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Pages 1-736

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

UNFINISHED BUSINESS

The following matter, in the consideration of which the House was engaged at the time of adjournment Tuesday, January 18, 2005, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

HOUSE DIVIDED REPORT - Majority (12) **Ought to Pass as Amended by Committee Amendment "A" (H-1)** - Minority (3) **Ought to Pass as Amended by Committee Amendment "B" (H-2)** - Joint Select Committee on **PROPERTY TAX REFORM** on Bill "An Act To Increase the State Share of Education Costs, Reduce Property Taxes and Reduce Government Spending at All Levels" (EMERGENCY)

(H.P. 6) (L.D. 1)

TABLED - January 18, 2005 (Till Later Today) by Representative CUMMINGS of Portland.

PENDING - **ADOPTION OF COMMITTEE AMENDMENT "A" (H-1)**.

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. Finding compromise in the sensitive area of tax reform is not an easy thing to do. I feel very good about what our committee has put forward, and I urge you to support the motion to adopt Committee Amendment "A".

When the Joint Select Committee on Property Tax Reform set out to create a package there were three objectives in my mind that seemed critical to our efforts. The first was to lower Maine's overall tax burden. The second was to shift that burden away from property taxes, especially for Maine Residents. The third was to provide additional relief to those with the greatest burden of the property tax, whether that burden be a result of high mil rates, or high property valuations, or both.

The Committee Amendment we have brought forward makes significant steps toward each of these three objectives. Spending caps are the major provision in the bill to lower our overall tax burden. The spending caps in this bill apply to all levels of government, and they will put pressure on every level of government toward prioritization, cost efficiency, and regionalization of service delivery. The level of the spending caps we proposed is restrictive. The caps will be central to budget debates at every level of government, and while there are provisions to override the caps, I don't see them being overridden carelessly. They will be the limiting guideline and the control of government spending going forward.

School funding is the major provision in the bill to shift Maine's tax burden away from property taxes. The bill phases in a very dramatic increase in school funding over a four-year period. The increased school funding from the state will mean that less needs to be raised locally through property taxes. With the increased school funding there will be a maximum mil rate expectation applied to every community in Maine. No matter how little or how much is raised by that mil rate expectation, the state will make up the difference of what is necessary to provide essential programs and services necessary for every school system. The maximum mil rate expectation statewide is 8.26 mils next year. With the increased funding in future years the maximum mil rate expectation is projected to decline over time to less than 7 mils at the end of the phase in period. The school funding translates to a significant reduction in property tax burdens throughout the state.

The remainder of the bill is designed to provide property tax relief in more targeted areas of need. An expansion of the Circuit Breaker Program will double the refund available to homeowners and renters with the greatest burden, as well as making some level of benefits available at higher income levels. Many more people will be eligible for the program.

The expansion of the homestead exemption assures that a higher portion of every homeowner with a new homestead exemption will be eligible for a \$13,000 homestead exemption, and this will be available to every Maine homeowner, and it replaces the much more complicated three tiered system. An increase in revenue sharing, too, will provide added relief to taxpayers in higher mil rate communities.

And finally, a series of Constitutional Amendments, which we will see in separate bills, are designed as tools for communities with property tax burdens that result from rapidly rising valuations.

Each of these provisions is designed to deal with parts of the property tax issue. Put together, I think our committee has brought forward a good package of property tax reforms leading to a fairer and more balanced system overall. I encourage your support for the motion to adopt Committee Amendment "A". Thank you.

Representative **TRAHAN** of Waldoboro **PRESENTED House Amendment "B" (H-6) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. First I'd like to describe for you what this amendment does. This amendment strikes from the current proposal before you the new EPS Formula that is being amended in this proposal. What it does is it sends the EPS Formula to the Education Committee to be reviewed, to look at the fairness of the funding formula as it relates to urban, suburban, and rural communities. It has the Education Committee report back to this Legislature on March the 1st.

I would like to describe for you why I put this amendment in and why I think it's important that we give this important piece of legislation and this new EPS Formula change a little bit of time. In the six years that I've served here in this Legislature I have never seen a bill that divided our state as much as this one has. It has pitted larger suburban communities against smaller rural communities. It appears to create a formula that benefits larger, wealthier communities at the expense of smaller communities. I thought that when this Legislature took up property tax relief that it would find a way to unify our state, to deliver property tax relief for all the people of our state.

But this legislation has done the opposite. It has divided our state. As a legislator and as a chief executive, I would think that we would want to unify our state. I think that this formula needs more work. There are two serious problems with the EPS Formula. The most important to the rural communities, I think, is the transportation line.

Transportation costs, Ladies and Gentlemen, is an inherently prejudicial item for rural communities. What I mean by that is every rural community, because of its nature, has higher transportation costs. But even more than that, each rural community is different. It might have well maintained roads that are nice and smooth, or a rural community could have many miles of gravel; rough roads that take their toll on school buses, for instance.

I don't think that this formula takes into account those differences that so affect a transportation line within a small rural community. But even more than that, I think this legislation fails

one important point. I don't think it recognizes the incredible value that our small rural schools have to our culture, our community, and basically our reputation across this country.

I talk to a lot of people in my travels as a legislator from other states and they don't say to me "I can't wait to move to the State of Maine so I can move to a large urban school." What they say to me is, "Wow, you have a unique way of living in the State of Maine. You have community, you have small rural villages along your coast, you have small schools where people know each other." That's where I think this legislation fails this state. I think it fails to recognize that as a legislature we shouldn't be developing policies that put them in jeopardy but policies that enhance their ability to survive. All of us know that our young people are leaving our state. You close a rural school in a rural community, and you've guaranteed those students will leave.

I believe that we need to take a closer look at this EPS Formula so that it is fair and equitable to everyone across the state. I think that it would be easy for us to make adjustments in this formula, but if we pass this legislation as is, we will be putting it into statute, and I don't care what you've heard over the last two days, it is difficult to change a law once it is passed. Imagine how difficult it's going to be if we pass this and it benefits school districts, larger school districts, around two smaller school districts. To those of you that represent these smaller districts, do you think that they're going to be willing to give up a portion of their funding after this is passed into law? You may think so but my experience tells me that you will not see those changes. I think people will act in good faith and try to fix this formula but Ladies and Gentlemen, the Legislature is a dog-eat-dog world where the big dog wins and the little dog gets left with the scraps. I'm not willing to put my school district in that position. I want to see the EPS Formula. I don't want to be told every day that it's changing, that it's being tweaked. Where in the world did we come up with that word? What is tweaked? I want a definition of that.

Every day we see this EPS Formula being described differently. That should scare each and every one of us. But more than that, I believe the people of our school districts, our communities, and the taxpayers deserve a legislator who can stand before them and describe the EPS Formula, and know what they're talking about. I challenge anyone in this Chamber, including the Commissioner of Education, to describe in detail the EPS Formula. Give me a copy of the EPS Formula. I was in Rural Caucus the other day when the Commissioner was asked to provide an EPS Formula. She said, "It is extremely complex in all kinds of different places." You expect me to put my community's viability at stake with something that doesn't even exist for us to look at? Forget it.

This Legislator is proud to stand before you and demand more time to know what I'm voting on. I think the people of this state deserve it and when the vote is taken, Mr. Speaker, I request a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "B" (H-6) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "B" (H-6) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. What we've put together in our committee is a good and comprehensive package, and the Essential Programs

and Services Model of Funding Education is a central piece of that package. I know that we'll continue to evaluate EPS and how it works and how it applies to different communities, and that will be done both by the Department of Education and by the Education Committee of this Legislature. But for purposes of this Tax Reform Package, keeping the Essential Programs and Services Model within it is an important part of what our committee intended to do, so I urge you to support my motion to Indefinitely Postpone this amendment. Thank you.

Representative **BOWLES** of Sanford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "B" (H-6) to Committee Amendment "A" (H-1)**.

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

The **SPEAKER**: The Chair recognizes the Representative from Hartland, Representative Stedman.

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

The **SPEAKER**: The Representative may pose his question.

Representative **STEDMAN**: Thank you, Mr. Speaker. To Representative Trahan, what was done with the funding for the EPS Model, was that left in the bill?

The **SPEAKER**: The Representative from Hartland, Representative Stedman, has posed a question through the Chair to the Representative from Waldoboro, Representative Trahan. The Chair recognizes that Representative.

Representative **TRAHAN**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House. Thank you for the question. Yes, the money, all of the money that was available under the formula, is left in the bill. All this amendment does is buy us about five weeks to have the Education Committee review the formula and make any necessary changes.

Another important point that I need to make for you is I believe this bill before us was promoted as tax reform, not education reform. Of the members on the committee, there is only one that has had any education expertise that's ever been on the Education Committee, and he spoke before me, but he wasn't in the previous legislature that adopted EPS. This huge piece of legislation should have had our Education Committee review it, but it did not. This was ordered by this Property Tax Committee, and I don't believe it was fair to ask them to do this. I don't believe they had the tools, nor the time and energy to invest in this formula that could have provided the tools that we need to make good decisions and fund our schools properly. That's why I so passionately believe we need to give this more time and you're going to hear people say that we'll continue to work on this. Well, that's what brought us into this mess today. We fly sometimes by the seat of our pants passing legislation that we fix later. But, Ladies and Gentlemen, we get so busy that there is no later. We will be so busy in a month and a half that we won't even be able to know where we're supposed to be at any given time. We're going to be in chaos. We won't be fixing this because we'll have other things to do. I'm telling you we should pass it and we should pass it so that it's as close to being perfect as we can get it. That's our duty as legislators, to provide the best job we can for our constituents, not fix things after we've already broken them ourselves, and knowingly did it. Thank you, Mr. Speaker.

The **SPEAKER**: The Chair recognizes the Representative from Bangor, Representative Norton.

Representative **NORTON**: Mr. Speaker, Ladies and Gentlemen of the House. With all due respect to the previous speaker, I think perhaps I should take offense at the fact that I am a 38 year veteran educator with experience on the Education Committee and currently the Chair of that Committee.

I hasten to add, however, that the EPS Model to which you're referring does take into account a lot of the items that you actually pointed out. It is a model that that is intended to deliver, and I believe does, a fair, equitable advantage for all of the children of this state.

Now you have used this word tweak. We actually at this point haven't tweaked the formula. We have looked at the facts that this model does have to be adapted particularly to some of the parts of this state. This model looks at the needs of the children of the state rather than how much money has been spent. I also heard you make a comment about, we don't want to get into having to change the formula. Any of those of us who have been around as many years as I have realize that every single year there has been cushions that have been talked about, there has been help, there has been transition funds, whatever you want to call them. Every single year there has been a problem before the Ed. Committee with the last formula, and it was always looking at who is going to get the cushion this year, or how much are we going to give this community or that community? All we have been involved with this year, all we've been involved in looking at, is the transition money. We realized that transitioning into a new method of distributing money to communities might mean, because of that transition, that some of the communities need to be helped with transition funds. The Joint Select Committee on Taxation looked at that very carefully, and in fact came back to the table on several different occasions, and with the help of the Commissioner, did find more money to help a lot of those communities transition. The danger in not passing LD 1 or the danger in getting rid of this is that all of that transition money will go away. You're right that a lot of the funding that is there is not going to go away, but all of the transition money will go away. In fact, any of those communities that are now a gainer because of that transition money will potentially lose that if we do not act on LD 1 at this point as it came out of committee. So there are other implications that need to be considered too. Thank you.

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

Representative MILLETT: Mr. Speaker, Ladies and Gentlemen of the House. I'd like to speak briefly in support of the amendment now before us, House Amendment "B", the purposes underlying it as presented by the Representative from Waldoboro, in opposition to the pending motion that it be Indefinitely Postponed. I think Representative Trahan has represented my thinking very well in saying that we feel indebted to the 11 members of this body and the 4 members of the other body who have labored long and hard on our collective behalf since early December to this point in making the Governor's plans for property tax relief in the upcoming year meaningful and do-able.

We are left with, however, a package that primarily is unclear in a lot of our minds in relation to the EPS Model, and how it translates to property tax relief, if at all, in our respective member communities, and that is my concern. I have been associated with school funding laws for over thirty years, and I've seen the change from a foundation program in the '50s and '60s, which was largely a state dictated program. It backed into the formula based on what it could afford, to a reimbursement system started in 1973 under the Uniform Property Tax Model, with modifications to this date.

I believe strongly that a move to a cost base system, which looks at the state as a whole, attempts to get away from the reimbursement notion and sets some broad policy goals that tie to a set of learning standards is the right way to go. However, I'm left here today with the expectation that if we don't act soon, and

under the comments of the most recent speaker, that if we do anything to refer this back, we will be under threat of loss of any transition monies that have evolved over the last few weeks with this dilemma. On the one hand, I need to be able to go back to my municipal school officials and my constituents and say this is the EPS Model, folks. I understand it, I have a little handier explanation for you, and this is the way it works, and this is why I believe it's better than the system we've relied on for the last 30 years since 1973. Secondly, I need to be able to go back to those who will deal with budgets with an explanation like a uniform printout format that translates the impact both for the upcoming year and the period of the ramp, whatever length of time that might be. And thirdly, I need to say to my constituents, like the folks who were in the hall this morning, "Folks, bear with us, we're committed to doing this, and if we are able to do it with clarity, with an explanation, and with commitment that we can actually assure you that there will be relief in your tax bills that come to you in the summer and fall of this year. I want desperately to be able to do that. At this point in time I feel I cannot do any of those three things with any degree of intelligence or explanation, and thus I am faced with a need to make this model clearer, more workable, and more prescriptive in what it will do for the various communities that it will impact upon.

If we look at the communication we received this morning from Maine Municipal Association, and out of the 486 units represented in that three colored map, 302 are in the position of either gaining nothing or gaining only within the margin well below the intended cap on local spending growth. That leaves me in a troubled position of wondering is this model, which really translates into actually no growth, no gain, no benefit, no property tax relief of tangible magnitude, that we can say to our voters is coming for about 60 percent of our school systems. That troubles me greatly. I hope it's not that bad but I'm not in the position today to say that I can go back and do what I need to do intelligently and with some degree of knowledge and authority. Thus, I believe that you should hear Representative Trahan's amendment as one with positive intent, not inclined to be anything more than a constructive opportunity to give us what we've been asking for; that simple little explanation, and that local printout, and to do it as quickly as possible so that we can translate the impact back home. That's all we're asking. I'm not happy with the implied threat of the previous speaker, the current House Chair of Education, that we risk the loss of all of these transition monies by virtue of this amendment. Nothing could be further from the truth on an intent level, I can assure you. Thus, it seems to me that while we've all been exposed to the extreme makeover adjustments over the last three weeks, and that has brought some of us to the point of barely being tolerable under this proposal, that we should not be looking at this as under the threat of loss, and thus return to an even worse picture if we vote for this amendment.

I hope you would vote against the motion pending to Indefinitely Postpone, and not think of it as simply a procedural motion, but a motion to test whether or not you are comfortable. Hopefully, you're more comfortable than I, but I represent a group of people, I think, that are not comfortable, that we can go back home this weekend, explain this piece, defend it, define it, and quantify what the relief might be in this year's tax bills. So I hope you would consider the intent as noble, the purpose being to get more information, and our intent to stay within the accelerated time frame that we're working under. Thank you.

The SPEAKER: The Chair recognizes the Representative from Frankfort, Representative Lindell.

Representative LINDELL: Mr. Speaker, Ladies and Gentlemen of the House. I rise to speak in favor of House

Amendment "B" to Committee Amendment "A" and against the motion to Indefinitely Postpone the amendment. I'm deeply troubled and concerned with the speed with which this portion of the bill has been rushed through this Legislature. Here we are in the first couple of weeks of the 122nd Legislature, ready to pass a bill that contains an educational funding formula that has deep and long term effects on the funding of education. Those effects are also uncertain, and frankly it's the lack of transparency in the formula that concerns me the most. We've been presented with numerous spreadsheets with differing numbers.

Mr. Speaker, my district comprises of six different towns in two counties, and three separate school districts and within my small district alone I've seen dramatic differences between increases in funding in some areas and decreases in funding to flat funding in other areas. And through all of that I cannot be given a formula by which I can compute how these numbers are arrived at. And, Mr. Speaker, I don't think any of the other members of this House would have that formula or have the capacity to figure out how these numbers are arrived at, and I think referring this section of the bill back to the committee would give us an opportunity to go through that process, learn and understand more about the formula, and perhaps improve the formula. Mr. Speaker, bad legislation is often rushed legislation, and we cannot anticipate all of the impacts that this might have on our schools without due, careful, sober consideration. So, Mr. Speaker, once again I urge the members of this House to vote against the Indefinite Postponement and then vote for this amendment so that we can send this back to the members of the Education Committee to go through this formula and come up with some numbers. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. Our committee actually spent a great deal of time wrestling with the EPS Model and how the step-by-step calculation is made in determining the Essential Programs and Services' funding level for each community. We did review in detail how the model works, and as a committee found we weren't comfortable with the model, and indeed comfortable with what many past legislators had already enacted into law that put the basic EPS Model into place. Where we found there was a need for a correction was in the transition to it, and if I can just try to convey how we thought about this transition.

We have a certain amount of money going through the current funding model today, and we have a dramatically increased amount of money that would be going through the new EPS Model as it's fully phased in, and what you want a transition to look like is a very gradual slope from where you are today up to where you want to be, what we call the 100 percent of EPS, 55 percent funding, where we all agree we want to go. And what we found was that what the Department of Education brought forward first as a transition in fact in some communities had a dip at the start, that then lifted back up to where ultimately funding would go. And so the various versions of spreadsheets that have been referred on the floor were versions that tried to better correct and to make for a smoother path toward where education funding is now, toward where education funding is supposed to be. We feel that we reviewed the Essential Programs and Services Model very well and that we substantially improved the transition into the full 55 percent funding. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Winterport, Representative Kaelin.

Representative **KAELIN**: Mr. Speaker, Ladies and Gentlemen of the House. I rise in support of Representative

Trahan's amendment and against the pending motion to Indefinitely Postpone this motion. Like Representative Millett, I supported the EPS Formula last year. I thought it was absolutely essential for us to begin to get our arms around the cost of implementing learning results statewide, and I continue to be a supporter of this approach. I must tell you that the last week has been one full of great and tremendous confusion in my rural area of Waldo County, and it's not only in my own mind, but in the minds of the school superintendents that I represent out there. And also in the minds of selectmen in my district, one of who was here today took the time to come over. Kathy Littlefield, who's been a Selectman in the Town of Waldo for 32 years, and I would like to just take a minute to read into the record a portion of what she wrote today. I appreciate your bearing with me, Ladies and Gentlemen of the House. She said that, "The speed and urgency of enacting this is an issue. EPS is not ready to go, it just isn't. An example, the funding for my district since it came from committee Thursday has changed two or three times. What does that tell you about the integrity of the model or the formula? Will you be continually changing and adjusting, and by what criteria? Will it be a squeaky wheel adjustment? Political power adjustment, or what? If this is to work, and I think it can, then everyone must be willing to do it as best for the education for all of our children and not just individual districts and school systems. Each school system must be looked to as to its needs regardless of winners or losers. EPS should not become a tool to further divide Maine. As EPS now stands, it does just that. For example, the EPS Formula changed transportation funding from cost per mile to student per mile. Everyone must realize what that does to rural districts. It takes away what rural districts can't afford to have taken away. EPS adds a regional adjustment for teachers' salaries, saying that it costs more to live in Southern Maine. How does anyone think that rural Maine districts can hope to attract good teachers when they can't afford to pay the salaries that larger districts can pay because they get the adjustment? This is not where EPS should be, adding fuel to the fire to the two Maine issues." There is a lot of confusion. I don't think there's anything wrong with our voting today to send this back to committee for another few weeks so that those people that we're representing can be satisfied that we're on a path here that makes sense for all the different areas of Maine, and I appreciate your time. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Manchester, Representative Moody.

Representative **MOODY**: Mr. Speaker, Men and Women of the House. I'm troubled by the length of time, five weeks, to come up with answers that we've been working on for a great amount of time, and I'm wondering if there's anything in the works at present that would answer the questions that are posed by this amendment. Thank you.

The SPEAKER: The Representative from Manchester, Representative Moody has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Bangor, Representative Norton.

Representative **NORTON**: Mr. Speaker, Ladies and Gentlemen of the House. Several vehicles already exist for the Education Committee to deal with the problems or the perceived problems that we may have with EPS. For one thing, the Commissioner has to report back to the committee annually as to the progress, but there are several draft bills, or several bills in that we can use as vehicles to address problems should they actually arise.

The **SPEAKER**: The Chair recognizes the Representative from Cape Elizabeth, Representative Goldman.

Representative **GOLDMAN**: Mr. Speaker, Ladies and Gentlemen of the House. I am aware of EPS, having sat on the original EPS Committee several years ago. So I'm aware not only of the concept, but I was a participant in working out the original way of organizing and arriving at costs. Many years, actually several years, have gone on since that time, and I have been in touch from time to time with the process. I'm now on the Education Committee and have seen how much work has gone on, and how it is an evolving model. It is mature enough, in my opinion, for us to be able to go forward in some confidence.

In my many years of experience, as other speakers who've spoken before me, I too have many years of experience in the education field; 13 years as a superintendent in two different towns which have had different kinds of impact from various funding formulas. I've never seen a perfect formula, as has already been stated here, and I would like to say as far as the confusion, which I think is understandable, and I think many of us feel that there are questions that we can't answer as clearly as we might. I only knew in all the time I was dealing with the previous funding formulas, frankly, I only knew two or three people who could explain clearly to me how they arrived at the figures that came into my office. So I have to suggest that that is really not a totally new problem, and I do believe I have enough knowledge about the current status of the model so that those issues that are problematic can be worked on.

The **SPEAKER**: The Chair recognizes the Representative from Bath, Representative Watson.

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

The **SPEAKER**: The Representative may pose his question.

Representative **WATSON**: Mr. Speaker, Men and Women of the House. I'm curious to know as to whether or not the data actually exists that would provide the numbers that Representative Trahan seeks in this five-week study?

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

Representative **STEDMAN**: Mr. Speaker, Ladies and Gentlemen of the House. In response to the question, the Department of Education has promised us we will get our 281 documents in the next three weeks, and at that time we'll be able to see how the numbers play out in each district, but that's three weeks from now, that's not today. So I would urge you to respond to this properly and vote against the motion to Indefinitely Postpone. Thank you.

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. I'd first like to apologize to Representative Norton. I did review the list, and for some reason I missed your name. I usually don't make those mistakes, you'll find that out later, but I would really like to apologize. I'm really sorry about that.

The point that I would like to make, Mr. Speaker, is that this process of schools finding out, and legislators finding out, how much money their school districts are going to get usually doesn't happen this quickly. Usually during the process, what we do is we create our biannual budget and in that budget we include GPA increases in funding. And oftentimes school districts don't learn until months down the road after the session begins how much money each community is going to get. There is no need

to rush this. We can look at this legislation in the Education Committee and come back, fix it so that it's equitable to everyone, and it really doesn't change anything that happened in past legislatures. It was common practice to find out how much your school districts got months into the session. So don't be diverted from the issue that we're talking about today. It isn't about data, it isn't about what happened in the past with EPS, it's what's before us right now. In your hearts do you feel confident that you understand how this is going to affect your rural communities? I know I'm not.

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

Representative **MILLS**: Mr. Speaker, Ladies and Gentlemen of the House. Let me address the issue from the point of view of a legislator representing a rural area of Maine, because I did follow closely the proceedings in the Select Committee and I respect the work that that committee did over 40 days and 40 nights.

It is because we continue to have issues relating to transportation reimbursement, and transportation costs in rural areas that I have drafted a bill, a separate bill, that will be heard by the Education Committee to clarify, and I'd point to Section 22-A of the definition sections in Committee Amendment "A", which talks about approved adjustments in transportation reimbursement. And it is my understanding that the Committee Amendment "A" does allow for appeals, and redefinitions, and flexibility in the adjustments to be approved by the Department respecting transportation reimbursement. It says that they include, but they're not limited to, Special Ed. Transportation, and Voc. Ed. Transportation, and the like.

It is my understanding and intent to clarify at a later time that this also includes factors such as an unusual number of one-way or dead end runs, and any other cost factor that a rural district might incur that cause an undue burden on that school administrative unit.

But Committee Amendment "A" is important to pass and I urge the members to support the motion to Indefinitely Postpone. I would also call your attention to, those who are concerned about small schools in rural areas, the provisions on Page 74 of Committee Amendment "A" relating to isolated small school adjustments and transition adjustments. I'm aware that the committee made a lot of concessions and adjustments for small schools and rural schools, and I'm aware that the Education Committee will continue to work on these issues that affect us, but each district is different, and the effect of this amendment on each district is different, and we have to accommodate those changes with some flexibility.

We need to pass Committee Amendment "A". Without Committee Amendment "A" at this time, the rural schools, the small schools, will not receive the transition adjustments in this bill. We will not receive the small school adjustments in this bill, we will not receive the isolated school adjustments in this bill, and we will suffer greatly because if this does not pass we stand to lose a great deal more under the existing law. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Harrison, Representative Sykes.

Representative **SYKES**: Mr. Speaker, Ladies and Gentlemen of the House. The Essential Programs and Services method of funding education has great potential. It certainly could provide us with a much better way of dealing with the funding issue of education, a very complicated issue, as we all know. It is, indeed, a major policy decision. It's a major shift. Major policy decisions should be made based upon accurate information, complete information, and a stable platform.

Unfortunately, EPS, as we see it today does not contain accurate information, and I would submit the inaccuracies of the transportation costs. It does not contain complete information. As you've heard, we still do not have the Form 281 from the Department of Education, and it is not a stable platform. We've received three different levels of funding in the last seven days. I think by pulling EPS out and allowing some more study does not endanger EPS. In fact, for me, it gives it more potential, more strength, by giving us a better, a more accurate, a more stable, and more complete information.

I only ask that if you were to buy a homeowner's insurance policy, would you want to know what was covered before you bought that policy, or would you simply say I'll wait until we have an accident and then we'll figure out if we're covered? Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "B" (H-6) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 1

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

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

ABSENT - Clough, Greeley, Lansley.

Yes, 77; No, 71; Absent, 3; Excused, 0.

77 having voted in the affirmative and 71 voted in the negative, with 3 being absent, and accordingly **House Amendment "B" (H-6) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative MERRILL of Appleton **PRESENTED House Amendment "A" (H-5) to Committee Amendment "A" (H-1),** which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Appleton, Representative Merrill.

Representative MERRILL: Mr. Speaker, Men and Women of the House. This amendment is the two-year ramp. It will fully implement 55 percent funding in this biennium. I offer it, not in the presumption that I know better than the committee, but with the humble recognition that the people of the State of Maine are our masters.

In November of 2003 the people rejected the alternative offered by the last legislature. That alternative, then referred to as 1-B, offered the EPS Model funded over a five-year period of time. The plurality of the people rejected that plan and instead

chose the old model to be funded immediately. That choice was confirmed by a majority of the voters in June, when the people decided they had waited for the legislature long enough to fund education at 55 percent as promised in the law.

Please take a moment and look at Sections D-43, D-45, D-48, D-50, and D51 of the bill -- of the Committee Amendment as reported by the committee. These sections expressly and totally repeal what the people themselves enacted into the law. No previous legislature as ever had the audacity to even consider such an action, and we must not let expedience, convenience, or loyalty to party lead us down that thorny path.

The Maine Constitution gives the people the right to nullify our acts and not the other way around.

Instead, I ask you to support this amendment to fully implement 55 percent funding in this legislature. By doing this, and carrying out the people's will, we will do what the voters asked us to do. I don't pretend that it will be easy to find the money to do this. I don't pretend it will be easy to figure out how to fund this, but it is what the people have directed us to do, and when you join me in voting for this amendment you will be affirming that this legislature is up to the challenge that the people have laid before us.

There is a lot at stake in this vote, otherwise this freshman legislator would not be asking you to vote against the wishes of my leadership. But what is at stake is the fundamental building block of our Democratic Republic, the promise that every individual will abide by the will of the majority as expressed in a free election. I ask you, can we who raised our right hand and promised to uphold the Constitution and the Laws of the State of Maine do anything less?

Mr. Speaker, I ask that when the vote is taken it be taken by the yeas and nays so that we may publicly affirm that the people in Maine, the people's will, is our charge. Thank you.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "A" (H-5) to Committee Amendment "A" (H-1).**

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

Representative WOODBURY of Yarmouth moved that **House Amendment "A" (H-5) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative WOODBURY: Mr. Speaker, Women and Men of the House. This is, indeed, the issue on which our committee struggled the most, and at the end the issue on which we were not completely unanimous. We ended, as you know, with a 12-3 report. Twelve of us supporting the 4-year ramp into funding and 3 of us supporting an accelerated 2-year ramp.

The biggest part of this struggle was the other competing interests that we would have to trade off in considering a 2 year ramp; either choosing a tax increase, which many of us felt was not the right thing to do at this time when we're a high tax burden state, or a requirement that we decrease funding in other parts of the budget beyond the decreases that are already necessary to fund the increased school funding that we already proposed. This was an issue we struggled with a great deal. Again, I am just so pleased with the overall package that we put together, Mr. Speaker, Ladies and Gentlemen of the House, and I urge you to support Committee Amendment "A" as it came forward from the committee. Thank you.

The SPEAKER: The Chair recognizes the Representative from Hartland, Representative Stedman.

Representative **STEDMAN**: Mr. Speaker, Men and Women of the House. I rise in support of Representative Merrill's amendment and I'll urge you to vote against this Indefinite Postponement.

It appears that both of us, Representative Merrill and myself, heard voters say fix education funding, and do it now. To me that says the responsibility is on this 122nd Legislature to solve the problem.

Public Education, K-12, has a high priority, not only for the end product but also the cost in getting there.

One of the problems faced by the so-called Tax Reform Committee was that we were given a deck of cards to play Bridge with, but the cards were Old Maid Cards.

Tax reform was not in the cards, so we dealt with issues perceived to be in the reform arena, though we were only minimally able to generate anything meaningful to that end.

Then comes EPS. To consider EPS to be an element in the reform package is difficult to explain. It was proposed and enacted to provide financial resources to meet the needs of education, the educational establishment, to achieve the learning results in an equitable way, not to solve tax problems, per se.

In my mind, EPS is not ready to be implemented. The integrity of the formula is at stake, not in its basic principles, but in its application. By having to offer major adjustments even before the final draft shows that more tweaking is needed by using adjustments to solve problems that may or may not be inherent in the formula, and having transition funds built in to ensure no loss transitions from year to year tells me that maybe more work needs to be done to understand the variables that are driving this red sheet printout.

I know there is a big fiscal note on this amendment, \$104 million, and that the amendment does not suggest a funding source, because to provide dollars outside the budget presented by the Chief Executive would mean additional taxes. Therefore, the funding must be found within the budget document, by reducing the cost and size of government to accommodate this most important responsibility of State Government, the education.

So, in conclusion, I felt that the urgency expressed by the public should be translated into action this term so that education does not take a back seat to other governmental responsibilities, thus my support of Representative Merrill's amendment. Thank you.

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

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. I rise to support the motion to Indefinitely Postpone. I have the greatest respect for the Representative from Appleton, Representative Merrill, but I feel very strongly that adopting her amendment would be one of the most irresponsible things that this body could do in this context of facing hundreds of millions of dollars in revenue shortfalls.

This amendment makes no requirement on how we would fund this dramatic increase of \$104 million in General Purpose Aid to Education. It's similar to what the voters passed in June, and the Representative is right, the voters did tell us that they wanted immediate 55 percent education funding but they gave us no indication on how they expected us to pay for it. And this amendment, I think, compounds that problem.

What we're left to do, then, is to shift it to existing resources. Existing resources, which we know are already in short supply. And where will we go? Where will we go to balance the budget? We know that 75 percent of the state budget is either education,

or higher education, or social services. So we're not likely to go to education to fund an increase in education, we're going to go to the social service side of the budget. And I don't think when Maine voters passed the 55 percent education requirement that they intended us to cut services to people with brain injuries, for example, or children needing mental health services, or children and adults needing mental retardation services, or health care for low-income families, or perhaps completely undermining the Dirigo Health effort. Nor do they, I think, intend for us to undermine economic development efforts in the state, another place, perhaps, in the budget we could go to.

I don't think any of this was intended by the voters in June, and certainly nothing in the question that they were given indicated to us that that's what they wanted us to do.

I find this conversation today to be a very familiar scene, familiar to what we were doing last April in trying to find some level of agreement that would offer tax relief, property tax relief, to Maine voters, or Maine residents. I remember very similar debates about, well, it's not perfect in this way, and it's not perfect in that way, and it's not perfect in another way, and I remember very well going home after that and hearing from my constituents saying we weren't looking for perfect, we were looking for something. We were looking for some indication from that institution that you are capable of responding to our needs, and you failed us; Democrats, Republicans, Green, Independent. You failed us. And I remember constituents telling me when I was going door to door in the campaign, I will vote for anybody who is not an incumbent, regardless of party, because you failed to provide on what was an issue of, perhaps the major issue of the session. And so here we are again. We have another opportunity to demonstrate to the People of Maine that we're capable of property tax reform. And I feel very confident about the quality of the package we've put before you. And I think that this amendment undermines what we're trying to do, what we're trying to demonstrate to the people of Maine. And so for that reason I respectfully disagree with the Representative from Appleton, and will be supporting the motion to Indefinitely Postpone.

Representative GLYNN of South Portland **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "A" (H-5) to Committee Amendment "A" (H-1)**.

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

The SPEAKER: The Chair recognizes the Representative from Sorrento, Representative Bierman.

Representative **BIERMAN**: Mr. Speaker, Ladies and Gentlemen of the House. I was on this August Body to address property tax reform, and it was quite an honor, and I enjoyed all the members, and albeit it went beyond, sometimes, my expectations of what was considered a day, but nevertheless I respectfully disagree with the good Representative from Portland, Representative Dudley. This disagreement actually extends back to the committee. I firmly believe that the citizens of the state feel, and were under the impression that when they voted on the Citizen's Referendum, that they were voting to implement 55 percent that next biennium, within that next biennium budget.

I debated speaking on this because I wanted to leave the committee process, and how we voted, leave it to be debated amongst other members on the floor, but I strongly felt that the EPS Formula was flawed, but yet I felt that I could support it, given the assurances and the transitional monies, and the attempts at addressing the rural and isolated, and the high valuation, low student population areas which is a big area that I represent. But I couldn't and would not support the 4-year ramp. And I would strongly encourage the body to support -- not

support the pending motion, and let's see if we can move to the Good Representative from Appleton, Representative Merrill's motion. Thank you.

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

Representative **TWOMEY**: Mr. Speaker, Men and Women of the House. I too will be voting against Indefinite Postponement. The voters did say three times, as a matter of fact -- there were three surveys that were done; one by the Governor's Office, one by MMA, and one by Kit St. John's outfit, and 65 percent of the responses said we want 55 percent of education funding, we want to have our services without cuts, and we're willing to pay for it, and that's what the response was.

Now we could get into a debate on how we're going to pay for it, seeing that we're mortgaging the future of the State of Maine on the backs of Megabucks and the Maine State Retirement System, you know, we could look to \$100 million, a little more than \$100 million, for the BETR Program.

It's a matter of priorities; it's a matter of where we want to put our money. The money is there, but there are certain programs that we don't touch, and those of us who care about funding education at 55 percent, and listening to what the voters said, know where the money is. We just need to take the chamber of commerce out of the Executive's Office and maybe we could get something done. Thank you.

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

Representative **PINGREE**: Mr. Speaker, Men and Women of the House. I rise to support the current motion of Indefinite Postponement. I certainly have respect for my colleague from Appleton and her intent, but I just wanted to speak very briefly to where we are and what this bill would do to the current budget. We're not debating the budget right now, but we already have an initial indication of what that budget would look like. \$104 million on top of a current problem that we have is something that I know I as a member of this Legislative Body don't want to face, and I have a feeling that once you saw the specifics you wouldn't want to either.

I know not everybody in this legislative body has seen all the specifics of what's coming before us. I'm happy to say that some of it isn't as bad as we saw last legislative session, but there are significant cuts proposed to the most vulnerable Citizens of Maine in the upcoming fiscal budget. We're seeing major cuts to mental health services, to adults and children, to mental retardation services, to foster care parents, to those under the non-categorical waiver, massive estate recovery provisions that will make it much easier for the State of Maine to seize your property if you're an adult living in a nursing home.

So I wanted to give you that preview, not to scare you, but I think that we as the legislative body, hopefully in a bipartisan way, will be able to come together to find some solutions to make this budget more fair. Having spent the last two years on the Appropriations Committee, I can't imagine how an additional \$104 million cut, what that would look like to the most vulnerable People of Maine. It's not something that I want to see.

I appreciate the hard work, the bipartisan work, of this tax committee. I think they've worked incredibly hard on these issues and I think that we have to support the work that they've done. They figured out the most responsible way to put tax reform into place and I think that they've realized that a 2-year ramp is not responsible. A two year ramp would do significant and permanent damage to the poorest, the most vulnerable, the elderly, the people of the State of Maine who maybe don't always get to the polls but I know that you knocked on their door during the course of this last election, and I do fear what this

amendment would do to those people, and for that reason I ask you to support the Indefinite Postponement. If we do want a two-year ramp, we have to figure out how to pay for it, and putting that burden on the most vulnerable people in Maine is not a responsible solution, in my mind. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from West Gardiner, Representative McCormick.

Representative **MCCORMICK**: Mr. Speaker, Ladies and Gentlemen of the House. I too was on the Joint Select Committee and I can attest to the amount of work we did. We waded through mountains of data, suffered through many spreadsheets, spent many long hours late at night working on this bill. We had wonderful leadership, and we had compromises from both sides of the aisle that I had never seen before. And I truly believe we had a better document when we ended than when we began.

I rise in support, though, of Representative Merrill's amendment, and opposed to the Indefinite Postponement.

In the final analysis, I could not get past how do I explain to the voters that I'm ignoring the will of their vote, and not implementing this program in the shortest term possible. I went door to door all fall long, and I told everyone my top priority will be to implement Referendum 1A, and nobody objected to that, so I had to vote against this, and vote in the minority on this bill, and so I hope you will support Representative Merrill's amendment. Thank you.

The SPEAKER: The Chair recognizes the Representative from Arundel, Representative Daigle.

Representative **DAIGLE**: Mr. Speaker, Ladies and Gentlemen of the House. Much of the debate lately has been referring to the public referendum, saying that it is the will of the people, and that it is sacrosanct, that we cannot touch it. We should not be modifying it.

If you look back in history, it is not unheard of for us to do exactly that. We have modified many referendums. The overwhelming majority of referendums are repeals, but the few that have proposed legislation include such things as some income tax indexing back in the '80s, which we had to tear apart and put back together so that it would work. The Sensible Transportation Act, which first stopped the widening of the turnpike, and did many other things about how regional transportation was to be structured. We tore that apart, and we put it back together again because the product by the referendum process was flawed. And very recently, last year, we had a Racino Bill. Remember that one? It passed and we took that thing apart. We've changed virtually every word in the document except for the fact that there would be a Racino at the end. So, we've done this before. We do it when we have to do it.

This particular referendum, calling for 55 percent funding, to my knowledge, did not have a specific implementation schedule. If somebody can stand up and tell me where that referendum said exactly when that money would be paid, and how it would be phased in, that would be news to me. But it wasn't there. That implementation schedule was to be determined by the legislature, and that's what LD 1 is proposing to do, and that's what the committee has done, is determine the implementation schedule that was in that referendum.

Throughout my earlier three terms in this legislature I consistently stood here, sat here, listened to bills supporting new social programs with huge price tags down the road, and asked the question how are you going to pay for it? And every time someone said I don't know, we'll find the money, I voted no for those. I lost to many of those bills and they're now part of our structural gap, and I regret that they were passed, but they weren't passed with my vote. So unfortunately in this particular

case I'll be supporting Indefinite Postponement for the same reason, because you've got a good idea, and you don't know how to pay for it, and whether it's expansion of MaineCare, if you don't know how to pay for that, I'm going to vote no. And if it's going to be funding education, and you don't know how to pay for that, I'm going to vote no, also. No in this case means a green light on Indefinite Postponement.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Fletcher.

Representative **FLETCHER**: Mr. Speaker, Ladies and Gentlemen of the House. My father taught me a lot, and probably the most important thing he taught me was this: Respect is something people give you. Credibility is something you earn.

I believe this body has a credibility problem. The voters of this state after 20 years realized that the majority of this legislature has been cost shifting the education costs to property taxes, and taking the money and using it for other things. Maybe good purposes, but we rationalize not living up to our commitment of 55 percent. The voters decided twice it was time to fund education first.

I believe that's what we should do. Fund education first, and then if we want to deal with finding other sources of revenue, or making the tough decisions to cut the size of state government, or the social welfare programs, that is something that clearly we have the authority and the accountability to manage.

We no longer can cost shift back to education and property tax. This is an opportunity for this body to regain its credibility. I, in good faith, cannot go out and rationalize once again why we do not have the money to fund education.

I believe this is the time that we will make a difference. We can rationalize once again it's not a good time, but I don't believe in 2 years, or 3 years, or 4 years it's going to be any easier, if we look at what's going on. Let's do our work now, and that's why I would urge you to vote red on the indefinite postponement. Thank you.

The SPEAKER: The Chair recognizes the Representative from Augusta, Representative Lerman.

Representative **LERMAN**: Mr. Speaker, Women and Men of the House. I too served as a member of the Joint Select Committee proudly, and want to extend my appreciation, again, to my colleagues on the Joint Select Committee for really an outstanding job. It was really inspiring.

I do want to remind my colleagues here in the House that in fact a vote out of the Joint Select Committee was a 12 to 3 vote in favor of the entire package, which included the 4-year ramp, and it was a bipartisan vote.

You know, we wrestled with the issue of how do we reconcile a 4-year ramp with the vote of the people on the initiative last June. It was not an easy decision, but I think many of us came to the conclusion that the biggest message of all that we got from that vote was the need to act, the need to put together a responsible package, that the voters wanted the legislature to play its rightful role in dealing with the issue of property tax relief and reform, and recognizing the difficulty of finding the resources, certainly within the budget, and I'm not going to get into the details because my colleagues have already described a budget situation that we'll be wrestling with over the next few weeks or so that will be extremely challenging, given the limited resources that we have. To add another \$104 million to that budget without recognizing additional sources of revenue, I agree, is not the way to go and is irresponsible.

I believe that we are being responsible to fulfill the spirit and intent of what the voters were directing us to do. I want to assure

you that we really took it very seriously, and I urge you to vote in favor of Indefinite Postponement. Thank you.

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

Representative **DAVIS**: Mr. Speaker, Women and Men of the House. I would like to speak against the pending motion, and I am in favor of Representative Merrill's amendment to ramp the 55 percent state share of education.

I want to thank Representative Merrill for giving a Freshman Legislator the nerve to stand up and act upon what I promised my constituents to do, and that was to increase the state share of education spending in a timely fashion. It will help me also to stick to my standards and to the promises I made to my constituents. I also would like to stress the dissatisfaction I have for those who exploit the brain injured, and the disabled, and the vulnerable people of our state. We use that all the time when we speak of budget matters, and I think that's terribly unfair. I know we have a very hard road ahead of us to cut spending, to manage our services better. That's what I told my constituents I would do, and that's what I intend to do. So I'm asking you to vote against the pending motion to Indefinitely Postpone this amendment.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "A" (H-5) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 2

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

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

ABSENT - Clough, Davis G, Greeley, Lansley.

Yes, 75; No, 72; Absent, 4; Excused, 0.

75 having voted in the affirmative and 72 voted in the negative, with 4 being absent, and accordingly **House Amendment "A" (H-5) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative BOWEN of Rockport **PRESENTED House Amendment "G" (H-11) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Rockport, Representative Bowen.

Representative **BOWEN**: Mr. Speaker, Men and Women of the House. I have a very quick amendment to contrast some of these other amendments, a very quick amendment. I think one

we can all get behind. It's about time we had one we could all agree on, I think.

The last time I spoke on this floor was last spring when we were debating, believe it or not, tax reform. It was in the wee hours, as I recall, and we didn't get a whole lot accomplished. As a consequence of that, the Citizen's Referendum passed, and that put us in the position we are now, where tax reform has been directed largely by school funding. I knew when we were over here last spring, and I knew before this question passed, that if school funding became the vehicle through which tax reform was to be delivered, that my town was going to be out of luck. My district.

And so when I started thinking about how we could make this piece of legislation work for those of us in districts that are seeing spiraling valuations, I wasn't really looking for a whole lot of money out of the school funding formula, honestly, no matter how much money we dumped into it, I don't think. And so for me the big issue was were we going to have a tax relief program that was effective, that was going to provide relief to the folks that needed it most, was going to be easy to access, it was going to be widely known about, that people were going to use and come to expect to use every year. And the program that we have that most closely approximates that, of course, is the Circuit Breaker Program, which we have in place now.

The problem, of course, has been that the Circuit Breaker Program is widely underused. Even under current law, only half of the people, probably less than half of the people, who qualify for Circuit Breaker, actually apply for it. And so we have a problem of a pretty good tax relief program directed at the folks that need it the most that is widely underutilized. And I was hoping that the committee would tackle that particular issue and really take some steps to improve that program. They did, to a certain extent. They did lift the eligibility limits, which will put more people into the program. They did lift the benefit level, which means that people will stand to see more relief coming to them, those that apply.

What has not changed, however, is how easy the program is to access. It remains, as it is now, that you have to apply. It's a separate form. You do it in the fall for the taxes you paid on the year before. It's relatively convoluted, quite frankly, and that probably is the big explanation for why most people don't use it, who have access to use it.

So what I was hoping we would be able to accomplish was take this Circuit Breaker Program, and one of the things that we can do to broaden its use is put it into the income tax package. Now when we looked at this last year as part of the tax reform piece, one of the problems we ran into is that because of the income thresholds that the program used back then, there wasn't much crossover between people who file income taxes and people who file Circuit Breaker.

Now with the eligibility limits being lifted, so that now we're going around saying that ninety percent of the people in the state qualify for this program, it makes more sense to try and put that into the tax package so that people can access it when they're doing their taxes, take it as a credit when they do that, and they're done.

Now we talked about this with Maine Revenue last year, there are a number of problems. And I know that the committee, the Tax Reform Committee, looked at this and looked hard at it, and worked on it. I know they did. And I know that there are some issues that need to be fixed about it. There are issues about phasing it in, and can we pay two years' worth of property tax rebates in the same year. There are issues about staffing. Maine Revenue uses the staff that processes income tax forms in

the spring to process these forms in the fall. There are some issues that need to be overcome, but this can be done.

I've had distributed a yellow sheet, it was a tax form, I hope I didn't give anybody a heart attack or anything, seeing a scary looking income tax form showing up on their desks, but these don't apply to us.

If you look at them, you'll see -- one is from Arizona. This is the program that they use in Arizona. You can go in, you can see it has the qualifications for credit at the top. You put in your income at the bottom, you take your deduction, you put it right on your income tax. On the other side, the State of Missouri has virtually the same program. Theirs seems to be a little more paperwork intensive, for some reason, but nevertheless it's there. This program is used in these two states. Vermont has a program like this. I believe Minnesota has a program like this. Somebody told me yesterday that Maryland has a program like this. Other states are doing this. This is doable. I understand there are hurdles to overcome, but this can be done, and it should be if we want a real Tax Reform Relief Program that people can actually use and will use. So all my amendment does, before I start scaring you into thinking that I'm doing this in this amendment, all this amendment does is it asks our standing Tax Committee to report out a bill by April 15th solving these problems, and getting this done. That's all it does. It doesn't change another word in this entire document. All it does is it says that "The Joint Standing Committee on Taxation will report out a bill that includes an application for this program in the tax package." and we figure out how to solve all those other problems. As I said before, I know the committee worked hard, but they had a lot to work on. They had a whole school funding piece to fit together, and caps, and all kinds of stuff. So I think we made a little bit of progress. The Tax Committee did a good job strengthening this program, but unless we make it easier to access, it isn't going to help a lot of people. And in districts like mine, this is the only thing there is. We're not getting any school money, or very little. And I don't know that there's a whole lot else in there for districts like mine that are low receivers.

This program works. It provides targeted relief to the people who need it, but not enough people are using it, and a simple way to do that is to put it into the income tax package. I know there are problems to be overcome.

We put a lot of trust in the Tax Reform Committee to solve the tax reform problem. I'm prepared to put a lot of trust in the Taxation Committee to solve these problems like these other states have done, and get this done. So I hope to get your support. This is a very simple amendment. It doesn't change anything in the bill except to ask the Tax Committee to get to work on this very, very important problem. Thank you.

Representative WOODBURY of Yarmouth moved that **House Amendment "G" (H-11) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative WOODBURY: Mr. Speaker, Women and Men of the House. I very much agree with the objectives that the Representative from Rockport, Representative Bowen, has in mind in bringing forward this amendment. And, in fact, this did come up as an issue in our committee and we did discuss at some length whether this was something that we could do as part of this package. As you may know, participation in the Circuit Breaker Program is not 100 percent of all those people eligible, so people could be getting relief who aren't getting it now, and it is important that we find ways to increase the participation.

One of the things that we did do within this bill, which is before the Chamber, is to extend the deadline for application to

the Circuit Breaker Program until May 30th of each year. And our intent in doing that was to enable people to apply for the property tax refunds at the same time that they're doing their income taxes, when people are thinking about tax issues, filling out their income tax forms, they can do this at the same time. So we did make a major step within this bill.

There's also a bill that is coming forward to the regular Tax Committee as part of its regular session that would deal with a check off on income tax forms that would, again, try to facilitate increased participation. So this is a debate I know we will have within the Tax Committee over the course of this session, and so my motion is simply that this is not something that is needed as part of this package. Thank you.

The SPEAKER: The Chair recognizes the Representative from Rockport, Representative Bowen.

Representative **BOWEN**: Mr. Speaker, Men and Women of the House. Just as a way of quick response and clarification, this amendment would ask our Joint Standing Committee on Taxation to do this, not the Taxation Committee that Representative Woodbury was the Chair of.

I would disagree that we don't need this. I have very little to go back to my district and say, "Hey, here's what we did for you."

And all this is asking is that we make a commitment tonight to get it done. That's it. There's nothing in this amendment that makes this happen. It's so that I can go home and say, You know, we passed this thing, and it's not 100 percent, but we're still going to work on it, and we've made a commitment as a group that we're going to make this happen. We've got to do this. For districts like mine, this is all there is, and a lot of you have lots of folks in your district who need this relief, and I don't see any problem with making a statement as a body tonight that we're going to keep a commitment.

There's a lot of talk I'm hearing around here that's a little disturbing about how we're going to get tax reform done. We're almost done with tax reform. I don't think we're done. I think we've got an excellent start, but we've got a lot more work to do. So let's commit to getting this piece of work done. Mr. Speaker, when the vote is taken on the pending motion I would ask for the yeas and nays.

Representative **BOWEN** of Rockport **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "G" (H-11) to Committee Amendment "A" (H-1)**.

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

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

Representative **FISCHER**: Mr. Speaker, Men and Women of the House. I don't disagree with a word that the Good Representative from Rockport has said tonight. What I would tell you for full disclosure is that legislation has been submitted already that will go to the Tax Committee, so they're already going to take up this issue. The only thing that this amendment would do is put an artificial deadline on when the bill would come out, either Ought Not to Pass, or Ought to Pass, it would just put an artificial deadline on it. Now for those of you who pay taxes here in the State of Maine, you obviously look at this date and it might be familiar to you, of April 15th, it's the day you pay your taxes. So this isn't going to actually do anything this year, anyway.

So what's the rush to rush this one bill through? I don't understand why we can't just let our good Tax Committee do their job and report it out when it's been fully reviewed and fully worked. And I can't understand, since it's not going to help anyone this year, why we'd want to pass this amendment. Thank you, Mr. Speaker.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "G" (H-11) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 3

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

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

ABSENT - Clough, Davis G, Greeley, Lansley, Moody.

Yes, 79; No, 67; Absent, 5; Excused, 0.

79 having voted in the affirmative and 67 voted in the negative, with 5 being absent, and accordingly **House Amendment "G" (H-11) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative **TRAHAN** of Waldoboro **PRESENTED House Amendment "I" (H-13) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. Before I begin, I can tell you that there's no bill in the pipeline like this amendment, so there is no other avenue to do it.

But this issue that I'm trying to address in this amendment, it just recently came to light when I read the copy of the bill that just came out yesterday, and I wanted to bring it to the attention of the Chamber and perhaps we can change it.

What I'm trying to do in this amendment, in this legislation, is a fund for the Efficient Delivery of Educational Services. There is a four-year ramp up in this fund that begins, I believe, around \$7 million, and then it tops out at \$21 million. This fund is being created to create grants for communities to try to find ways to save money.

Well, we've just created a program, Ladies and Gentlemen, to do that. It's called the Office of Program Evaluation and Government Accountability. Its mission is to do exactly what this fund is directed to do, and I find it kind of strange that we would be creating two entities to do the same thing, and it seems like a real duplication of state services.

So what this amendment would do is it would allow that if the Education Committee, with the oversight committee that oversees this new office, agrees that they'd like to do a transportation review or some type of educational review, they could use money within this fund. So two committees would

have to agree, and it would have to be a review of an educational issue or concern.

To give you an idea, there are 44 types of offices like this new OPEGA Office, forty-four of them. And one of their most common reviews is of their school transportation costs. It seems odd that we would be debating the whole school transportation issue when we have a tool at our disposal to help us fix it.

To give you an example of just one state that did a review of their transportation costs, Florida, they saved \$54 million in a transportation review.

A review of one school district in Ohio saved \$13 million. The list of reviews of education related programs go on and on. I think this is a wonderful opportunity that we could coordinate efforts between the Department of Education and the Legislature. If we did this, if we put this language in there, it would force the two to cooperate when they do education reviews. And, more importantly, it gives the legislature a better oversight function of what goes on in this new efficiency fund. \$21 million, Ladies and Gentlemen, is a lot of money, two percent of our GPA. That's a great deal of money to be putting out for grants. I'm hoping that at some point within this four year ramp that we find a way of doing this much more efficiently, and taking a portion of that \$21 million and distributing it back to our schools. I think if we coordinated with the Department of Education and OPEGA, which, by the way, has a seven and a half position staff with a budget of \$1 million, we have an entity who can do this work for one-twentieth of what it would cost in this fund. I think it's something worth exploring, and like the previous speaker, this is one amendment that won't cause controversy, and I think we can do together. Thank you. And, Mr. Speaker, when the vote is taken I request a roll call.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "I" (H-13) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "I" (H-13) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. The efficiency funds that are included in this bill are designed to encourage precisely the kind of regionalization and cost efficiency initiatives at the school level that we think needs to be done as part of overall bringing down our tax burden in the state.

While it's quite complimentary to what would be done with OPEGA, I believe there is an independent role for this function. In addition, the bill requires that the Administration come forward with a plan for how the Efficiency Funds in Education are going to be used and managed, and that plan will go through the Education Committee, have a public hearing, and we can evaluate exactly how those funds should be used. I think that's a good plan. I think it's a plan we should go ahead with as part of our overall tax reform package, and so I urge you to Indefinitely Postpone this amendment. Thank you.

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. One thing that I've learned here is that we can find an excuse either for or against just about anything here when we're debating. The whole concept and the idea behind OPEGA was for the Legislature to take a more active role

in overseeing state agencies, including the Department of Education. That has not occurred in the past.

This concept is basically we're going to push off our responsibility through this fund to the Department of Education to be doing these types of reviews. It's our job, Ladies and Gentlemen, that's what I've been trying to say to this body and to the people of the State of Maine over the past four years.

Why wouldn't we want to do this? Do you know what a review costs for a program? About \$20 thousand to hire a contractor to do a review of transportation costs. Twenty thousand dollars in a fund of \$21 million. And all I'm asking is that we take on a more active role in overseeing these types of reviews.

I'll give you an example of why this is important. In one of the reviews in one state there was an allocation of money from the legislature to the Department of Education, and through that allocation they were to buy 20 school busses, brand new school busses. What happened was somewhere in the decision-making process, between the Department of Education and the purchase of the busses, there was a decision made that maybe they didn't need the 20 new busses, they'd buy used busses. This was in the State of Idaho. They purchased the used school busses and they booked the extra money for the new school busses. It's that type of oversight of the function between the Executive and how they spend the taxpayers' money that we need to do a better job with, and I think this is a perfect example of how we can do that, and I'm asking you why wouldn't we?

Representative **TRAHAN** of Waldoboro **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "I" (H-13) to Committee Amendment "A" (H-1)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "I" (H-13) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 4

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

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

ABSENT - Clough, Davis G, Greeley, Lansley, Moody.

Yes, 77; No, 69; Absent, 5; Excused, 0.

77 having voted in the affirmative and 69 voted in the negative, with 5 being absent, and accordingly **House**

Amendment "I" (H-13) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.

Representative MILLETT of Waterford **PRESENTED House Amendment "D" (H-8) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

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

Representative **MILLETT**: Mr. Speaker, Men and Women of the House. Very quickly, this amendment adds one simple, I believe rather direct, sentence to the unallocated language contained in Section D-71 of the Committee Majority Report. That language as it exists in the Majority Report does direct the Commissioner of Education to report to our Joint Standing Committee on Education and Cultural Affairs on January 13th of '06 with an update status on the need for another transition adjustment prior to the beginning of Fiscal '07. If you're like me and are nervous about the implications or the need for a protection of that magnitude or that type in '07, this requires that she be a bit more specific than the language in the Committee Amendment by requiring her to submit a specific request for funding to accomplish a transition in Year Two. My intent here is simply to give us all, all of us who are nervous, a reason to believe that we have assurances that another transition adjustment is in the cards for the second round.

I am so optimistic that there will be support for this amendment that I doubt seriously there will be any effort to Indefinitely Postpone it. However, in the unlikely event that my optimism is misplaced, might I make this comment in advance? I hope that if you are nervous like I am, you would agree with me that this is language that ought to be in this bill for our own protection in Year Two. I thank you and ask that the motion pending be taken by the yeas and nays. Thank you, Mr. Speaker.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "D" (H-8) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "D" (H-8) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. I want to stand by the report that is put forward by our committee as part of the overall package and urge you to Indefinitely Postpone this amendment. Thank you.

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

Representative **MILLETT**: Mr. Speaker, Ladies and Gentlemen of the House. Now that the members have the amendment before you, I am sure you will now agree with my earlier optimism that this is an amendment that is worthy of our passage. I want to assure all of you that I had no part in the conspiracy of denying access to this worthy amendment. I would ask that a roll call be taken on Indefinite Postponement.

Representative **MILLETT** of Waterford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "D" (H-8) to Committee Amendment "A" (H-1)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "D" (H-8) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 5

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

NAY - Austin, Babbidge, Berube, Bierman, Bishop, Bowen, Bowles, Brown R, Browne W, Bryant-Deschenes, Campbell, Ceбра, Churchill, Collins, Cressey, Crosthwaite, Curley, Curtis, Daigle, Davis K, Duprey, Edgecomb, Fitts, Fletcher, Flood, Glynn, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Merrill, Millett, Moore G, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson M, Richardson W, Robinson, Rosen, Seavey, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

ABSENT - Annis, Carr, Clough, Davis G, Emery, Greeley, Lansley, Moody, Richardson D, Richardson E, Sherman.

Yes, 75; No, 65; Absent, 11; Excused, 0.

75 having voted in the affirmative and 65 voted in the negative, with 11 being absent, and accordingly **House Amendment "D" (H-8) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED**.

Representative **KAELIN** of Winterport **PRESENTED House Amendment "E" (H-9) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Winterport, Representative Kaelin.

Representative **KAELIN**: Mr. Speaker, Ladies and Gentlemen of the House. I think that one of the most important pieces of LD 1 or House Amendment "A" is the spending cap portions of the bill. Even though it doesn't offer a tremendous amount of -- probably no tax relief to the communities that I represent, the spending caps are an important part of the bill. I think, however, that a simple majority override for us here in the Maine Legislature is inappropriate in this bill, and what my amendment does is increases the vote needed from a majority to a super majority, or two-thirds of the membership of the legislature, to exceed the General Fund Appropriations in the bill, the spending limits in the bill, at Page 6 of the bill. If you read my amendment, you'll see where you can find that in the legislation.

In the last thirty-five years, eighteen of nineteen Current Services Budgets have been passed in this Chamber with a super majority vote. In the last twenty-five years, thirty-two of thirty-nine Supplemental Budgets have been passed with the same super majority threshold. I think that the commitment that we're making to Maine people to limit future spending here, to make sure that our spending at the state level doesn't exceed Maine's people's ability to pay for it is an extremely important goal, and I think it is the reason why we are having a property tax revolt throughout the state. That is, that we have spent far more than people can afford to pay collectively statewide. We have a tremendous shortfall, we've already discussed that tonight, in the Current Services Budget, again, going into this year.

We have a reasonable spending cap in this bill, and I think that the Maine people deserve our coming together in a super majority to override that spending cap limit. I don't think a majority is sufficient. We should move ahead and try to find

common ground, broad common ground, in this Chamber to exceed the spending limit that this bill has in it. I urge you to adopt my amendment. Mr. Speaker, thank you for the opportunity to speak tonight. I would request the yeas and nays. Thank you.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "E" (H-9) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "E" (H-9) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. This was an issue that was considered a great deal by our committee, and we came together as a committee in our report, and I stand by the report. It's a good Property Tax Reform Package, and I urge you to Indefinitely Postpone this amendment. Thank you.

Representative **KAELIN** of Winterport **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "E" (H-9) to Committee Amendment "A" (H-1)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "E" (H-9) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 6

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

NAY - Austin, Berube, Bierman, Bishop, Bowen, Bowles, Brown R, Browne W, Bryant-Deschenes, Campbell, Cebra, Churchill, Clark, Collins, Cressey, Crosthwaite, Curley, Curtis, Davis K, Duprey, Edgecomb, Fitts, Fletcher, Glynn, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Millett, Moore G, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson M, Richardson W, Robinson, Rosen, Seavey, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

ABSENT - Annis, Carr, Clough, Davis G, Emery, Greeley, Lansley, Moody, Richardson D, Richardson E, Sherman.

Yes, 78; No, 62; Absent, 11; Excused, 0.

78 having voted in the affirmative and 62 voted in the negative, with 11 being absent, and accordingly **House Amendment "E" (H-9) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED**.

Representative **FLOOD** of Winthrop **PRESENTED House Amendment "L" (H-16) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Winthrop, Representative Flood.

Representative **FLOOD**: Mr. Speaker, Ladies and Gentlemen of the House. I bring for your consideration an amendment to Part F, Section F1, that would change the proposed level of Homestead Exemption from \$13 thousand to \$10 thousand.

As a member of the Joint Committee on Property Tax Reform I am very supportive of the committee's recommendations. In particular I am extremely supportive of the proposal to increase the Homestead Exemption. Yet, as our days of deliberations came to a close, I questioned if we had gone perhaps too far, too fast, with this particular piece of our proposed tax relief.

My specific concern is that a Homestead Exemption increase to \$13 thousand could create a burden for local non-qualifying homes and businesses. When we increase the Homestead Exemption to \$13 thousand, half of this increase will be borne by the state and one-half borne by the municipalities. Therefore, municipalities will have to A, Reduce spending, or B, Raise taxes on non-qualifying taxable units such as non-homestead structures and businesses.

Some of this Homestead Exemption shift could, in fact, be absorbed by local municipalities in a form of local spending reductions. Each municipality is different, however, so there will be varying abilities to reduce that spending. So, clearly some of this Homestead Exemption tax shift will be allocated to other taxable units within municipalities.

By reducing the proposed Homestead Exemption from \$13 thousand to \$10 thousand, the impact on the other taxable units will often be negligible, particularly when viewed in conjunction with other features of LD 1, such as the School Funding Reimbursement and the spending caps. Yet, homestead owners will still see a favorable fifty percent improvement in their exemptions.

I offer this amendment in a continuation of the bipartisan spirit of the Joint Select Committee, in an attempt to provide meaningful tax relief for homesteads without causing significant harm to non-qualifying tax units. In total, the LD Package has far more positive and well-thought features than negative. This is one improvement suggestion for consideration by the House, changing the \$13 thousand Homestead Exemption to \$10 thousand, this will save the state \$7 million versus our LD 1 Majority Report. I would request a vote of yeas and nays. Thank you, Mr. Speaker.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "L" (H-16) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "L" (H-16) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Men and Women of the House. Let me first say what a pleasure it was to work with the Representative from Winthrop, Representative Flood, as part of our Joint Select Committee on Property Tax Reform.

The Homestead Exemption is one of the pieces of our package that contains a number of different approaches to providing property tax reform and property tax relief. And, again, I believe it's a good package and I stand behind the proposal as we brought it forward to the Chamber, and ask that we Indefinitely Postpone this amendment. Thank you.

Representative **FLOOD** of Winthrop **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "L" (H-16) to Committee Amendment "A" (H-1)**.

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "L" (H-16) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 7

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

NAY - Austin, Babbidge, Bierman, Bishop, Bowen, Bowles, Brown R, Browne W, Bryant-Deschenes, Campbell, Cebra, Churchill, Collins, Crosthwaite, Curley, Curtis, Duprey, Fitts, Fletcher, Flood, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Kaelin, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Merrill, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson M, Richardson W, Robinson, Rosen, Seavey, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

ABSENT - Annis, Carr, Clough, Davis G, Emery, Greeley, Jackson, Joy, Lansley, Millett, Moody, Richardson D, Richardson E, Sherman.

Yes, 81; No, 56; Absent, 14; Excused, 0.

81 having voted in the affirmative and 56 voted in the negative, with 14 being absent, and accordingly **House Amendment "L" (H-16) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative BOWLES of Sanford **PRESENTED House Amendment "N" (H-19) to Committee Amendment "A" (H-1),** which was **READ** by the Clerk.

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

Representative **BOWLES:** Mr. Speaker, Ladies and Gentlemen of the House. I beg your indulgence for a couple of minutes. Quite frankly, given the votes on the amendments that have preceded this, I probably would not have offered this amendment up. But I have because it summarizes the position of the vast majority of the Republican Caucus in terms of the improvements that we would have liked to have seen in LD 1. And I'm going to give you the very brief version so that we don't keep this going any longer than necessary.

We would first replace the four-year ramp with the two-year acceleration that's been talked about earlier, and for the reasons that have been cited earlier. Secondly, we would have required a two-thirds vote of the Legislature on all overrides of state funding. We would have tackled the question of where is the funding going to come from, which was of concern to people and legitimately so, in what we felt was a fair and equitable manner. Rather than just slashing programs arbitrarily, we were suggesting a rollback of all existing programs to Fiscal Year '03-'04 levels. In that manner, only those programs that have expanded greatly since that time period would have been significantly affected, and all other programs in place would have been frozen at that level. Finally, we were trying to address another problem that has come to light, frankly, since the bill was

reported out of committee, and that is the increase in change to the Homestead Property Tax Exemptions, when we went from the expansion to \$13 thousand with only fifty percent funding to the municipalities. This bill would require that we rollback to the \$7 thousand that existed in law prior to the Supplemental Budget of last year and fully fund that \$7 thousand. It would have avoided the shift on businesses, and it would have avoided the shift from one taxpayer to another that's likely to occur in the increase to \$13 thousand.

Understanding that there's no likelihood of passage of this amendment, it's still important that we record for posterity the improvements that we believe would have made this more palatable to the people of Maine and, frankly, more beneficial to them, as well. When the vote is taken, I request the yeas and nays.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "N" (H-19) to Committee Amendment "A" (H-1).**

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

Representative WOODBURY of Yarmouth moved that **House Amendment "N" (H-19) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY:** Mr. Speaker, Women and Men of the House. I very much appreciate the Minority Leader bringing forward his amendment with suggested changes in how he thinks the package would be improved.

I want to stand by what was a very strong committee report in the package that we brought forward. I think we have a good package and I urge you to indefinitely postpone this amendment. Thank you.

Representative BOWLES of Sanford **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "N" (H-19) to Committee Amendment "A" (H-1).**

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

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

Representative **CURLEY:** Mr. Speaker, Men and Women of the House. I know it's fruitless to debate these issues that the Good Representative from Sanford brought forward tonight, but many of my constituents voted for me because I believed in those things. The majority of the people in here, their constituents must not have felt the same way, and I respect the disagreements that we have. But I rise in opposition to what's on the floor because I would like the right to represent my constituents and vote on this amendment.

Not only is my opportunity and my voice taken away to speak for them, but you are not allowing them to speak. They may disagree with you, and that's okay. I can live with that. I can lose a vote, but I am not happy, and I think it does a great disservice to the people of Maine, that we don't have the ability to vote on these amendments. I ask you to vote no on the pending motion, and let me vote for the people who sent me here. Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "N" (H-19) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 8

YEA - Adams, Ash, Babbidge, Barstow, Beaudette, Blanchard, Blanchette, Bliss, Brannigan, Brautigam, Bryant, Burns, Cain, Canavan, Craven, Crosby, Cummings, Driscoll, Duchesne, Dudley, Dugay, Dunn, Duplessie, Eberle, Eder,

Faircloth, Farrington, Finch, Fischer, Fisher, Gerzofsky, Goldman, Grose, Hanley S, Harlow, Hogan, Hutton, Jackson, Jennings, Koffman, Lerman, Lundeen, Makas, Marley, Marraché, Mazurek, Merrill, Miller, Mills, Moody, Norton, O'Brien, Paradis, Patrick, Pelletier-Simpson, Percy, Perry, Pilon, Pineau, Pingree, Piotti, Rines, Sampson, Saviello, Schatz, Smith N, Smith W, Thompson, Tuttle, Twomey, Valentino, Walcott, Watson, Webster, Wheeler, Woodbury, Mr. Speaker.

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

ABSENT - Annis, Carr, Clough, Davis G, Emery, Greeley, Lansley, Richardson D, Richardson E, Sherman.

Yes, 77; No, 64; Absent, 10; Excused, 0.

77 having voted in the affirmative and 64 voted in the negative, with 10 being absent, and accordingly **House Amendment "N" (H-19) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative LINDELL of Frankfort **PRESENTED House Amendment "M" (H-17) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Frankfort, Representative Lindell.

Representative LINDELL: Mr. Speaker, Ladies and Gentlemen of the House. I present to you an amendment to the item before us that would have the effect of delivering immediate property tax relief to the largest number of residents of Maine possible. My amendment would increase the Homestead Exemption to \$17 thousand and would restore the Circuit Breaker Program from the expansion recommended by Committee to its existing status. In other words, transferring the funds that are currently proposed to be dedicated to the Circuit Breaker Program to the Homestead Exemption.

My purpose behind this amendment, as I said, is to deliver immediate property tax reform to the largest number of people. As we all know, few people who are eligible file for the Homestead Exemption. With its expansion, I expect that even a smaller percentage of those eligible will file for the Circuit Breaker Program. The Homestead Exemption, on the other hand, is delivered directly to almost 100 percent of those who are eligible and appears directly on their tax bills. Ladies and Gentlemen of the House, Mr. Speaker, when our constituents get their tax bills later on this year they will be expecting a tax reduction if we pass this bill. It is my belief that only by devoting more resources to the Homestead Exemption will they actually see those results.

I would also call your attention to the fiscal note. Few people call attention to the fiscal notes on their bills and amendments but I will, in this case. This amendment would have a very small impact on the '05-'06 Budget, less than \$400 thousand in additional cost, but in the out years will result in savings in 2008-2009 of \$3.4 million. Those savings can later be poured back into the Circuit Breaker if this Body sees fit, or to be used to enhance, or increase funding, of the expanded Homestead Exemption. I ask you to please consider this carefully, and I also ask for the yeas and nays.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "M" (H-17) to Committee Amendment "A" (H-1).**

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

Representative WOODBURY of Yarmouth moved that **House Amendment "M" (H-17) to Committee Amendment "A" (H-1) be INDEFINITELY POSTPONED.**

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative WOODBURY Mr. Speaker, Women and Men of the House. Both the Circuit Breaker Program and the Homestead Exemption are important aspects of the overall Tax Reform Package that we're recommending from the committee, so I urge you to Indefinitely Postpone this amendment. Thank you.

Representative LINDELL of Frankfort **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "M" (H-17) to Committee Amendment "A" (H-1).**

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

The SPEAKER: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "M" (H-17) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 9

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

NAY - Austin, Berube, Bierman, Bishop, Bowen, Bowles, Brown R, Browne W, Bryant-Deschenes, Campbell, Cebra, Churchill, Clark, Collins, Cressey, Crosthwaite, Curley, Curtis, Daigle, Davis K, Duprey, Edgecomb, Fitts, Fletcher, Flood, Hall, Hamper, Hanley B, Hotham, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Lindell, Marean, McCormick, McFadden, McKenney, McLeod, Millett, Moore G, Moulton, Muse, Nass, Ott, Pinkham, Plummer, Rector, Richardson M, Richardson W, Robinson, Rosen, Seavey, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

ABSENT - Annis, Carr, Clough, Davis G, Dugay, Emery, Greeley, Lansley, Richardson D, Richardson E, Sherman, Watson.

Yes, 79; No, 60; Absent, 12; Excused, 0.

79 having voted in the affirmative and 60 voted in the negative, with 12 being absent, and accordingly **House Amendment "M" (H-17) to Committee Amendment "A" (H-1) was INDEFINITELY POSTPONED.**

Representative THOMAS of Ripley **PRESENTED House Amendment "F" (H-10) to Committee Amendment "A" (H-1)**, which was **READ** by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Ripley, Representative Thomas.

Representative THOMAS: Mr. Speaker, Men and Women of the House. I present this amendment for two reasons. First of all, to provide some tax relief to the small rural communities where I live. Much of the reason for the disparity, the big winners and the big losers in this bill, are the way Special Education is funded. This amendment would not cause Special Education to be lowered over the past way that we've been funding Special

Education, it would amount to an increase, but it would even that increase out so that rural communities were able to receive as much as the urban communities are.

And the second reason I present this amendment is that we're going to be creating a financial incentive to place students in Special Education. I'm firmly convinced that marginal students placed in Special Education have a reason to fail. Whenever something comes before them that's tough, that's going to require effort on their part, they're going to have a readymade excuse that tells them that they don't need to do this; they're special, they're not able to do this, and I believe that we will, in fact, be harming those students while at the same time harming our rural communities. I would like to request the yeas and nays, Mr. Speaker. Thank you.

The same Representative **REQUESTED** a roll call on the motion to **ADOPT House Amendment "F" (H-10) to Committee Amendment "A" (H-1)**.

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

Representative **WOODBURY** of Yarmouth moved that **House Amendment "F" (H-10) to Committee Amendment "A" (H-1)** be **INDEFINITELY POSTPONED**.

The **SPEAKER**: The Chair recognizes the Representative from Yarmouth, Representative Woodbury.

Representative **WOODBURY**: Mr. Speaker, Women and Men of the House. The percentage recognition of Special Education costs was one of the issues that was explicitly addressed and considered by our committee. And, again, I stand behind our committee report as a good package. So I urge Indefinite Postponement of this amendment. Thank you.

Representative **THOMAS** of Ripley **REQUESTED** a roll call on the motion to **INDEFINITELY POSTPONE House Amendment "F" (H-10) to Committee Amendment "A" (H-1)**.

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

The **SPEAKER**: A roll call has been ordered. The pending question before the House is Indefinite Postponement of House Amendment "F" (H-10) to Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 10

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

NAY - Austin, Berube, Bowles, Brown R, Browne W, Bryant-Deschenes, Campbell, Cebra, Clark, Collins, Cressey, Crosthwaite, Curley, Curtis, Davis K, Duprey, Edgecomb, Fitts, Fletcher, Flood, Hall, Hamper, Hanley B, Hotham, Jodrey, Joy, Kaelin, Lewin, Lindell, Marean, McCormick, McFadden, McKane, McKenney, McLeod, Millett, Moore G, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Plummer, Rector, Richardson M, Richardson W, Robinson, Rosen, Seavey, Shields, Stedman, Sykes, Tardy, Thomas, Trahan, Vaughan.

ABSENT - Annis, Carr, Churchill, Clough, Davis G, Emery, Greeley, Lansley, Richardson D, Richardson E, Sherman.

Yes, 83; No, 57; Absent, 11; Excused, 0.

83 having voted in the affirmative and 57 voted in the negative, with 11 being absent, and accordingly **House Amendment "F" (H-10) to Committee Amendment "A" (H-1)** was **INDEFINITELY POSTPONED**.

Representative **TWOMEY** of Biddeford **REQUESTED** a roll call on the motion to **ADOPT Committee Amendment "A" (H-1)**.

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

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

Representative **TWOMEY**: Mr. Speaker, Men and Women of the House. I know when I'm defeated, but I want to go on record to say that I will not be part of history today, that I will be voting in opposition, because I don't believe this is real property tax reform.

I don't like tax relief, because the people that I represent have said they're not afraid to pay for services. I have sat through the Agricultural Committee and the Natural Resource Budget and every department has been asked to have a flat budget, and I'm hearing about cuts on inspectors for the dairy farmers, we're cutting lifeguards for freshwater lakes, and everybody is struggling. Yet, yesterday, Commissioners came and lobbied us to support this proposal.

The problem I've had is I can't disconnect this Amendment "A" with how we pay for it. That's the problem I've had from day one. There is no disconnect, there is a budget that's going to have to pay for this, and that's why I've spoken to the budget aspect, because every time we put bills in we're asked about the fiscal note, and how we're going to pay for this.

This isn't easy, and to be so determined that this is not the way to go, because people in this state are not paying their fair share, and we are going to do this property relief, that some have said, which I don't think it is, on the backs of the ones who least can afford it. Because when this comes around to how we're going to pay for it, there are going to be more cuts, and we're going to mortgage my grandchildren's future, because there is no money, because we refused to raise revenue. And I'm not afraid to say that we need to raise revenues in order to pay for services that the state and the people demand and should have, and it's not out of because I'm not respectful of my committee and all the work they've done, or my fellow Democrats, it is because I'm convinced this is wrong, and I wanted to go on record today while everyone is applauding and patting themselves on the back that we have this relief, to the Executive, who I feel is listening to bad decisions or someone, because I think this is bad public policy. Thank you.

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

Representative **BOWLES**: Mr. Speaker, Ladies and Gentlemen of the House. I'm troubled because I believe that there has been a false expectation created surrounding this bill. The expectation actually predates the bill. The expectation goes back to the Citizen's Initiative.

When several organizations that were proponents of this initiative indicated to people that if they voted for an increase in funding in GPA to 55 percent statewide, that there was going to be significant property tax relief automatically to communities throughout the state, that was a false expectation. That, in and of itself, could not have created that property tax relief, there had to be more.

For one thing, there had to be equitable distribution, and we've heard on a number of occasions today the shortcomings

that many of you feel exist in the distribution of the funding for this.

There's another false expectation, though, I believe that people had when they voted, that they thought the Legislature was going to do what they thought they wanted, which was to immediately fund this ramp up to 55 percent. Whether it was, in fact, going to provide property tax relief or not is almost irrelevant. The relevant point is people had an expectation, and that expectation could not be achieved.

We know right know that as many as a half to two-thirds of Maine Residents will not receive immediate, direct property tax relief as a result of the provisions in the EPS Funding. Now some of those people may receive some property tax relief through the expanded Circuit Breaker, but many will not.

We also know that we've created an expectation with the expansion of the Homestead Exemption, but in many communities it's going to be unfulfilled, because if we expand the Homestead Exemption to \$13 thousand but we fail to fully fund it, the municipalities are going to have to shift that from one taxpayer to another. Some win, some lose.

We have spending caps. Seven years ago when I entered this building nobody in the Legislature or in State Government was talking seriously about spending caps. They were a dream. Of course, at the time we had money. But what we found since is that we have an innate inability to control ourselves, to be disciplined. Republicans, as well as Democrats, we all have a difficult time disciplining ourselves when we have money. So we have spending caps. To me, years down the road, the spending caps are going to be the only meaningful piece of this legislation.

The override provisions are very weak. Most of these spending caps can be overridden very easily, and possibly they will be. And if you're in the Legislature and there's a vote to override, you'll be proving correct all the people who are opposed to this legislation, and who have suggested that the spending caps did not have real meaning. I hope that the thought of that is going to be enough to cause many people to think twice about this debate and this bill, and remember what it was the people expected from us.

I am going to support the Majority Report. I'm going to do so unenthusiastically because I don't feel that we are truly fulfilling the expectation that's been established in people's minds, if nothing else. But it's a beginning, and in the future when I'm not in this Legislature I'm going to be watching, like all of Maine's other citizens, and hoping that all of you would do the right thing. Thank you.

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

Representative **BEAUDETTE**: Mr. Speaker, Men and Women of the House. As with any successful compromise, there are those who will be displeased with the result, and I would hasten to add that there is still a good that comes from it, even though there's an element of displeasure that people hold for themselves. In relationship to my own community, as the Good Representative from Biddeford has said, she feels that this bill does not deliver needed property tax relief that is intended, but I would beg to differ with that observation, and that indeed my community will do quite well by passage of this bill. And I believe that in the long run many of us from many different communities, be they urban communities or rural communities, will also see the benefits of this bill and I would highly recommend voting in favor of Amendment "A." Thank you.

The SPEAKER: A roll call has been ordered. The pending question before the House is Adoption of Committee Amendment "A" (H-1). All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 11

YEA - Adams, Babbidge, Barstow, Beaudette, Berube, Blanchard, Blanchette, Bliss, Bowles, Brannigan, Brautigam, Brown R, Bryant, Burns, Cain, Campbell, Canavan, Clark, Collins, Craven, Crosby, Cummings, Daigle, Driscoll, Duchesne, Dudley, Dugay, Dunn, Duplessie, Eberle, Eder, Faircloth, Farrington, Finch, Fischer, Fisher, Flood, Gerzofsky, Goldman, Grose, Hanley S, Harlow, Hogan, Hotham, Hutton, Jackson, Jennings, Koffman, Lerman, Lundeen, Makas, Marean, Marley, Marraché, Mazurek, Miller, Mills, Moody, Moore G, Norton, O'Brien, Paradis, Patrick, Pelletier-Simpson, Percy, Perry, Pilon, Pineau, Pingree, Piotti, Plummer, Rector, Rines, Sampson, Saviello, Schatz, Seavey, Smith N, Smith W, Tardy, Thompson, Tuttle, Valentino, Walcott, Watson, Webster, Wheeler, Woodbury, Mr. Speaker.

NAY - Ash, Austin, Bierman, Bishop, Bowen, Browne W, Bryant-Deschenes, Carr, Cebra, Cressey, Crosthwaite, Curley, Curtis, Davis K, Duprey, Edgecomb, Fitts, Fletcher, Glynn, Hall, Hamper, Hanley B, Jacobsen, Jodrey, Joy, Kaelin, Lewin, Lindell, McCormick, McFadden, McKane, McKenney, McLeod, Merrill, Millett, Moulton, Muse, Nass, Nutting, Ott, Pinkham, Richardson M, Richardson W, Robinson, Rosen, Sherman, Shields, Stedman, Sykes, Thomas, Trahan, Twomey, Vaughan.

ABSENT - Annis, Churchill, Clough, Davis G, Emery, Greeley, Lansley, Richardson D, Richardson E.

Yes, 89; No, 53; Absent, 9; Excused, 0.

89 having voted in the affirmative and 53 voted in the negative, with 9 being absent, and accordingly **Committee Amendment "A" (H-1) was ADOPTED.**

Under suspension of the rules the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading.**

Under further suspension of the rules the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (H-1)** and sent for concurrence.

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

BILLS HELD

HOUSE DIVIDED REPORT - Majority (11) **Ought Not to Pass pursuant to Joint Order 2005, H.P. 108** - Minority (4) **Ought to Pass pursuant to Joint Order 2005, H.P. 108** - Joint Select Committee on **PROPERTY TAX REFORM** on Bill "An Act To Provide a Schedule of School Funding That Provides 55% State Coverage of the Cost of Essential Programs and Services over a Period of 2 Years"

(H.P. 225) (L.D. 300)

- In House, Majority (11) **OUGHT NOT TO PASS pursuant to Joint Order 2005, H.P. 108** Report **READ** and **ACCEPTED.**

HELD at the Request of Representative **WOODBURY** of Yarmouth.

On motion of Representative **WOODBURY** of Yarmouth, the House **RECONSIDERED** its action whereby the Majority **Ought Not to Pass** Report was **ACCEPTED.**

Representative **DUDLEY** of Portland moved that the House **ACCEPT** the Minority **Ought to Pass** Report.

On further motion of the same Representative, **TABLED** pending his motion to **ACCEPT** the Minority **Ought to Pass** Report and specially assigned for Thursday, January 20, 2005.
