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REP. SARA GIDEON
VICE- CHAIR

EXECUTIVE DIRECTOR
GRANT T. PENNOYER



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SEN. ELOISE A. VITELLI
SEN. DANA L. DOW
SEN. JEFFREY L. TIMBERLAKE
REP. MATTHEW W. MOONEN
REP. RYAN M. FECTEAU
REP. KATHLEEN R.J. DILLINGHAM
REP. HAROLD TREY STEWART III

129TH MAINE STATE LEGISLATURE
LEGISLATIVE COUNCIL

**LEGISLATIVE COUNCIL
MEETING SUMMARY
November 5, 2020
Approved December 3, 2020**

CALL TO ORDER

Speaker Gideon called the November 5, 2020 meeting of the 129th Legislative Council to order at 10:41 am in the House Chamber.

ROLL CALL

Senators: President Jackson, Senator Libby, Senator Vitelli, Senator Dow, Senator Timberlake

Representatives: Speaker Gideon, Representative Moonen, Representative Fecteau, Representative Dillingham, Representative Stewart

Legislative Officers: Darek Grant, Secretary of the Senate
Robert Hunt, Clerk of the House
Grant Pennoyer, Executive Director
Suzanne Gresser, Revisor of Statutes
Jackie Little, Human Resources Director
Chris Nolan, Director, OFPR
Marion Hylan Barr, Director, Office of Policy and Legal Analysis
Nik Rende, Director, Office of Legislative Information Technology
Dawna Lopatosky, Legislative Finance Director
Danielle Fox, Director, OPEGA
Isabel Mullin, Senate Democratic Office

Speaker Gideon convened the meeting at 10:41 am with a quorum of members present.

Speaker Gideon opened the meeting with the first item of order, to accept the minutes of the last meeting on February 27th.

SUMMARY OF 27, 2020 MEETING OF THE LEGISLATIVE COUNCIL

Motion: That the Meeting Summary for February 27, 2020 be accepted and placed on file.
Motion by Representative Fecteau. Second by Representative Dillingham. **Motion passed unanimously (10-0-0)**

Speaker Gideon stated that, in order to expedite the meeting and in recognition of Legislature's Covid-19 safety protocols, the office directors would not be asked to present their reports, and indicated that the reports may be found in the packet.

REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

Grant Pennoyer, Executive Director, presented the following report.

Bill Production System Update

The Legislature has finished User Acceptance Testing of the new custom-built, \$3.5 million Bill Production System and has accepted the new system from the vendor after three years of planning, production and testing. We also negotiated an extension of the warranty period so that the vendor will be available to address any technical issues that arise as the Office of the Revisor of Statutes (ROS) uses this new system to produce bills and amendments for the 130th Legislature and the update of the statutes after the 130th, 1st Regular Session. This wonderful new system has already been used to update the statutes and convert laws from the 129th Legislature. It will be a major improvement in the efficiency of bill and amendment production and statute update. Unlike the system which it is replacing, this new system was designed specifically by our vendor, Tallan, to meet Maine's unique needs in this area. I would like to thank the ROS and the Office of Legislative Information Technology (LIT) for their dedication and extra-effort and time spent to see this new system through to this recent acceptance. In particular, we owe much praise and thanks to Ed Charbonneau, ROS Deputy Director and the Lead Representative for the Legislature on this project, who has sacrificed so much over the last three years to keep this project advancing as successfully as it did.

Fiscal Report

Fiscal Briefing

November 5, 2020

Prepared by the Office of Fiscal & Program Review

1. General Fund Revenue Update (see attached)

Total General Fund Revenue - FY 2021 (\$'s in Millions)						
	Budget	Actual	Var.	% Var.	Prior Year	% Change
September	\$386.9	\$432.7	\$45.8	11.8%	\$424.0	2.0%
FYTD	\$952.5	\$1,020.6	\$68.1	7.1%	\$1,055.0	-3.3%

General Fund revenue was over budget by \$45.8 million (11.8%) for the month of September and over budget by \$68.1 million (7.1%) for the fiscal year to date. September revenue exceeded September revenue from last year by 2.0% but revenue to date through the first quarter of FY 2021 was 3.3% less than the first quarter of FY 2020.

Individual income tax revenue was over budget by \$30.8 million for the month and over budget by \$48.0 million for the fiscal year to date. Withholding and estimated payments were both significantly over budget for the month and fiscal year to date. Corporate income tax revenue was under budget by \$1.5 million for the month but over budget by \$4.5 million for the fiscal year to date.

Sales and use tax revenue (August sales) was over budget for the month by \$13.8 million and by \$23.9 million for the fiscal year to date. Total taxable sales for the month of August were 1.6% higher than August of last year.

2. Highway Fund Revenue Update (see attached)

Total Highway Fund Revenue - FY 2021 (\$'s in Millions)						
	Budget	Actual	Var.	% Var.	Prior Year	% Change
September	\$25.9	\$26.2	\$0.3	1.3%	\$31.2	-16.0%
FYTD	\$82.9	\$86.2	\$3.4	4.1%	\$95.8	-10.0%

Highway Fund revenue was over budget by \$0.3 million (1.3%) for the month of September and over budget by \$3.4 million (4.1%) for the fiscal year to date. September revenue was 16.0% less than September revenue from last year and 10.0% less through the first quarter of FY 2021 than the first quarter of FY 2020.

Fuel taxes were over budget by \$2.1 million for the month and by \$3.4 million for the fiscal year to date. Motor vehicle registrations and fees were over budget by \$1.3 million for the month and by \$3.3 million for the fiscal year to date. Other Highway Fund revenue were under budget by \$3.4 million for the month with most of this negative variance attributable to the timing of municipal truck excise tax reimbursements.

3. Cash Balances Update

The average balance in the cash pool for September was \$2,879.1 million, an increase from August's average of \$2,858.2 million. The cash balance for September includes an average cash balance of \$958.4 million from the federal Coronavirus Relief Fund (CRF) payment of \$1,250 million that Maine received in mid-April. Without this CRF cash balance, the average balance in the cash pool for September would have been \$1,920.7 million. The average Highway Fund balance in September was \$38.3 million, an increase from August's average of \$25.0 million.

4. Economic and Revenue Forecast Meetings Scheduled

The Consensus Economic Forecasting Commission (CEFC) met on October 23rd to review and update the economic forecast for its November 1st report. Overall, the Commission reaffirmed its assessment of the economic and public health conditions made in the July 2020 CEFC off-cycle forecast, noting continued concern about the unprecedented, uncertain and rapidly changing nature of these conditions. Of particular note, the CEFC forecast for personal income was revised upward for the forecast period, including an increase for 2020 from 3.9% in July to 5.3% in the current forecast to reflect a stronger rebound in middle- and high-income jobs. A summary of the major CEFC changes follows. The Revenue Forecasting Committee (RFC) is scheduled to meet November 23rd to review and update the revenue forecast to comply with its statutory reporting date of December 1st.

July 2020 vs. November 2020 CEFC Forecast

Calendar Years	2019	2020	2021	2022	2023	2024	2025
Wage & Salary Employment (Annual Percentage Change)							
CEFC Forecast 02/2020	0.9%	0.5%	0.2%	0.1%	0.0%	0.0%	0.0%
CEFC Forecast 07/2020	0.9%	-8.0%	4.0%	2.0%	0.0%	0.0%	0.0%
CEFC Forecast 11/2020	0.9%	-8.0%	4.0%	2.0%	0.1%	0.1%	0.1%
Difference 11/20 vs. 7/20	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Personal Income (Annual Percentage Change)							
CEFC Forecast 02/2020	4.7%	4.1%	4.0%	3.7%	3.5%	3.5%	3.5%
CEFC Forecast 07/2020	4.6%	3.9%	-1.2%	3.7%	3.5%	3.6%	3.6%
CEFC Forecast 11/2020	4.2%	5.3%	-0.5%	3.9%	3.9%	3.9%	4.0%
Difference 11/20 vs. 7/20	-0.4%	1.4%	0.7%	0.2%	0.4%	0.3%	0.4%
Wage and Salary Income (Annual Percentage Change)							
CEFC Forecast 02/2020	4.5%	4.1%	3.7%	3.4%	3.2%	3.2%	3.2%
CEFC Forecast 07/2020	4.6%	-5.0%	2.0%	3.0%	3.0%	3.0%	3.0%
CEFC Forecast 11/2020	4.9%	-1.5%	3.0%	4.0%	4.0%	4.0%	4.0%
Difference 11/20 vs. 7/20	0.3%	3.5%	1.0%	1.0%	1.0%	1.0%	1.0%
CPI (Annual Percentage Change)							
CEFC Forecast 02/2020	1.8%	1.9%	2.0%	2.0%	2.0%	2.0%	2.0%
CEFC Forecast 07/2020	1.8%	0.9%	1.5%	1.7%	2.0%	2.0%	2.0%
CEFC Forecast 11/2020	1.8%	1.3%	2.2%	2.2%	2.1%	2.1%	2.1%
Difference 11/20 vs. 7/20	0.0%	0.4%	0.7%	0.5%	0.1%	0.1%	0.1%

From CEFC October 23, 2020 Meeting

Studies Report

Marion Hylan Barr, Director, Office of Policy and Legal Analysis, submitted a summary of authorized legislative studies for the 2020 interim.

Before moving on to next the next agenda item, Speaker Gideon took a moment to recognize, on behalf of the Council, two esteemed and beloved nonpartisan office directors on the occasion of their retirement from the Legislature: Grant Pennoyer, Executive Director of the Legislative Council; and Marion Hylan Barr, Director of Office of Policy and Legal Analysis. President Jackson, on behalf of the entire Legislative Council, presented a legislative sentiment to Grant Pennoyer recognizing his 36 years of service to the Maine State Legislature. Speaker Gideon, on behalf of the entire Legislative Council, presented a legislative sentiment to Marion Hylan Barr recognizing her 28 years of service to the Maine State Legislature.

REPORTS FROM COUNCIL COMMITTEES

Personnel Committee

The Personnel Committee met on Thursday, October 1, Thursday, October 8 and Tuesday, October 27, 2020 to consider the following matters:

1. Recruitment of Executive Director

As outlined more thoroughly in the memo on Page 22 of your packet, the Committee interviewed candidates and reached consensus on its recommendation of Ms. Suzanne Gresser for the position of Executive Director of the Legislative Council.

President Jackson made the motion: That, upon the consensus recommendation of the Personnel Committee, the Legislative Council approve the appointment of Suzanne Gresser to the position of Executive Director of the Legislative Council effective November 9, 2020 at Step 11 in Salary Range 15

The motion was seconded by Senator Libby.

Prior to the vote, Speaker Gideon expressed her approval of the recommendation of Ms. Gresser to the position of Executive Director and expressed her confidence in and gratitude for Ms. Gresser's ability to take on this position in a time of a pandemic.

Vote: Unanimous 10-0-0-0

2. Recruitment of Director for the Office of Policy and Legal Analysis

As outlined more thoroughly in the memo on Page 23 of your packet, the Committee interviewed candidates and reached consensus on its recommendation of Ms. Danielle Fox for the position of Director for the Office of Policy and Legal Analysis.

President Jackson made the motion: That upon the consensus recommendation of the Personnel Committee, the Legislative Council approve the appointment of Danielle Fox to the position of Director of the Office of Policy and Legal Analysis effective November 30, 2020 at Step 8 in Salary Range 14 and that Ms. Fox receive a retroactive step increase for the period between the Monday following her anniversary and November 27, 2020 from Step 8 to Step 9 in Salary range 13 for the period for which she was eligible for a step increase in her position of Director of the Office of Program Evaluation and Government Accountability.

The motion was seconded by Representative Dillingham

Prior to the vote, Speaker Gideon recognized Ms. Fox for her knowledge and the help she gave members from the time of her role as analyst in OPLA, to her transition to OPEGA for the good of the legislature and recognized that as a trademark of her dedication.

Vote: Unanimous 10-0-0-0

State House Facilities Committee

No Report

OLD BUSINESS:

Council Actions Taken by Ballot (No Action Required)

NEW BUSINESS:

Item #1: Proposed Document Service Fee Schedule for the 130th Legislature, First Regular Session (Hon. Robert Hunt)

Motion: President Jackson
Seconded by: Senator Libby

Vote: Unanimous 10-0-0-0

Item #2: Proposed electronic interactive option for the in-person harassment training for the remainder of the 129th Legislature.

No motion was made.

Vote: Unanimous 10-0-0-0

ANNOUNCEMENTS AND REMARKS:

In closing, Speaker Gideon recognized each member of the Legislative Council and thanked them for their service as leaders during the 129th Legislature. Speaker Gideon wished the very best to those members who were returning to the serve in the 130th Legislature and acknowledged the challenges ahead. She specifically recognized and extended her best wishes to Representative Moonen and Senator Dow, both of whom will also be departing the Legislature at the close of the 129th Legislature.

ADJOURNMENT:

With no other announcements, a motion was made to adjourn.

Motion: Representative Moonan
Second: Representative Dillingham

Vote: Unanimous 10-0-0-0

With no other business or further announcements, the Legislative Council meeting was adjourned at 11:10 a.m.