

MAINE STATE LEGISLATURE

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

Volume I

First Regular Session

December 4, 1996 - March 27, 1997

First Special Session

March 27, 1997 - May 15, 1997

ONE HUNDRED AND EIGHTEENTH LEGISLATURE
FIRST REGULAR SESSION
25th Legislative Day
Thursday, March 20, 1997

The House met according to adjournment and was called to order by the Speaker.

Prayer by Reverend Evelyn S. Hale, The North Wayne Church.

National Anthem by the Great Salt Bay Wind Ensemble, Great Salt Bay Community School, Damariscotta.

Pledge of Allegiance.

The Journal of yesterday was read and approved.

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

SPECIAL SENTIMENT CALENDAR

In accordance with House Rule 519 and Joint Rule 213, the following items:

Recognizing:

Susan Buckland, of Great Salt Bay Community School, who has been nominated as the 1998 Teacher of the Year, and who will be honored by a ceremony in the Hall of Flags in the State House by Governor Angus King. We extend our congratulations and best wishes to her; (SLS 42)

Was read.

The SPEAKER: The Chair recognizes the Representative from Bremen, Representative Pieh.

Representative PIEH: Madam Speaker, Ladies and Gentlemen of the House. What I would like to tell you is that Susan Buckland is now the midcoast finalist for the Teacher of the Year along with nine other distinguished and excellent teachers from Maine. She is also a member of today's band. Thank you.

Was passed and sent up for concurrence.

The House recessed until 10:00 a.m.

(After Recess)

The House was called to order by the Speaker.

The following item was taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matters, in the consideration of which the House was engaged at the time of adjournment yesterday, have preference in the Orders of the Day and continue with such preference until disposed of as provided by House Rule 502.

Bill "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1998 and June 30, 1999" (EMERGENCY) (H.P. 832) (L.D. 1137) (Governor's Bill)

PENDING - Adoption of Committee Amendment "A" (H-15)

Doctor of the day, Mark W. Foure, M.D., Cape Elizabeth.

Representative KERR of Old Orchard Beach presented House Amendment "HH" (H-75) to Committee Amendment "A" (H-15) which was read by the Clerk and adopted.

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

Representative KERR: Madam Speaker, Men and Women of the House. This deals with the State Board of Education. It provides funds for the State Board of Education for the development of the implementation plan for funding essential programs and essential services to the tune of \$75,000. Thank you.

On motion of Representative LINDAHL of Northport, the House reconsidered its action whereby House Amendment "HH" (H-75) to Committee Amendment "A" (H-15) was adopted.

The SPEAKER: The Chair recognizes the Representative from Northport, Representative Lindahl.

Representative LINDAHL: Madam Speaker, May I pose a question through the Chair?

The SPEAKER: The Representative may pose his question.

Representative LINDAHL: Thank you Madam Speaker. I am sorry about not jumping up a little sooner. I am not trying to do this to delay the process or anything, but I am curious. Is this the same \$75,000 that we were talking about to fund this commission to look at the roster report and other such reports?

The SPEAKER: The Representative from Northport, Representative Lindahl has posed a question through the Chair to anyone who may care to respond. The Chair recognizes the Representative from Madison, Representative Richard.

Representative RICHARD: Madam Speaker, Ladies and Gentlemen of the House. This is the same \$75,000 that the Education Committee originally had in the budget for this purpose. This is just restoring that and that was put in with a blue ribbon commission later on. The blue ribbon commission has been eliminated. This is the same \$75,000 that was in the budget. This does not add to the budget. This does do what the Education Committee asked for it to do in the first place.

Subsequently, House Amendment "HH" (H-75) to Committee Amendment "A" (H-15) was adopted.

Representative KERR of Old Orchard Beach presented House Amendment "FF" (H-73) to Committee Amendment "A" (H-15) 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 provides for the allocation of funds for a grant to the Northeast Dairy Council for the sum of an appropriation of \$100,000 each of this biennium. This comes from other special revenues and it was at the request of the good Representative Spear, who will be more than willing to answer any questions dealing with the Northeast Dairy Council. Thank you.

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

Representative SPEAR: Madam Speaker, Ladies and Gentlemen of the House. Back about three years ago, the courts, when we had the Agriculture Stabilization Act go into affect, there was money when the court struck down the act, at that time, there was money coming in and there is somewhere between \$350,000 and \$400,000 sitting in an account that technically belongs to the farmers here in the State of Maine, but by the courts it can't be touched. We feel by taking some of this money and letting the Northeast Dairy Compact, which is trying to get off the ground right now, which is to enhance all the milk prices here in New England. It will be of a big benefit. We feel that there is no better way because this money, by the courts, cannot be distributed to the farmers, where it belongs. You can

use it for other purposes. We feel there is no better purpose than to use this money to try to get this compact off the ground and enhance the prices for the farmers. Other states in New England are contributing in other ways. Vermont has contributed a lot of money, a lot more than this. Massachusetts has, and this is one way for Maine to do their share. We feel that it is a great way to invest this money for the future of the dairy farmers here in the State of Maine.

House Amendment "FF" (H-73) to Committee Amendment "A" (H-15) was adopted.

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

SPECIAL SENTIMENT CALENDAR

In accordance with House Rule 519 and Joint Rule 213, the following items:

Recognizing:

The Town of Windham, for being named a high-performance government by Municipal Analysis Services Inc. Windham, in the category for towns with less than 50,000 residents, received the highest score in the State. We extend our congratulations and best wishes; (HLS 190) by Representative KONTOS of Windham. (Cosponsor: Senator BUTLAND of Cumberland)

Was read and passed and sent up for concurrence.

David A. Smith, Jr., of Oak Hill High School, winner of the 1996-1997 Western B Regional Wrestling Championship, 189 lb. class; (HLS 191) by Representative WATSON of Farmingdale. (Cosponsor: Senator NUTTING of Androscoggin)

Was read.

The SPEAKER: The Chair recognizes the Representative from Farmingdale, Representative Watson.

Representative WATSON: Madam Speaker, Men and Women of the House. I rise today to offer my congratulations to my constituent, David Smith from the Town of Litchfield. I just want to say that I think he's done a splendid job in winning the championship for wrestling for 1996-97. Congratulations David. Thank you Madam Speaker.

Was passed and sent up for concurrence.

Bill "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1998 and June 30, 1999" (EMERGENCY) (H.P. 832) (L.D. 1137) (Governor's Bill)

PENDING - Adoption of Committee Amendment "A" (H-15)

Representative KERR of Old Orchard Beach presented House Amendment "GG" (H-74) to Committee Amendment "A" (H-15) 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. For the past few days in this House from both sides of the aisle we have been working on an Appropriation's budget to come to some common and workable solution to meet the needs of citizens of this state. In spite of the reports in the press and in the TV negotiations by members of leadership on both sides of the aisle and members of the Appropriations Committee along with members of this chamber and with the support of the Governor have tried to reach an agreement that both parties could support.

The amendment that is before us today is in good hope that this is the compromise that will get us a two-thirds vote on the budget. It is not a perfect amendment and neither is the document. Through our discussions and debates over the past two days, we have found out one thing is for sure. The revenues that this state has does not meet the needs of the people. This budget along with this amendment surely addresses, as I have said, not all the needs, but generally most of the needs of the citizens of this state. Early on in trying to reach some type of agreement and consensus, there was a mention that we needed to find some hard cash to provide immediate tax reductions for the people of this state. Two years ago we passed, those of us that served in the 117th Legislature, three areas of tax reductions. Those reductions served two purposes, tax reductions, number one and the second was to limit spending in state government. Today, in the 118th Legislature, we are paying for some of those bills.

In this amendment I will list the \$10 million that has been put on the table to go for immediate tax relief for the people of this state. This amendment prioritizes the expenditures authorized from the Tax Relief Fund for Maine residents. The first use of the funds is to increase the personal exemptions authorized for state income tax purposes. Personal exemptions, through that reduction, reduces taxable income for all taxpayers in this state. It is broad-based tax relief. It provides extra assistance to families of proportional size. The second item in this amendment clarifies the transfer to the Tax Relief Fund for the Maine residents in fiscal year 1999 and 2000 and thereafter based on the first, rather than the last accepted revenue estimates. It also, as I have said, provides the appropriation of \$10 million in the fiscal year 97-98 to the Tax Relief Fund for Maine residents as an initial investment. That is the seed money to get it started. That is immediate tax relief. The Income Tax Cap that was passed in FY 97 didn't provide immediate tax relief, but this amendment does.

Fifty percent in the funds may be used in FY 97-98 to increase the personal exemption and the remaining 50 percent must remain in use for the FY 98-99. The reason why we know that at least \$10 million will be in this tax relief fund so that we don't create a structural gap because, as you all know, both years of the biennium must be balanced. Of this \$10 million, \$5 million would go in the first year for immediate tax relief and the other \$5 million would go in the second year for tax relief. That prevents a structural gap. Should there be surplus revenues for the year FY 97, that would mean from today until the end of June at budget end, currently there is about \$35 million, money that has come in overbudgeted. Should that surplus remain, I cannot tell you and look into a crystal ball, how much will be there. There have been estimates between \$5 million, \$10 million, \$20 million, \$25 million and as much as \$30 million that potentially will be there. Of those dollars, 75 percent of that amount is in surplus. If it is \$20 million, it would mean that \$15 million would go into this Tax Relief Fund of which 50 percent would be immediate tax relief in the first year. The other 50 percent would be in the second year.

The other 25 percent is consistent with what this Legislature in the past two years has decided and what we continue to do. Pay our bills. Twenty-five percent would go toward the unfunded liability in the teacher retirement fund. That, to me, is prudent and fiscally responsible and we should continue to do that. We exercised our restraints during the emergency budget when the administration chose to use language notwithstanding so that \$2.4 million of surplus, as you recall, it was the first budget that we voted on, would not have been put toward the unfunded liability, but by us agreeing collectively, both Democrats and Republicans. We chose to do that. We saved the taxpayers of