

MAINE STATE LEGISLATURE

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Legislative Record
House of Representatives
One Hundred and Twenty-Eighth Legislature
State of Maine

Daily Edition

Second Regular Session

beginning January 3, 2018

beginning at page H-1216

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Majority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 519

YEA - Ackley, Alley, Austin B, Babbidge, Bailey, Bates, Beebe-Center, Berry, Bickford, Blume, Brooks, Bryant, Cardone, Chapman, Collings, Cooper, Corey, Daughtry, DeChant, Denno, Devin, Doore, Duchesne, Dunphy, Farnsworth, Fay, Fecteau, Frey, Fuller, Gattine, Ginzler, Golden, Grant, Grohman, Hamann, Handy, Harlow, Herbig, Herrick, Hickman, Higgins, Hilliard, Hogan, Hubbell, Hymanson, Jorgensen, Kornfield, Kumiega, Lawrence, Longstaff, Luchini, Madigan C, Madigan J, Marean, Martin J, Martin R, Mastraccio, McCrean, McCreight, McLean, Melaragno, Monaghan, Moonen, Nadeau, O'Neil, Parker, Perry, Pierce T, Pouliot, Reckitt, Riley, Rykerson, Sanborn, Schneck, Sheats, Spear, Stanley, Stearns, Talbot Ross, Tepler, Terry, Tipping, Tucker, Vachon, Warren, Zeigler, Madam Speaker.

NAY - Austin S, Black, Bradstreet, Campbell, Cebra, Chace, Craig, Dillingham, Esping, Farrin, Foley, Fredette, Gerrish, Gillway, Grignon, Guerin, Haggan, Hanington, Harrington, Harvell, Hawke, Head, Johansen, Kinney J, Kinney M, Lockman, Lyford, Malaby, Mason, McElwee, O'Connor, Ordway, Parry, Perkins, Picchiotti, Pickett, Pierce J, Prescott, Reed, Sampson, Sanderson, Seavey, Simmons, Sirocki, Skolfield, Stetkis, Stewart, Strom, Sutton, Theriault, Timberlake, Turner, Wadsworth, Wallace, Ward, White, Winsor, Wood.

ABSENT - Battle, Casas, Hanley, Sherman, Sylvester, Tuell.

Yes, 87; No, 58; Absent, 6; Excused, 0.

87 having voted in the affirmative and 58 voted in the negative, with 6 being absent, and accordingly the Majority **Ought to Pass as Amended Report was ACCEPTED.**

The Bill was **READ ONCE. Committee Amendment "B" (S-368) was READ by the Clerk and 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 "B" (S-368)** in concurrence.

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

Under suspension of the rules, members were allowed to remove their jackets.

Majority Report of the Committee on **HEALTH AND HUMAN SERVICES** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-380)** on Bill "An Act To Reduce the Incidence of Obesity and Chronic Disease in Maine"

(S.P. 383) (L.D. 1162)

Signed:

Senators:

BRAKEY of Androscoggin
CHIPMAN of Cumberland
HAMPER of Oxford

Representatives:

HYMANSON of York
CHACE of Durham
DENNO of Cumberland
HEAD of Bethel
MADIGAN of Waterville
MALABY of Hancock
McCREIGHT of Harpswell
PARKER of South Berwick
SANDERSON of Chelsea

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "B" (S-381)** on same Bill.

Signed:

Representative:

PERRY of Calais

Came from the Senate with the Majority **OUGHT TO PASS AS AMENDED Report READ and ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-380).**

READ.

On motion of Representative HYMANSON of York, the Majority **Ought to Pass as Amended Report was ACCEPTED.**

The Bill was **READ ONCE. Committee Amendment "A" (S-380) was READ by the Clerk and 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" (S-380)** in concurrence.

Majority Report of the Committee on **INSURANCE AND FINANCIAL SERVICES** reporting **Ought Not to Pass** on Bill "An Act To Promote Access to Financial Institutions by Entities That Are Authorized under State Law"

(S.P. 130) (L.D. 389)

Signed:

Senators:

WHITTEMORE of Somerset
CARSON of Cumberland
DOW of Lincoln

Representatives:

CRAIG of Brewer
FOLEY of Wells
MELARAGNO of Auburn
PICCHIOTTI of Fairfield
PRESCOTT of Waterboro
WALLACE of Dexter

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-362)** on same Bill.

Signed:

Representatives:

LAWRENCE of Eliot
BROOKS of Lewiston
COLLINGS of Portland
SANBORN of Portland

Came from the Senate with the Minority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-362)**.

READ.

Representative LAWRENCE of Eliot moved that the House **ACCEPT** the Minority **Ought to Pass as Amended** Report.

Representative FREDETTE of Newport **REQUESTED** a roll call on the motion to **ACCEPT** the Minority **Ought to Pass as Amended** Report.

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

Representative FREDETTE of Newport **REQUESTED** that the Clerk **READ** the Committee Report.

The Clerk **READ** the Committee Report in its entirety.

The **SPEAKER**: The Chair recognizes the Representative from Wells, Representative Foley.

Representative **FOLEY**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. While I understand the impetus for this bill, I believe this is a federal issue and not a state issue. The Superintendent of Maine Bureau of Financial Services, Lloyd LaFountain, spoke to our Committee, and he raised similar issues. Part of the problem with this bill is that it would allow credit unions to be formed primarily for the dispensing of marijuana-related monies, and the only insurance company right now, a national insurance company, the National Credit Union Administration, that insures credit unions, refuses to insure credit unions that deal in marijuana. There is only one insurance company, a private insurance company, that does provide that insurance, but it is on a limited basis. Part of the other problem was that there's a credit union in Colorado that attempted to establish themselves, and they were refused to receive a master account from the federal government. A master account is one that allows banks to transfer monies across electronic lines. And so they were unable to do that.

One of the things that the superintendent did say is, he said, "Privately insured credit unions also raise regulatory oversight concerns." It limits the ability to regulate these facilities. Without the NCUA insurance, there would be no coregulatory regulation of the institution, and they would be standing on their own. If there was a failure, the entire institution could be in trouble, as could their members. In addition, there is only one private credit union insuring the US, and there is no indication that they are even willing to insure any banks here in Maine dealing with this.

While I said I do understand the issue and the concerns here, our Committee, although the majority voted against this bill, we did send a letter to our federal delegation advising them that this is a federal issue and asking them to please deal with this issue and bring federal regulations that allow credit unions and banks to deal with this growing industry. I ask you to follow my light and oppose the pending motion. Thank you, Madam Speaker.

The **SPEAKER**: The Chair recognizes the Representative from Portland, Representative Sanborn.

Representative **SANBORN**: Thank you, Madam Speaker. I rise just to point out that this is a bill that applies to state-chartered credit unions, and so I would argue that it is, in fact, up to us as a state to determine whether private insurance would be permitted. And, also, given that the voters of Maine have, repeatedly now, said that both medical marijuana and recreational marijuana should be legal, I believe that we have to provide some sort of banking solution. This is a step in that direction, and allows state-chartered credit unions to begin to

explore the ways in which they may be able to do business in this industry. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from South Berwick, Representative Lawrence.

Representative **LAWRENCE**: Thank you, Madam Speaker, and I appreciate the comments by -- from my good friend from Wells. However, this is an issue that is upon us, and will not be resolved by simply writing a letter.

Marijuana is now legally allowed to be produced in the State of Maine. These institutions are gathering cash. They are unable to put it in the bank. They are now keeping it on their property. If you want to have a shootout, if you want to have a criminal action, you allow them to continue to keep large amounts of cash on their property. As a state, to protect the safety of our citizens, we need to send a message, and we need to start to find a solution to bring these commercial entities into the legitimate banking community. Thank you.

The **SPEAKER**: The Chair will remind all Members to please direct comments towards the Chair.

The Chair reminded all Members to address their comments toward the Speaker.

The **SPEAKER**: The Chair recognizes the Representative from Portland, Representative Collings.

Representative **COLLINGS**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. I just wanted to point out, very briefly, that there is a credit union in Colorado, it was mentioned earlier. They did take it to the Court of Appeals and won conditionally to be able to do this. Again, it's conditionally, but the point is, in Colorado and other states, laws like these are being pursued or passed and then they're being taken to the courts; and I think we should join that, and stand up for the sovereignty here in Maine for the laws we enact. On one hand, we're telling people that they are allowed to get in the business. On the other hand, we're not giving them the accountability and all the resources to be in business. There are some severe safety concerns. I think everyone has recognized that on the Committee; and rather than kick the can down the road and kind of have it be in limbo and wait for the Federal Government to act, which I don't think it will for many years, I think we have a responsibility to people we've authorized to be in this business to protect them, and I think by having this take place, what we do is we provide a lot more accountability and make it so much easier and safer for people to get land, do their taxes, pay their workers, and not put their workers in jeopardy by having so much cash and not having a safe place to put it. The only people that would have to put money in this credit union would be the people that would want it, so other people and credit unions around the state wouldn't be at risk. And, again, I think we should join Colorado and other states and assert our authority, and protect people that we've allowed to get into a business in Maine, but on one hand said, "You're not going to be able to have access to safe financial institutions." Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Newport, Representative Fredette.

Representative **FREDETTE**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. For over 20 years now, I have served as a volunteer member of a local credit union, and we've had, actually, conversations at our board meetings in regards to this type of activity. One of the things that was instituted after 9/11 and other matters is the process, what we call suspicious activity reports. Anytime someone goes into a financial institution, whether it be a credit union or a bank, and generally speaking, if they do a transaction over \$10,000 or more, the financial institution is required to file a suspicious

activity report. Now, it doesn't even necessarily have to be a \$10,000 transaction, it could be a series of five \$5,000 transactions on five different days, or all on the same day. The point of the matter is that financial institutions have responsibilities, because they are, generally speaking, part of a national banking system, and we have reports other than simply for the mere purpose of reporting of transactions. For example, some of these reports are required because, in fact, we are actually trying to figure out if there is terrorist activity going on at various financial institutions, where sometimes cash is being moved around to do certain things. That's part of the reasoning for having these suspicious activity reports. So, I think we, sort of, start to tread down very thin ice here. This is a national issue; the national government still is enforcing the prohibition against marijuana. The last ten days, two weeks ago, we saw, I believe, two or three significant arrests, and the taking and confiscation of large amounts of marijuana, cash, firearms. So, we're sort of in this period where we don't necessarily have clear answers, and I certainly don't believe that this is where -- a place where Maine needs to be taking the lead. I will be opposing the bill. I ask that you follow my light. Thank you.

The SPEAKER: The Chair recognizes the Representative from York, Representative Hymanson.

Representative **HYMANSON**: Thank you, Madam Speaker, Men and Women of the House. In Health and Human Services, currently, we are amending the medical marijuana laws, and one thing that was pointed out in my district was what we're calling "good neighbor policies;" and that is protecting a neighborhood from medical marijuana grow facilities that are assumed to have a lot of cash inside, and what they do is put up security cameras all around and really make a neighborhood safe. So much so that I visited someone's house, and she was moving, because she was afraid to have her daughter stand on the edge of the driveway waiting for the school bus because they didn't know what was happening in the grow facility next door with all the security cameras. So, this is a current problem. We're trying to address this, and I think we have in our new medical marijuana amendments, but this is a problem, and I think we need to confront this and look at it head-on rather than kicking the can down the road, because, really, the can's here. Thank you, Madam Speaker.

The SPEAKER: The Chair will remind all members that during the course of debate, even as we are oftentimes trying to convince other members to vote with us, that all comments should be directed towards the rostrum. In the future, I will interrupt members to remind them of that. The Chair recognizes the Representative from Scarborough, Representative Sirocki.

Representative **SIROCKI**: Thank you, Madam Speaker, and I wondered if I might ask a question through the Chair.

The SPEAKER: The Representative may proceed.

Representative **SIROCKI**: Thank you. I have a question and a concern about the insurance that was mentioned. I've been a long-time credit union member myself, and I know that looking at a lot of bank windows you notice the FDIC symbol, indicating that you have some security there if something goes wrong within that banking institution, you have insurance; and it's my understanding that these credit unions would not be able to access that type of insurance, and that private insurance is very difficult to get. Is there a provision in this bill that requires insurance for these credit unions? Thank you.

The SPEAKER: The Representative from Scarborough has posed a question to anyone who might be able to answer.

The Chair recognizes the Representative from Deer Isle, Representative Kumiega.

Representative **KUMIEGA**: Thank you, Madam Speaker. Madam Speaker, Men and Women of the House, coincidentally, today happens to be opening day of the Maine's elver fishery; and what does that have to do with this debate? A few of you may recall that, up until a few years ago, the elver fishery was largely a cash business. There were thousands, tens of thousands of dollars being transferred in the middle of the night, and that cash aspect of the business contributed to a significant amount of illegal activity. This body, a few years ago, required that elver transactions be conducted by check, so there's a paper trail; and that, among other things, has helped reduce -- significantly reduce that illegal activity. That's not an option for marijuana or medical marijuana businesses. If we're concerned about illegal activity, giving those businesses access to a banking system, and at some point maybe requiring that those transactions be done in an electronic or check fashion so that there is a paper trail, will help us keep a handle on illegal activity in that industry. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Foley.

Representative **FOLEY**: Thank you, Madam Speaker, I rise to answer the question that was posed to the Chair. The bill does not require; it says it may procure private insurance. Thank you.

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

Representative **FREDETTE**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. I apologize for rising a second time. I only rise to raise another issue, very quickly. In Maine, our Maine credit unions have what's called shared branching -- shared banking; I apologize for that. What that essentially means is, if you belong to Sebecook Valley Federal Credit Union in Newport, even though we don't have a branch in Madawaska, so long as there is a branch in Madawaska of a credit union, you can walk in to, essentially, the credit union in Madawaska, and do a transaction which affects your accounts at Sebecook Valley Federal Credit Union in Newport.

My point in raising that is that, because we have all of our credit unions intertwined here in the State of Maine, where you can go in any credit union and do a transaction, that would raise even more concerns and more issues about these potentially large cash transactions, where someone could go into a credit union and say, "Hey, I want to do X, Y, and Z in regards to my account," which might be in a -- I guess in a credit union that allows marijuana banking versus one that doesn't; and so, again, I think it raises a lot of real concerns and questions. My understanding is, is that the superintendent, the insurance folks and the banking testified against this bill. Again, I would urge you to follow my light in opposing the bill.

The SPEAKER: The pending question is acceptance of the Minority Ought to Pass as Amended Report. The Chair recognizes the Representative from Monmouth, Representative Ackley.

Representative **ACKLEY**: Thank you, Madam Speaker. Could I pose a question through the Chair?

The SPEAKER: The Member may proceed.

Representative **ACKLEY**: Thank you, Madam Speaker. Could someone reflect for me whether Maine's credit unions are in favor of this bill or not?

The SPEAKER: The Representative from Monmouth, Representative Ackley, has posed a question through the Chair if there is anyone who could answer. The Chair recognizes the Representative from Portland, Representative Sanborn.

Representative **SANBORN**: Thank you, Madam Speaker. I would answer in the affirmative, that the credit unions are in favor of the bill.

Representative **FREDETTE**: Madam Speaker, Point of Order.

The SPEAKER: The Chair recognizes the Representative from Newport, Representative Fredette, and inquires as to his Point of Order.

Representative **FREDETTE**: Madam Speaker, the information that I have is that the credit unions, in the league, is neither for nor against, so I would stand to take issue with the representation.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Minority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 520

YEA - Ackley, Alley, Austin B, Babbidge, Bailey, Bates, Beebe-Center, Berry, Blume, Brooks, Bryant, Cardone, Chapman, Collings, Cooper, Daughtry, DeChant, Denno, Devin, Doore, Duchesne, Dunphy, Farnsworth, Fay, Fecteau, Frey, Fuller, Gattine, Golden, Grant, Grohman, Hamann, Harlow, Herbig, Hickman, Hogan, Hubbell, Hymanson, Jorgensen, Kornfield, Kumiega, Lawrence, Longstaff, Luchini, Madigan C, Madigan J, Martin J, Martin R, Mastraccio, McCrea, McCreight, McLean, Melaragno, Monaghan, Moonen, Nadeau, O'Neil, Parker, Perry, Pierce T, Prescott, Reckitt, Riley, Rykerson, Sanborn, Sanderson, Schneck, Sheats, Spear, Stanley, Talbot Ross, Tepler, Terry, Tipping, Tucker, Warren, Zeigler, Madam Speaker.

NAY - Austin S, Bickford, Black, Bradstreet, Campbell, Ceбра, Chace, Corey, Craig, Dillingham, Espling, Farrin, Foley, Fredette, Gerrish, Gillway, Ginzler, Grignon, Guerin, Haggan, Handy, Hanington, Harrington, Harvell, Hawke, Head, Herrick, Higgins, Hilliard, Johansen, Kinney J, Kinney M, Lockman, Lyford, Malaby, Marean, Mason, McElwee, O'Connor, Ordway, Parry, Perkins, Picchiotti, Pickett, Pierce J, Pouliot, Reed, Sampson, Simmons, Sirocki, Skolfield, Stearns, Stetkis, Stewart, Strom, Sutton, Theriault, Timberlake, Turner, Vachon, Wadsworth, Wallace, Ward, White, Winsor.

ABSENT - Battle, Casas, Hanley, Seavey, Sherman, Sylvester, Tuell, Wood.

Yes, 78; No, 65; Absent, 8; Excused, 0.

78 having voted in the affirmative and 65 voted in the negative, with 8 being absent, and accordingly the Minority **Ought to Pass as Amended Report** was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (S-362)** was **READ** by the Clerk and **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" (S-362)** in concurrence.

Majority Report of the Committee on **INSURANCE AND FINANCIAL SERVICES** reporting **Ought Not to Pass** on Bill "An Act To Ensure Patient Protections in the Health Insurance Laws"

(S.P. 431) (L.D. 1279)

Signed:

Senators:

WHITTEMORE of Somerset
DOW of Lincoln

Representatives:

CRAIG of Brewer
FOLEY of Wells
PICCHIOTTI of Fairfield
PRESCOTT of Waterboro
WALLACE of Dexter

Minority Report of the same Committee reporting **Ought to Pass as Amended by Committee Amendment "A" (S-377)** on same Bill.

Signed:

Senator:

CARSON of Cumberland

Representatives:

LAWRENCE of Eliot
BROOKS of Lewiston
COLLINGS of Portland
MELARAGNO of Auburn
SANBORN of Portland

Came from the Senate with the Minority **OUGHT TO PASS AS AMENDED Report READ and ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-377)**.

READ.

Representative LAWRENCE of Eliot moved that the House **ACCEPT** the Minority **Ought to Pass as Amended Report**.

Representative FREDETTE of Newport **REQUESTED** a roll call on the motion to **ACCEPT** the Minority **Ought to Pass as Amended Report**.

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

Representative FREDETTE of Newport **REQUESTED** that the Clerk **READ** the Committee Report.

The Clerk **READ** the Committee Report in its entirety.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Minority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 521

YEA - Ackley, Alley, Austin B, Babbidge, Bailey, Bates, Beebe-Center, Berry, Blume, Brooks, Bryant, Cardone, Chapman, Collings, Cooper, Daughtry, DeChant, Denno, Devin, Doore, Duchesne, Dunphy, Farnsworth, Fay, Fecteau, Frey, Fuller, Gattine, Golden, Grant, Grohman, Hamann, Handy, Harlow, Herbig, Hickman, Higgins, Hogan, Hubbell, Hymanson, Jorgensen, Kornfield, Kumiega, Lawrence, Longstaff, Luchini, Madigan C, Madigan J, Martin J, Martin R, Mastraccio, McCrea, McCreight, McLean, Melaragno, Monaghan, Moonen, Nadeau, O'Neil, Parker, Perry, Pierce T, Reckitt, Riley, Rykerson, Sanborn, Schneck, Sheats, Spear, Stanley, Talbot Ross, Tepler, Terry, Tipping, Tucker, Warren, Zeigler, Madam Speaker.