



STATE OF MAINE  
OFFICE OF THE GOVERNOR  
1 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0001

Paul R. LePage

GOVERNOR

June 17, 2016

The Honorable Mark Eves  
Speaker of the House of Representatives  
State House Station 2  
Augusta, Maine 04333-0002

The Honorable Michael Thibodeau  
President of the Maine State Senate  
State House Station 3  
Augusta, Maine 04333-0003

Dear Speaker Eves and President Thibodeau:

I am disappointed, but not surprised, that you have declined to convene the Legislature to address the funding irregularities you passed last session. Because I believe Maine taxpayers have a right to know exactly how the money they send to Augusta is being used, I have issued an Executive Order directing the Department of Health and Human Services and the Department of Administrative and Financial Services to do the following:

**LD 1465 Resolve, To Require the Department of Health and Human Services To Conduct a Study of Ambulance Services**

This bill requires that DHHS contract with a third-party consultant to conduct a rate study of ambulance services and assess the feasibility of reimbursing for community paramedicine services, but doesn't appropriate any money to fund it. I doubt we'll be able to get anyone to do that for free. The fiscal note claims DHHS anticipated using "certain budget resources" for this study. Not true. If you want to make us study this issue, either appropriate the General Fund money to do so, or identify what we should cut in order to free up the \$75,000 to \$100,000 we will need to do it.

**LD 1552 An Act To Reduce Morbidity and Mortality Related to Injected Drugs**

The same issue applies to this bill – it's a mandate to create a needle exchange program for drug addicts with no new funding. At least this bill started out with a fiscal note for \$75,000. But when that was stripped, even your own Office of Program and Fiscal Review noted: "[a]s no funding is provided for the provisions of the bill, the impact on other programs and services cannot be determined at this time." This is a gimmick you've used before, and I'm not going to



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## **LD 1614 Resolve, To Provide Funding for the County Jail Operations Fund**

This bill is particularly frustrating to me. It is no secret I believe the entity responsible for the operation of jails should have control over the purse strings. Currently, counties run the jails and the State is on the hook for any budget overruns – this arrangement is completely untenable. I have made that argument for several years and the Legislature has continually disagreed – bailing out the jails with millions of taxpayer dollars without any oversight over their operations.

This year, when the counties had their hands out for nearly \$5 million in cost overruns, I tried a new tactic: the Administration would find a source of funding and agree to covering the jails' 2016 shortfall if the Legislature agreed to lift the property tax cap that restricts how much the counties can raise from municipalities. That way, if the jails overspend their budgets, there is accountability to local property taxpayers. We identified the increased funding from the Federal Medical Assistance Percentage (FMAP) as a source of funding with enough flexibility that we could backfill the \$2.4 million FY16 jail funding from the General Fund at a later date. As a tradeoff for fixing the flawed county jail funding problem once and for all, it seemed like a good deal. Instead, the Legislature took the FMAP funding but scrapped the language to lift the property tax cap.

Using Medicaid money that should be going to our most vulnerable populations to instead fund out-of-control jail spending is wrong. I hope you will work with me to replace the FMAP money so that it can be spent where it belongs – on programs to help Maine's disabled and elderly citizens.

## **LD 1645 An Act To Address Employee Recruitment and Retention Issues at State Mental Health Institutions**

Finally, I hope you will reconsider your decision to fund arbitrary wage increases to some employees of our state mental health institutions using the Salary Plan. We all want to make Riverview Psychiatric Center a success. It's been a tough couple of years for the employees there and I will not rehash all the issues or assign blame – there's enough to go around for everyone. But it's particularly unhelpful when legislators, who are trying to score political points with constituents, insert themselves into the management of this institution without having the benefit of knowing what is actually happening there.

I see this bill as the basest political pandering, but we made that case – twice – and lost. I get it. Still, I hope you will consider delaying the \$2 and \$4 per hour increases for certain RPC and Dorothea Dix employees until January when we can implement raises based on the salary survey DHHS has already conducted. At the very least, please consider the impact of continuing to raid the Salary Plan and work with me to find an alternative funding source.

Using the Salary Plan for pay increases – as we did for law enforcement personnel this session – makes sense when a thorough study is undertaken to assess both fair, competitive


wages and barriers to recruitment and retention. Neither of those things happened with LD 1645. Instead, the Legislature ignored the input and research of the Department.

Continued depletion of the Salary Plan inhibits the Executive Branch's ability to negotiate in good faith during the next round of collective bargaining with all unionized state employees. We made the calculation to use personal services savings for the tax conformity bill and the law enforcement increases after careful consideration and study – not so with Riverview and Dorothea Dix. We can rectify that by delaying the increases and funding any adjustment that is justified, not by dipping into the Salary Plan account, but with General Fund dollars in a sustained and transparent manner.

You may think these issues do not constitute enough of an "emergency" to merit a Special Session, but I disagree. In light of the constitutional requirement of a balanced budget, correcting these budget gimmicks constitutes an "extraordinary occasion" and the Legislature should be convened. The Maine people deserve to know where their tax dollars are spent and that they are spent in a fiscally prudent way. By burying new spending with obfuscation and gimmicks, we are doing the taxpayer an injustice.

I hope you'll agree to convene prior to the end of this fiscal year to fix these bills, and ask that you respond by Wednesday, June 22 as to whether you will consider making the changes outlined in this letter in a Special Session prior to July 1, 2016.

Sincerely,

  
Paul R. LePage  
Governor

cc: The Honorable Ken Fredette, House Republican Leader  
The Honorable Justin Alford, Senate Democratic Leader