

MAINE STATE LEGISLATURE

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

Volume II

First Regular Session

May 27, 2003 – June 14, 2003

First Special Session

August 21, 2003 – August 23, 2003

Second Regular Session

January 7, 2004 - January 30, 2004

Second Special Session

February 3, 2004 - April 7, 2004

Pages 777-1562

ERRATA:

The third line of the leader on page H-1453

should read

“26th Legislative Day”

instead of

“35th Legislative Day”.

Collins, Courtney, Cowger, Cressey, Crosthwaite, Curley, Daigle, Davis, Dugay, Duplessie, Duprey B, Duprey G, Finch, Fischer, Fletcher, Glynn, Greeley, Hatch, Heidrich, Honey, Hotham, Jackson, Jacobsen, Jennings, Jodrey, Joy, Kaelin, Ketterer, Landry, Ledwin, Lewin, Maietta, Marraché, McCormick, McGlocklin, McKenney, McNeil, Millett, Mills J, Mills S, Moody, Moore, Murphy, Muse, Nutting, O'Brien J, Patrick, Peavey-Haskell, Pingree, Piotti, Rector, Richardson E, Richardson J, Richardson M, Rogers, Rosen, Sampson, Saviello, Sherman, Shields, Simpson, Snowe-Mello, Stone, Sukeforth, Tardy, Thompson, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Woodbury, Wotton, Young, Mr. Speaker.

NAY - Adams, Barstow, Beaudette, Bennett, Blanchette, Brannigan, Breault, Bull, Bunker, Canavan, Clark, Craven, Cummings, Dudley, Dunlap, Earle, Eder, Faircloth, Gagne-Friel, Gerzofsky, Grose, Hutton, Kane, Koffman, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, McKee, McLaughlin, Norbert, Norton, O'Brien L, O'Neil, Paradis, Percy, Pineau, Rines, Smith N, Smith W, Suslovic, Thomas, Twomey, Usher, Walcott, Watson, Wheeler.

ABSENT - Goodwin, McGowan, Pellon, Perry A, Perry J, Sullivan, Sykes.

Yes, 94; No, 50; Absent, 7; Excused, 0.

94 having voted in the affirmative and 50 voted in the negative, with 7 being absent, and accordingly the House voted to **RECEDE AND CONCUR**.

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

Bill "An Act To Exempt Unemployment Benefits from State Income Tax" (EMERGENCY)

(H.P. 1267) (L.D. 1745)

- In House, Majority (7) **OUGHT NOT TO PASS** Report of the Committee on **TAXATION READ** and **ACCEPTED** on March 11, 2004.

- In Senate, Minority (6) **OUGHT TO PASS AS AMENDED** Report of the Committee on **TAXATION READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-755)** in **NON-CONCURRENCE**.

TABLED - March 19, 2004 (Till Later Today) by Representative CLARK of Millinocket.

PENDING - **FURTHER CONSIDERATION**.

Representative LEMOINE of Old Orchard Beach moved that the House **RECEDE AND CONCUR**.

Representative BRUNO of Raymond **REQUESTED** a roll call on the motion to **RECEDE AND CONCUR**.

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 Recede and Concur. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 370

YEA - Adams, Ash, Barstow, Beaudette, Bennett, Blanchette, Bliss, Brannigan, Breault, Bull, Bunker, Campbell, Canavan, Carr, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Gerzofsky, Goodwin, Grose, Hatch, Hutton, Jackson, Jacobsen, Jennings, Kane, Ketterer, Koffman, Landry, Lemoine, Lerman, Lessard, Lundeen, Mailhot, Makas, Marley, McGlocklin, McKee, McLaughlin, Moody, Norbert, Norton, O'Brien L, O'Neil, Paradis, Patrick, Percy, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Simpson,

Smith N, Smith W, Suslovic, Thomas, Twomey, Usher, Walcott, Watson, Wheeler, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Berube, Bierman, Bowen, Bowles, Brown R, Browne W, Bruno, Bryant-Deschenes, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Daigle, Davis, Dugay, Duprey B, Finch, Fischer, Fletcher, Gagne-Friel, Glynn, Greeley, Heidrich, Honey, Hotham, Jodrey, Joy, Kaelin, Ledwin, Lewin, Maietta, Marraché, McCormick, McKenney, McNeil, Millett, Mills J, Mills S, Moore, Murphy, Muse, Nutting, O'Brien J, Peavey-Haskell, Rector, Richardson E, Richardson M, Rogers, Rosen, Saviello, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Tardy, Thompson, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Woodbury, Young.

ABSENT - McGowan, Pellon, Perry A, Perry J, Sullivan, Sykes.

Yes, 73; No, 72; Absent, 6; Excused, 0.

73 having voted in the affirmative and 72 voted in the negative, with 6 being absent, and accordingly the House voted to **RECEDE AND CONCUR**.

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

SENATE DIVIDED REPORT - Majority (8) **Ought to Pass as Amended by Committee Amendment "A" (S-359)** - Minority (4) **Ought Not to Pass** - Committee on **LABOR** on Bill "An Act To Increase Maine's Minimum Wage"

(S.P. 237) (L.D. 673)

- In Senate, Minority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED**.

TABLED - March 16, 2004 (Till Later Today) by Representative SMITH of Van Buren.

PENDING - Motion of same Representative to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report.

The SPEAKER: The Chair recognizes the Representative from Carmel, Representative Treadwell.

Representative **TREADWELL**: Mr. Speaker, Ladies and Gentlemen of the House. The State of Maine right now has a minimum wage that is \$1.10 above the federal minimum. Three years ago we passed an increase in the minimum wage of a two-step increase that brought us to \$6.25 an hour. The federal minimum is \$5.15 an hour. This bill will increase that to \$7.00 an hour and another two-step increase. In the current conditions and Maine's ranking as far as business survival index and all of the other ratings that are put out by different organizations, the State of Maine is being a very unfriendly state for business. We don't need to increase the minimum wage by \$1.85 an hour over the federal minimum. I would urge you to vote against the motion that is before us. Before I sit down, I passed a flyer around a little earlier today that said that Maine's \$6.25 an hour wage at the current time ranks eighth in the country. It is actually ninth. Rhode Island is also above the State of Maine. We are actually ninth in the country right now.

The \$7.00 an hour minimum that is proposed in the bill will bring us to fifth highest minimum wage in the country. I don't think that we need to send that kind of a message to the employers who are already here in the state or any other employer that is thinking of relocating to the State of Maine. It is the wrong message to send. I would urge you to vote against the pending motion. Mr. Speaker, I request a roll call.

Representative TREADWELL of Carmel **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought to Pass as Amended Report**.

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 Van Buren, Representative Smith.

Representative **SMITH**: Mr. Speaker, Ladies and Gentlemen of the House. I don't think that the economic future of the State of Maine has to be tied towards keeping its citizens in poverty. There is a benefit to all, the merchants and benefit to all sectors of this state to giving our people more money so they can buy more of the goods they need and spend more. That benefit has been seen. There is a benefit to the State of Maine to giving our people more money so that they can be taxed more. That is also seen. There are some measurements of the State of Maine that are very troubling. I am looking at the measures of growth for 2004. Here is where the State of Maine is in personal income. We ranked 33rd in the nation in per capita personal income. Here is another one. In terms of jobs that pay a livable wage, only 66 percent of all jobs in Maine pay what the growth council considers to be an annual livable wage. This is what is considered a red flag area for the State of Maine. Let's look at multiple job holdings. In Maine, 7.1 percent of all Maine workers held two or more jobs. This is much higher than the rest of the state. Let's take a look at the poverty indexes. In 2002, 11.3 percent of Maine people were living in poverty. Maine, 18.9 percent more people fell below the poverty threshold between 2001 and 2002. Here is another one from you people from the more rural counties. When you look at county income disparity, and when we look at the counties where the wage levels tend to be lower, the income gap between Maine's wealthiest and poorest counties widened significantly this year. In 2001 the per capita income in Maine's four poorest counties, Piscataquis, Somerset, Washington and Oxford was \$20,962 only 60 percent of what it was in the wealthiest counties.

Raising the minimum wage makes sense for Maine's people. It makes sense for Maine's businesses. We are not losing our jobs to China or other places, because we are going to be paying \$6.65 in 2004 and \$7.00 in 2005. We are still above the \$2.00 a day being paid there. It is important that we give our people a chance to survive and maybe take some of the pressure off the DHS budget. It is time to bring the wages for our poor people to where they can survive. I ask you to vote in favor of this.

The **SPEAKER**: The Chair recognizes the Representative from Brunswick, Representative Richardson.

Representative **RICHARDSON**: Mr. Speaker, Men and Women of the House. I look today and I don't look at the national averages when I look to see whether the minimum wage meets that test or not here in this state. I just think that the minimum wage in Maine is so absurdly low that only a state legislature would probably work for it. Honestly, when I look at this I say that there are disparities. Most people we know who work for minimum wage are women. They have children. They are not married, divorced and they struggle to make a living. When I look at the statistics that the good Chair of Labor did mention, he indicated a number of good statistics. One, I think what is missing is that Maine's unemployment rate is below the national average. Per capita income is above the national average. I think it has been for the last five years. Those are good statistics. Make no mistake that means that we are moving in the right direction as it relates to that. Are there pockets where unemployment currently suffers from? Yes, there are pockets in

Maine where there is high unemployment. There are bright spots to speak about too.

The problem we have is this disparity between the haves and the have nots where our per capita income is rising, unemployment is below the national average and yet you have people at the very low end who can't make it and make it barely with assistance from what, the state. I am in favor of moving the minimum wage up for all those reasons. Finally, I would like to say that I know we haven't heard this debate because I understand that the statistics indicate that raising the minimum wage does not stop job growth in Maine. It never has. Jobs have increased in Maine even when the minimum rate goes up. For that reason, I am saying that it is not going to hurt business, it is going to help business. It is going to be more money in the economy, more to be spent and people will be able to make a living wage as opposed to have to rely on state government for the difference. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Old Town, Representative Dunlap.

Representative **DUNLAP**: Mr. Speaker, Ladies and Gentlemen of the House. I know a thing or two about the minimum wage. I have worked for it many times in my life. Those of you who know the quality of my work would probably say that I am overpaid at any wage. Nonetheless, I have a little bit of experience with this trying to apply the paycheck derived from the minimum wage to the practical daily expenses of life. Let me give you a little bit of a chart. In 1983, I was making \$5 an hour. The minimum wage was a little bit under \$3 an hour at the time. At \$5 an hour I could pay my room, board and tuition at the University of Maine. At the time it was right around \$3,500 a year. Now, today, the minimum wage is right around \$6 plus an hour and in my line of work at the time, I doubt I would be getting paid much more than something just above the minimum wage. The difference being, of course, is now room, board and tuition at the University of Maine is just under \$13,000 a year. You are looking at about a 400 percent increase in tuition and costs to go to the university and at the same time the minimum wage has just about doubled.

I didn't have a car back in those days, but the cost of gasoline was right around 85 cents to 90 cents a gallon. Now it is close to \$2 a gallon. The people out there who are our neighbors and friends who are working for a living and trying to get a start in life or trying to get a new start in life cannot do it on the current wage structure in the State of Maine. It cannot be done.

One of the arguments against this is that what you do by raising the minimum wage is you raise all wages and those employers who pay more than minimum wage have to drive up their base salary lines to compete. That would be too bad for those of us who make just above the minimum wage. In fact, there would be no other way to get an increase in pay and keep up with those costs. Given the increasing costs of health care, even for those employees who benefit from company health plans, the co-pays keep going up, the cost of emergency room visits keep going up and there is no other way to pay for it.

I would urge my colleagues to vote to accept the Majority Ought to Pass Report. Thank you Mr. Speaker.

The **SPEAKER**: The Chair recognizes the Representative from Waterboro, Representative Jacobsen.

Representative **JACOBSEN**: Mr. Speaker, Ladies and Gentlemen of the House. Minimum wage, I think that should be a wage where people are starting out working, teenagers. I hire a lot of teenagers. As the minimum wage goes up, I have to decrease the number of teenagers working for me in order to meet my budget. When you hire people who are working for the first time, you have to explain to them even how to use a broom

today. They want to know how to plug it in. People are not being trained at home today. When they come to their first job, you have to do all of the training. Consequently, in the restaurant business, we are doing less work on premises and buying more pre-made products. This puts more and more people out of work, the young people that need these jobs. The other thing is I hope everybody goes back and tells the senior citizens that we are upping the minimum wage, but your social security isn't going up, your pension isn't going up. When you go out to buy an ice cream cone, it might cost you \$5. The price of having your laundry done, the price of having your lawn mowed, all the basic things that these elderly people need done that are generally done by people with low wages are going to get more expensive. Every year they get a small social security raise. Consequently we eat it up in insurance premiums. We need to think not only of the elderly, but of the young people that need jobs. We need to keep the minimum wage down and we need to educate people and prepare them to get better jobs. Thank you.

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

Representative **TWOMEY**: Mr. Speaker, Men and Women of the House. I did a study a few years back on minimum wage workers and the largest percent are women with two children. I did that study because I keep bringing that bill back about weekly pay. Those same people who earn minimum wage have to wait two weeks to get paid. I don't have a problem going back home to tell my seniors about voting for a minimum wage increase because a lot of my seniors are working for that minimum wage. When I got to Shop 'n Save and I see these elderly people who should be home retired or going to Florida and they are women who are struggling very hard because they have been widowed and have no money and have to work for minimum wage. When I go to Parsonsfield to see my son, I have no problem stopping at the good Representative's restaurant and paying whatever he wants for an ice cream cone, because the product is good. I do think that this is a good bill and I think it is needed. Thank you.

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

Representative **DAIGLE**: Mr. Speaker, Ladies and Gentlemen of the House. Every time we debate the minimum wage there is one thing that you can be sure of, it is that people will get up and repeat the same clichés over and over again about women and the minimum wage and people have to make a living and pay health care and so forth. The thing that is most consistent about is it is absolutely untrue. There are more falsehoods told about minimum wage than any other subject I hear about here. Those of you that have Internet access, go on line right now, type in minimum wage statistics and go to the government websites and you will see six out of seven people earning minimum wage today are teenagers and children living at home with their parents. It would be very refreshing, but unexpected to have a discussion about this about the emotional falsehoods constantly told to justify this damaging proposal to hurt Maine's economy. I urge you to vote against the pending motion.

The SPEAKER: The Chair recognizes the Representative from Westbrook, Representative Duplessie.

Representative **DUPLESSIE**: Mr. Speaker, Men and Women of the House. We keep hearing about the damage to Maine's economy that this will create. Yes, Maine's economic performance per capita ranks 44th in the nation, the lowest in the northeast. Yes, Maine has, even with this proposal, it still will be the lowest in the northeast for minimum wage, except for the State of New Hampshire. This proposal goes to \$6.65. Rhode Island is currently at \$6.75 and indexed for inflation; Connecticut,

\$7.10; Vermont, \$6.75 and going to \$7.00 in '05; Massachusetts, \$6.75. Those are all states in the northeast that are currently higher than what is being proposed here for the State of Maine, but does not hurt the economic engine that drives things. Increases in the minimum wage have not kept up with inflation. It should actually be over \$7.50 an hour right now. We heard about seniors on social security. Seniors on social security, yes, many of them do struggle, but they also have an inflation index each October. Maybe it is time that we indexed the minimum wage so that people at the bottom can keep up a little bit. We are not asking for too much here.

An increase in minimum wage causes job loss. I totally disagree. Studies upon studies, exhaustive economic studies over the years have confirmed that it does not cause job losses. Most recent surveys of large employers report that nine out of 10 employers do not base hiring decisions on the minimum wage that they may have to pay. We are asking for some basic dignity here, the lowest paid workers in this state. Thank you. I encourage you to vote for the pending motion.

The SPEAKER: The Chair recognizes the Representative from Carmel, Representative Treadwell.

Representative **TREADWELL**: Mr. Speaker, Ladies and Gentlemen of the House. I have heard two references to the fact that other states have a higher minimum wage than Maine does. I would submit to you and I have the figures right here that several of those states also have a higher unemployment rate than the national average, which is well above the 4.9 unemployment rate that we have here in the State of Maine. Washington at \$7.16 an hour has an unemployment rate of 6.5 percent. Alaska \$7.15 an hour, unemployment is 7.3 percent, Oregon, \$7.05 an hour and an unemployment rate of 7.7 percent. You can see that there is a correlation between minimum wage or high minimum wage and the unemployment rate.

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

Representative **THOMAS**: Mr. Speaker, Men and Women of the House. I will be very brief. Due to the benefits of wireless networking, I took up the challenge of Representative Daigle and I can tell you that 71 percent of the people who are affected by minimum wage are adults over the age of 20. Increasing the minimum wage would affect workingwomen. Three out of four Americans say that the minimum wage should be increased by a dollar or more. Thank you.

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

Representative **BOWLES**: Mr. Speaker, Men and Women of the House. The good gentleman from Van Buren, Representative Smith, when he was speaking to lead off this discussion, he was talking about the measures of growth. He alluded to several of those and I am glad that he did. One that he did not allude to was number 13, also a red flag item and its called cost of doing business. I would like to just read to you a couple of pieces of information from that. Maine's cost of doing business in 2002 according to this index was 10.1 points higher than the national average. This performance measure is an important indicator of the costs of operating a business in the State of Maine relative to other states. It is an important consideration for businesses looking to relocate to Maine, expand or leave the state. Unit labor costs compromise 75 percent of the index. Maine was ranked eighth in the nation on this index in 2002. On the unit labor cost index, Maine was ranked the thirteenth most expensive state. I sat through, as many of you who have been here for any period of time and sat through a number of discussions similar to this and we have heard the same arguments advanced by both sides. One of the things that

I haven't heard, and I want to speak to you for just a moment about, is the affect that this has geographically on the State of Maine and why some of us have a different perspective. I live, as many of you know, in Sanford. Sanford is 14 miles from the New Hampshire border. Saturday night after my wife and I finished working at our business, we went over to New Hampshire. We were going to go over and eat at Chili's Restaurant. We were a little late getting there and it was close to rush hour. We couldn't eat at the Chile's Restaurant. It was completely crowded. They had a waiting line. Many of the cars in the parking lot had Maine license plates. We said we would eat at the Applebee's across the street. We went over to Applebee's and the line was outside the door. There were Maine license plates lined up in the parking lot. No problem, we'll go to Uno. Guess what? Why didn't we just stay in Sanford and eat? We don't have a Chili's, an Uno, a Ninety-Nine, Applebee's or a Friendly's. We don't have any of those businesses because they won't locate in Sanford because it is significantly more expensive to do business 15 miles from the New Hampshire border. They all locate in New Hampshire. Maybe that doesn't matter to you very much if you are from Waterville or Augusta or Brunswick or Presque Isle or some other place where you are 60, 80 or 200 miles from the border. When you look at that 15-mile corridor along the New Hampshire border, starting down in Portsmouth and going all the way up to Canada, you will find there are no businesses on the Maine side of the border because businesses cannot afford to locate or expand within that corridor. It is simply too expensive.

The SPEAKER: The Chair recognizes the Representative from Westbrook, Representative Duplessie.

Representative **DUPLESSIE**: Mr. Speaker, Men and Women of the House. I do live in southern Maine like the Representative from Sanford. I wish he would spend his money in Maine. We have all of those chains that he just named right in Portland. On Friday, Saturday or Thursday night, they are all busy. They are all packed. Yes, in the State of Maine you pay a 7 percent sales tax. If you eat at those restaurants in New Hampshire, you are paying an 8 percent sales tax. We do have all those restaurants right here in the State of Maine. It is a little further from Sanford to Portland, but not many miles. Thank you.

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

Representative **JOY**: Mr. Speaker, Ladies and Gentlemen of the House. In the not too distant past, I was sentenced to two terms on Labor. I would like to share a few thoughts that I have carried forward from that day. A recent survey of 13,000 jobs that were lost in the forestry industry found that 4,000 of those jobs were lost due to NAFTA. Nine thousand were lost due to over regulation. The over regulation, ladies and gentlemen, comes from this body. Increasing the minimum wage is one of those things that is the cause of losing jobs.

I would like to share with you some thoughts from a very distinguished American from another generation. It is a few things to ponder. "You cannot help men permanently by doing what they could and should do for themselves. You cannot help the wage earner by pulling down the wage payer. You cannot keep out of trouble by spending more than you earn. You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot further the brotherhood of man by encouraging class hatred. You cannot build character and courage by taking away man's initiative and independence." The great things said are timeless, such as this quotation from Abraham Lincoln.

There are people who have caused much loss to their members and they should read this over again and again. You cannot help the wage earner by pulling down the wage payer.

Lincoln said it very well. I will leave you with that thought as you get ready to vote. Thank you.

The SPEAKER: The Chair recognizes the Representative from Oakland, Representative Nutting.

Representative **NUTTING**: Mr. Speaker, Men and Women of the House. I rise just to spend a couple minutes to throw maybe a little history into the debate and acknowledge that I am currently serving my term on the Labor Committee. The various states instituting minimum wage started back around 1912 or 1915. Coincidentally, it was about the time that women were getting into the labor force. The reason for the minimum wage standards in different states was that nobody thought that women would command the kind of wages that men were making. They needed an artificial boost up to get them up to some kind of a descent wage. At that time it was a little less than it is now. It seems to me that here in 2004 we surely have all come to the point where nobody thinks that women, in particular, need a special boost up when side by side they work with men and do the same things have the same skills.

That was the impetus for thing. In that period of time, in 1912 or 1918 the Supreme Court of the United States was asked several time whether or not it was constitutional. Depending on the balance in the Supreme Court there were different decisions handed down from time to time. What practically happened is that most states didn't enforce the minimum wage because they were afraid if they enforced it somebody would take them to the Supreme Court and ultimately they felt that the Supreme Court would rule it unconstitutional.

We know that in 1912 women were the beneficiaries. You hear today who the beneficiaries might be. It is my contention that the beneficiaries today are organized labor, those people who work and make substantially more than the minimum wage. How do they benefit? They simply benefit because those pesky people who are trying to get in at the bottom of the wage pool, people who are willing to work for \$5 or \$6 in the State of Maine, those pesky people who will work for less need to be kept out of the pool. There is no sure way to keep them out of the labor pool than to raise the minimum wage to the point where businesses can't afford to hire them.

It is cruel, almost to the lower income people who think by giving them another 50 cents or \$1 an hour will improve their lot in life. It does just the opposite. It is the people on limited incomes who like to go out and have an ice cream with their two or three kids that they are supporting by themselves or who eat at McDonalds. They don't eat at a resort hotel in Rockport. They live a more simple life. The people who work in those industries are the people who are going to receive more and pass through to the people who are trying to buy the meals at an increase in cost. Even though it sounds like maybe it would be helpful to these people it really does just the opposite. Surely today we don't need to help boost the women up anymore. They have proven their worth. I think. Until last September I had 15 of them who worked for me. They made the same or more than the men who worked for me. That issue is off the table. I believe now we are left with organized labor. The downside is, as we have heard before here this morning, businesses don't have that money to give. They will either pass it through so there is a negative wash or they will pack up and move out of state.

For those reasons, I would encourage you to vote Ought Not to Pass on the pending motion. Thank you.

The SPEAKER: The Chair recognizes the Representative from Brunswick, Representative Gerzofsky.

Representative **GERZOFSKY**: Mr. Speaker, Ladies and Gentlemen of the House. Today is a good day to correct people when you are speaking. This is a very important debate. My

history book taught me that during the new deal Francis Perkins who is buried here was FDR's Labor Secretary that gave us the minimum wage. I never knew that Maine should lead the nation in having the most low paying jobs in the nation to employ its people. I would think that we would want to employ our people with good paying jobs. Minimum wage, I have heard the arguments since I was a little kid, is going to hurt the economy. Since I was a kid minimum wage started off at \$1 an hour when I was a kid working. The economy seems to have grown every time minimum wage went up. We are in a recession right now. We are going to have a rebound and minimum wage is not going to hurt that rebound a single bit. It is about time that we realize that minimum wage isn't even close to being a living wage. Someday we are going to have to start talking about a living wage instead of always going around the minimum wage. There should be no minimum wage. You can't live on it, especially if you are a woman trying to raise a kid or two without a husband at home. I hope people in this room will vote that way. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Hutton.

Representative **HUTTON**: Mr. Speaker, Men and Women of the House. I rise in support of this bill for many different reasons. The first one I want to address is the women's issue in this matter. A lot of these minimum wage jobs employ women, not just kids, not just teenagers, but women, adult women with children. It is not a fallacy. It is not a lie. It is true. The second thing is that the disparity in pay between men and women, we might have jobs that are equal in pay, it is still on the average that we get paid 73 cents to the dollar. When I started working at Yale University it was 59 cents to the dollar. I am glad we have come up a bit, but it is still not enough. Although this doesn't address that particular issue, I think it is important to note that we are still paid less than men, no offense to the men in this chamber.

The second thing I want to address is while organized labor and unions have helped in this effort, there have been many other organizations over the course of history who have as well, including the Maine Council of Churches if I remember correctly. Most of the union jobs in this state pay livable wages or above. They are not in this to make their wages go up. They are in this to help all workers. We need to raise those. We don't need to advertise from Maine and boast that we have the lowest wages in New England. This is ridiculous. We need to be able to say to the workers in this state that you are valuable and you do deserve it. We want also for them to be able to pay their own way, to help pay for their kid's education or their own education. We want them to be able to afford to buy their own health care and drugs because we don't want them coming back to the state and asking us for them. We don't have the money.

I urge you to support this small raise for the small workers in the State of Maine. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Skowhegan, Representative Richardson.

Representative **RICHARDSON**: Mr. Speaker, Ladies and Gentlemen of the House. We sort of skipped over this business of jobs to China as the good Representative Smith was talking about. I have heard for years now that we are losing our jobs to China because they have a cheaper wage. You can't have this thing both ways. If you believe that you are losing your jobs to China because of the low wage, it doesn't make a whole lot of sense to increase the minimum wage here.

The other point of this is in order to pay a wage, a living wage, you have to have somebody willing to start a business, willing to create some sort of a product or service and sell it in the

competitive market. If they can't do that, how do you think they are going to pay a wage of any size, whether it is minimum or zero? They have got to make a business work. Raising your minimum wage, beyond the competition which is nearby in either New Hampshire or Canada or wherever, raising it out of range of their minimum wage or even increasing it above is not going to gain you anything. Don't put any more impediments in front of businesses that want to do business in Maine. Vote against this bill.

The SPEAKER: The Chair recognizes the Representative from Van Buren, Representative Smith.

Representative **SMITH**: Mr. Speaker, Ladies and Gentlemen of the House. We have heard a number of comments about the effect on business. Let's stop for a moment and think about another effect that low wages has on the State of Maine. We spend a third of our state's money on education, educating our young people. Where is that money going? We are still sending outside of our state the majority of our young people. Why are they leaving? They leave because they can make better wages outside this state. This is something we all know. We all know of the young people. They won't stay here because they don't even have a hope of earning a living wage in the state. They leave. We spend all that money to educate them and they are going and they are benefiting other states. At least let's send a message that there is hope for people to be able to earn a living wage in this state. The best way we can do it is by raising the minimum wage.

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

Representative **DUDLEY**: Mr. Speaker, Men and Women of the House. I was listening quite intently to the comments from the Representative from Sanford, Representative Bowles. I just wanted to say to him that next time he finds himself in New Hampshire and waiting in too long of a line, I have a great list from the yellow pages here of 15 or 16 restaurants in his district that he might want to check out. I will send this to you.

The SPEAKER: The Chair would advise members to not focus on personal attacks in our debate.

The Chair recognizes the Representative from Newfield, Representative Campbell.

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

The SPEAKER: The Representative may pose his question.

Representative **CAMPBELL**: Mr. Speaker, Men and Women of the House. To Representative Smith or Representative Hutton, when I supported the social security offset, why did I not get the debate and the support that this bill is getting?

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

Representative **TRAHAN**: Mr. Speaker, Ladies and Gentlemen of the House. I have heard several things brought up today in support of this legislation. I am just going to address a couple of them. First, dignity, paying a person a higher wage somehow gives them dignity. I have a little difference of opinion. I think opportunity allows people the chance to go out and find a better job than minimum wage. In this state, our opportunity has left. In the last two years we have lost 20,000 manufacturing jobs. To me, a good paying manufacturing job with benefits would bring far more dignity than a minimum wage job. For those people out there, I think they would find more dignity in bettering themselves.

Second, consistency, this chamber so far in this session has passed about \$130 million in fee and tax increases. Those fee and tax increases come right out of the pocket of the poor, especially the sales tax. When you increase the sales tax or

expand it, it comes directly from the poor. Maybe later in this session when we talk about raising the sales tax or expanding it, we could keep some consistency.

One last thing, I think that in order to address the minimum wage we have to look at the history of the minimum wage. I heard almost the exact same debate in the past legislative session when we did raise the minimum wage. Yes, today we are here again with the same argument. Nothing has changed. We have the same arguments before us. More people are leaving, the jobs are leaving and the economy is in the toilet. I think instead of emphasizing partisan positions on such arguments, we need new direction. We need new ideas. We can't just continue to put mandates on businesses to increase health care. We can't keep mandating businesses that they give five days of sick leave and expect them to continue to stay here. They are going to continue to leave. I guess what I am asking you to do today is to analyze the direction that the state has been going and to come up with some new ideas, innovative new ideas, to bring better paying jobs here. I don't think it is going to come by putting even a bigger burden on our businesses now. Thank you.

The SPEAKER: The Chair recognizes the Representative from Fort Kent, Representative Jackson.

Representative **JACKSON**: Mr. Speaker, Ladies and Gentlemen of the House. I don't have a past history on this debate that many of you do, but I do have some personal experience. The thing I was sitting here thinking about was when the second phase of this would go into effect; the people would start making \$7 an hour. Most of these jobs would be on a 40-hour week and that would add up to \$280 a week. When you took your taxes out and all the things that would have to be taken out, you might be making clear \$200 or \$220 a week. I don't feel that is enough. I was also sitting here thinking that as a logger I have a month or two a year, at least, of drawing unemployment. My maximum for drawing unemployment is \$270. I am thinking that I get \$270 for doing nothing except being on unemployment while these people worked a full week and they are going to get less. It doesn't seem very fair.

We can argue that it is bad for business or it is bad for labor. Some people could make the arguments either way that I might agree with, but I know in Aroostook County we are losing people. It is not debatable. It is a fact. Without a doubt it is because people don't have jobs there that pay a decent wage. There are businesses coming in and they are paying the minimum wage. We have the Wal-Mart's. We have those types of businesses, but people are not staying there. They are not making enough money to live on.

The difference that this going up to \$7 an hour is going to be is \$30 a week. For a 40-hour week it is \$30 extra a week. I don't see that as an awful lot of money. I understand there could be places all through the state where businesses are having a tough time, but for \$30 a week, I don't see that being the sky is falling debate that people are making it out to be. I certainly think that people deserve to make a decent living wage. This will get them on that track. I would certainly like you to support the Majority Ought to Pass Report. Thank you.

The SPEAKER: The Chair recognizes the Representative from Skowhegan, Representative Hatch.

Representative **HATCH**: Mr. Speaker, Ladies and Gentlemen of the House. I am sitting here listening to this argument. Wouldn't it be nice if the minimum wage really worked the way so many people are painting it, that kids and unqualified and so forth at the bottom of the list, give them a chance to get started in their careers, but that is not the way it works. We all know it isn't. The mom-and-pop operations, most of them in this state don't pay

minimum wage. They pay more than minimum wage. It is the Wal-Mart's and K-Marts and so forth that hire women who have the two children that they are trying to support. That is where your minimum wage is coming from. We are not going to drive those people out, not by any stretch of the imagination. As for job loss, the picture is painted of this terrible way that we treat business and we are driving jobs away, but at the same time the argument is that New Hampshire does everything right. If we are number one in the nation per capita in job loss, then why is then that New Hampshire is number two? Thank you.

The SPEAKER: The Chair recognizes the Representative from Hampden, Representative Duprey.

Representative **DUPREY**: Mr. Speaker, Men and Women of the House. I am going to talk from an interesting perspective. I not only have employees, I have 40 of them. They are all women, by the way. A lot of them have small children. I am talking from the interesting perspective that I own three childcare centers. I have over 100 parents who drop their kids off at my centers. They are the ones who are paying the daycare, between \$5,000 and \$8,000 year to bring their child to my center.

I am going to talk to you from the eyes of a business owner who has to make decisions if this bill passes. Childcare is actually one of the lowest paying industries in Maine. I am disappointed by that. There are two Maines. North of Augusta they are really low paying, but south of Augusta they pay pretty well, especially down the Portland way.

I was in Portland this past weekend, Friday, Saturday and Sunday checking out some daycare centers down there. I found out they get \$165 a week to take care of a 3 year old, whereas the max I can get is \$110 a week. I ask them what they pay their employees? I was very intrigued, \$10 to \$12 an hour plus benefits. I was excited by that. I kind of wish we could get that up in northern Maine. It is the cart before the horse theory. If you force me to bring the minimum wage up, that means every one of my employees is going to get 75 cent an hour raise to. I have never paid minimum wage. I will say that on the record. I never have. I always paid above it. Somebody who starts out at \$7 and everybody else who started out at \$6.50 or \$6.75, they are going to want a raise too. It is only fair to give everybody one. The net hit to me is going to be about \$40,000 a year if this passes by next year. Out of a million dollar business, it sounds really small. My payroll is a half a million a year. It is a pretty big hit. There are three things I could do to find that money. I could do it. If it passes, I will do it. I am not going to lay off anybody. I will still have the same amount of employees. I will probably add more next year. I am still going to be in business. It is not going to make me go out of business. There are three things that I could do to find that \$40,000. I could raise rates \$15 a week for those parents who are making minimum wage, who are getting a \$30 week increase are going to have to give me \$15 of it. They are also going to have to pay the social security administration \$2.50 of it. They are going to give the State of Maine a little piece of it. They are going to have to pay more for gas and more at the food store because of minimum wage people and pretty soon they might not have anything left of that raise to begin with.

The second thing I could do is take more money out of my pocket. This year I got hit with higher unemployment taxes. That came out of my pocket. Higher workers comp, my liability insurance has tripled since 9-11. That has come out of my pocket. My property tax is going up and my utilities are going up. I have taken all the hits I am willing to take right now.

The third thing I could do is hit my employees with benefits. I have been proud of my business. Last year I instituted a profit sharing plan. I matched \$1 for \$1, 100 percent up to 3 percent of my employee's salary. I am only required to do 1 percent, but I

did 3 percent. I want to encourage them to save for their retirement. I am not sure social security will be there. My next thing I want to do is offer them health insurance. Even though I voted against Dirigo, man, I hope it works. I have \$40,000 earmarked for next year's budget to buy Dirigo health insurance for my employees. I figured out how many people need it based on what I got from Trish Reilly, how much it would cost, between \$40,000 and \$50,000 to provide that. Those are my three choices where I can get the money from.

I can scrap the Dirigo plans. I could hit it myself or raise the rates. When Dirigo was passed it said that business owners need to jump aboard for it to survive. You really have to think twice about hitting business owners right now. Even though I am just a little mom-and-pop operation, I will be hit by this. We do want to do what is right for our employees. We do want to provide these benefits. I have said it with a lot of people I have interviewed and they said they would rather make a lower wage and have more benefits. They would rather make minimum wage and have health insurance than make \$8 an hour. All I can say is, really think twice. I know it is a noble thing. A very popular friend of mine on the other side of the aisle said, I am a Democrat and I just cannot vote against minimum wage. I think about my employees and I think about the women who have to pay more for their childcare. Thank you Mr. Speaker.

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. 371

YEA - Adams, Ash, Barstow, Beaudette, Blanchette, Bliss, Brannigan, Bull, Bunker, Canavan, Clark, Cowger, Craven, Cummings, Dudley, Dunlap, Duplessie, Duprey G, Earle, Eder, Faircloth, Finch, Fischer, Gagne-Friel, Gerzofsky, Glynn, Goodwin, Grose, Hatch, Hotham, Hutton, Jackson, Jennings, Kane, Ketterer, Koffman, Lemoine, Lerman, Lessard, Mailhot, Makas, Marley, McGlocklin, McKee, Mills S, Norbert, Norton, O'Brien L, Paradis, Patrick, Percy, Pineau, Pingree, Piotti, Richardson J, Rines, Sampson, Saviello, Simpson, Smith N, Smith W, Suslovic, Thomas, Thompson, Twomey, Usher, Walcott, Watson, Wheeler, Woodbury, Wotton, Mr. Speaker.

NAY - Andrews, Annis, Austin, Berry, Berube, Bierman, Bowen, Bowles, Breault, Brown R, Browne W, Bruno, Bryant-Deschenes, Campbell, Carr, Churchill E, Churchill J, Clough, Collins, Courtney, Cressey, Crosthwaite, Curley, Daigle, Davis, Dugay, Duprey B, Fletcher, Greeley, Heidrich, Honey, Jacobsen, Jodrey, Joy, Kaelin, Landry, Ledwin, Lewin, Lundeen, Maietta, Marraché, McCormick, McKenney, Millett, Mills J, Moody, Moore, Murphy, Muse, Nutting, O'Brien J, O'Neil, Peavey-Haskell, Rector, Richardson E, Richardson M, Rogers, Rosen, Sherman, Shields, Snowe-Mello, Stone, Sukeforth, Tardy, Tobin D, Tobin J, Trahan, Treadwell, Vaughan, Young.

ABSENT - Bennett, McGowan, McLaughlin, McNeil, Pellon, Perry A, Perry J, Sullivan, Sykes.

Yes, 72; No, 70; Absent, 9; Excused, 0.

72 having voted in the affirmative and 70 voted in the negative, with 9 being absent, and accordingly the Majority Ought to Pass as Amended Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (S-359)** was **READ** by the Clerk and **ADOPTED**. The Bill was assigned for **SECOND READING** Tuesday, March 30, 2004.

Bill "An Act To Authorize Educational Technicians II in Winslow, China and Vassalboro"

(S.P. 781) (L.D. 1944)

Came from the Senate, **REFERRED** to the Committee on **EDUCATION AND CULTURAL AFFAIRS** and ordered printed.

REFERRED to the Committee on **EDUCATION AND CULTURAL AFFAIRS** in concurrence.

The following Joint Order: (S.P. 782)

WHEREAS, it appears to the Senate and the House of Representatives of the 121st Legislature that the following are important questions of law and that this is a solemn occasion; and

WHEREAS, the Constitution of Maine, Article VI, Section 3 provides for the Justices of the Supreme Judicial Court to render their opinions on such questions; and

WHEREAS, there is now before the 121st Legislature for its consideration Initiated Bill 4, L.D. 1893, Bill, "An Act to Impose Limits on Real and Personal Property Taxes"; and

WHEREAS, the initiated bill may have constitutional infirmities that can not be corrected by revision or amendment; and

WHEREAS, the initiated bill proposes broad changes to the laws of this State that would limit the ability of both state and local governments to raise revenues to support vital governmental functions; and

WHEREAS, these limitations, if constitutional, would require the Legislature and local governments to make dramatic changes to their budgets beginning with fiscal year 2004-05, and the Legislature is currently in the process of reviewing a supplemental budget bill for that fiscal year; and

WHEREAS, the Legislature must decide whether to enact the initiated bill as proposed or to put forth a competing measure to the initiated bill as authorized by the Constitution of Maine, Article IV, Part Third, Section 18; and

WHEREAS, the Attorney General has indicated in the attached opinion that there is a "substantial possibility" that key portions of the initiated bill violate the Constitution of Maine and there is substantial doubt about the effectiveness of remaining portions; and

WHEREAS, it is vital that the Legislature be informed as to the questions propounded in this order; now, therefore, be it

ORDERED, the House concurring, that, in accordance with the provisions of the Constitution of Maine, the Senate and the House of Representatives respectfully request the Justices of the Supreme Judicial Court to give the Senate and the House of Representatives their opinion on the following questions of law:

Question 1. If Initiated Bill 4 becomes law, would those provisions of the bill that require the calculation of property taxes based on "full cash value" or "appraised value," as adjusted, violate the Constitution of Maine, Article IX, Section 8, which requires taxes on real and personal property to be assessed and apportioned equally and according to just value?

Question 2. Initiated Bill 4, in the part that proposes the Maine Revised Statutes, Title 36, section 361, proposes a severability clause. If your answer to Question 1 indicates that portions of the initiated bill are unconstitutional, would any of the initiated bill's provisions remain effective by virtue of Title 36, section 361 or Title 1, section 71, subsection 8?

Came from the Senate, **READ** and **PASSED**.

READ and **PASSED** in concurrence.

The following items were taken up out of order by unanimous consent:

SENATE PAPERS

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

CONSENT CALENDAR

First Day

In accordance with House Rule 519, the following items appeared on the Consent Calendar for the First Day:

(S.P. 615) (L.D. 1683) Bill "An Act Creating the Central Maine Regional Public Safety Communication Center" Committee on **UTILITIES AND ENERGY** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-454)**

(S.P. 648) (L.D. 1716) Resolve, Regarding Participation in the Federal No Child Left Behind Act of 2001 (EMERGENCY) Committee on **EDUCATION AND CULTURAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-443)**

(S.P. 652) (L.D. 1719) Resolve, Authorizing the Conveyance of a Conservation Easement on a Parcel of Land on Peaks Island to the Peaks Island Land Preserve Committee on **AGRICULTURE, CONSERVATION AND FORESTRY** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-455)**

(S.P. 656) (L.D. 1723) Bill "An Act To Establish a Monitoring Program of Maine Lakes Identified as Having Invasive Aquatic Species" Committee on **NATURAL RESOURCES** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-450)**

(S.P. 705) (L.D. 1858) Bill "An Act To Change the Point System for Clearing Vegetation Adjacent to Protected Natural Resources" Committee on **NATURAL RESOURCES** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-448)**

(S.P. 708) (L.D. 1862) Bill "An Act To Expand Access to Higher Education and Employment for Youth" Committee on **EDUCATION AND CULTURAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-445)**

(S.P. 709) (L.D. 1863) Bill "An Act To Provide Additional Financing for Costs Associated with the Remediation of a Waste Oil Handling Facility Site in Plymouth" Committee on **NATURAL RESOURCES** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-449)**

(S.P. 720) (L.D. 1872) Bill "An Act To Extend the Deadline for Reconsideration by Boards of Appeals" Committee on **STATE AND LOCAL GOVERNMENT** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-444)**

There being no objections, the above items were ordered to appear on the Consent Calendar tomorrow under the listing of Second Day.

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

On motion of Representative RECTOR of Thomaston, the House adjourned at 1:20 p.m., until 9:00 a.m., Tuesday, March 30, 2004 in honor and lasting tribute to Clarence R. "Cap" de Rochemont, of Rockland.