MAINE STATE LEGISLATURE

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An Act Concerning the Disclosure of Juror Information S.P. 63 L.D. 157

(C "A" S-244)

An Act Relating to Animals in Food Stores and Restaurants S.P. 163 L.D. 537 (C "A" S-245)

An Act To Ensure an Adequate Supply of a Skilled Health Care Workforce

> S.P. 300 L.D. 892 (C "A" S-241)

PASSED TO BE ENACTED and having been signed by the President were presented by the Secretary to the Governor for his approval.

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

ENACTORS

The Committee on Engrossed Bills reported as truly and strictly engrossed the following:

Acts

An Act To Protect Maine Harness Racing from Illegal Wagering S.P. 370 L.D. 1053 (C "A" S-246)

An Act To Amend the Laws Relating to Corporations, Limited Partnerships, Limited Liability Companies and Limited Liability **Partnerships**

> S.P. 424 L.D. 1210 (C "A" S-247)

An Act To Amend the Maine Criminal Code Regarding Deferred Disposition and Administrative Release

H.P. 939 L.D. 1356 (H "A" H-536)

PASSED TO BE ENACTED and having been signed by the President were presented by the Secretary to the Governor for his approval.

All matters thus acted upon were ordered sent down forthwith for concurrence.

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

ENACTORS

The Committee on Engrossed Bills reported as truly and strictly engrossed the following:

Resolves

Resolve. To Examine the Nontherapeutic Use of Antibiotics S.P. 388 L.D. 1126 (C "A" S-250)

Resolve. To Direct the Department of Conservation To Seek Public Access to Certain Prominent Water Bodies S.P. 482 L.D. 1393 (C "A" S-240)

FINALLY PASSED and having been signed by the President were presented by the Secretary to the Governor for his approval.

Senate at Ease.

Senate called to order by the President.

ORDERS OF THE DAY

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

SENATE REPORTS - from the Committee on TAXATION on Bill "An Act To Fully Fund the Homestead Exemption" S.P. 602 L.D. 1625

Majority - Ought to Pass as Amended by Committee Amendment "A" (S-306) (7 members)

Minority - Ought Not To Pass (6 members)

Tabled - June 1, 2005, by Senator STRIMLING of Cumberland

Pending - motion by same Senator to ACCEPT the Minority **OUGHT NOT TO PASS Report**

(In Senate, June 1, 2005, Reports READ.)

On motion by Senator COWGER of Kennebec, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The Chair recognizes the Senator from York, Senator Courtney.

Senator COURTNEY: Thank you, Madame President, men and women of the Senate. This bill would fully fund the Homestead Exemption. For those of you who have tried to explain L.D. 1 to your municipal leaders, I think you'll find it will be a lot easier to explain if we fully fund the Homestead Exemption. Thank you, Madame President.

THE PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Perry.

Senator PERRY: Thank you, Madame President, ladies and gentlemen of the Senate. I will be voting for the motion Ought Not to Pass on this bill. Let's go back to L.D. 1. In L.D. 1 we had to examine the Homestead Exemption. Many of us thought it had become unfair. It was a tiered system, \$7,000, \$5,000, or \$2,500 off your property taxes, depending on the value of the house. Under that tiered system, we essentially took away almost all of the value of the Homestead Exemption for all of coastal and southern Maine. I think it was in Kennebunkport, out of 2,700 homes something around 60 of them qualified for the full \$7,000. We really did geographically take this benefit away from much of the state. In the L.D. 1 debate we examined if we should eliminate the Homestead Exemption and put it all into Circuit Breaker. A number of folks did not want to part with the Homestead Exemption. The next question was, 'How can we make it fair and how much of an exemption can we have if we lowered the reimbursement to 50%?' The answer was \$13,000. We move forward in L.D. 1 with that as one piece of the bigger puzzle, realizing that this would work very well for service centers. including coastal parts of the state, and it really wouldn't do much for most of rural Maine. We were doubling the exemption but were cutting the reimbursement in half. Didn't do a lot to lower their burden, but it was one piece of the big puzzle. We really didn't look at it as something that actually hurt them. A lot of municipal officials do not want to raise their mill rates to pay for their half of this even though it will translate, in most cases, into reductions in the homeowner's property tax. We had the town manager from Caribou tell us that this Homestead provision cost him \$350,000. When asked, 'How much are you receiving this year versus last year in Homestead reimbursements?' the numbers were almost identical. On top of that, Caribou received an added \$350,000 in education funding. From one year to the next, Caribou came out about \$350,000 ahead yet told us that this cost them \$350,000. In fact, he had statistics that showed that over 90% of his homeowners did receive property tax reductions. In that public hearing, I did ask Geoff Herman of the MMA. What if we increased the reimbursement some to 60% to at least make sure everyone got as much money this year as they did the year before?' His response was that it would just make matters worse because the books are settled, the budgets are set, the mill rates are set, tinkering with it now would make it worse, it's a one-time problem, it's been worked out, from here on forward everything has been adjusted and if we tinker with it now it would cause more problems. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from York, Senator Sullivan.

Senator **SULLIVAN**: Thank you, Madame President. May I pose a question through the Chair?

THE PRESIDENT: The Senator may pose her question.

Senator **SULLIVAN**: Thank you, Madame President, men and women of the Senate. I feel like a duck out of water here because this question is one that a lot of people would say that a Democrat wouldn't ask. I'm all in favor of fully funding this. Just one small little question. Where will we get the money?

THE PRESIDENT: The Senator from York, Senator Sullivan poses a question through the Chair to anyone who may wish to

answer. The Chair recognizes the Senator from York, Senator Courtney.

Senator COURTNEY: Thank you, Madame President. I'd be glad to answer that. I want to be careful that I don't debate the improper report. The majority report, and I'll read you the summary, this amendment increases the state reimbursement for the Homestead Exemption by transfer of funds that are projected to be available in the Maine Budget Stabilization Fund and statewide deappropriations. The Commissioner of Administrative and Financial Services is directed to present legislation to implement the deappropriations. If none is presented, the Governor is directed to make curtailments consistent with the deappropriations.

THE PRESIDENT: The pending question before the Senate is the motion by the Senator from Cumberland, Senator Strimling to Accept the Minority Ought Not to Pass Report. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#212)

YEAS: Senators: BRENNAN, BROMLEY, GAGNON,

MILLS, PERRY, ROTUNDO, STRIMLING, THE

PRESIDENT - BETH G. EDMONDS

NAYS: Senators: ANDREWS, BARTLETT, BRYANT,

CLUKEY, COURTNEY, COWGER, DAMON, DAVIS, DIAMOND, DOW, HASTINGS, HOBBINS, MARTIN, MAYO, MITCHELL, NASS, NUTTING,

PLOWMAN, RAYE, ROSEN, SAVAGE, SCHNEIDER, SNOWE-MELLO, SULLIVAN, TURNER, WESTON, WOODCOCK

8 Senators having voted in the affirmative and 27 Senators having voted in the negative, the motion by Senator STRIMLING of Cumberland to ACCEPT the Minority OUGHT NOT TO PASS Report. FAILED.

The Majority OUGHT TO PASS AS AMENDED Report ACCEPTED.

READ ONCE.

Committee Amendment "A" (S-306) READ and ADOPTED.

Under suspension of the Rules, READ A SECOND TIME.

On motion by Senator **DAVIS** of Piscataquis, **TABLED** until Later in Today's Session, pending **PASSAGE TO BE ENGROSSED AS AMENDED**.

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