

MAINE STATE LEGISLATURE

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House Legislative Record
of the
One Hundred and Eighteenth Legislature
of the
State of Maine

Volume II

First Special Session

May 16, 1997 - June 20, 1997

Second Regular Session

January 7, 1998 - March 18, 1998

all Accompanying Papers. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 390

YEA - Ahearne, Bagley, Baker CL, Barth, Berry DP, Berry RL, Bigl, Bodwell, Bolduc, Bouffard, Bragdon, Brennan, Brooks, Bruno, Buck, Bull, Bunker, Cameron, Chartrand, Chizmar, Cianchette, Clark, Clukey, Colwell, Cowger, Cross, Desmond, Dexter, Driscoll, Dutremble, Etnier, Farnsworth, Fisher, Fisk, Foster, Frechette, Fuller, Gagne, Gagnon, Gamache, Gerry, Gieringer, Goodwin, Gooley, Green, Hatch, Jabar, Jones KW, Joy, Joyce, Joyner, Kane, Kerr, Kontos, Labrecque, LaVerdiere, Layton, Lemaire, Lemke, Lemont, Lovett, MacDougall, Mack, Mailhot, Marvin, Mayo, McAlevy, McKee, Meres, Mitchell JE, Morgan, Murphy, Muse, Nickerson, O'Neal, O'Neil, Paul, Perkins, Perry, Pieh, Pinkham RG, Pinkham WD, Povich, Powers, Richard, Rines, Rowe, Samson, Sanborn, Savage, Saxl JW, Saxl MV, Shannon, Shiah, Sirois, Skoglund, Snowe-Mello, Spear, Stanley, Stedman, Taylor, Thompson, Tobin, Tripp, True, Usher, Vigue, Volenik, Waterhouse, Watson, Wheeler EM, Wheeler GJ, Winglass, Winsor, Wright.

NAY - Belanger DJ, Belanger IG, Campbell, Carleton, Chick, Donnelly, Dunlap, Honey, Jones SA, Kasprzak, Kneeland, Lindahl, Madore, McElroy, Nass, O'Brien, Ott, Pendleton, Plowman, Quint, Stevens, Townsend, Tuttle, Vedral, Madam Speaker.

ABSENT - Bumps, Davidson, Jones SL, Lane, Peavey, Poulin, Tessier, Treadwell, Underwood, Winn.

Yes, 115; No, 25; Absent, 10; Excused, 0.

115 having voted in the affirmative and 25 voted in the negative, with 10 being absent, the Resolve and all accompanying papers were indefinitely postponed in non-concurrence and sent up for concurrence. Ordered sent forthwith.

The Chair laid before the House the following item which was tabled earlier in today's session:

An Act to Amend the Filing Date Provision in the Maine Residents Property Tax Program, to Provide an Application Clause for Certain Provisions of Law Relating to Computer Software, to Clarify Provisions of Law Regarding Transfers of Money from the Tax Relief Fund for Maine Residents to the General Fund and to Correct Certain Provisions in Recently Enacted Legislation (S.P. 678) (L.D. 1902) (Governor's Bill) (H. "B" H-774, H. "C" H-775) which was tabled by Representative KONTOS of Windham pending passage to be engrossed.

Representative KERR of Old Orchard Beach presented House Amendment "D" (H-776), which was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Old Orchard Beach, Representative Kerr.

Representative KERR: Madam Speaker, Men and Women of the House. This amendment, which is quite lengthy, I would just like to take an opportunity to explain to you what is entailed in this amendment. As you know, there were several bills that made it through both chambers, but the resources weren't available to fund them. The first section of this bill deals with appropriating funds for an increase in the school construction debt service limit to \$72 million in FY 99. The cost of doing that is \$2.1 million and that will be in the second year of the biennium. The Calais Discount Liquor Store this authorizes that discount liquor store in Calais and also creates a study commission to study the feasibility of locating a discount liquor store in Fort Kent. The cost of doing that over the biennium is

\$393,750. We also, in this bill, changed the reimbursement for law enforcement officers that are testifying in court. As you all know, that is currently \$10. There was a bill in, LD 549, to increase it to \$30. This amendment does that over the biennium. It is going to cost us \$421,960. Also, there is an exemption of non-profit for ambulance and fire emergency services from the state sales tax. It will cost us over the biennium \$57,441.

An issue that received a lot of comment from the public deals with the appropriation of funds for two positions in the Attorney General's Office in order to create an Elder Abuse and Fraud Unit. Over the biennium, that will be costing us \$160,960. Another issue that came up before the Appropriations Committee was dealing with the Center for Deafness. They need to put on a position for support, apathy and case management services for \$36,000 each year over the biennium. Tobacco use recovery position, as we have all read, the Attorney General is filing a lawsuit against the tobacco companies. This will allow him to have an AGs research assistants position also for \$177,616. There was an LD dealing with children with mental retardation. LD 1830, it passed in both chambers and came to the Appropriations Committee with funding of \$1.5 million. We were only able to fund that at \$350,000 in the first year and I believe it was \$850,000 in the second. This would provide additional funding for those children in non-class members of \$400,000 in 1998 and \$1 million in FY 99 for a total over the biennium of \$1.4 million.

Section M in this amendment is a cost that would not be seen in this biennium. It is a cost to be looked at in the next biennium. What this section does is it restores funding to the Housing Opportunity for Maine. We refer to it as the Home Fund at the Maine State Housing Authority to the 50 percent of net receipts from real estate transfer taxes in the year 2000 and 2001. That is up from 25 percent currently. For those who may not be familiar with this, the counties under the current policy get 10 percent from this transfer tax, the Home Fund gets 22.5 percent and the General Fund gets 67.5 percent. The breakdown, if you look at that from the Home Fund to the General Fund is 75 percent. This is suggesting that we go back to what it was originally, prior to the changes. That would mean the counties would get 10 percent. The Home Fund would get 45 percent. The General Fund would get 45 percent. That would take place, as I said, in the next biennium, which would be a cost of \$5 million.

Section N is just language which requires all personnel employed by the state or under contract with the state who are involved with the monitoring, inspection or licensing of nuclear power plants to provide information and assistance to the Legislature upon request. No expenditure, just language.

Under Section O, expands the property tax exemptions for certain veterans. That was the bill that was passed in both of these chambers. It was LD 434, I believe. In this bill, you may ask, where is the \$4,783,727 going to come from for the funding? As you noted earlier, there was a bill that was passed dealing with property tax relief at \$16.3 million. That was based on that there would be anticipated surplus. This bill on page 9, Part P is very clear that the General Fund would appropriate \$1,400,002 in FY 97-98 and \$3,783,305 in FY 99. Again, this would come from the Tax Relief Fund. Currently, based on the decisions that we have made here today and the bills in April, the Appropriations Committee was reviewing what the potential surplus, at that time, was and that was close to \$67 million. Today, in May, I can assure you that that same number is well above \$50 million. As we all know, that when we pass the

budget, 75 percent of this money is going into the Tax Relief Fund. If, in fact, it is in excess of \$50 million, there will be approximately \$37.5 or \$38 million in this Tax Relief Fund. There is more than enough money to fund the Tax Relief Fund of \$16.3 million, which was already voted on and more than enough to sustain this \$4.8 million.

I would urge your support for this piece of legislation. These bills have been passed by both chambers and at the time lacked funding. I would appreciate your support on this amendment.

Representative THOMPSON of Naples assumed the Chair.
The House was called to order by the Speaker Pro Tem.

On motion of Representative DONNELLY of Presque Isle, tabled pending adoption of House Amendment "D" (H-776) and later today assigned.

The Chair laid before the House the following item which was tabled earlier in today's session:

An Act to Amend the Filing Date Provision in the Maine Residents Property Tax Program, to Provide an Application Clause for Certain Provisions of Law Relating to Computer Software, to Clarify Provisions of Law Regarding Transfers of Money from the Tax Relief Fund for Maine Residents to the General Fund and to Correct Certain Provisions in Recently Enacted Legislation (S.P. 678) (L.D. 1902) (Governor's Bill) (H. "B" H-774, H. "C" H-775) which was tabled by Representative DONNELLY of Presque Isle pending adoption of House Amendment "D" (H-776).

Representative CAMPBELL of Holden moved that House Amendment "D" (H-776) be indefinitely postponed.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Old Orchard Beach, Representative Kerr.

Representative KERR: Mr. Speaker, Men and Women of the House. I would urge you to vote against the Indefinite Postponement of this amendment. The reason why is I think that the dialog and debate that we had on various bills and, as I said earlier when I made this amendment up, it is really what this chamber has voted on and passed and was sent to the Appropriations Committee and didn't get funded. When I looked at the previous bills that were passed and they were also predicated, similar to what is predicated in this bill on Part P. It is on page 9 of this amendment. It says, "Transfer of funds." The only way this bill gets funded is through, if in fact there is a surplus of revenues, that is how we fund this \$4.8 million.

The first area when you are dealing with debt service, that was LD 237, reimbursement for law enforcement. We all talk about property tax relief. Instead of paying \$10, we have upped it to \$30. That was LD 549. We predicated the budget on dealing with liquor, that there would be two stores that would be built in, I believe, Kennebunk. We know that those aren't going to happen. What this bill does is it authorizes Calais to have a discount liquor store and a study to be done on Fort Kent. We also talked about the elder abuse and dealing with fraud. This bill takes care of that. It wasn't my idea, it was another legislators'. It was LD 647. It passed in this chamber and passed in the other chamber. It sat in the Appropriations Committee and received a unanimous committee report.

Those are some of the bills that were passed in this chamber. Another bill was LD 1830. That bill was passed unanimously in this chamber, I believe, and unanimous in the

other chamber and unanimously by the Appropriations Committee that dealt with children with mental retardation, non-class members. In that bill it asks for funding of \$750,000 each year of the biennium. We didn't know how much money was going to be in surplus. We got down to which bills we could fund and which bills we couldn't. There was a little bit of money left over. Although the Appropriations Committee funded this particular bill a little more than what the Legislative Council chose to fund it. I believe it was funded at \$350,000 the first year and \$500,000 the second year of the biennium. What I have chosen to do is that we know the waiting list is over 700 people, children, that need some help and support. All the editorials were written about this particular LD. It wasn't my LD. None of these are my LDs. These are yours. This bill is choosing to fund in FY 98 an additional \$400,000. In FY 99, a million dollars. This wasn't funded in the Governor's original budget. It wasn't funded in the Part II budget. I think it is important that at least we are going to have a tax relief program and monies in that account that we had better start taking care of the most vulnerable people in this state. That is why this is in this bill.

There is some language dealing with the Home Fund. During the tough times in the early 90s, state government chose to take some monies from the Home Fund. As I stated earlier, this will return us to where we were supposed to be at 10 percent for the counties, 45 percent for the Home Fund and 45 percent to the General Fund. This is taking care of a gimmick that is in state government that we have yet to address, as I stated earlier, if we don't address it in this biennium. This is addressed in the next biennium, the year 2000 and 2001 at a cost of \$5 million. That will be a decision, at least when the next Legislature reviews the budget, they will know that the original funding, dealing with the Transfer Tax, as real estate brokers came up and supported years ago, that it has been returned. It will be up to that Legislature if they want to monkey with the percentages.

This is nothing new to this chamber, this document. I would urge you to vote against the pending motion and to support the amendment. Thank you.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Topsham, Representative Tripp.

Representative TRIPP: Mr. Speaker, Men and Women of the House. The reason this bill is here today is because it needed some technical changes in the dates. The Circuit Breaker Program, we failed the set a date for the sales and income tax exemptions for the bio-tech and for the high tech industry. That is what this bill was originally planned to be here today. For some reason, it is now being used as a Christmas tree. We just finished a meeting with the Taxation Committee discussing these issues. If you look through your bill, you will find there are many issues that don't have anything to do with tax relief. This is a \$4.8 million amendment taken out of the Tax Relief Fund. We just feel that we should go back to the reasoning for the bill in the first place. That was to have those technical changes. There is no reason for looking at this particular relief fund as a piggy bank for items that were not funded by Appropriations or other items. I would ask you to follow my light and vote against the amendment.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Nobleboro, Representative Spear.

Representative SPEAR: Mr. Speaker, Ladies and Gentlemen of the House. We just met in Taxation and through a straw poll, we unanimously support the Indefinite Postponement of this. It is true, there are a lot of items here,