

122nd Legislature LD 1691 HP1199
Acted Upon Without Reference To A
Committee

An Act To Eliminate Pension Cost Reduction Bonding and Provide Replacement Budgeting Measures. (**Submitted** by the Joint Standing Committee on Appropriations and Financial Affairs pursuant to Joint Order 2005, H.P. 1194.) Majority (OTP) Accepted 06/17/05. **Final Disposition:** Enacted, Signed 06/24/05, PUBLIC LAWS, Chapter 457.

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-SECOND LEGISLATURE

FIRST REGULAR SESSION
December 1, 2004 to March 30, 2005

FIRST SPECIAL SESSION
April 4, 2005 to June 18, 2005

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 29, 2005

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 17, 2005

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Penmor Lithographers
Lewiston, Maine
2005

CHAPTER 456

S.P. 635 - L.D. 1688

An Act To Establish the Maine-New Hampshire Cooperative Trails

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 12 MRSA §13104, sub-§7, as amended by PL 2005, c. 1, §2, is repealed and the following enacted in its place:

7. Snowmobiles of nonresidents; Maine-New Hampshire Cooperative Trails. Except as specifically provided in this subsection and notwithstanding any other provision of law, a snowmobile belonging to a nonresident may be possessed or operated by any person in this State as long as the snowmobile is properly registered in this State in the name of a nonresident owner of the snowmobile. Nothing in this subsection authorizes the operation of a snowmobile in a manner contrary to this chapter.

A. A nonresident is ineligible to obtain a resident registration for a snowmobile owned by that nonresident. Snowmobiles and grooming equipment registered to federal or state entities, snowmobile clubs, municipalities or counties from bordering states or provinces and engaged in trail grooming may be operated without being registered under this subsection. Snowmobiles registered in either New Hampshire or Canada may be operated on any lake or pond that is partly in both the State and New Hampshire or Canada without being registered in the State.

B. A snowmobile registered in this State or in New Hampshire may be operated without further registration requirements on those portions of the Maine-New Hampshire Cooperative Trails located in Maine. For purposes of this paragraph, "Maine-New Hampshire Cooperative Trails" means:

(1) New Hampshire Trail 18 as identified in the Success Pond - Grafton Notch area; and

(2) Maine Trail ITS-80 as identified in the Evans Notch area of the White Mountain National Forest.

The commissioner shall adopt rules regarding the grooming and maintenance of the Maine-New Hampshire Cooperative Trails and reimbursement or payment for those services. The rules must allow reimbursement for grooming and maintenance services to be through direct cash payments by users of the Maine-New Hampshire Cooperative Trails or through

in-kind services. The costs of grooming and maintenance must be based on the average per mile costs to Maine and New Hampshire of providing these services. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. Signs on Maine-New Hampshire Cooperative Trails. The Director of the Off-Road Vehicle Division of the Bureau of Parks and Lands within the Department of Conservation shall work with the director of New Hampshire's snowmobile program to develop and place signs clearly identifying the Maine-New Hampshire Cooperative Trails as defined in the Maine Revised Statutes, Title 12, section 13104, subsection 7.

See title page for effective date.

CHAPTER 457

H.P. 1199 - L.D. 1691

An Act To Eliminate Pension Cost Reduction Bonding and Provide Replacement Budgeting Measures

Be it enacted by the People of the State of Maine as follows:

PART A

Sec. A-1. PL 2005, c. 12, Pt. PPPP, §§1, 3 and 4 are repealed.

Sec. A-2. Maine State Retirement System, Administrative Expense Reserve. Notwithstanding any other provision of law, the Maine State Retirement System shall transfer \$250,000 from the Administrative Expense Reserve account to the Retirement Allowance Fund on or before January 1, 2006. This transfer must be reflected as a prepayment of the unfunded actuarial liability of teachers.

Sec. A-3. Appropriations and allocations. The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

Teacher Retirement 0170

Initiative: Provides funds for the normal cost of teachers' retirement for the 2006-2007 biennium.

GENERAL FUND	2005-06	2006-07
All Other	\$61,167,861	\$64,532,094
GENERAL FUND TOTAL	\$61,167,861	\$64,532,094

Teacher Retirement 0170

ARTS COMMISSION, MAINE		
DEPARTMENT TOTALS	2005-06	2006-07
GENERAL FUND	(\$10,000)	(\$10,000)
<hr/>		
DEPARTMENT TOTAL - ALL FUNDS	(\$10,000)	(\$10,000)
LIBRARY, MAINE STATE		
Administration - Library 0215		
Initiative: Deappropriates funds from savings due to the reorganization of one Senior Staff Accountant position to an Accounting Technician position.		
GENERAL FUND	2005-06	2006-07
Personal Services	(\$15,424)	(\$16,387)
GENERAL FUND TOTAL	(\$15,424)	(\$16,387)
<hr/>		
Administration - Library 0215		
Initiative: Reduces funding to the Maine State Library in fiscal years 2005-06 and 2006-07.		
GENERAL FUND	2005-06	2006-07
All Other	(\$10,000)	(\$10,000)
GENERAL FUND TOTAL	(\$10,000)	(\$10,000)
<hr/>		
LIBRARY, MAINE STATE DEPARTMENT TOTALS	2005-06	2006-07
GENERAL FUND	(\$25,424)	(\$26,387)
<hr/>		
DEPARTMENT TOTAL - ALL FUNDS	(\$25,424)	(\$26,387)
<hr/>		
MUSEUM, MAINE STATE		
Maine State Museum 0180		
Initiative: Reduces All Other funding to the Maine State Museum in fiscal years 2005-06 and 2006-07.		
GENERAL FUND	2005-06	2006-07
All Other	(\$10,000)	(\$10,000)
GENERAL FUND TOTAL	(\$10,000)	(\$10,000)
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MUSEUM, MAINE STATE DEPARTMENT TOTALS	2005-06	2006-07
GENERAL FUND	(\$10,000)	(\$10,000)
<hr/>		
DEPARTMENT TOTAL - ALL FUNDS	(\$10,000)	(\$10,000)
<hr/>		
SECTION TOTALS	2005-06	2006-07
GENERAL FUND	(\$45,424)	(\$46,387)
<hr/>		
SECTION TOTAL - ALL FUNDS	(\$45,424)	(\$46,387)

PART I

Sec. I-1. 20-A MRSA §15689, sub-§1, ¶B, as repealed and replaced by PL 2005, c. 2, Pt. D, §58 and affected by §§72 and 74, is amended to read:

B. The school administrative unit's special education costs as calculated pursuant to section 15681-A, subsection 2 multiplied by the following transition percentages:

- (1) In fiscal year 2005-06, 84%;
- (2) In fiscal year 2006-07, 90% 84%;
- (3) In fiscal year 2007-08, 95%; and
- (4) In fiscal year 2008-09 and succeeding years, 100%.

Sec. I-2. Delayed school construction project. If the Commissioner of Education delays the bonding of a school construction project during the 2006-2007 biennium and the school administrative unit is allowed by the commissioner to proceed with the project by using bond anticipation notes, the commissioner may include the interest cost of the temporary borrowing that exceeds the interest income on the proceeds during the period of the delayed bonding in the school administrative unit's state and local allocation as a debt service cost or as an adjustment to that unit's monthly subsidy payments.

Sec. I-3. Federal reimbursement. Notwithstanding any other provision of law, the Department of Education is responsible for capturing the maximum federal reimbursement to local school districts for the following MaineCare services: school-based rehabilitation, day treatment and targeted case management services beginning in January 2006.

Sec. I-4. Appropriations and allocations. The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for school bus purchases in fiscal year 2006-07.

GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$3,200,000)
GENERAL FUND TOTAL	\$0	(\$3,200,000)

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for debt service to reflect savings captured after payments to projects have been made.

GENERAL FUND	2005-06	2006-07
All Other	(\$974,000)	\$0
GENERAL FUND TOTAL	(\$974,000)	\$0

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for debt service as a result of postponing the start date of certain capital improvement projects.

GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$5,158,566)
GENERAL FUND TOTAL	\$0	(\$5,158,566)

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for special education for those school administrative units that are minimum receivers of state subsidy by holding the transition percentage for special education costs at 84% for fiscal year 2006-07.

GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$1,500,000)
GENERAL FUND TOTAL	\$0	(\$1,500,000)

General Purpose Aid for Local Schools 0308

Initiative: Reduces funding for general purpose aid for local schools for the savings to school districts as a result of the Department of Education assuming responsibility for capturing the maximum federal reimbursement to local school districts for the following MaineCare services: school-based rehabilitation, day treatment and targeted case management services beginning in January 2006.

GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$2,500,000)
GENERAL FUND TOTAL	\$0	(\$2,500,000)

EDUCATION, DEPARTMENT OF DEPARTMENT TOTALS

	2005-06	2006-07
GENERAL FUND	(\$974,000)	(\$12,358,566)
DEPARTMENT TOTAL - ALL FUNDS	(\$974,000)	(\$12,358,566)

PART J

Sec. J-1. Appropriations and allocations.

The following appropriations and allocations are made.

EDUCATION, DEPARTMENT OF

Management Information Systems 0838

Initiative: Transfers the funding of 4 positions to the General Purpose Aid for Local Schools program account to be funded within existing general purpose aid for local schools appropriations.

GENERAL FUND	2005-06	2006-07
Personal Services	(\$274,892)	(\$288,898)
GENERAL FUND TOTAL	(\$274,892)	(\$288,898)

Learning Systems 0839

Initiative: Reduces funding for National Aeronautics and Space Administration grants for teachers.

GENERAL FUND	2005-06	2006-07
All Other	(\$73,501)	(\$73,501)
GENERAL FUND TOTAL	(\$73,501)	(\$73,501)

Professional Development 0859

Initiative: Reduces funding for professional development.

GENERAL FUND	2005-06	2006-07
All Other	(\$100,000)	(\$100,000)
GENERAL FUND TOTAL	(\$100,000)	(\$100,000)

Leadership 0836

Initiative: Reduces All Other funding in this program.

GENERAL FUND	2005-06	2006-07
All Other	(\$8,421)	(\$8,421)
GENERAL FUND TOTAL	(\$8,421)	(\$8,421)

Support Systems 0837

Initiative: Transfers one Public Service Manager II position and one contracted position to the School Revolving Renovation Fund administration account.

GENERAL FUND	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNCIL	(1,000)	(1,000)
Personal Services	(\$107,677)	(\$109,742)
All Other	(\$72,280)	(\$72,280)
GENERAL FUND TOTAL	(\$179,957)	(\$182,022)

OTHER SPECIAL REVENUE FUNDS

	2005-06	2006-07
POSITIONS - LEGISLATIVE COUNCIL	1,000	1,000
Personal Services	\$107,677	\$109,742
All Other	\$72,280	\$72,280

OTHER SPECIAL REVENUE FUNDS TOTAL	\$179,957	\$182,022
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EDUCATION, DEPARTMENT OF DEPARTMENT TOTALS

	2005-06	2006-07
GENERAL FUND	(\$636,771)	(\$652,842)
OTHER SPECIAL REVENUE FUNDS	\$179,957	\$182,022
DEPARTMENT TOTAL - ALL FUNDS	(\$456,814)	(\$470,820)

PART K

Sec. K-1. Biomedical scholarships. The University of Maine System may use up to the first \$1,000,000 of distribution from the gross slot machine revenue under the Maine Revised Statutes, Title 8, section 1036 in fiscal year 2006-07 to support graduate student stipends for biomedical scholarships.

Sec. K-2. Appropriations and allocations. The following appropriations and allocations are made.

MARITIME ACADEMY, MAINE

Maritime Academy - Operations 0035



122nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2005

Legislative Document

No. 1691

H.P. 1199

House of Representatives, June 15, 2005

An Act To Eliminate Pension Cost Reduction Bonding and Provide Replacement Budgeting Measures

Reported by the Majority from the Joint Standing Committee on Appropriations and
Financial Affairs pursuant to Joint Order 2005, H.P. 1194.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

2	Personal Services	(\$15,424)	(\$16,387)
		<hr/>	<hr/>
4	GENERAL FUND TOTAL	(\$15,424)	(\$16,387)
6	Administration - Library 0215		
8	Initiative: Reduces funding to the Maine State Library in fiscal years 2005-06 and 2006-07.		
10	GENERAL FUND	2005-06	2006-07
	All Other	(\$10,000)	(\$10,000)
12		<hr/>	<hr/>
14	GENERAL FUND TOTAL	(\$10,000)	(\$10,000)
16	LIBRARY, MAINE STATE DEPARTMENT TOTALS		
		2005-06	2006-07
18	GENERAL FUND	(\$25,424)	(\$26,387)
20	DEPARTMENT TOTAL - ALL FUNDS	(\$25,424)	(\$26,387)
22	MUSEUM, MAINE STATE		
24	Maine State Museum 0180		
26	Initiative: Reduces All Other funding to the Maine State Museum in fiscal years 2005-06 and 2006-07.		
28	GENERAL FUND	2005-06	2006-07
30	All Other	(\$10,000)	(\$10,000)
32		<hr/>	<hr/>
	GENERAL FUND TOTAL	(\$10,000)	(\$10,000)
34	MUSEUM, MAINE STATE DEPARTMENT TOTALS		
		2005-06	2006-07
36	GENERAL FUND	(\$10,000)	(\$10,000)
38	DEPARTMENT TOTAL - ALL FUNDS	(\$10,000)	(\$10,000)
40	SECTION TOTALS		
		2005-06	2006-07
42	GENERAL FUND	(\$45,424)	(\$46,387)
44	SECTION TOTAL - ALL FUNDS	(\$45,424)	(\$46,387)
46		<hr/>	<hr/>

PART I

2 **Sec. I-1. 20-A MRSA §15689, sub-§1, ¶B,** as repealed and
replaced by PL 2005, c. 2, Pt. D, §58 and affected by §§72 and
74, is amended to read:

4
6 B. The school administrative unit's special education costs
as calculated pursuant to section 15681-A, subsection 2
multiplied by the following transition percentages:

- 8 (1) In fiscal year 2005-06, 84%;
- 10 (2) In fiscal year 2006-07, 90% 84%;
- 12 (3) In fiscal year 2007-08, 95%; and
- 14 (4) In fiscal year 2008-09 and succeeding years, 100%.

16 **Sec. I-2. Delayed school construction project.** If the
18 Commissioner of Education delays the bonding of a school
construction project during the 2006-2007 biennium and the school
20 administrative unit is allowed by the commissioner to proceed
with the project by using bond anticipation notes, the
22 commissioner may include the interest cost of the temporary
borrowing that exceeds the interest income on the proceeds during
24 the period of the delayed bonding in the school administrative
unit's state and local allocation as a debt service cost or as an
26 adjustment to that unit's monthly subsidy payments.

28 **Sec. I-3. Federal reimbursement.** Notwithstanding any other
provision of law, the Department of Education is responsible for
30 capturing the maximum federal reimbursement to local school
districts for the following MaineCare services: school-based
32 rehabilitation, day treatment and targeted case management
services beginning in January 2006.

34 **Sec. I-4. Appropriations and allocations.** The following
36 appropriations and allocations are made.

38 **EDUCATION, DEPARTMENT OF**

40 **General Purpose Aid for Local Schools 0308**

42 Initiative: Reduces funding for school bus purchases in fiscal
year 2006-07.

44

46 GENERAL FUND	2005-06	2006-07
All Other	\$0	(\$3,200,000)
48 GENERAL FUND TOTAL	<hr/> \$0	<hr/> (\$3,200,000)

50 **General Purpose Aid for Local Schools 0308**

2 Initiative: Reduces funding for debt service to reflect savings
4 captured after payments to projects have been made.

GENERAL FUND	2005-06	2006-07
6 All Other	(\$974,000)	\$0
8 GENERAL FUND TOTAL	(\$974,000)	\$0

10 **General Purpose Aid for Local Schools 0308**

12 Initiative: Reduces funding for debt service as a result of
14 postponing the start date of certain capital improvement projects.

GENERAL FUND	2005-06	2006-07
16 All Other	\$0	(\$5,158,566)
18 GENERAL FUND TOTAL	\$0	(\$5,158,566)

20 **General Purpose Aid for Local Schools 0308**

22 Initiative: Reduces funding for special education for those
24 school administrative units that are minimum receivers of state
26 subsidy by holding the transition percentage for special
education costs at 84% for fiscal year 2006-07.

GENERAL FUND	2005-06	2006-07
28 All Other	\$0	(\$1,500,000)
30 GENERAL FUND TOTAL	\$0	(\$1,500,000)

32 **General Purpose Aid for Local Schools 0308**

34 Initiative: Reduces funding for general purpose aid for local
36 schools for the savings to school districts as a result of the
Department of Education assuming responsibility for capturing the
38 maximum federal reimbursement to local school districts for the
40 following MaineCare services: school-based rehabilitation, day
treatment and targeted case management services beginning in
January 2006.

GENERAL FUND	2005-06	2006-07
42 All Other	\$0	(\$2,500,000)
44 GENERAL FUND TOTAL	\$0	(\$2,500,000)

EDUCATION, DEPARTMENT OF	2005-06	2006-07
48 DEPARTMENT TOTALS		
50 GENERAL FUND	(\$974,000)	(\$12,358,566)

2 DEPARTMENT TOTAL - ALL FUNDS (\$974,000) (\$12,358,566)

4

PART J

6

8 Sec. J-1. Appropriations and allocations. The following appropriations and allocations are made.

10

EDUCATION, DEPARTMENT OF

12

Management Information Systems 0838

14

Initiative: Transfers the funding of 4 positions to the General Purpose Aid for Local Schools program account to be funded within existing general purpose aid for local schools appropriations.

18

GENERAL FUND	2005-06	2006-07
Personal Services	(\$274,892)	(\$288,898)

20

GENERAL FUND TOTAL	(\$274,892)	(\$288,898)
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22

Learning Systems 0839

24

Initiative: Reduces funding for National Aeronautics and Space Administration grants for teachers.

28

GENERAL FUND	2005-06	2006-07
All Other	(\$73,501)	(\$73,501)

30

GENERAL FUND TOTAL	(\$73,501)	(\$73,501)
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32

Professional Development 0859

34

Initiative: Reduces funding for professional development.

36

GENERAL FUND	2005-06	2006-07
All Other	(\$100,000)	(\$100,000)

38

GENERAL FUND TOTAL	(\$100,000)	(\$100,000)
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40

Leadership 0836

42

Initiative: Reduces All Other funding in this program.

44

GENERAL FUND	2005-06	2006-07
All Other	(\$8,421)	(\$8,421)

46

GENERAL FUND TOTAL	(\$8,421)	(\$8,421)
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48

50

2 **Sec. JJJ-2. Funds deposited.** Any funds remaining from funds
3 appropriated to the Medical Care - Payments to Providers account
4 in Public Law 2005, chapter 386 to fund shortfalls in the account
5 for fiscal year 2004-05 must be calculated by the State
6 Controller, who shall transfer the funds to the MaineCare
7 Stabilization Fund by June 30, 2006.

8

PART KKK

10

11 **Sec. KKK-1. Calculation and transfer; General Fund savings**
12 **through increased efficiencies.** Notwithstanding any other provision
13 of law, the State Budget Officer shall calculate the amount of
14 savings that result from this Part that apply against each
15 General Fund account for all departments and agencies except
16 legislative branch departments and agencies from increased
17 efficiencies and shall transfer the amounts by financial order
18 upon approval of the Governor. These transfers are considered
19 adjustments to appropriations in fiscal years 2005-06 and
20 2006-07. The State Budget Officer shall provide the joint
21 standing committee of the Legislature having jurisdiction over
22 appropriations and financial affairs a report of the transferred
23 amounts not later than November 5, 2006.

24

25 **Sec. KKK-2. Appropriations and allocations.** The following
26 appropriations and allocations are made.

28

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

30

Executive Branch Departments and Independent Agencies - Statewide 0017

32

33 Initiative: Reduces funding to be realized through increased
34 efficiencies.

36

GENERAL FUND	2005-06	2006-07
Unallocated	(\$1,886,468)	(\$1,886,468)
GENERAL FUND TOTAL	(\$1,886,468)	(\$1,886,468)

38

40

42

SUMMARY

44

PART A

46

47 Part A repeals the authority for the Maine Municipal Bond
48 Bank to issue pension cost reduction bonds that was provided in
49 Public Law 2005, chapter 12, Part PPPP, section 1. It also
50 appropriates funds to the Teacher Retirement program within the
Department of Education to restore the deappropriations provided

2 Part F does the following.

4 1. It deappropriates funds for the Department of
6 Conservation by reducing assistance to landowners, delaying the
8 purchase of a helicopter used for fire suppression purposes,
reducing operational costs and split funding 2 positions with
Other Special Revenue Funds.

10 2. It reduces the percentage of state park fees that are
12 returned to host municipalities.

14 PART G

Part G authorizes the Department of Corrections to assess
16 county jails for high-risk prisoners, which will result in an
increase in General Fund revenue of \$100,000 annually; provides
18 for the reduction of All Other funds at the state correctional
institutions due to expanding the use of supervised community
20 confinement; eliminates a Public Service Coordinator position and
transfers one Information Support Specialist position to an Other
22 Special Revenue Funds account; eliminates a Clerk Typist II
position and one Correctional Electrician position; transfers 1/2
24 of one Correctional Electrician position from the Long Creek
Youth Development Center to the Maine Correctional Center;
26 eliminates an Auto Mechanic position; eliminates one half-time
Advocate position; reduces funding to the State Parole Board;
28 reduces funding to the County Jail Prisoner Support and Community
Corrections Fund account; reduces contractual services funds to
30 the Adult Community Corrections program; transfers an Information
Support Specialist position to an Other Special Revenue Funds
32 account and deappropriates funds for the Maine Criminal Justice
Commission.

34 PART H

36 Part H reduces General Fund appropriations to the Maine
38 State Library, the Maine State Museum and the Maine Arts
Commission.

40 PART I

42 Part I decreases funding to the General Purpose Aid for
44 Local Schools program by \$974,000 in fiscal year 2005-06 and
\$12,358,566 in fiscal year 2006-07. This Part reduces funding
46 for debt service by \$974,000 in fiscal year 2005-06 to reflect
savings captured after payments to projects have been made and by
48 \$5,158,566 in fiscal year 2006-07 as a result of postponing the
start date of certain capital improvement projects. It also
50 allows a school administrative unit that proceeds with a project

2 that has been delayed during the 2006-2007 biennium by using bond
4 anticipation notes to have the interest costs of the temporary
6 borrowing included in the school unit's state and local
8 allocation as a debt service cost or as an adjustment to the
10 unit's monthly subsidy payments. It also decreases funding for
12 special education by \$1,500,000 in fiscal year 2006-07 for those
14 school administrative units that are minimum receivers of state
16 subsidy by holding the transition percentage for special
18 education costs at 84% for fiscal year 2006-07. This Part
20 decreases funding for school bus purchases by \$3,200,000 in
22 fiscal year 2006-07.

24 Finally, Part I provides that the Department of Education is
26 responsible for capturing the maximum federal reimbursement to
28 local school districts for school-based rehabilitation, day
30 treatment and targeted case management services beginning in
32 January 2006 and deappropriates \$2,500,000 from the General
34 Purpose Aid for Local Schools program in fiscal year 2006-07 for
36 the savings to local districts.

38 PART J

40 Part J decreases General Fund appropriations to the
42 Department of Education for programs other than General Purpose
44 Aid for Local Schools.

46 PART K

48 Part K reduces funding by \$1,402,250 in fiscal year 2005-06
50 and \$1,404,150 in fiscal year 2006-07 to the State's higher
education institutions.

This Part also authorizes the University of Maine System to
use up to the first \$1,000,000 of distribution from the gross
slot machine revenue in fiscal year 2006-07 to support graduate
student stipends for biomedical scholarships.

52 PART L

54 Part L deappropriates \$287,306 in fiscal year 2005-06 and
56 \$281,694 in fiscal year 2006-07 to the Department of Economic and
58 Community Development through reductions in funding to the
60 following: the Eastern Maine Development Corporation, the
Somerset County Economic Development Corporation, the Maine Small
Business Development Centers, the sponsorship of the Maine Public
Broadcasting Corporation's "Made in Maine" program, the Office of
Business Development's contract with Marshall Communications,
certain contract positions in Farmington, Eastport, Fort Kent and
Houlton and the Maine Technology Institute.

ELIZABETH H. MITCHELL, DISTRICT 24, CHAIR
 ELIZABETH M. SCHNEIDER, DISTRICT 30
 KARL W. TURNER, DISTRICT 11



JACQUELINE R. NORTON, BANGOR, CHAIR
 EDWARD D. FINCH, FAIRFIELD
 ELAINE MAKAS, LEWISTON
 EMILY ANN CAIN, ORONO
 CONNIE GOLDMAN, CAPE ELIZABETH
 BARBARA MERRILL, APPLETON
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 GERALD M. DAVIS, FALMOUTH
 PETER EDGECOMB, CARIBOU
 SCOTT E. LANSLEY, SABATTUS

LLIP D. MCCARTHY, LEGISLATIVE ANALYST
 CATHERINE MORSE, COMMITTEE CLERK

STATE OF MAINE

ONE HUNDRED AND TWENTY-SECOND LEGISLATURE

COMMITTEE ON EDUCATION AND CULTURAL AFFAIRS

June 1, 2005

MEMO TO: The Honorable Margaret Rotundo, Senate Chair,
 The Honorable Joseph C. Brannigan, House Chair, and
 Members of the Joint Standing Committee on Appropriations & Financial Affairs

FROM: Senator Elizabeth H. Mitchell, Senate Chair, *EMH*
 Representative Jacqueline R. Norton, House Chair, and *JRN*
 Members of the Joint Standing Committee on Education & Cultural Affairs

SUBJ: **Education & Cultural Affairs Committee Report Regarding a 5% Reduction to
 General Fund Programs in FY 2006 and FY 2007**

The Joint Standing Committee on Education and Cultural Affairs has reviewed the impact of 5% "across-the-board" reductions in Fiscal Year 2006 and Fiscal Year 2007 to the General Fund programs that are within the jurisdiction of the Education and Cultural Affairs Committee. The Education and Cultural Affairs Committee submits the following report for the consideration of the Joint Standing Committee on Appropriations and Financial Affairs regarding the impact of 5% reductions in Fiscal Year 2006 and Fiscal Year 2007 to General Fund programs within education and cultural affairs agencies.

Please feel free to contact us should you have any questions regarding our report. We look forward to working with you as your work on the Fiscal Year 2006 and Fiscal Year 2007 biennium budget proceeds during the remaining days of the First Special Session of the 122nd Legislature.

Enclosures: Department of Education 5% Reduction Options Education Committee Recommendations
 5% Reduction Submissions of Education and Cultural Affairs Agencies

cc: Members of the Joint Standing Committee on Education & Cultural Affairs

Education & Cultural Affairs Committee Report
Regarding a 5% Reduction to General Fund Programs in FY 2006 and FY 2007

1. Exempt General Purpose Aid to Local Schools from the 5% reductions. Twelve members of the Education and Cultural Affairs Committee voted to exclude the following programs within the Department of Education from the 5% reductions: the General Purpose Aid to Local Schools program (or "GPA"); and the State share of debt service costs for "major capital" school construction projects, (please note that the State share of "approved" school construction projects is incorporated as part of the General Fund appropriation to the GPA program).

2. Accept Department of Education program reduction options and revenue initiatives. The Education and Cultural Affairs Committee, by a general consensus, accepted the program reduction options and revenue initiatives proposed by the Commissioner of Education.¹ The grand total of the proposed program reductions and revenue initiatives identified by the Commissioner of Education is \$10,217,707 for the biennium, (with \$8,542,618 in Fiscal Year 2006 and \$1,675,089 in Fiscal Year 2007). These initiatives include the following program reductions and revenue options:

2.1 General Fund program reductions within the Department of Education totaling \$1,708,088 in Fiscal Year 2006 and \$796,364 in Fiscal Year 2007;

2.2 Capital audit recoveries from the Revolving Renovation Fund totaling \$5,900,00 as a one-time source of revenue in Fiscal Year 2006; and

2.3 The establishment of certification fees for teachers, administrators and education specialists that would result in revenue totaling \$934,530 in Fiscal Year 2006 and \$878,725 in Fiscal Year 2007. Please note that the enactment of such a fee structure should be coupled with the formation of an advisory committee comprised of educators who would advise and make recommendations to the State Board of Education regarding the certification of educational personnel.

3. Summary of Other Options Reviewed by the Committee. The Education and Cultural Affairs Committee was unable to come to a consensus position on any other recommendations regarding 5% reductions in Fiscal Year 2006 and Fiscal Year 2007 to other General Fund programs within education and cultural affairs agencies. The following provisions are intended to summarize the salient points considered by Education and Cultural Affairs Committee members during their review of General fund programs within our jurisdiction:

3.1 A few Education and Cultural Affairs Committee members recommended that the University of Maine System and the Maine Community College System be exempted from the 5% program reductions since reductions to these agencies will have a significant impact on the tuition prices that Maine residents enrolled in these institutions will face over the next two years; and will also reduce the State's investment in research and development initiatives; and

¹ Please see attachment titled "Department of Education, 5% Reduction Options, Education Committee Recommendations, May 31, 2005"

3.2 While sparing the GPA program and accepting the program reductions proposed by the Commissioner of Education, a few Education and Cultural Affairs Committee members proposed to recommend a smaller “across-the-board” percentage reduction, (e.g., 2% of the General Fund programs of the education and cultural affairs agencies), since the Department of Education initiatives would, in effect, cover a portion of the 5% program reductions in the higher education systems and cultural affairs agencies;

3.3 School administrative units that do not operate a school are required by State law to procure the services of a superintendent to serve as a “fiscal agent” for the school administrative unit. There are 20 relatively small units that require such “agent supervision” and the Education Committee requested that the Commissioner of Education analyze the cost implications of having the Department of Education assume the “fiscal agent” responsibilities for these school units. While the Education Committee did not take formal action on this proposal, the Commissioner of Education produced a report that concluded that these 20 school units expended \$177,237 to procure the services of a “fiscal agent” in Fiscal Year 2003-04; and

3.4 A few Education and Cultural Affairs Committee members suggested that the agency proposals responding to the 5% proposed reductions be included in this report. While the Education and Cultural Affairs Committee members did not endorse these proposals, we submit them to you for your review and further consideration.

**Department of Education
5% Reduction Options
Education Committee Recommendations
May 31, 2005**

Program	Description	Position Eliminations	FY 06 Savings	FY 07 Savings
State Board of Education	Reduce travel and dues to attend meeting in All Other		\$ 7,502	\$ 7,502
Adult Education	Remove 5% increase that was previously provided by AFA in biennial budget. Increase would have been 11% for FY06, however, this reduction combined with the c. 12 Part XX reduction will result in 1% increase.		\$ 256,433	\$ 261,433
Pre-school Handicapped Magnet School	Reduction in All Other		\$ 150,000	\$ -
	- Elimination of faculty/staff professional development		\$ 81,022	\$ 81,022
	- Elimination of all non-graduation requirement fulfilling academic courses (resulting in loss/reduction of jobs for several teachers)			
	- Elimination of 80% of extra-curricular student activities			
	- Elimination of dues for and travel to attend all faculty/administrative professional meetings			
	- 50% reduction in Admission office publicity, marketing and travel budgets			
Leadership Support Systems	Reduction in All Other		\$ 8,421	\$ 8,421
	Move contracted position from General Fund to administration portion of School Revolving Renovation Fund		\$ 72,280	\$ 72,280
	Move Public Service Manager II position from General Fund to administration portion of School Revolving Renovation Fund		\$ 107,677	\$ 109,742
	Note: see revenue generating initiatives below			
Learning Systems	Reduction of funding for teachers to go to NASA		\$ 73,501	\$ 73,501
Professional Development Learning Systems	Reduction in All Other		\$ 100,000	\$ 100,000
	Transfer 12% of an Education Specialist II position to Federal 01305A083913		\$ 9,339	\$ 9,339
Physical Education	Transfer position to Federal account 01305A083915		\$ 67,913	\$ 73,124
GPA	This amount represents the funding that can be captured in debt service after payments to projects have been made.		\$ 774,000	
	Total	0	\$ 1,708,088	\$ 796,364

Other:
 Revolving Renovation Fund There are capital audit recoveries that have accumulated over the past 6 years totalling \$5,900,000. This is one-time revenue. \$ 5,900,000

Total \$ 5,900,000 \$ -

**Revenue Generating Initiatives:
 Support Systems**

Certification Fees as follows:

Current fees paid for initial teacher administrator and education specialist certification / evaluation and for renewal of inactive certification

- Active Teachers	\$ 51,000	\$ 51,000
- Inactive Teachers	\$ 48,525	\$ 48,525
- Active Administrators	\$ 30,300	\$ 30,300
- Inactive Administrators	\$ 21,400	\$ 21,400

Renewal of teaching and superintendent certificates

- Teachers/ed specialists 2,400 x \$75 *	\$ 185,000	\$ 185,000
- Administrators 300 x \$200	\$ 60,000	\$ 60,000

- Administrative portfolio 50 x \$300 *	\$ 15,000	\$ 15,000
	\$ 800	

- Assess a \$35 fee for each additional evaluation of teacher endorsements beyond the initial endorsement.

- 3000 x \$35 *	\$ 105,000	\$ 105,000
	\$ 10,500	

Assess a \$25 fee for each five-year educational technician authorization - initial and renewal.

- 700 x \$25 *	\$ 17,500	\$ 17,500
	\$ 1,750	

Assess a \$15 fee for each Approval application fee.

- 22,000 x \$10 *	\$ 330,000	\$ 330,000
	\$ 39,000	

Assess a fee for duplicate certificates.

- 1,000 x \$15 *	\$ 15,000	\$ 15,000
	\$ 3,755	

Total \$ 934,530 \$ 878,725

Grand Total Reductions and Revenue Initiatives \$ 8,542,618 \$ 1,675,089

* September 2005 - December 2005 Late applications for FY 05

NOTE: Department of Public Safety budget is recommending a reduction of \$392,000 that pays the certification Criminal History Record Check costs in both fiscal years.

**2003-04 System Administration Expenditures for Units under Agent Supervision
and do not operate a school.**

	<u>No. of Pupils</u>	<u>Elementary</u>	<u>Secondary</u>	<u>Total</u>
032 Beddington	2.0	\$0	\$1,972	\$1,972
049 Bowerbank	7.0	\$1,150	\$1,150	\$2,300
101 Coplin Plt	15.0	\$2,146	\$2,146	\$4,291
117 Deblois	11.0	\$1,476	\$738	\$2,214
121 Dennistown Plt.	4.0	\$1,475	\$0	\$1,475
158 Franklin	131.0	\$43,514	\$0	\$43,514
168 Gilead	31.0	\$4,538	\$1,513	\$6,050
174 Grand Isle	71.0	\$13,725	\$5,882	\$19,608
188 Hanover	51.0	\$4,099	\$4,099	\$8,198
198 Hersey	6.0	\$2,213	\$1,476	\$3,689
199 Highland Plt	7.0	\$2,056	\$934	\$2,990
226 Lake View Plt	5.0	\$5,301	\$0	\$5,301
287 Moro Plt	4.0	\$820	\$546	\$1,366
294 Nashville Plt	17.0	\$2,207	\$2,207	\$4,414
348 Pleasant Rdge Plt	10.0	\$20,346	\$0	\$20,346
370 Rome	163.0	\$14,220	\$7,445	\$21,665
426 The Forks Plt	3.0	\$7,968	\$0	\$7,968
436 Upton	8.0	\$2,350	\$1,245	\$3,595
495 Medford	34.0	\$4,408	\$0	\$4,408
496 Carrabassett Vly	76.0	\$5,676	\$6,199	\$11,875
	<u>656.0</u>	<u>\$139,687</u>	<u>\$37,551</u>	<u>\$177,237</u>

**2003-04 System Administration Expenditures for Units under Agent Supervision
that operate a school.**

	<u>No. of Pupils</u>	<u>Elementary</u>	<u>Secondary</u>	<u>Total</u>
054 Bridgewater	64.0	\$44,748	\$29,832	\$74,580
118 Dedham	255.0	\$64,485	\$42,990	\$107,474
210 Isle au Haut	12.0	\$8,362	\$0	\$8,362
280 Monhegan Plt	8.0	\$15,560	\$0	\$15,560
	<u>339.0</u>	<u>\$133,156</u>	<u>\$72,822</u>	<u>\$205,978</u>

A unit agent supervision generally is a relatively small unit requiring less than full-time administration. Units under district superintendents procure services of superintendents on their own by negotiating with a nearby superintendent and school board.

Sources of Data:

List of Units under Agent Supervision – Department of Education web site.

No. of Pupils – October 1, 2004 resident pupil count

2003-04 System Administration Expenditures – 2003-04 Annual Financial Report (EF-M-45)

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "E" (H-704). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 331

YEA - Adams, Ash, Babbidge, Barstow, Beaudette, Blanchard, Blanchette, Bliss, Brannigan, Brautigam, Bryant, Burns, Cain, Canavan, Craven, Crosby, Cummings, Driscoll, Duchesne, Dudley, Dugay, Dunn, Duplessie, Eberle, Faircloth, Farrington, Finch, Fischer, Fisher, Gerzofsky, Goldman, Grose, Hanley S, Harlow, Hogan, Hutton, Jackson, Jennings, Koffman, Lerman, Lundeen, Marley, Marraché, Mazurek, Merrill, Miller, Mills, Moody, Norton, O'Brien, Paradis, Patrick, Percy, Perry, Pilon, Pineau, Pingree, Piotti, Rines, Sampson, Schatz, Smith N, Smith W, Thompson, Tuttle, Valentino, Watson, Webster, Wheeler, Woodbury, Mr. Speaker.

NAY - Annis, Austin, Berube, Bierman, Bishop, Bowen, Bowles, Browne W, Bryant-Deschenes, Campbell, Carr, Cebra, Churchill, Clark, Clough, Collins, Cressey, Crosthwaite, Daigle, Davis G, Davis K, Duprey, Eder, Edgcomb, Emery, Fitts, Fletcher, Flood, Glynn, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lansley, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Millett, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson D, Richardson E, Richardson M, Richardson W, Robinson, Rosen, Seavey, Sherman, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Twomey, Vaughan.

ABSENT - Brown R, Curley, Curtis, Greeley, Makas, Moore G, Pelletier-Simpson, Saviello, Walcott.

Yes, 71; No, 71; Absent, 9; Excused, 0.

71 having voted in the affirmative and 71 voted in the negative, with 9 being absent, and accordingly the motion to **INDEFINITELY POSTPONE** House Amendment "E" (H-704) **FAILED**.

Representative DUPLESSIE of Westbrook REQUESTED a roll call on the motion to **ADOPT** House Amendment "E" (H-704).

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from Waldoboro, Representative Trahan.

Representative TRAHAN: Mr. Speaker, Point of order.

The SPEAKER: The Representative may proceed.

Representative TRAHAN: Didn't we just have a roll call on adoption?

The SPEAKER: You had a roll call on Indefinite Postponement of the House Amendment. It now would be in a posture of adopting it and so we are now at Adoption and a roll call has been ordered.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative Glynn.

Representative GLYNN: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I will be opposing this motion because a number of these cuts pushes increased fees, approximately \$36 million, which represents about 30% of the so called reductions in overall state spending and they are going to be born by the municipalities and we are balancing this budget on the backs of the municipalities.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Dudley.

Representative DUDLEY: Mr. Speaker, Point of Order.

The SPEAKER: The Representative may proceed.

Representative DUDLEY: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. The Representative from South Portland appears not to be debating the motion at hand. He appears to be debating the bill and not the amendment.

On **POINT OF ORDER**, Representative DUDLEY of Portland asked the Chair if the remarks of Representative GLYNN of South Portland were germane to the pending question.

The Chair reminded Representative GLYNN of South Portland to stay as close as possible to the pending question

The SPEAKER: The Chair recognizes the Representative from Sanford, Representative Bowles.

Representative BOWLES: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I wish to just remind you that this was an amendment that costs nothing and it really causes no hardship. It simply causes us to pause and reflect on what we are doing before we take funds from a highly successful program, which has benefited all of Maine's people and I know that this is a program that has had widespread support on both sides of the aisle and I hope that you will continue to support this program by adopting this amendment.

The SPEAKER: A roll call has been ordered. The pending question before the House is Adoption of House Amendment "E" (H-704). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 332

YEA - Annis, Austin, Berube, Bierman, Bishop, Bowen, Bowles, Browne W, Bryant-Deschenes, Campbell, Carr, Cebra, Churchill, Clark, Clough, Collins, Cressey, Crosthwaite, Daigle, Davis G, Davis K, Duprey, Eder, Edgcomb, Emery, Fitts, Fletcher, Flood, Glynn, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lansley, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Millett, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson D, Richardson E, Richardson M, Richardson W, Robinson, Rosen, Seavey, Sherman, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

NAY - Adams, Ash, Babbidge, Barstow, Beaudette, Blanchard, Blanchette, Bliss, Brannigan, Brautigam, Bryant, Burns, Cain, Canavan, Craven, Crosby, Cummings, Driscoll, Duchesne, Dudley, Dugay, Dunn, Duplessie, Eberle, Faircloth, Farrington, Finch, Fischer, Fisher, Gerzofsky, Goldman, Grose, Hanley S, Harlow, Hogan, Hutton, Jackson, Jennings, Koffman, Lerman, Lundeen, Makas, Marley, Marraché, Mazurek, Merrill, Miller, Mills, Moody, Norton, O'Brien, Paradis, Patrick, Pelletier-Simpson, Percy, Perry, Pilon, Pineau, Pingree, Piotti, Rines, Sampson, Schatz, Smith N, Smith W, Thompson, Tuttle, Twomey, Valentino, Walcott, Watson, Webster, Wheeler, Woodbury, Mr. Speaker.

ABSENT - Brown R, Curley, Curtis, Greeley, Moore G, Saviello.

Yes, 70; No, 75; Absent, 6; Excused, 0.

70 having voted in the affirmative and 75 voted in the negative, with 6 being absent, and accordingly the motion to **ADOPT** House Amendment "E" (H-704) **FAILED**.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative Glynn.

Representative GLYNN: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. My apologies for rising a little bit too fast on speaking to the full bill. I will be opposing the following motion because the majority or a good portion of these cuts pushes fees to \$36 million, which represents about 300% of the overall reductions in this amendment and they are going to be born by the municipalities which means higher property taxes in local districts. I want to go over very quickly

those items that directly affect municipal budgets, which will be negatively impacted and decreased if you vote for this. This amendment eliminates the local government efficiency fund for the next two years. The local government efficiency fund was created by the voters of this state in June of 2004 and would set aside \$4.8 million in revenue sharing funds over the biennium to fund a competitive grant program for municipalities. It reduces municipal revenue sharing in fiscal year 2007 by \$5 million and that is out of the fiscal year '07 revenue sharing distribution and that represents a 4% cut. It cuts \$6.3 million in tree growth and veterans exemption reimbursements under the so-called push in the budget. The state reimbursements to municipalities under these two exemptions will be delayed and instead of being provided in fiscal year '06 and '07 the payments are going to be made a month late, pushing them into the subsequent fiscal year. There is a \$460,000 reduction in the state park fees sharing program. Currently, the state share is 15% of state park revenues with municipalities that hold state parks. This proposal is going to cut that share down to 7%, quarter of a million dollar cut in state support to county jails, which we debated earlier in an amendment. Additional elements that are going to affect local property taxes is that the counties are to pay the state \$100,000 a year for certain prisoners. We have increases in education costs in this budget and it delays the phase in and increases towards 100% of special education funding. Under the terms of LD 1 the state would have phased in its assumption of 100% of the EPS of special education over a four-year period. This bill would freeze that phase in process in fiscal year '07 costing \$1.5 million to be borne by the municipal school districts and it cuts the state's school bus subsidies by \$3.2 million. It delays new school construction funding by \$5.1 million, the pull of \$5.9 million out of the school renovation fund and increases teacher and non-teacher certification fees by \$1 million a year statewide, which will be borne by the local school districts and is essentially another budget that the Legislature is considering passing based on balancing it on the backs of local tax payers. Please oppose that pending motion.

The SPEAKER: The Chair recognizes the Representative from Waldoboro, Representative Trahan.

Representative TRAHAN: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I also rise in opposition to this budget, but before I speak of why I oppose it I would like to thank the people of Maine who circulated petitions across our state to force this Legislature to fix this borrowing package that we are fixing today. I think that if we had gone down that road it would have caused significant future damage to this state. To those folks around this state I thank them for having collected the signatures that have forced us to do this today. Although I don't agree with this fix I do think that it is a good day for Maine. I would like to tell you why I think that our job is undone here today. I don't think that we have done a good enough job looking for places in state government where we can find deficiencies and recognize waste.

I would just like to list a few things that we are going to be spending money on and that I think we could have reduced. Item number one: In state and out of state travel budget. We have a \$17.5 million travel budget and I think that we could have cut a little bit out of that. I think that we could have eliminated the three positions that are now down in the Senate and have been approved. That would have been a \$300,000 savings. I think that we could have looked at the bonuses that we are paying state workers. That totaled \$14 million. We could have at least reduced some of those bonuses and we could have done a freeze on unfilled positions that were two to five years old. You can see from the handout that I have given you that there are 385

positions that are unfilled that are two to five years old and I think that we could have either froze or eliminated some of those. We could have saved \$14.3 million. We could have frozen unfilled positions that were five years old or older. That is a \$4.4 million savings. There are 123 of those. There are 508 state positions that we could have looked at least briefly freezing for one year but we didn't. Ladies and Gentlemen there is much that we could have done to look at places where we could save in state government. I just spent about an hour sitting down and asking some questions of the fiscal office and came up with almost \$50 million that we could have looked at for a reduction, but I guess that we are not going to have that opportunity.

In the real world, in my logging business, when times get tight I look at reducing my overhead. I try to find ways to save money and one of the biggest ways that business does that is that they reduce their workforce. You have another handout that I have given you that shows the history of state worker positions in state government. Looking back to the year 2000 we have more positions in state government than we did in the year 2000. That is not a workforce deduction. That is a workforce increase and I don't think that the taxpayers of the State of Maine can take that. I don't think that our work is done. I can't support this budget and I wouldn't have supported the Minority Budget because I think that we could have done better. It is a shame that the people of the State of Maine are going to have to pay for that with a tax increase. Thank you.

The SPEAKER: The Chair recognizes the Representative from Presque Isle, Representative Fischer.

Representative FISCHER: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. Six months ago I stood in this seat and said that we must honor the east and the west of our political spectrum and the north and south of our state while coming together in the center. Today, with this vote, we have that opportunity to turn our good words about eliminating the borrowing package into good deeds by voting to do it. This will be our opportunity, our only opportunity to do this. We have decided to do it very fairly, half through spending reductions and half through revenue increases. This is coming together in the center. Today, with this vote, we can change the paradigm from right versus left to right versus wrong. Our alternatives are the wrong direction for the state of Maine.

To close this budget without new revenue we would have had to eliminate access to health coverage for 40,000 Maine citizens under the Dirigo Health Program and under MaineCare. This would have increased the ranks of the uninsured in the State of Maine by one-third. Just imagine going to bed one night with health insurance and waking up the next morning without it. Forty thousand Mainers would have had that experience had we closed this budget without revenue increases. That would have been a \$300 million cost shift to Maine's healthcare providers and to our private insurance. Ladies and Gentlemen of the House that is wrong.

Today with this vote, we as a legislature can send a clear and unambiguous message to the citizens of this state. We do not support the government programs. We support the purpose and the people they serve. This Majority Report that we are being asked to vote on right now makes government more efficient and it also restructures and redesigns the way that we deliver services. So, Mr. Speaker and Men and Women of the House, let us now summon our greatest gifts of statesmanship, of cooperation and of compromise and not call forth our darkest demons of partisanship and of divisiveness. Let us vote for compromise; let us vote for a solution that finds the center – a solution that leads Maine in the right direction. Thank you Mr. Speaker.