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Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2007

(H.P. 186) (L.D. 215)

(C. "A" H-3)

Was reported by the Committee on **Engrossed Bills** as truly and strictly engrossed.

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

Representative **FISCHER**: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. It brings me great pride to bring you a unanimous recommendation from our Committee on the FY07 Supplemental Budget. This budget is not about government programs. It is not about dollars and cents. But rather it is about the people and the purposes that our government is organized to serve.

This budget strengthens our State's safety net for the most vulnerable members of our society: poor children, the elderly, and the disabled. And for the community-based organizations that serve them. Funds provided in this budget will ensure adequate funding for essentials services for both consumers and providers in the MaineCare system, for the remainder of this fiscal year.

This budget begins to fulfill our commitment to pay our debts to Maine's hospitals. It appropriates \$20 million for past settlements. It also increases prospective interim payments to hospitals, effective July 1, 2007, to reflect actual utilization rates. And it provides up to \$82 million to do so.

This budget provides Disaster Relief of \$1.8 million for those affected by floods in Canton and in York County. It provides \$1 million for Environmental Protection to clean up the polluted and dangerous Callahan Mine Site. It enhances public safety, by providing emergency appropriations of \$1.8 million for fuel, utility, and transportation costs at Maine's correctional facilities.

Finally, the budget enables increase research and development activity here in our state, by appropriating \$3 million to help build a high-speed optical network from Jackson Labs, to Orono, to Portland, and ultimately to Cambridge, Massachusetts. The project is a public-private partnership between the State of Maine, the University of Maine System, and Jackson Labs.

I must say that this finished product would not have been possible, but for the very hard work of the 13 members of our Committee. I would especially like to thank the Representative from Waterford, Representative Millett, for his extraordinarily leadership throughout this process. I would also like to thank both floor leaders and the Speaker of this House, for granting our Committee the autonomy and the independence necessary to negotiate this unanimous report that we see today. Thank you Mr. Speaker.

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

Representative **MILLETT**: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. My words will compliment and not contradict at all, the comments of the good House Chair from Presque Isle. This is an interesting bill. It is one that we deal with usually each year, but uniquely at the end of a biennium, it is all about balancing a budget with just three or four months to go in the fiscal year.

It is a bit larger than normal, in the sense that we are cleaning up a lot of issues as Representative Fischer has mentioned, that date back to the beginnings of this biennium, particularly in the area of paying our MaineCare payments to providers, both hospital and medical, in a variety of categories. Some of these are debts that go back in years, settling hospital audits and making payments that have been delayed under the MaineCare Claims Management System, which we all know about. Its dimensions are a bit larger than usual and I won't deal with the contents in any more detail than Representative Fischer has.

I would point to a document on your desks from Tuesday that you may want to look at in your leisure. It really describes on page 2, a summary of the spending that is really \$127 million between now and June 30th. On page 3 it identifies where most of that spending is going. In fact, if you look on page 3 and you look at the first five items, you'll find that out of the \$127 million, \$116 is all related to Health and Human Services. So we are doing a lot of things to honor our past promises, make our commitments real, and make those payments in a timely fashion. I truly hope that we can get the system in order and be ready to go into the biennium without any carry forward of obligations.

With that in mind, this became the initial sticking point within the Committee because we are attempting to honor the Chief Executive's commitment to the hospitals and also to pay the weekly payments to the variety of providers, 7,000 in total, and not have them wait longer than they need for their payment for services. It doesn't appear that the budget for that large account, so-called Medical Assistance Payments to Provider's Account, will stay in balance for the rest of this fiscal year. We don't know. We hope it will, but we don't know that it will. So we built in a safeguard, in Part L of the bill, that says that we will be tracking this on a weekly basis and if it happens to fall short, we will not let payments slide to the providers. We will look to the Administration for a second Supplemental Budget. I think that is a compromise that reassured the members of my side of the aisle and made us feel comfortable, that we're not going to walk away from previous promises.

A word or two about the process, and I would echo the words again of Representative Fischer. We have six new members on the Appropriations Committee from the body, three from each side of the aisle. I wanted to say that on my side of the aisle, I am particularly pleased and impressed with the work of Representatives Flood, Robinson, and Giles, for their quick study efforts to get up to speed on this budget. To be tireless workers in questioning and understanding what has been before us. And I think this bodes well for the future.

Looking to the future, let me just say that the challenges that lie ahead of us are real and serious. We know that this is a first step. It's a good first step and I am pleased with the outcome. But the real challenge will be for all of us, not just the members of Appropriations, but the Policy Committee members, and this entire body along with its counterpart on the other end of the hall, to accept the challenge of living within our means. Setting real priorities, looking to the long-term, and making investments where we can afford them, but realizing that we all have to step up to the plate and make some very difficult decisions over the months ahead.

I could talk at length about the new format, which we're just beginning, but I would just say to all of you, new members and older members alike, it's a simpler document and please do your homework because we will need your help in balancing this upcoming biennial budget. You need to look at the format, understand the description of each budget item, each account, the initiatives that will change on the baseline budget, and the justification statements. Because we desperately want your help and I think that we're off to a pretty good start.

I want to say one last thing to the members of the Transportation Committee. I am bothered by the fact that we're spending a fair amount of money on the General Fund, at the same time that the Highway Budget is being cut because highway revenues are falling short of estimates. The Transportation Committee came to Appropriations at the eleventh hour with a request for help and we were unable to deliver on that. I feel badly about it, but there was nothing much that we could do. I did talk with Representative Fischer and I think that we have a general understanding that if the revenue estimates that are going to come to us, updating our forecast for both General Fund and Highway Fund later this month, allow us any room at all. We need to look at the relationship between the General Fund and the Highway Fund, not as enemy funds, but as funds in need and try to be reasonable and responsible in balancing priorities. My hope is that we can address some of the Highway Fund problems in the course of the weeks and months ahead.

Once again, I want to thank Representative Fischer, the entire membership of the Committee. We have worked well and I think that we are off to a good start. I hope with your support we can continue in that way. Thank you.

The SPEAKER: The Chair recognizes the Representative from Newport, Representative Tardy.

Representative **TARDY**: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. I first would like to thank the members of the Appropriations Committee, in particular the Representative from Presque Isle and the Representative from Waterford, for their hard work and leadership. Mr. Speaker, I would like to thank you and members of Democratic leadership, for honoring your commitment to work in a bi-partisan manner. I want to thank you for conducting yourselves consistent with your public statements, that a two-thirds bi-partisan budget is a better budget for Maine.

It has been a long held tradition, unfortunately lost in recent years, to past budgets without a two-thirds majority. But by working towards a supermajority budget, we assure that negotiations are inclusive and that priorities we set are true priorities for all of Maine. I am hopeful that this spirit of bipartisanship will continue as we craft the upcoming biennial budget. I would like to challenge every member of this body to continue working in this manner and spirit, on the serious issues and challenges that are ahead of us. Not just on budget and bond issues, but on all issues, as we fulfill our duties as state legislators.

This supplemental budget is symbolic of a better approach to better policy for the State of Maine. It shows the State of Maine that we are doing our jobs, Mr. Speaker. Now I want to renew and continue our pledge on this side of the aisle that we are ready to go to work using this same approach. I thank you.

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

Representative PINGREE: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. I first just wanted to comment on the good Chair of Appropriations, the good Representative from Presque Isle's comment about the autonomy that the Appropriations Committee had working on this budget. Just for any of you who weren't carefully listening to this, he was basically saying, thank you leadership for leaving us alone and letting us go to work. I do have to again just echo the words of a number of my colleagues, that we have a great Appropriations Committee. This is a very tough Committee and their hard work is really now just beginning. Long, long hours, very difficult decisions, and they have to come back and be accountable to all of us when they put a budget document forward. The budget is more important than anything else that we do in this body. We put a lot of faith in the members of the Appropriations Committee to get it right.

So just following up on what the good Minority Leader said, I think that we are looking forward to working on what is going to be a much more difficult budget. This budget before us, I think that we can all feel good about, the work we're doing with the hospitals, to providers, for flood victims, etc. I think that this is a great document in front of us, but the hard work is ahead of us. We are looking at a very, very difficult budget where there are going to be plenty of tough decisions. I think it is good that we are starting off in the spirit of bi-partisanship, figuring out a way to work together, and all understanding that it is not going to be easy.

There have been, already, hearings where many, many members of the public have come forward and told us what they like and don't like. That will go on for at least five more weeks. So I wish the Appropriations Committee luck. We, as leadership, will try to stay out of it, but I have a feeling that there will be a little more involvement in this big budget. I certainly look forward to working with both of our caucuses, in making sure that we continue to get it right in the coming months. Thank you Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Rockland, Representative Mazurek.

Representative **MAZUREK**: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. As a member of the Transportation Committee, I would just like to take this opportunity to thank Representative Millett for those words he spoke at the end of his speech. I took it as a very encouraging sign and I thank him very much. Thank you.

Representative PIEH of Bremen **REQUESTED** a roll call on **PASSED TO BE ENACTED**.

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 Passage to be Enacted. All those in favor will vote yes, those opposed will vote no.

This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken.

ROLL CALL NO. 5

YEA - Adams, Annis, Austin, Ayotte, Babbidge, Barstow, Beaudette, Beaudoin, Beaulieu, Berry, Berube, Blanchard, Blanchette, Bliss, Boland, Brautigam, Browne W, Bryant, Burns, Cain, Campbell, Canavan, Carter, Casavant, Cebra, Chase, Clark, Cleary, Connor, Conover, Cotta, Craven, Cray, Cressey, Crockett, Crosthwaite, Curtis, Dill, Driscoll, Duchesne, Dunn, Duprey, Eaton, Eberle, Edgecomb, Emery, Faircloth, Farrington, Finch, Finley, Fischer, Fletcher, Flood, Gerzofsky, Gifford, Giles, Gould, Greeley, Grose, Hamper, Hanley S, Harlow, Haskell, Hayes, Hill, Hinck, Hogan, Holman, Hotham, Jackson, Jacobsen, Kaenrath, Knight, Koffman, Lundeen, MacDonald, Makas, Marean, Mazurek, McDonough, McFadden, McKane, McLeod, Miller, Millett, Mills, Miramant, Moore, Muse, Nass, Norton, Patrick, Peoples, Percy, Perry, Pieh, Pilon, Pineau, Pingree, Pinkham, Piotti, Plummer, Pratt, Prescott, Priest, Rand, Rector, Richardson E, Richardson W, Rines, Robinson, Rosen, Samson, Savage, Saviello, Schatz, Silsby, Simpson, Sirois, Smith N, Strang Burgess, Sutherland, Sykes, Tardy, Theriault, Trinward, Tuttle, Valentino, Wagner, Walcott, Walker, Watson, Weaver, Webster, Weddell, Wheeler, Woodbury, Mr. Speaker.

NAY - Joy, Lansley, Lewin, Tibbetts, Vaughan.

ABSENT - Fisher, Fitts, Marley, Pendleton, Richardson D, Thibodeau, Thomas, Treat.

Yes, 138; No, 5; Absent, 8; Excused, 0.

138 having voted in the affirmative and 5 voted in the negative, with 8 being absent, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate. **ORDERED SENT FORTHWITH**.