

MAINE STATE LEGISLATURE

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STATE OF MAINE
125TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON APPROPRIATIONS AND
FINANCIAL AFFAIRS**

July 2011

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY..... ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public Law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Appropriations and Financial Affairs

LD 1133 An Act To Reform the Maine Public Employees Retirement System

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODBURY	ONTP	

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to reform the Public Employees Retirement System plan consistent with the following principles:

1. Retirement benefits that have already been accrued based on an employee's past years of service should be fully protected;
2. Plan changes should not create additional hardship for people who are already retired or who are near retirement;
3. The reform should prevent dramatic discontinuities between the pensions of workers just vested and those approaching vesting or between workers just hired and future hires;
4. Cost-of-living adjustment should be retained as insurance for state retirees who do not generally benefit from an inflation-adjusted Social Security annuity;
5. The accrual of benefits going forward should be based on a benefit formula that more closely parallels the benefits most widely available in the private sector, while taking advantage of the financial gains from being a qualified Social Security opt-out plan; and
6. The plan should be flexible to employees with differing benefit preferences, establishing a baseline benefit that is adequate for those comfortable with later retirement or a smaller pension combined with a voluntary supplemental program for those preferring earlier retirement or a larger pension.

The bill also describes three elements of the reformed pension plan: Defined Benefit Pension Plan, Defined Contribution Pension Plan and Transitional Options.

LD 1153 An Act Related to Authorization of GARVEE Bonds

PUBLIC 391

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU	OTP-AM	S-317

This bill requires that bonded indebtedness created or authorized by the Legislature either directly or through any authority created by the Legislature must be approved by the voters, unless exempted from the requirement; requires that all bonds authorized by the Legislature or sold by an authority created by the Legislature must be sold in a competitive sale, unless an alternative mode of sale is approved by the authority board and approved by the State Treasurer based on market conditions; and requires that the total cost of principal and interest that will be paid at maturity per person based on the State's population from the latest Federal Decennial Census be added to the State Treasurer's statement that accompanies bonds on the ballot. It authorizes the State Treasurer to allocate and

Joint Standing Committee on Appropriations and Financial Affairs

reallocate available amounts of private activity tax-exempt bond authority authorized by 26 United States Code among issuers and then report to the Governor and the joint standing committees of the Legislature having jurisdiction over appropriations and financial affairs and labor, commerce, research and economic development matters, which have the authority to submit legislation based on the report and adds the State Treasurer as an ex officio member of the Maine Turnpike Authority.

Committee Amendment "A" (S-317)

This amendment changes the title and replaces the bill. It provides that GARVEE (Grant Anticipation Revenue Vehicle) bonds must be authorized by a 2/3 vote of each House of the Legislature.

Enacted Law Summary

Public Law 2011, chapter 391 provides that GARVEE (Grant Anticipation Revenue Vehicle) bonds must be authorized by a 2/3 vote of each House of the Legislature.

LD 1187 An Act To Authorize a General Fund Bond Issue To Revitalize Maine's Carried Over
Downtowns through Innovative Business Development and the Creative
Economy

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN		

The funds provided by this bond issue, in the amount of \$5,000,000, will be used as seed money to capitalize the Downtown Revitalization Fund, a revolving loan and grant fund to encourage business development in downtown areas, targeting innovative businesses, light manufacturing, trades and small businesses and space for artists and artisans. The Downtown Revitalization Fund is administered by a board consisting of public and private members and issues loans that must be matched by \$1 from the recipient for every \$2 received from the fund and issues grants.

This bill was carried over to any special and/or regular session of the 125th Legislature by joint order, H.P. 1190.

LD 1231 An Act Regarding Calculation of Benefits under Special Plans under the ONTP
Maine Public Employees Retirement System

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIS	ONTP	

This bill limits retirement benefits to state employees under special plans to 60% of average final compensation and provides that the earnable compensation that is counted to calculate average final compensation for those employees may not include any annual increase larger than 2%.