127th Legislature
Legislative Council
November 30, 2016
1:30 PM
AGENDA

CALL TO ORDER

ROLL CALL

1

SUMMARY OF THE SEPTEMBER 22, 2016 MEETING OF THE LEGISLATIVE COUNCIL

REPRESENTS FROM EXECUTIVE DIRECTOR AND STAFF OFFICE DIRECTORS

- Executive Director's Report (Mr. Pennoyer)
- Fiscal Report (Mr. Nolan)
- Studies Report (Ms. Hylan Barr)

REPRESENTS FROM COUNCIL COMMITTEES
- Personnel Committee
- State House Facilities Committee

OLD BUSINESS

16 Item #1: Revision to the Legislative Council Policy on Harassment
19 Item #2: Recording and Archiving of Committee Audio Files
21 Item #3: Council Actions Taken By Ballot (No Action Required)
NEW BUSINESS

22 Item #1: Approval of New Construction in the Capitol Area by the Legislative Council – DHHS Secure Forensic Rehabilitation Decision

35 Item #2: Acceptance of the Final Report of the Working Group to Study Background Checks for Child Care Facilities and Providers Acceptance

42 Item #3: Acceptance of the Washington County Development Authority’s Annual Report Acceptance

47 Item #4: Acceptance of the Loring Development Authority of Maine’s Annual Report Acceptance

ANNOUNCEMENTS AND REMARKS

ADJOURNMENT
CALL TO ORDER

President Thibodeau called the September 22, 2016 meeting of the Legislative Council to order at 1:44 p.m. in the Legislative Council Chamber.

ROLL CALL

Senators: President Thibodeau, Senator Cushing, and Senator Hill
Absent: Senator Mason and Senator Alfond

Representatives: Representative McCabe, Representative Fredette and Representative Espling
Absent: Speaker Eves (arrived late) and Representative Gideon

Legislative Officers: Heather Priest, Secretary of the Senate
Robert Hunt, Clerk of the House
Grant T. Pennoyer, Executive Director of the Legislative Council
Dawna Lopatonsky, Legislative Finance Director
Jackie Little, Human Resource Director
Marion Hylane Barr, Director, OPLA
Christopher Nolan, Director, OFPR
Suzanne Gresser, Revisor of Statutes
John Barden, Director, Law and Legislative Reference Library
Kevin Dieterich, Director, Legislative Information Technology

President Thibodeau convened the meeting at 1:44 p.m. with a quorum of members present.

SUMMARY OF AUGUST 4, 2016 MEETING OF LEGISLATIVE COUNCIL

Motion: That the Meeting Summary for August 4, 2016 be accepted and placed on file. Motion by Senator Hill. Second by Senator Cushing. Motion passed unanimous (6-0-0-4, with Senators Mason and Alfond, Speaker Eves and Representative Gideon absent).
5. **Blaine House Landscaping Project**

The major landscaping project for the Blaine House grounds to which the Legislative Council contributed $151,000 is being reevaluated after the contractor bids received for the project came in significantly higher than the original estimate and the funds provided by the Legislative Council. The Legislature's contribution was the primary source of funding for the construction phase of the project.

Senator Hill thanked the Executive Director for his care of the State House grounds and how nice they look.

On another topic, Representative Fredette mentioned that he thought it would be extremely helpful to have evacuation procedures and drills during session as well as lockdown trainings. Mr. Pennoyer responded that in the past few months several active shooting trainings were held for staff and more are planned. A drill is anticipated for session.

**Fiscal Report**

Chris Nolan, Director, Office of Fiscal and Program Review, reported on the following. Please note that the following includes amended information that was pointed out during the meeting.

**General Fund Revenue Update**

<table>
<thead>
<tr>
<th></th>
<th>Total General Fund Revenue - FY 2017 ($'s in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget  Actual Var. % Var. Prior Year % Growth</td>
</tr>
<tr>
<td>August</td>
<td>$278.4 $297.3 $18.9 6.8% $259.3 14.7%</td>
</tr>
<tr>
<td>FYTD</td>
<td>$519.7 $535.5 $15.8 3.0% $505.6 5.9%</td>
</tr>
</tbody>
</table>

General Fund revenue was over budget by $18.9 million (6.8%) for the month of August and over budget by $15.8 million (3.0%) for the fiscal year to date. Individual income tax revenues were over budget for the month by $1.1 million and over budget for the fiscal year to date by $3.5 million. Withholding was the primary factor for the August variance. Sales and use taxes were over budget by $3.2 million for the month and over budget by $5.3 million for the fiscal year to date. July sales (August revenue) were 6.0% higher than the previous year. Corporate income tax revenue was over budget by $4.3 million for the month of August and over budget by $2.5 million for the fiscal year to date. The majority of this variance was due to estimated payments. Transfers for tax relief programs were over budget (less transferred than budgeted) by $4.0 million due to timing of the BETR transfer.

**Highway Fund Revenue Update**

<table>
<thead>
<tr>
<th></th>
<th>Total Highway Fund Revenue - FY 2017 ($'s in Millions)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Budget  Actual Var. % Var. Prior Year % Growth</td>
</tr>
<tr>
<td>August</td>
<td>$29.6 $31.0 $1.4 4.6% $30.1 2.9%</td>
</tr>
<tr>
<td>FYTD</td>
<td>$59.0 $60.9 $1.9 3.2% $59.2 2.9%</td>
</tr>
</tbody>
</table>

Highway Fund revenue was over budget by $1.4 million (4.6%) for the month of August. Fuel taxes were over budget by $0.5 million for the month. Motor vehicle registrations and fees were over budget by $1.0 million for the month, with motor vehicle registrations and title fees accounting for the majority of the variance.
REPORTS FROM EXECUTIVE DIRECTOR AND COUNCIL OFFICES

Executive Director's Report

Grant Pennoyer, Executive Director, reported on:

1. Status of Major Construction Projects for this Interim

   • State House Roof - Work on both the State House roof has gone well and will be wrapping up very soon. The siding on the penthouses remains to be completed as well as the shelf on the south face.

   • House Chamber – Plaster and molding repairs from water damage have been completed as well as the painting. Scaffold was dismantled and removed on Tuesday, the 13th, ahead of the carpet installation scheduled to begin Monday, September 19th. Microphone replacements are the last part of the project to be completed shortly after the carpet is installed in early October.

   • State Street Sidewalk – The replacement of the State Street sidewalk in front of the State House was largely completed on Monday, September 12th. Some sealing of the seams remain and will be completed soon.

   • Security Screening Changes – The central kiosk at the State House main entrance has been removed and a temporary screening lane has been established. Some final electrical work is scheduled for Saturday, September 17th, leaving only some minor touch up work to do.

2. Heating and Cooling System Repairs

   This interim we have repaired many leaks in the State House heating and cooling system and will be assessing what risk areas with the failing fittings still remain unaddressed to prepare for the replacement of those remaining problem areas. The most significant area unaddressed is in the ceiling of the Law and Legislative Reference Library. The State House Facilities Committee approved the replacement of these fittings this fall, the costs of which will be largely offset by some insurance recoveries for water damage caused by roof and heating system leaks.

3. Copper from the State House Dome

   We still have a few mementos for sale and a small amount of rough copper from the dome still available, but sales have dropped off. We will do some additional marketing after the election to both parting and new Legislators. The Artist Selection Committee met on September 21st to review possible locations for the art work using some of the rough copper and establish some guidelines for the artists that will submit proposals. This art work is the last phase of the copper reuse project.

4. Electric Vehicle Charging Stations

   Two electric vehicle charging stations in the Parking Garage have been installed, but remain inoperative pending the resolution of some payment and accounting issues. The administration is hoping to work out these issues in the next couple of weeks so that the stations can become operational.
Cash Balances Update

The average balance in the cash pool in August of $925.4 million was down from the July average of $946.9 million but was well above both last year’s average balance for August and the ten-year average for the month. General Fund internal borrowing from other funds was once again not needed in August. The average Highway Fund balance of $56.1 million in August decreased from July’s average of $74.3 million. The State Controller transferred $10 million to the Maine Budget Stabilization Fund (MBSF) on July 25, 2016, bringing the balance in the MBSF to just over $122 million. The transfer was authorized to be made by October 30, 2016, in PL 2015, c.481, Part A (LD 1606).

Studies Update and Report

Marion Hylan Barr, Director, Office of Policy and Legal Analysis, reported on the status of the Interim Legislative Studies and Committee meetings (please see the attached report). Almost all of the studies are underway, with one just beginning its work today. There are a few with non-Legislative appointments still pending. One has put in a request to hold a fifth meeting which will be acted upon later in this agenda.

REPORTS FROM COUNCIL COMMITTEES

1. Personnel Committee

   No report

2. State House Facilities Committee

   Senator Cushing reported that the State House Facilities Committee met on September 7th to consider the following items.

   1. Review of State House lobby changes and discussion of Legislative Information Office relocation for better public access

      Mr. Penoyer reviewed the security screening changes that have occurred in the State House lobby. The Capitol Police Officer has now been relocated to the desk in the corner previously used by the Legislative Information Office. A space in the opposite corner has been set up for the State House Tour Guide. A lengthy discussion followed regarding the pros and cons of moving the Legislative Information Office into the space currently occupied by the Legislative Conference Room which would then be moved into room 121. The Committee voted to bring this item to the Legislative Council for final decision.

   2. Additional security cameras in the State House

      Mr. Penoyer reviewed the plans to install security cameras in various areas in the State House. At this time, Mr. Penoyer recommended to the Committee that it approve installation of only the cameras in the House and Senate Chambers with other cameras to be installed in the future under appropriate circumstances. The Committee approved Mr. Penoyer’s recommendation to install cameras in the House and Senate Chambers at this time.
3. Progress Reports

Mr. Pennoyer reported that the recruitment process for the Facilities Manager has concluded and the new employee is anticipated to be on board by the end of the month. Mr. Pennoyer has worked with the architect through this year’s roof project but expects that the Facilities Manager will be able to fulfill some of the duties that the architect has performed.

4. Discussion of audio recording of committee meetings and MPBN Capitol Connection

This item was tabled for a future meeting.

5. Priority Screening Applications and Fees – policy review

Mr. Pennoyer reviewed the total number of applications for priority screening received in the initial year, the costs of the background checks, and the financial summary. Mr. Pennoyer proposed changes to the current policy including reducing the initial application fee to $75, the renewal fee to $25 and the fee for state agency staff not already exempted to $25. The Committee voted to recommend to the Legislative Council that these fee changes be made in the current policy. These amendments to the policy will be presented under New Business on today’s agenda.

6. Mechanical repairs – possible preemptive work above the Law Library

Mr. Pennoyer explained to the Committee that the chases that are located in the mezzanine of the Law Library that also feed the House Chamber have the same faulty fittings that have been failing in other areas of the West and North wings of the State House. Mr. Pennoyer recommends using Insurance Claims Recovery funds to preemptively fix those fittings now while other work is being done in the House Chamber instead of waiting until leaks cause further damage in the future. The Committee approved Mr. Pennoyer’s recommendation to make the repairs at this time.

7. Updates from the Executive Director

Mr. Pennoyer presented updates of the status for the following facilities projects planned for this interim: State House roof, House Chamber renovation, State Street Sidewalk repair, Kiosk removal and Security setup changes in the State House lobby, mechanical system repairs, and electric vehicle charging stations in the parking garage.

OLD BUSINESS

Item #1: Proposal to Replace the MELD Drafting System

Mr. Pennoyer requested the Legislative Council’s approval to develop a Request for Proposals (RFP) and solicit bids from contractors to replace our bill drafting system. He proposes to edit the original RFP from 1998 to focus solely on the drafting system replacement and updated for the Legislature’s current information technology infrastructure. The timetable would be to distribute the updated RFP later this fall and award the contract no later than January so that the planning and system development work can begin immediately after the conclusion of the 128th Legislature’s First Regular Session.
Motion: That the Legislative Council approves the request by the Executive Director to develop a Request for Proposals to replace the bill drafting system. Motion by Senator Hill. Second by Senator Cushing. Motion passed unanimous (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).

NEW BUSINESS

Item #1: Revision to the Legislative Council Policy on Security Screening Protocols for the Maine State House

Mr. Pennoyer presented the following changes to the policy as proposed by the State House Facilities Committee. The changes relate to the fees charged for the priority screening applicants defined in Section VII subsection F of the policy. Mr. Pennoyer proposed to lower the initial application fee to $75 and the renewal fee to $25 and the same fees for State agency personnel would be $25/$25.

Motion: That the Legislative Council approves the proposed changes to the Legislative Council Policy on Security Screening Protocols for the Maine State House. Motion by Senator Cushing. Second by Representative Fredette. Motion passed unanimous (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).

Item #2: Relocation of the Legislative Information Office and the Legislative Conference Room

Senator Cushing and Representative McCabe gave an overview of the discussion that was held by the State House Facilities Committee and presented both the positive and the negative issues associated with relocating the Legislative Information Office. Mr. Pennoyer proposed to relocate the Legislative Information Office to the space currently housed by the Legislative Conference Room immediately before security off of the main lobby and relocating the Legislative Conference Room to the space that currently houses the Legislative Information Office in room 121 of the . After discussion, the following motion was made.

Motion: That the Legislative Council authorizes the Executive Director to relocate the Legislative Information Office and the Legislative Conference Room switching their locations. Motion by Senator Cushing. Second by Representative Fredette. Motion passed unanimous (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).

Item #3: Adoption of Updates to Personnel Policies and Guidelines

Mr. Pennoyer presented numerous updates to the four separate Personnel Policies and Guidelines for approval by the Legislative Council. These updates include a thorough review to ensure compliance with current law and optimum effectiveness from both the employee and management perspectives.

Motion: That the Legislative Council approves the updates to the four separate Personnel Policies and Guidelines as presented. Motion by Speaker Eves. Second by Senator Cushing. Motion passed unanimous (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).
Senator Cushing and Senator Hill expressed their thanks to Ms. Little for all of her hard work on the project of updating the personnel policies.

**Item #4: Revision to the Legislative Council Policy on Harassment**

Mr. Pennoyer presented a revision to the *Legislative Council Policy on Harassment*. This is to make this separate policy in keeping with the updates to the Personnel Policy and Guidelines that were just approved. This is a separate policy from the personnel policies as it applies to the entire Legislature not just the staff. Senator Hill pointed out that this policy only contains a definition of Sexual Harassment and did not define Harassment itself. Senator Hill felt that this was an oversight and needed to be addressed before this policy should be approved. Ms. Little agreed to add a definition to the policy.

**Motion:** That the Legislative Council tables this item for a future meeting. Motion by Representative Fredette. Second by Representative McCabe. **Motion passed unanimous** (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).

**Item #5: Request to hold a fifth meeting from the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry**

Mr. Pennoyer presented a request from the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry to hold a fifth meeting before it completes its work. Representative McCabe stated that this meeting would not be an off-site meeting.

**Motion:** That the Legislative Council authorizes the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry to hold a fifth meeting. Motion by Senator Cushing. Second by Senator Hill. **Motion passed unanimous** (7-0-0-3, with Senators Mason and Alfond, and Representative Gideon absent).

**ANNOUNCEMENTS AND REMARKS**

With no other business to consider or further announcements, the Legislative Council meeting was adjourned at 2:36 p.m.
1. **Status of Interim Construction Projects**
   We have wrapped up a busy construction season with the replacement of the State House EPDM roofing over the North and South Wings, the replacement of the State Street sidewalk in front of the State House and plaster repairs of water damage in the House Chamber from previous roof leaks. Work in House Chamber also included upgrading outdated network cables, replacing outdated video cameras and replacing the carpet. The Senate video cameras and system were also upgraded with similar equipment as the House during this interim.

2. **Youth in Government Program at the State House**
   The Youth in Government Program held its annual event at the State House beginning Thursday evening November 10th through Sunday, November 13th. This year’s program went very well.

3. **New Member Orientation**
   The first day of orientation for new members of the 128th Legislature was held on Thursday, November 17th. We had approximately 40 members attending, including some members with prior service in the Legislature. The Pre-Legislative Conference beginning on Monday, December 5th continues this training.

4. **Video of Legislative Process**
   We are currently exploring an option with the University to replace an outdated video of the legislative process. The University has proposed using its Media Studies Program's long-standing capstone course, Service Learning Practicum, as the means to update the video. We are focusing the video primarily on the committee process to keep the project manageable.

5. **Copper Reuse Project – Artist Selection Process**
   The last phase of the copper reuse project is in process. The Maine Arts Commission has sent out a request for proposals based on the guidance developed by the Artist Selection Committee at its September 21st meeting.

6. **Electric Vehicle Charging Stations**
   Two electric vehicle charging stations in the Parking Garage have been installed, but remain inoperative pending some final contract negotiations. The estimated implementation date has been delayed until January 1, 2017.
Fiscal Briefing
November 30, 2016
Prepared by the Office of Fiscal & Program Review

1. General Fund Revenue Update (see attached)

<table>
<thead>
<tr>
<th>Total General Fund Revenue - FY 2017 ($'s in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
</tr>
<tr>
<td>October</td>
</tr>
<tr>
<td>FYTD</td>
</tr>
</tbody>
</table>

General Fund revenue was over budget by $16.3 million (5.9%) for the month of October and over budget by $48.8 million (4.3%) for the fiscal year to date. Individual income tax revenues were over budget for the month by $11.1 million and over budget for the fiscal year to date by $14.0 million. Final and estimated income tax payments were over budget for October while withholding receipts were essentially on budget. Sales and use taxes were over budget by $6.0 million for the month and over budget by $16.4 million for the fiscal year to date. September taxable sales increased 5.7% over last September. Corporate income tax revenue was over budget by $5.5 million for the month of October and over budget by $12.9 million for the fiscal year to date. The “other taxes and fees” category was under budget by $12.7 million for the month, largely the result of the transfer for unorganized property taxes not being made until November. Similarly the “other revenue” category had a positive variance of $8.2 million for October because tourism and Department of Transportation multimodal fund transfers were not made until early November.

2. Highway Fund Revenue Update (see attached)

<table>
<thead>
<tr>
<th>Total Highway Fund Revenue - FY 2017 ($'s in Millions)</th>
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<tbody>
<tr>
<td>Budget</td>
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<tr>
<td>October</td>
</tr>
<tr>
<td>FYTD</td>
</tr>
</tbody>
</table>

Highway Fund revenue was over budget by $0.3 million (1.2%) for the month of October and over budget by $1.9 million (1.7%) for the fiscal year to date. Motor fuel taxes were essentially on budget for the month, while motor vehicle registrations and fees were over budget for the month of October by $0.5 million.

3. Cash Balances Update

The average balance in the cash pool in October of $978.6 million was down from the September average of $985.3 million but was still well above both last year’s average balance for October and the ten-year average for the month. General Fund internal borrowing from other funds was not needed in October. The average Highway Fund balance of $41.4 million in October decreased from September’s average of $44.7 million.

4. Revenue Forecast

The Revenue Forecasting Committee met on November 28th to review and update the current revenue forecast to comply with its December 1st statutory deadline. A summary of its preliminary findings follows below. The complete report will be available later this week.
Fiscal Briefing (continued)
Legislative Council Meeting – November 30, 2016
Prepared by the Office of Fiscal & Program Review

General Fund revenue estimates were revised upward by $33.3 million for FY17 but downward by $3.2 million for FY18 and $31.6 million for FY19 (downward by $34.8 million for the 2018-2019 biennium). The revised forecast reduces the overall rate of growth for General Fund revenue for FY18 from 3.6% to 2.5% and for FY19 from 4.2% to 3.4%. The new projections for FY20 assume a much smaller overall growth rate of 0.8%, largely the result of Municipal Revenue Sharing returning to the 5% level under current law from the 2% level in place for FY16 through FY19.

### General Fund Summary - Preliminary December 2016 Forecast

<table>
<thead>
<tr>
<th></th>
<th>FY16 Actual</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual % Growth</td>
<td>1.1%</td>
<td>-0.4%</td>
<td>3.6%</td>
<td>4.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Increase (Decrease)</td>
<td>$0</td>
<td>$33,310,322</td>
<td>($3,212,548)</td>
<td>($31,635,295)</td>
<td>$3,618,228,537</td>
<td>$3,743,272,312</td>
</tr>
<tr>
<td>Revised Forecast</td>
<td>$3,366,191,131</td>
<td>$3,385,568,672</td>
<td>$3,470,218,574</td>
<td>$3,589,136,539</td>
<td>$3,618,228,537</td>
<td>$3,743,272,312</td>
</tr>
<tr>
<td>Annual % Growth</td>
<td>1.1%</td>
<td>0.6%</td>
<td>2.5%</td>
<td>3.4%</td>
<td>0.8%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Summary of Preliminary Revenue Revisions by Major Revenue Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Use Tax</td>
</tr>
<tr>
<td>Service Provider Tax</td>
</tr>
<tr>
<td>Individual Income Tax</td>
</tr>
<tr>
<td>Corporate Income Tax</td>
</tr>
<tr>
<td>Cigarette and Tobacco Tax</td>
</tr>
<tr>
<td>Insurance Companies Tax</td>
</tr>
<tr>
<td>Estate Tax</td>
</tr>
<tr>
<td>Other Taxes and Fees</td>
</tr>
<tr>
<td>Fines, Forfeits and Penalties</td>
</tr>
<tr>
<td>Income from Investments</td>
</tr>
<tr>
<td>Transfer from Lottery Commission</td>
</tr>
<tr>
<td>Transfer to Tax Relief Programs</td>
</tr>
<tr>
<td>Transfer to Municipal Rev. Sharing</td>
</tr>
<tr>
<td>Other Revenues</td>
</tr>
<tr>
<td>Total Revisions - Increase (Decrease)</td>
</tr>
</tbody>
</table>

Highway Fund revenue estimates were revised upward by $0.1 million for the current fiscal year but downward by $0.5 million for FY18 and by $0.3 million for FY19 (downward by $0.8 million over the 2018-2019 biennium). The changes were largely the result of changes in estimated income from investments. There were no changes made in the forecast for motor fuel tax revenue or motor vehicle registration and fees.

Fund for a Healthy Maine revenue estimates were revised downward by $0.3 million for the current fiscal year and by $0.2 million per year for FY18 and FY19 (downward by $0.4 million over the 2018-2019 biennium). The changes were largely the result of changes in estimated income from casino revenue and from investments. There were no changes made in the forecast for tobacco settlement payments.

Medicaid/MaineCare Dedicated Revenue estimates were revised downward by $0.1 million for the current fiscal year and were unchanged for FY18 and FY19.
## General Fund Revenue
### Fiscal Year Ending June 30, 2017 (FY 2017)

### October 2016 Revenue Variance Report

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>October '16 Budget</th>
<th>October '16 Actual</th>
<th>October '16 Variance</th>
<th>Fiscal Year-To-Date</th>
<th>% Change from Prior Year</th>
<th>FY 2017 Budgeted Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Budget</td>
<td>Actual</td>
<td>Variance</td>
</tr>
<tr>
<td>Sales and Use Tax</td>
<td>121,828,780</td>
<td>127,860,410</td>
<td>6,031,630</td>
<td>511,341,083</td>
<td>527,766,017</td>
<td>16,424,934</td>
</tr>
<tr>
<td>Service Provider Tax</td>
<td>5,347,966</td>
<td>4,838,324</td>
<td>(509,642)</td>
<td>21,675,619</td>
<td>20,969,494</td>
<td>(706,125)</td>
</tr>
<tr>
<td>Individual Income Tax</td>
<td>109,000,000</td>
<td>120,087,257</td>
<td>11,087,257</td>
<td>477,050,000</td>
<td>491,023,884</td>
<td>13,973,884</td>
</tr>
<tr>
<td>Corporate Income Tax</td>
<td>2,000,000</td>
<td>7,484,497</td>
<td>5,484,497</td>
<td>38,200,000</td>
<td>51,105,872</td>
<td>12,905,872</td>
</tr>
<tr>
<td>Cigarette and Tobacco Tax</td>
<td>12,554,113</td>
<td>11,216,236</td>
<td>(1,337,877)</td>
<td>50,304,163</td>
<td>49,596,065</td>
<td>(708,098)</td>
</tr>
<tr>
<td>Insurance Companies Tax</td>
<td>7,545,907</td>
<td>9,839,768</td>
<td>2,293,861</td>
<td>8,028,752</td>
<td>12,236,863</td>
<td>4,208,111</td>
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<tr>
<td>Estate Tax</td>
<td>1,350,000</td>
<td>293,325</td>
<td>(1,056,675)</td>
<td>7,500,000</td>
<td>6,523,020</td>
<td>(976,980)</td>
</tr>
<tr>
<td>Other Taxes and Fees *</td>
<td>21,026,492</td>
<td>8,359,814</td>
<td>(12,666,678)</td>
<td>51,033,063</td>
<td>41,331,025</td>
<td>(9,702,038)</td>
</tr>
<tr>
<td>Fines, Forfeits and Penalties</td>
<td>1,722,912</td>
<td>1,097,980</td>
<td>(624,932)</td>
<td>7,395,544</td>
<td>6,178,652</td>
<td>(1,216,892)</td>
</tr>
<tr>
<td>Income from Investments</td>
<td>146,821</td>
<td>252,853</td>
<td>106,034</td>
<td>411,293</td>
<td>718,934</td>
<td>307,641</td>
</tr>
<tr>
<td>Transfer from Lottery Commission</td>
<td>5,278,855</td>
<td>6,153,597</td>
<td>874,742</td>
<td>19,003,856</td>
<td>20,692,544</td>
<td>1,688,688</td>
</tr>
<tr>
<td>Transfers to Tax Relief Programs *</td>
<td>(1,500,000)</td>
<td>(2,904,064)</td>
<td>(1,404,064)</td>
<td>(12,050,000)</td>
<td>(5,932,038)</td>
<td>6,117,962</td>
</tr>
<tr>
<td>Transfers for Municipal Revenue Sharing</td>
<td>(6,648,126)</td>
<td>(6,825,429)</td>
<td>(177,303)</td>
<td>(22,116,110)</td>
<td>(22,468,617)</td>
<td>(352,507)</td>
</tr>
<tr>
<td>Other Revenue *</td>
<td>(4,776,297)</td>
<td>3,440,434</td>
<td>8,216,731</td>
<td>(11,005,911)</td>
<td>(4,155,916)</td>
<td>6,849,995</td>
</tr>
<tr>
<td>Totals</td>
<td>274,877,423</td>
<td>291,195,063</td>
<td>16,317,580</td>
<td>1,146,771,352</td>
<td>1,195,585,800</td>
<td>48,814,448</td>
</tr>
</tbody>
</table>

* Additional detail by subcategory for these categories is presented on the following page.
# General Fund Revenue
## Fiscal Year Ending June 30, 2017 (FY 2017)

### October 2016 Revenue Variance Report

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>October '16 Budget</th>
<th>October '16 Actual</th>
<th>October '16 Variance</th>
<th>Fiscal Year-To-Date Budget</th>
<th>Fiscal Year-To-Date Actual</th>
<th>Fiscal Year-To-Date Variance</th>
<th>Fiscal Year-To-Date Variance %</th>
<th>% Change from Prior Year</th>
<th>FY 2017 Budgeted Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Detail of Other Taxes and Fees:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Property Tax - Unorganized Territory</td>
<td>12,771,589</td>
<td>0</td>
<td>(12,771,589)</td>
<td>12,771,589</td>
<td>0</td>
<td>(12,771,589)</td>
<td>-100.0%</td>
<td>-100.0%</td>
<td>14,513,169</td>
</tr>
<tr>
<td>- Real Estate Transfer Tax</td>
<td>1,482,674</td>
<td>2,027,751</td>
<td>545,077</td>
<td>5,617,724</td>
<td>7,002,733</td>
<td>1,385,009</td>
<td>24.7%</td>
<td>4.6%</td>
<td>15,294,043</td>
</tr>
<tr>
<td>- Liquor Taxes and Fees</td>
<td>1,798,108</td>
<td>1,859,351</td>
<td>61,243</td>
<td>8,122,852</td>
<td>8,500,224</td>
<td>377,372</td>
<td>4.6%</td>
<td>0.8%</td>
<td>21,415,688</td>
</tr>
<tr>
<td>- Corporation Fees and Licenses</td>
<td>173,763</td>
<td>192,337</td>
<td>18,574</td>
<td>1,050,173</td>
<td>1,269,181</td>
<td>239,008</td>
<td>23.2%</td>
<td>6.6%</td>
<td>9,088,649</td>
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<tr>
<td>- Telecommunication Excise Tax</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>100.0%</td>
<td>0</td>
<td>7,500,000</td>
</tr>
<tr>
<td>- Finance Industry Fees</td>
<td>2,195,991</td>
<td>1,732,100</td>
<td>(463,891)</td>
<td>8,783,964</td>
<td>8,667,700</td>
<td>(116,264)</td>
<td>-1.3%</td>
<td>0.9%</td>
<td>26,851,990</td>
</tr>
<tr>
<td>- Milk Handling Fee</td>
<td>422,947</td>
<td>246,626</td>
<td>(176,321)</td>
<td>1,691,788</td>
<td>2,481,215</td>
<td>789,427</td>
<td>46.7%</td>
<td>116.0%</td>
<td>5,075,362</td>
</tr>
<tr>
<td>- Racino Revenue</td>
<td>681,949</td>
<td>682,428</td>
<td>479</td>
<td>3,194,944</td>
<td>3,105,025</td>
<td>(89,919)</td>
<td>-2.8%</td>
<td>-3.4%</td>
<td>8,850,013</td>
</tr>
<tr>
<td>- Boat, ATV and Snowmobile Fees</td>
<td>224,618</td>
<td>195,289</td>
<td>(29,329)</td>
<td>1,401,096</td>
<td>1,255,243</td>
<td>(145,853)</td>
<td>-10.4%</td>
<td>-6.6%</td>
<td>4,523,561</td>
</tr>
<tr>
<td>- Hunting and Fishing License Fees</td>
<td>841,310</td>
<td>919,195</td>
<td>77,885</td>
<td>5,751,760</td>
<td>6,052,529</td>
<td>300,769</td>
<td>5.2%</td>
<td>8.1%</td>
<td>15,878,217</td>
</tr>
<tr>
<td>- Other Miscellaneous Taxes and Fees</td>
<td>433,543</td>
<td>504,738</td>
<td>71,195</td>
<td>2,667,173</td>
<td>2,995,174</td>
<td>328,001</td>
<td>N/A</td>
<td>36.9%</td>
<td>11,101,138</td>
</tr>
<tr>
<td><strong>Subtotal - Other Taxes and Fees</strong></td>
<td>21,026,492</td>
<td>8,359,814</td>
<td>(12,666,678)</td>
<td>51,033,063</td>
<td>41,331,025</td>
<td>(9,702,038)</td>
<td>N/A</td>
<td>-16.6%</td>
<td>140,091,830</td>
</tr>
<tr>
<td><strong>Detail of Other Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Liquor Sales and Operations</td>
<td>4,849</td>
<td>1,310</td>
<td>(3,539)</td>
<td>9,277.00</td>
<td>13,851</td>
<td>4,574</td>
<td>N/A</td>
<td>8.6%</td>
<td>9,845,500</td>
</tr>
<tr>
<td>- Targeted Case Management (DHHS)</td>
<td>197,497</td>
<td>511</td>
<td>(196,986)</td>
<td>1,000,417</td>
<td>418,843</td>
<td>(581,574)</td>
<td>-58.1%</td>
<td>-52.4%</td>
<td>2,560,000</td>
</tr>
<tr>
<td>- State Cost Allocation Program</td>
<td>1,629,632</td>
<td>1,704,739</td>
<td>75,098</td>
<td>6,106,224</td>
<td>6,780,819</td>
<td>674,595</td>
<td>11.0%</td>
<td>8.5%</td>
<td>18,296,832</td>
</tr>
<tr>
<td>- Unclaimed Property Transfer</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>7,000,000</td>
</tr>
<tr>
<td>- Tourism Transfer</td>
<td>5,187,125</td>
<td>0</td>
<td>5,187,125</td>
<td>(13,701,204)</td>
<td>(8,961,182)</td>
<td>4,740,022</td>
<td>34.6%</td>
<td>31.7%</td>
<td>(13,701,204)</td>
</tr>
<tr>
<td>- Transfer to Maine Milk Pool</td>
<td>(1,103,196)</td>
<td>(1,164,223)</td>
<td>(61,027)</td>
<td>(7,110,408)</td>
<td>(7,603,108)</td>
<td>(492,700)</td>
<td>-6.9%</td>
<td>-39.5%</td>
<td>(12,622,350)</td>
</tr>
<tr>
<td>- Transfer to STAR Transportation Fund</td>
<td>(2,512,654)</td>
<td>0</td>
<td>2,512,654</td>
<td>(6,800,000)</td>
<td>(5,192,801)</td>
<td>1,607,199</td>
<td>23.6%</td>
<td>29.0%</td>
<td>(6,800,000)</td>
</tr>
<tr>
<td>- Other Miscellaneous Revenue</td>
<td>2,194,700</td>
<td>2,898,106</td>
<td>703,406</td>
<td>9,489,783</td>
<td>10,387,661</td>
<td>897,878</td>
<td>9.5%</td>
<td>10.7%</td>
<td>23,230,758</td>
</tr>
<tr>
<td><strong>Subtotal - Other Revenue</strong></td>
<td>(4,776,297)</td>
<td>3,440,434</td>
<td>8,216,731</td>
<td>(11,005,911)</td>
<td>(4,155,916)</td>
<td>6,849,995</td>
<td>62.2%</td>
<td>55.5%</td>
<td>27,809,526</td>
</tr>
<tr>
<td><strong>Detail of Transfers to Tax Relief Programs:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Me. Resident Prop. Tax Program (Circuitbreaker)</td>
<td>0</td>
<td>396</td>
<td>396</td>
<td>0</td>
<td>2,716</td>
<td>2,716</td>
<td>N/A</td>
<td>189.7%</td>
<td>0</td>
</tr>
<tr>
<td>- BETR - Business Equipment Tax Reimh.</td>
<td>(1,500,000)</td>
<td>(2,904,460)</td>
<td>(1,404,460)</td>
<td>(12,000,000)</td>
<td>(5,885,102)</td>
<td>6,114,898</td>
<td>51.0%</td>
<td>13.2%</td>
<td>(30,500,000)</td>
</tr>
<tr>
<td>- BETE - Municipal Bus. Equip. Tax Reimh.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(50,000)</td>
<td>(49,651)</td>
<td>349</td>
<td>0.7%</td>
<td>N/A</td>
<td>(35,448,340)</td>
</tr>
<tr>
<td><strong>Subtotal - Tax Relief Transfers</strong></td>
<td>(1,500,000)</td>
<td>(2,904,064)</td>
<td>(1,404,064)</td>
<td>(12,050,000)</td>
<td>(5,932,038)</td>
<td>6,117,962</td>
<td>50.8%</td>
<td>12.5%</td>
<td>(65,948,340)</td>
</tr>
<tr>
<td><strong>Inland Fisheries and Wildlife Revenue - Total</strong></td>
<td>1,143,861</td>
<td>1,210,657</td>
<td>66,796</td>
<td>7,497,779</td>
<td>7,684,765</td>
<td>186,986</td>
<td>2.5%</td>
<td>N/A</td>
<td>21,499,761</td>
</tr>
</tbody>
</table>
# Highway Fund Revenue
## Fiscal Year Ending June 30, 2017 (FY 2017)

## October 2016 Revenue Variance Report

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>October '16 Budget</th>
<th>October '16 Actual</th>
<th>October '16 Variance</th>
<th>Fiscal Year-To-Date Budget</th>
<th>Fiscal Year-To-Date Actual</th>
<th>Fiscal Year-To-Date Variance</th>
<th>% Variance from Prior Year</th>
<th>% Change from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fuel Taxes:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Gasoline Tax</td>
<td>16,961,443</td>
<td>17,261,216</td>
<td>299,773</td>
<td>73,561,739</td>
<td>73,773,212</td>
<td>211,473</td>
<td>0.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>- Special Fuel and Road Use Taxes</td>
<td>4,779,324</td>
<td>4,549,055</td>
<td>(230,269)</td>
<td>16,788,261</td>
<td>16,652,553</td>
<td>(135,708)</td>
<td>-0.8%</td>
<td>-2.2%</td>
</tr>
<tr>
<td>- Transcap Transfers - Fuel Taxes</td>
<td>(1,598,747)</td>
<td>(1,603,396)</td>
<td>(4,649)</td>
<td>(6,638,284)</td>
<td>(6,643,569)</td>
<td>(5,285)</td>
<td>-0.1%</td>
<td>-1.1%</td>
</tr>
<tr>
<td>- Other Fund Gasoline Tax Distributions</td>
<td>(424,155)</td>
<td>(431,651)</td>
<td>(7,496)</td>
<td>(1,839,559)</td>
<td>(1,844,847)</td>
<td>(5,288)</td>
<td>-0.3%</td>
<td>-1.9%</td>
</tr>
<tr>
<td><strong>Subtotal - Fuel Taxes</strong></td>
<td>19,717,865</td>
<td>19,775,223</td>
<td>57,358</td>
<td>81,872,157</td>
<td>81,937,350</td>
<td>65,193</td>
<td>0.1%</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Motor Vehicle Registration and Fees:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Motor Vehicle Registration Fees</td>
<td>5,100,310</td>
<td>5,160,627</td>
<td>60,317</td>
<td>21,809,045</td>
<td>23,223,274</td>
<td>1,414,229</td>
<td>6.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>- License Plate Fees</td>
<td>121,964</td>
<td>95,444</td>
<td>(26,521)</td>
<td>1,233,377</td>
<td>1,324,930</td>
<td>91,553</td>
<td>7.4%</td>
<td>0.1%</td>
</tr>
<tr>
<td>- Long-term Trailer Registration Fees</td>
<td>271,732</td>
<td>604,700</td>
<td>332,968</td>
<td>1,753,714</td>
<td>2,206,844</td>
<td>453,130</td>
<td>25.8%</td>
<td>7.4%</td>
</tr>
<tr>
<td>- Title Fees</td>
<td>1,019,537</td>
<td>1,065,111</td>
<td>45,574</td>
<td>4,585,229</td>
<td>4,732,456</td>
<td>147,227</td>
<td>3.2%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>- Motor Vehicle Operator License Fees</td>
<td>688,324</td>
<td>726,209</td>
<td>37,885</td>
<td>2,818,806</td>
<td>3,064,269</td>
<td>245,463</td>
<td>8.7%</td>
<td>9.7%</td>
</tr>
<tr>
<td>- Transcap Transfers - Motor Vehicle Fees</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(4,227,851)</td>
<td>(4,351,535)</td>
<td>(123,684)</td>
<td>-2.9%</td>
<td>-0.1%</td>
</tr>
<tr>
<td><strong>Subtotal - Motor Vehicle Reg. &amp; Fees</strong></td>
<td>7,201,867</td>
<td>7,652,091</td>
<td>450,224</td>
<td>27,972,320</td>
<td>30,200,237</td>
<td>2,227,917</td>
<td>8.0%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Motor Vehicle Inspection Fees</td>
<td>328,541</td>
<td>175,746</td>
<td>(152,796)</td>
<td>1,219,166</td>
<td>1,008,446</td>
<td>(210,720)</td>
<td>-17.3%</td>
<td>-7.9%</td>
</tr>
<tr>
<td>Other Highway Fund Taxes and Fees</td>
<td>92,701</td>
<td>116,542</td>
<td>23,841</td>
<td>432,435</td>
<td>471,408</td>
<td>38,973</td>
<td>9.0%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Fines, Forfeits and Penalties</td>
<td>73,006</td>
<td>81,294</td>
<td>8,288</td>
<td>249,275</td>
<td>287,620</td>
<td>38,345</td>
<td>15.4%</td>
<td>19.1%</td>
</tr>
<tr>
<td>Interest Earnings</td>
<td>39,028</td>
<td>27,379</td>
<td>(11,649)</td>
<td>156,112</td>
<td>107,184</td>
<td>(48,928)</td>
<td>-31.3%</td>
<td>79.0%</td>
</tr>
<tr>
<td>Other Highway Fund Revenue</td>
<td>500,230</td>
<td>463,748</td>
<td>(36,502)</td>
<td>2,035,753</td>
<td>1,819,526</td>
<td>(216,227)</td>
<td>-10.6%</td>
<td>-8.0%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>27,953,258</td>
<td>28,292,022</td>
<td>338,764</td>
<td>113,937,218</td>
<td>115,831,770</td>
<td>1,894,552</td>
<td>1.7%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2017 Budgeted Totals</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
## 2016 Interim Legislative Studies and Committee Meetings

**Updated November 18, 2016**

### NEW STUDIES

<table>
<thead>
<tr>
<th>Study/Committee</th>
<th>Citation</th>
<th>2016 Meetings Authorized</th>
<th>2016 Meetings Held</th>
<th>Scheduled Next Meeting Date(s)</th>
<th>Report Date</th>
<th>Chair(s)</th>
<th>Status/Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Feasibility Study)/Implementation Committee to Determine Feasible Options for Preventing TANF Program Benefits, through Being Used to Purchase Prohibited Products or Services</td>
<td>PL 2015 c. 484</td>
<td>4</td>
<td>9/30/16 10/21/16</td>
<td>12/15/2016</td>
<td>Sen. Earle McCormick Rep. Drew Gattine</td>
<td>Appointments completed (8/8); study convened and staffed by DHHS; work ongoing</td>
<td></td>
</tr>
<tr>
<td>York County Court House Site Selection Committee</td>
<td>PL 2015 c. 468</td>
<td>4</td>
<td>8/1/16 9/1/16 9/19/16 10/5/16 10/12/16 10/31/16</td>
<td>1/1/2017</td>
<td>Hon. Thomas Humphrey</td>
<td>Appointments completed (19/19); convened and staffed by State Court Administrator; work ongoing (some meetings are site visits)</td>
<td></td>
</tr>
<tr>
<td>Commission to Reform Public Education Funding and Improve Student Performance in the State</td>
<td>PL 2015 c. 389</td>
<td>6 per year (12 total)</td>
<td>4/25/16 8/29/16 9/26/16 10/17/16 10/31/16 11/28/16 12/12/16</td>
<td>1/10/2017</td>
<td>Representative of the DOE (appointed by Governor)</td>
<td>Appointments completed (13/15); study convened and staffed by DOE; work ongoing</td>
<td></td>
</tr>
</tbody>
</table>

### ON-GOING LEGISLATIVE STUDIES

<table>
<thead>
<tr>
<th>Study/Committee</th>
<th>Citation</th>
<th>Frequency</th>
<th>Most Recent Date(s)</th>
<th>Chair(s)</th>
<th>Appointments status</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Education and Employment Outcomes Task Force</td>
<td>20-A MRSA Sec. 12901</td>
<td>no more than 4 times per year</td>
<td>6/2/16 9/13/16 11/5/16</td>
<td>Sen. Brian Langley Rep. Richard Farnsworth</td>
<td>Appointments not completed (11/15; legislative appointments are completed)</td>
</tr>
<tr>
<td>Task Force To End Student Hunger in Maine</td>
<td>20-A MRSA Sec. 6663</td>
<td>at least 2 and no more than 4 per year</td>
<td>7/20/16 8/17/16 9/14/16 10/5/16</td>
<td>Sen. Justin Alfond Rep. Phyllis Ginaler</td>
<td>Appointments completed (17/17); staffed by DOE; work ongoing</td>
</tr>
<tr>
<td>Right to Know Advisory Committee</td>
<td>1 MRSA Sec. 411</td>
<td>not fewer than 4 times per year</td>
<td>6/22/16 7/20/16 8/17/16 9/14/16 10/5/16</td>
<td>Sen. David Burns</td>
<td>Work completed; drafting report</td>
</tr>
<tr>
<td>Citizen Trade Policy Commission</td>
<td>10 MRSA Sec. 11</td>
<td>at least 2 times per year</td>
<td>6/21/16 9/15/16</td>
<td>Sen. Amy Volk Rep. Robert Saucier</td>
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<td>Judicial Compensation Commission</td>
<td>4 MRSA Sec. 1701</td>
<td>n/a funded by court system</td>
<td>12/15 of each even numbered year</td>
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2016 Interim Legislative Studies and Committee Meetings
Updated November 18, 2016

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<th>Citation</th>
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<th>2016 Meetings Held</th>
<th>Scheduled Next Meeting Date(s)</th>
<th>Report Date</th>
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AUTHORIZED COMMITTEE MEETINGS
Maine Legislative Council Policy
On Sexual Harassment

SEXUAL HARASSMENT

The Legislative Council affirms the right of all legislative employees to work in an environment that is free from unlawful intimidation and harassment, including sexual harassment, hostility, and offensiveness. Intimidation or harassment based on race, color, sex, sexual orientation, marital status, physical or mental disability, religion, age, ancestry or national origin, genetic information, whistleblower activity, or a previous assertion of a claim or right under the Maine Workers’ Compensation Act is a violation of Legislative Council policy. Any form of retaliatory action or threat or suggestion of retaliation by either employees or supervisors against any person filing a complaint under this policy or assist in an investigation is a violation of this policy. Sexual harassment in the workplace is unlawful, and it is also unlawful to retaliate against an employee for making a complaint of sexual harassment or for cooperating in an investigation of such a complaint. The Legislative Council prohibits sexual harassment of any employee by a supervisor, co-worker, Legislator, lobbyist, contractor or vendor and prohibits retaliation against any employee for making a complaint or cooperating in the investigation of a complaint of sexual harassment. The Legislative Council has adopted this policy to provide a work environment that is free from sexual harassment.

Office directors and supervisors have special responsibility for assuring compliance with this policy with respect to those employees who report to the director or supervisor. It is incumbent upon directors and supervisors to take prompt action to eliminate sexual harassment; employees may perceive that directors or supervisors condone sexually harassing behavior if a director or supervisor fails to intervene and take appropriate corrective action to eliminate sexual harassment. All supervisory and managerial employees are responsible for enforcing this policy. Failure to do so will be considered a failure to fulfill all the responsibilities of the position.

Sexual Harassment is unacceptable conduct and will not be condoned or tolerated in the workplace. It undermines the integrity of the employment relationship, destroys morale, interferes with performance and demeans its victims. Sexual Harassment by an employee is grounds for disciplinary action, in accordance with the Legislative Council’s policies on employee discipline.

Examples of harassment include but are not limited to the following, and may be a series of incidents or a single occurrence:

- Unwelcome sexual advances, gestures, comments or contact;
- Threats;
- Offensive jokes;
- Ridicule, slurs or derogatory actions;
- Refusal to cooperate with employees in performing work assignments; and
• Basing employment decisions or practices on submission to harassment.

1. **Definition**

   More specifically, sexual harassment is defined as “unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting that employee; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment.”

   Sexual harassment does not refer to occasional compliments of a socially acceptable nature. It refers to behavior which is unwelcome.

   Examples of sexual harassment may include, but are not limited to: (1) repeated offensive sexual flirtations, advances or propositions; (2) continued or repeated verbal abuse of a sexual nature, (3) graphic or degrading verbal comments about an individual or his or her appearance; (4) the display of sexually suggestive objects or pictures; and (5) any offensive or abusive physical conduct.

2. **Complaint Procedure**

   An employee who believes that he or she is being or has been subjected to sexual harassment prohibited by this policy must report the harassment to the appropriate individual in accordance with the applicable personnel policies and guidelines for that employee, his or her supervisor or, if the sexual harassment involves the supervisor, report the matter to the employee’s office director or the executive director if the sexual harassment involves an office director. A legislator who believes that he or she is being or has been subjected to harassment prohibited by this policy must report the harassment to his or her caucus leader, presiding officer or the Secretary of the Senate or Clerk of the House. The Legislature has established the following procedures to facilitate a prompt resolution of complaints of sexual harassment.

   Upon receipt of a written or oral complaint, the person notified shall immediately notify the human resources director/person’s office director who shall then notify the executive director. The executive director, in consultation with the office director, who shall investigate the complaint. Unless circumstances warrant otherwise, such investigations and appropriate corrective actions for employee complaints are generally in consultation with the employee’s office director and the executive director, and take appropriate corrective actions. Unless circumstances warrant otherwise, such investigations and appropriate corrective actions for Legislator complaints are generally in consultation with the caucus leader, presiding officer and executive director. Any employee who is determined, after investigation, to have harassed another employee in violation of this policy will be subject to appropriate disciplinary action up to and including termination of employment.
Employees have the right to file a complaint of sexual harassment with the Maine Human Rights Commission and the Equal Employment Opportunity Commission as prescribed by law or rule, and are protected by law from retaliation for exercising this right.

This policy is adopted by the Legislative Council on this _____ day of ______, 200__.

BY: ___________________________
   David E. Beal, Grant Penney, Executive Director
   Legislative Council

This policy of the Legislative Council is codified in the Personnel Policies and Guidelines handbooks for Legislative employees—2008 edition.
MEMO

To: Members of the Legislative Council

From: Grant T. Pennoyer, Executive Director

Date: November 30, 2016

Re: State House Facilities Committee – Committee Audio Recommendation

The State House Facilities Committee met on October 27th to once again discuss a policy regarding recording and archiving of committee audio files. The committee realizes that it is important to have a policy in place or some guidance about the recording and archiving of audio files of committee hearings, work sessions and other public meetings so that it can be clearly communicated and understood by the next Legislature. At its meeting on the 27th, the State House Facilities Committee was unable to reach consensus and recommended that the Executive Director prepare a memo to the Council summarizing the discussion and referring the final decision on the policy regarding the recording and archiving of committee audio files to the full Legislative Council.

As background, at the beginning of the Second Regular Session, the Maine Legislature entered into a contractual arrangement with Slq Media Technologies, Inc. to upgrade the Legislature’s webcasts of Senate and House videos and committee audio to improve accessibility across devices and update outdated hardware. As part of Slq’s standard implementation, webcasts of video and audio signals are recorded and archived and the streamed version is actually played from the recorded version of the files. There was some confusion about the process of broadcasting and recording committee audio webcasts. Some members were very concerned about recording committee proceeding and the potential adverse impact on the public testifying at committees, particularly as it was initially unclear that the proceedings were being recorded.

At the Legislative Council’s April 28th meeting, the Council approved the posting of the historical archived files of House and Senate session videos. However, the Council asked the State House Facilities Committee to further discuss the recording of committee audio webcasts and report back with a recommendation.

The State House Facilities Committee’s last discussion ended similarly to its previous discussions with some members feeling that committee audio webcasts should not be recorded due to concerns about the public even with adequate notice of the recordings. Others did not have the same concerns as once something is broadcast to the internet it can be recorded by anyone and, in fact, Maine Public
Broadcasting records most committee audio broadcasts. Maine Public Broadcasting also recorded and broadcast many committee meetings, while it was operating Maine Capitol Connection during the 126th Legislature. Other members also felt that there was some educational and research value to having an archive of the recorded committee audio files. It was also noted that it has been a very useful backup for manual digital recorders that failed during a meeting.

Currently, Sliq has not been directed to make any changes to their standard process until the Legislative Council reaches a decision on the committee recordings. The Legislature has recorded files of committee proceedings during the 2nd Regular Session of the 127th Legislature and interim meetings after the 2nd Regular Session. They are only available upon request. The Office of Legislative Information Technology is working on making the archived files of Senate and House videos of the 2nd Regular Session available through the Legislature’s web page.

At the request of the committee, I am presenting some options for the future of audio broadcasts of committee proceedings to be considered by the full Legislative Council. They are as follows:

1. Implement a policy similar to the Legislative Council’s policy of the Senate and House video recordings, recording and archiving the audio of committee proceedings and making it available through links on the Legislature’s web page;
2. Maintain the current process of recording committee proceedings, but not making the files readily available to the public, except by request to the Executive Director; or
3. Pay Sliq to change its normal process to immediately delete the audio files of committee proceedings once broadcast.

With either options 1 or 2, the Legislative Council could consider copyrighting the files.
Legislative Council Actions
Taken by Ballot Since the
October 27, 2016 Council Meeting

Decision by Legislative Council Ballot:

Motion: That the Legislative Council approve the Legislative Document Service for the First Regular Session of the 128th Legislature proposed by the Clerk of the House

Motion by: President Thibodeau Second by: Speaker Eves
Approved: November 18, 2016
Vote: 10-0 in favor
MEMO

To: Members of the Legislative Council

From: Grant T. Pennoyer, Executive Director

Date: November 28, 2016

Re: Approval of New Construction in the Capitol Area by Legislative Council

At the end of October as the Office of the Attorney General was reviewing final construction documents and agreements to construction a new DHHS Secure Forensic Rehabilitation Facility on the East Campus within the Capitol Area, the attorney reviewing the approvals pointed out a provision in Tile 5, §304 (within the Capitol Planning Commission statutes, see shaded text below) that requires the Legislative Council to approve this construction project. The Legislative Council review and approval of construction in the Capitol Area as defined in statute (Title 1, §814) has been overlooked for many years. With the exception of construction within the area specifically segregated as under the jurisdiction of the Legislative Council, new construction projects in other areas of Capitol Area were reviewed and approved by the Capitol Planning Commission and the Bureau of General Services within the Department of Administrative and Financial Services without specific Legislative Council approval. New projects are typically subject to review by City of Augusta and other appropriate state agencies.

The proposed DHHS Secure Forensic Rehabilitation Facility has received all the necessary approvals with the exception of the Legislative Council’s approval. Attached are several documents as background for the Legislative Council’s review of this project.

§304. Approval of construction projects
A construction project may not be initiated in the Capitol Area for the development of state buildings and grounds following the adoption of the plan or amendments and additions thereto by the Legislature without the approval of the Legislative Council, the Bureau of General Services and the commission of the proposals and plans for the project.

Attachments
Materials for Review of Application for New Construction in “Capitol Area”

DHHS Secure Forensic Rehabilitation Facility

Contents

Minutes of Capitol Planning Commission Meeting – May 24, 2016 Approving the Facility

Project Application to Capitol Planning Commission

Other Information about the Proposed Facility:

- Map showing location of proposed DHHS Secure Forensic Rehabilitation Facility
- Site Plan of Proposed Facility
- Building Elevations
- Building Perspective Views
- First Floor Floor Plan
- Basement Floor Plan
- Roof Plan
Capitol Planning Commission
Meeting Minutes
DMR Conference Room, 32 Blossom Lane, Marquardt Building, East Campus, Augusta
May 24, 2016

Members present:
Earle Shettleworth, Jr., Chair (ES)
Cecil Munson (CM)
Mark S. O'Brien (MO)
Garrett Luszczki (GL)

Ed Dahl, Secretariat (ED)
James W. Bass, Esq. (JB)
Peter Thompson (PT)

Members absent:
Nick Livesay (NL)
Patrick Paradis (PP)

Guests:
Linda Greeley (LG), Note taker
Jan Patterson (JP) ~ BGS, PMD
Richard Borrelli (RB) ~ WBRC, Director
**a sign in sheet was used**

Jill Instasi (JI) ~ BGS, Director of Special Projects
Dave Nadeau (DN) ~ Stantec, Project Manager

The meeting was called to order at 10:05 a.m.

1. Welcome and introductions – Earle Shettleworth, Chair
   Introductions by all, Welcome a new member Garrett Luszczki to his 1st meeting.

2. DHHS Secure Forensic Rehabilitation Facility – Jill Instasi – BGS, Richard Borrelli, WBRC
   Project Application
   (JI) Thank you for holding this special meeting. As of this morning I submitted a Project application for
   the DHHS Secure Forensic Rehabilitation Facility. BGS was approached by DHHS to build a new
   building that is not connected to Riverview and they cannot be housed in the same building. We were
   approached 2 months ago by DHHS for options that are available. The campus has several buildings
   and options for a new built building, WBRC was hired to design it so we can hire a design build firm.
   (RB) It ends up being a single level building for easier monitoring for the residents. Our goal is to
   blend this building into the campus so it blends and does not stand out. Trying to get the bulk of the
   building to sit on flat ground and then go from there. We have managed to do this on the site. It is a 3
   winged building with 7 rooms per wing; 1 wing is for the more active residents; 1 wing has a partial
   basement for modest storage and electrical space. We are trying to make use of the existing parking
   lot and grade. We will be including a gravel access road for maintenance without entering the facility.
   There will also be including a fenced in area. (JB) House a maximum of 21? (RB) Yes, the staffing
   ration is a little more during daytime 2-1, evenings 4-6. (PT) Is it secured? Fenced in? (RB) There is
   a level of security; some residents will be allowed to go outside. There is a 14' fence with razor wire.
   (MO) Was Riverview designed to expand? Can they? (RB) Yes, they will be able to if needed. (PT)
   Will they be sharing services? (JI) There could be instances where staff or patients could go to either
   location. (PT) What is the sf? (RB) 10,000 including the lower level; 8,400 above ground.
(ES) Talked about the location on the map, and where Riverview is located on the map. (GL) Why 21 bed? (ED) That is a DHHS requirement. (PT) How does this relieve Riverview? (ED) The criminally insane cannot be housed with the mental patients. (CM) Is this for the Warren Facility? (ED) no, this is for patients that can move out someday. (PT) What about parking? (RB) We retained 45 spaces on that site for visitors and staff; also included is a pick up & drop off lane. (ES) Parking is located where? It was shown on the map. (MO) How would Riverview expand? (ED) North Wing (JB) Are the residents involved in the Judicial Process? (JI) No, they are under direct supervision of DHHS; they can’t be in prison, so they need to go here. (CM) Are these NCR (Not Criminally Responsible) patients? (ED) Yes (MO) Are some of these patients at Riverview now? (JI) I am assuming, we never asked. (ES) Do you have graphics of the building? (RB) Yes, showed drawings and explained colors and designs. It has a deep green roof, bay windows, long building and wood frame. We are trying to connect with Riverview Visually. High impact drywall for walls, painted hollow metal for doors, the doors swing out not in, the flooring has a wood look, but stands up to wear, it does not have drop ceilings. (ES) Is each room for 1 patient? (RB) Yes (PT) Do they get locked in the rooms at night? (RB) There is video monitoring, but not locked. (PT) Staff of 45, is that 24/7? (RB) There are no overnight accommodations for staff. (PT) Are there any safety requirements? (RB) Glass is a hurricane window twisted to withstand anything from the inside vs. the outside; and they are not operable. (MO) Is all of the mechanical in the basement? (RB) Yes, there is also a small condenser and generator, and there will be a vertical unit for each wing. (PT) What about security, if a fire would permeate the building? (RB) They would go into the recreation area; we are also meeting with the Fire Marshalls office next week. (MO) I see 2 DD on the map; are those dumpsters? (RB) Yes, 1 for cardboard and 1 for trash. (PT) I heard it was 2-3 Million dollars, what is the cost? (RB) It will cost 2.5 to 2.6 million dollar range, including the generator drainage and asphalt. (ES) What is the timing on this project? (JI) It will begin this August, I am unsure when it will end. (ED) This is not a BGS building, it is a DHSS building and we are just trying to help them.
Motion by PT, second JW to accept. Approved unanimously
6-0

3. East Campus Paving and Parking Improvement Project – Jill Instasi – BGS, David Nadeau, Stantec Project Application
(JI) We expanded our scope to do more than just parking for the Marquardt, Deering and Greenlaw buildings; we also needed to address the site needs. We hired David Nadeau and Stantec; they did a parking study and now we need to do repairs and move forward. (ED) All of the buildings are closely clustered, so parking needs to be on the outside.
(DN) There is a lot of parking that is adequate for the current usage even though it is inconvenient. We looked at a phase approach for this project of what needed to be done this year, and what could be done in the future. Knowing that we need approvals we want to get the expansion areas done now, so the intent is to do this now since roads and parking will need to be shut down. 1st Phase; there will be 2 expansion areas lot #7 which now has 100 spaces with constraints and by the Mechanical Building with 10 spaces it minimizes where it can be expanded. 1, 1A, 9; 1 and 9 are paved now but will be repaved. 1A is a gravel lot now so it will be paved. We met with DEP; they brought up additional ideas including sidewalks. Most sidewalks also need tic. (JI) There have been a lot of trips and falls over the past few months because of this, we will also be adding sidewalks and steps to certain areas. (DN) Sidewalks that are not used will be removed. Currently we have 1130 +/- parking spaces and we will have 1400 +/- post 2018. I have an overall schedule that I will be giving you regarding the timeline. (JI) There are enough parking spaces to meet need currently, but with the new projects BGS is doing and making the cubicles smaller for employees then more parking spaces will be needed. (DN) Dave showed close-ups of the parking maps... (DN) We are going with the City of Augusta codes 19’ stalls, and 26’ isles. Drainage will be sent down by pipes to an area by the snow dumps. (PT) Are you using porous systems that are useable in this climate? (DN) No, they are a lot more maintenance and sand and salt will fill the pores. (ED) The DHHS / DOL building in South Portland uses a porous material there so we are familiar with it. (DN) We will be installing new lighting, the poles will match the existing light poles and we will be using LED. (JI) Maine Conservation Corps will be the occupants of the Mechanical Building; they have a lot of
vehicles so they will need a lot of parking spaces when they move in January 2017 from the Hallowell
campus. We will only be shutting down 1 ½ lots at a time.
(PT) Inter office mail communications?
(JP) Our instant alert system will be used.
(MO) By using crescent shaped lots, do you lose parking spaces.
(DN) Yes some.

Motion by PT, second JB to accept. Approved unanimously 6-0

4. Next regular meeting – Tuesday, June 14, 2016 at 2:00 p.m., 111 Sewall Street, Cross State Office
   Building, 4th Floor, Conference Room 400

The meeting adjourned 11:32 a.m.
STATE OF MAINE
CAPITOL PLANNING COMMISSION

Project Application
Special or Temporary Use Permit Application

Applicants should carefully read the Capitol Planning Commission Rules and Regulations before completing this form. An understanding of the purpose and content of the Regulations is important in providing the Capitol Planning Commission with the information required to efficiently handle your application. Completed applications or requests for the Rules and Regulations may be addressed to:

Bureau of General Services
77 State House Station
Augusta ME 04333-0077
624-7314

Bureau of General Services, Special Projects
State of Maine
77 State House Station, Augusta, ME 04333
207-624-7341

PROJECT NAME  DHHS – Secure Forensic Rehab Facility
ADDRESS  To be located in the Lot #7 Parking Lot and in adjacent area
SITE  East Campus, Augusta Maine
STRUCTURE  NA
PURPOSE  To provide a new facility for the Department of Health and Human Services.
VARIANCES  NA

1. Cost  This project is expected to cost between $2 to $3M.

2. Zone:  This project is located in the East Campus Zone (ECZ).

3. The new building shall not exceed 5 stories.

4. This building and associated parking will meet the requirements associated with the Americans with Disabilities Act (ADA).

5. The building components such as with the roof, building materials, and fenestrations will meet the characteristics as defined by the CPC rules.

6. Please see attached plans and images for more detailed information.
STATE OF MAINE
127th LEGISLATURE
SECOND REGULAR SESSION

Final Report of the
WORKING GROUP TO STUDY BACKGROUND
CHECKS FOR CHILD CARE FACILITIES AND
PROVIDERS

November 2016

Staff:
Alyson Mayo, Legislative Analyst
Janet Stocco, Legislative Analyst
Office of Policy & Legal Analysis
13 State House Station
215 Cross Building
Augusta, ME 04333-0013
(207) 287-1670
www.maine.gov/legis/opla

Members:
Sen. Roger J. Katz, Chair
Sen. Christopher K. Johnson
Rep. Aaron M. Frey, Chair
Rep. Joyce A. Maker
Rep. Joyce McCaig
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Rep. Joyce McCreight
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## Appendices

A. Authorizing Joint Order, H.P. 1167

B. Membership List, Working Group to Study Background Checks for Child Care Facilities and Providers

C. Child Care and Development Block Grant Act of 2014, 42 U.S.C. §9858f

D. Recommended Draft Legislation

E. Public Law 2015, chapter 497

F. Correspondence between Working Group and Executive Branch

G. 45 C.F.R. §98.43

H. Questions from Working Group to Federal Administration for Children and Families *(with summaries of answers)*

I. Discretionary Issues for States Identified in Commentary to Federal Rules

J. June 10, 2016 Letter from ACF Conditionally Approving Maine CCDF State Plan for 2016-2018
EXECUTIVE SUMMARY

The Working Group to Study Background Checks for Child Care Facilities and Providers (hereinafter referred to as the “Working Group”) was established by Joint Order H.P., 1167 of the Second Regular Session of the 127th Legislature (see Appendix A). The Working Group consists of five members: two senators appointed by the President of the Senate and three house members appointed by the Speaker of the House. A list of Working Group members is set forth in Appendix B.

The Working Group was established in response to the federal government’s enactment of the Child Care and Development Block Grant Act of 2014 (CCDBG Act of 2014), which, among other things, requires states that receive Child Care and Development Fund (CCDF) grant monies to subsidize child care for low-income families to create policies and procedures to ensure that child care workers are subject to comprehensive criminal background checks prior to employment (see Appendix C). States have until September 30, 2017, to implement the background check requirement, although one-year extensions are available for states that make a good faith effort to comply with the deadline. States that fail to meet the statutory deadline for implementing the background check requirements are subject to an annual 5% reduction in CCDF funds. Because Maine generally receives approximately $17 million in CCDF funds per year, Maine will lose more than $800,000 in annual funds for subsidized child care if it does not implement the required background checks in a timely manner. Subsequently, a few weeks after passage of the Joint Order, the Legislature enacted Public Law 2015, chapter 497 over the Chief Executive’s veto, which directs the Department of Health and Human Services to adopt major substantive rules to implement the CCDBG Act of 2014 background check requirements. The duties of the Working Group, set forth in Joint Order H.P. 1167, include the following:

- Review the requirements for national criminal history background checks based on fingerprints as required by the federal CCDBG Act of 2014;

- Recommend how the required background checks should be incorporated into Maine law, specifically:
  - Who should be subject to background checks;
  - Whether the law should provide for contingent or provisional hiring while background checks are pending;
  - Who should be responsible for the payment of costs associated with background checks; and
  - How the Background Check Center within the Department of Health and Human Services can help coordinate and streamline the background check process for child care facilities and providers;

- Explore options to defray all or some of the initial and ongoing costs of background checks, including the use of federal grant funds;

- Invite the participation of and comments from stakeholders; and
• Invite the participation of the Department of Health and Human Services and the Department of Public Safety, State Bureau of Identification (SBI).

The Working Group met three times and held an evening session to gather public comments at a time more convenient for child care workers than typical, daytime legislative public hearings. The Working Group reached out to the Chief Executive in an effort to facilitate participation of the Department of Health and Human Services and the Department of Public Safety’s SBI. The Chief Executive declined the request for participation, but the Department of Health and Human Services responded in writing to many of the Working Group’s written questions. After gathering extensive information, including receiving technical assistance from staff at the federal Administration for Children and Families (ACF), the Working Group reached the following unanimous recommendations: (A) to enact legislation necessary to comply with federal law; (B) to guide rulemaking by the Department of Health and Human Services as it implements the background check requirements pursuant to Public Law 2015, chapter 497 and to guide the joint standing committee having jurisdiction over judiciary matters as it reviews those major substantive rules; and (C) to identify issues for further legislative review and study regarding use of CCDF funds.

A. Legislative Recommendations

The Working Group recommends enactment of legislation (see Appendix D) that will:

1. Amend the statute authorizing Maine’s Department of Health and Human Services to adopt rules for the licensure and certification of child care facilities and family child care providers to:
   a. Expand the categories of individuals subject to criminal background checks to match the categories of individuals for whom criminal background checks are required by the final regulations implementing the CCDBG Act of 2014; and
   b. Repeal language pursuant to which the Department of Health and Human Services previously adopted child care background check rules that differ from and conflict with the CCDBG Act of 2014.

2. Amend the Maine Revised Statutes to extend the background check requirements of the CCDBG Act of 2014 to unlicensed individuals who receive federal or state funds for providing care to children.

B. Rulemaking Recommendations

The Working Group recommends that Maine exercise its discretion in implementing the background check requirements of the CCDBG Act of 2014 according to the following principles; these recommendations should guide the Department of Health and Human Services’ rulemaking process as well as the review of the rules by the joint standing committee having jurisdiction over judiciary matters.
1. The rules should not expand the definition of “child care staff member” in 45 C.F.R. §98.43(a)(2)(ii) and should clarify that people who enter a child care business infrequently or irregularly to perform maintenance (plumbing, lawn mowing, etc.), delivery or similar tasks are not “child care staff members”, as long as these individuals are not given unsupervised access to children. The rules should also clarify that, by contrast, speech therapists, physical therapists and similar professionals who provide direct services to children are “child care staff members” who must demonstrate that they have satisfied the background check requirements before the child care provider grants these professionals access to children.

2. The rules should require the State to issue an identification card, certificate or other verifiable credential to individuals who have successfully completed the child care staff background check requirements.

3. The rules should require each child care provider to maintain proof that all staff members employed by the provider have satisfied the background check requirement.

4. The rules should adopt a process of electronic fingerprinting modeled on the fingerprinting process currently employed for Maine public school and Maine Revenue Services employees.

5. The rules should adhere to the federal regulations by permitting provisional employment of child care staff members who have completed either a Maine or FBI fingerprint-based criminal history check, provided that these provisional employees’ interactions with children are supervised.

6. The rules should require SBI to complete Maine fingerprint-based criminal history checks as expeditiously as possible to facilitate the hiring of provisional child care employees.

7. Unless a compelling reason exists not to do so, the rules should authorize appropriately supervised provisional employees to be counted toward the child to staff ratio requirements for child care facilities and family child care providers.

8. The rules should not expand the list of offenses that disqualify an individual from working as a child care staff member beyond the list in federal law.

9. The rules should establish a review process for individuals disqualified from employment as a child care staff member based upon a felony drug-related offense committed during the preceding five years to have this disqualification waived, limited to individuals whose only disqualifying offenses involved possession of drugs, not furnishing or trafficking of drugs.

10. In developing the process for individuals to appeal the accuracy of their own background check results, the Department of Health and Human Services should examine the analogous processes that already exist within the Maine Background Check Center and the Department of Education.

11. The rules should include “rap back” monitoring, perhaps modeled on the rap back program established by the Maine Background Check Center Act or the analogous program employed by the Maine Department of Education, to ensure that individuals
convicted of future offenses lose their child care background check clearances and their employers are notified of their disqualifications.

12. The rules should state that, during the first year of implementation, CCDF grant funds should be used to pay for background checks of all child care staff members. After the first year of implementation, CCDF grant funds should be used to continue to pay the costs of background checks for employees of family child care providers, but the costs of background checks for employees of child care facilities must be paid either by the child care facility or the employee or a combination thereof.

13. The Department of Health and Human Services should coordinate with the Department of Education to streamline and align the rules governing the background check processes for public school and child care personnel to prevent unnecessary duplication of background checks for individuals who work with children in both environments.

C. Recommendations for Further Investigation

The Working Group recommends further legislative investigation as follows.

1. The joint standing committee having jurisdiction over health and human services matters should investigate why Maine does not spend all of the CCDF funds allocated to the State and determine whether unspent funds can be used to enhance the child care subsidy program in any or all of the following ways (listed in order of priority):

   a. To increase subsidy payment rates, with the goal of encouraging more providers to participate in the child care subsidy program, thereby providing low income families with a degree of access to child care services that is comparable to the access enjoyed by families that do not receive subsidies;

   b. To increase subsidy payment rates in a manner that encourages enhancing the quality of subsidized child care programs as recommended by the federal ACF in its letter conditionally approving Maine’s CCDF Plan for 2016-2018; and

   c. If additional CCDF funds remain available, to offset the background check costs for all child care workers (including child care facilities, not just family child care providers) after the first year that Maine implements the background check requirements of the CCDBG Act of 2014.

2. The joint standing committee having jurisdiction over judiciary matters should again request that the Chief Executive allow SBI staff to participate in the committee’s review of the Department of Health and Human Services’ major substantive rules for child care criminal background checks in January 2017. If the Chief Executive again declines, the committee should coordinate with the joint standing committee having jurisdiction over criminal justice matters to help ensure that SBI lends its expertise to the Legislature on this subject.
September 30, 2016

Grant T. Pennoyer
Executive Director of the Maine Legislature
Office of the Executive Director of the Maine Legislature
115 State House Station
Augusta, ME 04333

Dear Mr. Pennoyer,

Pursuant to 5 M.R.S.A., Chapter 383, Subchapter 3, and Article 2-A, the Washington County Development Authority is required to submit an annual report to the Governor, the Executive Director of the Legislative Council and the Joint Standing Committee of the Legislature having jurisdiction over business and economic development matters.

The WCDA was incorporated in 2003 with the purpose of redeveloping the former Navy Base in Cutler. Several private developers have attempted to redevelop the commercial side of the base but were unsuccessful. In 2015, Cutler North, LLC gifted the commercial side to the WCDA. The Authority is and has been working to bring the facility back into productive use.

Please contact me with any questions or concerns. Thank you.

Sincerely,

[Signature]

Peter Rensema
Project Manager
Sunrise County Economic Council
53 Prescott Dr., Suite 3
Machias, ME 04654
P: 207-255-0983
F: 207-255-4987
Email: prensema@sunrisecounty.org

ENCL: WCDA 2016 Annual Report
Washington County
Development Authority

ANNUAL REPORT
July 1, 2015 – June 30, 2016

Introduction

Pursuant to the provisions of Title 5 of Maine Revised Statutes Annotated, Chapter 383, Subchapter 3, Article 2-A, the Washington County Development Authority is required to submit an annual report to the Governor, the Executive Director of the Legislative Council and the joint standing committee of the Legislature having jurisdiction over business and economic development matters. The report must be submitted no later than 120 days after the close of the authority’s fiscal year. The Authority’s fiscal year ended on June 30, 2016.

Section 13083-F of 5 MRSA requires that the annual report of the Authority include:

A. A description of the authority’s operations and activities;
B. An accounting of the authority’s receipts and expenditures and assets and liabilities at the end of its fiscal year;
C. A listing of all property transactions pursuant to section 13083-D;
D. A statement of the authority’s proposed and projected activities for the ensuing year; and
E. Recommendations regarding further actions that may be suitable for achieving the purposes of this article.

History of the Authority

The Washington County Development Authority was established by the Second Regular Session of the 120th Maine Legislature as Chapter 568 of the Laws of Maine 2001. The Authority was established in response to the need to create a state entity that could take title to the former Naval Computer and Telecommunications Station in Cutler, Maine from the United States Navy. Since that time, the legislation was amended to broaden the scope of the authority’s mission to allow the authority to provide financial and technical assistance to any governmental entity and nonprofit located within Washington County in support of community and economic development projects. Representation was expanded to include all municipalities in Washington County, including the unorganized territories.

For the reporting period, the Authority was comprised of the following members: Bob Whitman (Marshfield), Elizabeth “Betsy” Fitzgerald (Machiasport), Robert Hammond (Harrington), Marianne Moore (Calais), Christine Phillips (Calais), Dean Pike (Eastport), Lewis Pinkham (Milbridge), Heron Weston (Eastport), Josh Bragg (East
Machias), Brian Mulligan (DECD Appointee), and Robert Tyler (Calais). For this time period, the following officers were elected: Betsy Fitzgerald / Chair, Lewis Pinkham / Vice-Chairperson, and Marianne Moore / Treasurer. For this reporting period, the WCDA set monthly meetings on the third Monday of every month at 1pm at the Machias Career Center.

The Authority can have up to 13 voting members. At this point, there are 9 Trustees. Josh Bragg and Heron Weston were appointed as Trustees earlier this year. Dean Pike chose not to apply for re-appointment and will serve until a replacement is found. Christine Philips resigned on April 20, 2016 due to moving out of State.

Operations and Activities

The WCDA Trustees scheduled eleven (11) regular meetings from July 2015 to June 2016, though there was not always a quorum present for official business to take place. Major items of discussion during the course of the report period included the following subjects:

The Washington County Development Authority continues to contract with Sunrise County Economic Council to provide administrative services.

The Authority continues to use support from the Washington County Council of Governments Brownfields Program to evaluate the structure’s hazardous materials and degradation to the buildings under previous ownership. Through the Brownfields Program, the Authority had the basement of the Administration building pumped out. There was the possibility of PCBs, oils, and other hazardous material due to a suspected submerged transformer. Fortunately, no hazardous chemicals or substances were found. The Authority is now preparing an application for clean-ups funds through the Brownfields Program for work on the Administration Building.

The Authority worked with Washington Hancock Community Agency to remodel the old Navy Garage and convert it into a working garage with 5 bays. The WHCA utilized local labor from the prison in order to get the work needed done in a timely manner. The WHCA is now a tenant on the commercial side of the Cutler Base in the remodeled and fully functional garage.

The Authority worked with TRP Logging in remodeling the old Boiler Building and converting it into a salt shed where TRP Logging pays a discounted rent and provides plow, salt, and sanding services to the Commercial side of the former base.

The Authority is communicating with a private party interested in opening an outdoor hockey rink and renovating the Recreation Building to rent a portion of the building for a dinner. Other projects may arise in hopes of creating and expanding activity to the whole building.

Receipts and Expenditures
See attached Financial Statement

Property Transactions:

The WCDA obtained no new property this year.

Proposed and Projected Activities

The Authority intends to continue its work to redevelop the former Cutler Navy Base despite the lack of available resources. The Authority receives no direct funding from the State or Federal Government. Sunrise County Economic Council and Washington County Government have provided what staff support they can but the Authority’s Trustees are handling much of the day to day property management as volunteers. The Authority’s sole source of income is rent, which has been entirely used for the maintenance and repair of the property. In short, the redevelopment effort is hobbled by the lack of resources.

With continued support from the Washington County Council of Governments’ Brownfield Program, the Authority plans to attempt to raise funds to pay for needed clean up and renovation to some of its property.

The Authority is seeking new tenant to fill vacant commercial space in the base and continues to look for funding to repair former structures.

Recommendations

1. The Authority has no requests or recommendations from the Legislature at this time.

Attachments:

- Financial reports: WCDA Annual Income Statement

Respectfully submitted:

[Signature]
Betsy Fitzgerald
Chair
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October 28, 2016

Mr. Grant T. Pennoyer
Executive Director
State of Maine Legislative Council
115 State House Station
Augusta, ME 04333-0115

Dear Mr. Pennoyer:

Pursuant to “Section 15080-L Annual Report” of the Loring Development Authority of Maine’s (LDA) enabling legislation, please find enclosed a complete report of the activities of the LDA for the fiscal year ended June 30, 2016. The report includes a summary of the LDA’s development activities and audited financial statements for FY16. Subsequent events through October 15, 2016 and proposed activities for FY17 are also reported.

If you have any questions or need additional information, please don’t hesitate to call.

Very truly yours,

Carl W. Flora
President & CEO

Enclosure

cc: Senator Amy F. Volk, Chair
    Representative Erin D. Herbig, Chair
    Committee on Labor, Commerce, Research and Economic Development
Loring Development Authority of Maine  
Fiscal Year 2016 Annual Report  
July 1, 2015 – June 30, 2016

PARAGRAPH 1A: DESCRIPTION OF THE AUTHORITY’S OPERATIONS

Loring Development Authority (LDA) is responsible for the redevelopment of the properties formerly comprising the Loring Air Force Base, for the purpose of creating new jobs and new economic activity following the base’s closure. Accomplishing that mission requires LDA to manage the 3,700-acre business-commercial and industrial park including a 1,600-acre aviation complex; serve as landlord to leasehold businesses and supply municipal-type services to 342 residents and to 22 businesses that collectively employ approximately 800 people and occupy 1 million square feet of space in numerous major buildings. LDA operates a water treatment plant, water distribution system, and a wastewater collection system; maintains and plows 26 miles of roadways; performs grounds maintenance on hundreds of acres of developed and developable property; and through arrangements with the Town of Limestone and others, secures fire, ambulance, and law enforcement services and contracts for wastewater treatment. The LDA works with prospective businesses to develop opportunities to reuse additional facilities and properties, create additional employment and economic activity both at Loring and in the broader region.

Employers at Loring represent industrial, manufacturing, agriculture, forestry, energy, telecommunications, commercial, back-office, education, recreation, conservation and aviation sectors. A profile of the employers at Loring, included in an addendum at the end of this report, illustrates the significant level and diversity of economic activity generated by the reuse of facilities at Loring Commerce Centre.

FISCAL YEAR 2016 ACCOMPLISHMENTS

THE FOLLOWING SUMMARIZES THE LDA’S ACCOMPLISHMENTS FOR FISCAL YEAR 2016, WHICH SUPPORT ITS PRIMARY MISSION OF JOB CREATION AND FACILITY ABSORPTION ON LORING COMMERCE CENTRE.

LORING INDUSTRIES, LLC. There has been much activity involving Loring Industries (LI), a new company formed to facilitate new business activity in collaboration with the Maine Military Authority (MMA) and LDA. LI is registered with the U.S. Department of State, Office of Defense Trade Controls and is close to an exclusive agreement with a major defense company. Other significant contracting opportunities exist for LI to attract work as a subcontractor and to secure refurbishment contracts on military and civilian vehicles and equipment. LI is also pursuing several opportunities related to manufacturing. As the projects move forward, LI will subcontract with MMA and may begin to hire on new employees itself.

MAINE MILITARY AUTHORITY. MMA is developing a national reputation for its ability to rebuild transit buses. Bidding on various large bus programs is being considered. Smaller contracts from local and regional entities have been increasing as more bus operators are seeing
the financial benefits that result from a mid-life overhaul. Projects being pursued involve both refurbishment and manufacturing.

**Ranger Solar.** Ranger Solar, a grid-scale solar developer proposed the development of a 100 megawatt solar project at Loring to generate renewable energy for the local and/or regional electrical grid. Loring is an attractive site because of the abundance of open space and existing electrical infrastructure. One megawatt of electrical output requires about five acres of land; 100 megawatts would require about 500 acres. Solar is becoming more affordable and practical, but solar output varies and must be accompanied by some form of balancing power such as natural gas generation which can be increased or decreased to maintain a steady output.

Ranger has engaged an airport engineering consultant to determine what areas are capable of supporting solar panels, without violating FAA standards for setbacks along runways and taxiways. Ranger will commit to conducting a “glint and glare” analysis that will assure that the panels do not create a visual hazard for approaching aircraft.

Permitting, conducting an interconnection study showing the technical feasibility, developing an interconnection agreement, marketing the power and arranging the financing all need to be accomplished before the project can move forward.

**Merlin One.** LDA is working with prospects interested in acquiring the diesel plant, which houses diesel generators with about 5.1 megawatts of electricity generation. While it is not economically feasible to run diesel units to continuously generate electricity, having them on stand-by would allow for the sale of the stand-by capacity. A lease with Merlin One was approved in FY 2016 but has not yet been executed.

**Loring Holdings, LLC.** Loring Holdings continues to work on a project called Maine Power Express, which involves the construction of a DC power converter plant with a transmission line in the Searsport pipeline right-of-way and underwater to southern New England. The Maine Power Express project would bring renewable energy from northern Maine and Canada to southern New England. If built, the LDA would be compensated for the additional uses of the pipeline corridor under a New Facilities Payment Agreement which was finalized in FY 2016.

**Residential Operations.** Having acquired the residential properties at Loring last year, LDA operated the apartment rental business while seeking a new operator. In February 2016, the residential properties were leased to a private party operating under the name Inland Winds Property Management. Business prospects have indicated a need for on-premises housing for a portion of their workforce.

**Golf Operations.** The Limestone Country Club is under new management and was open for business again during the summer of 2016. Having engaged the help of dedicated volunteers and experienced employees, the business has made good progress. It continues to represent a valuable amenity for Loring and the larger community.

**Loring Military Heritage Center (LMHC).** The LMHC, a museum showcasing Loring’s military history, hosted a very successful open house in July 2014 and another is planned for the summer of 2016. The events bring many people from around the world to Loring.

**Land Speed Racing.** Loring Timing Association (LTA) continues to host land speed racing events at Loring, making use of the 12,100 foot runway. The events bring people from many
place to the community and has exposed Loring’s facilities and airfield to companies interested in automotive product testing, research and development.

**AUTOCROSS EVENT.** Cumberland Motor Club Inc. continues to hold autocross precision driving events at Loring. The events consist of automobiles, including high performance cars, being operated within a defined course. Although the race events do not attract huge crowds they do bring visitors to the area who provide increased traffic to restaurants, hotels and other businesses.

**PROSPECTS.** Active prospects include various types of businesses including manufacturing and technology companies. Prospects have cited the quality and of the labor force as a central reason for their interest in the area. The availability of unique or specialized facilities at Loring is another attraction for companies.

**WATER SUPPLY SYSTEM UPGRADES PHASES 1, 2 AND 3.** LDA and the Air Force entered into a Memorandum of Agreement, which included a payment to LDA of $1.5 million for upgrades to the water treatment plant and distribution system. The MOA and payment addresses the Air Force’s responsibility to provide potable water to Loring, where groundwater contamination prevents the use of wells. The funding matched a $1,132,000 grant from the Economic Development Administration (EDA). The grant provides for 50% of the costs of a $2,264,000 project, which is now complete. The project included upgrading Loring’s drinking water treatment infrastructure, rebuilding the fishway on the water impoundment dam, repairing the concrete weir and intake structure, and facility improvements.

Phase 3 of the water system improvement project nears completion. The work installed systems to address disinfection byproducts in the water supply system as required by current drinking water standards. The $1.1 million Phase 3 project is funded by a $507,780 loan from the Drinking Water State Revolving Loan Fund, of which about $200,000 will be forgiven and part of a $1 million a Community Development Block Grant (CDBG), secured with the help of the Town of Limestone. The Air Force also supplied additional assistance. (The balance of the CDBG, approximately $336,000, will fund additional sewer rehabilitation at Loring.)

**INFLOW AND INFILTRATION (I/I) REDUCTION AT LORING COMMERCE CENTRE.** Reduction of the I/I of ground and surface water in Loring’s wastewater collection systems is an ongoing project. Upgrades to the system to date total approximately $2.6 million. Design work is currently underway for a $336,000 project, which is expected to be completed in FY 2017.

**FIRE AND AMBULANCE.** Crown Ambulance now supplies a two-person crew for ambulance service at Loring and all of Limestone, and Caswell. The ambulance crew is housed at the Loring Fire Station and has access to the fire truck and associated equipment. Fire response falls under the authority of the Limestone Fire Department. The ambulance crew may be called upon occasionally to do long distance transports and when that happens, coverage will be by the crew based in Fort Fairfield.

**AIR FORCE ENVIRONMENTAL BRIEFING ON PFCs OR “PERFLUORINATED COMPOUNDS.”** In 2009, EPA issued a Preliminary Health Advisory for two compounds, PFOS and PFOA, recommending provisional drinking water standards for two specific PFCs (PFOS & PFOA). PFCs are a group of manmade chemicals that had been used for a wide variety of products including food grade uses such as Teflon and fast food wrappers. PFCs were found in firefighting foams used after 1970 and the Air Force has identified PFCs in groundwater at Loring’s former fire training area. This has been the case with many closed bases. The Air Force
has begun to assess other potential PFC sites at Loring during 2016. Because the drinking water supply does not come from wells, any PFC sites identified will have minimal or no impact on Loring’s redevelopment.

**MARKETING EFFORTS**

**WEBSITE.** Loring.org was designed to provide downloadable data for available facilities, up-to-date information, ease in making in-house changes and an efficient delivery of board meeting documents. LDA regularly responds to inquiries submitted through the website.

**PROMOTING LORING**

Loring’s facilities, attributes and contact information are available on numerous business development websites such as The Maine Chamber, The Yellow Pages online, www.aviationacres.com and other aviation interests.

Following a request for proposals to provide real estate services, the LDA signed an Exclusive Right to Sell Listing Agreement with Re/Max Central to provide Sales Agent services and exposure on the Multiple Listing Service for designated Loring properties. The goal is to promote Loring properties, for sale or lease, to the widest possible audience. For properties not specifically listed, LDA maintains an “Open Listing” and encourages all real estate brokers to bring prospective purchasers or commercial lessees to Loring.

**PUBLIC OUTREACH**

**STAKEHOLDER AND BUSINESS DEVELOPMENT MEETINGS.** The LDA President & CEO regularly leads tours and presents Loring’s buildings and assets to potential tenants and visitors. He also promotes Loring and northern Maine when participating in speaking engagements and meetings regionally and state-wide.

**PUBLIC BOARDS AND AFFILIATIONS.** The LDA President & CEO serves in a voluntary capacity on regional and state-wide Boards, networking within various communities and acquainting people with Loring Commerce Centre, the State of Maine’s largest industrial, business and aviation complex.

**OTHER ACTIVITIES & EFFORTS**

**AROOSTOOK PARTNERSHIP.** The Aroostook Partnership for Progress (APP) and Leaders Encouraging Aroostook Development (LEAD) recently merged to form “Aroostook Partnership”. LDA’s President & CEO is on the Board of Directors of the new entity. Aroostook Partnership represents many economic development interests ranging from numerous private sector businesses and non-profits as well as public sector entities like Northern Maine Development Commission, the University and Community College, and the LDA.

**FOCUSMAINE.** FocusMaine was formed to bring new business into Maine. Its membership is primarily based in the private sector. The organization is modeled after a similar group called JobsOhio, which has met with significant success. FocusMaine engaged a well-known business consultant, to develop recommendations on which industries were the best fit for Maine’s economy; BioPharm, Agriculture and Aquaculture were all identified as key sectors poised for growth. LDA and Aroostook Partnership intend to bring awareness of the assets and potential
for business growth in Aroostook County to the leadership of FocusMaine and will offer assistance.

**KEEping Informed.** When relevant to the LDA’s activities, LDA staff members actively participate in community and state economic development efforts, serving on various boards, attending workshops, development forums and trainings, keeping abreast of programs and other opportunities available to businesses.

**LDA FUNDING**

**STATE OF MAINE.** LDA received a grant from the Maine Department of Economic and Community Development for $275,000. The funding supports the reuse of the former military facilities including newly developing manufacturing projects.

**TAX INCREMENT FINANCING FUND.** The Loring Tax Increment Financing (TIF) Program allows the LDA to receive 50% of the Maine State Income Tax withheld from incremental jobs created at the Loring Commerce Centre. Contributions to this fund for fiscal year 2016 totaled $618,135. These funds are used to fund municipal service costs and maintenance of public infrastructure.

LD 1670, An Act to Attract Investment to Loring Commerce Centre, was enacted this year. It provides additional funding through the Loring Job Increment Financing Fund for one year. Funding received for fiscal year 2017 will be increased from 50% to 100% of the Maine State Income Tax withheld from incremental jobs at Loring.

**PROPERTY SALE, LEASE, MUNICIPAL SERVICES AND MISCELLANEOUS REVENUES.** During fiscal year 2016, the LDA received revenues from its tenants, from the sale of land and personal property and from miscellaneous revenues in the amount of $1,634,789.

**MACHIAS SAVINGS BANK.** LDA has a $1,250,000 line of credit from Machias Savings Bank. The line, needed to assist in the management of cash flow, was secured in September 2016 and replaces the lines of credit at Katahdin Trust Company. At the end of FY 2016, funds advanced under the line of credit totaled $1,169,000.

**MACHIAS SAVINGS BANK.** LDA also secured a $700,000 term loan from Machias Savings Bank to provide for short term cash needs and working capital needs beyond operating revenues. The five-year loan was secured in September 2015.

**KATAHDIN TRUST COMPANY.** LDA had two lines of credit from Katahdin Trust Company to assist in the management of cash flow; one line for $1,000,000 and the second for $250,000. At the end of FY 2015, funds advanced under the line of credit totaled $1,189,807. This debt was retired in October 2015. The lines at Katahdin Trust Company have been closed and replaced with a $1,250,000 line of credit at Machias Savings Bank.

**EDA Grant.** In FY11 LDA was awarded $1,132,000 from the Economic Development Administration for the upgrade of Loring’s water supply infrastructure; the project is 100% complete.
CDBG GRANT. A $1 million Department of Economic and Community Development Community Development Block Grant was awarded to the Town of Limestone on behalf of the LDA in July 2015. The grant will assist with water treatment system upgrades needed to achieve Disinfection By-Product (DBP) removal in the water supply system. It will also be used to upgrade a portion of the existing wastewater collection system to reduce the inflow and infiltration of ground and surface water in the system.

MAINE DRINKING WATER STATE REVOLVING FUND (DWSRF). LDA worked with the Maine Bond Bank to close on a $507,780 DWSRF loan. A portion of the loan, 40%, will be forgiven; the remaining 60% or $304,668 will be repaid over 30 years. The DWSRF funds will be used to match the CDBG grant and will fund the water treatment system improvement project.

U.S. AIR FORCE FUNDING LDA received $300,000 from the Air Force this year for work on the water supply system at Loring. The funding assures the LDA will be able to repay the loan portion of the DWSRF funding through the Maine Municipal Bond Bank. It supplements the $1.5 million provided by the Air Force in 2009 to complete the work required to continue to supply water to the former Loring Air Force Base tenants.