

Maine SHRM Government Affairs Update

May 4, 2011

Executive

- Governor Paul LePage announced he intends to nominate Lieutenant General Robert Winglass (retired) to lead the Department of Labor. The public hearing has not yet been scheduled. As you can see in the link below, General Winglass served House District 72 during the 117th and 118th Maine Legislatures as well as working in the private sector (IBM) upon retirement from the Marine Corps. More here: <http://www.maine.gov/legis/house/history/118th/118bios/wingri.htm>
- Gov. Paul LePage announced last week that DEP Commissioner Brown will move from the DEP to become Director of the State Planning Office. The announcement follows a statement released by Maine Attorney General William Schneider, noting "in the absence of new information, it appears you [Brown] are unqualified to serve as Commissioner of the Department of Environmental Protection under Maine law." Jim Brooks, currently Director of the Bureau of Air Quality, within the DEP will become acting commissioner of the DEP. More here: <http://www.maine.gov/tools/whatsnew/index.php?topic=DEP+News&id=214767&v=Article>
- Former U.S. Representative David Emery will be Deputy Commissioner for the Department of Administrative and Financial Services.
- Phil Congdon has resigned as head of the Department of Economic and Community Development. No replacement has been announced for Congdon's position. More here: <http://www.downdeast.com/the-tipping-point/2011/april/cabinet-members-scandal-resignation>
- You likely also heard that Dan Demeritt stepped down as the Governor's Director of the Communications on April 16th. More here: <http://new.bangordailynews.com/2011/04/16/politics/demeritt-citing-unresolved-business-resigns-as-lepage-aide/>

Legislature

This update is on new bills we have been looking at that you may wish to weigh in on. For each of the following bills, we have stopped short of taking an official SHRM Maine State Council position for a host of reasons. Reasons can include the likelihood of passage, our expertise on a particular item, whether we are weighing in with other groups, taking different strategic approaches and lack of representation among our members in a relevant industry among other considerations. We encourage you to weigh in as you feel appropriate and let us know how we might support you in doing so.

Please look for upcoming updates which will include bills we have been following and their dispositions. As always, please contact your Government Affairs representative or Sarah with any questions or concerns along the way.

Health Care

As you likely noted, there is a new bill that is grabbing headlines since it was brought forth in surprise amendment to LD 1333 in the IFS committee last Friday. In a party line vote, the new amendment (which replaced the original bill) was passed out of committee. The bill pulls from other individual bills proposed this session and wraps them into a one proposal to rework health insurance in Maine between now and when the ACA exchanges are set up in 2014. There is much to this bill and whatever side you are on, it is our hope that the Committee considers wisely and asks for numbers to support the assumptions made in the bill. The bill does completely change the landscape for health insurance in Maine, including repealing Rule 850 and is designed to complement the deep-sixing of DirigoChoice, which we are told will be addressed in the Budget. It also spotlights an underutilized product in Maine, captive insurance for healthcare, so that what is now the purview of employers and the Bureau of Insurance will now become the purview of group trusts such as those sponsored by industry and other trade groups. While this is a gross-oversimplification, there are concerns that this is too much to try to pass at once and since so many new provisions are reliant on provisions that are also new,

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there is no way to really know how it will shake out and whether it will save money and what might happen to those who are uninsured or on state subsidized plans at this time and not eligible for the group trusts or other programs. In short, some see it as a grab for a particular market to provide services to the possible detriment of many others. While we are not taking an official position, we do recommend cautious analysis and hope you will share this with your legislators. While even now the amendment has not been officially posted, here a few links on the bill, pro and con:

<http://www.mainepeoplebeforepolitics.com/2011/05/action-alert-support-ld-1333-health-insurance-reform-to-lower-costs-and-create-jobs/>

http://www.pressherald.com/opinion/health-care-changes-getting-steamrolled-through-augusta_2011-05-04.html

Our members are not only employers who are trying to save on health insurance costs, but we have members who are in the healthcare business, so sometimes HR and other parts of the business have differing stakes. We respect our members need to work with their employers to decide best what position to take here. Sarah does have the amendment as presented last Friday for anyone who needs a copy.

LD 1116 – **Restoring Competition in the PBM Marketplace in Maine** is also getting a lot of attention right now. This bill repeals the changes that were made a few years ago to make the Pharmacy Benefit Manager model more uniform. Analysis is ongoing among our members who are in this market. As stated above, we understand your need as HR professionals to work with your business to decide what stand, if any, you might take. Sarah has talking points and more information on this bill if you need copies. Here is the bill itself:

<http://www.mainelegislature.org/LawMakerWeb/summary.asp?ID=280040629>

Weapons in the Workplace

MESHSM submitted a position statement with supporting documentation courtesy of SHRM in opposition to the following weapons bill. LDs 35 and 1347 are still in play. The Committee is hoping to pass LD 35 and looking for the Chamber's support in doing so. We are hopeful that a compromise might be struck so that employees would be able to keep firearms in their vehicles in the absence of an employer policy to the contrary. If the employer has a policy or creates a policy, it rules. (We'd expect some sort of communication requirement if a policy is changed of course.) Here are the bills so you will have them handy.

- LD 35 - **An Act Relating to Concealed Firearms Locked in Vehicles** –This bill provides that an employer may not prohibit an employee with a valid concealed firearms permit from keeping a firearm in the employee's vehicle as long as the vehicle is locked and the firearm is not visible.
- LD 1347 - **An Act Relating to Locations Where Concealed Weapons May Be Carried** - The bill is very expansive and essentially allows for concealed carry nearly everywhere in Maine that it is now prohibited with the exception of Courthouses and Schools.

Interestingly, the bill to permit firearms in the Capitol did pass committee, but is not expected to survive a floor vote.

We will do our best to continue to update you and support you in having your say. We hope to see you at the State HR Convention next week!

So it's handy, here is all relevant contact information:

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