

# MAINE STATE LEGISLATURE

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Senate Legislative Record  
One Hundred and Twenty-Second Legislature

State of Maine

Daily Edition

Second Regular Session  
January 4, 2006 to May 24, 2006

Pages 1382 - 2139

**ENACTORS**

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

**Emergency Resolve**

Resolve, Directing the State Board of Property Tax Review To Accept and Review the Appeal Filed by the Town of Palermo  
S.P. 768 L.D. 1989  
(C "A" S-464)

This being an Emergency Measure and having received the affirmative vote of 34 Members of the Senate, with no Senators having voted in the negative, and 34 being more than two-thirds of the entire elected Membership of the Senate, was **FINALLY PASSED** and having been signed by the President, was presented by the Secretary to the Governor for his approval.

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Senate at Ease.

Senate called to order by the President.

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**ORDERS OF THE DAY**

**Unfinished Business**

The following matters in the consideration of which the Senate was engaged at the time of Adjournment had preference in the Orders of the Day and continued with such preference until disposed of as provided by Senate Rule 516.

The Chair laid before the Senate the following Tabled and Later (2/09/06) Assigned matter:

HOUSE REPORTS - from the Committee on **LABOR** on Bill "An Act To Increase the Minimum Wage"

H.P. 174 L.D. 235

Majority - **Ought to Pass as Amended by Committee Amendment "A" (H-725)** (7 members)

Minority - **Ought Not to Pass** (5 members)

Tabled - February 9, 2006, by Senator **STRIMLING** of Cumberland

Pending - motion by same Senator to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report, in concurrence

(In House, February 8, 2006, the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-725).**)

(In Senate, February 9, 2006, Reports **READ.**)

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Snowe-Mello.

Senator **SNOWE-MELLO:** Thank you, Madame President and honorable ladies and gentlemen of the Senate. Well, it finally arrived. I didn't know if we would ever do this. The perennial crusade to increase the wage level for Maine's lowest paid workers truly does appeal to our emotions. I know full well that coming out against a minimum wage risks making me look cold hearted and mean. I hope that most of you know that is not the case. If we take a careful look at this 'feel good' legislation, we can begin to see the real impact of such an increase.

Is it appropriate for government to force employers to give their lowest paid employees a raise? It's true that minimum wage workers are at the bottom of the workforce ladder. They are also likely to deserve raises the least because they have only just begun. They tend to be the least experienced, the least educated, and invariably the youngest and rarely have a track record that warrants a pay raise. I know I was there once and I'm sure most of you were. I know you were. Others working for Maine's small businesses, those that have more education, real skills, and who may be supporting families, will not be getting a raise. They might even see a cut in wages or benefits in order to pay for their newest co-worker's pay increase.

An impact of an increased minimum wage that rarely gets mentioned is an increase in teen unemployment. The Journal of Economic Literature reports that every 10% increase in the minimum wage leads to a 2% increase in teen unemployment. The effect is fewer and fewer after-school jobs for our young people. Just ask any one with a teenager looking for his or her first work experience.

There is another relationship that seems to appear with minimum wage legislation wherever it happens. That is the relationship between efforts to increase minimum wage and union contracts. I'd like to point to the results of a study of the minimum wage entitled 'The Effects of Minimum Wage Throughout the Wage Distribution'. This study, conducted by the National Bureau of Economic Research in Cambridge, Massachusetts, finds that a frequent result of minimum wage increases is that union workers see wage gains double that of non-union workers. The study also found that a majority of union contracts are written to adjust to any minimum wage increase. Union workers in the lowest wage category see their work hours increase as non-union workers are more likely to see their hours reduced when a minimum wage is imposed or increased. I found that very interesting when I read that. Bottom line, the researchers conclude it is union workers that benefit the most from minimum wage rate increases. I would be happy to make the study available to anyone interested in reading through it.

Here is the strongest argument for not increasing the minimum wage. Maine has the highest percentage of residents on welfare in this nation and that welfare keeps low wage earners, who are actually the heads of the families, out of poverty. Please see the orange handout that I provided each of you. As the top graphic shows, a single mother with two children earning the minimum wage actually clears more than \$54,000 a year when the major welfare benefits are added up. It does not seem possible, but it is, no matter what local newspapers are saying. Compare that to the \$32,000 per year that is taken home by a single mother with two children earning \$16 per hour, too much to be eligible for benefits collected by the minimum wage mother of two.

Last night I attended a meeting. The article in the Sun Journal was talking about what I just mentioned. A lady who was attending the meeting said, 'I have a perfect example of this.' She said friends of hers who had just relocated to the area had asked her and her husband to please help them look for a job because they were having a hard time. The other day she said they called her and said, 'Never mind, don't look any more. We don't need it any more. We're now collecting benefits from the state and we've got income, food stamps, and health care. We really don't need a job right now.' Unbelievable.

The argument that we need to hike the minimum wage to reduce the poverty rate does not wash. When it is more desirable for a person to receive state benefits than it is to increase their earning potential we are not helping people to become independent. Isn't that what we want? Don't we want people to feel good about themselves, to work for a living, to provide for their families? That is the American way. We are encouraging their dependency on the state. Shouldn't it be our goal to help people become more independent, self reliant, and free from government support? Maine clearly needs a high median wage not a higher minimum wage.

The most glaring reason not to make Maine's minimum wage among the highest in the nation is small businesses simply cannot afford it. Maine's business environment is the second poorest in the country, folks. Placing this extra payroll burden on Maine's small businesses could easily make us the worst place in the country to do business. How many times have I heard it from all of us? We have to help small business because small business is where it is at in this state. We all know that. The reasons behind the effort to raise the minimum wage are well meaning. They truly are. I appreciate the kind-hearted intentions of those of you who support it. However, I hope you would see past the emotional desire to be generous with other peoples' money and I urge you to please vote against this act. Thank you.

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

Senator **STRIMLING:** Thank you, Madame President. Madame President, beside the fact that I find it remarkable that somebody would be suggesting that it is a better idea that somebody stay on welfare than get a higher wage, I will start with this piece of paper that was distributed only to say, and not even go beyond the first statistic on the top, that a single mother with two children who is making the minimum wage would not be eligible for ASPIRE benefits. The sheet unravels from there. If somebody would like to find out more about this, feel free to go the Lewiston Sun Journal that just wrote a scathing piece about somebody who would promote this philosophy and about these statistics and how incorrect they are. Madame President, what we are talking about today is \$10 a week. We are talking about giving Maine families an opportunity to buy an extra gallon of milk, an extra loaf of bread, and perhaps a few extra pieces of chicken for their families. That is what we are talking about. This is less than a 4% raise a year. I believe Maine families deserve a 4% raise a year. They make our economy great. They support our children. They are promoting Maine into the 21<sup>st</sup> Century. Today we have to stand up for them. Thank you, Madame President.

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

Senator **PLOWMAN:** Thank you, Madame President. As a business owner I'd like to point out that I don't have anybody that makes minimum wage, but I've worked for minimum wage for all of six weeks in my whole life. I don't plan on ever doing it again except here. As we progress, I'd like to remind you that it's \$10 to the employee minus all of the ensuing taxes. There will be an increase in what has to come out of that paycheck. When you are giving a raise of 25¢ an hour, please factor into that \$10 that this would be multiplied per employee and there would be an increase in Workers' Comp because Workers' Comp is based on wages paid. That cost is borne by the employer. There will be an increase in payment of unemployment taxes. That increase is borne by the employer. There will be an increase in the employer's share of Social Security. I don't need to repeat who bears that burden. The employee, by the way, must pony up their share of the increase in Social Security. Those are increased costs to Maine businesses. You have heard that Maine already has one of the highest minimum wages in the country, but the most important thing that I heard was that Maine needs a higher median income. We spend all kinds of time talking about minimum wage here when we should spend a whole lot more energy, time, and ingenuity trying to find a way for companies that pay those wages that you would all like to see come to Maine. Every time you do something like this you provide another disincentive because, while it might not apply to them, it shows them the attitude that Maine has towards a business community. Until we show a consistent business-welcoming attitude, consistently, we will never make the lists that we need to make to raise the median income of the people of the state of Maine. Until we get a higher tide in the state of Maine, it doesn't matter. The tide will not come while you are punching holes in our vote. Thank you.

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

Senator **NASS:** Thank you, Madame President, ladies and gentlemen of the Senate. We've had several false starts on this issue because we've gotten waves of paper. I did keep one of those prior waves and it showed a map of the U.S. I was struck, I guess, by where Maine sits relative to the other states. Clearly, in the northeast there are a lot of states that have a minimum wage that is higher than the federal minimum wage, so there is some uniformity. There is one state, Madame President, that is different. That is New Hampshire. We talk about that. At least I talk about it a lot. I think about it always because I'm right there. I don't have to guess about a system that is different than ours. I see it every day. New Hampshire has a minimum wage that is similar to the federal rate. You think that perhaps it's just because they differ from us philosophically or whatever it is, I would tell you that I worked over there in the legislature for a long time, about 12 years. It is not. It is done on purpose, as is with cigarettes, beer, and all the other taxes. They work the border and this is part of it. They know what to do to gain the wages, the business strength that we so blithely kiss off, dismiss as not being important, in our chase for more government, higher government, and more expensive government. Madame President, I have listened to this minimum wage debate for the 12 years that I have been here and I want to offer today something different. This is my opinion. It's failed government policy. It's about time for us to recognize that. This doesn't work. It doesn't work because we have differences in the state. It is time for us to do something for

Maine people and dump this government policy. I don't think I've heard that yet. We argue about the increase in minimum wage. It is now time to realize that this does not work and try something new. What have we got for something new? The market system. This is a contract. Individual people go to work for themselves or somebody else and there is an implied contract, or I think the lawyers say it has something to do with a contract at will or something like that. There is a term out there for this. That is about being paid certain wages, being paid certain benefits. The other side is what we never talk about. You don't have to work for somebody. You can leave. You can take your labor someplace else. It worked for a long time. We don't consider that. We think we have a better policy. Minimum wage is part of that. Government programs are part of that. I think it's time to realize that this particular program has failed. Let's do something else. Let's recognize that we are not competing, certainly not with New Hampshire, and it's time to move on. Thank you.

On motion by Senator **DAVIS** of Piscataquis, 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 Kennebec, Senator Gagnon.

Senator **GAGNON:** Thank you, Madame President and members of the Senate. I think this is a very important piece of legislation. In fact I've suggested to some that this may be the most important piece of legislation we have this session, if not during this entire legislature. Ten years ago, when I first came to the House of Representatives, I was asked by the recently elected Speaker of the House, Elizabeth Mitchell, what committee I would like to serve on. We got this little sheet. We were asked to put on it our first, second, and third choices. Based on what I ran on and what was important for me and my area, I put down for committees, as you recall, Taxation, Taxation, and Taxation. Then, just to be sure, she questioned me to make sure that I knew what I wanted to do.

As a freshman, I was placed on the Taxation Committee, which I began to learn a great deal about taxes in the state of Maine. One of the things I've learned is, because you hear a lot of rhetoric about taxes, and I'll throw out this rhetorical question; true or false, Maine has some of the highest taxes in the country. The answer is false. You hear a lot of rhetoric, but the answer to that is false. We're about in the middle when it comes to taxes that we collect from our citizens. Middle of the pack. If you count what goes back to the taxpayers in programs, whether it is the BETR program, TIFs, ETIFs, or some of the other programs, it moves us down even further, depending on how you count it. If you ask the question about taxes as a percentage of income, then we are right up there, aren't we? Number one, number two, and number three.

What we have learned is that there are two sides to this equation. We've done a pretty good job of managing some of the taxes. We've decreased the growth of government. We created the BETR program some years ago to reimburse businesses. We created the TIFs. We inadvertently created the so-called double dip for businesses. We created revenue sharing. My favorite revenue sharing tool, of course, is the homestead exemption. We lowered the sales tax in my 10 years from 6% to 5.5% and back down to 5%. We eliminated the snack tax.

We've done a pretty good job on the tax side of it, but as a percentage of income, which is the other side of this equation, we're a poor state. The taxes that you pay relative to your income are relatively high. What you have to give out to make government function in this state is relatively high. The goal here, if we look at the macro picture of all this and where we are headed, is to try to create quality jobs and try to lift people's incomes to certain levels. That is so they can pay more taxes. That's so they can manage that and they can manage to live in this state and not have to leave. Populations have decreased dramatically in my home city, in Aroostook County, and places where there are very few jobs. People want to stay in their homes. They are not like businesses that when they don't like the deal, they are gone. These are people who were born in this area, they live in this area, they raise their families in this area, and they want to stay. That is why it is so devastating when a paper mill closes or something like that occurs. We have to bring up those incomes. If we want to really succeed at changing the tax structure and changing that statistic about the state of Maine, we have to attack the issue from both ends, not just the tax end. We've been fairly successful at that, but we have to tackle it from the other end also. This is a small beginning. It's a small choice.

The former Chief Executive, Angus King, had a very good conversation at the end of his term about how he was finally seeing that, understanding that. If we can make people generate more income for themselves, they will be that much better off. We will talk a little bit about the market place, let the market place decide, and that's right. We don't do that with businesses either. We tinker around with it. We give out certain benefits here and there. We give tax breaks. This is a small piece, a relatively small piece, but at least it's a beginning in trying to attack the other side. It's something that I came here to do over 10 years ago, to try to deal with taxes in the state of Maine and how we have to change our statistics. I hope that we will have full support for this. I know we're not going to. If we are going to be partners in this whole effort, this is a part of the equation we cannot forget about, the working people in this state. Thank you, Madame President.

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

Senator **BARTLETT:** Thank you, Madame President. There have been a number of statements made today about the impact that this is likely to have on businesses in Maine. The reality is a 25¢ increase in the wage of an employee will have little, if no, impact on the vast majority of businesses in our state. For one, we've heard many people say, 'I don't pay minimum wage.' Some of the businesses you would think would be most impacted, some of the Mom and Pop businesses around the state, when you go to them and ask, 'What do you pay your employees?' They say they pay above the minimum wage because it means a lot to them to have good employees and to have employees that are very stable. It tends to be other businesses that can afford the high turn-over, that do very high volumes, that are more likely to pay the minimum wage. It also will have little, if any, impact on prices. Consider a storekeeper who hires somebody to keep the store during the day and sell products. Most of those products have not been produced in Maine, so their price won't be effected by the raise in the minimum wage. Most of them are from China and other places around the world. You would say, 'Well, what about that person who is working at the store? They are making an

extra 25¢ an hour.' Think of the volume of goods that are going out of that store over the course of the day, over the course of a week, and you're talking maybe a penny you might be adding to the cost of the goods. It's infinitesimal if there is even any impact at all so I challenge those who see a great negative business impact from this increase.

Let's also remember who it is that tends to receive the minimum wage. As the good Senator from Androscoggin, Senator Snowe-Mello, indicated, those who tend to make it are those with the least level of skills, the most disadvantaged in our society. It's not surprising that a huge percentage of those who earn minimum wage are women, people who are in and out of the job market while they are raising their families. It's not surprising that disabled individuals are a huge percentage of those who earn minimum wage. It's not surprising that people starting out without the opportunities to finish their high school degree, without the opportunities of college or advanced training, are the ones who are earning the minimum wage. The question is; do we want to provide them with some help to support their families, make their lives a little better during very difficult circumstances? It should also be noted that by providing a small increase to the minimum wage we're increasing the earning power of these individuals. Those who earn the minimum wage tend to go out and spend most of their paychecks just to get by. That is additional revenue that flows directly into our economy to all of our small businesses around the state. I would argue that this would more than offset the small negative impact that has been discussed so far.

For all of these reasons I think we should stand here proudly and support the minimum wage, understanding we are helping those who have been left behind. We had a great boom in the 1990's that did great things for those with a 401K or with money in the stock market. It did nothing for those who earn minimum wage. We've had a housing boom that has greatly increased the value of housing and the wealth of many in our state. It's done nothing for most of the people who earn minimum wage and are renting properties. They haven't been able to take advantage of it. They have just seen their rents go up. I would argue that this is an opportunity, a rare opportunity that we have to really reach out to the least advantaged in our society and give them a boost. It's a small one that won't have nearly the impact that we would like, but every step forward will help. This is our opportunity to stand and do what is right for the people of Maine.

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

Senator **COURTNEY:** Thank you, Madame President, men and women of the Senate. I just want to touch on a couple of things here. It seems that when you increase the minimum wage it doesn't stop there. You have the second tier income earner. You have the mother working 20 hours a week, trying to make a few extra dollars, or the senior citizen that gets a job. Small employers are not going to be able to continue many of these jobs. The larger employers, the Wal-Marts, are going to be fine. They always survive. It's the little guys. You take a ride through your communities and start looking at the Mom and Pop convenience stores and the gas stations. How many of those guys have gone out of business in the last year? We look at the jobs report that we received. Maine is so much better a place to do business. Well, apparently we're so good we lost 200 jobs last year across the state, according to the Portland paper. We look at the increase cost to businesses and the larger businesses will

absorb it and they will be fine. They will find a way to pass it along. It is the little guy and the hundreds and hundreds of small businesses in this state today that are teetering because they can't pay their oil bill, they can't pay their gasoline bill, their LP gas, or their electricity. These costs have grown astronomically. We heard that tax policy of the state is better today and we're more in tune with helping business because of all the things we do. I'm not sure I can go along with that. I think if I go home and start talking to the people that run the little shops around town they won't see it the same way. They are struggling. Some of them have already closed. The first day we came here we had an opportunity to provide some tax relief to businesses. It wasn't even tax relief; it was reducing the increased tax on fuel. We chose not to do it, so the state collected an extra \$5 million from small businesses. If you are really serious about wanting to help people at the minimum wage level, if you are really truly serious, I'm here to work with you because if you are serious about it let's take them off the income tax roll, let's not withhold money from people earning minimum wage, and let's start there. Let's start looking at creating some good jobs. The small businesses, the ones that pay the minimum wage, start out paying the minimum wage because that is how their business starts out. As they grow, they share the success. I just don't want to snuff out any more opportunities for people in this state. I don't want to snuff out any more chances that people have to create a new job, create a new company, or move into Maine. The good Senator from Cumberland, Senator Bartlett, said that you only have to raise things a penny or two because nothing is made in Maine. What I submit to you and the people of Maine today is that maybe it would be nice if we could make a few more things in Maine. Thank you, Madame President.

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

Senator **DIAMOND:** Thank you, Madame President, men and women of the Senate. I think we could probably argue all day whether 25¢ this and 25¢ next year would help the person on minimum wage or we could argue whether the 25¢ would hurt the business owner or we could argue if most Maine citizens even have this on their radar screen or do they really care about this. What is factual is that you have 21,000 people who come in this category of being on minimum wage. They are real people. They are often teens but now, more than ever, they are senior citizens because of the condition of our national economy.

I've been a small business owner since 1980. Frankly, I've benefited very well from being in business. I'm also a person and a citizen and I see this argument a little differently than what I've heard this morning. I think we have to understand that minimum wage people are all over this state. We can't pretend they don't exist. They are real people. Maybe the best reason for passing the minimum wage increase of 25¢ this year and 25¢ next is to simply say we acknowledge that they are there. We acknowledge that they are there. By giving them this slight acknowledgement that will keep them on our radar screen and knowing that we have to help them in all the ways that we can.

I wouldn't say it's so much the importance of the 25¢ as it is this legislature saying we know you are out there. We're not going to pretend you don't exist. To me, that seems to be the right thing to do.

**THE PRESIDENT:** The Chair recognizes the Senator from Hancock, Senator Damon.

Senator **DAMON:** Thank you, Madame President, ladies and gentlemen of the Senate. For a period of time before I was elected to serve in this body I was an entrepreneur and a business creator and a business owner. That experience gave me the understanding, the compassion, that I think that I need for business interests in the state of Maine. I had to deal with a number of costs, not the least of which was labor costs. I also came to recognize very early that a part of my success for my business dealt very strongly with the people who were working for me. If they weren't working for me I would have to go through all of those training aspects that I would need to do to get a new person hired, to get a new person to do that job, and those costs, too, were very expensive. I chose to try to make every inducement that I could to keep those employees working for me. It was a start-up business, and I know that those of you who have suffered through start-up businesses realize that we would like to do a lot more for our employees than we are able to do financially. I wasn't able to offer the benefit package that I would have liked to have had been able to offer to them. I was able to do small things and small things included a paycheck and making that paycheck as strong and as healthy as I possibly could at the time.

When I first came to this chamber four years ago there was a minimum wage bill that was put before us and I couldn't support it. I couldn't support it because of the things that I just talked to you about and the impacts that it would have on business. I thought about the impacts that it would have on jobs and employment. It was subsequently scaled down to a level that I felt that I could support.

We come to this bill that is before us today and whether or not we can support it. Keep in mind through all of this that we're talking about those who are making the least, not those who are making the most, not raising the median, not doing all of those things. It's those who are making the least. In fact, if it pushes the rest of the wage scale up, and that's a big if because it is dependent upon each and every individual business and business owner as to whether or not they will continue to keep that separation between the highest paid and the lowest paid on their employment scale, but if they chose to that it's not a bad thing either if they can afford it.

The final thing that I will leave you with is the thing that is going to cause me to support this bill today. About a month ago I was leaving my home on a Sunday night, as I usually do to come here to be able to serve in this legislature. It was about 8 o'clock. I had a two-hour drive ahead of me. I stopped into a local convenience store to pick up some local newspapers and a coffee for the trip. The clerk behind the counter was a woman who I recognized as someone who lived in my hometown, although this store was not in my hometown. She looked particularly tired. I asked if it had been a long day. She said, 'They are all long days.' I said, 'What do you mean?' She said, 'I have to work four jobs to try to take care of my two kids.' She was doing it alone. You know she didn't mention anything about getting \$54,000 a year, but I didn't ask her and I might actually go back and ask her now. The four jobs that she was working were all minimum wage jobs. She probably didn't have a lot of skills, although I would maintain if I were talking to that business owner that she had a very good skill in dealing with me and the rest of the people who came to that counter to purchase the goods in that store. I then

went on to ask, 'If it's four jobs, how many hours do you work a week? Do you know?' Not only did she know, she told me quickly that she worked 83 hours a week. For 83 hours a week she was working at minimum wage to try make due for her family. She deserves a raise. I would ask you to give her that raise and to support this bill before us today. Thank you.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Snowe-Mello.

Senator **SNOWE-MELLO:** Thank you, Madame President and ladies and gentlemen of the Senate. If this increase would truly benefit the workers and families across this state I would be supporting this bill. I believe that another increase over the increase that was just increased last fall to \$6.50 is not going to benefit the people of this state. I believe, truly within my heart, that this is going to make it more difficult for our families and our businesses, especially our small businesses. I also would like to say to the very good Senator from Cumberland, Senator Bartlett, and ask him if he has gone to a Dunkin Donuts lately? I love Dunkin Donuts bagels. I no longer buy Dunkin Donuts bagels, I go to Georgio's because Dunkin Donuts bagels have increased from about 42¢ for a bagel to two bagels for \$3. This is what I believe we will see happening. Please remember the small shops, the small stores. If they have it really difficult making ends meet, they are going to have to shift costs. They are going to have to increase their product line. What does that do? That just makes it more difficult for our families in the long run. Please remember that. Thank you.

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

Senator **PLOWMAN:** Thank you, Madame President. Listening to the good Senator from Hancock, Senator Damon, I was reminded of a little talk that I had. We had the good fortune to plan a family vacation and visit the state of Hawaii, which by the way is about the only other state that mandates more on business than the state of Maine. I think they have one Republican in their Senate. I got to know a wonderful family that was there, a husband and his wife. Because of what the legislature there has done to businesses there are no such things as full-time jobs. Each of these people was working three jobs to try to put in 40 to 60 hours a week. By helping them with all of the mandates, they made it so their life is absolutely miserable as they try to earn a living and take care of things. You can help somebody a little too much.

If we are just going to pass this as an acknowledgement, and I don't know how to approach this except to say that we acknowledge people all over the state of Maine for the conditions, for the way that they must struggle and get through. Passing a cost on as an acknowledgement. Yes, we have a problem. We have too many people making minimum wage. We don't have enough people making better money. The companies that are paying minimum wage have profit margins that are so low. There are some jobs out there that will turn over and the companies will make money. When you take advantage of those people, because they can, you hurt the really small individual person who can't. I'm thinking about my bakery on Route 1A in Hampden. Twice in one year the guy had to pay \$150 each time to reprogram his cash register because we changed the snack tax. Do you know how many donuts and muffins he had to sell to

come up with the \$300 because we couldn't make up our minds on the snack tax? Do you know how many donuts and muffins he's going to have to sell for whatever else we come up with this year? The other increases in Workers' Comp and the increases on cost of fuel and gas? Then you are going to add something else and the price will go up. The little disabled guy across the street who could afford a cup of coffee and a muffin will think twice. 'Well, I'll only go every other day.' There is a whole table of guys who meet there every morning. I know they don't have a lot of money. They are on fixed incomes and they just had to absorb all the other costs too.

While you are taking advantage of those who can pay please don't forget that you are hurting those who can't. Keep weighing. It's a matter of weighing. Sometimes you really have to look at that real little guy who believes and works and puts in his 16-hour day and when the payroll doesn't get met, he doesn't get paid. If you don't believe that happens, ask the owner next time. The owner is the guy that gets paid last. Always gets paid last. If there is money, great. If there is not, you have all of your other obligations first. Go ahead and think that you are taking advantage of the big guys like McDonald's and all of those other companies that you have in your mind that turn over people really quickly. Is this going to make or break them? No. I'm thinking of the guy at the bakery and the little store in Dixmont and the little store in Dexter and all those guys who work on a 2% margin. That is what it's called after you pay all your bills, it's called net profit. I'd like you to know that there is a difference between gross and net. It's a huge difference. It's what you get after you pay all the costs. Every time you increase costs, figure that somebody has to pay it. It might just be the person you just gave a raise to. There, haven't you helped them. Thanks.

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

Senator **HOBBS:** Thank you very much, Madame President, men and women of the Senate. In thinking of what to say about this particular bill, I found it's always sometimes appropriate to go back in history and read the words of our former colleagues that served in this body and the other body. I'd like to just share with you some remarks that were made on May 8, 1973 by a legislator serving in the other body. I'm just going to summarize a little bit of it. 'At this point in history just about everyone recognizes that we have a highly sophisticated integrated society and economy. The welfare of each of us is dependent on the welfare of others. I think we learn from the Great Depression that we cannot have consumption without income and we cannot have income without consumption. The Fair Labor Standards Act was introduced as a measure to fight the depression and it worked. The increased incomes of working people allowed them to purchase more, and in purchasing more, created new jobs and with new jobs came renewed prosperity. Now all of this is regarded as an elementary principle in our economy. It is not a revolutionary idea for it was present in the 1930's, as many of you know and probably can remember, maybe some in this body can also. It is the idea held by labor, business, and consumers. This bill does not challenge or tamper with the principle of the interrelationship of income and consumption for all. It simply updates the laws that make the principle a practical reality. If we cannot provide for our people with the minimum of this type how can we really, as legislators, expect children in our state to aspire to be normal productive citizens when they see their parents working but still not earning

enough money to meet the minimum needs of their families? Certainly a minimum wage must be set that allows a worker some dignity to his or her work and the life that they lead; a wage that shows his or her children that it is worthwhile to work for a wage as a real alternative to idleness and welfare.' I made those remarks on that date 32 or 33 years ago and they still hold today. I urge you to support the Ought to Pass report.

**THE PRESIDENT:** The pending question before the Senate is the motion by the Senator from Cumberland, Senator Strimling to Accept the Majority Ought to Pass as Amended 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 (#312)

**YEAS:** Senators: BARTLETT, BRENNAN, BROMLEY, BRYANT, DAMON, DIAMOND, DOW, GAGNON, HOBBS, MARTIN, MAYO, MITCHELL, NUTTING, PERRY, ROTUNDO, SCHNEIDER, STRIMLING, SULLIVAN, THE PRESIDENT - BETH G. EDMONDS

**NAYS:** Senators: ANDREWS, CLUKEY, COURTNEY, COWGER, DAVIS, HASTINGS, MILLS, NASS, PLOWMAN, RAYE, ROSEN, SAVAGE, SNOWE-MELLO, TURNER, WESTON, WOODCOCK

19 Senators having voted in the affirmative and 16 Senators having voted in the negative, the motion by Senator **STRIMLING** of Cumberland to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report, in concurrence, **PREVAILED**.

#### READ ONCE.

Committee Amendment "A" (H-725) **READ**.

On motion by Senator **COURTNEY** of York, Senate Amendment "A" (S-454) to Committee Amendment "A" (H-725) **READ**.

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

Senator **COURTNEY:** Thank you, Madame President, men and women of the Senate. This amendment to the minimum wage bill that we just passed will address one of the concerns that I had with raising the minimum wage that I tried to express to you a few minutes ago. What this would do is not increase the wage above the current minimum wage until you are 18. It would freeze the \$6.50 an hour and then when you turn 18 you would move to the regular minimum wage. The reason for doing this is that I'm concerned about the second tier workers. I think that what is happening is that we have kids that will be under 18, second jobs, and living at home. I'm sure my kids don't appreciate this, but I think the concern that money for kids that don't have the need for the money and they can use it on things that they want, will be coming from the second tier, the people that are earning \$8, \$9, or \$10 an hour. I do believe, especially in the small business environment, that there are serious pressures on them. I would



ask your support here because I think this is a fair thing to do. Thank you.

Senator **MARTIN** of Aroostook moved to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-454) to Committee Amendment "A" (H-725).

**THE PRESIDENT:** The Chair recognizes the Senator from Aroostook, Senator Martin.

Senator **MARTIN:** Thank you, Madame President and members of the Senate. I listened with great interest to the reasons why this amendment should come before us and we should vote for it. I would just like, for a moment, to think of my own experience in what I do from time to time when I'm not here. I do hire people below the age of 18. Frankly, in order to get them to work I have to pay a heck of a lot more than minimum wage. Mowing my lawn is about \$10 an hour to a 15-year-old student. Someone who works in my store doing the garbage or whatever who is under the age of 18 turns out to be about \$8 or \$9 an hour. The reason is rather simple. Parents give them what they want. They don't need to work. If you want them, you're going to pay for them. If I were able to hire someone below the age of 18 at minimum wage, whether it's the present minimum wage or the future minimum wage, I'd be real pleased to pay that. With all sincerity, there is just no way that I can support this amendment because clearly it's outside the realm of possibilities.

**THE PRESIDENT:** The Chair recognizes the Senator from Lincoln, Senator Dow.

Senator **DOW:** Thank you, Madame President, ladies and gentlemen of the Senate. I do support this amendment but I also would like to explain to my colleagues my economic philosophy. I am a business owner. As a business owner I have a business as such that I do not pay a minimum wage and cannot pay a minimum wage to get the type of help that I need. I also feel that the debate around the minimum wage as an economic model is a failure or is admitting a failure to the type of economics that we have in the state where we need to support the bottom end by continually raising that minimum wage. I wish it wasn't so. There is coming a day, and that day may be here already, when I'm going to ask for support for a different economic system; an economic system that raises the median wage, an economic system that works with some tax reform that we basically need or should have for the workers in this state and the business owners, and a tax reform that will help stimulate our economy and encourage businesses to come into the state. That all goes along with what I truly believe about this minimum wage debate. I do not like it. I like all the measures that raise everybody's wages so that we increase our wages in this state up to a better wage ratio compared to the rest of New England. I support those types of economic reforms but sometimes you have to use a Band-Aid to get over what I consider to be a broken system. One other thing, my brother grew up in the same Republican family as I did with the same Republican father, worked at a factory his entire life. I went into his house the other day. We usually talk about hunting and fishing. Period. He wanted to know about the minimum wage bill. He wanted to know why so few people couldn't receive these benefits. It is a few; 21,000 was mentioned. It isn't 21,000 because that includes waiters and waitresses, many of whom that I know receive \$15 to \$18 an hour, so the numbers are thousands

less. I have to apologize to my colleagues for voting for that minimum wage. It's not that I agree that the minimum wage is the way to go. I don't. I think it's a poor economic system. We need to do other things in this state to stimulate business to boost that wage up. We wouldn't even be talking about a minimum wage. If it works in New Hampshire it can work here. When a state doesn't even care if they have a \$5.15 minimum wage it's because their economic status and programs are such that they lead them to not have to talk about these things. I do support this amendment, however, and I would ask you to go along with me on this amendment to support just the \$6.50 wage for teenagers that are being hired out of school. Most of them it's for a summer job only. When I hire one, I hire one at minimum wage. If he works for me two summers, he isn't getting minimum wage the next summer. Of course some of these are my relatives, so that doesn't count I suppose. Just the same, if they weren't I'd still do things the same way. I would ask you to support this amendment. Thank you.

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

Senator **COWGER:** Thank you, Madame President and colleagues in the Senate. I think I have spoken with many of my colleagues and I have a very strong desire to see a training wage come back into the state of Maine so that in many ways, like the Senator from Lincoln, Senator Dow, said somebody who is learning a skill would get paid \$6.50 an hour. I am going to support the pending motion to Indefinitely Postpone because I strongly believe that a training wage is something for a limited period of time and this means that somebody 16 or 17 years old is going to be stuck at \$6.50 an hour. I don't agree with that. I think if we could have a short-term training wage I would support it, but I don't support the current amendment. I will be joining the current motion. Thank you.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Nutting.

Senator **NUTTING:** Thank you, Madame President. I request permission to pose a question through the Chair?

**THE PRESIDENT:** The Senator may pose his question.

Senator **NUTTING:** Thank you, Madame President. My question is in regards to the previous speaker talking about a training wage for a short period of time. Is there an amendment drafted to that affect and will that amendment be offered?

**THE PRESIDENT:** The Chair will remind members that it is probably inappropriate to refer to amendments that are not on the floor. I am going ask that you not respond to that question. The Chair recognizes the Senator from Kennebec, Senator Cowger.

Senator **COWGER:** Thank you, Madame President and colleagues in the Senate. May I state that one may just check the binder full of Senate amendments.

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

Senator **PLOWMAN**: Thank you, Madame President. May I pose a question through the Chair to anyone who may answer?

**THE PRESIDENT**: The Senator may pose her question.

Senator **PLOWMAN**: Thank you, Madame President. Does this amendment prohibit an employer from raising the wage of an employee under the age of 18?

**THE PRESIDENT**: The Senator from Penobscot, Senator Plowman 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, men and women of the Senate. I'm glad you raised that question. No it does not.

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

**THE PRESIDENT**: The pending question before the Senate is the motion by the Senator from Aroostook, Senator Martin to Indefinitely Postpone Senate Amendment "A" (S-454) to Committee Amendment "A" (H-725). 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 (#313)**

YEAS: Senators: BARTLETT, BRENNAN, BROMLEY, BRYANT, COWGER, DAMON, DIAMOND, GAGNON, HOBBS, MARTIN, MAYO, MITCHELL, NUTTING, PERRY, ROTUNDO, SCHNEIDER, STRIMLING, SULLIVAN, THE PRESIDENT - BETH G. EDMONDS

NAYS: Senators: ANDREWS, CLUKEY, COURTNEY, DAVIS, DOW, HASTINGS, MILLS, NASS, PLOWMAN, RAYE, ROSEN, SAVAGE, SNOWE-MELLO, TURNER, WESTON, WOODCOCK

19 Senators having voted in the affirmative and 16 Senators having voted in the negative, the motion by Senator **MARTIN** of Aroostook to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-454) to Committee Amendment "A" (H-725), **PREVAILED**.

On motion by Senator **SNOWE-MELLO** of Androscoggin, Senate Amendment "B" (S-459) to Committee Amendment "A" (H-725) **READ**.

**THE PRESIDENT**: The Chair recognizes the Senator from Androscoggin, Senator Snowe-Mello.

Senator **SNOWE-MELLO**: Thank you, Madame President and ladies and gentlemen of the Senate. A while ago the business community asked me to consider this amendment since we had just completed a cycle of increases in the minimum wage and we

just increased the minimum wage to \$6.50 last fall. They asked if we could hold off for one year and implement this in 2007. Just give them a break to catch up. I think that is fair. I hope that I get your support on this amendment. Thank you.

Senator **STRIMLING** of Cumberland moved to **INDEFINITELY POSTPONE** Senate Amendment "B" (S-459) to Committee Amendment "A" (H-725).

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

Senator **STRIMLING**: Thank you, Madame President. I would encourage my colleagues to support the pending motion and oppose the amendment. Maine workers need a raise. They need a raise next year not two years from now. Thank you.

On motion by Senator **DAVIS** of Piscataquis, **TABLED** Unassigned, pending the motion by Senator **STRIMLING** of Cumberland to **INDEFINITELY POSTPONE** Senate Amendment "B" (S-459) to Committee Amendment "A" (H-725).

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Senate at Ease.

Senate called to order by the President.

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The Chair laid before the Senate the following Tabled Unassigned matter:

Bill "An Act To Increase the Minimum Wage"  
H.P. 174 L.D. 235

Tabled - March 7, 2006, by Senator **DAVIS** of Piscataquis

Pending - motion by Senator **STRIMLING** of Cumberland to **INDEFINITELY POSTPONE** Senate Amendment "B" (S-459) to Committee Amendment "A" (H-725)

(In House, February 8, 2006, the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-725).**)

(In Senate, February 9, 2006, Reports **READ**.)

(In Senate, March 7, 2006, on motion by Senator **STRIMLING** of Cumberland, the Majority **OUGHT TO PASS AS AMENDED** Report **ACCEPTED**, in concurrence. **READ ONCE**. Committee Amendment "A" (H-725) **READ**. On motion by Senator **COURTNEY** of York, Senate Amendment "A" (S-454) to Committee Amendment "A" (H-725) **READ**. On motion by Senator **MARTIN** of Aroostook, **INDEFINITELY POSTPONED**. On motion by Senator **SNOWE-MELLO** of Androscoggin, Senate Amendment "B" (S-459) to Committee Amendment "A" (H-725) **READ**.)