

MAINE STATE LEGISLATURE

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Legislative Record
House of Representatives
One Hundred and Twenty-First Legislature
State of Maine

Volume III

Second Special Session

April 8, 2004 - April 30, 2004

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House Legislative Sentiments
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people in Cumberland County told us. We will tell you when we are ready to open up a charter commission. I hope you stick with the will of the voters in Cumberland County. Thank you Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Gorham, Representative Barstow.

Representative **BARSTOW**: Mr. Speaker, Men and Women of the House. Let me first begin by saying that I appreciate the support that this legislation received yesterday and the understanding that my colleagues here in the full House had for the committee process. I talked a lot about the content of this bill yesterday and today I would like to speak about the process.

As many of you may know, this was a 13 to 2 committee report, including the good Representative from Rockport who was on the prevailing side with the Ought to Pass as Amended version. I would continue to ask for the support of my colleagues to support this Indefinite Postponement. We have worked for several weeks on this piece of legislation. We took several straw votes on many of these provisions and found that this was going to be the best final diverse product that we could present here. I would encourage my colleagues to follow my light, support the Indefinite Postponement of this House Amendment. I would further request, Mr. Speaker, that the Clerk read the Committee Report.

Representative **BARSTOW** of Gorham **REQUESTED** that the Clerk **READ** the Committee Report.

The Clerk **READ** the Committee Report in its entirety.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "A" (H-925) to Committee Amendment "A" (S-510). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 460

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Jackson, Jennings, Kane, Ketterer, Koffman, Lerman, Lessard, Mailhot, Makas, Marley, Marraché, McGlocklin, McKee, McLaughlin, Mills J, Moody, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Berube, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Daigle, Davis, Duprey B, Eder, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Lundeen, Maietta, McCormick, McGowan, McKenney, McNeil, Millett, Mills S, Murphy, Muse, Norbert, Nutting, O'Brien J, Peavey-Haskell, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Twomey, Vaughan, Young.

ABSENT - Earle, Goodwin, Greeley, Landry, Ledwin, Lemoine, Moore, Piotti, Thompson.

Yes, 73; No, 69; Absent, 9; Excused, 0.

73 having voted in the affirmative and 69 voted in the negative, with 9 being absent, and accordingly **House Amendment "A" (H-925) to Committee Amendment "A" (S-510) was INDEFINITELY POSTPONED.**

Subsequently, **Committee Amendment "A" (S-510) as Amended by Senate Amendment "A" (S-517) thereto was ADOPTED.**

The Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (S-510) as Amended by Senate Amendment "A" (S-517)** thereto in concurrence.

Subsequently, the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH.**

The following item was taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matter, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2004 and June 30, 2005" (EMERGENCY)

(H.P. 1420) (L.D. 1919)

TABLED - April 14, 2004 (Till Later Today) by Representative **BRANNIGAN** of Portland.

PENDING - **ADOPTION OF COMMITTEE AMENDMENT "A" (H-904).**

Representative **TRAHAN** of Waldoboro **PRESENTED House Amendment "B" (H-910) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. You may recognize this amendment. I presented it on a previous budget. It is identical to the one that I gave to you earlier this session. I bring it to you for several reasons, but I will begin with the most important. This legislative session has been probably one of the most brutal in this state's history. We have seen scandals beginning with checks.

The SPEAKER: Would the Representative please defer for a minute? Does the Representative know what the filing number of his previous amendment was?

Representative **TRAHAN**: Mr. Speaker, I believe it was (H-910).

The SPEAKER: The previous amendment that you said was identical to this one that was presented.

Representative **TRAHAN**: No, I don't, Mr. Speaker.

The SPEAKER: The Representative will have to defer. The Chair may have to rule that your amendment is improperly before the body if it is identical to the previous amendment. We will give you that opportunity.

The Chair recognizes the Representative from Bucksport, Representative **ROSEN**.

Representative **ROSEN**: Mr. Speaker, Members of the House. We have before us the sixth budget that we have dealt with this session. I certainly don't have to tell the men and women of this chamber the financial difficulty.

Subsequently, Representative **TRAHAN** of Waldoboro **WITHDREW House Amendment "B" (H-910) to Committee Amendment "A" (H-904).**

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative ROSEN: Mr. Speaker, Ladies and Gentlemen of the House. I was reminding us all that we have before us the sixth budget of this session. It is a reminder, although we don't need one, of the financial difficulties we have had with finances and stabilizing budgets during the last couple of years.

It is a 292 page document. Originally the objective here was, of course, to deal with the shortfall that we are facing in the '05 fiscal year. As you can see by the size and the weight of the document, it has expanded and it has become a rather extraordinary catch all. We are facing a situation that if you really look at us as a ship of state where the ship of state continues to take on water faster than we are able to bail it overboard and we have had two holes in the hull of this ship that have allowed that water to pour in. One of them occurred a few years ago as the recession began and we, like many other states, experienced a rapid and sudden drop off of revenue to the treasury when the stock market collapsed and capital gains revenue stopped pouring in. Fortunately we have recovered from that situation and that hole has been patched. If you look at revenue growth now, it is very healthy. We are experiencing about 8 percent revenue growth this year versus actual numbers last year. That issue really has been taken care of.

The second gaping hole in the hull of the ship of state really was not caused by us striking an external factor, like economic conditions around the capital gains situation and the market, but was caused by an internal explosion that blew the hole out through the hull. It was really a result of our own state policies that continue in place today. As you know very well, we are dealing with a Medicaid shortfall. That Medicaid shortfall comes to us in a variety of ways. If you recall, we really need to step back for a minute and go back to a year ago when we adopted the biennial, the two-year biennial budget when we came into this session and we were facing a \$1.1 billion shortfall and we had a series of assumptions that were presented to us around the growth of the Medicaid Program, the utilization of the Medicaid Program and, of course, we found out later one that those bases that were used to assume the growth of the program were woefully underestimated.

We put in place and we brought to you a budget that earned two-thirds support to fund state government for these two years that had built in a series of savings mechanisms that were designed to help contain and control the growth in the program. Unfortunately, we have not realized the fruits of those efforts. To give you an example, we passed what is commonly known as the mental health parity bill and a year ago we booked \$5.6 million of savings in the budget that we would receive as a result of that. A few months later we were told that those savings were unachievable. We accepted from the administration an initiative that would have saved \$2 million from mail order pharmacy a year ago and we were told later in the fall that those savings are unachievable.

We have a policy in place to provide universal access to health to more and more Mainers. That policy requires that we continually expand the populations that may be eligible to come into the Medicaid Program. That policy is a cornerstone of this administration and of many in this chamber. I am not here to argue or debate that policy, but simply to point out that our attempt to try to achieve that promise of opening up the program, increasing eligibility, bringing more and more people into the program, is becoming more and more difficult to fulfill.

We put in place a series of one-time plugs. We said that we will lease the wholesale liquor business and that will give us about \$100 million. We will reamortize our state debt. That is a one-time savings. That will provide us about \$100 million. We received an amendment that came to us from our own Senator that was attached to a federal fiscal relief bill. That provided us a one-time \$106 million. The hope was a year ago that those one-time plugs would give us a little breathing space and would allow us the opportunity to restructure and redesign the program so that once we move back into ongoing revenue, we had been able to avoid what was coming before us. Unfortunately, we have not been successful and we are once again facing, or I should say that the next incoming Legislature is facing another \$1 billion shortfall.

I would just like to summarize a few of the components of LD 1919. It is a big document and even though there is a summary sometimes it is difficult to go through all of that. The bill, unfortunately, raids a series of protected dedicated revenue funds. It rewrites major portions of Maine's tax code. It creates 20 new positions at Maine Revenue Services to implement those changes. This bill takes away \$2.9 million in property tax relief programs. It fails to fully fund the plan that deals with the dangerous condition of prisoner overcrowding in our correctional system. I think we were all convinced on the committee by the department and by the administration and by the people in the Chief Executive's Office of the crisis that is pending in our correctional facilities.

The Majority Budget does not fund the three initiatives intended to move the state toward compliance with our mental health system consent decree. The budget raises millions of dollars by increasing fees on Maine's business. This budget is filled with too many changes of law impacting multiple policy areas. They have absolutely no fiscal impact on the '05 fiscal year. They do not belong in a budget bill. This inclusion is an abuse of the budget process, in my opinion.

As proposed this budget pinches taxpayers. It puts the bite on business, municipal government, service providers in the medical field, Medicaid clients and almost everyone is asked to step up and make some sacrifice to deal with the shortfall, except one entity, which is core state government. Core state government does fairly well in this budget. This budget adds almost 100 newly authorized positions. It includes \$3.5 million for state employee reclassifications and salary range changes. It restores all the merit salary step increases that had been held back to balance the budget previously. It classifies aspects of the state health plan for retired state employees as solemn contractual commitments, creating a profound and huge future obligation.

Mr. Speaker, it is our intent to introduce a series of amendments, eight to be exact, from the members of the Appropriations Committee that when pieced together I think will provide the men and women in this chamber a fair, reasonable alternative to the design and the concept that currently exists in LD 1919. I hope you give serious consideration to these amendments. I think you will find that they do address the concerns that many of us share around the delivery of services and improving quality in the Medicaid Program.

Representative ROSEN of Bucksport **PRESENTED House Amendment "X" (H-941) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "X" (H-941) to Committee Amendment "A" (H-904)**.

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 Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Men and Women of the House. If you have had the opportunity to take a look at House Amendment "X", you will see that it is fairly extensive, but really very simple in its concept. It has basically two significant components in it. The first is a mechanism, a very rational mechanism, that will generate \$9 million in savings in the Maine Care Program and also as a result it will strengthen, I think the Dirigo Health product that is about to be embarked. On the other side we take that \$9 million in savings and put in place a series of restorations for funding in certain cases. It is designed in a way so that you can consider this as a plug in this budget. You can extract the items that are outlined in this amendment and you can simply move this amendment in as a nice neat fit and provide, as I said, improved services.

The \$9 million in savings essentially comes from taking a population that are eligible under the Medicaid Program called S Chip parents and by moving the S Chip parents into the Dirigo Health Plan, you provide a very stable, a very predictable population of men and women that offer an opportunity that enhance employer match coming into the Dirigo Program they are an ideal population because they tend to be primarily young folks, parents of young children, that are suited very well for the beneficial emphasis of Dirigo when it comes to preventative medicine and improvement of lifestyle and generates \$9 million of savings to be used to address several key issues.

One, corrections and court security. LD 1919, unfortunately does not fully fund the original request that was in the bill to deal with the overcrowding in Maine's correctional facilities. We are deeply concerned about that. We think that does present a real and present danger. It is a serious situation and it does need to be addressed. This amendment will fully fund and restore \$1.2 million and take us back to the original request. It also includes \$194,000 to deal with the issue of court security. You have heard, I think, from the Chief Justice. The argument has been laid before us repeatedly of her deep concern of court security issues.

The second major theme of this amendment is to address the property impact of LD 1919. It restores \$2.9 million in the bill of negative property taxpayer impact. LD 1919 takes \$1.2 million of revenue sharing from the communities. It fails to fund \$933,000 in the Circuit Breaker Program, which is due to taxpayers that file for that relief last December. It fails to fund \$700,000 in general assistance shortfalls, general assistance aide to the communities. This amendment, this \$2.9 million moves back into the budget, fulfills those commitments and addresses the property tax impact that currently sits in LD 1919.

The third item, this amendment provides \$1 million in the Baxter Victims Relief Fund. This is \$1 million that would move into the fund and be available the first day of the fiscal year, starting in July of this summer. LD 1919 takes \$1.04 million out of the E-911 account. We are strongly opposed to the transfer of this million dollars out of the E-911 account. We heard in no uncertain terms from the policy committee that they felt that that was the wrong direction to go and had a variety of unintended consequences that would resound through the system. We feel that their concerns that were expressed to us were serious and need to be taken seriously. We restore the million dollars in the E-911 fund.

The fifth issue surrounds the AMHI consent decree. As you know, we have a longstanding consent decree with the former patients of AMHI that the state is obligated to fulfill. We currently are in receivership. We had in the original LD 1919 a series of

proposals of additional spending that was designed to move us along the path of compliance in addressing the real and serious need of finally, once and for all, complying with the terms and conditions of this consent decree. Unfortunately, in the Majority Report that is before you, that additional funding is removed. We know that is a concern of both sides and we know it is of high priority of both sides. We feel that we have been able to design a mechanism of restoring that money. Again, we think you will find it appealing and hope you give it serious consideration.

There are a series of small fees that are in this original proposal. They are fees on eating and lodging establishments. These are fees for food inspection. A working group had developed a plan hoping to be able to find funding to increase the numbers of inspectors in state government because the food industry was very concerned that there were not enough inspectors to keep the industry safe and secure. They voluntarily presented to the government of the State of Maine a willingness to accept increases on these inspection fees in exchange for more inspectors to come out and keep the industry safe and secure.

The bill that is before us, unfortunately, accepts some of those increases in the fees, but does not address the need and does not put in place any additional inspectors. For example, the fee for your local school moves from \$40 to \$100. The municipality moves from \$10 to \$60 and for other institutions \$125 to \$150. In total it is only \$255,000. It is not a tremendous amount of money in the scope and size of this budget. I think it is an irritant to those schools and communities and local operators and they are particularly insulted that the fee increases went in place and they did not receive the inspectors. We repeal those fees in this amendment.

We include \$1 million for the New Century Fund. It is a very successful, very well designed, very popular mechanism of funding cultural agencies. Unfortunately they have exhausted their funds. There is a bill before us, which we dealt with in the Legislature to increase the level of funding. We have not been able to find the resources to do that. We feel it is particularly important to allow and provide them a continuum so we include \$1 million of funding for the New Century Fund.

Finally, this amendment includes \$32,000 for the Math and Science Magnet School in Limestone. It is a restoration of a reduction that they suffered in the previous budget. I hope you give this serious consideration. I know that the mechanism in play here is to automatically indefinitely postpone these budget amendments and to call for support to reject them. I think this is well designed. I think and hope that it rises above that reaction. I hope you are willing to accept it.

Representative BRANNIGAN of Portland moved that **House Amendment "X" (H-941) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative **BRANNIGAN**: Mr. Speaker, Ladies and Gentlemen of the House. I appreciate the set up that helped me to make that statement. Mr. Speaker, this budget that is presented, the budget that we are in the process of dealing with amendments to, is a budget of responsibility of the whole. We had to deal with the whole package of cuts, pain and difficulty. We worked sometimes together. Too bad that we couldn't have done all of these things together, but we had to do what had to be done in order to pull a balanced budget together and to protect the most difficult cuts, to change them enough so that people who are ill, people who are physically handicapped, people who are elderly and poor, would not be affected to the point of something that we could not stand, something that we could not

keep our head high and protect. We, the budget of the majority, is a budget that has been balanced, not only in its bottom line, but balanced in its approach to caring for people, balanced in facing the difficulty of a reduced economy, reduced federal funding in Medicaid, of our desire and efforts to make available drugs, medical care, etc. to the people of Maine. We are pleased with this budget. We are presenting it. This amendment is only a partial piece, which does not fit in the budget. Thank you Mr. Speaker.

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

Representative DUDLEY: Mr. Speaker, Men and Women of the House. I agree with the Representative from Bucksport when he says that this amendment will strengthen Dirigo Health, if by strengthen he means weaken. The truth is that the effect of this amendment would be to block the expansion of the parents of kids enrolled in the Cub Care Program. That expansion is slated to go in the next fiscal year from 150 percent of the federal poverty level to 200 percent of the federal poverty level. It is a vital component of the Dirigo Health Program. To prevent that from happening is just going to continue to add to the cost shift problem for health providers.

I am encouraged to see the Representative from Bucksport to go on such a very impressive spending spree. I agree with many of his priorities here. I would say that the people who are going to pay for it will be Maine's employers. They will be the ones left holding tab for all these things, many of which I would like to do. I don't think we are prepared to do that to them, take away the promise of relieving the incredible burden of the cost of health care from them and instead adding to them on their backs, the costs of these programs. For those reasons, I will be supporting the motion to Indefinitely Postpone. Mr. Speaker, when the vote is taken, I request the yeas and nays.

Representative DUDLEY of Portland REQUESTED a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "X" (H-941) to Committee Amendment "A" (H-904)**.

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 Bangor, Representative Faircloth.

Representative FAIRCLOTH: Mr. Speaker, Men and Women of the House. I rise in support of the Indefinite Postponement motion. We, on the Appropriations Committee, were charged with making tough choices in fiscally conservative times and, in fact, did so. Please note that we reduced Medicaid spending by nearly \$60 million general fund dollars in this '05 budget. This is a major and significant amount and has a major and significant impact going into the next biennium to the tune of being the major factor in reducing the structural gap significantly so that it is projected that the structural gap was reduced to the tune of approximately \$200 million. We made permanent changes. For those who are interested in exciting and scintillating reading, I would direct you to Part MMM of the budget, which lays out the language for Maine Care Basic and the cuts that we made. They are appropriate. They are fiscally conservative. They reduce or manage benefits in a way that makes sense and does it in an intelligent way. All this is in an important context, by the way. If you look at private insurance premiums in the small group market in 2002 and 2003, those we are increasing by 35 percent and 21 percent respectively in those years. That has not been the increase of our program in Maine Care here in the State of Maine and yet we went forward with rather significant economizing and significant reductions in spending on this program. I think it was a good idea. I think it will help us when we face the next

biennium. I must say that when we look at our low-income population we, in the Democratic majority, made a decision that they participated in a significant way. We think we did it in a responsible and compassionate way, but there is not question that we had the responsibility to govern and thus we made these important changes with regard to Maine Care. Thank you.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno.

Representative BRUNO: Mr. Speaker, Ladies and Gentlemen of the House. It is hard for me to sit here and talk about being fiscally responsible. You may have reduced the structural gap by \$200 million. So that is \$734 million versus \$934 million. If you take that as a percentage of deficit spending, that is 13.5 percent, ladies and gentlemen. How is that fiscally responsible? Many people criticize the federal budget that has a \$500 billion deficit, oh my God, the sky is falling. That is a 4.8 percent structural gap. Which is it? Is 4.8 percent really bad? Is 13.6 percent even worse? How is it fiscally responsible? You came in with a billion dollar gap last year and you almost have a billion dollars this year. I will guarantee you by the end of '05 you have over a billion dollar gap. You don't make tough choices, even though you think you do.

Maine people aren't ignorant. They are not stupid. A fee is a tax. A fee is a tax is a tax. You tax business mercilessly in this budget. There are \$2.5 million worth of new fees and we haven't even gotten to tax reform yet. You blame the budget problem on federal funds not coming in. You have \$108 million or did you forget about that. You were told that this is what you have to have for the next 18 months, an enhanced match, but we just spend like crazy around here, even though we know it is going to expire in 18 months.

We increased Maine Revenue Service penalties to prime plus 3 percent. Pretty soon we will have loan sharks out in the parking lot, because that is about where we are getting to. We are willing to pay an advisory committee on family development accounts so they get reimbursed expenses, yet we are not willing to fund the Baxter School Compensation Fund. We are willing to put the Micro Enterprise Fund ahead of that. They just got a million dollars last year folks. Yet, people who are abused in the '60s, '70s and '80s you say you get back in the bus. We don't even want to know about making positions anymore. We are going to repeal the statute that says you have to report to the Appropriations Committee all the vacant positions every six months. We don't even want to know about that any more.

We finally make the correction on paying off the Retiree Health Insurance Fund to 2004. I remember last year we were told it is only a one-day loan. We had the second supplemental budget in three months and yet we only give GPA \$9.2 million. When you consider what they lost last year, it is a 1 percent increase. Where is our commitment to education that we all say we have?

Then we have mental health parity. All that savings we were going to get last year, we got none of it. It wasn't anyone's fault, but the insurance company. It was their fault. This budget is not well structured. It doesn't do anything going forward and the 122nd legislature is going to have to make really tough decisions, not play this shell game that this budget does and the last budget did. We are talking tough decisions, because we are going to have tax pieces that are going to pass in the public because they are sick and tired of us not doing anything and playing a silly game up here with numbers. We call fees fees, when they are really taxes. Maine people are going to have to pay more to live in this state.

The SPEAKER: The Chair recognizes the Representative from Hodgdon, Representative Sherman.

Representative **SHERMAN**: Mr. Speaker, Ladies and Gentlemen of the House. I am rather tired and I don't know how many amendments we are going to have. It would seem to me from what I have heard from both sides that nothing is really going to change here. It will take us a few minutes to say yes or no, the budget stands.

I would like to pose a question through the chair to anyone on the budget committee that would like to answer it. Is there anyone on the budget committee that really, seriously thinks this budget will stand until November 6? May I go get a cup of coffee when this is answered?

The SPEAKER: The Chair recognizes the Representative from Brunswick, Representative Richardson.

Representative **RICHARDSON**: Mr. Speaker, Men and Women of the House. We have lived through this supplemental budget for the past month. It is true, as some speakers have said, that we cut programs. We did add fees and we did use one-time monies to balance the budget. When I look back and reflect as I read some of the editorials around the state, they all say this on balance is a budget that lawmakers should support. You might ask why. Some of us call these cuts savings. If you had to look the people in the eye that came before the Appropriations Committee, it wasn't such a sanitary word as savings that would have jumped out at you. It would have been those poor folks that came in and had no place else to go, no other place to find hope, no other sanctuary, but in this House. So, we can be faulted tonight for supporting a budget, which adds modest fees, which unfortunately makes cuts in programs, reconfigures, remodels and also uses one-time monies. Yes, we are guilty for standing up for those who can't stand up for themselves, for doing what we can for people who can't do for themselves. I am proud tonight to be able to support this budget. Some may scoff at it, but to me it is the best, as the *Portland Press Herald* said, as we can possibly do under our present circumstances.

I am going to ask you tonight to Indefinitely Postponing this amendment. Maine people are depending on us to stand up for them. Thank you Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Bucksport, Representative Rosen.

Representative **ROSEN**: Mr. Speaker, Men and Women of the House. Just to respond to some of the questions and comments pertaining to this amendment that is before us. I think it is important to clarify a couple of key points. First of all, the original LD, LD 1919, called for the total elimination of services, 15 categories of service, wiping out the delivery of that entirely. The reaction to that proposal is what generated a great deal of the response that people have described during our hearings, the people that attended the hearings and the people who testified. Both caucuses, all members of the committee, were opposed to the total elimination of those services, the total elimination of brain injury services and the rest of them. Both sides asked the administration to reconfigure that proposal and to come back with a new design of what they call Maine Care Basic. The administration did that. We accepted that proposal that came back. It was some modification and some adjustment. The proposal that is in this budget around Maine Care Basic is very close to the position that we took. We felt it was important to continue to look for more savings. Looking ahead and realizing that there is a cost to delivering the promise of saying that these services will be provided on an ongoing basis. If we make the promise that populations are eligible to receive service, men and

women in certain categories are eligible to receive service, if we make the promise to providers that we will reimburse you so that you can deliver the service, then we have an obligation to make sure that that system is strong and stable and consistent and reliable and predictable.

The additional savings that are generated in this amendment do not remove people from receiving services. They don't deny anyone access. It is a reasonable and efficient move. It is not a draconian step. It helps to stabilize this program as we move forward and to be able to achieve the targeted savings that the Chief Executive had placed in the original proposal of closer to \$80 million rather than the \$53 million that we have in the Majority Report. I happen to think that that is an important goal. It can be done in a humane and reasonable way that stabilizes the program and helps us move forward.

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

Representative **BOWLES**: Mr. Speaker, Ladies and Gentlemen of the House. I am so glad that my good friend from Brunswick, Representative Richardson, talked for just a couple minutes about the poor people that came in front of Appropriations in desperate need of services and how heart wrenching it was for the Appropriations Committee to have to sit there hour after hour after hour and listen to those people. Included among that group were the victims of abuse at Baxter. Twenty or 30 years ago these people were victimized by the authorities at Baxter School. More recently they have been victimized by this Legislature and our inability or unwillingness to fund an adequate compensation amount to provide for those people.

Just a few minutes ago nearly all of us voted unanimously our support for \$6 million of funding for those people. A handful of people here voted red, but it was well understood that there was supportive also and cast a vote which was meant in protest.

About a month ago there were 25 people on the waiting list who had already been qualified, already gone through the review process and who already had a claim awarded to them and we could not fund it. This month another eight or 10 people were to be added to that list. Just to fund the amount necessary to compensate those people that we added last month and expect to add this month, it would require about \$2.8 million.

You are going to have two opportunities tonight and this is the first one to live up to the promise that you made just 20 minutes ago when you voted green on LD 1682. You can't walk away from that promise. In good conscience you can't leave here without fulfilling that promise. I wish that the amount in this amendment were greater than it is. It is only \$1 million. It falls far short of even the \$2.8 million that we should be funding at a minimum at this point in time. By the way, we anticipate another \$6 million of liability next year and \$6 million worth of liability in the year following that.

We talk about people that need help. We talk about people to whom we owe an obligation. To whom do we owe an obligation greater than the people who were the victims of our own system? You have an opportunity to partially correct that wrong by supporting this amendment. I hope you will consider that carefully.

Representative PERRY of Bangor assumed the Chair.
The House was called to order by the Speaker Pro Tem.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Belmont, Representative Berry.

Representative **BERRY**: Mr. Speaker, Men and Women of the House. I have two issues here that I want to address. The first of those issues deals with the taking of 911 monies from the PUC. The Utilities Committee came to the Appropriations Committee and made it very clear the consequences of taking this money. The consequence of taking this money means that the federal government is going to recognize that the taking of funds that are ratepayer funds dealing with 911 is going to cease the federal support of wireless monies to complete the last part of E-911. Unless something is done in this budget and the proposed amendment deals with that, then that issue must be addressed before and to maintain the funds from the federal government supporting, as I said, the last piece of 911, which is the wireless identification.

The second question that I would like to pose to someone here, he'll get back to us in a minute, in Part EEE, there is a stated energy savings of three quarters of a million dollars. Ladies and gentlemen, the standard offer will be issued next year again for electricity. I think I can guarantee you that you are not going to save \$1 million. I don't think it is a secret to any member of the Utilities Committee that the cost of electricity in the State of Maine next year is going to go up. My question is, where do you intend to realize this three-quarters of a million dollars in savings in this account? Thank you Sir.

The SPEAKER PRO TEM: The Representative from Belmont, Representative Berry has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. This is part of the original budget presented to us by the Executive. He is well informed about such measures that are therefore accepted by the majority. Also, the federal government has been contacted relative to the dire predictions made a few minutes ago and I believe that the administration feels that federal funds will not be cut off by our actions. Thank you Mr. Speaker.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Crystal, Representative Joy.

Representative **JOY**: Mr. Speaker, Ladies and Gentlemen of the House. Maybe I am laboring under misapprehension, but in '03 supposedly we passed a budget for '04-'05. I was assured that we didn't need to change the method in which we do our budget because we had passed four successful budgets and now, Mr. Speaker, we have two more on top of that. I have a question if I may pose it, did we or did we not pass a budget that was supposed to carry us through this biennium? Number two, since when does \$2.5 million meet the definition of the word modest?

The SPEAKER PRO TEM: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "X" (H-941) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 461

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessis, Duprey G, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Jackson, Jennings, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis,

Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Berube, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cresse, Crosthwaite, Curley, Daigle, Davis, Duprey B, Fletcher, Glynn, Goodwin, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Maietta, McCormick, McKenney, McNeil, Millett, Mills S, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Earle, Greeley, Kane, Landry, Ledwin, Moore, Piotti, Thompson.

Yes, 78; No, 65; Absent, 8; Excused, 0.

78 having voted in the affirmative and 65 voted in the negative, with 8 being absent, and accordingly **House Amendment "X" (H-941) to Committee Amendment "A" (H-904)** was **INDEFINITELY POSTPONED**.

Representative O'BRIEN of Augusta **PRESENTED House Amendment "S" (H-934) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Augusta, Representative O'Brien.

Representative **O'BRIEN**: Mr. Speaker, Ladies and Gentlemen of the House. I am glad I was able to jump up and get in early on these amendments before everyone either leaves or falls asleep. I hope that doesn't happen during my brief remarks. Several have said that this is a very difficult budget. It certainly is. It was an extremely difficult budget and some very, very tough choices had to be made. It all boils down to a matter of priorities. We, the minority members on the Appropriations Committee, had a set of priorities that are somewhat different than the Majority Report. My amendment innumerates some of those. We fund several programs that were either not funded to the extent we are in the majority budget or were eliminated totally. I will get to how we propose to fund those.

The first initiative that we appropriated funds for was we appropriated \$5 million to restore the deappropriation and deallocation resulting from initiating the voluntary, a questionable word, pharmacy mail order drug program for Maine Care and the low cost drugs for the elderly. What this is is a program that will be effectively shipping \$100 million annually out of the State of Maine to a Wal Mart business, a Wal Mart distribution center in Arkansas. We talk every day about keeping, maintaining and bringing new business to the State of Maine. In this one program we are shipping out over \$100 million a year. Aside from the fact that we don't even need to get into the fact of what we have done to our local pharmacies and our local pharmacists. That goes without saying.

The second program that I will speak on briefly is mental health services in the community. We fund several programs, mental health programs, that in the opinion of the court master, former Chief Justice, Judge Wathan, in his eyes these were very, very important. They are not in the majority budget. We are, as everyone knows, under a consent decree. The ones that we are funding are appropriating funds for the Peer Support Services for \$200,000. This is in the original proposal from the Chief Executive, by the way. It was taken out by the majority. We appropriate funds to maintain the funding for the social clubs at the 2003-2004 level of \$200,000 and, again, this was in the original Chief Executive's proposal, we appropriate funds for

housing initiative to persons with mental illness at the amount of \$1.6 million.

The third is an issue that has been talked about at length here this evening. We fund at the level of \$2 million in this amendment the money for the Baxter Compensation Fund. We have a legal obligation and we certainly have a moral obligation. It seems as though everyone in this room, by the vote this evening, agrees with that. This amendment funds this is July in '05 as opposed to the majority amendment if there is an unappropriated surplus, it is the second priority and it will be funded in '06. They need the money now.

How do we propose to fund these programs, the nine million in programs? Currently in the Maine Care Program there are 500 to 700 people coming onto the Maine Care rolls every month. It is way beyond the expectations that were originally given. We need to somehow cut that until we can catch up. What we propose to do in this amendment is similar to a block grant. We propose that coverage is limited to 20,000 persons. There are approximately in the non-categorical account, 19,000 persons. We propose to have the Department limited to 20,000. As people will come off and come back on, keep this going until enrollment decreases to a level that makes reopening the enrollment feasible. The savings from that capping of expansion will fund these very, very much needed programs that I have just mentioned that are not in the majority budget and are priorities for the minority and I know are priorities for the many on the other side. I would ask you to seriously consider this amendment and I would ask for a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "S" (H-934) to Committee Amendment "A" (H-904)**.

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

The **SPEAKER PRO TEM**: The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. I was glad to yield to the Representative from Augusta, Representative O'Brien, gladly. Unfortunately, I have to move Indefinite Postponement of House Amendment "S" to Committee Amendment "A."

Representative **BRANNIGAN** of Portland moved that **House Amendment "S" (H-934) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED**.

The **SPEAKER PRO TEM**: The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. There are many pieces to the amendment. Certainly the mail order that is not something new in our state and is done through many, many different mail order houses. It is something that is going to be expanded. It is something we did a lot of soul searching about as far as business is concerned in this state. This is an experiment of a large order. It is an experiment which brings in tremendous discounts to the state and to the people of this state. In the end we decided that we would go with this approach on a voluntary basis. However, we did set aside funds to protect small pharmacies, pharmacies that cooperate in all of the different programs that the State of Maine has. We believe that this was the correct way to go.

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

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. With respect to the non-categorical cap that my good friend from Augusta mentioned as part of her amendment, again, non-categorical are adults who don't have children and who don't have a disability and who aren't elderly, but they are very poor.

Currently they are eligible for State Medicaid coverage, Maine Care, under what is called the non-categorical waiver up to 100 percent of the federal poverty level. There are currently, not quite, but pretty close to 20,000 people currently enrolled in that program. We are brushing right up against the cap that the Rep from Augusta proposes in her amendment. I would say that the effect of this would be to prevent the expansion of the non-categorical waiver program that was endorsed by, I think, more than two-thirds of us last year when we supported the Dirigo Health Program. An important part of the Dirigo Health Program is an expansion of Medicaid coverage, both on the non-categorical side as well as what we were discussing before in Amendment "X" the parents of children who are covered currently under Cub Care from 100 percent to 200 percent of the federal poverty level.

The point here is to try and get at people who don't have health insurance so that they can get treatment early so that we can somehow begin to maintain the quality of their health and get our arms around the ever increasing problem of the health care cost crisis. This non-categorical expansion is part of that. Because I think Dirigo is the best hope we have to control the health care cost crisis, I must support the motion to Indefinitely Postpone.

Representative **DUDLEY** of Portland **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "S" (H-934) to Committee Amendment "A" (H-904)**.

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

The **SPEAKER PRO TEM**: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative **MILLETT**: Mr. Speaker, Ladies and Gentlemen of the House. I would like to make two quick points in response to the comments that have been made subsequent to the presentation of this amendment. First of all, this is an attempt to place a cap in law and in budget that is already a part of law. I would like to point out on Page 2 of the amendment in Paragraph 2, near the top of the page, when those of you in the 120th approved the non-categorical waiver that the Representative from Portland, Representative Dudley, refers to, you did so with a less than clear understanding of how many people might be eligible under this waiver and you wrote language saying that when the actual participation level and the cost thereof reached a level of the budget for this program, then the commissioner of DHS would be obligated to stop the accepting of further enrollees and to by a 30 day notice inform those people that they could no longer qualify until there was room within the budget for this program.

The unfortunate problem is that the account that pays for this category waiver and many other Maine Care services is a huge accumulation of Medicaid seed accounts for enrollments in various categories of service that pushes, at times, \$400 million a year. There is no subdivision within that account to give the commissioner, past or present, the authority and the ability so say that is what I have available for this particular program.

Further, there is a limit in federal law under the Disproportionate Share Hospital Program that funds this kind of waiver, this optional waiver that Maine has chosen to participate in. We are pushing that limit, the overall limit for the State of Maine under this waiver in that category is \$100 million. The calculation that leads to the savings of approximately \$9 million, you will find on the top of Page 3 in the general fund, all other line, totaling \$36,864,000. That is an actual calculation of the maximum that we can allow in this program and not push it beyond the federal authorization. That is what we have done. We have chosen a reasonable number of 20,000 that does not

throw anyone off, allows for the movement in and out of the program, which Representative O'Brien referred to, and which we have been told by folks from DHS and the Governor's Office of Health Policy and Finance is quite common. This group of people and the Representative from Portland is right, some of them are working poor and some of them have disabilities of one type or another and many of them move into this program for a very short period of time until they are eligible to qualify under a different program, particularly in the disabled area under SSI. It is a constantly moving population. We are not being inhumane in the calculations that are before you. We are attempting to manage as the 120th Legislature intended for the State of Maine to do so and to give them the tools to manage.

The second thing, in reference to the concept that the voluntary mail order program is an experiment as characterized by our good House Chair, it is, in fact, an experiment, but it is a huge gamble at the same time. It is an economic gamble of major proportions that we all talk about not wanting to see happen. It is that notion of the giant sucking sound of \$100 million and all of the jobs that it supports leaving the State of Maine as a potential outcome of that voluntary mail order program.

We have tried to step back and say that we know there are people in rural areas who are elderly, poor and don't have the transportation options to get to a pharmacy who might take advantage of a mail order program. We would like to do that in a design fashion that involves participants from various categories of consumers, providers, pharmacists, the departments, etc., and that is the reason for the working group that is created on Page 2 of the amendment at the bottom.

I wish to just leave you with this notion. This is not a wild scheme. This is a designed program intended to give you the tools to manage within the law as it now exists to not throw people out, but to keep opportunity and movement in the cap to allow people who are needy to come into the program and on the voluntary mail order program, we are trying to do this in a designed fashion that makes sense, not throw it out there and let the consequences fall negatively upon this fragile economy of ours.

Finally, once again, the attempt to fund the Baxter Compensation Fund and the victims who are so tragically affected by the events of the '70s and '80s, we are trying to do this in an upfront way. We debated earlier when to do it and whether we were over promising. This is hard money. This is money that would be available in less than three months to address that waiting list of people who are waiting for compensation and are justly due it. Please don't characterize this as inhumane and not well thought out. To the contrary, it is very well thought out. I urge your serious consideration of it.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Scarborough, Representative Curley.

Representative **CURLEY**: Mr. Speaker, Men and Women of the House. I rise in opposition of Indefinite Postponement of this amendment. I will speak very briefly to it. I was really pleased when Representative O'Brien brought this forward. It is talking about really protecting the Medicaid System that we have. We can Indefinitely Postpone this measure and I am sure we will, but I don't think we can Indefinitely Postpone the Pac Man that is gobbling up the state budget, which is the expansion of Medicaid. We currently have 330,000 people in our state receiving some kind of service funded by Medicaid. Medicaid is a federal state partnership for people at the poverty level. I am so sad to think that there are one out of every four people in my state, the state that I love, receiving services for people at the poverty level. Who could believe that we would come to this? Tonight we are

trying to make some attempt to manage the funds that we have so we can keep promises to the people that we have already made them to. Some would say that this is heartless to cap the enrollment in the non-categorical. What is heartless is having people come to us and beg to keep the services that we have already promised them. That is what we went through in March and that is what we went through in January. That is heartless and heart breaking. This amendment is one of the first things that I have seen that does not reduce services for anyone, but tries to manage the money we have, but still provide the service.

I don't think the people of Maine want to be on Medicaid. I don't think they want to be on handouts. Please, vote against this proposal and let's do something to protect the people that we have made promises to already. Thank you.

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

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. Just to clarify, I don't think any of us did accuse this proposal of being heartless. I certainly don't consider it heartless. I understand what motivates it and I have every respect for my colleagues on Appropriations from the other side of the aisle.

I did want to point out to the attention of Representative Millett a drafting error in the House Amendment where it does speak about the non-categorical capped at 100 percent of the federal poverty level. If you look at a current version of Title 22, Section 3174G, it does say in here 125 percent, which reflects the change under the Dirigo Health Program.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative **MILLETT**: Mr. Speaker, Ladies and Gentlemen of the House. If there is a drafting error, I don't think it affects the debate before us. I do not think there is, Representative Dudley, and I appreciate the focus that you are giving this. We do not touch the expansion from 100 to 125 percent in this amendment. Unlike in the budget before you which delays by three months that expansion, this is the focus on the current up to 100 expansion that was authorized back in the fall of 2002.

The SPEAKER PRO TEM: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "S" (H-934) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 462

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Eder, Faircloth, Finch, Fischer, Gerzofsky, Grose, Hatch, Hutton, Jackson, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McGowan, McKee, McLaughlin, Mills J, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Thompson, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Berube, Bierman, Bowen, Bowles, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Daigle, Davis, Duprey B, Fletcher, Glynn, Heidrich, Honey, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Maietta, McCormick, McKenney, McNeil, Millett, Mills S, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Snowe-Mello, Stone,

Sykes, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Brown R, Churchill J, Earle, Gagne-Friel, Goodwin, Greeley, Jennings, Kane, Landry, Ledwin, Moore, Piotti, Shields, Sukeforth.

Yes, 77; No, 60; Absent, 14; Excused, 0.

77 having voted in the affirmative and 60 voted in the negative, with 14 being absent, and accordingly **House Amendment "S" (H-934) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative BRANNIGAN of Portland **PRESENTED House Amendment "T" (H-935) to Committee Amendment "A" (H-904),** which was **READ** by the Clerk.

The **SPEAKER PRO TEM:** The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN:** Mr. Speaker, Ladies and Gentlemen of the House. This is purely a technical amendment. A number was put in incorrectly, 185 percent and it should have been 150 percent. This just corrects that technical error. Thank you Mr. Speaker.

House Amendment "T" (H-935) to Committee Amendment "A" (H-904) was ADOPTED.

Representative BRANNIGAN of Portland **PRESENTED House Amendment "Q" (H-932) to Committee Amendment "A" (H-904),** which was **READ** by the Clerk.

The **SPEAKER PRO TEM:** The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative **BRANNIGAN:** Mr. Speaker, Ladies and Gentlemen of the House. There is section in the budget which this amendment clarifies. When we the Executive suggested and we, the majority, agreed to take a fund of \$89 million that had been attempted to be raised for retiree health. There was an attempt to get to an actuarial position where we could leave a pay as you go for retiree health and to move to an actuarial sound fund. That would have taken billion dollars. Apparently some hoped there was going to be a billion dollars at some point, given that things have changed greatly. It is a decision that we would not be able to reach an actuarially sound basis. We decided that this would be taken for this budget.

What has happened is state workers were concerned. They had seen that possibly this fund would have been saved or kept for the needs of retiree health in the future. In order to give them some security as to their future, the Retiree Health Plan, we inserted a section that this piece amends. That section allowed them to be sure that we would not change retiree health in a way that would be bad for our state workers. However, this amendment clarifies that section. It was believed that this tied our hands way beyond anything that we believed needed to be done. This section makes clear that we can change retiree health. We can change it as long as we change the health plan for the present workforce. They are kind of joined at the hip. If we increase the workforce health benefits, then the retiree's benefit will go up. If we need to decrease because of other times, then the retiree workforce, their health care benefit will go down.

It is very important to me that we make this very clear and this amendment does. I feel comfortable in this whole insertion into our budget and into our law. I think terrible things have happened over the years to people's pension plans. I think many in the industry have failed to keep their promises to their retired workers. People have lost their health plans. That did two very bad things. One, it was bad for the people who lost and it certainly was bad for our health situation in this country as people were no longer cared for by the plans that they expected, the plans that they had earned. This does what we all, I am sure,

intend to do, continue to keep a strong retiree health plan. I hope that you will accept this amendment as a clarifying amendment. Thank you Mr. Speaker.

The **SPEAKER PRO TEM:** The Chair recognizes the Representative from Cornville, Representative Mills.

Representative **MILLS:** Mr. Speaker, Men and Women of the House. I don't rise this evening to oppose the amendment that is lying before you, but to say that the amendment doesn't cure the issue that is raised by the insertion of this entire section in the budget. Part DDDD is one of a number of sections in this budget that has no fiscal impact whatsoever on fiscal year 2005, but has enormous policy implications for the future of the state. This one in particular more than any other budget deserves its own special bill to be heard in the labor committee and to be debated on the floor of the House and Senate and to be signed by the Governor as a separate bill if it passes. It raises immense financial implications for the physical integrity of state government.

I have handed out for all of you to look at a green sheet of paper, which is an extract from an actuarial valuation of the unfunded liability for health care for retirees, both state employees and retired teachers and retired state employees. You will note from the number that is circled on this form and from the arrow that is drawn that the unfunded actuarial liability for retiree health insurance for state workers only is on the order of \$632 million and that was last summer's figure. It is a greater figure now. The unfunded liability for teacher retirees is another \$380 million. The total of the two exceeds \$1 billion. To put this into perspective, the entire amount of money that is necessary to fund pensions for both of these groups is on the order of \$7 billion. We have about \$5 billion put away toward that effort. We are down by about \$2.2 billion on what we call the unfunded actuarial liability for ordinary pensions.

In parallel to pensions, we have this obligation that we create and we fund to pay for retiree health benefits. I think to put it further into perspective, it is useful to say that the current valuation of that obligation is about one-seventh of the pension system in parallel to it, but separate from it. We really have 200 takings, if you will, that we make to retired people that work for state government or who work for our school systems and about one-eighth of that in total is in the health insurance line and the other seven-eighths is over on the pension side.

The Speaker resumed the Chair.

The House was called to order by the Speaker.

The **SPEAKER:** The Chair recognizes the Representative from Cornville, Representative Mills.

Representative **MILLS:** Mr. Speaker, Men and Women of the House. Several years ago there was an issue that arose an interesting set of legal cases that spun out of it about the status of retiree pensions. The retired state employees and teachers became quite concerned about whether their pension rights were vesting as they were accruing. We have to come to loose accommodation on that by passing, first of all, a Constitutional Amendment that requires us to fund completely those obligations. We are on a schedule dictated by the Constitution to pay for the unfunded liability to make sure that we have cash in the bank to meet the obligations that we have created on the pension side. We went further. In a bill that I sponsored six or seven years ago we made a commitment that the state would be bound under the contract clause of the Constitution to pay to vest these pensions as they accrued so that people would know that we could not diminish pension money except on a prospective basis going

forward. We have deprived ourselves, in another way of speaking, of the right as a Legislature to reduce benefits except on the completely prospective basis for vested people.

Over on the health care side about six years ago we started to put aside money to fund the other side of the retiree rights, if you will, to try to fund health care benefits because they are a major obligation of the state and we started to put money away and we had succeeded as you will see from this sheet as of last summer in putting away some \$77 million and I think that number has risen to closer to \$80 or \$90 million in current times.

This budget says that we give up, even though we have been able to put aside about 8 or 9 percent of the unfunded liability for health insurance. This budget says that we give up. We are going to take all that money out and we are going to spend it to meet Medicaid and other current commitments of state government because we just don't think we are going to make it. Then it goes to another stage. In this particular section, DDDD, that is the grade that it deserves, DDDD says that even if we are not putting aside any money, we are going to make a solid contractual commitment under the Constitution of the State of Maine and under the federal Constitution to say that we can never adjust those benefits except in proportion to how we adjust benefits for active employees and we are also guaranteeing that retirees will be vested in terms of the degree of money contribution that must be made toward their premiums, which at present is 100 percent. I don't know how this thing will spill out in the future. I don't know what this thing means entirely. It could mean that we are incurring this evening by passage of this budget an obligation closely analogous to a bond obligation of some \$632 million. I don't think that I am overstating it by saying that. It is highly disturbing because we don't have any money aside to meet that obligation. The entire general fund bond obligation of this state is only a half a billion dollars. It is less than this amount. I think it is fair to say that this one provision, DDDD, may be more significant by several factors than everything else that is in this budget. I don't know what implications it has for our bond rating. I know that our pension unfunded liability has implications for it and is being mentioned and has a bearing on it. I don't know what passage of this will do, but I do know that this bill deserves its completely separate, full, fair and adequate hearing and exploration by experts and by actuaries and by attorneys and by people who could bring light to bear on this provision in front of the Labor Committee, which has the expertise to deal with it.

It is highly improper to include this measure in the budget. I do not object to the effort to clarify what it means. All that it does is to clarify what it means. What it does mean is what disturbs me. I think this particular provision represents a very significant abuse of majority power.

The House recessed until the Sound of the Bell.

(After Recess)

The House was called to order by the Speaker.

The SPEAKER: The Chair recognizes the Representative from Falmouth, Representative Davis.

Representative DAVIS: Mr. Speaker, Men and Women of the House. In 1999 I was on the Labor Committee with Representative Mills. I was his seatmate and I remember this

very well. I agree with what he said. The approach has been used in the past to produce the benefit to Maine retirees. This provision is modeled on the legislation enacted on bipartisan support in 1999, which amended 5 MRSA 17801 to extend contractual protection to certain elements of the basic benefits available for state retirees. The 1999 law was proposed by Representative Mills who survived the early drafts on his part. I just wanted to briefly say I agree with him. I understand if we leave pension funds and health funds alone, they will be healthy. If we do away with them or borrow from them, they won't be healthy. I would like to thank the good gentleman from Cornville for bringing it up. He stated it much more eloquently than I have, but nonetheless, I agree with him. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Faircloth.

Representative FAIRCLOTH: Mr. Speaker, Men and Women of the House. I thank the good Representative from Cornville for giving the overview that he did. I do want to note that House Amendment "Q" does offer some important narrowing and clarification language. First of all, the overview was beneficial. I want to just remind folks that this does not relate to teachers, just the state employees. It does not relate to pensions. It does relate to health insurance. When the good Representative from Cornville stated that it is whether or not we ever adjust benefits, that is a key factor here. That is exactly right because we have tremendous leeway in two ways to reduce any future obligations on the part of the state. One, the state can cut benefits to the health plan itself so long as it keeps those cuts coequal with the active and retired employees, which could result in tremendous saving if, we as a policy matter, chose to do so. Secondly, we could prospectively create savings by imposing or decreasing, I should say, the state's share of the premium. We have complete leeway to do that as long as it is prospective, that is to say where the employee has yet to vest at the five-year line. We can do that disparately between retirees and active employees. The only thing that this really does is what has been our current policy. The state will keep its commitment to the percentage at the time the person vests that the state is committed to at that moment, which is a reasonable thing to do in the first place. Finally, as far as using the actuarial method, we use the pay as you go method and, in fact, when DAFTS did their survey of over 30 states, all of the 30 states said they used the pay as you go method just as we do. They couldn't find any states that used this other method. We are typical in the way we handled this compared to other states. We have leeway if we want to create future savings. We support the adoption of the amendment. Thank you.

Subsequently, **House Amendment "Q" (H-932) to Committee Amendment "A" (H-904) was ADOPTED.**

Representative TRAHAN of Waldoboro **PRESENTED House Amendment "B" (H-910) to Committee Amendment "A" (H-904), which was READ by the Clerk.**

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

Representative TRAHAN: Mr. Speaker, Ladies and Gentlemen of the House. I present this amendment to you tonight for a couple of reasons. First and foremost, to honor those people in this chamber who worked with me and worked in good faith on this initiative, the Office of Program Evaluation and Government Accountability. I rise to honor the Speaker for his work in an agreement that unfortunately hasn't been fulfilled, but for those reasons in particular. Secondly, I rise to try to restore some integrity to a program that I believe it. I believe it could change the state. I believe it could alter the way that we govern into the future. This amendment before you restores some language to the OPEGA statute that has been deleted over a

period of going on three years now. When this program was first offered out of committee, it was a unanimous committee report. I believe it was good product, but over the time that has passed to today, it has been changed, altered, blocked, you name it, it has been done to it. We all know that how that process occurred. We know the things that have happened, most of us.

There is one thing in particular that has always hurt me personally. I believe it hurt this institution and hurt the Speaker and those OPEGA supporters. It is a quote from the newspaper. I am going to ask you to refer back to a couple of articles I gave to you. I gave you the OPEGA statute from John Turcotte of Florida to change the statutes. You have that. I don't care if you read it or not, I just want you to have it. You also have an amendment before you on the budget last year that is in parenthesis. You have an article I gave you out of the *Kennebec Journal*. In that article is a quote and it is, "The Senate President has said she disagrees with attempts to change language that governs the office. In particular, she fears a proposal that would give investigators access to confidential information. She has been clear from the start about her stand on her program and that proponents are trying to make changes after an agreement has already been reached." That is key, ladies and gentlemen. That was 2/19/04 article in the KJ.

In front of you is an amendment from that so-called agreement in the Part II budget made last year. Refer back to that quote that I just gave you. This amendment, which was adopted was written by the Senate President's Office and worked on by the Speaker of the House and his staff. It states that the Joint Legislative Committee established to oversee program evaluation and government accountability, matters pursuant to the Maine Revised Statutes, bla, bla bla.

The Chair reminded Representative TRAHAN of Waldoboro that it was inappropriate to question the motives of members of the other body.

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

Representative TRAHAN: I'm sorry Mr. Speaker. Referred to in this section as the committee shall review and determine the types of confidential information the committee will require in order to fulfill the purposes set forth in Title 3. The committee shall report its findings and recommendations together with any implementing legislation to the Second Regular Session of the 121st Legislature. Ladies and gentlemen, the proof is in front of you. The people in this chamber when they negotiated and made a deal on this legislation did so in good faith. It sits in front of you to prove that good faith agreement. I was very hurt when that came out in the paper.

I firmly believe now that this legislation which passed and has been funded and now needs a director has been undermined to the point where it can't be successful in this session. That saddens me deeply because of all the problems we have had over the last two years. I believe this could have been a wonderful tool that this Legislature could have used to evaluate programs and make a better government.

The reason why I am here today is to offer this amendment as sort of a last resort. To restore the integrity of the statute. We can't change what has already happened. We can't go back. I don't think what we are going to continue to do this year is going to help this office. I am asking you to restore the integrity of the statute. It is sort of a consolation, you might say or some bit of salvage to what could have been a wonderful program.

Ladies and gentlemen, I hope that I can come back here next year. I hope that I am re-elected, but as all of you, it is not guaranteed. I hope that if I fail tonight and if this program goes forward and it is crippled and it fails, that you remember that I

gave every ounce of my strength in the hopes that this could be successful into the future. I am saddened for this institution tonight because we missed a great opportunity.

In my time here I have never enjoyed more the relationships that I developed with the Representative from Old Town as we traveled over the country trying to get this thing done right and with the Speaker in his office night after night trying to figure out a way to get this done. I know I grew on your nerves Representative Dunlap, but I believe it was for a good cause.

Ladies and gentlemen, this chamber is almost empty in frustration from some members. I am saddened by that as well. I can't change it. I can tell you this, I will never leave my chair. I will always come here for my constituents. I will support them by being here and fighting every breath that I have. If it means that I do this until I am 98 years, then so be it. Thank you.

Representative FAIRCLOTH of Bangor moved that **House Amendment "B" (H-910) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Faircloth.

Representative FAIRCLOTH: Mr. Speaker, Men and Women of the House. I just want to say that while I respectfully move Indefinite Postponement, I think there is merit to the OPEGA concept. It is getting late and as the Representative Trahan has noted, the chamber is emptying out and we are getting near a time where people are tired. I have said many times how much I respect the members of the Appropriations Committee on both sides of the aisle. I want to say something about Representative Trahan and his proposal even though I strongly disagree with it here. He has always been soft spoken. He never shouts. He never engages in personal attacks. He speaks on the merits of the issues he raises. I want to thank him for that. I think he is tremendously effective, even though I hope he is not so effective right now. I thank him because I think he epitomizes one of the things I am most proud of about serving in the House of Representatives from people on both sides of the aisle. We can disagree honorably on different issues and still work together. Even though I strongly move to Indefinitely Postpone and feel it is not appropriate to have this amendment in this budget, I want to commend him for his efforts and his actions. Thank you.

Representative COWGER of Hallowell **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "B" (H-910) to Committee Amendment "A" (H-904).**

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 "B" (H-910) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 463

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Bull, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Faircloth, Finch, Gerzofsky, Grose, Hatch, Hutton, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marraché, McGlocklin, McKee, McLaughlin, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Sampson, Simpson, Smith N, Smith W, Suslovic, Thomas, Thompson, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Austin, Bierman, Bowles, Breault, Bruno, Bryant-Deschenes, Canavan, Clough, Courtney, Crosthwaite, Davis, Eder, Fletcher, Gagne-Friel, Glynn, Honey, Hotham, Jackson,

Marley, Millett, Mills S, Rector, Rines, Rogers, Rosen, Saviello, Snowe-Mello, Sullivan, Tardy, Tobin J, Trahan, Twomey, Young.

ABSENT - Andrews, Annis, Beaudette, Berry, Berube, Bowen, Brown R, Browne W, Bunker, Campbell, Carr, Churchill E, Churchill J, Collins, Cressey, Curley, Daigle, Duprey B, Earle, Fischer, Goodwin, Greeley, Heidrich, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Kane, Ketterer, Landry, Ledwin, Lewin, Maietta, McCormick, McGowan, McKenney, McNeil, Mills J, Moore, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Piotti, Richardson E, Richardson M, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Treadwell, Vaughan.

Yes, 62; No, 33; Absent, 56; Excused, 0.

62 having voted in the affirmative and 33 voted in the negative, with 56 being absent, and accordingly **House Amendment "B" (H-910) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative SNOWE-MELLO of Poland **PRESENTED House Amendment "D" (H-914) to Committee Amendment "A" (H-904), which was READ by the Clerk.**

The SPEAKER: The Chair recognizes the Representative from Poland, Representative Snowe-Mello.

Representative **SNOWE-MELLO**: Mr. Speaker, Ladies and Gentlemen of the House. I was very dismayed when I read in the budget that the very thing that we opposed last year is being put back into the budget. Last year the Criminal Justice Committee reported out a bill that was overturned to increase the fines and forfeitures and penalties imposed by this state by the courts by 10 percent. As you know in the last budget, the courts had doubled the fines. I felt as a committee member at that time that that was just too much to do. I felt that extra money would really add an extra burden on the folks back home. I see in this budget that a 5 percent increase has been put on by the courts. There is also an increase on OUIs.

I will tell you that this is just plain wrong to do this. Folks back home can't afford this. Some people don't know you can fight these fines. You can actually go to the court and ask for them to be lowered. Even if they are lowered, many people, they only have 30 days to pay the fines, ladies and gentlemen. Many people don't have the money. Increasing it by 5 percent is not right, especially after we just doubled them last year. I don't believe that increasing the fines on OUI is the way to go either to be able to put money in the general fund. It is just plain wrong. We are trying to keep people out of jail. We just debated this. We just talked about it. We have a problem with folks in prison and in jail because of overcrowding. What do you think happens when folks don't pay their fines? What happens? They wind up in jail. Folks that have a drinking problem, ladies and gentlemen, usually don't have the extra money to go around. They are usually struggling to pay for their problem. This is the wrong thing to do.

I know that you are going every where and any where to get money, but why does it have to be on the backs of our people back home? Why? I ask you to please support this amendment.

Representative BRANNIGAN of Portland moved that **House Amendment "D" (H-914) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative **BRANNIGAN**: Mr. Speaker, Men and Women of the House. These fines were proposed in the original budget. They were proposed to be used to fund the additions in corrections, which were much needed. I believe that we need to keep this type of revenue to offset that type of expense. Thank you Mr. Speaker.

Representative COWGER of Hallowell **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "D" (H-914) to Committee Amendment "A" (H-904).**

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 "D" (H-914) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 464

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Jackson, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McKee, McLaughlin, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Thompson, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Austin, Bowles, Bruno, Bryant-Deschenes, Carr, Clough, Courtney, Davis, Fletcher, Glynn, Honey, Hotham, McCormick, McKenney, Millett, Mills S, Rector, Richardson E, Rogers, Rosen, Snowe-Mello, Tardy, Tobin J, Trahan, Young.

ABSENT - Andrews, Annis, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Bunker, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Duprey B, Earle, Goodwin, Greeley, Heidrich, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Kane, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Mills J, Moore, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Piotti, Richardson M, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Treadwell, Vaughan.

Yes, 75; No, 25; Absent, 51; Excused, 0.

75 having voted in the affirmative and 25 voted in the negative, with 51 being absent, and accordingly **House Amendment "D" (H-914) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative CLARK of Millinocket **PRESENTED House Amendment "I" (H-920) to Committee Amendment "A" (H-904), which was READ by the Clerk.**

The SPEAKER: The Chair recognizes the Representative from Millinocket, Representative Clark.

Representative **CLARK**: Mr. Speaker, Ladies and Gentlemen of the House. This amendment, House Amendment "I", removes \$30,000 allocated to the personal services line in the Office of the Public Advocate and reallocates that amount to be distributed pursuant to the Regional Education Cooperative Agreement among the towns of Millinocket, East Millinocket and Medway. We had a vision study on September of last year where the towns go together and looked at the vision for the whole communities. We have a 50 year vision and \$30,000 is supposed to come from the State Planning Office, which we have not received yet. All this does is reallocate from \$30,000 from the Public Advocate to the regional and cooperative districts. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "I" (H-920) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative **BRANNIGAN**: Mr. Speaker, Ladies and Gentlemen of the House. Certainly we have great sympathy for the needs in Representative Clark's area and the Appropriations Committee has in the past done things as we could to help that area, but there is no funding in the budget for this that we feel is appropriate. Therefore, I moved Indefinite Postponement. Thank you.

Representative MAILHOT of Lewiston **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "I" (H-920) to Committee Amendment "A" (H-904)**.

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 "I" (H-920) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 465

YEA - Ash, Austin, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Canavan, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Glynn, Grose, Hatch, Hutton, Ketterer, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McGlocklin, McKee, McKenney, McLaughlin, Mills S, Moody, Norbert, Norton, O'Brien L, Patrick, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Sampson, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Thompson, Trahan, Usher, Walcott, Woodbury, Wotton, Mr. Speaker.

NAY - Adams, Bowles, Bruno, Bryant-Deschenes, Bunker, Carr, Clark, Clough, Courtney, Davis, Duprey G, Fletcher, Goodwin, Honey, Hotham, Jackson, McCormick, Millett, Paradis, Pellon, Rector, Richardson E, Rogers, Rosen, Saviello, Snowe-Mello, Tardy, Tobin J, Twomey, Wheeler, Young.

ABSENT - Andrews, Annis, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Duprey B, Earle, Greeley, Heidrich, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Kane, Koffman, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Mills J, Moore, Murphy, Muse, Nutting, O'Brien J, O'Neil, Peavey-Haskell, Piotti, Richardson M, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Treadwell, Vaughan, Watson.

Yes, 68; No, 31; Absent, 52; Excused, 0.

68 having voted in the affirmative and 31 voted in the negative, with 52 being absent, and accordingly **House Amendment "I" (H-920) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED**.

Representative TWOMEY of Biddeford **PRESENTED House Amendment "J" (H-921) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Biddeford, Representative Twomey.

Representative **TWOMEY**: Mr. Speaker, Men and Women of the House. I know what the procedure is, but I felt very important about this issue. I am calling this Jason Caron's amendment. We received many, many e-mails in the course of being here and none has moved me as much as this one has. What this amendment does is it puts \$400,000 back in Alpha One. I would like to read the letter.

It is to the Governor. "Governor Baldacci, I am writing to you because I am concerned for my mother and grandmother. I am also very concerned about many other people in my life. My

name is Jason. I am an eighth grade student at Biddeford Middle School. I am 14 years old. The cuts you are suggesting for the budget are going to drastically hurt my family. Why can't you cut the budget for the laptops instead? We were only supposed to have them for one year. I have had mine now for two. The school said we might be bringing them up to the ninth grade with us. If that happens, you and the government will be purchasing more new laptops for all the new seventh graders throughout the state, which is \$1,500 per each laptop. In my school alone there are 300 plus students in seventh grade at Biddeford Middle School. That is \$450,000 for laptops. You do the math. If you want to save money, there is a way. Please don't get me wrong. I like my laptop. When I am done my work I play games and use e-mail and stuff. Half the time I could have done the same work with the school library computers or in the in-class computers or the public library computers. The kids here in Biddeford aren't allowed to bring our laptops home. It is just as easy to do it the other way.

My mom has a personal care attendant through Alpha One's Attendant Services Program and so does my Nana. My mom is a single parent. She is all I have for a parent. She needs help doing some stuff. The PAs help her. They do not even get benefits, vacations or sick time.

The cuts you are proposing will cause my mom to lose anywhere from eight to 17 hours a week in helper time. It will cause all the people on the program to lose that much assistance time. Why would you want to make life more difficult for so many people like my mom and Nana or people like I saw on the news? My Nana needs this medication that is used with Hodgkins Lymphoma to fight her disease and Maine Care refuses to allow her the three more treatments that may save her life.

Because of the current budget cuts, my grandmother may die before she reaches 65. My mom needs an experimental amino-therapy that was covered by Maine Care. It might not be now so that she can maybe walk again. That would be amazing because I have never seen my mom walk. She has been in a wheelchair my whole life.

If you could please find a different place to get the funds to fix the deficit, please do that instead. Respectfully, Jason Caron"

He has written many letters to the Governor and has not had any replies. This letter and this young man has touched my heart. This is just one reason I am doing this. I have other constituents in my district who are in wheelchairs who depend on Alpha One. While I have great, great, great respect for the Appropriations Committee and all the hard work they have done and the restorations that they have put back in this program, it is still not fully funded 100 percent.

For Jason, if you are still up and listening to this, this is for you. I have heard your voice. I care and my light is shining for you tonight Jason. Thank you.

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

Representative **EDER**: Mr. Speaker, Men and Women of the House. I may not be very bright, but I have noticed a pattern in the past several budgets that I have been here and witnessed. It is a pattern of going after the most vulnerable people in our state. The deception that is being played on the most vulnerable people in our state goes like this. Several times now, you know the drill, we are going to completely cut this program. The calls and the e-mails and the letters pour in, letters like the one read by the good Representative from Biddeford. They are very heartfelt and heartbreaking letters. My heart goes out to the members of the Appropriations Committee who had to sit there while all of these people filled the halls of the Civic Center to beg for the programs that gave them a quality of life. Then rather than focusing on

cuts, which is what these are, we are told that the budget has been partially restored, partially refunded. I know that the members of the Appropriations Committee worked hard and if they could have it any other way, they would fully fund those programs.

Mr. Speaker, I would like to say that I find it very disturbing that for several budgets now we have attacked the weakest people in the state while we continue to fortify the Fortune 500. Mr. Speaker, I think that the real political will would be to have the will to stand up against the sustained business lobby rather than to have to suffer and rally only members of the committee that had to suffer the horrible stories from all of the people who will be so badly affected by these cuts. Mr. Speaker, I ask you if you would please think about this continued pattern of turning on the most vulnerable people in the state. What I believe in is a safety net for all of us, because some day, God forbid, we could be in the position of these people who so sorely need these programs. Men and women of the House, I ask for your light tonight. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "J" (H-921) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative BRANNIGAN: Mr. Speaker, Men and Women of the House. We appreciate the hard felt presentation of both the previous speakers. We worked hard to restore a great deal of the cuts to this population. Certainly they were the most moving group that came before us when thousands came before us. We worked very hard with Alpha One to take care of serious issues that they were having in the movement back again from Labor to the Department of Human Services. We will watch that very carefully. We appreciate the concern of everyone. Thank you.

Representative TWOMEY of Biddeford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "J" (H-921) to Committee Amendment "A" (H-904).**

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 Indefinitely Postpone House Amendment "J" (H-921) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 466

YEA - Austin, Barstow, Blanchette, Bliss, Bowles, Brannigan, Breault, Bull, Clark, Courtney, Cowger, Cummings, Dudley, Dunlap, Duplessie, Faircloth, Finch, Fischer, Gagne-Friel, Hutton, Lemoine, Lerman, Lessard, Mailhot, Makas, Marley, Marraché, McKee, McKenney, McLaughlin, Mills S, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Sampson, Simpson, Smith N, Smith W, Suslovic, Tardy, Thomas, Thompson, Usher, Watson, Wheeler, Woodbury, Mr. Speaker.

NAY - Adams, Beaudette, Bennett, Bruno, Canavan, Clough, Craven, Davis, Dugay, Duprey G, Eder, Fletcher, Glynn, Goodwin, Grose, Hatch, Honey, Hotham, Jackson, Ketterer, Lundeen, McCormick, McGlocklin, Millett, Pellon, Rector, Richardson E, Rines, Rosen, Saviello, Snowe-Mello, Sullivan, Trahan, Twomey, Walcott, Wotton, Young.

ABSENT - Andrews, Annis, Ash, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Bryant-Deschenes, Bunker, Campbell, Carr, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Duprey B, Earle, Gerzofsky, Greeley, Heidrich, Jacobsen, Jennings, Jodrey, Joy, Kaelin,

Kane, Koffman, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Mills J, Moore, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Piotti, Richardson M, Rogers, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Tobin J, Treadwell, Vaughan.

Yes, 57; No, 37; Absent, 57; Excused, 0.

57 having voted in the affirmative and 37 voted in the negative, with 57 being absent, and accordingly **House Amendment "J" (H-921) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative MILLETT of Waterford **PRESENTED House Amendment "F" (H-917) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative MILLETT: Mr. Speaker, Ladies and Gentlemen of the House. This is a very straightforward amendment. It reflects an attempt to respond in I believe a rather gentle fashion the concern that many of you expressed to me from both sides of the aisle following the printing of LD 1919. As you know as referenced by comments by the Representative from Bucksport, Rep Rosen, earlier at the same time we were attempting to redesign Maine Care Services and try to live within our budgeted resources, this bill did propose originally 96 positions in addition to what we had as a head count coming in. The bill before you still assumes a growth of 56 positions even after we had netted out 31 positions that were eliminated in response to a \$5.8 million cut pursuant to the pending unification of BDS and DHS. What this simply does is ask the Commissioner of the Department of Administrative and Financial Services to report monthly to the Appropriations Committee on a status update as to where we are with filled positions and to evolve a plan over the months between now and the next session so that we could get back to the level of staffing that we were at prior to this amendment and to actually effectuate that reduction by the year 2005-2006.

I thought about trying to quantify this in terms of dollar savings and specific deadlines to be met. I didn't feel I could do that and the staff was right out straight. This approach is simply one of asking for a plan to begin to downsize the staffing, to live within our resources and to move forward without continuing to increase the size of government as we try to struggle with very little growth in our resources. I hope you can support it.

Representative BRANNIGAN of Portland moved that **House Amendment "F" (H-917) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative BRANNIGAN: Mr. Speaker, Men and Women of the House. It certainly is the hope of the majority to have reductions and efficiencies in the workforce. It is not our intention to do away with all of the new personnel, the new positions that have been hired. Many of them bring in revenue. Many of them serve people in need. We certainly will work with the Representative from Waterford, Representative Millett, as we meet on a fairly monthly basis. We will join him in quizzing the administration as to the workforce, but it is not our intention to defund. Thank you Mr. Speaker.

Representative MILLETT of Waterford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "F" (H-917) to Committee Amendment "A" (H-904).**

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 "F" (H-917) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 467

YEA - Adams, Ash, Barstow, Beaudette, Blanchette, Bliss, Brannigan, Breault, Bull, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lunde, Mailhot, Makas, Marley, Marraché, McGlocklin, McKee, McLaughlin, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson J, Sampson, Saviello, Simpson, Smith N, Sullivan, Thomas, Twomey, Usher, Walcott, Watson, Wheeler, Wotton, Mr. Speaker.

NAY - Austin, Bowles, Bruno, Carr, Clough, Courtney, Davis, Fletcher, Glynn, Goodwin, Honey, McCormick, McKenney, Millett, Mills J, Mills S, Rector, Richardson E, Rosen, Smith W, Snowe-Mello, Tardy, Trahan, Young.

ABSENT - Andrews, Annis, Bennett, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Bryant-Deschenes, Bunker, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Duprey B, Earle, Greeley, Heidrich, Hotham, Jackson, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Kane, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Moore, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Piotti, Richardson M, Rines, Rogers, Sherman, Shields, Stone, Sukeforth, Suslovic, Sykes, Thompson, Tobin D, Tobin J, Treadwell, Vaughan, Woodbury.

Yes, 68; No, 24; Absent, 59; Excused, 0.

68 having voted in the affirmative and 24 voted in the negative, with 59 being absent, and accordingly **House Amendment "F" (H-917) to Committee Amendment "A" (H-904)** was **INDEFINITELY POSTPONED**.

Representative GLYNN of South Portland **PRESENTED House Amendment "G" (H-918) to Committee Amendment "A" (H-904)**, which was **READ** by the Clerk.

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

Representative GLYNN: Mr. Speaker, Ladies and Gentlemen of the House. I have before the body a very simple amendment dealing with a very large issue that is going to affect all of our communities to a very large extent. That is the proposed cut by the Appropriations Committee of \$4.3 million for mental health services in the State of Maine. I urge people to open up your majority budget and turn to Part FF and take a look at what exactly is being done to mental health services in Maine. I will first begin by saying that I have been involved with medical billing now for probably the last 15 years and I work for a community mental health center. I get an opportunity to speak to a lot of folks in the profession from agencies statewide who service a lot of your clients.

The proposal in the budget is simply to raid money directed at mental health services and leave a large hole in that population. What is done is it takes approximately \$1.5 million out of the budget, which is used for matching federal funds. It levies \$2.8 million in federal matching funds for a total of \$4.3 million. That money is used to provide direct care services for Maine Care clients and for other clients receiving these services.

To make up for it, the Majority Report proposes to establish a committee and the purpose of the committee is to convene this work group to go out and teach behavioral health services agencies how to bill insurance companies. I want to repeat some

of the language that is in this amendment proposed by the Majority Report that I hope to strike.

The initiative provides for the deappropriation of funds associated with mental health parity provisions. The purpose of this is to defund mental health parity. What they hope to do with the Majority Report is by teaching non-profits and community mental health to bill insurances that somehow or other they are going to go out and build this cash cow, the insurance companies, get all the money that they have been deprived and that somehow is going to make these agencies whole. I have to tell you that is false. It is a false premise and I have been speaking with several non-profit agencies and it is false. It is going to leave quite a hole out there in our communities.

What is going to happen is, for instance, a service that is presently billed by one of these agencies may be an emergency service or some other service that may cost \$100 an hour to provide that service to a client that has been recognized. What is going to happen is instead of funding through the traditional ways that have been provided for in the past up until presently, they are going to bill the insurance company. Well, we have a mental health parity law on the books and there is a basic misunderstanding by those that serve on Appropriations of what mental health parity really is, as evidenced by this report. That misunderstanding is that parity means they pay the same dollar amount as Maine Care. That is false. Insurance companies do not pay the same amount of money as Maine Care. In fact, if it is usually customary to be half that rate. What happens is the service that is presently reimbursed to one of these agencies at \$100 an hour, they are going to find that they are paid \$40 an hour or \$50 an hour. Those cuts in reimbursement are going to materialize in cuts in service delivery.

What are some of the ramifications of this if, in fact, they are able to implement full billing system and several of the agencies currently are billing insurance companies. Several are, but several aren't. What is going to happen is they will have to make an individual decision as businesses and organizations to either one, turn clients away or number two, what they are going to do is they are going to refuse clients who have just insurance. We see that presently that there is an unserved population that presently is not served through their insurance and that gap between what insurance reimburses, they apply it to grants through the state. They also look to county government asking for subsidy and municipal governments.

Those sources have also dried up. More and likely the scenario that is going to transpire is that a lot of people are going to lose their services. A lot of people are going to be turned away. I don't think that is something anyone here would like to see. I find it more than ironic that having served here, this is my third term, I have heard the argument again and again by members of the Health and Human Services Committee, as well as the Appropriations Committee, stand up and make the statement, you know what, we have to provide these monies so that we get the federal match. This is so important and to leave that federal money on the table, what a stupid thing to do. A million five levies another \$2.8 million, \$4.3 million, gee, we should take that money and look at all the people in need we can serve. Instead what we are doing is to plug the budget deficit. We are taking these services away. We are turning away the \$2.8 million federal match and passing onto the mental health providers and those businesses in those communities no reimbursement mechanism for their clients and thus their clients are going to have major service reductions and be turned away.

I hope we really think long and hard before we do this type of a cut as to what it is going to do and what the social ramifications of not serving these clients are going to mean. I hope that we

consider strongly a type of budget philosophy that balances its budgets on absolutely every other organization in the State of Maine. We see it with the hospitals. We have balanced our budget here at the state on them. We have balanced it on the schools. We have balanced it on the municipalities, which is driving up the property taxes. Now we are balancing it on the social service agencies that we have in the past made such painstaking efforts to protect. I urge you to vote for this amendment.

Representative DUDLEY of Portland moved that **House Amendment "G" (H-918) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative DUDLEY: Mr. Speaker, Men and Women of the House. The language that House Amendment "G" seeks to strike out of the budget allows us to achieve general fund savings that we enacted when we accepted the biennial budget last year, relative to the mental health parity provision. The language that is in this budget was recommended by the Insurance and Financial Services Committee and was accepted, if I am not mistaken, unanimously by the Appropriations and Financial Affairs Committee before we closed the budget last week. It sets up a stakeholders group, a working group to work through the very types of issues that Representative Glynn mentioned were his concerns. I would say that this isn't a new cut. This isn't a new cut. These are savings that we already booked. We booked it in last year's budget. It was a million and a half dollars. What this language seeks to do in a very intelligent way by engaging all stakeholders is to find the appropriate ways to achieve the savings that we acted upon, rather that we enacted, last year in last year's budget.

I would add that these same providers were also very strong supporters of the mental health parity legislation. This is a very appropriate approach to achieving those savings that we booked last year. I would add that House Amendment "G" leaves the budget out of balance. We need to cut somewhere else if we accept what the Representative from South Portland proposes. I urge you to support the motion to Indefinitely Postpone.

Representative GLYNN of South Portland **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "G" (H-918) to Committee Amendment "A" (H-904).**

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 "G" (H-918) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 468

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duprey G, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hutton, Jackson, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McCormick, McGlocklin, McKee, McLaughlin, Mills J, Moody, Norton, O'Brien L, O'Neil, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson E, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Thompson, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Austin, Beaudette, Bowles, Bryant-Deschenes, Carr, Clough, Courtney, Davis, Fletcher, Glynn, Hatch, Honey, McKenney, Millett, Mills S, Rector, Rosen, Snowe-Mello, Tardy, Trahan, Young.

ABSENT - Andrews, Annis, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Bruno, Bunker, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Dugay, Duplessie, Duprey B, Earle, Eder, Goodwin, Greeley, Heidrich, Hotham, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Kane, Ketterer, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Moore, Murphy, Muse, Norbert, Nutting, O'Brien J, Paradis, Peavey-Haskell, Piotti, Richardson M, Rogers, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Tobin J, Treadwell, Vaughan.

Yes, 70; No, 21; Absent, 60; Excused, 0.

70 having voted in the affirmative and 21 voted in the negative, with 60 being absent, and accordingly **House Amendment "G" (H-918) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative BRANNIGAN of Portland **PRESENTED House Amendment "V" (H-937) to Committee Amendment "A" (H-904),** which was **READ** by the Clerk. The SPEAKER: The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative BRANNIGAN: Mr. Speaker, Men and Women of the House. This is an appropriation of \$32,000 for the school in Limestone that many, many people in this body as well as others have been interested in restoring this piece of money. The reason I am doing it, not only at the request of Representative Smith of Van Buren and Representative Young of Limestone and Representative Fischer of Presque Isle and all the members with Representative Cummings from the Education Committee. Not only have these people been insistent, persistent in hoping that this would happen, but I believe it would have happened in the Appropriations Committee. It was in front of us. Two things were missing. We weren't as aware as we could have been that the entire unanimous vote of Education Committee had been made and that an appropriation, money, to do this was approved by the Chief Executive from a source and by the Education Committee. I hope you will vote with me to appropriate a small amount to this very special school. Thank you.

The SPEAKER: The Chair recognizes the Representative from Limestone, Representative Young.

Representative YOUNG: Mr. Speaker, Men and Women of the House. The amendment phases back into the budget of the Maine School of Science and Mathematics \$32,000 that was taken out of their '04-'05 budget. It is \$32,000 that we are dealing with here tonight. It is a very small amount. We are used to millions and billions. To that small school, that could be millions. The arrangement the school has on those buildings that they use is if something breaks down, you have to fix it financially. The buildings were built there around the time that the Loring Air Force Base was there, which would make them over 40 years old. We all know if you have a home or whatever business, after 40 years, eventually things start to go. Recently it was the boiler in the resident's hall this winter. That was \$18,000. I don't believe that she had budgeted for things like that. Prior to that the sewer going into the hall had let go. That was there responsibility to come up with those funds. I believe it was 116th that voted this charter school in. I always have a problem. This is not the first time I had to speak for this \$32,000. I really have a problem. We created something that is a tremendous success. I don't have to tell you this. You know this. You read it in the paper. These young people that are going there are fantastic. Their hair may be every color of the rainbow. Their clothes are a disaster, but what is in that mind is tremendous. They are just like a sponge after knowledge. I cannot encourage you enough to always in the future try to stay with the funding.

I was disappointed to say that this shows in the amendment that it is a one-time funding. That will be somebody else's problem. Just a few statistics. The graduating class is 57. Fifty-six are going on to college. One young lady is going into the Air Force. It would be nice for me to tell you 100 percent are attending colleges in Maine, but they are not. About 50 percent are and I understand this is average. The enrollment for '04 and '05 right at this time stands at 140. The hour is late and the day is long. I won't prolong this. I do wish to thank Representative Brannigan and all of my fellow legislators that worked to get this presented. On behalf of these students and their teachers, the director, I thank you.

The SPEAKER: The Chair recognizes the Representative from Falmouth, Representative Davis.

Representative DAVIS: Mr. Speaker, Men and Women of the House. I am going to vote for this as a monument to the courage of Representative Young. She has advocated this for a long, long time. She is not going to be back next year. Please, please, let's vote for this. Thank you.

House Amendment "V" (H-937) to Committee Amendment "A" (H-904) was ADOPTED.

Representative SNOWE-MELLO of Poland PRESENTED **House Amendment "U" (H-936) to Committee Amendment "A" (H-904)**, which was READ by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Poland, Representative Snowe-Mello.

Representative SNOWE-MELLO: Mr. Speaker, Ladies and Gentlemen of the House. This amendment removes the 5 percent service provider tax imposed on private non-medical institution services and the increase in the tax on hospital operating revenues imposed pursuant to Committee Amendment "A." This also repeals the tax imposed against each hospital residential treatment, faculty and nursing homes located in this state. Thank you. When the vote is taken, I ask for a roll call.

The same Representative REQUESTED a roll call on the motion to **ADOPT House Amendment "U" (H-936) to Committee Amendment "A" (H-904)**.

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

Representative PINGREE of North Haven moved that **House Amendment "U" (H-936) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from North Haven, Representative Pingree.

Representative PINGREE: Mr. Speaker, Men and Women of the House. Just briefly, this amendment speaks to the tax and match proposal against PNMI's and hospitals. I think one of the positive points of this budget, especially after the last supplemental budget was that the hospitals came to the table and said that we understand why a tax and match is important. Doing the hospital tax and match will help prevent against much deeper cuts in this budget and in the future. They came to the table and we negotiated fairly. We moved in critical access, hospitals and a few other important elements the Hospital Association was concerned with. The same is true with the Private Non-medical Institutions. They are not all completely happy with this, but they are willing to do it in these circumstances. They came to the table and we negotiated this agreement. I think these two pieces are essential to balancing this budget. These pieces are essential to not making deeper cuts to people and Medicaid and programs. I just would like to say that the hospitals really were very positive about this process. Again, I am sure it is not easy for them, but they understand that

this is important and they came to the table and they agreed to this. Thank you Mr. Speaker.

The same Representative REQUESTED a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "U" (H-936) to Committee Amendment "A" (H-904)**.

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 "U" (H-936) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 469

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Bull, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dugay, Dunlap, Duplessie, Duprey G, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Jackson, Jennings, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, Marraché, McCormick, McGlocklin, McKee, McKenney, McLaughlin, Mills J, Moody, Norton, O'Brien L, O'Neil, Paradis, Patrick, Pellon, Percy, Perry A, Perry J, Pineau, Pingree, Richardson E, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Sullivan, Suslovic, Thomas, Thompson, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Austin, Bowles, Breault, Bruno, Bryant-Deschenes, Carr, Clough, Courtney, Davis, Fletcher, Glynn, Honey, Millett, Mills S, Rector, Rosen, Snowe-Mello, Tardy, Trahan.

ABSENT - Andrews, Annis, Berry, Berube, Bierman, Bowen, Brown R, Browne W, Bunker, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Duprey B, Earle, Goodwin, Greeley, Heidrich, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Kane, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Moore, Murphy, Muse, Norbert, Nutting, O'Brien J, Peavey-Haskell, Piotti, Richardson M, Rogers, Sherman, Shields, Stone, Sukeforth, Sykes, Tobin D, Tobin J, Treadwell, Vaughan, Young.

Yes, 78; No, 19; Absent, 54; Excused, 0.

78 having voted in the affirmative and 19 voted in the negative, with 54 being absent, and accordingly **House Amendment "U" (H-936) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Representative MILLETT of Waterford PRESENTED **House Amendment "W" (H-938) to Committee Amendment "A" (H-904)**, which was READ by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Waterford, Representative Millett.

Representative MILLETT: Mr. Speaker, Ladies and Gentlemen of the House. I present this amendment, frankly, against my better judgment for in this environment where no good idea goes unpunished, I feel that there is an opportunity here to extract a bit a good government out of this debate. I hope that you would give this one serious consideration. I handed out a sheet earlier this evening that has general fund revenue and expenditure history over a 20-year period. I won't take the time tonight, but I would love to talk with any of you individually about it. It shows in tabular form and graphic form the difficulty of state government weathering the storms of economic ups and downs. Having served during that economic downturn in the early '90s, I know full well the difficulty of a shipless state being kept afloat in times of declining revenues. I found it difficult then and I tried to do what I thought was right. I found it even more troubling when people, after the fact, looked in the rear view mirror and found fault with everything done in the effort to try to keep the state in the black in the face of a really serious economic downturn.

I have never felt comfortable with those who felt good about scapegoating and blaming others for difficulties when they had no

better ideas to put forth. I ran again this time with the idea and the knowledge that we were facing a similar problem. I knew from what had gone on in the late '90s and early 2000, 2001 that this ship of state was headed for rough water. Monies were being spent in the hundreds of millions of dollars in excess of the revenues coming in at that particular time frame. It was inevitable and it occurred abruptly in the spring of 2002. You will see the places on the graph that I have handed out where revenues fell dramatically short of income, expenditures committed. I would like to try to do something here in this session as the curtain comes close to drawing to a close that would leave us in better shape for the next Legislature and for the biennium that begins less than 15 months from now.

I would like to do some things that give us some pride as we leave here this month in knowing that we recognize the serious problem, we grappled with it and we tried to do the right thing. We tried to exercise fiscal discipline. We tried to earn our goal of being called fiscally responsible and we tried to look through the long-term lens and take steps, even small steps toward preparing for that structural gap that we know is looming.

In this budget I propose to do two things that I think are reversing wrong trends that we have gotten in the habit of this calendar year. That is to tack on cascades at the close of fiscal years still pending and attempt to promise commitments of spending to appease those who feel that they have been aggrieved when their spending growth has been reduced or they may have actually suffered a reduction in appropriation. It is called a cascade because it is really waiting until the books are closed and into late July of the year and hoping there will be enough money left after we do what we tried to do a year ago by setting up a budget stabilization fund and then commit it. In other words, spending that money rather than holding onto it to prepare for the future. We did that in Chapter 513 in January. I thought it was a bad precedent then. We did it again in Part HHH and in BBBB here in this budget. We are now even booking spending and promising in a rather, I think, hypocritical fashion that monies might be available in the summer of 2005. One of the purposes that we have tried to promise it for is the Baxter Compensation Fund victims. This, to me, is the wrong way to plan to run a ship of state. It is akin to the single wager in a family living hand to mouth and having taken each weekly paycheck, paid the bills that they had to pay and have a little bit of food on the table, seeing \$25 or \$30 left in their pockets as they neared the end of one month and just spending it for the sake of getting rid of it, knowing next month represented a challenge that they could not possibly meet. That is exactly what we are doing.

I started by saying, let's get out of that habit and to actually make a commitment to those of you who felt an obligation to those promises that were made even without the knowledge you could fulfill them. I sat back and I said, what can we do to invest in the future, both for our youth and for those who are looking for people, skilled people, to employ? I tried to put together a higher education and public education package. I have done so on pages two and three of the bill in which I put forth a quarter of a million dollars in scholarship assistance for those who are deserving and through FAME could qualify for loans to go onto higher education. Recognizing that the university took a rather significant cut in this appropriation in this biennium, I put \$500,000 back in an effort to say, you have been through tough times. You are developing a strategic plan. It is important to actually plan for the future. Enrollment interest is up. Let's give them the capacity to continue to do the good job they are doing.

Similarly, I took \$250,000 and assigned it to the Maine Technical, now Community College System in recognition that they, too, have an extremely popular set of programs that are

producing workers who find jobs here in Maine and contribute to our economic recovery.

Lastly, I attempted to respond to what we have all been talking about. I don't want to go home this session without doing something for property tax relief. I recommended and I know how vulnerable I am, I know how risky this is, putting \$7 plus million into a property tax relief reserve account with the hope and expectation that we wouldn't squander it. You would see it as a good gesture to try to do something right and to pay for it, not to wait and hope we will have the money down the road, but to pay for it. That is hanging out there in the last part of the bill.

How did I come up with this and why didn't I put it forward in the committee? Well it is an idea I have been thinking about for months, even years now. I listen to economists. I am sure you all do. I have my mortgages that I worry about. I have learned and heard and talked and thought about the notion of rather than going to monthly payments on your mortgage if you could just get in the habit of doing twice monthly payments, you would find your interest obligation declining so much more rapidly. You would get out from under your long-term burdens in a much shorter time frame.

I came up with the idea that looking ahead of mid to late June, we will be going to the rating agencies and to the bond houses for rating of a \$130 million bond sale, which we, under normal circumstances, would sell the bonds, most of them non-taxable and some taxable and we would commit to two interest payments, one six months down the road and another one at the end of the following year and then we would push our principle payment off until the very end of that year upcoming. Consequently we made no principle payback for a full year. The concept embodied here is to start doing this early, to make our payments twice a year starting in January and actually keeping our interest obligations current biannually, one in January and one in July and shortening the bonding period. I was able to do both of these things, pay up front aggressively, shorten the borrowing period from 10 to nine years and save \$8.1 million in this year's fiscal year '05 planned budget.

Not only that, this is an idea that I think is worthy of trying in the future, even if you shoot me down tonight. I can prove that we can save up to \$4.4 million in interest over this time period because of that early start on paying down the principle. In other words, we let that interest kick in early and we see it decline much more rapidly.

As a third benefit, the highway fund benefits to tune of over \$900,000 because they have \$13 million in the package to go out in June.

I put this forward with the knowledge that I am probably cutting off my nose to spite my face. I know it will be indefinitely postponed. I am sure that somebody is going to say this is a great idea, but let's ignore him and let's ignore that party and let's say, let's make a partisan move on that money and shove it over here and we will spend it for something and we will forget about the long-term. We will do the short-term feel good stuff that we tend to be doing routinely here this year, particularly.

I am not trying to be critical. I felt we did some good things last year. I felt January was a disaster, purely and simply. I was somewhat encouraged when our Chief Executive recognized in the face of what was done in January and the structural gap information that came out in March that we needed to step back and redesign some of our programs that had the high escalation curve. We had to look at that gap because we know it is going to be horrendous in '06 and '07 and plan for it and begin to do some things that do that. I am trying to do my part here. This is an attempt at good government. It will start making some good fiscal long-range planning decisions that will help save money. I

am not recommending that we spend it just to get rid of it. I am trying to say that these ideas taken together represent a good government approach.

I know I am preaching to an audience that probably has their minds made up. Whether it is my amendment or my idea or yours, think about it please. Don't reject it out of hand as some bad idea because it has come from somebody with a long-term fiscal vision. Thank you.

Representative BRANNIGAN of Portland moved that **House Amendment "W" (H-938) to Committee Amendment "A" (H-904) be INDEFINITELY POSTPONED.**

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

Representative BRANNIGAN: Mr. Speaker, Men and Women of the House. Certainly we have to have great respect for Representative Millett from Waterford and the sincerity with which he is presenting this amendment. I have a feeling there are some here that will want to look at these ideas. We certainly would like to give the money to these thoughtful places of growth in the loans and for scholarships for the university. We would have liked to have done that then and to community colleges where it is so important. I wouldn't want to say that he tried to curry favor with the Senate Chair, but he does include the university. I think that some of this would need to be seen by the Transportation Committee dealing with highway and we do feel that the property tax is something I believe is being done separately from the budget. Representative Millett, I do this with no desire or no pleasure. Thank you.

The Chair ordered a division on the motion to **INDEFINITELY POSTPONE House Amendment "W" (H-938) to Committee Amendment "A" (H-904).**

Representative MILLETT of Waterford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "W" (H-938) to Committee Amendment "A" (H-904).**

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 Bath, Representative Watson.

Representative WATSON: Mr. Speaker, May I pose a question through the Chair?

The SPEAKER: The Representative may pose his question.

Representative WATSON: Mr. Speaker, Men and Women of the House. Can anyone from Appropriations or Taxation tell me off the top of their head why this idea would not work or why shouldn't this receive further consideration?

The SPEAKER: The Representative from Bath, Representative Watson has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Portland, Representative Brannigan.

Representative BRANNIGAN: Mr. Speaker, Men and Women of the House. I am not saying that this idea if you are talking about the way bonds are paid, I am not sure that it won't work. If Representative Millett says it will work, it will. This is a major piece. You have looked at the amendment itself that does lots of pieces with thoughtfulness, but it is just not part of this budget. I hope, as I said before, that people will think about this and use it wisely and not skim it off as the Representative was fearful might happen.

The SPEAKER: The Chair recognizes the Representative from Cornville, Representative Mills.

Representative MILLS: Mr. Speaker, Men and Women of the House. I think the message that is being delivered by the good Representative from Waterboro is very simple. He is trying to instill in the majority some sense of regret that the minority was

not invited to this dance. Even in the search for revenue we Republicans have ideas of our own that are worthy of consideration. I must reflect again as I did the last time we passed a budget out of this chamber that it is a shame that we couldn't close the Appropriations Committee door and shut off the mike and put a budget out of the room. I think the 13 of us could have done it and could have done a better budget, frankly, than the one we have before us.

Incidentally, just for the historical record here, the full and complete name of the cascade is the Cascade of Broken Dreams. Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "W" (H-938) to Committee Amendment "A" (H-904). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 470

YEA - Adams, Ash, Barstow, Bennett, Blanchette, Bliss, Brannigan, Bull, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Grose, Hatch, Hutton, Jackson, Jennings, Ketterer, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, McGlocklin, McKee, McLaughlin, Norton, O'Brien L, O'Neil, Paradis, Pellon, Perry A, Perry J, Pineau, Pingree, Richardson J, Rines, Saviello, Simpson, Suslovic, Thompson, Twomey, Usher, Walcott, Wheeler, Wotton, Mr. Speaker.

NAY - Austin, Beaudette, Bierman, Bowles, Breault, Bruno, Bryant-Deschenes, Bunker, Carr, Clough, Courtney, Davis, Eder, Fletcher, Glynn, Honey, Marley, Marraché, McCormick, McKenney, Millett, Mills J, Mills S, Moody, Percy, Rector, Richardson E, Rosen, Sampson, Smith W, Snowe-Mello, Sullivan, Tardy, Thomas, Trahan, Watson, Woodbury.

ABSENT - Andrews, Annis, Berry, Berube, Bowen, Brown R, Browne W, Campbell, Churchill E, Churchill J, Collins, Cressey, Crosthwaite, Curley, Daigle, Dugay, Duprey B, Earle, Goodwin, Greeley, Heidrich, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Kane, Landry, Ledwin, Lewin, Maietta, McGowan, McNeil, Moore, Murphy, Muse, Norbert, Nutting, O'Brien J, Patrick, Peavey-Haskell, Piotti, Richardson M, Rogers, Sherman, Shields, Smith N, Stone, Sukeforth, Sykes, Tobin D, Tobin J, Treadwell, Vaughan, Young.

Yes, 59; No, 37; Absent, 55; Excused, 0.

59 having voted in the affirmative and 37 voted in the negative, with 55 being absent, and accordingly **House Amendment "W" (H-938) to Committee Amendment "A" (H-904) was INDEFINITELY POSTPONED.**

Subsequently, **Committee Amendment "A" (H-904) as Amended by House Amendments "Q" (H-932), "T" (H-935) and "V" (H-937) thereto was ADOPTED.**

Representative BRUNO of Raymond **OBJECTED** to suspending the rules in order to give the Bill its **SECOND READING WITHOUT REFERENCE** to the Committee on Bills in the **Second Reading.**

The Bill was assigned for **SECOND READING** later in today's session.

The following item was taken up out of order by unanimous consent:

BILLS IN THE SECOND READING House as Amended

Bill "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper