comments remain the same as with Option 1.
2. Once a new processing company is established, legislators would need to elect whether they wanted to be paid biweekly in their current manner or monthly for the 10-month period. This would need to be done immediately after the election and no changes could be allowed after the selection of a payment option is made.

3. Since this group of legislators would be paid only until mid-November, there should be sufficient time to update the current legislators' payroll in this group, enter any new legislators new hire information that have selected this payment option, update the salary for each of them, process a dry run payroll and verify it before the 1st payroll in January.

E. BUDGETING ISSUES

Currently, all salary payments for legislators for each session are budgeted in a single fiscal year, allowing for exact budgeting on a fiscal year and biennial basis. Budgeting for legislator salary payments on a year round or 10 month rather than session basis would require payments across fiscal years and bienniums. Because the number of legislators who may choose an alternative payment schedule would not be known until each budget has been prepared and the fiscal year has started, the budgeting for legislator salaries could only be estimated for each fiscal year. While this circumstance would not preclude a change to an alternative payment schedule, it would require a change in budget projections based on estimates only, rather than known, calculated amounts for each budget year.

F. POLICY CONSIDERATIONS

A premise of legislator salary payments being made during each regular session and ending upon adjournment is to compensate legislators for their service during that regular session. For official legislative work outside of the regular session, the legislature, by law, has established special payments for that extra service. Currently, legislators receive special payments in the form of per diem and expenses when they conduct official business after adjournment sine die of a regular session, e.g., study commissions, interim committee meetings of joint standing and select committees, Leadership Days, and legislator attendance at confirmation and special sessions. If legislator salary payments were to be regularized on a biweekly or monthly schedule over the course of a legislator's term of office, a potential issue is raised whether these special payments would remain appropriate. Strictly speaking, the biweekly or monthly payments would be for the (earlier) service during a regular session. Nevertheless, legislators would receive the special payments during the same time when they are already receiving regular payments for their legislative services, creating a potential perception of double payments for legislative service.

G. OTHER ADMINISTRATIVE CONSIDERATIONS

Tax withholdings for Special Session pay would likely be greater since a legislator would have additional salary payments during the period of a special session.

Payroll advices of deposit (pay stubs) would need to be mailed biweekly or monthly, depending on the payment schedule, resulting in some, albeit minor additional mailing costs to the legislature. Currently, advices are not mailed to legislators; they are hand delivered to legislators' mailboxes during the session.

Legislators who participate in the state's deferred compensation or medical/dependent care reimbursement programs may not have sufficient money remaining to cover those deductions with a smaller new pay check depending on those amounts and any other deductions.

Due to the structure of income tax withholding tables, the tax withholdings for a biweekly pay alternative (lower gross amount per check) may not adequately cover the legislator's tax liability at the end of the year.

For logistical and accounting process reasons, once an option of pay is selected, it may not be reversed for the biennium.

I hope this information is helpful and if any members of the Legislative Council have questions, staff from the Executive Director's office will be available to answer questions at the council meeting.

Thank you.

Cc: Rep. Stacy Dostie

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State of Maine

124th MAINE STATE LEGISLATURE Joint Standing Committee on Education and Cultural Affairs

Senate Chair

Sen. Justin L. Alfond

House Chair

Rep. Patricia B. Sutherland

June 29, 2010

MEMO TO: Representative Hannah M. Pingree, Chair;
Senator Elizabeth H. Mitchell, Vice-chair; and
Members of the Legislative Council

FROM: Senator Justin L. Alfond, Senate Chair; *JA pom*
Representative Patricia B. Sutherland, House Chair; and *BS pom*
Representative David E. Richardson, Republican Lead; *DR pom*
Joint Standing Committee on Education and Cultural Affairs

SUBJ: **Request for Legislative Staff Study of Maine Department of
Education programs**

We respectfully request that the Legislative Council approve a legislative staff study of the Maine Department of Education (MDOE) programs. The purpose of this staff study is to provide a comprehensive overview of MDOE programs that are funded by State General Funds (and other funds), including education programs and services for children from birth through age 20. Examples of the MDOE programs to be reviewed may include, but are not limited to, the following:

- ⊕ Child Development Services System;
- ⊕ Public pre-school (4-year old) programs;
- ⊕ Kindergarten through grade 12 education programs;
- ⊕ Special Education programs;
- ⊕ Gifted & Talented Education programs;
- ⊕ Alternative Education programs;
- ⊕ Career & Technical Education programs;
- ⊕ Maine Learning Technology Initiative;
- ⊕ Extended Learning Opportunities (e.g., after-school programs);
- ⊕ Jobs for Maine's Graduates;

- ⊕ Adult Education programs; and
- ⊕ Postsecondary Education Enrollment Options (i.e., eligible H.S. students taking college courses at the University of Maine System, the Maine Community College System or the Maine Academy).

We propose that, as necessary, the Legislative Council staff appointed to conduct this study shall consult with the Co-chairs of the Education and Cultural Affairs Committee on any questions related to this research.

The final work product shall include summaries of all MDOE programs, including the purpose of the program, the number of children served by the program, funding for the program from all sources, and any program evaluation data on the effectiveness of the program. The final work product shall be presented in a narrative form as well as in graphical formats that illustrate the programs and services funded through the MDOE on a continuum from birth through age 20.

We suggest that the work products generated by this staff study will be invaluable resources for the 125th Maine Legislature, particularly the members appointed to the committee having jurisdiction over education matters and the committee having jurisdiction over appropriations and financial affairs. Please do not hesitate to contact any one of us should you have any questions regarding this request. Thank you for your time and consideration in reviewing this request.

LEGISLATIVE STAFF STUDY WORK PLAN -- 124th Legislature (Interim 2010)

1. **PROJECT:** Legislative Staff Study of Maine Department of Education (MDOE) programs pursuant to request from Sen. Alfond, Rep. Sutherland & Rep. Richardson (Co-chairs and House Republican Lead of the Education & Cultural Affairs Committee)
2. **OBJECTIVE:** To provide a comprehensive overview of MDOE programs that are funded by State General Funds (and other funds), including education programs and services for children from birth through age 20. Examples of programs to be reviewed include, but are not limited to: Child Development Services System; public pre-school (4-year old) programs; kindergarten through grade 12 education programs, Special Education; Gifted & Talented Education; Alternative Education; Career & Technical Education; Maine Learning Technology Initiative; Extended Learning Opportunities; Jobs for Maine's Graduates; Adult Education, Postsecondary Education Enrollment Options (i.e., H.S. students taking courses @ UMS / MCCS / MMA), etc.
3. **PROJECT TEAM:** Legislative Council Staff (Note: Legislative staff resources to be determined by Legislative Council)
4. **FINAL WORK PRODUCT:** The final work product shall include summaries of all MDOE programs, including the purpose of the program, the number of children served by the program, the funding for the program from all sources, and any program evaluation data on the effectiveness of the program. The final work product shall be presented in a narrative form as well as in graphical formats that illustrate the programs and services funded through the MDOE on a continuum from birth through age 20.
5. **INTENDED AUDIENCE:** Education & Cultural Affairs Committee, 125th Maine Legislature
6. **ANTICIPATED START & COMPLETION DATES:** Start: July 2010 Completion: November 3, 2010

7. **PROJECT TASKS:**

Key Elements	Staff Resources Needed and Type	Project Schedule Start Finish	Consultation Needed With
7.1. Identify the relevant MDOE programs to be included in the review, including programs and initiatives funded by State General Funds, Federal funds or Other Special Revenue funds	OPLA / OFPR	July	Maine Dept. of Education (MDOE) Maine Dept. of Admin. & Fin. Services (DAFS) United States Education Department (USED)
7.2. Identify the relevant MDOE programs along the birth through age 20 continuum, including early childhood education programs (birth through age 4) and kindergarten through grade 12 education programs (age 5 through age 20)	OPLA / OFPR	July	MDOE
7.3. Collect available information and data on the purpose, funding sources, population served and evaluation for each MDOE program	OPLA / OFPR	July	MDOE / DAFS / USED Maine Educ. Policy Research Institute (MEPRI)
7.4. Meet with MDOE and MDAFS staff to collect information and data necessary to complete the review	OPLA / OFPR	July	MDOE / MDAFS / USED / MEPRI

LEGISLATIVE STAFF STUDY WORK PLAN – 124th Legislature (Interim 2010)

Key Elements	Staff Resources Needed and Type	Project Schedule		Consultation Needed With
		Start	Finish	
7.5. Meet with MDOE & DAFS staff responsible for financial data to determine the availability of historical finance data consistent with the new “chart of accounts” and to determine whether to include 2 or 3 years of data in the report	OPLA / OFPR	August		MDOE / DAFS
7.6. Identify ways to supplement the existing accounting structure and provide for increased accountability by matching expenditure data with appropriations and allocations data	OPLA / OFPR	August		MDOE / DAFS / USED
7.7. Meet with MDOE staff responsible for programs to determine the availability of program evaluation information and determine relevant standards or performance indicators to be included in the report	OPLA / OFPR	August		MDOE / MEPRI
7.8. Draft narratives for each MDOE program, including the financial data and program evaluation information compiled	OPLA / OFPR	September		MDOE / USED / MEPRI
7.9. Disseminate narrative draft to MDOE / DAFS / USED / MEPRI for review and to confirm the accuracy of program information compiled	OPLA / OFPR	September		MDOE / DAFS / USED / MEPRI
7.10. Develop graphical representations to illustrate the programs provided through the auspices of the MDOE along the birth through age 20 continuum	OPLA / OFPR	September		
7.11. Prepare draft report for internal review by respective Director(s) of Non-partisan Staff Office(s)	OPLA / OFPR	October 15, 2010		
7.12. Prepare final report for printing	OPLA / OFPR	November 3, 2010		

Accepted: _____