

MAINE STATE LEGISLATURE

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Senator **HARRIMAN**: Thank you very much Mr. President. Good morning once again ladies and gentlemen of the Senate. If I might, I would like to comment in response to my good friend from Penobscot, Senator Ruhlin, the point he makes that the budget doesn't appear to have those priorities that he testified to just a moment ago. He's absolutely right. I grant him that. I hope, as a member of the Appropriations Committee, maybe that we could have continued to do our work so that we'd have an opportunity to accept all of the Bills that are working their way through the system so that we could, in fact, establish priorities before the budget was presented. In that regards, Mr. President, I look forward to the day when the attitude and the philosophy of the Legislature is one that establishes just a number one priority, the opportunity to create much needed tax relief for Maine citizens. And then after those priorities have been established we would take what's left over for revenues and spend them for the needs of State Government. Unfortunately we are in an era where just the opposite is the norm. First we establish what are the goals and objectives and priorities of spending and if there's any money left over, we look for rate relief. It would be, in my view, a great opportunity for the State of Maine and it's citizens to establish the rate reduction needs of the citizens first. Lastly, Mr. President, I'd just like to mention, and I want the record to be very clear, I am a very proud Co-sponsor of this piece of legislation. It received as Co-sponsors a bi-partisan group of colleagues in both Chambers. In fact the legislation that we sponsored did not say the question that we have before us. Specifically that we would go tax someone else to give tax relief to the people mentioned under this legislation. I think the message was clear by the Sponsors of this Bill that this is rate relief. That we should prioritize and that rate relief should not come out of the checkbooks of other Maine citizens. That's what the legislation that was proposed sought to do and I hope that you will join me in Defeating the pending motion so that we can Accept the Report that was consistent with the legislation that was introduced. Thank you Mr. President.

THE PRESIDENT: The pending question before the Senate is the motion by the Senator from Penobscot, Senator Ruhlin to Accept the Majority Ought To Pass As Amended By Committee Amendment "A" (S-348) Report. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#174)

YEAS: Senators: BERUBE, CAREY, CASSIDY, CATHCART, DAGGETT, DOUGLASS, GOLDTHWAIT, KILKELLY, KONTOS, LAFOUNTAIN, LONGLEY, MACKINNON, MICHAUD, MILLS, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, DAVIS, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MITCHELL, SMALL

24 Senators having voted in the affirmative and 11 Senators having voted in the negative, the motion by Senator **RUHLIN** of Penobscot to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (S-348)** Report, **PREVAILED**.

READ ONCE.

Committee Amendment "A" (S-348) **READ**.

On motion by Senator **BENNETT** of Oxford, **TABLED** until Later in Today's Session, pending **ADOPTION** of Committee Amendment "A" (S-348).

Off Record Remarks

The Chair laid before the Senate the following Tabled and Later (5/26/99) Assigned matter:

Bill "An Act to Establish a Trust Fund to Provide Statewide Assistance to Low-income Electric Consumers"
 H.P. 1069 L.D. 1500
 (S "A" S-338 to C "A" H-618)

Tabled - May 26, 1999, by Senator **RAND** of Cumberland.

Pending - **FURTHER CONSIDERATION**

(In Senate, May 24, 1999, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-618) AS AMENDED BY SENATE AMENDMENT "A" (S-338)** thereto, in **NON-CONCURRENCE**.)

(In House, May 26, 1999, **PASSED TO BE ENGROSSED AS AMENDED BY HOUSE AMENDMENT "A" (H-692)**, in **NON-CONCURRENCE**.)

On motion by Senator **CAREY** of Kennebec, the Senate **RECEDED** from whereby the Bill was **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-618)**. **AS AMENDED BY SENATE AMENDMENT "A" (S-338)** thereto, in **NON-CONCURRENCE**.

On further motion by same Senator, the Senate **RECEDED** from whereby it **ADOPTED** Committee Amendment "A" (H-618) as Amended by Senate Amendment "A" (S-338) thereto.

On further motion by same Senator, the Senate **RECEDED** from whereby it **ADOPTED** Senate Amendment "A" (S-338) to Committee Amendment "A" (H-618).

On further motion by same Senator, Senate Amendment "A" (S-338) to Committee Amendment "A" (H-618) **INDEFINITELY POSTPONED**.

On further motion by same Senator, Committee Amendment "A" (H-618) **INDEFINITELY POSTPONED**.

House Amendment "A" (H-692) **READ**.

On motion by Senator **CAREY** of Kennebec, Senate Amendment "A" (S-354) to House Amendment "A" (H-692) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Carey.

Senator **CAREY:** Thank you Mr. President. L.D. 1500 was an effort to take the property income tax from sale of the utility, CMP in particular to FPL. The figure was estimated to be about \$70 million. The Committee felt very strongly that that \$70 million, which basically was ratepayer money from day one, should have gone into a trust fund and take the low income provision that is in the law currently and fund it out of this trust fund and get it out of the electric rates. It would not have been a very large gain for the consumers of electricity but it would have been the direction that restructuring is supposed to be taking. Unfortunately along the way somebody seemed to find the \$70 million. There were bills in to pay for ice storm damage which came to \$70 million. There was another bill which would have had us pay for stranded costs, which happened to be \$70 million. Everything happened to be \$70 million. It obviously was a nice round figure for the administration, however it is one time money. You're only going to pay that tax once. I don't think that FDL is going to sell in the immediate future. We were using it for a one time expense. Setting up the trust fund, whose income would pay for the low income people's electric problems and would do some with the demand side management which is the conservation side of the law. However on it's way through the process somebody must have squealed about this money being available someplace because it suddenly disappeared from us. I did get a confession from the Chief Executive who said that he took it. However he didn't put that in writing. But in any event, what we have now done is work on the Property Transfer Tax which goes from \$75 million down to \$675,000. It's quite a drop. But it will do something as far as replacing appliances for the low income people so they can get some more efficient refrigerators, if you would, than they're getting now. So that is why this Bill is before you and that is what that Amendment does. The House Amendment puts on the money, \$675,000, and some us feel that money will really be closer to \$6 million but we are banking on at least getting what the bottom figure is. I thank you and I would hope you can support the Amendment.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Rand.

Senator **RAND:** Thank you Mr. President. May I pose a question through the Chair?

THE PRESIDENT: The Senator may pose her question.

Senator **RAND:** Thank you. To anyone who has the knowledge and can answer, the good Senator from Kennebec, Senator Carey, mentioned that the fiscal note is approximately six hundred and something thousand dollars but then he mentioned something about eventually it being \$6 million. I know how things can happen, I won't ask for that particular explanation. I would

like to know if the intent is to put the entire amount should it even reach \$6 million to appliance replacement? Thank you.

THE PRESIDENT: The Senator from Cumberland, Senator Rand poses a question through the Chair to anyone who may wish to answer. The Chair recognizes the Senator from Kennebec, Senator Carey.

Senator **CAREY:** Thank you Mr. President. The program will be administered by the State Housing Authority, which already deals with the low income distribution, and they will be making those decisions but they cannot spend more than \$675,000 for that is all the Bill would allow them to have. Whether or not it gets mixed up with the \$300 or \$400 that goes back to the low income people through a lower or a partial payment on their electric rates or not we are not familiar with what the State Housing Authority will do.

On motion by Senator **GOLDTHWAIT** of Hancock, **TABLED** until Later in Today's Session, pending motion by Senator **CAREY** of Kennebec to **ADOPT** Senate Amendment "A" (S-354) to House Amendment "A" (H-692).

Out of order and under suspension of the Rules, the Senate considered the following:

PAPERS FROM THE HOUSE

House Paper

Bill "An Act to Adopt the Model Revised Article 9 Secured Transactions"

H.P. 1601 L.D. 2245

Comes from the House, **REFERRED** to the Committee on **JUDICIARY** and ordered printed.

REFERRED to the Committee on **JUDICIARY** and ordered printed, in concurrence.

Senator **PINGREE** of Knox was granted unanimous consent to address the Senate off the Record.

Senator **AMERO** of Cumberland was granted unanimous consent to address the Senate off the Record.

On motion by Senator **PINGREE** of Knox, **RECESSED** until the sound of the bell.

After Recess

Senate called to order by the President.
