

# MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

*One Hundred and Sixth  
Legislature*

OF THE

STATE OF MAINE

Volume III

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Index

KENNEBEC JOURNAL  
AUGUSTA, MAINE

### Passed to Be Enacted

An Act to Increase Benefits and Reduce the Waiting Period Under Workmen's Compensation (H. P. 618) (L. D. 816)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

An Act Equalizing the Financial Support of School Units (H. P. 1561) (L. D. 1994)

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

The SPEAKER: The Chair recognizes the gentleman from Standish, Mr. Simpson.

Mr. SIMPSON: Mr. Speaker and Ladies and Gentlemen of the House: I rise today not as a majority floor leader but as an individual who is really concerned about this bill, its impact and its future impact on this state. I feel very strongly about us talking about an issue, such as equalization of education, under the guise of property tax reform. If we are going to talk about equalized education then I believe we should talk about equalized education. If we are going to talk about property tax reform, then I believe we should really talk about property tax reform or better yet, property tax relief, relief that is guaranteed.

If we want to talk about equalized education, I would like to just quote to you from a study that was done some time ago — not some time ago, quite recently, in fact. It was a commission that was appointed by the federal government to study the impact of putting money into education hopefully to equalize it. This came about especially because of the problems of our poor people in the ghettos and so forth as to the determination of it. It goes something like this: There was no statistical data available to prove the charges, and the charges were that money actually did equalize educational opportunities, but they seemed plausible enough and were widely believed. It would establish once and for all the existing discrimination against children from low in-

come backgrounds. Congress ordered in 1964 Civil Rights Act a comprehensive survey be undertaken to form the basis for future legislative corrective action. Some grumbled at the time that it was a waste of money to spend 1.25 million to find out what had long been common knowledge, but the survey was undertaken anyway, the most extensive ever of American schools, by James Coleman, a sociologist from Johns Hopkins University. The results surprised Professor Coleman and everybody else, with the exception of a few heretical researchers who had been saying so right along.

Coleman summarized his findings. The evidence revealed that within broad geographic regions and for each racial and ethnic group, the physical and economic resources going into a school had very little relationship to the achievements coming out of it. Stop and think about that a minute. He said, "The physical and economic resources going into a school had very little relationship to the achievements coming out of it." He concluded that, "If it were otherwise, we would give simple prescriptions, increase salaries, teachers' salaries, lower class size, enlarge libraries and so on, but the evidence does not allow such simple answers."

Ladies and Gentlemen, we are talking about funding for this particular package. I would like to personally see the funding right in here. I don't care where you look. Down the road someplace, there is an increase in the income tax to fund this package. If you will remember, the Part I and the Part II budget are a one-year budget only. In January, we will be coming back here, and we have got to fund another part of that biennium. We do not know what the outcome is going to be between now and then. We are not sure of what we have in revenues coming in. We are talking about balancing budgets by increasing revenue estimates. Therefore, we have got this thing hanging over us.

Under the guise of an amendment that would not lock in the 107th Legislature, we are saying, in fact, in the 107th, it will not be

the intent of this legislature that they have to increase the cost of education to equalize it — increase it up to 60 percent. But what about the so-called \$24 million that people are saying is floating around here? What if it was put in there right now? Where does that \$24 million come from in the 107th? I tell you it is going to come from an increase in the income tax, and we should tell the people that right now.

I have never seen a bill yet that has ever really gone on the books with the understanding that in the 107th, if it is not the intent of the legislature to continue it, they can take it out and then have it actually done. Very few bills are ever removed from the books once they are put on there.

There are two other items in here that I would like to take and call your attention to. One is the full cost of transportation. Let me give you an example in my own school district. We are in double sessions. I happen to live in one end of town, and I realize that because I live on the extremity of town — I enjoy living there, and I, therefore, don't argue with the fact that some of my kids get on the school bus at six o'clock in the morning and ride the bus for an hour or an hour and a half. We do that because our school board happens to be very conservative. We have very conservative people in our town concerning the cost of education. They want to control it at that level. Therefore, I feel if it is in the best interests of our taxpayers in the town, then fine, I will let it go; but if the state is going to pick up the total cost of transportation and they are going to have the determination in the plan that is submitted to them, then I will guarantee you, our school board will re-submit another plan, and they will lay it on the line that children shouldn't be riding on the busses more than an half an hour or forty-five minutes. We will get new busses, no doubt.

Let's face it, the education community is behind this package. They are the ones that are supporting it. They are the ones who have really drafted it. They have had outside help, granted; but

when we start to lay the control and the approval of plans over in that Department of Education, I am going to tell you the local people are going to lose that control.

Let's look at the total cost of school construction as we pick up all past indebtedness and we start to pick up all future indebtedness—my district is building a new high school right now. Fine, the state is going to pick up the cost of it. All right, what else is going to happen? As they pick up that cost, we suddenly realized, too, in the district that even though we have a new high school going on, that we are still probably 20 classrooms short right now. You think we are not going to put in a plan to have a new school built down there so that we can have a 20 to 1 ratio or a 25 to 1 ratio instead of us determining that we are satisfied with a 28 or a 30 to 1 ratio? This is where the danger in this bill comes in.

The State of Maryland tried this. They tried to pick up the entire cost of school construction. When I served on the Education Committee in the 105th, I got intrigued by that bill, so I started to communicate with the people in Maryland. Within a matter of months, they had a call to go into special session and repeal that law and take it off. Why? For the simple reason that all of a sudden the criterion was established that you have a certain teacher-pupil ratio. All of a sudden they got involved with the state participation in school contracts. So what happened? Every single municipality started to put in for new schools to bring this thing down. Sure, if one school already had a swimming pool, the other one wanted it. If they had an observatory, the other one wanted it. Within months, the State of Maryland nearly went bankrupt.

You just take a look at this thing, and when we start to pick up the entire cost of transportation and the entire cost of school construction, I say that we are headed down a dangerous path. This is a dangerous path to be following. If we want to talk about property tax relief, then I am willing to discuss it all day long, and I am

willing to push my vote yes, to put the income tax on it and shift it, but I am not ready right now to take and push my vote yes on this bill when I realize the dangers that are down the road when we are talking about equalized education and not property tax relief.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalberty.

Mr. JALBERT: Mr. Speaker and Ladies and Gentlemen of the House: From the very beginning of this legislative session, I have been concerned over what I consider to be a thinly disguised attempt to mislead not only members of this legislature but more particularly the people of the State of Maine. As the weeks have grown into months, I have become even more concerned to the point where I can no longer keep my doubts and my feelings to myself. I say to the members of this House and to the people of Maine, the use of the words "tax reform" that has been repeatedly passed around for public consumption amounts to almost gross deception.

What has transpired amounts to a comparison with a Madison Avenue advertising theory that the more you repeat the name brand or theme of the subject, the more it becomes firmly implanted into the consumer's mind. Again and again in the past several months, proponents have been drumming into our minds that they have a real tax reform package, and this is what they have.

I am this morning, because I have served for many many years on the Appropriations and Financial Affairs Committee — and I am speaking for myself as a member and not for anybody else — I am going to give you some figures which when I get through — and I finally have checked for accuracy — actually, really shocked me. I would like to have you follow me very very closely. I do not have any copies to go around. I can have some made for anybody who would want some later on. I would like to give you exactly where we stand now, where we will stand without this

package and where we will stand with it.

As you know, and it was my proudful moment after many many hours of studies and the proof of the pudding is just looking at my budget book — I didn't exactly get it in this kind of shape by just looking at it — came up with the idea of a one-year budget. I submitted it to the chairman of the full committee and then took it up at length with the committee itself, and then the leadership met. In any event, it was accepted for the reasons that we were coming back anyway. I have my doubts as to what the economy is going to be by January. I have serious doubts that the estimated revenues even as cut back will hold, and I also want to know what we are going to come up to insofar as the result of the management cost survey committee is going to be. This should hit our hands around the 10th of September. It is the thinking of the chairman of the Appropriations Committee to study that and other programs whereby we might be able to perpetrate some savings.

I would like to have you keep in mind when we talk about — we see headlines the first couple weeks of the session, Governor proposes 450 or 500 million dollar budget. This is a myth. If you look from page 30 to page 70 of your budget book, you will find special revenue accounts which have grown in leaps and bounds to the unbelievable amount of a half a billion dollars. Adding the Governor's proposed budget, nearly half a billion dollars, and the dedicated revenue amounts, highway and fish and game and the like, we actually have in Maine a budget, unbelievably so, of a billion 300 million dollars.

Now, going back to the picture as we are now — and I am using now first year figures for '73-'74 — the estimated revenue of Part I, the amount of \$248,100,000. The budget that was enacted was \$221,200,000, which left us with a balance or leaves us with a balance of \$26.9 million. The unappropriated surplus is set at \$35 million, and the reason that I am doubtful of these figures is that if

you read on page 6 of your budget — and I happen to call this page out because it was worn out in my book — you will indicate that the actual of that part of the budget of revenues was 36 raise — hike I mean was estimated at \$33,500,000. The departmental request for '73 was 42 million, for '74 was 46 million, and the budget recommendation was an unbelievable amount of 50,500,000 for the first year and 50,600,000 for the second year. Nevertheless, I am leaving that figure of \$35 million in there which gives us an amount of 61.9 million. The Finance Office has gone me one better. They have increased the unappropriated surplus by 3 million in the last few days, which gives us a total of \$64,900,000.

Since then, we have or eventually we will in here submit to you a cutback, in my opinion, a great deal — although maybe a little more should have been cut back — in any event, a Part II budget of \$10 million, which leaves us with 54.9 million. We have already enacted the 23 million capital construction budget which leaves us with 31.9 hundred thousand dollars.

L. D.'s, we have 216 L. D.'s on the table amounting to anywhere between \$30 million and \$40 million. The assumption is that we will pass \$5 million of these, which would leave us with 26.9 hundred thousand dollars.

The salary increases, which is already signed into law, amounts to \$3,500,000, which leaves us with \$23,400,000. The decrease in the revenue estimate, as agreed upon by all the areas within the financial field of the legislature, amounts to \$6,700,000, which leaves us with \$16,400,000.

The appropriation already made for adjustments in the Health and Welfare, the Indians and these other areas amount to about a million 200 thousand dollars which leaves us with a total of \$15,200,000 for the first year of the biennium.

Now, going into the second year of the biennium, which we will start working on in January, we have \$265.4 million for estimated revenue. The estimate of the cur-

rent services budget for that second year is \$240,300,000, which gives us a balance of \$25 million.

The Part II budget for the second year again will be around the area of \$10 million, which now leaves us on a base of \$15 million. The L. D.'s will be about \$5 million, which leaves us with \$10 million. The salary increase is \$5 million, because we funded only the first year only on a  $\frac{1}{2}$  level, as a matter of fact, is \$5 million which leaves us \$5 million.

A decrease in the revenue estimates for the second year is \$6,900,000. We now start being in the red by \$1,200,000. However, we are going to get about \$2,100,000 in inheritance tax upwards so we are back at plus \$900,000.

Now, if we pass this amended version through the Bither amendment of L. D. 1994, it will cost us for the second year of the biennium \$24 million, which now puts us back in the red to the tune of \$2,300 million, and I want you to follow these figures very closely.

Now we are going in to the second year of the biennium starting out with \$23,100,00 in the red. The increased costs of government, not including any salaries or any emoluments or anything, is \$25 million. That leaves us with \$48 million in the red. The full implementation of L. D. 1994, \$89 million plus. These are their figures, I claim it is more, but I am using their figures of \$89 million.

So I add this \$48 minus, plus \$89 million leaves us with \$137 million. Adding to this is the complete funding of the salaries, because there are buildings in there, and we only funded  $\frac{2}{3}$  of the package anyway. You add \$10 million to that, it leaves us with a minus of \$147 million. We estimate that the increase of revenue will be \$40 million, so that if you subtract that \$40 million from \$147 million, it leaves us with the incredible amount, just to keep the store open for the next biennium, of \$107 millions of dollars. You add to that the normal salary raises, the new programs, the H and W programs, the emoluments that we give in the various 100 departments that we have, and I have estimated that at a very low sum of \$60 mil-

lion. It leaves us then to finance to the tune at the 107th Legislature of \$167 million. We then have three weeks to do it. We can two and a half times — operate two and a half times more on the corporate and personal tax which would bring it up, the personal, to 15 percent and the corporate tax to 10 percent, or we can raise the sales tax  $3\frac{1}{2}$  cents based on the fact that each cent of the sales tax yields us \$50 million, or we can give a little of both by doubling the income tax and raising the tax on sales to the tune of  $1\frac{1}{2}$  points; that is, in other words,  $6\frac{1}{2}$  percent.

Now, I am as interested in taxation and relief as much as the other individual. However, I want to ask any member of this House what positive assurance that the passage of this bill will give in hand, in their hand to the property tax owner money?

I asked one person the other day, a member of this House, a proponent of this measure, what about the millions who pay rent? The answer to me was, "The landlord will lower the rent." That was the end of the discussion.

I say that we are now trying to operate government by gimmicks. This is a double Sinclair Act. This is a double school subsidy act, and make no mistake about it.

I am not going to go into the fact that it does absolutely nothing for my community, which, incidentally, is the second largest tax paying area in the state. I am going to touch, however, on my community in Lewiston by saying this: The State of Maine had its own revenue sharing program by giving 4 percent of the yield of the sales, of the yield of the corporate, of the yield of the income tax back to the cities and towns. My community got about a quarter of a million dollars. Then the federal government gave my community a million five hundred thousand dollars from the federal government through revenue sharing. Yet, this year my community raised the tax rate 1.8.

I shall vote for a reform of taxation programs which means relief when it has been proven to me positively and absolutely that

the money that is given in so-called reform is given into the hands of the people. Now, we of the 106th are truly a responsible group, and I certainly hope that we will remain that way. We have had a pummelling, an absolute pummelling of a one-way program, one-way tax reform; tax reform of what, tax reform of juggling of taxes, tax reform, of robbing Peter to pay Paul? We are heading for Sophie William days in Michigan, and we are heading there fast, and the figures that I have quoted you I did not get out of thin air.

I have had this program for 11 weeks. I have had it drafted and redrafted at least 20 times. The figures that I have quoted to you were the final draft that was made up at three o'clock this morning and checked out with our finance experts in the state.

I say to you and to the proponents of this measure, if you vote for this measure, you are hooked in with a \$23 million deficit at this session; you are hooked in for a tripling — two and a half times the income tax at the next session of the legislature in corporate tax or  $3\frac{1}{2}$  cents on the sales tax or a combination of both. Is this what we call tax reform?

I have gone to people, and I have gone to people in my area in an objective fashion. I have left a text of this proposal with them in several areas, and I have not even talked to them about it. I have asked them, "Will you please read this? If you approve of it, tell me; if you disapprove of it, tell me by just putting your name on the back, approve or disapprove." I have had not one person, not one single person, who has raised his voice in approval of this program.

Now, when we first had the Sinclair Act so-called, the first subsidy program, it cost my community a tremendous amount of money, and I was highly criticized for voting for it. As a matter of fact, I was one of the leaders of the program, because I felt that it would help the smaller communities better themselves in the field of education. We no longer,

in this area — it took away the \$3 per pupil and based on that, with our tremendous amount of school students, it is understandable that it cost a lot of money.

My community is no longer a wealthy community. We need help, and we need help badly, and one way that we don't need help is affairs like this. The figures that I have quoted to you are honest figures. I have been here too long and I have too much pride in the seat that I hold to go along and falsify and oppose measures that I know are good.

So far, this legislature — contrary to what people think — has had an excellent record in passing legislation that is good and in stopping legislation that is bad. And as far as 1994, as far as I am concerned, the buck stops here.

Mr. Speaker, I move that this bill and all of its accompanying papers be indefinitely postponed, and when the vote is taken, I proudly want to go on record by asking for a roll call.

**THE SPEAKER:** The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker, Ladies and Gentlemen of the House: There has been no issue during the last campaign and throughout the years since that time, that people have been so concerned about than this one. Individuals throughout the state have discussed the problem. Today we are faced with a decision that is going to affect the course of action that we are going to have to take. We have to decide whether or not we are going to pass a bill that is going to try to solve some of the problems that people are concerned about, and when we make that decision, all of us want to be sure that we do not bankrupt the state, that we do not create a problem that other legislatures are going to be faced with; and at the same time we want to do what is right and what people want us to do.

I have approached this problem from what I hope to be a reasonable and a realistic attempt to find out where we are going and where we ought to go, whether we call it reform, repair or shifting

of the burden, call it what you might. This is something that people are concerned about.

I have been a member of this legislature for five terms, and at the end of the legislative session, I have heard the gentleman from Lewiston, Mr. Jalbert, give us the doom and gloom forecast of how we are going to come back here and we are going to be faced with deficits of 50 to 60 million dollars. I well remember the last session when I went through this and I listened and lo and behold, the deficit is not with us this year, but instead we have a surplus.

Every single time that I have been here in five legislative sessions, the estimates that we have received from the Finance Administration Office in terms of available funds have been correct. And as a matter of fact, if anything, they have been under estimated. Over and over and over again the facts bear that out. There is no question that this type of legislation is going to cost extra money, but I do want to spend just a moment talking about this document. This bill does not go into effect for this year of the biennium, it goes into effect for the second year.

There is money, contrary to what the gentleman from Lewiston said, in this biennium for the programs, even if you have to take the most conservative estimates of the available money that we have in this state. You have had something distributed to you something which I have asked to be distributed to you for the various methods of what could be used if you say that the estimates that the Governor has used are wrong.

I was here in 1965 when the gentleman from Lewiston recommended we raise the estimates of the Taxation Department in order to fund an additional program. Those estimates were raised by legislative order by request of John Reed, the Governor of the State of Maine. He felt he did not want to take the responsibility alone or simply by a letter, and so the legislature passed an



order raising those estimates and approving of the raise in estimates. We are not even being asked to do that. The department and the Governor are saying the money is here. Let me point out to you that in the sessions that I have been here, that has never been wrong. The money has been there when they said it was there.

In reference to available funds, the gentleman from Lewiston indicated that we would be using \$5 million for L.D.s. That to my knowledge had been decided that we would be using somewhat a little less than \$3 million each year of the biennium for L.D.s. That has been a known factor and it has been advertised in the newspapers and distributed among the members of the legislature.

Let's take a look at the program that we are embarking on if we are to embark upon it. It is an attempt to try and leave local control where it is. People say that we don't know what local people are going to do, and yet most people—and I would think that 95 per cent of the members of this House would be opposed to a mandation of imposing something upon the local municipality because we believe strongly that we ought to let that decision be made locally.

The gentleman from Lewiston made an excellent point in reference to revenue sharing. Here is an example of money that was to go unattached to municipalities. And if you take a look at the survey that has been done, of what municipalities have done with an awful lot of that money, you will find that it did not all go to lower taxes. As a matter of fact, a very small portion of it went in that direction. An awful lot of it went to programs that were unrelated to municipal government, and at times the buying of new trucks and snow plows were priority items over people.

We have a program here that money is going to go to the municipality to be spent by the municipality and to be used by them. If we do not have faith in the elected municipal officers to do what we know is right, to have

them lower taxes from the remaining funding that they will now have to take on, then we have little faith in elected government and they might even say that they ought to have little faith in us.

I believe and I believe strongly that the way to try to solve the problem is through this method. Some people have indicated that there are other things that can be done, yes, but some of those cannot be done now. We have to wait until we have a better assessing method. We have to wait until we have a system statewide that is going to give us a better approach.

As you see it and as you listen to the debate today, please vote on the merits of the legislation and please do not vote with the fear that the money isn't there because I can assure you that in the five terms that I have been here that the estimates provided by the Department of Finance Administration and used by the Governor of both political parties have been right.

The SPEAKER: The Chair recognizes the gentleman from Bangor. Mr. Kelleher.

Mr. KELLEHER: Mr. Speaker and Ladies and Gentlemen of the House: I would like to pose just one question to the gentleman from Eagle Lake.

The SPEAKER: The gentleman may pose his question.

Mr. KELLEHER: In his remarks he said that the money is there. Why not show the House where the money is?

The SPEAKER: The gentleman from Bangor, Mr. Kelleher, poses a question through the Chair to anyone who may answer if he or she wishes. The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker and Ladies and Gentlemen of the House: I will respond only to the question because I may want to speak later. To the gentleman from Bangor, Mr. Kelleher, I would remind him of the four pages that were given to him yesterday and to use the estimates that are provided for in the budget document and the material that has been supplied to him by the Gov-

ernor's office and by the Department of Finance Administration.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Jalbert.

Mr. JALBERT: Mr. Speaker and Ladies and Gentlemen of the House: I defy any member of this House to go down to the Department of Finance and Administration, our own department and say that my figures are wrong — any member of this House, that's number one.

Number two, I am not taking anything away from the Governor's budget in this thing, and number three, the gentleman from Eagle Lake mentioned here about us knowing that we would have \$3 million spent in L.D.s and it was distributed to us. What member of the House has been told by anybody on the Appropriations Committee how much was going to be spent for L.D.s? If they have been, it is news to me and I am on the committee.

I don't know anything about \$3 million or \$2 million or \$8 million. I just assume under past performances that it is going to be in the area of \$5 million, and I am told by the chairman of the Committee that those figures are pretty good as of about an hour and a half ago, as well as the one gentleman that we paid to work for us as well as the director of the Finance Committee.

Insofar as projections are concerned and conversations are concerned wherein it involves the figures that I have used in the past, I can remember opposing the income tax because it would bring too much money and it would bring too much surplus and that surplus would be spent and spent and spent. And we have been on that spending spree for a long time.

Two years later, my figures somewhere along the line must have been accurate, because we drew about 32 or 33 million dollars and we drew then about \$28 million from the corporate and the capital tax and we wound up with a \$26 million surplus. So somewhere along the line, my thinking, in that I was not against the concept of the corporate and personal

income tax, my thinking that it would bring too much money must have been right when we brought back as much of a surplus as the tax did yield to us.

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mr. Haskell.

Mr. HASKELL: Mr. Speaker and Ladies and Gentlemen of the House: I have more than a passing interest in this bill because this bill is the bill that I sponsored initially as 1617. It was rewritten in the committee and it was brought out as 1974. I want to make my position perfectly plain. I am 100 percent in support of the bill. I believe the time has come for its passage and I believe that the thing that we have to address ourselves to now is the funding and the financing. I am not quarreling with Representative Jalbert's figures; however, I do think that they require some explanation, more than we have had up to this point.

In the first instance, looking at this biennium, the second year of the biennium, if we pass the bill, it will have to be funded. The disagreement on funding basically lies in a disagreement as to what is a true estimate of our financial position. It ranges from a \$14 million available to \$27 million available. If we come back in the special session and find that the \$14 million is, in fact, a legitimate figure, very obviously we are then going to deal with a revenue gap.

I think all of us are sophisticated enough to know that probably the method of funding that we are going to have to resort to is an increase in the income tax. So judging the most conservative estimates, you may be faced with a gap between \$19 million and \$24 million.

Moving on to the next biennium, I want to give you about four or five figures. I think they may be helpful to you if you jot them down. The best estimates that are available in the state by the people who in my opinion are the best able to make these estimates correspond very closely with the figures that Representative Jalbert has given you this morning. However, I think the distinction that

is important to be made is this, that whether we pass 1974 or do not pass it, we are probably going to be faced when we come back in the 107th with a need to finance approximately \$50 million, because if the increases that are built into our state system are taken account of, increases in revenues on an estimated basis, we come up as of right now, the best judgment is that we are going to be faced with a deficit of approximately \$50 million.

So I think that part of our judgment this morning should be that in any case the 107th legislature is going to be faced with the necessity for finding increased revenues.

I think now that our judgment gets down to what is the real impact of this bill going to be in the next biennium? As of this moment, I have been unable to get a firm estimate or a firm figure from any source. The one that has been used, as Representative Jalbert indicated, by some sponsors of the bill and others is that advancement of the impact is somewhere in the area of \$89 million.

I think you should vote for this bill, knowing that if the most conservative estimates prove true, for the second year of this biennium there is the possibility we may have to raise some additional revenue.

I think that you should vote for it, knowing that if we do implement it the 107th most surely will have to find increased revenue sources because even without the passage of this bill we are going to have to face up to finding additional revenues somewhere in the order of \$50 million. Again, I think that you have to place this figure against an additional figure that was used here this morning, knowing that in effect, our state budget is really in excess of a billion dollars in a biennium.

We deal here with the undedicated part of the revenues and allocate them through the appropriation process and allocate highway funds and so forth, but there are a tremendous number of special revenue funds that, as Representative Jalbert indicated,

our total budget for the biennium is in that area. In my best judgment that is what is facing us in terms of financing on this bill. I think you have to put that over against what I believe the majority of the people here recognize, the absolute necessity, first of all, of affecting some property tax relief, and next — and to me at least equally as important — to provide an equalization of educational opportunities throughout the state.

The bill that I sponsored and which is now before you in the redraft out of the committee was written, basically, in my view, by people who are extremely competent in the field of education, and it is a complex and a complicated field. It was written by Sawin Millett. It was written by John Salisbury and by Asa Gordan. They collaborated on it after many hearings and a great deal of work, and I think it is a good vehicle. I think the time has come for its passage, but I think that we should pass it with a firm background that implicit in it is the necessity for us to find additional sources of funding it at the state level.

The SPEAKER: The Chair recognizes the gentleman from York, Mr. Rolde.

Mr. ROLDE: Mr. Speaker, Ladies and Gentlemen of the House: I rise today to oppose L. D. 1994. I do so obviously, as a representative of the people of my town whose interests will be seriously affected by the passage of this bill. We will, in short, be badly hurt by the passage of this measure, and instead of property tax relief, the people of my town will only know a property tax increase.

I can hear the silent snickers already of those who will say to themselves, well, my heart doesn't bleed for you rich towns, you have had it pretty good all these years.

I don't know whether my town is a rich town or not. I know that we have had considerable dispute with the state on our valuation, but I do know that most of the people in our town are not rich nor are they out-of-staters who have come just for the summer. They are

mostly working people, middle income people; and like other towns in Maine, we have our proportionate share of poor people, of elderly, of widows, of unfortunate people just trying to scrape by.

When I oppose this bill, it is these latter people I am thinking of. I am thinking of one particular elderly lady whose yearly income is about \$1,600 and whose property taxes on her ancestral home come to more than \$400. She is so hard-pressed that on her birthday, her son, who also has a minimal income, gives her a sirloin steak as a present, because otherwise, she is never able to afford such expensive meat. Why doesn't she apply for property tax relief for the elderly you may ask. Good question. I have tried to persuade her to do so. Her son has tried to persuade her, but this lady is over 80 years old, and she is both proud and suspicious, and we have not yet been able to persuade her to apply for property tax relief for the elderly. So I am thinking of her when our local taxes will go up.

I am thinking of a young divorcee whose husband has abandoned her and her children, who is struggling to keep the payments on her house so she can keep a decent home atmosphere for her children. I am thinking of a friend of mine whose husband recently died after a long illness, and whose social security disability payments she no longer has to supplement the income she gains by working six days a week. She can't meet her bills now.

I realize that these cases can be duplicated in every town in the state, and that a major premise of L. D. 1994 is to help such people; but while they will be helped in most communities, they will be severely hurt in some 66 communities throughout the state.

The gentleman from Strong, Mr. Dyar, has made very clear the difference between property tax relief and property tax reform. Reform will not necessarily mean relief. In 66 communities it will mean hardship. For all of Maine, it will, apparently after the first

year, mean an increase in the income tax.

We have talked about the Homestead Exemption Act as a possible vehicle for bringing property tax relief, genuine relief, and bringing it to all taxpayers.

The objections raised to this approach are all valid. The Homestead Exemption Act does not address itself to the equalization of educational opportunities. That is entirely true. It does not eliminate tax havens. That is entirely true. It perpetuates inequities both between communities and within communities, and that is also similarly true, although less true because those in the towns with higher tax rates will get more relief.

Yet, most importantly, the homestead exemption will do one thing, it will give the people of Maine some credence in our announced intention to do something about the property tax. It will put some money, some hard cash in their hands. It will make believers of them, and that is something that 1994 cannot guarantee even for those towns that will benefit from it.

The 105th Legislature passed a property tax relief for the elderly bill that also perpetuated the inequities of our present property tax system, but if it did nothing else, this bill broke the ice in the matter of property tax relief. It gave money to the elderly, it overrode the suspicions of most of them, even if my 80-year-old lady in York wasn't convinced. Also we were able to see the problems with working out property tax relief and to devise workable corrections. This legislature has revised the property tax relief to the elderly bill and has come out with a fair and more equitable formula.

I suggest that we take this more cautious but perhaps more practical approach to the question of property tax relief and give all of our people something instead of hurting some at the expense of others and promising more than we can perhaps deliver.

The SPEAKER: The Chair recognizes the gentleman from Perham. Mr. Bragdon.

Mr. BRAGDON: Mr. Speaker and Members of the House: I just briefly want to go on record explaining the position that I am going to take on the vote on this bill. I am going to vote against the bill. One of my reasons is that it is not tax relief for three of the towns that I represent. Three of the small towns that I represent under this print-out we have been furnished actually receive less money if we pass this than they are now receiving. The other towns do benefit slightly but not very materially.

The other principle I think was gone into at great length. The other reason that I opposed this was gone into at great length by our majority floor leader, and he pointed it out so well that probably it is not necessary for me to mention it. In my mind, the basic idea behind this whole thing is not sound financial or any other kind of thinking; and I explain my position this way, that I do not believe that you can limit the amount of money that each individual municipality is going to furnish for the cost of education and with the understanding that the rest is going to be provided for the state and ever hold the cost of education within reasonable bounds. I assume that some of these who are for education all look upon this as a very weak argument. To me it is a sound argument. I think our costs have increased since we have instituted the Sinclair Law pretty much on the same idea.

With these few remarks, I have explained my position to my constituents, and I am going to vote against the bill.

The SPEAKER: The Chair recognizes the gentleman from Calais Mr. Silverman.

Mr. SILVERMAN: Mr. Speaker and Members of the House. As a proponent for property tax relief to the homeowner in the State of Maine, which means when they get their property tax bill this coming year and in the future, they see a reduction in the size of that bill to the extent it can be a help to them in affording to own their own property, their own homestead. I cannot favor this

present bill as a property tax relief measure.

One thing that I think disturbs and can disturb many people in this House — the major issue here is property tax relief. Many of you legislators here have come to me after I spoke twice on the homestead approach and agreed that this will directly give the homeowner in the State of Maine tax relief. How do we go about getting this bill passed at the homestead approach? This, of course, is up to leadership and you as legislators. But one thing is for certain — and you can go down into the library here, the law library, and you can read the homestead approach in the State of Florida. What is required is somewhat simple. It is an application, and the application says thusly: "The Department of Revenue shall furnish to the assessor of each county" and in our case it would be each municipality, "—a sufficient number of printed forms to be filed by taxpayers claiming to be entitled to said exemptions." Then it says, "I hereby make application for an exemption from all taxation after the valuation of \$5,000 on the following described property." The title is in whose name, and with this and your signature, if passed in the State of Maine, you would be entitled to a \$5,000 exemption which is likely to mean \$200, if you are under a 40 mill tax base to every property owner in the State of Maine, and if we can't afford it, as many people have said, with our present funding, then we can cut this to \$2,500 by an amendment they would possibly receive \$100 less property taxes in our State of Maine. And this to me — and I do not see how anyone can dispute it — is property tax relief where it belongs.

It also does something which 1994 doesn't do and why I am opposed to it. Under 1994, the big shopping centers in this state, the industrial complexes in this state, the people who have very expensive tourists — or places to reside in the summer in this state are going to get the same tax relief as the property owner homestead, and they don't need it. It

is the people who own homes that need it in this state.

The second thing which was mentioned here that really disturbs me, that under 1994 there is no — I would say no guarantee that the municipality would take these funds for property tax relief and give it to the homeowners. There is no guarantee of this, and we just went through having a 4 percent tax revenue given to our whole municipalities. And how much tax relief did you get out of it? Can any of you show a reduction in your property tax? In my opinion, the fairest bill, if you are talking property tax relief is the homestead approach; and if we want to leave here in sincerity saying to our people back home we have given them a law where they are getting property tax relief, we have got to take the homestead approach, and if anyone wishes to disagree with me, I wish to hear it.

Therefore, I would hope for the sake of property tax relief, you vote against 1994, if that is correct; vote yes for the indefinite postponement as Representative Jalbert has made the motion, and we go about giving property tax relief through the homestead approach.

**THE SPEAKER:** The Chair recognizes the gentleman from Brunswick, Mr. McTeague.

**MR. McTEAGUE:** Mr. Speaker, Members of the House: My good friend, many of whose sentiments I share, the gentleman from Calais, Mr. Silverman, would say that I do not view these bills in this antagonistic way. Both of the bills, both the educational funding bill and equal tax efforts bill which is before us, and the homestead bill, like any men together can create, have defects. There are many criticisms, some of which can be changed by amendments, and there are inherent things that exist and that are undesirable in some context.

I do not agree with my good friend in regard to the contention that equality of educational opportunity is not an issue of tremendous importance and magnitude, at least to those of us who have children of an age where

they may be attending public schools.

I would like to digress for a moment, Mr. Speaker, and mention some personal reasons why I believe, as I think we all do — it is almost an American slogan — but why equality of education opportunity means so much to me and why even though I recognize the defects and, in a sense, some of the injustices in the bill before us as it affects certain municipalities with large parochial school populations, I wish there were some way around it. We tried a way around it sometime back, but the courts blocked it; and like it or not, that is not open to us.

I attended grammar school at parochial school where there was no tuition paid. It was supported by contributions to the church. We had often in the high 50's or low 60's in a class. We had some wonderful ladies, dedicated nuns, who had given their lives to the education of the children, and they did some things for those children that no Ph.D. can do. Although money itself does not mean a good education, as a person that came out of a system like that, an absence of money means that even with the best help available — and these dedicated nuns were it — you still could not have a completely well-rounded education.

You don't have to attend a Catholic school to have that problem. If you come from a so-called poor town in Maine where you do not have enough in the way of funds to educate those children, their education will not be rounded, it will suffer.

I am often reminded of the article in the Maine Sunday Telegram contrasting Wiscasset and Richmond. The children that live in both of those towns will go out into our state and be taxpayers, and they will be the future of this state. What justice and what right is there in not giving the same opportunity for educational achievement to the children because their parents happen to live in one town?

This bill does have some undesirable features, but if you consider what is available and that

what is available to help with the question of equality of educational opportunity, this bill does a lot. It is a significant improvement over what we have now.

A second thing done by the bill, in addition to the question of equality of educational opportunity is the question of the tax havens. We all know the towns and there is no need to bother any of the members with towns they represent. I apologize in a sense out of friendship to my good friend in the row behind me who represents one of the towns, but there is no justice and no sense in paying the burden that many of us pay on an assessed value of say over 40 mills when in some communities, and not only do the homeowners in those towns pay a very desirable low tax, but some large industries in those towns pay a very low tax. This bill, through the uniform local tax effort, does something about this.

One last item, Mr. Speaker. Whether or not this bill passes or fails, I would hope to join with the gentleman from Calais, Mr. Silverman, and other people who are interested in the homestead concept. The homestead bill is not dead if this bill passes, or at least it is not going to be dead unless a majority of you kill it.

We have a plan to place an amendment on the homestead bill, not to take surplus, not to increase the income tax on the vast majority of our citizens, but rather to make the homestead bill self-funding, no federal revenue sharing, no surplus, no problem about what the estimates are. We can finance a reasonable level of beginning of the homestead bill by means of not an income tax on our constituents, on all of our constituents, but an income tax and perhaps a special tax on out-of-staters speculating in real estate that would adequately fund a reasonable homestead bill. You don't have to kill this bill, again, to pass a homestead bill.

One suggestion for funding the homestead bill and for building the funds right into that bill would be to tax those of us or those of our fellow citizens who are fortunate

enough to make \$35,000 a year or more as a family in income. We can do that. I don't think you advance the cause of homestead by defeating this bill, and you certainly don't do very much for equality of educational opportunity by defeating this bill.

The SPEAKER: The Chair recognizes the gentleman from Bangor, Mr. Murray.

Mr. MURRAY: Mr. Speaker, Ladies and Gentlemen of the House: I would like to take this opportunity to talk a few figures with you. We have heard a number of people bandy figures about, and I think that maybe a non-appropriations committee member ought to brief you on state finance, because it is all our responsibility. Whether we are on the Appropriations Committee or what committee we serve on, we should have a general idea of where the state is now and where it will be after we pass legislation. So I would like to share with you just a few minutes of my work relative to finance and show you where we might disagree with those who have spoken so far.

I would first like to preface my remarks with the fact that education in the second year of this coming biennium is going to cost \$211 million, no matter what we do here today. The people of the State of Maine are going to have to pay for \$211 million worth of education. We are not suggesting increased education in toto. We have already decided at what level education is being offered to our young people. We are just talking about what is the most fair and equitable way to finance that education. The bill before us suggests that the state and the local communities join in a 50-50 partnership in funding this cost.

I would suggest that maybe you rip off all the pieces of paper that you have been jotting notes down on, figures on, and get a clean sheet, because here comes some more figures. You can see my desk, it is hard to even think figures when you scratch them all over a piece of paper that already has a number of interpretations.

We have to come up with \$211 million. The way that the Education Committee suggests and the

way that the Department of Finance and Administration says we can do it is this way. First of all, this legislature passed and has signed into law L. D. 456, which was our federal revenue sharing money. The second year of this coming biennium we have already appropriated \$12,135,026 of that revenue sharing for school subsidy purposes.

In the past, the state passed a \$50 million construction bond issue a few legislatures ago and it was sent to the people. The people ratified and accepted it. We have been spending about \$9 million a year in construction bond money. We on the Education Committee are suggesting that we continue to take \$9 million worth of construction bond money like we have been doing right up to the present.

We are also suggesting that the uniform property tax, which is part of this bill, will raise \$100,352,196. You add those three figures up and you have a remainder of \$89,512,778. This, if you will look, is the price tag that is on the bill after the Representative from Houlton, Mr. Bither, put his amendment on yesterday.

So the question before us is, where do we come up with the \$89 million? First of all, \$1,775,652 is going to come from over-collection of the 14 mill property tax. Those rich communities that we have heard mentioned here today, when they raise their 14 mills, that is going to pay for more than the educational costs of their community. That portion goes to the State Treasury and we here in the legislature appropriate it. That, I repeat again, is \$1,775,652. When you subtract that from the \$89 million, it leaves us a remainder of \$87,737,126. This portion, I would remind you that we, funding through Part I, whether we pass this bill or not, through our Part I budget we have already requested \$70,541,218. This is in Part I that we will have to consider in the special session for the second year's budget.

So the remainder between — the \$70 million, plus we have \$5 million in bonds that is in the Part I budget which retires old construction projects, this Part I budget that

we have already passed suggested that we, instead of using bonds, use General Fund money. Still the budget document asks for bond, which is in the tune of \$5 million. You add that to the \$70 million which is the General Fund request, you come up with \$75 million. You look at the gap between \$87 million and \$75 million, and you see \$12 million and you add it to the \$12 million of federal revenue sharing money, you are talking about \$24 million. That is the \$24 million that the gentleman from Lewiston suggested that is the cost of this bill. That is the \$24 million that the gentleman from Houlton, Mr. Haskell, talked about.

But the point to remember is, the \$89 million we are already funding to the tune of seventy to seventy-five million in our Part I budget. Whether we pass that reform or not we are going to have to come up with this money to keep the present school subsidy law in effect. So don't, when you hear figures like \$89 million or figures of \$211 million, don't become alarmed until you see what portions come from what sources.

Therefore, the question is, how do we finance the \$24 million? If you accept the projections of the Department of Finance and Administration, you will see that they are projecting a \$27 million surplus for this biennium. If you accept those, you see that we have got more than enough money to pay for it. If you do not accept those figures, if you accept the revised version by the Legislative Finance Office, you will see they are projecting in the neighborhood of a \$14 million surplus. So you can see, there is a gap between fourteen and twenty-four million dollars.

It was distributed to you today how we would come up with that \$10 million. The gentleman from Houlton suggested possibly an income tax. I have suggested possibly in our Part II budget which we haven't considered yet, write into the Part II that maybe we ought to have bonded that debt retirement that the Appropriations Committee suggested we use General Fund money, because the budget requests are for bonds and



that is what we have done in the past. If you take \$5 million for each year, that adds up to \$10 million also.

In my honest and humble opinion, as a non-member of the Appropriations Committee but as one who has studied this bill and its costs, I can honestly say that I think this is what we are talking about. We are talking about \$24 million and we are talking about if we accept one projection we are okay; if we accept another projection, then we are going to have to figure out in which method you want to come up with the other \$10 million.

I think that all of you will note that I put an amendment on the bill yesterday. What that amendment did was not commit the next legislature to 55 and 60 percent funding. What it did is, it said that we will remain at 50-50 unless the next legislature decides to increase this greater state participation. So a lot of the arguments that were suggested or put forward because of this bill committing the next legislature to increased funding was taken care of when you accepted my amendment yesterday. We are talking about a law that if we pass it here today it will be the same law that will affect the second year of this biennium and the first two years of the next biennium, unless the next legislature wants to make a change.

I don't want to bore you any longer with figures, but I do think that you ought to reconsider some of the figures that have been given to you and recognize the fact that a lot of that \$89 million that was talked about is in the Part I budget anyway.

The SPEAKER: The Chair recognizes the gentleman from Bath, Mr. Ross.

Mr. ROSS: Mr. Speaker and Ladies and Gentlemen of the House: In my file in Mr. Slosberg's office is a bill to give money to every town for educational aid, with the stipulation that property taxes be reduced or they would not get the state money. I stated frankly that to finance this the income tax should be increased.

I did not file it because people do not want increased taxes, even though in my opinion the income tax is by far the fairest.

Now the bill before us today may be fine for education, but in my opinion, it lacks two things. It does not mention the cost and it has no stipulation that the money saved in certain towns will go to reduce property taxes. I frankly doubt that this would ever be the case. The money probably would only be spent elsewhere and most likely it would be spent for extra school programs which are not needed in most cases.

I do not support the bill, even though my city would benefit under it.

The SPEAKER: The Chair recognizes the gentleman from Old Town, Mr. Binnette.

Mr. BINNETTE: Mr. Speaker, Ladies and Gentlemen of the House: I am very interested in this measure. I am not a financier, I am just an ordinary legislator and a conservative Democrat at that. I believe there are many here who share the same feelings I do. After listening to my good friend from Lewiston, Representative Jalbert, he came out with a mass of figures.

I started to try to keep up with him, but I couldn't do it, and I feel, and I believe many of you here feel the way I do, that we should have a copy of those figures. Also the same thing goes with Representative Murray. It is an easy matter to get up here and quote figures. There is an old saying that figures don't lie, but by God you can lie with figures. So it is rather disturbing to me to sit here and try to follow through with a different set of figures and not have them before me. So I would like very much if these figures would be printed and handed to us.

My people, like a lot of you people here in your own communities are desiring of some sort of tax relief, especially in the educational system. They all feel that the educational system has got to a point where the property taxpayer has a hard time to make both ends meet. And if there is

anything we can do to alleviate the property taxpayer, especially those in this state — I agree with Representative Silverman that these people from out of state who are to benefit by such a measure should not. I believe it should be for the people who own property and especially Maine residents. And I would like very much to continue hearing from other members of this body.

The SPEAKER: The Chair recognizes the gentleman from Portland, Mr. Cottrell.

Mr. COTTRELL: Mr. Speaker and Members of the House: There are many things that I could say about education and this bill, because I have been slightly interested in the educational process in my life. I think we are engaging in bad teaching and pedagogy. It has always been said that a picture is worth a thousand words. And if I ever got up before a class, and I have had large classes too, and to spell out figures like I have heard this morning, I don't think there would be much transfer of money.

I would like to simplify this. We have three bills now before us. We are kind of stale, having been here for six months, and I think it would be a very good idea to put the three bills in the hands of the Appropriations Committee, the Education Committee and the Taxation Committee and in the interim, between now and sometime in January, they could come up with a matured plan. The way these three plans stand now, I think they are a little premature, I think the whole business was urgent at one time when we thought the Supreme Court was going to support the decision of the California Supreme Court and that of Texas.

Now it seems to me that this 107th can make a great record in property tax reform, not only in increasing educational subsidies, but in starting the reform of getting equitable assessment in properties in our many communities. We know that state evaluation is not a certified figure. We know there are many inequities in state evaluation. The whole business, it seems to me, is based on

state evaluation. In other words, we are trying to make and build a superstructure on sand.

Now I think we are only in about the first half or maybe we have got a quarter to go to win the ball game, and I think by more mature deliberation and combing of these very fine projects that we have been presented with, we can come up with something that is fiscally sound, we will know whether our instruments are right or wrong in another six months, so I would leave it that way.

The SPEAKER: The Chair recognizes the gentleman from Brunswick, Mr. LaCharite.

Mr. LaCHARITE: Mr. Speaker, Ladies and Gentlemen of the House: As a member of the Education Committee and having worked on this for quite a long time, along with the other members of the committee, I am in full support of this bill.

In response to Mr. Ross, with the cost of education set at a 14 mill rate, he says there is no guarantee that the tax burden will be decreased in the municipality. Well, it is up to the people in the municipality to keep their town officials from increasing those taxes. That is local control.

In response to my good friend from Standish, Mr. Simpson, I think it is wrong to say that because we increase the level of sharing the costs, that we are moving to control the spending of the municipalities to the state. Control of education is spelled out in Title 20 of our Revised Statutes and no one is going to take that right away unless a future legislature moves in that direction.

In reference to the cost of education, when we say it will cost \$211 million to fund education in the next year, regardless of whether L.D. 1994 is passed or not, it will still be \$211 million, we are merely posing the question of who pays the bill.

I find it difficult to find very many people who claim that the property tax, which in earlier years was a measurement of a person's wealth, is in any way qualified to maintain the burden that

we have placed on it in the recent years.

For over a year we have heard many people talk about the need for property tax reform and to remove the property tax burden. Well, I think this is our opportunity here today to do so. And I think that this is a responsible bill, and I hope that you all support it, and vote against the motion to indefinitely postpone.

The SPEAKER: The Chair recognizes the gentleman from Augusta, Mr. Sproul.

Mr. SPROUL: Mr. Speaker, Ladies and Gentlemen of the House: As you know, I like figures pretty well, but I learned early in this session that not too many of you are interested in them, so I will try to stay away from them because I think you probably have been completely confused already. But I would like to mention two or three things that I do not think have been brought up in relation to this bill. One is the increasing costs. I don't think that there has been any discussion about the escalators that are built into this bill, and if you would think mathematically for just a moment, if you have a median of some 733 or some other figure, if one half of those dollars are below it and they are going to play catch up for one third of the year for three years, ask yourself what is the median at the end of three years. In addition to that, you have added transportation costs built into the bill, you have added debt service built into the bill, and you have added costs for state valuation that is going to be a tremendous cost also.

The second point I would like to make is about municipal government. It seems to me that municipal government traditionally has had some incentive to go out looking for industry and commerce to come into their community. One of the biggest reasons is because of the tax base, so that they can get the tax dollars.

Now I ask you, if you are in this position as a municipal official and you have a state law that is equalizing these tax dollars, what is your incentive going to be to try to get these industries to come

to your town? I think municipal officials will be saying, you take the industry in your town and we will be glad to share the dollars with you.

The third point that has not been mentioned is a question of control by the school boards over their education. I know the answer technically is they will say that they still have control and they have discretion. But I ask you as a practical matter, if they are having less control over the dollars, are they going to have the same sense of urgency over their budget? For instance, take those communities that are playing catch-up that are going to be receiving more dollars than they are accustomed to or planned on. Certainly they are going to spend them, but there is not going to be much incentive for them to do the type of job they have been doing in controlling their costs.

The SPEAKER: The Chair recognizes the gentleman from Strong, Mr. Dyar.

Mr. DYAR: Mr. Speaker and Members of the House: I am for quality equal education for all the youth of the State of Maine, but it brings to mind a statement I believe was made by a Phinneus T. Barnum some years ago when he said, "You can fool all of the people some of the time and some of the people all of the time."

Now this is what we have got before us this morning. We have what is called a tax reform package here that we are selling under the cover of tax relief. Now it seems rather ridiculous to me to give the youth in this state a quality education, have them graduate from our high schools and our colleges, go into the local labor market and right off the bat have these young people paying two, three and four times as much as their parents paid in the state income tax. If they are working for a corporation that may or may not be there at that time, have that corporation pay a corporate tax, two, three, four and five times what they are paying presently.

I think there are a lot of things in this bill that sound very good until you get into the funding. If we are going to increase the cor-

porate tax in this state and drive out our industry, and we are going to increase the state income tax to a point where it is going to be far more feasible for our young people to continue migrating out of this state into other states to have better paying jobs, I think it is utterly ridiculous to pass this piece of legislation, especially on the idea that this is tax relief.

It certainly is tax reform. You are taking and reforming the one dollar in one pocket and reforming into the same dollar in another pocket. It is still coming in.

There is nothing in this bill that says that these towns don't have to comply with whatever comes down from the State Department of Education to receive this new revenue sharing money, whatever you want to call it.

Practically every town I represent that is in my school district receives money from this package, considerable money. But this money is going to be spent in the field of education, no matter how you cut it.

As I stated yesterday, the Department of Education, in my district they were very consistent in every town when they sold the school administrative district package. It is going to cost you 5 percent more in the first year. After that, your cost of education is going to reduce.

My little town of some 1142 people as of last night saw our taxes in the last six years more than double. Where the 5 percent increase in the first year and the savings thereafter disappeared to, I don't know. You are going to give my town back \$47,000 in tax relief for an educational package, and yet you want to increase the state income tax that the people in my town are paying, working in the mill, you want to double and triple their state income tax and you want to double and triple the tax on the corporations in my district.

This applies to all of you, I am just specifying in my district, but this is what you are trying to do.

If you want to pass this bill this morning and continue the migration of our people out of the state, keep our people working for the

minimum wage, have them get out of school in the eighth grade, this is good legislation.

The SPEAKER: The Chair recognizes the gentleman from Sanford, Mr. Gauthier.

Mr. GAUTHIER: Mr. Speaker, Ladies and Gentlemen of the House: When I first came here in January, I came here with the intention of getting the people of my town and in this state here a property tax relief. And this bill here, I would vote for it if this was directly for property tax relief. But you have been told here that this is not, and I agree. When you can show me the bill that will give property relief for the elderly of this state and not only the elderly but the middle class people who are taxed and taxed and over taxed with property taxes, then I will vote for it.

The SPEAKER: The Chair recognizes the gentleman from Kennebunk, Mr. McMahon.

Mr. McMAHON: Mr. Speaker, Ladies and Gentlemen of the House: I rise to oppose L. D. 1994 because I too am afraid that any savings achieved under this bill would not be passed on to the taxpayers who need the relief. I also feel the threat of increased educational control from Augusta is a real one that should be considered by the members of this House.

My town is part of an SAD district that would benefit from this bill, and my stand will probably be an unpopular one. But I have not had a single person from my town contact me in favor of this bill.

I wish to be on record that I favor the concept of a homestead exemption as contained in L. D. 1894, because that, in my mind, represents real relief and that is what the taxpayers of this state want and need.

I used to live in Florida where they do receive an exemption of \$5,000 on their homestead, and this is an extremely effective way of providing relief, and it is one that is recognized by the people as being relief.

The SPEAKER: The Chair recognizes the gentleman from Dover-Foxcroft, Mr. Smith.

Mr. SMITH: Mr. Speaker, Ladies and Gentlemen of the House: I guess the single, most important issue that seems to be coming to the floor here in the debate today is whether or not this is a reform package or whether it is a relief package and what the distinction is. It is both a reform and a relief package.

About 87 percent of the towns in the State of Maine will fund schools from less property tax money than is presently being done. They will have an opportunity to reduce their property taxes. I think everybody wants this.

We have had people that I have seen stand on the floor of this House time and again telling us about the great virtues of local government and how wise they are and how well spent those local dollars are and how frugal they are and how conservative they are and how great it is. But today they stand and they say, "Look, if those money-hungry, wild-eyed, spending people get a chance to lower the tax rate and do all those things they are supposed to be able to do at the local level, they are going to squander it on some new program or they are going to squander it on some educational program." I don't believe that. As a matter of fact, I called some local people the day before yesterday, called town managers in Piscataquis County, and I said, "What do you think will happen if your town gets its percentage of an opportunity to reduce its property tax by, it usually varies 20 to 30 percent in Piscataquis County?" They say, "Believe me, we are going to reduce it."

I believe the will is at the local level to see that the property tax is reduced if they are given the opportunity. This bill gives that opportunity. The facts are there if you want to read them. There have been numerous studies. I have got some of them here that have been done on this very issue in the last two years — the ESCO Report, the Joint Interim Legislative Committee on the Tax Structure of the State of Maine, the study of Maine Education Council. Every single one recommends exactly what you have got before

you here today, the full funding of education from state sources in order to reform local property taxes.

I trust local officials. I think they will reduce those property taxes. There was an old prophet who once said that democracy is essentially an act of trust between the governors and the governed. I believe that ancient saying.

I would like to add just one further point. The gentleman from Augusta, Mr. Sproul, has said that if we pass this bill there will be a disincentive for local officials to go out and seek industry in their area. The point to the contrary is true. In most communities, if you can reduce the property tax, there will be an incentive for industry to settle in these localities. As a matter of fact, in my conversation with the Greenville town manager the day before yesterday, he mentioned that two industries had left Greenville and settled in unorganized territories near Greenville simply because of the high tax rates in Greenville. That is one of his major reasons for supporting this piece of legislation.

I hope that after once giving this thorough consideration, and I think we all have been for the last two or three years, that we will be able to pass this today and make a truly great contribution as a legislature to the development of this state.

The SPEAKER: The Chair recognizes the gentleman from Lewiston, Mr. Cote.

Mr. COTE: Mr. Speaker and Ladies and Gentlemen of the House: When I first heard of this bill, I was a little bit suspicious. This morning, in hearing the debate, one thing I did find out, this bill has a name. We call it the "Irma LaDouce" type of bill. We know who the mother is, but who are the real fathers?

The SPEAKER: The Chair recognizes the gentleman from Houlton, Mr. Bither.

Mr. BITHER: Mr. Speaker and Ladies and Gentlemen of the House: I would like to answer a few questions that are sort of hanging in the air here. Mr. Simpson mentioned the Coleman report,

that by supplying money it does not promise equal education. We do not claim that we are going to educate all the children in the State of Maine equally. This gives an opportunity to equalize education only. This is an equalizing opportunity.

The gentleman from Lewiston, Mr. Jalbert said that this bill is not going to help his town at all, or very little, and I would like to refer to that for just a second. If this bill passes, when this bill passes, the City of Lewiston will pick up on debt service alone—on their new high school, they will pick up \$374,850 on principal and interest payments. They will also pick up, due to a parochial school that is closing this month with 274 students at \$600, they will pick up \$164,000, which means that Lewiston will gain—this is not in this printout at all—they will gain \$539,250 and I would just like to think about that for a minute. I don't believe there are people in Lewiston who are going to throw away that money. I don't think we need to tell Lewiston what they have got to do with that money. I don't believe Mr. Jalbert would want us to tell Lewiston what they are going to do with that money. I think they know perfectly well how to handle their own affairs.

The gentleman from York, Mr. Rolde, is opposed to this. I wish we would all keep in mind always here—you read the title of a bill equalizing the financial opportunity of school units, I wish we could keep money out of it, but we can't. I realize that. We are submerged in facts and figures already. We are dealing with the education of one of the greatest commodities we have in the world, that is of our young people, and we are trying to equalize the opportunity of education which means this: The town of York has been in the past and are still raising for education 8½ mills.

My own community of Houlton is raising 20, which is a pretty fair amount of money. Some of the little towns—just two to mention, Dyer Brook, which is in Mr. Walker's bailiwick, is raising 36 mills for education. Reed Plantation is raising 40 mills for education

against York's 8½. If any of these towns taxes are going up, it is going up for these reasons.

They have not been making the effort. There are a few other reasons why some of the coastal towns are getting hit. In the first place is a low tax effort. Some of our towns are way down to 7 and 8 mills and they have been doing this for years. Some people might say—I am not going to say this, but I have heard it said—they have been getting a free ride so far as education is concerned, but I don't think that is quite fair. But they have had a low tax effort and in other cases a high valuation. Those are the two most important things as to why our towns are getting hit. In some cases, they are spending way below average, I just mention that. In some other cases they are highly industrialized. Also coastal property—all of these things have made it so that some of our towns have been hit, some of them hard.

I got a note from somebody, from the gentleman behind me and it says, does this bill still double taxes in Southport? And the answer is that it most certainly does not.

This bill has a built in feature to it. It is built in in this bill that taxes cannot rise more than 2½ mills in any one year, which means on a \$10,000 home, it means \$25. No tax can rise in any town more than \$25 in one year on a \$10,000 home.

I certainly hope we do not kill this bill today. I think it is the work of a great many people. I know the people back home are waiting for this bill to be passed. I have had more literature, more mail and phone calls on this bill than I have ever had on any bill since I have been in the House.

The SPEAKER: The Chir recognizes the gentleman from Oakland, Mr. Brawn.

Mr. BRAWN: Mr. Speaker and Ladies and Gentlemen of the House: As it happens, I haven't had any mail on this bill, but I would like to answer one gentleman. He says it is up to the assessors to raise the taxes. Ladies and gentlemen, that is true, but they have to raise what is appropriated in that town meeting and

what you pass laws on them and force them to pay. So let's not blame the assessors.

We have also just been told that some of these towns don't make the effort. I would like to have them check my district and see if we made the effort and we are still paying and we are not getting the free ride that he is talking about. Yes, we are getting the free ride all right.

Then let's go along again. Let's take the veterans. I thought when I lost my health in the war that I would get a \$3500 exemption when I became 62 years of age. At that time, we had 77 mills in my town. The school district came in and they needed more money. The assessors had to get more money. The people in Augusta said, let's value the whole state 100 percent so everyone will pay the same. We were taxing approximately 25 per cent. I fought it. I said if you double it your county tax is going to double. They said, this is not true. I said, wait until I get off the board. I got off the board. They did double it to 50 percent. Our county tax did more than double that particular year, and the state said this had nothing to do with it, we would have done it anyway, but at that time, on 77 mills I would have been exempt \$269.50. When they reduced this and went to 50 percent rather than 25, I receive \$129.50 exemption on \$3,500. Now the state is hard up for money again and they are selling them 100 percent. And gentlemen, if they go to 100 percent, I as a veteran will get \$66.50, that is all that I will have.

You have heard here that we need a better assessing system; this is not true. This is forcing the municipalities to raise money. They also tell you that we have plenty of money on hand, but if they have it, why in the last 4½ years has my municipality taxes jumped to triple and quadruple.

The school district told us if you will go into the school district here, you will have a better education for your children. The first year it will cost you more, but after that it will be far cheaper. You can't afford to go along alone and the state will pass a law to

force you into it. This was far from the truth. The first year it was higher and every year thereafter it has been higher. So this is not the truth in any way, shape or manner.

In my municipality, 68 cents out of every dollar goes to education. I am for education. I want every child to get the best education they can, but I don't want to see our money go to bureaucracy. And any time that you raise more money, you are forcing your assessors to go out here and assess this property and they must put mills enough onto that property to take into your municipality the amount of money which you have appropriated. Don't blame them, blame yourselves here that make the law and the people in your town meeting that appropriate this money.

I have been an assessor for a number of years, and I am very familiar with the assessing but I can see some young people here have never been an assessor and I hope they do so they can get a good education.

Mr. Jalbert of Lewiston was granted permission to speak a third time.

Mr. JALBERT: Mr. Speaker and Members of the House: I would like to commend the gentleman from Houlton, Mr. Haskell, for his fairness in discussing the figures that he discussed this morning. I appreciate a gentleman, and I witnessed the testimony of one this morning.

In passing, I might say to the young gentleman whom I respect a great deal and he knows it, the gentleman from Bangor, Mr. Murray, that we are talking along his lines and I am talking gross.

Addressing myself to the gentleman from Houlton, Mr. Bither, I can assure you that according to the \$50 million bond issue bill that I passed a few years ago, that the money of \$375,000 on our building is coming to us anyway. Number two, as far as parochial schools are concerned, I passed a bill in this legislature that the moment a parochial school closes anywhere in Maine and they are absorbed by the public school system, by a law, presently by a law

every one of those students in Lewiston or any community in the state is going to be paid for under the school subsidy program, by law, and that was the law that I passed four years ago.

Now as far as I am concerned, I would certainly go along eventually with the concept of tax relief along the line of a homestead program when inequities and thorough studies are being done.

And rounding up my remarks, Mr. Speaker and members of the House, not only did I leave copies of my remarks and figures with people, but I have talked — and I address myself now to the gentleman from Dover-Foxcroft, Mr. Smith, nothing derogatory as far as the city or town manager is concerned, but here is who I talked to, the mill worker, the shoe shop worker, the candlestick maker, the homeowner, the guy that just has plenty of money, the fellow who has no money, and here is the answer they give me. You go along with programs, it doesn't mean that you are going back there and heap more taxes upon us. Because as far as we are concerned, we have seen money come from you people, we have seen money come from the federal government, and the taxes are still going up. I believe them.

The SPEAKER: The Chair recognizes the gentleman from China, Mr. Farrington.

Mr. FARRINGTON: Mr. Speaker, Ladies and Gentlemen of the House: I would speak just briefly to this issue. As I understand it, and anyone who wants to correct me may, the increased costs in school subsidy is going to be \$25 million anyway. And all we are talking about in the package that we plan on implementing is an additional \$13,000, or approximately.

I am not for this 1994, basically because when you apply a mill rate to a runaway property tax value as we have today, even though you specify that no one's taxes on a \$10,000 home will go up more than \$25, I can tell you today that they are going up \$25 if you apply this application. First of all, the basis for valuation which used to be 50 percent on the state

level is now going to a hundred percent, so if you want to make a relative comparison, you are talking about 28 mills, comparing it with the 50 percent that the state has set the rate at in the past.

For instance, if a town does not raise any money at all, but the state comes out and increases the state valuation, and that town at that time was at the 14 mill effort, that because the town did not raise additional funds, it drove them down to 10 percent. I propose to you that to bring it up to the 14 percent we will get less subsidy. And knowing how property values are going up, and with this application of the mill rate to values, I think this is a dangerous effort. Therefore, I am opposed to the bill.

The SPEAKER: The Chair recognizes the gentleman from Pittsfield, Mr. Susi.

Mr. SUSI: Mr. Speaker, Ladies and Gentlemen of the House: It has been a long and interesting debate, and I have tried to summarize the objections to 1994 that I observed. We hear the opposition from the people who represent the towns where the impact is minimal or even adverse, and I think you can best summarize that by saying that this bill isn't perfect. It improves the law of only 96 percent of our people, and I think we have heard from the representatives of most of the other 3 percent and you will hear from the rest before the debate is closed.

I think we must not be misled into believing that this 3 percent is in fact 30 or 60 percent. It is a very small number of people who won't benefit under this legislation.

I see more opposition that has bred from the mistrust of the education establishment of Maine, and it appears that this is a repetition of the Sinclair bill and all of the mistrust bred in the presentations. I have been quite well acquainted with this whole effort, and I honestly don't know of any other way you are going to determine allocations to communities for property tax relief other than by measures of the educational effort. It is the only common service provided by municipalities



here in Maine of a substantial nature. Some communities don't have any fire department, some don't have any police department, and on and on and on, and the only measure that we have, a common measure that applies to all municipalities is our education system, whether we like it or not.

This money, most of it just stays right in the community. Most of the funding for this comes from a uniform state-wide property tax and this tax is applied and is kept right in the community and the state has nothing to do with it. I would have liked to have seen the check go back to the municipal officers, and it still may be that there will be an amendment go on where the check from Augusta would go to municipal officers rather than to the school establishment.

Recognizing that probably two-thirds, on the average, of most municipal budgets are in education anyway, it wouldn't make that much difference because the money would probably wind up in the education budget. And to label this as a power grab by education is to me completely misleading. More opposition is bred from supporters of another form of property tax relief, namely, the homestead bill. I don't know how we can avoid discussing this somewhat as it has already been discussed inasmuch as those who want property tax reform and are supporting homestead are in effect taking away support from this as the leading, undoubtedly, form of tax reform that is before this legislature.

Just for openers as to why the homestead provision isn't realistic, we got into this a little bit before. A \$15,000 home with a hundred percent valuation in a community with a 40 mill tax rate is a \$600 tax. Under the homestead you take \$5,000 off the base, you reduce the tax to \$400, a \$200 reduction. The same home in another town with a 10 mill rate, they pay \$150 tax, to reduce the base \$5,000 you reduce the tax \$50, so after tax reform you wind up with identical homes in two different communities, one paying four times as much as the other.

Now to add insult to injury, the person who lives in the home where he is paying a \$400 tax pays income tax eventually to support subsidy to the guy who started out with \$150 tax so as to give him the \$50. There is just no justice in this.

Like the courts, I think the legislature always should be concerned about equity and justice and if we can't furnish it, we had better leave things alone.

I think we have a bill here before us right now that has been prepared by dedicated people with a lot of good help, and it is going to, in my mind, determine the character of this whole legislature. We are establishing our mark here today as to just what sort of a legislature we are.

Just recently the President of the other body answered a question as to what this legislature has done, and inconclusively he said, "Nothing." He has since backtracked somewhat on this, but there was a basis for that immediate reaction, and we have a chance today to do something for Maine people, and I hope you take it. I think this is our chance. It is a good bill and I do hope you support it.

The SPEAKER: The Chair recognizes the gentleman from Southport, Mr. Kelley.

Mr. KELLEY: Mr. Speaker, Ladies and Gentlemen of the House: It is no surprise to any of you that I wish to speak briefly on this bill. I have been referred to in discussion here and also my town. When it comes to what the taxes will happen in my town, Mr. Bither says it will only be a very slight adjustment, but if you look at the blue sheets that were passed out to us, in the first year we would be disadvantaged to the extent of \$68,672, and in '76-'77, \$155,287. Now our tax commitment in town has been running around \$185,000 to \$190,000 this last year, so I don't see how we are going to be disadvantaged this much without having to increase our taxes quite heavily.

We have been accused of not making a proper tax effort for our school children. We are raising on a per student basis about 50 percent more than the state average,

and we are doing the best we can for our students there.

Much of the property in this town is owned by second, third, fourth, fifth generation fishing people. They are lobster fishermen at the right time of the year. They go shrimping in the winter. In between times they try to work as carpenters and painters and most anything else to try to make a living. Then we have the people who have retired to the island on fixed income. They are not in a position to pay tremendously increased taxes. We do have a very few wealthy people who have moved in there recently. One of the things that attracted them to the island was the fact that real estate taxes were not tremendously high. This would not only nail them much higher on taxes, but also on income tax.

Now people say that we do not tax our people enough down there, but we do not have a police department, we do not have sidewalks, we do not have a manned fire department. We have probably got the lousiest roads in the state, but this is the way the people choose to live down there. And because we have lived frugally, people want to come and take away from us. Now if these people want us to educate their children, how about them coming in and putting us in a full-time police department, fire department, year-round water system, a sewerage system, all of these things we have gotten along without and we have set our living to this standard.

So I oppose very strongly this bill. I have been giving it a great deal of thought. I have talked it over with a lot of people who are better educated than I am. I have tried to find out whether it was socialistic or whether it was communistic, and the best answer I get is, it is a little bit of both, but mostly asinine. I hope you defeat it.

The SPEAKER: The Chair recognizes the gentleman from Livermore Falls, Mr. Lynch.

Mr. LYNCH: Mr. Speaker and Members of the House: I did not plan to say anything. I think it has been very well covered, but I can well understand the gentle-

man's opinion from Southport. If they are able to raise 50 percent more than the state average with a tax effort of 3.9 mills on a hundred percent state valuation, if I were in his community I would certainly oppose it. That is the purpose of 1994. If the state is going to control the education of the children in the State of Maine and dictate how the educational system shall be run, what the curriculum should be, what the transportation demand should be, what the physical and recreational areas should be, then the state should pick up a portion of the cost of education.

This bill, 1994, is not going to equalize educational opportunities. It is going to equalize the cost of education. Nobody can guarantee equal education. Communities do not have equal teaching staffs. Communities do not have the same type of school buildings. There is going to be differences throughout the state, but this is an opportunity to equalize the cost of education. What the communities do with the monies that they are receiving through 1994 still remains the responsibility of the local school administrative staff.

Now there has been some talk about the homestead act. The homestead act is an equalizing effort across the state, 2,300, 3,000 or 5,000, whatever is eventually decided upon, and that is a relief on an individual basis. 1994 adopts the same principle. It is an attempt to equalize not on an individual basis but on a community basis, and that I think is the essential difference between the homestead act and 1994.

We have had a lot of debate. I have said very little myself. I think from now on it will be repetitive and I would hope we could get the vote very quickly.

The SPEAKER: The Chair recognizes the gentleman from Gardiner, Mr. Whitzell.

Mr. WHITZELL: Mr. Speaker and Members of the House: The debate has been long and many people have already spoken on this bill, so I have to say of necessity, it will be brief.

In a great majority of the communities there will be a significant

gain in real relief to the property tax with passage of the measure.

The bill that we are discussing will assure a two-fold relief of unfair conditions which exist throughout the State of Maine. These areas are: One, equalization of educational opportunity and two, property tax relief to Maine citizens. No other bill which will be heard on this topic will address itself to both problems. The debate thus far has dealt with individual problems and not those two problems which are most evident—one, the fairness of taxation and two, the fairness of equal educational opportunity for all of Maine students. And those are the two central issues in this bill that I would urge you to support.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

A vote of the House was taken, and more than one fifth of the members present having voted for a roll call, a roll call was ordered.

The SPEAKER: The Chair recognizes the gentleman from Winslow. Mr. Carter.

Mr. CARTER: Mr. Speaker, Ladies and Gentlemen of the House: I won't take too much of your time. There are two points I would like to bring out. Basically I support the philosophy of this document. Although I have some reservations on it, I intend to vote for it and support it. As you know, I too sponsored a piece of legislation such as this, and as you know, it was withdrawn because it was covered by other legislation. This is it.

My bill covered some points which are not covered in 1994, and one specifically addresses itself to the very question that seems to trouble quite a few in this House, and that specifically is the question of home rule. They feel that they won't have home rule under 1994. Incidentally, the very fear that they have apparently is drawn out by the other side that there is going to be too much home rule, because they are afraid that they

are going to have runaway educational costs on the local level because they won't have any control over it. So somewhere along the line they are going to have to do some thinking for themselves.

The second point I would like to bring out is a point touched on by my good friend from Augusta, Representative Sproul, relative to inducement of industry to locate in a particular area. We in Maine are quite remote from the market and the rest of the country and it creates quite a problem in overhead for any business to conduct business in the State of Maine because of transportation costs and distance from market.

To me, the property tax is a severe burden or heavy overhead that business has to contend with in the State of Maine before they decide to locate here.

I took the trouble of speaking to several managers of industries, and I asked them if they would agree with this philosophy that if you remove the overhead of property taxation, would they be willing to pick up the tab in another form? They agreed with me that it is the right philosophy. Once you are earning the money you have no problem in paying for it, and they buy this concept of doing away with property taxation as an inducement for industry to come to Maine. And I submit to you that if we follow this concept through and eventually assume full funding of education from other than property taxation, the State of Maine will be able to take its pick among the industries to locate in the state, because once we do this, we will become the second state in the union to offer industry to locate in the state without taxing them before they can earn a dollar, the other state being Hawaii, not Florida, as some people think.

I would hope that you would take this opportunity, and even though this bill is not perfect, go along with it because it is a step in the right direction. I suppose it is no different than any other piece of legislation that we start on. They are never perfect, that is why each session we have 2,000 pieces of legislation either to amend current laws or create new

ones. I would hope you would go along with this concept and vote for it.

The **SPEAKER**: The Chair recognizes the gentleman from Farmington, Mr. Morton.

Mr. **MORTON**: Mr. Speaker, Ladies and Gentlemen of the House: I promise you I will be very brief, but I do feel as though this particular item should be distilled to its essentials, and I can assure you in my fifty-five years I have had some experience with products of distillation.

This bill, 1994, does many of the things that I hoped to do when I came here to Augusta. I hoped for equalization of the educational opportunity across the state. I hoped for equalization of the property tax effort across the state. I was for tax reform if it did these things; 1994 does these things.

I know that it is going to cost money in the future, and I am prepared and I have told my people that I am prepared to recommend tax increases in the income tax area to support it, and that is where the reform comes in. We are shifting the burden from the local property taxpayer to the income taxpayer. Everyone seems to agree that income taxes are a better method of taxation.

I want to get rid of the community that gets away with taxing a \$20,000 home for \$150 and try to help the community where you tax a \$20,000 home for \$640. This is the one bill that does it.

This bill is the only bill of the bunch that puts a ceiling on the expansion of education. The others put the ceiling on the expansion of monies expended by the towns. I am not sure the towns want this. I think the towns want home rule in the area where they can provide themselves gold plated fire hydrants if they choose to. Therefore, because 1994 does what I hoped to attain when I came to Augusta in January, I am strongly for it and I hope you will support it.

The **SPEAKER**: The pending question is on the motion of the gentleman from Lewiston, Mr. Jalbert, that L. D. 1994 and all accompanying papers be indefinitely

postponed. All in favor of that motion will vote yes; those opposed will vote no.

### ROLL CALL

**YEAS** — Baker, Berry, G. W.; Berry, P. P.; Berube, Birt, Boudreau, Bragdon, Brawn, Brown, Cameron, Carrier, Chick, Cote, Cottrell, Crommett, Deshaies, Donaghy, Dudley, Dunn, Dyar, Farley, Farrington, Gauthier, Greenlaw, Hancock, Henley, Herrick, Hoffses, Huber, Hunter, Immonen, Jackson, Jacques, Jalbert, Kauffman, Kelleher, Kelley, Kelley, R. P.; Lewis, E.; MacLeod, Maxwell, McCormick, McHenry, McMahon, McNally, Morin, L.; Mulkern, Norris, Pratt, Ricker, Rolde, Rollins, Ross, Santoro, Shaw, Silverman, Simpson, L. E.; Sproul, Tanguay, Trask, Trumbull, Webber.

**NAYS** — Ault, Binnette, Bither, Bunker, Bustin, Carey, Carter, Chonko, Churchill, Clark, Conley, Connolly, Cooney, Curran, Curtis, T. S. Jr.; Davis, Dow, Drigotas, Dunleavy, Emery, D. F.; Evans, Farnham, Faucher, Ferris, Finemore, Flynn, Fraser, Gahagan, Garsoe, Genest, Good, Goodwin, H.; Goodwin, K.; Hamblen, Haskell, Hobbins, Keyte, Kilroy, Knight, LaCharite, LaPointe, Lawry, LeBlanc, Lewis, J.; Littlefield, Lynch, Maddox, Mahany, Martin, McKernan, McTeague, Merrill, Mills, Morin, V.; Morton, Murchison, Murray, Najarian, O'Brien, Palmer, Parks, Perkins, Peterson, Shute, Smith, D. M.; Smith, S.; Snowe, Soulas, Stillings, Strout, Susi, Talbot, Theriault, Tierney, Tyndale, Walker, Wheeler, White, Whitzell, Willard, Wood, M. E.

**ABSENT** — Albert, Briggs, Cressey, Dam, Fecteau, Pontbriand, Sheltra.

Yes, 62; No, 81; Absent, 7.

The **SPEAKER**: Sixty-two having voted in the affirmative and eighty-one in the negative, with seven being absent, the motion to indefinitely postpone does not prevail.

Thereupon, the Bill was passed to be enacted, signed by the Speaker and sent to the Senate.

The **SPEAKER**: The Chair recognizes the gentleman from Eagle Lake, Mr. Martin.

Mr. MARTIN: Mr. Speaker, I would move that we reconsider our action on L. D. 1994 and ask you to vote against me.

The SPEAKER: The gentleman from Eagle Lake, Mr. Martin, moves the House reconsider its action whereby L. D. 1994 was passed to be enacted. All in favor of reconsideration will say yes; those opposed will say no.

A viva voce vote being taken, the motion did not prevail.

On request of Mr. Birt of East Millinocket, by unanimous consent, unless previous notice was given to the Clerk of the House by some member of his or her intention to move reconsideration, the Clerk was authorized today to send to the Senate, thirty minutes after the House recessed for lunch and also thirty minutes after the House adjourned for the day, all matters passed to be engrossed in concurrence and all matters that required Senate concurrence; and that after such matters had been so sent to the Senate by the Clerk, no motion to reconsider would be allowed.

On motion of Mr. Birt of East Millinocket,  
Recessed until 2:45 P.M.

#### After Recess 2:45 P.M.

The House was called to order by the Speaker.

Supplement No. 3 was taken up out of order by unanimous consent.

#### Passed to Be Enacted

An Act Relating to Family Planning Services (H. P. 1367) (L. D. 1823)

Was reported by the Committee on Engrossed Bills as truly and strictly engrossed, passed to be enacted, signed by the Speaker and sent to the Senate.

By unanimous consent, ordered sent forthwith.

#### Orders of the Day

The Chair laid before the House the first item of Unfinished Business:

Bill "An Act to Authorize Bond Issue in the Amount of \$7,800,000

to Build Highways" (S. P. 187) (L. D. 494) (C. "A" S-216).

Tabled — June 19, by Mr. Simpson of Standish.

Pending — Further Consideration

The SPEAKER: The Chair recognizes the gentleman from Brunswick, Mr. McTeague.

Mr. McTEAGUE: Mr. Speaker, I would pose an inquiry to the Chair as to the action of the Senate on this bond issue.

The SPEAKER: The Senate did enact this. I would state that if we recede and concur, then have to go through the technicality of being engrossed, and at some point there has to be a two-thirds vote, this being a bond issue.

Thereupon, the House voted to recede and concur.

Mr. Emery of Rockland requested a roll call vote on passage to be enacted.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of one fifth of the members present and voting. All those desiring a roll call vote will vote yes; those opposed will vote no.

A vote of the House was taken, and more than one fifth of the members present having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: This being a bond issue, under the provisions of Section 14 of Article IX of the Constitution, it requires a two-thirds vote of the members present and voting. All those in favor of passage to be enacted will vote yes; those opposed will vote no.

#### ROLL CALL

YEA—Ault, Baker, Berry, G. W.; Binnette, Birt, Bither, Boudreau, Bragdon, Brown, Bustin, Cameron, Carter, Conley, Crommett, Curran, Curtis, T. S., Jr.; Davis, Donaghy, Dow, Drigotas, Dunleavy, Dunn, Dyar, Evans, Farnham, Farrington, Finemore, Flynn, Fraser, Garsoe, Genest, Good, Goodwin, H.; Greenlaw, Haskell, Henley, Huber, Hunter, Immonen, Jackson, Jalbert, Kauffman, Kelley, R. P.; Keyte, Knight, LaCharite, LaPointe, Lawry, LeBlanc, Lewis, E.; Lewis, J.; Littlefield, Mad-