

MAINE STATE LEGISLATURE

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**STATE OF MAINE
ONE HUNDRED AND EIGHTEENTH LEGISLATURE
FIRST REGULAR SESSION
JOURNAL OF THE SENATE**

In Senate Chamber
Friday
March 21, 1997

Senate Called to Order by the President, Mark W. Lawrence of York.

Prayer by the Honorable William B. O'Gara of Cumberland.

HONORABLE WILLIAM B. O'GARA: Good Morning. Almighty Creator, I ask Your blessings on the women and men gathered in this Chamber this morning and those who come and go observing how we conduct ourselves. As surely as I believe in the sun when it is not shining, in love when I feel it not, and in You, Almighty God, even when You are silent. Just as strongly that I believe in Your presence among us and within us, that is imparted to help us each of us, to do the peoples work fairly, compassionately and with patience, understanding, and of course, a sense of humor. We begin yet another day You have given us, praying in Your name. Amen.

Reading of the Journal of Thursday, March 20, 1997.

Off Record Remarks

Senate at Ease

Senate called to order by the President.

Off Record Remarks

ORDERS OF THE DAY

Unfinished Business

The following matter 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:

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 Operation of State Government for the Fiscal Years Ending June 30, 1998 and June 30, 1999" (Emergency)
H.P. 832 L.D. 1137

(In House, March 20, 1997, the Majority **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (H-15)** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-15) AS AMENDED BY HOUSE AMENDMENTS FF (H-73); HH (H-75) AND JJ (H-82)** thereto.)

(In Senate, March 20, 1997, the Majority **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (H-15)** Report **READ** and **ACCEPTED**, in concurrence **COMMITTEE AMENDMENT "A" (H-15) READ**. House Amendment "FF" (H-73) to Committee Amendment "A" (H-15) **READ** and **ADOPTED**, in concurrence. House Amendment "HH" (H-75) to Committee Amendment "A" (H-15) **READ** and **ADOPTED**, in concurrence. House Amendment "JJ" (H-82) to Committee Amendment "A" (H-15) **READ** and **ADOPTED**, in concurrence. On motion by Senator **MILLS** of Somerset, Senate Amendment "R" (S-50) to Committee Amendment "A" (H-15) **READ**.)

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Mills.

Senator **MILLS:** Thank you Mr. President, men and women of the Senate. I was recognized without pressing my little button. The good Senator from Kennebec has given me the speed-up sign this morning and has suggested that the ponderous nature of my delivery last evening may have been motivated somewhat politically and I want to assure those of you who are kind enough to be assembled this morning that I have sort of a built-in reflex, that when my little brain gets tired in public, I automatically slow down to a mclasses pace and choose my words very carefully because I have all together too often found myself speaking rapidly under conditions of extreme fatigue and lived to regret it. In any case, when you're in the minority and you have a budget that's being, I don't know how to put this any other way, crammed down your throat, one of the rare privileges of the minority is that you get to speak occasionally about some issues that are of deep concern to you and this amendment, that I have put on the floor, is such an issue in my stable of issues that I'm concerned about this spring. There are so many different incentives that we have created for economic enterprise in this State and I need to begin by giving kudos to those who assisted in developing some that I think are just marvelous. Heck, it was last year that the Senator from Kennebec, Senator Carey and the Senator from Cumberland, Senator Harriman participated on a committee that produced a wonderful piece of work that resulted in a statute that has another little acronym, you've all become familiar with, the ETIF Program, and the nice thing about ETIF is that the economic incentive given to the expanding commercial enterprise is directly proportional to the wages being paid, the Maine wages being paid to real Maine employees working in real Maine jobs. The incentive is directly proportional to the Maine withholding tax, so there's no escaping the goal for which the incentive is targeted. It is a marvelously, well-crafted, laser targeted incentive that does its job and doesn't cost the State a huge bundle of money because the money from which the credit is paid actually is there in the form of withholding taxes that are sent in to Augusta. The other program that I started speaking about last evening, the Business Equipment Tax Rebate Program, is at the opposite end of this unfortunate spectrum of economic incentives. This program began having its impact in just this past fiscal year and it applies to all machinery

and equipment that a business may choose to put on line as of April 1, 1996, or that is in place as of April 1, 1996 and beyond. Let me begin just briefly by giving you a quick synopsis that happened to me when I attended a town meeting to discuss the implementation of some of these incentives in the town that is nearby to where I live. In the present, if you were there as a representative of state government, let me assure you that the scene was intimidating when you begin to think about the consequences for the sales tax, the income tax and other state revenue sources that we have trusteeship over. The people from a large Portland law firm began by making a presentation to the community saying this, "If you decide to let this company that we represent expand within this community, let us run through for you what it is that the tax consequences will be if you allow us to create a TIF, or a tax increment financing district within your community". And I need to talk briefly about TIF in order to get to the impact of BETR on top of TIF because that's where the vice in this situation lies. The starting point of TIF is that you create a district within your town and you say, all new value added for real and personal property within that district will be, we will send you a tax bill for the taxes associated with that property, you must pay us the taxes on that increment in value and then we will just go ahead and give it back to you to help you pay off your loans or make the improvements. There are no conditions attached that there be any jobs, that there be any new jobs, or that there be anything of particular value to the community. The community may well think that it's getting that, but, there's no element of tying the incentive to the goal that the community may wish to achieve. All right. So the community members that I saw at this meeting were asking good questions. They said, "Well, what will happen to our county taxes and GPA and our revenue sharing and other things if we don't count this within our tax base?" And the attorneys from this large law firm, reassured them that the legislature, in its wisdom, has dictated that the county taxes won't go up because of this increment in value within your community. In other words, all of the other towns within your county will help you subsidize this development within the border of your own community because this property will not count as part of your county base. So, you'll actually get back some of the lost property tax revenue that you may be contributing to this development. Well, good. Point two, your GPA. The amount that you get in educational funding won't be affected because that's a matter of state law. You will still get the same GPA, even though you have a greatly expanded property base within your community, this expansion will not count against you. The translation of that is that other towns will get less GPA money or, alternatively, state tax sources will have to bear the burden, in large measure, for your failure to tax this entity. Point three, revenue sharing. The town will say, "Do we lose any revenue sharing by not counting this expansion within our community?" And the answer there is, revenue sharing is also excluded. So, the sales and the income taxes that we collect here out of this building will continue to flow into this community even though they have the good fortune of having this, in many cases rather a large expansion within the borders of their community. So, from a variety of perspectives the surrounding towns within the same county and the general fund of the State of Maine pact as direct subsidies to this one, lucky community, that may already have a very large paper mill in town and this TIF may represent only an expansion for that development. And guess what? I really don't have much of a quarrel with the TIF Program. I think that we do have to get involved with some of these incentives. I think I would reshape

them and I think that I would reconsider the issue of whether county taxes, revenue sharing and GPA that the town should be held harmless on those issues when they elect not to tax a major development within their city. But the problem comes with the very next step that I will describe for you. After the business enterprise has submitted a real estate tax bill, excuse me, has been in receipt of a real estate tax bill from the town, has paid it and then had it refunded so that it hasn't lost anything. It then takes the very same real estate tax bill for all of the equipment and machinery within the development, sends it to the fifth floor of the State Office Building and they get a check under the BETR Program for all of the taxes that they did not pay on the machinery and the equipment. Courtesy again, of the general fund of which we are custodians. That is the vice that disturbs me. Now you say, "Is this a costly issue, will it amount to any real money?" The answer is that it amounts to an extraordinary amount of money, over time. This is a time bomb in this State. This past fiscal year it cost us about 5.3 million dollars and it is just the first year of the program and it doesn't even represent all of the taxes that were assessed on April 1, 1996, because the built-in of one hundred eighty day delay, allowing the tax assessor of the State of Maine to delay payment of the initial property tax rebates until the next fiscal year. So, this thing is growing, the slope of growth and cost for this program is extraordinary. It is conservatively estimated that this one program, the so-called BETR Program, will in a few short years be costing us something like seventy-five million dollars a year, and ask yourself, where is it going? It is in large measure, this money is in large measure going to out-of-state shareholders who own some of the larger companies and corporations that do business in this State. It's not going back to Maine taxpayers. The money that we give back to some of these companies, whether they be small or large, is going to be taxed at federal tax rates and some of these people are quite wealthy, so forty percent of the money we give back to them is probably going to go off into federal taxation. So we're, in a sense, subsidizing the federal government to the tune of thirty or forty percent of this money that we're giving back. And the communities that will benefit from this program are by and large those who are already among the most fortunate communities in this State because most of these TIF expansions are just that, they are expansions of fairly decent businesses that are already in place. I give you as examples, Bath, South Portland and Freeport. And in many instances, the business that is proposing to expand, or the business that is buying machinery and equipment, is doing it so it can better compete with some other business that is simply paying its taxes on equipment that it purchased before the time when they were eligible to qualify for this program. Just picture this setting for a moment. I have a friend who runs a gas station in Skowhegan. His dad started it when he got back from World War II, I think in 1945 or 46'. You sit there and you talk with this fellow and one of his questions to me was, "What if everybody in town, in Skowhegan knows that Irving Oil is looking for a branch to open up in order to do one of their truck-stop routines in town?" The question to me is, if Irving Oil puts a brand spanking new station a couple of blocks away from me, to put me out of business, are they going to have to pay property taxes on the pumps, the tanks, the shelving within the store and all of the personal property that will be purchased as a product of that development? I have to tell him, no, they don't. They don't have to pay any property taxes. They won't have to pay them for twelve years in the event, and by then they will have bought new replacement material. He says, "My dad and I have been in town

since 1945 paying property taxes every year, never got our names in the book for being late. And, the Irving brothers from Saint John can come down here and put me out of business with a subsidy that you folks have given out of Augusta? I'm appalled!" There's no guarantee that the Irving brothers, when they come to town, will create any new jobs. Oh yes, there will be new jobs within that building, within that structure, but, it will simply put other people out of work. The same thing has already happened in our town. Walmart came to town and both K-Mart and Ames closed within a couple of years. We have the same, and perhaps even fewer people working in these retail stores than we had five or ten years ago. And, here we have a built-in subsidy for anytime Walmart wants to open a store anywhere and put another Ames and K-Mart out of business. We're just subsidizing that process. I have a list of those within this State who've taken advantage of this opportunity. I must tell you that there at least fifteen or twenty law firms down here, several of them in my own town, not mine, and I don't begrudge them that, those who are competing with my law firm need all the help they can get, but why did we, as a matter of public policy, endorse the notion that some law firm can buy a new photo copier, or an accounting firm, and not have to pay the piddley, little property tax that the town collects on it? Worse yet, that the town does collect the property tax on that photo copier but that we reimburse it to the town, for what reason? I have never understood that, and I refuse, by the way, to participate in the program, even though I did buy a copier recently. There are two amendments that you will find in your printed blue books and I did this amendment up two ways and it really had the impact of demonstrating the cost of this program in a graphic way. The amendment I have put before you would say this, we have to assume that there are businesses who during the past twelve months have put equipment on-line, machinery on-line, or, heaven forbid, a few more law firms who have bought photo copiers. And they did so, arguably, in reliance on this law and with the assumption that on April 1, 1997, when they are assessed taxes as of that date, later on in 1997 they can submit a request to get reimbursed for the property taxes on those purchases. The first amendment that I proposed would have killed the program now and not let people take advantage of it again on April 1, 1997, which is the second April 1 that they will be able to do so. And, if we were to do that, that is amendment Q, item number forty-nine in your Senate folder, it would save .

THE PRESIDENT: The Senator will defer. The Chair will remind members that they can only debate the amendment that is before us now, not additional amendments that are proposed. So, if the member would keep his comments directly to the amendment proposed.

Senator MILLS: I'd be very pleased to do so, Mr. President and I apologize for wandering. I only make the point that the program, if we were to cut it off early, we would save 5.8 million this year, twelve point nine million in the second year of the biennium. It's an enormously costly program. If we are however, to adopt the amendment that I have put before you, it will allow businesses to continue to take advantage of this program in reliance on whatever promises we made to them in the last legislature. But, it will save, if we can cut the program off now, it will not save anything for fiscal year 1998 but, it will save 4.8 million in fiscal year '99, which I propose to apply to GPA, which I think is where the money in this situation belongs, because I think that kids minds represent the infrastructure that we ought to

be focusing on and improving. This proposal however, will permit us to continue paying to those businesses that took advantage of the program on April 1, '96 and April 1, '97, we will, under my proposal, continue to pay them their property taxes back until the end of the twelve year term that they have signed up for. Even if you vote for this amendment that I'm proposing, it will still cost the State something like 10 or 11 million dollars a year for another 10 or 11 years to honor these commitments that we made by enacting this fool-hearty program in the first place. Now if we do not cut it off, it will grow from 10 or 12 million dollars per year to 15 and 20 million dollars per year, up to 75 million dollars a year and others have projected that it will exceed 100 million dollars a year because the commercial response to this program has been enormous. In a very short time it will completely overtake all of the money that we generate through corporate income taxes. In other words, when you look at commercial businesses in this State, on a balance sheet, you will find that we will be collecting far less in corporate income taxes than we are actually shelling out of the same fund into which those taxes go. So that we will be operating within this building a financial subsidy program for all businesses with no criteria except they buy something and send the form in to get reimbursed for it. And, when you combine the impact of the BETR reimbursements with the TIF incentives, it is very easy to say that we will be subsidizing businesses with cash that is probably 2 or 3 times the amount that we will actually be collecting in corporate income tax revenue within, probably before this century is out. This is a program of very deep concern to me. I fully believe in appropriate, targeted economic incentives for business development and I applaud the work that was done by Senator Carey from Kennebec and Senator Harriman from Cumberland on the ETIF Program, a program that I wholeheartedly approve of. But this program, ladies and gentlemen, needs to be stopped before it begins to dominate completely our budgetary discussions in future years. Thank you very much Mr. President. I just will end with one little analogy that I've used for some of you. When you have a patient who's just undergone surgery and he comes into the doctor and the doctor will often times give him an array of medications. Well, here's something with codeine in it, it's quite powerful, take this only if it's acute pain. And if you are in deep trouble and you really can't stand the pain, here's another mild analgesic that you can use on an hour to hour basis that won't put you out of commission. Here's a sedative to help you sleep at night, and oh, by the way, don't drive with any of these in your system, and don't consume any alcohol while under these. I think the State of Maine right now is in, we are so, in some respects desperate, so sick in some ways, economically, that we have put together a variable cocktail of medications and we are taking them all at once. Thank you.

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

Senator LIBBY: Thank you Mr. President, good morning men and women of the Senate. A couple of things that I want to say about this particular amendment that greatly bother me. First of all, you probably don't remember that I was a cosponsor of the legislation that helped to, I think, put Maine back on its feet regarding our manufacturing industry and it was this program that we're discussing this morning that fazed out personal property tax on machinery and equipment and provided for a rebate program. And I think it's important that we all note the

impact of this program back home. So, what I brought with me this morning is the business equipment tax reimbursement program usage as of November 20, 1996 and this is broken down by county. In the unorganized territories, the business equipment tax reimbursement program was used to the tune \$220,662 last year. In Androscoggin County the business equipment tax reimbursement program was used to the tune of \$765,888. In Aroostook County, \$24,400 and we've got to do a lot better than that. In Cumberland County, \$290,000. In Franklin County, \$1,963. In Hancock, \$4,334. In Kennebec County, \$52,067. In Lincoln County, \$83. In Oxford County \$109,000. In Penobscot County, which is the second largest usage \$461,000. In Pisquidiquis County, \$23,482. In Sagadahoc County, \$621. In Somerset County, \$107,658. In Waldo County, \$5,143. In Washington County, \$11,162. And, in my own County of York, \$77,585. Now, ask yourself, why is this money flowing back to the businesses in these communities? How do they qualify to have this reimbursement? They qualify because we're talking about the purchases which we predicted when we put this bill into law a couple of years ago. We're talking about businesses that went out there and said, "Now, finally, it's financially viable for us to go out there and purchase new machinery and equipment that has to be manned by people and good jobs, people of the State of Maine, and the expansions came." Just like what was predicted and this is one thing that I want to give our chief executive a great deal of credit for, he ran on this. People of Maine overwhelmingly said, "This is a good idea." Now, the mistake that we made, I believe, and again, no reflection of the Taxation Committee that did a great job with this by the way, I think the mistake that we made was coming up with a reimbursement program rather than phasing the program out. Because, the problem with the reimbursement program is you're always going to have a reimbursement program in the political spotlight because you're going to be able to see the flow of money and where it goes, and somebody's going to say, "Hey, that's corporate pork and back it goes to the corporations." That is not the case and I'll tell you why that's not the case because we're a northeast state and as a northeast state we've got high costs of energy and as you know, we have high cost of taxation and the problem with high cost northeast states that also charge the personal property tax is that there's no room to move. The personal property tax is one of the most onerous taxes that we have out there. You ask any tax assessor in the State of Maine how difficult it is to walk into an industry and value that machinery. It's arbitrary. And the reason I want to phase out not just personal property tax as in this case on machinery and equipment but all the personal property tax is because that by law we let the Department of Taxation, if they want to, authorize our towns to walk into your home and say, "Do you have a big-screen TV that is worth more than \$1,000? Because if you do, we can charge you personal property tax." It's outrageous. The personal property tax is an onerous tax and we ought to phase the whole thing out. So, what we did was, knowing that there was a huge tail, there's a cost to this, we decided to set up the BETR Program. After months of negotiation, again the Taxation Committee worked hard on this problem, with the Governor, and I was fortunate to be included in the process. And this is all we could come up with, but I tell you, this is something that works, it's something that's good and if it's got a big tail on it, it has to be narrowed down. Some of the things that the chief executive was looking for, in terms of narrowing this down, make a lot of sense. And we ought to give him the opportunity to do that. But at this point, to abandon the program, is just one of the biggest

mistakes I can think of and I'm going to tell you why. We've been, in terms of population in this State, we've been flat for a number of years. We're just over 1 million, for years. Compare our State to some of the midwest states that have doubled and tripled even their population in their states and the jobs are there and they're manufacturing jobs. We've got to continue to try to help establish a manufacturing base in this State, particularly given the fact that our agricultural base has been put in such jeopardy. We've got to do this, there's no alternative here. I'd love to take the money and run. I'd love to take the money and put it into GPA. I'd love to take the money and put it somewhere else but in the long run it's going to provide more money, it's not taking it away. So, to transfer the gains of a program like this onto something else, I'm just afraid that in my opinion, is just a little bit short sighted. So I guess in a nutshell, that's where I'm at and I'm hoping that a lot of you are going to join with me because I see the value of this program. I wish it was set up a little bit differently. I wish it were phased out. We had a bill that would have phased it out over twenty years, to try to make it as painless as possible, I hope someday that comes back. In the meantime, please do not vote to rid us of a program that has just begun to give us some manufacturing base in this State. Thank you Mr. President.

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

Senator RUHLIN: Thank you Mr. President, honorable Senators of Maine. What a pleasure it is to sit here on a sunny morning, the second day of spring, discussing our future. Having an important discussion about economic growth in the State of Maine and our economic future. Let us talk this morning about how true tax relief is involved in economic growth. If you really want to lessen the tax burden on the citizens of the Maine, the best way to do that is to grow the economy. The best way to do it is to recognize that for many years Maine has had a reputation of discouraging economic growth. We used to have the sign up down in Kittery that said, "Don't let the door hit you on the way out." Well, we've changed all that. We recognize in this time of global economy that we must compete with other states and how tempting it is to just stand right here and say "National Semi-Conductor" and sit down. Let's just examine that just a little bit further. I went and asked some of the decision makers at National Semi-Conductor, who are spending very close to \$800 million in the State of Maine, who are creating 740 new jobs at an average of \$45,000 a year in the State of Maine. Those are Maine people getting those wages. And I asked them, "What made you decide, ultimately, to come to Maine? Was it our quality of life? Was our position toward the European rim for global advantages?" No, no, no, it was a simple little answer, BETR, BETR. They had some money to compete and they wanted to compete in a state that cared, they wanted to place it in a state that was really ready to go for it. It made a terrible day for Governor Bush of Texas, because that's where they were going to go. But instead, they came to Maine. Now they're going to run their international operations, they're going to separate and that branch that remains in Maine will be the head office which promises future growth as well. I can go on and on about the Tamprans Corp. in Lewiston, who came, I asked them, because of the BETR Program. I want to tell you about one. I had a discussion with some people about a month ago, a corporation that is in my district that has 14 branches throughout the nation. They want to make, for this area, \$120 million

expenditure, capital expenditure, to improve their competition in the global market place. That would create new jobs. I asked them, "What is the final thing that you need to know that will help you come here and make that decision, here rather than in some of the other mills that are in the same competition process from the same parent company for that same money?. And, by the way, if they don't make that investment, take into consideration what happens if they don't make that investment. If they don't make that investment that money goes to Wisconsin instead, we'll say. That means that the mill here in Maine becomes less competitive, and if it becomes less competitive it plays a smaller part in the profit making structure of that corporation and as it pays a smaller part in that structure, it becomes lessened in stability. And, what happens over a long period of time; you'd end up with old outdated mill that reminds me of our previous economy. That's what happens. So, in this discussion with them, of why we needed them to make that investment they said, "One of the major things that had kept Maine in the competition so far with \$120 million was BETR. Simple little word to say, BETR. We don't have to go through ETIF's and all this stuff. Just understand that there are 44 states in the nation who do not have taxes on the equipment that is spent for the manufacturing process, property taxes, 44 states. And yet, here is Maine that does charge a property tax on that, regressive though it may be. And through that we have gotten the reputation of not wanting to expand economically. Finally we smartened up, we told them, "We do mean business, that Maine is on the move." Well, those of you who are so proud to wear the "We Mean Business" thing, you should remember, you know the other statement could be, "But we've changed our mind today and we want to go back the other way." If you mean business, say you mean business. Go out and compete and keep your word. Don't put a program in place and then turn around in two years and change it, because that's the worst thing you can do. If you're in charge of large corporations, charged with making long-term commitments for that corporation, and you're spending hundreds of millions of dollars, the last place you'd want to go to, to do business is a state that keeps changing its mind. You know, a state that has an investment tax credit one year and then suspends it. That has a BETR Program one year, to encourage you, and then suspends it. That's no place I would want to make an investment. So, I hope that you will consider the issue of trust, that we have asked these people to trust us so we will put in place good laws that encourage economic growth. I hope you'll keep that in mind when you vote today. I hope that you will keep in mind that we finally are rounding the corner of having a reputation as a cool place to do business. Now they're looking at us. I think we're right on the very edge of new and great dynamic economic growth in this State. And the way that we're going to get it is through innovative programs that recognize the competitive situation in the world and that program is BETR. So, I hope you'll join with me this morning in voting. I move the indefinite postponement of this amendment and I ask for a Roll Call. Thank you.

Senator **RUHLIN** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "R" (S-50) to Committee Amendment "A" (H-15).

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

Senator **HARRIMAN:** Thank you Mr. President. Good morning ladies and gentlemen of the Senate. I will try to be brief but I think it's important that some of the comments that have been offered so far this morning have missed some of the essential and important elements of the BETR Program. First, as my good friend from Somerset, Senator Mills mentioned, there was a Task Force to discuss the issue of our BETR Program and the Tax Increment Financing districts and we addressed head-on the notion that there are some entrepreneurs expanding businesses in this State that do fall into the category of qualifying for both programs. The tax increment financing which is a local, municipal driven program and the BETR Program. And what we heard from the municipalities was, "We need that tool, we need that option to compete for the jobs that may come to our areas." But just as importantly, I believe, there are numerous investments being made in our economy under business and equipment reimbursement program that are not located in TIF districts. I would surmise that going forward we'll see more and more of these investments not being made in Tax Increment Financing districts. Second, Mr. President, I think it's important that we recognize, as my good friend from York, Senator Libby mentioned, we knew what we were getting into. The Chief Executive of the State of Maine made this a central theme of his campaign and he carried through on that campaign promise. The Tax Committee spent, I'm sure, hours addressing whether this was good fiscal tax policy. The Appropriations Committee that ultimately the legislature adopted this new program. I think it's had some unintended positive results. I would submit that many of our local Tax Assessors are finding it easier to account for the property taxes that they receive from people who invest in new machinery and equipment. Why? Because in order to qualify for the program up here in the Bureau of Taxation you have to go into the local Assessors office and pay your property tax and have it marked paid. So, I would submit to you that perhaps more and more of our local property tax dollars are being collected. But as my close friend from Penobscot, Senator Ruhlman has just stated, what kind of message does this send, if we adopt this amendment? Indeed, we are already tinkering with the program in the proposed budget. There are companies who have invested in machinery and equipment that qualified for this program who will find out if this budget passes, that we took some of it back. But to suggest that we would do away with the entire program says, "On one hand we want you to come and once you've made the investment, we're going to take it away." That's not the message we should be sending in this highly competitive technology driven economy which is rapidly becoming global. I share the concern my friend from Somerset, Senator Mills has so eloquently stated, he's right. There is a tail to this program. But we knew that going in. If we need to control the growth of this program, I believe we should find a way to do that that is beyond the two-year budget cycle that we debate here in this session, which I would assume was part of the motivation for the amendment coming before us today in the fashion that it has, because it creates some revenues for state government in this fiscal year. But imagine if you will, you're the developer of a piece of property that is going to invest in technology and equipment, machinery and you have just got your plans off the drawing board. They're almost through the regulatory review process and in a few months you're going to break ground. You've secured your financing, you've ordered the equipment, the train has left the station so to speak. And then you find out that the 118th Maine legislature changed the rules. That's not

the message we need to send. So if there's a way to perhaps slow the growth beyond the next few years I'm happy to engage in that debate, because ultimately Mr. President, it's easy for us to talk about the companies that have been mentioned here today, but I'd like to close with sharing with you just one and it's a man named David DeLorme. David's father was my little league coach and David with a back-pack used to walk through the trails and woods, mountains, lakes and streams of Maine and he drew maps and they became known as the DeLorme maps: where to go fishing, where to go hiking, where to go camping. And from this he merged technologies with his map-making abilities and today he's one of the most premiere software companies in the world, putting maps on computers. In fact, he tells me that it's not going to be too much longer before you're going to have an on-board computer in your car. It's going to tell you exactly where you are and what routes you need to take to get to your destination and along the way, if you want to know where the two-for-one-lobster special is, it'll come up on your little on-board computer. You want to know where there's a vacant room at the hotel, it'll show you a picture of the property, a view outside your window, tell you what the rate is to stay there for the evening, and if you want, right there, you could push a button on your on-board computer and make a reservation and charge it to your credit card. World class technology. David DeLorme recently made a multi, multimillion dollar investment and he chose to do it in Maine, when he could have gone somewhere else and saved on income taxes. He could have moved closer to the MIT's of the world where students are readily available with this sort of knowledge that he needs, but he chose to do it here in Maine. Partly, because of his love of Maine, but on balance, our willingness to train some of the workers, our ability to receive an incentive through the BETR Program. We saved a Maine company from going elsewhere and that's just one example of I'm sure many that you are aware of because of this program. Now's not the time to change direction. Thank you Mr. President.

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

Senator BUTLAND: Thank you Mr. President. Mr. President and ladies and gentlemen of the Senate. I always enjoy listening to the debate of my colleague from Penobscot, Senator Ruhlin and I'm encouraged by his words this morning when he said, "Don't put a program in place one year and then suspend it the next." I can only assume that that philosophy will hold true for the Income Tax Stabilization Program. I recently received a letter from a couple of constituents and they had some comments on the BETR Program. They were rather disappointed to put it mildly. They had established a business in Raymond, Maine and they wanted to go out and buy all new machinery, state of the line, top scale, but they couldn't afford it so they went out and they paid \$200,000 for used equipment to get this business off the ground. They went through the proper channels to apply to the BETR Program and they were told that they did not qualify because it was used equipment. They later went on in the letter to talk about some of the bigger paper companies here in the State of Maine, who are shifting used machinery from out-of-state and in their words, "benefiting from the BETR Program." I request permission to pose a question through the Chair.

THE PRESIDENT: The Senator may pose his question.

Senator BUTLAND: Thank you Mr. President. To anyone who has the knowledge to answer. Is this indeed true? Are we discriminating in this program? If you buy in-state used equipment you don't get the credit, but if you bring in, transfer if it were, from one mill to another, used equipment from another state, you qualify for the BETR Program? Thank you.

THE PRESIDENT: The Senator from Cumberland, Senator Butland, has posed a question through the Chair to anyone who may be able to answer. The Chair recognizes the Senator from Penobscot, Senator Ruhlin.

Senator RUHLIN: Thank you Mr. President. I would request that the good Senator from Cumberland repeat his question, I'm not sure that anyone remembers it at this point.

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

Senator BUTLAND: Thank you Mr. President, ladies and gentlemen of the Senate. I will speak slower this time. The point that the constituents brought up was that they purchased machinery in the State of Maine and did not qualify, but it was their understanding that the large paper companies were transferring equipment from mills in other states, on paper, and receiving the benefit of this program. My question is, are we discriminating with this program on used equipment in-state sales as opposed to coming from outside of the state?

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

Senator RUHLIN: Thank you Mr. President, ladies and gentlemen of the Senate. I would take great pleasure in responding to the good Senator from Cumberland. First of all, we hear, being in this building, we hear much anecdotal testimony, for and against and what happened here, what happened there. If he could and would give us substantiation of what he has said anecdotally, then perhaps we'd be able to give him a more accurate and profound answer. It's almost impossible just to give a reply to anecdotes. I did however note that while he was up he referred to the so-called Income Tax Stabilization Program and wanting to remain germane this morning, I just wanted to assure him we won't discuss that this morning but we sure will discuss it as we get into the final parts of this budget discussion. We will discuss how we made future statutes without identifying the proper cuts. How we made false promises to the people of the State of Maine, but let us hold that discussion for later. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Mills.

Senator MILLS: Thank you Mr. President, men and women of the Senate. By way of further response to the question posed by the good Senator from Cumberland. This is a quick reading and these are always dangerous, but my reading of the BETR Program statute is that the discrimination is built into the law. It says, "eligible property means qualified business property first placed in service in the state." So, focusing on those words, if you brought in a piece of twenty year old machinery from Connecticut and you place it in service in this state for the first

time it triggers eligibility under the BETR Program. But if you bought the property from someone in another town in Maine and you put it into service in your business our tax assessor in Augusta says, "That property has already been in service here." I think that's the answer. I need to make one or two other points and I'll sit down. One of the other things that bothers me about the administration of this program is that it destroys the natural tension, the historical tension, that has heretofore existed between the municipal tax assessors and the large industrial property owners within their districts. To give you one good example, in any mill town in this state, the local tax assessor has usually under permanent retainer, a consultant of immense sophistication on the issue on what paper company equipment is worth. What levels of depreciation or obsolescence are appropriate. Whether the equipment is at a certain state of the art. What its productivity is. And there are these constant dialogues and exchanges of information between the town on the one hand and the paper company on the other. Why? Because in many towns over half of the entire revenue of the town is dependent on the valuation that is given to these important elements of equipment. Now, under the BETR Program, if the paper company makes a \$100 million expansion, with the knowledge that it will be fully reimbursed for any tax bill that it pays, under the BETR Program the town tax assessor and the accountant, the head bookkeeper of the paper company exchange winks and the town tax assessor says, "How big a bill do you want?" Because the bigger the bill, the more money the company gets back. So, what we've done is we put our poor overburdened tax department on the, whatever it is, the fifth floor of the other building, into this enormously complex intent game of dueling with the paper companies. I wonder if they're even doing it. I wonder if they have the staff to do it, or the ability to do it. In this State, you know, I think it's a basic rule of taxation that you have to tax what you have. In Alaska they've got oil and they tax oil and they send everybody to college, free. In Connecticut they've got insurance companies. In New York they tax income, the city taxes it, the state taxes it, the federal government taxes it, because they have stockbrokers who get \$5 and \$10 million bonuses in December. And they tax that because it's what they have to tax. In this State we don't have a whole lot of income to tax, we don't have a lot of people making a lot of money in this State. We are a relatively poor State in terms of income. We don't have a lot of sales to tax, we don't have Mazaradi dealerships on the corner in every large city the way they do, you know, in Beverly Hills and places like that. We don't have large sales transactions that we can impose a sales tax on. What we do have, interestingly enough, we are one of the most property rich states, per capita in the nation. Twenty-five hundred miles of luxurious salt-water coastline, thousands of inland lakes with waterfront values that are extraordinary, and a large series of resource extraction companies, paper mills and the like that must have their equipment and their processors here in order to pull trees out of the woods and to perform such functions. This is what we are relegated to tax if we do not tax what we have then we are going to be imposing enormous burdens on an income tax that can't stand it and a sales tax that cannot.

On motion by Senator **Ruhlin** of Penobscot, supported by a Division of at least 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 Senator **RUHLIN** of Penobscot to Indefinitely Postpone Senate Amendment "R" (S-50) to Committee Amendment "A" (H-15), a Roll Call having been ordered. Is the Senate ready for the question?

The Chair noted the absence of the Senator from Piscataquis, Senator **HALL** and further excused the same Senator from today's Roll Call votes.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: **ABROMSON, CAREY, CATHCART, CLEVELAND, DAGGETT, FERGUSON, HARRIMAN, KIEFFER, KILKELLY, LAFOUNTAIN, LIBBY, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, SMALL, TREAT, THE PRESIDENT - MARK W. LAWRENCE**

NAYS: Senators: **AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, GOLDTHWAIT, MILLS, MITCHELL**

ABSENT: Senators: **JENKINS, MACKINNON**

EXCUSED: Senator: **HALL**

24 Senators having voted in the affirmative and 8 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **RUHLIN** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "R" (S-50) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) As Amended. The Chair recognizes the Senator from Oxford, Senator Ferguson.

Senator **FERGUSON:** Thank you Mr. President, ladies and gentlemen of the Senate. I offer Senate Amendment "A" under the filing number (S-19) to Committee Amendment "A" and move its Adoption. I would wish to speak briefly to my motion.

On motion by Senator **FERGUSON** of Oxford, Senate Amendment "A" (S-19) to Committee Amendment "A" (H-15) **READ**.

Senator **FERGUSON:** Thank you very much Mr. President. This is a very simple amendment. All it does is restores \$1 million to the tree growth fund. This would fully fund the fund, it would bring it up to 5.6 million. In order to balance the budget I took \$1 million from the University of Maine Education General Activities account, which I understand is Research and Development. I'm not leaving them penniless because there is

\$3 million that has been appropriated in the budget for them. This will leave them \$2 million with which I'm sure they can adequately do their research. We have, for too long neglected the municipalities of this State and I feel that the time has come, as our Governor, the Chief Executive of the State said to us a couple of three weeks ago when we met in Joint Convention that he was recommending that we would fully fund tree growth and I want to make sure that we all adhere to that. Last night in debate there were members in this Body that said the property tax was the most important thing to them and I'm sure that they will be supporting me on the amendment today and I would ask that I be rewarded for my briefness and all members of this Body vote for my amendment. Thank you, Mr. President.

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

Senator **RUHLIN:** Thank you Mr. President, ladies and gentlemen of the Senate. This is what I call the Jekyll and Hyde Amendment. You know, it starts out with an honorable premise, a premise that I strongly support, a premise that I really am going to try to see that we fully fund tree growth before we leave here, whether it be late May or late June. My goal is to see to it that \$7.3 million needed for the State to keep its word to the communities and to fully and truly fund tree growth the way that it's supposed to be done. So far I'm in complete agreement with the good Senator from Oxford, couldn't be more so. Now here is where we part company. To pay for this he would take and diminish our promises for a better tomorrow. He will take our opportunities for future economic growth and smash them against the rocks. He will take, through this, and limit our opportunities of our future generations. We have proposed legislature for the first time to recognize that we compete in a global economy. We have said that research and development at the post secondary level, research and development that by spending \$20 million on we can get \$100 million back directly to our economy that we can do this. Yet, this amendment would destroy that opportunity. Consequently, with some hesitation, because I have a good solid friendship from my seatmate, but I must move Indefinite Postponement of this amendment and Mr. President, when it is so done, I hope it will be done, and request that it be done with a Roll Call.

Senator **RUHLIN** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-19) to Committee Amendment "A" (H-15).

On further motion by same Senator, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

Senator **FERGUSON:** Thank you very much Mr. President. My good friend from Penobscot was probably close to the tree and didn't understand what I said the first time. There's \$3 million that's been appropriated for the University. We're still leaving them \$2 million which would be certainly adequate to do the work that they have to do. I would hope that the Senate would vote against the prevailing motion. Thank you Mr. President.

THE PRESIDENT: A Roll Call has been ordered. The pending question before the Senate is the motion of the Senator from Penobscot, Senator Ruhlín to **INDEFINITELY POSTPONE**

Senate Amendment "A" (S-19) to Committee Amendment "A" (H-15). Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, KILKELLY, LAFOUNTAIN, LIBBY, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, GOLDTHWAIT, HARRIMAN, KIEFFER, MILLS, MITCHELL, SMALL

ABSENT: Senators: JENKINS, MACKINNON

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **RUHLIN** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-19) to Committee Amendment "A" (H-15), **PREVAILED.**

Off Record Remarks

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) as Amended. The Chair recognizes the Senator from Franklin, Senator Benoit.

Senator **BENOIT:** Thank you Mr. President. Mr. President, I present Senate Amendment "S" (S-51) to Committee Amendment "A" (H-15) and move for its Adoption, and I'd like to speak to my motion.

On motion by Senator **BENOIT** of Franklin Senate Amendment "S" (S-51) to Committee Amendment "A" (H-15) **READ.**

THE PRESIDENT: The Chair recognizes the Senator from Franklin, Senator Benoit.

Senator **BENOIT:** Thank you Mr. President, may it please the Senate. You'll notice in this motion, that it seeks to deappropriate funds from the two Assistant Attorney positions in York County. Yesterday the good Senator from Penobscot, Senator Michaud, made some opening comments about the budget and he made a statement about the input of the policy committees, indicated the importance of their input. I was heartened by his words and hopefully, those words were not hollow. The Judiciary Committee is the policy committee for this particular budget item. The Judiciary Committee held no formal

hearing on this request, that I'm aware of, but did convey a message to the Appropriation Committee that says this item did not have strong support in the committee and that it not be honored. Thinking back on the informal Judiciary Committee comments about this matter, I recalled no presentation by the good Senator from York, Senator LaFountain, in support of this request, no presentation by the good Senator from York, Senator Libby, in support of this request, nor any presentation in support of it from the good Senator from York, Senator MacKinnon, neither was there any presentation made by the good Senator from York, Senator Lawrence, in support of this request. The sole basis given to the Judiciary Committee for this request is that, the York District Attorney's Office is overworked. That's all I heard, of an informal nature, they're overworked down there, something that could be said, I'm sure, by any District Attorney's Office in the State of Maine. I want to point out to this august Body that no new courts have been created in York County, calling for the addition of these two lawyers. No new judges have been made residents of York County in support of the request for more attorneys. And yet, this request will cost the taxpayers, in the biennium, almost \$200,000. Now Mr. President, there is something that I will not call this; I will not call this pork. Someone could tape both my arms up my back and I still would not call this pork, instead I would call it something else. Respectfully, I would call it a "gift horse", two gift horses, if you will, and I beg of you not to let them out of the gate. And I would pose a question, if I may sir, through the Chair?

THE PRESIDENT: The Senator may pose his question.

Senator **BENOIT:** Thank you Mr. President. My question is simply this, are the tax payers of Maine so well off financially, that we can afford this particular purchase of two gift horses?

THE PRESIDENT: Senator Benoit poses his question to anyone who may wish to answer. The Chair recognizes the Senator from Penobscot, Senator Michaud.

Senator **MICHAUD:** Thank you Mr. President. This amendment was presented by a member of the Appropriations Committee because of the case load down in York County. I have no idea whether York County is worse compared to the other counties. I assume that it probably is, however, I would remind the gentleman that even though this did not come from anyone on the Judiciary committees, it was presented to the Appropriations Committee, like other amendments are presented to the Appropriations Committee, and we have to deal with it. I do know that there was some concern among our committee members about these two positions and one of the things that we're going to be doing is reviewing these positions, in a couple of years, to find out whether they're still needed in York County and if not, are needed in other areas of the State. So, I would move Indefinite Postponement and request a Roll Call.

Senator **MICHAUD** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "S" (S-51) to Committee Amendment "A" (H-15).

On further motion by same Senator, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President, fellow members of the Senate. This is one of several items in this budget which did not get a public hearing. It did not get a public hearing in the Committee that the good Senator from Franklin, Senator Benoit is a member of and it did not get a full public hearing before the Appropriations Committee. There are other issues that are incorporated within the body of this amendment that we are considering, the greater amendment that I feel should have if we'd had the appropriate amount of time and perspective had full hearing before the appropriate policy committee. You can debate the merits of this, but surely everyone in this chamber knows how difficult it is to move or eliminate positions once they are created and I'm afraid that the best time to analyze whether a couple of positions are best allocated to York County or elsewhere or whether the funds for those positions are appropriated to some other meaningful undertaking in State Government is not two years after the positions are created, but before they are created. For that reason I encourage all members to oppose the motion to Indefinitely Postpone this amendment and I encourage us to all get back on the process that has served the people of this State very well, full public hearings on important policy issues, this one included. Thank you.

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

Senator **LAFOUNTAIN:** Thank you Mr. President, men and women of the Senate. I rise this morning to encourage you to support the pending motion. As a State Senator from York County and as a practicing attorney in York County, I'm fully aware of the problems that the District Attorney's Office is experiencing. The District Attorney's Office in York County is responsible for case management in three District Courts and those courts are located in the towns of York, Springvale and in the city of Biddeford. Our District Attorney's Office is also responsible for any appeals taken to the law port emanating from York County. The prosecutorial staff in York County currently consists of nine individuals. The District Attorney's Office currently prosecutes over ten thousand cases, which are adult cases, every year ranging from simple theft to attempted murder, to gross sexual offenses. In addition, York County prosecutes the highest number of juvenile cases in the entire State. Last year alone arrested juveniles in York County was thirty-five percent higher than the State average, and as a result, over fourteen hundred juvenile cases were prosecuted. There has been a tremendous increase in York County over the past six years in the number juvenile sex abuse cases which were referred to the York County District Attorney's Office which needed to be investigated and prosecuted. In addition to the criminal cases, both adult and juvenile, the York County District Attorney's Office prosecuted, last year, over three thousand motor vehicle and civil infraction cases. This is in addition to the ten thousand adult cases and the fourteen hundred juvenile cases. I ask you to support the pending motion. Thank you.

THE PRESIDENT: The pending question before the Senate is Indefinite Postponement of Senate Amendment "S" (S-51). The Chair recognizes the Senator from Franklin, Senator Benoit.

Senator **BENOIT**: I appreciate the remarks just made by the good Senator from York, Senator LaFountain, but the remarks that he makes in support of the York County District Attorney's Office could equally be made for any District Attorney's Office in the State and the thing that bothers me so much about this is that here we are taking up just one of the county's request. Giving this particular County two additional attorney's, I believe their staff now is either seven or eight lawyers, and it's just another good example I guess of what people in Maine, in my section of the State, at least my constituents complain about. Special treatment to the southern part of the State, by legislation just like this. Singling out one District Attorney's Office in the State, in the southern part of the State, favoring them with this placement of lawyers for the detriment perhaps of other District Attorney's Offices who could show a superior right to these two lawyers and so for that reason, on behalf of my constituents, I would like to see this request, and this amendment upheld. Thank you.

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

Senator **PENDLETON**: Thank you Mr. President, men and women of the Senate. I just would like to add one fact. There has been no increase in the prosecution staff in York County since 1989 and this is despite the fact that the case load has grown every year. Thank you.

THE PRESIDENT: Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, KILKELLY, LAFOUNTAIN, LIBBY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LONGLEY, MILLS, MITCHELL, SMALL

ABSENT: Senators: JENKINS, MACKINNON

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **MICHAUD** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "S" (S-51) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) as Amended.

Senator **LIBBY** of York was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

Senator **AMERO** of Cumberland was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

Senator **PINGREE** of Knox was granted unanimous consent to address the Senate off the Record.

Off Record Remarks

On motion by Senator **AMERO** of Cumberland, **RECESSED** until 10:12 in the morning.

After Recess

Senate called to order by the President

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) as Amended. The Chair recognizes the Senator from Washington, Senator Cassidy.

Senator **CASSIDY**: Thank you Mr. President. I have Senate Amendment "K" under the filing number of (S-40) to Committee Amendment "A" (H-15) and move its Adoption and wish to speak to my motion.

On motion by Senator **CASSIDY** Washington, Senate Amendment "K" (S-40) to Committee Amendment "A" (H-15) **READ**.

THE PRESIDENT: The Senator may proceed.

Senator **CASSIDY**: Thank you Mr. President, men and women of the Senate. I rise this morning to discuss with you an amendment that I have drafted that concerns the GPA for our schools throughout the State. And, I must tell you if we had a 35-0 vote on this budget either way, I'm sure I'd still be offering this amendment and will try to briefly tell you exactly what the amendment does. I'm really concerned about the schools that are still losing money again this year in our biannual budget. I looked through the list, there are 120 schools who are still going to lose money again this year. I have 8 in my district that will continue to lose money. I could read all those communities to you but I don't think I need to, hopefully you've all taken the time to look at your districts and see what's happening in your area. I'm sure you've heard this comment, this is a simple amendment. Right, but actually, what the amendment does, is takes all the gainers and it actually subtracts 5% of what they would gain this year. We had communities, for example, in my District Alexander who have 67 kids in their school, would have lost \$83,000 this year. Thankfully, because of the cushion that was put in by the committee, they're only going to lose around \$4 or

\$5,000, which is a tremendous help to that community. So, what I did was, I broke these communities down and took 5% away. For example, Portland this year is gaining \$697,000. 5% of that would be roughly \$32,000 and the total part, if we did that for each community, would be around \$550,000 to distribute among the losers. And also, I obviously won't read all of these to you, but it's also very equitable, the way it goes to the losers is by percentage, so, each one would have a proportionate increase. It wouldn't add a lot to the losers but it would yet be another cushion to help them to get through some of the tremendous losses they have. I think the thing that we need to do here in Maine is to try to have the most equitable education for our students, whether they live in Fort Kent or Kittery. This is the goal of my amendment, I feel real emotional about the hardship that we do put on a lot of our communities and as you know, I've heard you all talk about tax relief or property taxes and we worry about income tax relief and all these kinds of things. This amendment is direct property tax support for those communities in that they would receive a little bit more money in the GPA. So, without going into great length, I would just say that what happens in areas like my district, when they have to make continual cuts, when we cut an art teacher, we usually lose an art program, it's not like some of the larger schools that may have five art teachers within their district. So, this is the concern I have and I really hope that you took a minute to look at your communities and 120 of you are losing money and this does not change the bottom line on the proposed budget we have before us, it just shifts a small amount of some of the funds of the communities that are going to have gains and just sort of gives it to some communities that need it. I actually, sort of phrase this the "Robin Hood" Amendment in that it takes from the rich and gives to the poor. I hope you will support this amendment. Thank you Mr. President.

Senator **MICHAUD** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "K" (S-40) to Committee Amendment "A" (H-15).

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

Senator **MICHAUD:** Thank you Mr. President, men and women of the Senate. We'd all like to give more money to GPA, hopefully by the end of the session we can give them more money. This amendment goes contrary, not only to the unanimous committee recommendation of Education Committee, which I might add, they have several bills in that committee currently but it also goes against the premise of both the Majority and the Minority Report of the Appropriation Committee, so, I hope you vote to Indefinitely Postpone this amendment.

On motion by Senator **BUTLAND** of Cumberland, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: **ABROMSON, AMERO, BENNETT, BENOIT, CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, SMALL, TREAT, THE PRESIDENT MARK W. LAWRENCE**

NAYS: Senators: **BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL**

ABSENT: Senators: **JENKINS, MACKINNON**

EXCUSED: Senator: **HALL**

Senator **MITCHELL** of Penobscot requested and received leave of the Senate to change her vote from YEA to NAY.

24 Senators having voted in the affirmative and 8 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **MICHAUD** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "K" (S-40) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A"(H-15) As Amended. The Chair recognizes the Senator from Cumberland, Senator Amero.

On motion by Senator **AMERO** of Cumberland, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) As Amended. The Chair recognizes the Senator from Aroostook, Senator Kieffer.

On motion by Senator **KIEFFER** of Aroostook Senate Amendment "J" (S-38) to Committee Amendment "A" (H-15) **READ**.

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

Senator **KIEFFER:** Thank you Mr. President and members of the Senate. It seems with the speed with which we're moving forward in our legislative process we certainly are on a track that would allow us to complete all of our committee work and certainly to adjourn, at least on time. Because we do have this flexibility, I feel very certain that there should not be any need for committees to meet through the summer and in order to accomplish this the amendment which I am offering, in the event committees do meet through the summer, the amendment will require them to meet without reimbursement for the per diem and the savings will be used by the Community Development Department under mental health to provide additional funds for services to children who are presently on a waiting list for services. I would ask that you all join me in supporting this amendment.

Senator **CLEVELAND** of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "J" (S-38) to Committee Amendment "A" (H-15).

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

Senator **CLEVELAND:** Thank you Mr. President. I would ask the members of the Senate to support the indefinite postponement. What this amendment does is preempt the designation from any committee that has established work sessions for after the session to receive a per diem or expenses for the legislators for the time that they may attend those. A number of committees have been given additional responsibilities under our previous action, to do audit and program review functions, to do budget review functions, to look at significant amendments and rules, and to do other necessary work. It seems to me not inappropriate that if they're asked to be here, to take away from their own particular time and business, that it's not unfair to ask that at least they get a small per-diem and traveling expenses, particularly for the members who must come from long distances and travel a great deal, and perhaps even stay over night on some occasions, to stay here. I think it's a symbolic gesture and so I would ask that you would support the motion to indefinitely postpone.

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

Senator **KIEFFER:** Thank you Mr. President ladies and gentlemen of the Senate. Certainly, I am very aware of traveling long distances and yet, I feel that with the time that we have and the flexibility that we have with this rapidly accelerated program that we are on, certainly, all of these different additional duties that have been assigned to the committees could very well be taken care of. This merely prohibits the legislature from becoming a year-round legislature and I think it is in our interest, as well as the interest of the children who are on these waiting lists for services, to use this money in that regard. Mr. President, when the vote is taken I ask for a Roll Call.

On motion by Senator **KIEFFER** of Aroostook, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: **CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE**

NAYS: Senators: **ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL**

ABSENT: Senators: **JENKINS, MACKINNON**

EXCUSED: Senator: **HALL**

19 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **CLEVELAND** of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "J" (S-38) to Committee Amendment "A" (H-15), **PREVAILED.**

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) As Amended. The Chair recognizes the Senator from Sagadahoc, Senator Small.

On motion by Senator **SMALL** of Sagadahoc Senate Amendment "O" (S-45) to Committee Amendment "A" (H-15) **READ.**

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Thank you Mr. President men and women of the Senate. This is the amendment that I alluded to last evening when we passed the study on essential services. This amendment simply takes out the language that reads, "the Joint Standing Committee on Education and Cultural Affairs by June 30, 1997, shall report out a bill in which the schedule and process for studying the school funding formula is established", and my amendment would eliminate that. I ask you to vote to eliminate the study provision because it clearly usurps the committee role in determining the outcome of their deliberations. It also predetermines a conclusion of committee process that will, on its own accord, look into the funding formula. We have no choice but to do that since there are a number of bills before us that change or tinker with the formula that we will be hearing and voting on. If we agree, as a committee, that the formula works, under this proposal that's already in the budget, must we still study it? If we change the formula through one of the pending bills, must we still study the funding formula? We have had five studies, that I'm aware of, in the last decade and each time we have had a conclusion and then there is a call for another study. When will the legislature stop hiding behind studies rather than face the fact that we underfund GPA? Some legislators signed a pact to vote against the budget if it didn't contain a 5% increase for GPA. I guess I'm not willing to be forced into yet another study to placate their constituencies who are upset because they didn't get the increase that we would all love to have the money to fund. 2 sessions ago we had the study to end all studies; this was to be the answer, the end, the final solution. Indeed, the Chair of the Education Committee, now Speaker Mitchell, promised her committee, if we would just put the formula out to an impartial group of citizens appointed by the Senate President, the Speaker of the House and the Governor, we would not have to deal with.

THE PRESIDENT: The Senator will defer. During debate it is inappropriate to speak to actions of another Body or of a Committee, only the actions of this Body.

Senator **SMALL:** Thank you Mr. President. I was just trying to let the Senate know that there have been studies done in the past. We have done studies, and if I may speak to the fact that just 3 years ago we did vote, as the Senate and the House and the other Body, to fund yet another study and that was the Rosser Commission. We did that and it came back as a Report. We passed legislation implementing the recommendations and now, 2 years later, we are being told we must have another study. I am not going to vote for a conclusion before the committee has even examined the issue. A vote against this amendment is a vote for another study of the funding formula, before the committee has even had a chance to deliberate on that issue. Mr. President, I request the yeas and nays.

On motion by Senator **SMALL** of Sagadahoc, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

Senator **CLEVELAND** of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "O" (S-45) to Committee Amendment "A" (H-15).

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

Senator **CLEVELAND:** Thank you Mr. President. As the men and women of the Senate are aware, this original amendment to the budget has already been changed and so it separates the essential study services and funds that essential study service at the requested \$75,000 level. The other piece simply asks and directs the Education Committee to report out a bill regarding a scheduled process for studying the school funding formula. I would remind members of the Senate not to read more into that than you should. It does not require the committee to report out any particular report. The report can be as brief or as limited as the committee thinks it deserves, regarding that circumstance and it provides a huge latitude for the committees jurisdiction to report out a bill that it thinks is appropriate in regards to this review of the funding formula. And, I trust that the Education Committee, in their good judgment, will report out the appropriate kind of legislation that's needed for this subject.

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Mr. President, I'd like to pose a question through the Chair.

THE PRESIDENT: The Senator may pose her question.

Senator **SMALL:** To anyone who'd like to answer; if the language says, "Shall report out a bill in which a schedule and process for studying the school funding formula is established", is in the law and the committee unanimously votes not to do that, are we in violation of this language in the budget?

THE PRESIDENT: The Senator from Sagadahoc, Senator Small poses a question through the Chair to anyone who may wish to answer. The Chair recognizes the Senator from Penobscot, Senator Michaud.

Senator **MICHAUD:** Thank you Mr. President, men and women of the Senate. The answer would be yes, like the legislature has been in violation of other laws when we set deadlines to make reports and we do not meet those deadlines.

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Thank you Mr. President, men and women of the Senate. I apologize for rising a third time. But, if we would be in violation, but it's okay to be in violation, than perhaps it would be prudent not to put this in, in the first place and to allow the committee to make that determination when they deal with the onslaught of bills that we have pending before us to change or to study the funding formula.

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

Senator **CATHCART:** Thank you Mr. President, men and women of the Senate. I rise to ask you to vote for Indefinite Postponement of Senate Amendment "O" (S-45). While Senator Small, the good Senator from Sagadahoc and I certainly agree on paragraph one of this amendment, we have already dealt with that issue in House Amendment "HH", which does restore the essential services study to be done by the State Board of Education. As to paragraph 2, in that same amendment, I am one member of the Education Committee who believes that further study of the school funding formula would be beneficial to the schools in our State. And, I believe that giving this power to the Joint Standing Committee on Education is the right way to go and that's why I supported that amendment. I think that gives us the leeway. In the committee of jurisdiction, to decide how this study should be handled. Thank you Mr. President.

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

Senator **CLEVELAND:** Thank you Mr. President. I'd also, men and women of the Senate, would like to remind you that that amendment does not direct members of the Education Committee to vote in any particular way for that study. All of us are free to vote in any way we want on a committee report that comes out. And, so that any member could choose not to support the recommendation of the Education Committee if that's not what they think ought to be reported out. Secondly; it has to come back to vote for ratification and each one of us are free to vote any way we wish, on that report, this will allow us to go forward. So, I think there's plenty of opportunity to draft it exactly the way people think it ought to be appropriately done and doesn't pre-determine any particular outcome at this point.

On motion by Senator **SMALL** of Sagadahoc, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, GOLDTHWAIT, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, NUTTING, SMALL

ABSENT: Senators: JENKINS, MACKINNON

EXCUSED: Senator: HALL

17 Senators having voted in the affirmative and 15 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator CLEVELAND of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "O" (S-45) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) As Amended. The Chair recognizes the Senator from Oxford, Senator Bennett.

On motion by Senator BENNETT of Oxford Senate Amendment "H" (S-36) to Committee Amendment "A" (H-15) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator BENNETT: Thank you Mr. President fellow members of the Senate. I rise to offer this amendment, essentially as an outgrowth of a question, a simple question I asked the Chancellor of the University of Maine System, when he was before the Committee of Appropriations and Financial Affairs discussing a work session, the issue of research and development money, and the issue of funding for the essential charge of the University of Maine System which is the education of people of the post-secondary environment in Maine. As we all know, there is up to \$3 million in research and development money appropriated in this budget to the University of Maine System. I asked, when this idea came before the Committee of Appropriations, I asked specifically, the Chancellor, "Which would you prefer, given that we're living of a time of tight budgetary constraints, which would you prefer? Would you prefer to get funding at the 3% and 3% level that was recommended by the policy committee involved or would you prefer to get the research and development money, which at the time, under consideration, was \$12 million?" Notwithstanding the amount, the Chancellor said, "Without question, I want to make sure we get maximum funding, preferably the 3 and 3 level for the University of Maine System, because that's what helps keep tuition down and that's what we're here to do and that's

what our essential mission is." So, with that in mind, I'm offering this amendment which would allow the University of Maine System to get close to the 3% and 3% level by following the very desires of the University of Maine System leadership itself by deappropriating the money for research and development and putting it toward the University of Maine System and the Technical College System so that they can fulfill the basic charge. I ask for your support on this and I request the yeas and nays when the vote is taken.

Senator MICHAUD of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "H" (S-36) to Committee Amendment "A" (H-15).

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

Senator MICHAUD: Thank you Mr. President, men and women of the Senate. It is true, when we did have the \$12 million for research and development and we did ask the Chancellor, the question was posed to him, whether he'd rather have it in research and development or for the University System? He did state that he would much rather have it for the University System, but in either case, he's not getting \$12 million extra, he's getting the 2 and 3% plus \$3 million in the second year for research and development. However, I might add, out of that \$3 million, \$2 million of that is from lapsed balances that would go from 1998, if the money's available. There's only one million dollars really, that they can account for so I would move **INDEFINITE POSTPONEMENT** and request a Roll Call on Indefinite Postponement. Thank you.

On further motion by same Senator, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: A Roll Call has been ordered. The Chair recognizes the Senator from Penobscot, Senator Ruhlin.

Senator RUHLIN: Thank you Mr. President, ladies and gentlemen of the Senate. This is an amendment that I, in a way, would like to see a part of it happen, if only it could be the first half. I would love to give additional support to post-secondary education to the State of Maine, especially through the University of Maine System. We were not able to come up with a full 3 and 3. I appreciated the attempt to at least try to move us closer to that 3 and 3, however, it's where it comes from. When you invest in a normal post-secondary education at the University System the economists tell us, for every 1 in, you get 1.53 back. When you invest in research and development you get four back, so they make that easy for you. When you put in every \$10 million that you invest in research and development because of federal grants, because of private corporate matching funds and so forth, you get 40, \$40 million back. \$40 million to grow your economy, and if you grow your economy by \$40 million, then obviously, you're going to have more money in the immediate future to give the University of Maine the proper funding that it deserves, it so much needs. So, let us concentrate this morning, in dealing with this budget, on how to grow our economy so that we can better afford the services that our citizens need, so that we can better afford to give our children the education that they need. Don't take it away from the one item, in that budget, that has the highest potential

payback of any item. It's an investment, research and development's an investment in Maine's future. I hope you'll go along with the motion to Indefinitely Postpone.

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Thank you Mr. President. May I pose a question through the Chair?

THE PRESIDENT: The Senator may pose her question.

Senator **SMALL:** Since we have not yet had this bill before our committee, I was curious as to how this money was going to be distributed among the campuses, how it's going to be expended, could someone answer?

THE PRESIDENT: The Senator from Sagadahoc, Senator Small poses a question through the Chair to anyone who may wish to answer. The Chair recognizes the Senator from Penobscot, Senator Michaud.

Senator **MICHAUD:** Thank you Mr. President, men and women of the Senate. Clearly, we'll have to see what the committee comes up with and it will be distributed in the manner that the committee so chooses.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President, fellow members of the Senate. I briefly would like to respond to some of the points made by other speakers. First of all, it's true that there's only been \$1 million actually appropriated to the research and development within the budget, \$2 million does come from lapsed balances. This amendment would make that money available, if it is available, it would direct it to the University of Maine System, so, it keeps the exact same amount of money, whatever that may be. Inevitably, probably \$3 million if we look at history, available for the University of Maine System and the Technical Colleges. Secondly, I'd like to point out that this bill did not have a hearing, either before the Education Committee or the Appropriations Committee. While the good Senator from Penobscot, Senator Ruhlin, has offered some interesting statistics, this bill has not had the opportunity to be heard and the other members of this legislature have not had the benefit of its policy committees in reviewing the information that Senator Ruhlin and other people might have for or against this investment, if you want to call it that, in research and development. It has not been fully thought out, it is an idea which undoubtedly has some merit. But, when you have a perspective that is without full deliberation on the one hand and you have crying needs of real people on the other hand; people like the woman who called me just the other day who's suffering from problems because she cannot finance her education at the University of Maine in Augusta, because of some circumstances. I have to go with the people who need the education and who are desperately trying to improve their condition, to make themselves available in this work environment. No question, research and development is important but we just simply do not have sufficient information coming through this legislature at its normal and appropriate force, through the public policy process that we've created through our committees structure. To

determine the level of that investment and how it relates truly with the other investments in human minds, that the normal funding of the University of Maine System the Technical Colleges and in fact, our secondary and elementary education provides. For that reason I encourage you to vote against the pending motion; go on to adopt the amendment to this Committee Amendment. Thank you.

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

Senator **CATHCART:** Thank you Mr. President, men and women of the Senate. I do want to be brief and I know that we are going to have a long day, but I have to rise on this. This amendment asks us to "rob Peter to pay Paul", and I cannot condone that. We all want to invest in our University and our Technical Colleges and we are making every effort in this budget to do so. The Joint Standing Committee on Education has been given lots of information by Professor George Jacobson and others on the need for more funds for research in the University of Maine System. We have been told and given figures showing us that Maine ranks fiftieth among the states in dollars per capita investment in University research, thus, it is no surprise that we also rank fiftieth in federal grants the University research because we have wonderful professors who apply for grants and actually they are above average in the grants that are awarded to them. But, we have not put any money into the research and into our University System to match those grants and to give jobs to those real people that are being talked about. We have real people who benefit from these grants, such as the graduate assistance and the faculty members who get salaries directly paid by these grants that we need to match. And I urge you to vote indefinite postponement. Thank you Mr. President.

THE PRESIDENT: The pending question before the Senate is the motion of the Senator from Penobscot, Senator Michaud to indefinitely postpone Senate Amendment "H" (S-36). A Roll Call has been ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

20 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **MICHAUD** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "H" (S-36) to Committee Amendment "A" (H-15), **PREVAILED**.

On motion by Senator **HARRIMAN** of Cumberland Senate Amendment "T" (S-52) to Committee Amendment "A" (H-15) **READ**.

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

Senator **HARRIMAN:** Thank you Mr. President and good morning ladies and gentlemen of the Senate. I present an amendment that I'm sure will not make me one of the most popular people in this building, but hopefully, you'll agree, as a matter of principal it is the right thing and the right direction for this budget, at least in this instance to take. If I could, I'd like to take just a moment to explain what the amendment does. First it says that present members of the legislative retirement system who are not vested as of December 1st, 1998, will no longer be part of the legislative retirement system, instead you must either become a member of the Social Security System, join what's known as a 401K plan, or a deferred compensation plan, and when you do that, the State will match your contribution to that required plan. Legislators present and past, who are currently receiving retirement benefits or disability requirements will not have their benefits affected in any way by this amendment. In preparing this amendment I spent some time with the office of Fiscal and Program Review to determine what, if any, savings would come from this portion of the amendment, and the answer I got was, "We're not sure, we're not going to attribute any savings to this plan because we're not sure, if everybody went into the Social Security System versus a deferred compensation system, their indeed may not be any savings". But the second part of my amendment, Mr. President, challenges us to rise to demonstrate the courage to change the status the quo; and it simply says that next year, we will be required, for those of us who take advantage of the free health insurance, and the free dental insurance and the free life insurance program, that the portion that represents your health care costs, it simply asks that you pay 20% of the cost. And, if you have your dependents on the plan now, as you know, the citizens of Maine pay for 50% of your dependents to be covered under the health insurance plan and I ask that you demonstrate the courage to pay 60%. Not a lot to ask, really not a lot to sacrifice, clearly a step in the right direction, certainly a message to the people of Maine, that we're willing to make tough choices to put our financial house in order, starting with ourselves first. That small sacrifice on your part, will save \$200,000 in the second year of this two year cycle. And beyond this budget cycle to the next one, that the 119th legislature will be addressing, we'll save at least \$400,000, over the biennium. So, I propose that you join with me, in demonstrating to the people of Maine that we do have the courage to change the status quo as it relates to legislative benefits and pass this amendment. And when you do, the amendment I proposed for you today, takes that \$200,000 in savings and reappropriates the same amount to the Department of Mental Health, Mental Retardation and substance abuse services for community based mental health services. Establishing priorities, making tough choices, it seems that this is a small step that we can take, to show the people of Maine that

we have the courage to make those choices and we have the commitment to take that money and deliver it to the community based mental health system services, who clearly need our support. I know this is a tough amendment to swallow, I'm sure my popularity in this chamber's probably gone down, but if you don't stand for something, you're going to fall for anything. And today I'm asking you to stand with me to support this amendment, help the people who need community based mental health services. Thank you Mr. President. Mr. President, I further request that when the question is posed that we take a vote by the yeas and nays.

Off Record Remarks

Senator **HARRIMAN** of Cumberland requested a Roll Call.

Senator **CLEVELAND** of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "T" (S-52) to Committee Amendment "A" (H-15).

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

Senator **CLEVELAND:** Thank you Mr. President. As usual the good Senator from Cumberland, Senator **HARRIMAN** poses some very interesting ideas and I am always intrigued by the challenge to have the courage to vote for my convictions, and from time to time do. However, this particular concept is embodied, I believe, in an L.D. that's just been referred to the Labor Committee, L.D. 1497, and I would suggest to the members of this Body that that L.D. would be the appropriate forum on which those issues should be fully discussed. The Committee should have an opportunity to hear all sides, to report out a bill and to then allow us to vote our convictions on what we think the report ought to do. We had plenty of opportunity to do that. An amendment in this budget is not the appropriate form to do that and would urge you to vote for the motion to Indefinitely Postpone.

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

Senator **HARRIMAN:** Thank you Mr. President, ladies and gentlemen of the Senate. I don't understand how this bill, this amendment, which indeed is in bill form in another committee has not had the opportunity to be heard by the committee of jurisdiction, nor the policy implications debated on the floor of the Senate and the House. Now is there a reason for us not to consider putting this amendment on the bill, when this budget is full, as we have discussed today, numerous amendments to the budget, that have not yet had a public hearing? Where have we gone astray, when it's okay for one party in this chamber to go ahead and make major public policy decisions that are included in the budget yet when I propose one, it's viewed as outside of the integrity of the legislative process. I don't understand. Thank you Mr. President.

On motion by Senator **BENNETT** of Oxford, supported by a Division of at least 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 Senator Cleveland of Androscoggin to Indefinitely Postpone Senate Amendment "T" (S-52) to Committee Amendment "A" (H-15).

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

20 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator CLEVELAND of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "T" (S-52) to Committee Amendment "A" (H-15), **PREVAILED.**

On motion by Senator BENNETT of Oxford Senate Amendment "N" (S-44) to Committee Amendment "A" (H-15) **READ.**

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator BENNETT: Thank you Mr. President, fellow members of the Senate. Senate Amendment "N" (S-44), I think, is a classic case of setting priorities that Senator Harriman alluded to in the debate of the previous request for an amendment. The choice here is between liquor stores and services for people with mental health problems and people suffering from mental retardation. By closing the liquor stores, as the Governor of this State originally proposed to do in the budget, we would be raising an additional, roughly \$6.75 million for use in the State budget. It is my belief that the best case for state help, direct help of people in this State, is for the mentally ill, those who suffer from mental health problems and who are mentally retarded. Why not take that \$6.75 million and provide help for those people. Members of this Body that serve on the Health and Human Services Committee know directly what I'm talking about. Let me just share some information. There's approximately 690 non-class members, persons with mental retardation, who never resided at Pineland, who are currently waiting for day services; a waiting list of 690 people. There are

approximately 336 non-class members, again people with mental retardation, who have never resided at Pineland, who are currently waiting for residential services. There are approximately 125 people who graduated from the public schools every year without any funding for services. One of the Committees of this legislature, the Health and Human Services Committee, recommended to the Appropriations Committee an appropriation of \$1.5 million in addition to that, proposed by the Governor in this budget, that would be earmarked for day services and that would serve about 125 people; in other words, it would take care of keeping the waiting list at the level that it's at, instead of adding 125 people to the waiting list every year. And, the thing about this waiting list, there are more people going into it than are coming out of it. So, it would allow us, by funding those 125 people; it would allow us to finally begin to get that waiting list down. If there is ever a case to be made for priorities in our budget, if there's ever a case to be made for closing the liquor stores, it is this one, where we can take the savings generated and apply it directly to the services for the most vulnerable people in this State, services that I think, we in this legislature, have a moral and legal responsibility to bear. So, I encourage you to support this amendment. When the vote is taken, Mr. President, I request the yeas and nays.

THE PRESIDENT: The Chair recognizes the Senator from Knox, Senator Pingree.

Senator PINGREE Thank you Mr. President. I'd like to pose a question to the Senator from Oxford, Senator Bennett.

THE PRESIDENT: The Senator may pose her question.

Senator PINGREE: Thank you Mr. President. I would like to ask this member of the Appropriations Committee whether this item, which I also agree is extremely important to people in our State, was either in their minority budget that was reported out by the Committee, or in the budget that they proposed at their rally, were either of these funded at that time?

THE PRESIDENT: The Senator from Knox, Senator Pingree, poses a question through the Chair to anyone who may wish to answer. The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator BENNETT: Thank you Mr. President. I will respond to the question in as direct a manner as possible. The answer is; the funding was not in the minority report of the Committee to which I was assigned. The reason for that is, the only matter that was in the minority report was the issue of General Purpose Aid because it was the desire of the minority in the Appropriations Committee to continue negotiations on the State budget, rather than shut them off abruptly when we finally had some promise of reaching an agreement and send this budget out of the Appropriations process and upstairs here onto the third floor. So unfortunately, I believe that this is a matter which resulted from that process; a budget which is imperfect and which now I am seeking to make a little bit better by putting this amendment on it. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Knox, Senator Pingree.

Senator **PINGREE**: Thank you Mr. President. I would just like to state that in all of the negotiations that I participated in, and in my reading of the proposed budget, that had been proposed by the other caucus, this item was never there, it was never stated and most of the items in Part II, of which this was one, were cut.

Senator **CLEVELAND** of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "N" (S-44) to Committee Amendment "A" (H-15).

On further motion by same Senator, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CASSIDY, CATHCART, CLEVELAND, DAGGETT, FERGUSON, GOLDTHWAIT, HARRIMAN, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MILLS, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, KIEFFER, LIBBY, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

Senator **FERGUSON** of Oxford requested and received leave of the Senate to change his vote from NAY to YEA.

24 Senators having voted in the affirmative and 9 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **CLEVELAND** of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "N" (S-44) to Committee Amendment "A" (H-15), **PREVAILED**.

On motion by Senator **LIBBY** of York Senate Amendment "C" (S-25) to Committee Amendment "A" (H-15) **READ**.

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

Senator **LIBBY**: Thank you Mr. President. This amendment is a pretty simple one. It fully funds the Tree Growth Program and as much as I wanted to join the good Senator Ferguson on his amendment earlier today, I could not do that because the funding came from education and it concerned me greatly. This amendment, however would fully fund the Tree Growth Reimbursement Program through a deappropriation from the legislative budget to be carried out by the legislative council and

I believe it's an appropriate measure. I think many of you know I've been fighting for several years now to keep the promise that the State of Maine made to its people to fund the Tree Growth Program at 90%. We've been as low as 40%. I think we've made some good strides this term. I want to give credit to the Appropriations Committee because we have restored some of the funding. But, I think it's time that we keep our promises to the municipalities and I'd ask you to support the motion. Thank you.

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

Senator **RUHLIN**: Thank you Mr. President, ladies and gentlemen of the Senate. You know, again, this is fully funding to the Tree Growth Program of the State of Maine and is a laudable goal. A goal we should be trying to achieve. It's a goal, as one Senator, I intend to achieve before I leave here. I have no illusions, I think I'm going to have to do it through the supplemental budget, that's what we have supplemental budgets for. When we do it, we want to do it properly though and to do it properly, leaves in place the policy making body of the State of Maine. This would diminish the capabilities of the legislature of the State of Maine. It's my understanding that we presently will be spending less money for legislative process this year than we did two years ago. We have made some cost savings. I know we have looked for all the economies that we can, economies that allow this legislature to function in its policy making role rather than to take so much away from it that it can no longer function efficiently. I for one, don't want to return to the days when the lobbyists would be running our legislation for us. I don't want to return to the days when we were treated like mushrooms around here. I like to have it when I get telephones and a secretary to help me make sure that I have the information at my fingertips that I need to be an alert, intelligent policy maker in this State. Consequently, I'm going to move indefinite postponement of this amendment and I'm going to do so and ask for a Roll Call Mr. President.

Senator **RUHLIN** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "C" (S-25) to Committee Amendment "A" (H-15).

THE PRESIDENT: The pending question before the Senate is the motion of the Senator from Penobscot, Senator Ruhlin to Indefinitely Postpone Senate Amendment "C" (S-25). The Chair recognizes the Senator from York, Senator Libby.

Senator **LIBBY**: Thank you Mr. President, men and women of the Senate. I rise a second time, as a mushroom would, in the early spring, to again try to irradiate the fact that it makes a whole lot more sense to me to tell our municipal officials "out-front" that we're going to fund the Tree Growth Program and not do it through a supplemental budget. It doesn't make sense. It's not the right thing to do. We're pulling the wool over peoples eyes and I don't think that we need to bury every single amendment around here on just principals that just don't make sense. We're talking about putting off and putting off and putting off until the very last second, telling our municipal officials what we're going to do with Tree Growth. That doesn't make sense, I'm sorry. So, I'm hoping that my colleagues will support me in letting everybody know how the legislature feels about reimbursing this important program. Thank you very much.

On motion by Senator Ruhlin, of Penobscot, 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 of the Senator from Penobscot, Senator Ruhlin to Indefinitely Postpone Senate Amendment "C" (S-25). A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, GOLDTHWAIT, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 14 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **RUHLIN** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "C" (S-25) to Committee Amendment "A" (H-15), **PREVAILED**.

On motion by Senator **BENNETT** of Oxford Senate Amendment "G" (S-35) to Committee Amendment "A" (H-15) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President, fellow members of the Senate. I will speak very briefly because we've dealt with both of the issues that are presented in this bill before. What this amendment would do is take the money from the Research and Development Fund, that we referred to earlier and provide it for the waiting list of persons with mental retardation and other persons waiting for mental health services. In previous debate it was suggested that moving some of this research and development money involved "robbing Peter to pay Paul", I just simply point out that in this case I believe "Peter" to be the intellectual and business elite's who will benefit the most directly from the research and development money. "Paul" in this case, are the people awaiting services under mental retardation and mental health, the most vulnerable people in our society. I encourage you to vote for this amendment. I request a Roll Call.

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

Senator **RUHLIN:** Thank you Mr. President. I just have a few very quick comments. We pretty much covered the subject matter before. I just want you to know, though, ladies and gentlemen of the Senate that I am amazed at the persistence of some members of this Body, attempting to raid and dash our opportunities for improved economic growth in the future. This persistence really does confound me. I hope you'll join with me this morning indefinitely postponing this raid on our future economic growth opportunities. Thank you.

Senator Ruhlin of Penobscot Moved to be **INDEFINITELY POSTPONE** Senate Amendment "G" (S-35), to Committee Amendment "A" (H-15).

On motion by Senator **BENNETT**, of Oxford, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, SMALL, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

21 Senators having voted in the affirmative and 12 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **RUHLIN** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "G" (S-35) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Mills.

Senator **MILLS:** Mr. President. Before we break for lunch, I have one brief parliamentary inquiry, if I may state it?

THE PRESIDENT: The Senator may state his parliamentary inquiry.

Senator **MILLS:** Mr. President, thank you. This morning shortly after eight o'clock I presented to the Secretary's Office and amendment to the matter that is now before us, to Committee Amendment "A" to the budget, and requested that it be circulated because it had been duly prepared by the Revisers Office in good order, in fact it lies on my desk at the present time. I was later informed that it is the ruling that the amendment is out of order because of the time that it was submitted and my question is really in two or three parts, if you'll bear with me. Number one, I'd like to know the authority by which amendments

to this matter that is now before us had been cut off. Secondly, assuming that it is your letter of March 14, which deals with the likelihood that we would be debating this matter on the floor of the Senate last Wednesday. In light of the fact that we are in fact debating this matter on Friday, whether that has some bearing on the letter that you wrote. And thirdly, my information is that the amendments that have come to us from the House, at least one of them was developed literally on the floor of the House and was appended to the Committee Amendment "A" only yesterday, and I would wonder how members of this Chamber could be foreclosed from amending a matter that hadn't even been created? Foreclosed as early as last Tuesday from amending a matter that hadn't been created until last night. Those are my questions and thank you Mr. President. At this juncture, the purpose obviously of my questioning is to ask whether I may be permitted, during the noon recess, to have a Senate Amendment that I have prepared marked appropriately and circulated in the Chamber for its possible consideration this afternoon? Thank you Mr. President.

THE PRESIDENT: To respond to the Senator. The presiding officer did issue a memo which all Senators got on the 14th. It talked about not just session being on a Wednesday, but the likelihood of Tuesday, Wednesday, Thursday and the possibility of Friday, and set a deadline for all amendments to be submitted to the Revisers Office by 3:30 p.m., on Tuesday the 18th. The presiding officers authority is under Mason's Rules to set a reasonable schedule and to prevent dilatory motions. All the motions, approximately sixty or so in the House were submitted, I believe twenty-four were submitted in the Senate by that deadline. It is not appropriate for me to rule on the appropriateness of the House considering amendments on the floor. The purpose of this deadline was to set a reasonable time frame for everybody to get their amendments in and the presiding officer intends to stick to that deadline, to have all amendments considered. After that deadline ruled inappropriate before this Body. If the member wants to have his amendment printed, I will allow it to be printed. He can present it. We can have a formal ruling from the Chair and he's welcome to appeal the ruling of the Chair. But, it is the Chair's intent to consider all amendments filed after that deadline as dilatory, unless there is an amendment offered that is a compromise worked out that has two-thirds support. Then an amendment would not be considered dilatory because it would be assured two-thirds support. The Chair recognizes the Senator from Somerset, Senator Mills.

Senator **MILLS:** May I have your permission then, Mr. President, to have the paper that I have duly marked as a Senate Amendment, with a Senate filing number and have it circulated, so that we may deal with it this afternoon and perhaps take it up at that time?

THE PRESIDENT: The Chair would answer in the affirmative and instruct the Secretary to process the Amendment.

Off Record Remarks

On motion by Senator **PINGREE** of Knox, **RECESSED** until 12:40 this afternoon.

After Recess

Senate called to order by the President

THE PRESIDENT: The pending question before the Senate is **ADOPTION** of Committee Amendment "A" (H-15) as Amended by House Amendment "FF" (H-73); "HH" (H-75) and "JJ" (H-82) thereto.

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

On motion by Senator **AMERO** of Cumberland Senate Amendment "D" (S-26) to Committee Amendment "A" (H-15) **READ.**

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

Senator **AMERO:** Thank you Mr. President. This amendment, I feel is a very important one in that it deappropriates \$500,000 from the legislative account and appropriates that money to make whole the funding for the Maine Career Advantage Program. I think most of you may be familiar with the Maine Career Advantage Program; it was a program begun in 1993, and it's one of those programs that tries to meet a real need in this State. As we all know, we've seen the figures for the number of students that graduate from high-school in Maine and it's very high and we're proud of that. But then we see the figures for the number of students who go out to higher education and it's very, very low, and I think we're working hard to try and do something about that. The Maine Career Advantage Program directs funding to help students who may not have college on their mind or in their future. It provides for them a three year experience, two years in high school and one year at the Technical College, free of charge to that student. In addition to that, the student works during that time period, with a company and earns money while going to school. The program has had such a great deal of success. It has received national acclaim and is looked at as a model for the whole country, when we talk about school to work experience. Now, the program started very small and at the beginning of its life it took a lot of funds to get the program started. Now the program has expanded so that it reaches 3900 students across the State of Maine. And, in this coming biennium, businesses in this State will be investing over \$4 million in these students. I think it's just an outstanding combination of public high schools, business and our public colleges working together to do what's right for some young people in this State, who really need that extra push to be going on to higher education. Some of the statistics about these students who have entered into the Maine Career Advantage Program show that students have improved their grades, they're ready for work when they get through this apprenticeship program. They have increased maturity and increased self-esteem and they're more focused on their career and their educational goals. I've received letters, as I'm sure many of you have, from the most well known CEO's in our State, including Andrew Green from Blue Cross and Blue Shield, Jim Orr from Unum, saying that they were companies who were initially involved with the Career Advantage Program and that they are so proud to be ongoing participants in this program and that both of these CEO's have received national recognition in the country because of their involvement and school to work programs that

have been successful. Just in the last month the National Bellwether Award was given to the Maine Career Advantage Program for its outstanding contribution in the field of school to work. I'm really disappointed that the budget, as it is drawn up right now, in the second year of the biennium, only funds 50% of the needs of this program. Another \$500,000 would fully fund the program for the biennium. I'm thankful that the program was not discontinued as the Governors budget had recommended. But, for \$500,000 we could make this program whole and allow it to continue serving so well the students in this State who have a real need for higher education and who might not receive it otherwise. Mr. President, I would request a Roll Call on this motion and thank you all for your attention.

The same Senator requested a Roll Call.

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

Senator CLEVELAND: Thank you Mr. President. I would move to indefinitely postpone this amendment and I'll speak briefly to my motion. This is a program that I also recognize has great value and one of which I spoke in favor of during the budgetary process, as many here may well know. I'm pleased that we've been able to rectify to a large extent, the action that the Governor had taken with the program, so that we could provide adequate funding for the first year and about 50% of the funding that was requested for the second year. This is one of those programs that I hope that we can come back and revisit and should we need to look at some additional funding in a supplemental budget, I hope that this would be one of those issues that we would look to fund. But, at this point I cannot support additional funding for the program to be taken from another program, so, I would request that you support the indefinite postponement.

Senator CLEVELAND of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "D" (S-26) to Committee Amendment "A" (H-15).

On motion by Senator **AMERO** of Cumberland, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

20 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **CLEVELAND** of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "D" (S-26) to Committee Amendment "A" (H-15), **PREVAILED.**

On motion by Senator **LIBBY** of York Senate Amendment "L" (S-41) to Committee Amendment "A" (H-15) **READ.**

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

Senator LIBBY: Thank you Mr. President, men and women of the Senate. I think this amendment may highlight some of the differences between, not necessarily parties but individual members here in the Senate. This amendment strikes part "L" of the Committee Amendment relating to the pricing of liquor and liquor sales and replaces it with the Governor's original proposal for privatization of the retail liquor sales and the closure of the State liquor stores and I'll go over the funding component of that in a minute. It also deappropriates the following; it deappropriates the reserve fund for the State House preservation maintenance and here I understand the issue and I understand the need but we're talking about delaying that State House preservation and maintenance. Also, the appropriation to establish a new family court system in the Judicial Department is also deappropriated. Also, the appropriation for the new study of education funding that we've often talked about here this morning, is deappropriated. Appropriation for the Maine Education Assessment Test is deappropriated as well. The amendment is designed to appropriate all of that money and for the creation of the Maine School Construction Capital Improvement Fund. So I'm going to go back over this bill now in a little bit more detail, in terms of the reasons why I've made all these, I guess, policy decisions within this amendment. First of all regarding the direction of the amendment; what my amendment does, it addresses a problem that we have not addressed here in this Body and it's one of the most important problems and one of the most contentious problems in the State of Maine, and that is school construction. We have decided, through policy, that we will continue to bond, and bond, and bond, when it comes to school construction. But, we've all discovered, and again after two years of serving on the Education Committee, I know this as well as anybody else, we have discovered that we're not getting the job done when it comes to school construction. And the reason for that, I believe, is because we don't have what we do have in many other states, and that is some kind of an equity account to begin to provide for the adequate reconstruction, additions, and replacement of equipment, and particularly though building for school construction purposes. This isn't just a problem, it's a crisis. And again, it does come down to priorities in this Body, so, we go back to what is deappropriated in the amendment. I'm saying that on my plate, the State House Preservation Fund is going to have to, at least in this particular year, going to have to take a backseat to the problem of school construction. And, the deappropriation is \$1 million per fiscal year, for a total of \$2 there. I'm saying that the Judicial Department is going to have to

wait for the establishment of the Family Court System, and I don't disagree that that's important, but they're going to have to wait for deappropriation, in the first year of \$150,000 and in the second of \$303,000. I'm saying that the new study for education funding that we've heard so much about this morning, is not nearly as necessary as trying to start to address the school construction problem that we have. So, we're talking about a deappropriation of \$75,000 there, in year one. I'm saying, and this is the most contentious issue, I'm saying that we at the local level, at the school board level should, in the first two years of the learning results, assess the learning results locally. I have no interest, nor will I have any interest for the State redesigning a test, the MEA and making that some kind of an exam that must be passed in order to graduate. Picture this; you have a son or daughter, they're going through the process, they take the MEA, the eleventh grade MEA, after it's been redesigned and they don't understand an aspect of the test, or they disagree with something, or they have a problem with it. All of the residents of the State of Maine, they may encounter this. So, who do they go to? Can they go to their school board, like they do now? They're going to have to go to the State, the State Department of Education. We don't have enough staff to do that. This is shortsighted. The learning result itself is a plan for the future of the State of Maine, a plan that is well-developed, the guidelines are already being used in many school districts across the State. The plan itself, I'm very much in favor of. It's the assessment, it's the assessment of the learning result; and I've heard the term, they answered about, "Well, we've got to have accountability." You're telling me that there's no accountability at the school board level when you say that to me. And I'm telling you, there is. It's the best possible accountability. The school board is the best accountability because your folks back home can go to that school board on any given night and discuss with them aspects of assessment. \$300,000 in the first year and \$900,000 in the second year of the biennium, \$1.2 million to redesign a test? No way, I'll never support it and I hope you'll join me in not supporting it, whether it's here in this amendment or down the road, because it's a mistake. It's inappropriate and it takes away local control. I'm committed to that ideal and I hope you'll join me in that. So that is one deappropriation and also then, it takes this pool of money and starts to address in an equity fashion, in a set aside fashion, in a fashion that has been taken up, for example, in states like Massachusetts, who have equity funds set aside for those schools that run into trouble with their school funding formula. This is taken from that idea, and what it is saying is; we'll set aside \$5.3 million and we'll put that toward the problem of school construction, we'll put that toward relief for your people, back at the local level who are on a waiting list, and they have no hope of moving up that waiting list for the purpose of school construction. And, within this particular proposal, we're talking about school construction that has everything to do with rebuilding current facilities and nothing to do with building \$26 million meccas at the local level. This won't do that, it won't allow it. That's one of the major problems we have here in this State, we have to address it. I don't care if it's in my back yard or yours, if we're building a twenty-six million dollar school and they've gone over the circuit breakers so all of the rest of the funds are coming from the State level, the money for those purposes are being far too narrowly focused in the one community. It's too much money for one community. So, this will not allow that to happen. It's a critical need. I hope you'll vote with me. If you don't vote with me, I hope you'll join me in trying to come to some kind of a resolution for our problem in the

State of Maine regarding school construction. Thank you very much, Mr. President.

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

Senator **DAGGETT:** Thank you Mr. President, men and women of the Senate. My concern with this amendment, one of them, the major concern, has to do with the issue of addressing the liquor stores. The Legal and Veterans Affairs Committee unanimously agreed to continue the discussions of the liquor stores later in this session. We have several bills coming before us that address the issue in a variety of ways and plan to hold public hearings on that, so that we have an opportunity to further examine the issue of the appropriate policy regarding the stores. Our State liquor stores, which we have 28 today are a significant State asset. The way we manage that asset is extremely important. If there's not careful scrutiny placed on the numbers that we have seen, that we've had concern about, we could end up with an amendment such as this, jeopardizing a significant revenue in the future, to the detriment of some of those causes which the good Senator from York, Senator Libby espouses. And, it is due to my concern and I think the concerns of the Committee that we not jeopardize some of the things that we value in the future. And, would like to, as a Committee take a look at State policy regarding the stores. So, with that in mind, Mr. President, I would move that this amendment be indefinitely postponed.

Senator **DAGGETT** of Kennebec moved to **INDEFINITELY POSTPONE** Senate Amendment "L" (S-41) to Committee Amendment "A" (H-15).

On motion by Senator **KIEFFER** of Aroostook, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: ABROMSON, AMERO, CAREY, CASSIDY, CATHCART, CLEVELAND, DAGGETT, FERGUSON, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MILLS, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, SMALL, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: BENNETT, BENOIT, BUTLAND, HARRIMAN, KIEFFER, LIBBY, MITCHELL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

Senator **BENNETT** of Oxford requested and received leave of the Senate to change his vote from YEA to NAY.

26 Senators having voted in the affirmative and 7 Senators having voted in the negative, with 1 Senators being absent and 1 Senator being excused, the motion by Senator **DAGGETT** of Kennebec to **INDEFINITELY POSTPONE** Senate Amendment "L" (S-41) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Mills.

On motion by Senator **MILLS** of Somerset Senate Amendment "V" (S-58) to Committee Amendment "A" (H-15) **READ**.

THE PRESIDENT RULED Senate Amendment "V" (S-58) to Committee Amendment "A" (H-15) **NOT PROPERLY BEFORE THE BODY**, pursuant to Mason's Manual, section 180.

Off Record Remarks

Senator **MILLS:** Thank you Mr. President, men and women of the Senate. This amendment deals with 5 separate subject matters, 3 of which were impacted directly by the manner in which the tax relief fund contained in House Amendment "JJ" was structured, as it was put together on the floor of the House yesterday afternoon. And, if I may say so, the amendment that I put together was at least, in part, motivated by what I saw happening with regard to the tax relief fund on the floor of the House and the other Chamber, and I want simply to say what I have already said once before, in that it's not clear to me how an amendment of this sort could be regarded as out of order at this time when the document that it seeks to amend was created in this Chamber, last evening, two or three days after the deadline contained in the President's letter. For that reason I appeal to the Chamber.

Senator **MILLS** of Somerset appealed the **RULING OF THE CHAIR**.

THE PRESIDENT: The Chair would state his reasons for ruling the matter not properly before the Body. Pursuant to Mason's Manual specifically, section 180 allows the Chair to rule a matter not properly before the Body if it is dilatory. At the start of this budget process, a date was set, similar to cloture that's set for bills, for amendments to be offered to the Appropriations budget. All members had to comply with that, and in fact twenty amendments were offered by members before the deadline. This amendment is offered after the deadline. I've reviewed the amendment, it's not anything new, it could have been offered before the deadline and to accept this one amendment would effectively allow anyone within the Body to introduce an additional amendment. The Chair recognizes the Senator from Somerset, Senator Mills.

Senator **MILLS:** I request a Division.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President, fellow members of the Senate. Frankly, I don't understand how a motion could be considered dilatory, which means to delay the

business of the Chamber. When the amendment that the good Senator from Somerset, Senator Mills would like to have considered is the business of the Chamber. I could understand a motion which is procedural in nature being considered dilatory, but, something which is substantive in nature and seeks to improve and perfect the amendment before us; how that could be considered dilatory is beyond me. So, I would urge you to vote against the pending motion and would request the yeas and nays.

THE PRESIDENT: The Chair will restate the question, and perhaps it was improperly stated by the Chair before. The question is: "Shall the decision of the President stand as the judgment of the Senate?" The Chair recognizes the Senator from Cumberland, Senator Butland.

Senator **BUTLAND:** Thank you Mr. President, ladies and gentlemen of the Senate. I hope that you will vote against the prevailing question, the question before the Body. I can understand the presiding officer's desire to keep us on schedule here, and he did state a pretty rigorous schedule this morning, talking about a half an hour break for lunch break, but we indeed did break for almost exactly one hour. I would submit to the Body that the exception to the schedule has been made and what the good Senator from Somerset is posing, presenting to the Body is just another exception, another minor exception to this schedule. And as far as the idea of it being dilatory from Mason's Manual, section 180 - "Dilatory Motions: Any regular parliamentary motion when improperly used for the purpose of delaying or obstructing business is dilatory." I don't see how the motion presented by the Senator from Somerset, Senator Mills is delaying. This is an issue, quite frankly, that doesn't really have to be decided until sometime in June and we are being a tad bit premature here. I hope that you will vote against the motion in front of the Body so that we can debate the amendment by the Senator from Somerset.

THE PRESIDENT: The Chair recognizes the Senator from Knox, Senator Pingree.

Senator **PINGREE:** Thank you Mr. President. I just want to urge members of the Body to support the Ruling of the presiding officer and recommend to my fellow members that we spent plenty of time discussing many amendments and that we're all anxious to move on to other business that we have before us and this would be a good time to discontinue that business.

On motion by Senator **BENNETT** of Oxford, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, GOLDTHWAIT, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 14 Senators having voted in the negative, with 1 Senator being absent and 1 Senator being excused, the **RULING OF THE CHAIR** was **SUSTAINED**.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT** of Oxford moved to **RECOMMIT** Bill and Accompanying Papers to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS**.

THE PRESIDENT: The Senator from Oxford, Senator Bennett moves that this matter be recommitted to the Committee on Appropriations and Financial Affairs. The Senator has the floor.

Senator **BENNETT:** Thank you Mr. President, members of the Senate. It is clear that further perfection of this bill will be considered dilatory, if you will, that it will delay the business of considering the bill, so, I would like to suggest that at this point, perhaps it would be best to send this bill and the other ideas which have been generated both in the House and the Senate back to the Appropriations Committee to reengage that committee in the constructive work which it was involved in before the bill was summoned to the floor of the House and the Senate last week. It is my view that the Appropriations Committee process was working. As I stated earlier yesterday, the Appropriations Committee was working collaboratively together. I was enjoying working with Senator Michaud of Penobscot, Senator Cleveland of Androscoggin in working toward a collaborative and cooperative effort that would have received a unanimous vote of the committee, and with necessary two-thirds vote here in this Body as well as the other. Unfortunately, because of the schedule that was created, not by the committee, we were asked to summarily end our deliberations and to vote on the budget and bring it up here. And that's why it's before us now. Now we're being denied the right to consider meaningful amendments to it and frankly, I think that it would be best to send it back to the committee at this point so that it can have full consideration. It's no secret that I haven't enjoyed the process that's been used here to develop this budget. I think that the consideration that was before the

committee was ended abruptly. Just before, I think we began that part of a debate in any committee where the bill is thoroughly discussed by the members together. And, the appropriations process has struck me as being a little different than many work sessions on other bills and the other committees I've served on in the legislature, in that there's a lot more dialogue with executive branch departments in the Appropriations Committee, and that's appropriate, that's appropriate in a work session to have that dialogue. but there comes a point where a legislative matter ought to be discussed in the committee by the members of that committee and we never, unfortunately reached that point, where a lot of the issues were considered by the committee alone without the ever-present intrusion, if you will, of the members of the administration in the executive branch. I think that this process has moved ahead. Yesterday I was happy to vote for House Amendment "JJ" here in this Body, because I believe that it improved the bill. I thanked the members of the majority party for their willingness to tip their hat to income tax relief, which I think is a pressing priority. It seems to be the issue that is dividing us at this point. I recognize that there was a gesture in that way and I appreciated it. And, I think, that we'd all be best served in the quest of getting a two-thirds vote on this budget, if we would go back to the negotiating table. Personally I think the best place for that table to reside is in Room 228 of this building. So, I would ask you to please consider favorably, my motion and when the vote is taken I request the yeas and nays.

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

Senator **MICHAUD:** Thank you Mr. President, men and women of the Senate. I hope that you do not vote to recommit this bill to committee. We have worked on the bill since January. I'm not certain that if it was recommitted that it would come out with anything much different than what you have today. A lot of the amendments that's been offered here today, were discussed in committee. If you look at the total sum of amendments offered, that were defeated thus far, they came from basic areas, whether it's Research and Development, a legislative budget and a couple of other areas. I don't think by sending this bill back to committee that we'll be able to accomplish anymore than what you have today. I know the good Senator from Oxford supported Amendment "JJ" happily. I was less enthusiastic about supporting that amendment, however I did, because I know that some members felt strongly about income tax relief and that's why that amendment was offered. I will not be voting in favor of recommitting this bill. We have a few more amendments that we have to discuss and hopefully we'll be able to get the bill on its way, sometime either this week or next week, back to the other Body, so hopefully, they'll be able to enact it with a two-thirds vote. And thus, send it back down here, hopefully for enactment. I do appreciate the work that Senator Bennett and Senator Cleveland have put in on the appropriations process, they have both worked very hard in that process. But, I don't think anything's going to change. Mr. President, I hope that the members of this Body would vote against recommitting this bill back to the Appropriations Committee. Thank you.

On motion by Senator **BENNETT** of Oxford, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The pending question before the Senate is the motion of the Senator from Oxford, Senator Bennett that this Bill and its Accompanying Papers be **RECOMMENDED** to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** in **NON-CONCURRENCE**.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

NAYS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, NUTTING, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

ABSENT: Senator: MACKINNON

EXCUSED: Senator: HALL

Senator **O'GARA** of Cumberland requested and received leave of the Senate to change his vote from YEA to NAY.

13 Senators having voted in the affirmative and 20 Senators having voted in the negative, with 1 Senator being absent and 1 Senator being excused, the motion of Senator Bennett of Oxford to **RECOMMEND** Bill and Accompanying Papers to the Committee on **APPROPRIATIONS AND FINANCIAL AFFAIRS** in **NON-CONCURRENCE**, **FAILED**.

THE PRESIDENT: The Chair would just like to clarify with members, so that they're absolutely certain, my ruling was not that all amendments offered to this budget at this time are dilatory. If there is an amendment offered which is represented as representing a compromise between the parties, and it will get a two-thirds vote, that is not dilatory. But, the time for offering individual amendments by individual members prior to the budget coming up here was Tuesday at 3:30 p.m.. So, if the minority and the majority leaders represent to me that they have a two-thirds compromise and the Independent Senator represents the same to me as well, I will not consider that to be a dilatory amendment. The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President. Point of parliamentary inquiry?

THE PRESIDENT: The Senator may state his point of parliamentary inquiry.

Senator **BENNETT:** By what demerit does the presiding officer, does the Chair assume that a matter has sufficient support?

THE PRESIDENT: By the representation of the minority leader, the majority leader and the Independent Senator.

Senator **BENNETT:** May I ask a further question?

THE PRESIDENT: The Senator may pose his further question.

Senator **BENNETT:** It just seems to me Mr. President, that we're elected as individuals, not as Republicans or Democrats necessarily and that all of our decisions should not necessarily go through those individuals that have been selected to serve in party leadership positions. And, when we have a matter such as this that requires the judgment of the Chair, my question is, how are you certain without using the formal proceedings of this Body, which in my opinion is where the debate should happen, to make such a judgment?

THE PRESIDENT: The Chair would answer, if twenty-four members wish to come into the President's Office and represent, they have an amendment that is a compromise to get a two-thirds budget, that would also be an amendment which was properly not dilatory before this Body. The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** So, I understand that the Chair assumes that the party leadership speaks for its members to the extent that they can guarantee a particular member's vote on a particular issue which will assure you of getting a two-thirds vote?

THE PRESIDENT: The Chair would explain that the Chair has to make a judgment call on whether a motion offered is dilatory. There was a deadline for all members to offer their amendments to this budget. That deadline has passed. Any amendment coming after that point, I will assume is dilatory unless it is represented to the presiding officer that this is likely to result in a two-thirds compromise on the budget and the Chair is satisfied that it is not being offered in a dilatory manner. The Chair recognizes the Senator from Aroostook, Senator Kieffer.

Senator **KIEFFER:** Thank you Mr. President. Mr. President, may I address a question to the Chair?

THE PRESIDENT: The Senator from Aroostook, Senator Kieffer may pose his parliamentary inquiry.

Senator **KIEFFER:** Thank you Mr. President. How would the determination be made if one amendment were a partial goal towards that two-thirds vote?

THE PRESIDENT: The Chair cannot make a determination at this point, until the Chair sees the amendment. If the good Senator has an amendment to offer, please bring it to the Chair and the Chair would make that determination. The Chair will make a determination on any motions offered now, whether they are dilatory or not, so, if the Senator feels there is an amendment to offer that is likely to result in a two-thirds compromise, the Chair is willing to entertain that. The Chair recognizes the Senator from Aroostook, Senator Kieffer.

Senator **KIEFFER**: Thank you Mr. President. I understand, I believe, what you're saying, however, I believe to obtain a two-thirds compromise will not be done by one lightning strike. I believe if such a compromise is accomplished it will be done in a gradual and perhaps step method and the only way I could see that that could possibly occur would be debate in this Chamber, Mr. President. Thank you.

On motion by Senator **BUTLAND** of Cumberland Senate Amendment "M" (S-43) to Committee Amendment "A" (H-15) **READ.**

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

Senator **BUTLAND**: Thank you Mr. President, ladies and gentlemen of the Senate. I assure you that I didn't say "M", as in money to be fresh. It was this morning when the good Senator from Washington, Senator Cassidy put forth his amendment, "N", as in Nancy, and I thought he had taken my amendment. Amendment "M" is a simple amendment, it attempts to establish the Technical College System as a priority within this legislature. This amendment appropriates \$.5 million for the Career Advantage Program and \$2.5 million to the Technical College System. I personally have long been a supporter of the Technical College System and its president and I believe that such an investment will pay back tremendous dividends in the future. Now, we have discussed the relative merits of these two programs today in other amendments and the R and D proposal came to my attention one day as I was reading an article in the "Portland Press Herald". And I would like to read a portion of that for my colleagues here today. It says, "...by far, the boldest plan outlined by the Democrats was a proposal to spend \$20 million a year to underwrite Research and Development at the University. The plan is the dream of 5 professors so frustrated by State budget limits that they launched a year-long study and educational campaign on how the University could better serve Maine." Now, I can appreciate the hard work of these professors and it's not my intention to minimize their contribution, but I hope that the good Senator from Penobscot, Senator Ruhlín and other members of this Body, and the people of the State of Maine, will excuse me if I am opposed to basing public policy on the dreams of 5 professors. I would more like to base public policy on information that has been provided to us in the recent past by the Technical College System, and I would like to share some of that information with you because I find it far more compelling. The U.S. Bureau of Labor Statistics projects that between 1994 and the year 2005 the number of jobs requiring an associate degree will grow by 25%. In Maine 12 of the 15 fastest growing jobs between 1994 and the year 2000 will require workers who are prepared at the 1 and 2 year college level, most in technical fields, jobs such as surgical technician, computer support specialist and medical assistant. Today, 75% of all Maine jobs require an education or training beyond high school, in the fifties that was virtually reversed, with only 1 in 4 jobs requiring more than a high school year diploma, and as we all know, only about 50% of our students go on to school after high school. A Governor's Commission in 1991 reported that Maine needs 6,000 new technicians per year, and yet, the Technical Colleges are only graduating seventeen hundred per year. The Commission urged the expansion of the System from 4800 to 10,000 students served annually. And lastly I would say, that a 1994 Legislative Task Force updated and confirmed those

findings and projected that applications to the Technical Colleges would triple by the year 2005. These are the needs. The money that we spend on the Maine Career Advantage Program will allow the Maine Career Advantage Program to continue to serve 4,000 Maine high school students representing over 120 Maine high schools. 300 Maine businesses will continue to contribute over \$1 million annually to this program and to provide student interns with stipends and to pay for their first year in college, certainly, not an insignificant contribution. The money to the Maine Technical College System, the \$2.5 million, would increase enrollment by approximately 700 students. Since 1990 the Technical Colleges have maintained an 85% job placement rate with 98% of these jobs being in Maine. Today the Technical College System receives 3 applications for every 1 that they are able to serve and it is projected that by the year 2005 they will receive 7 applications for every 1 that they can accept. You can see the need and you can see that the need is fulfilled by investing this additional money in the Maine Technical College System. I hope that you will join with me in passing this amendment so, that we can indeed make an investment in the future of the young children here in the State of Maine and also the State of Maine in general. Thank you very much.

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

Senator **RUHLIN**: Thank you Mr. President, ladies and gentlemen of the Senate. I'd like to respond to my very good friend, the Senator from Cumberland, and point out to him, if we truly want to relieve the tax burden on the Maine citizens, if we want true tax relief, the best way to relieve the tax burden is to create a vibrant and growing economy. It's been proven. It's time that we had the vision to see it, that this particular program of Research and Development which you are attempting through your amendment to remove critical funds from, that this particular Research and Development effort will give the greatest return of any investment in our entire budget. I'm not going to ask a full question, just a rhetorical question. Why is it that you want to take the money away from Maine's opportunity to grow? Why is it you want to keep Maine the 15th in the nation, in investing in our future? Why is it you want Puerto Rico to replace us, be ahead of us in the amount of money that they invest for their own growth? That's what this amendment proposes and it's good and it's laudable, as the Technical College System is and deserves our support, and yes, deserves additional funding beyond what we can afford. We will never have the money to properly fund our educational system until we grow our economy and the way we grow our economy is support Research and Development. So, Mr. President of the Senators of the State of Maine, I move indefinite postponement of this amendment. I further request, that when that is done, it be done by a Roll Call.

Senator **RUHLIN** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "M" (S-43) to Committee Amendment "A" (H-15) and requested a Roll Call.

THE PRESIDENT: The Chair recognizes the Senator from Washington, Senator Cassidy.

Senator **CASSIDY**: Thank you Mr. President, men and women of the Senate. I could not let this motion come up for a vote before I had an opportunity just to speak a little bit about the

proposed amendment that we have before us. Although I agree with the good Senator from Penobscot that we need to look at the future of Maine and to grow the economy of Maine, and all the things that we're all hopefully here trying to do, I think it's very, very important that the Technical Colleges continue to play a part in that role. As we know, the jobs for the future, everyone's looking to the year 2000 and the technical jobs that are facing us here in the State, and the opportunities and the things that will be expanding, all require technical education. And, if we don't continue to educate our young, like we should be and support them in a way financially, so that our institutions can meet that need, we'll never have the economic growth that the good Senator spoke of. As you know, I've been affiliated with the Technical Colleges for many years and continue when I'm not here doing the peoples work for the State. And, in my district, I do teach at the Washington County Technical College and I've seen the need and I've seen the cuts that we've had to make along with the other schools throughout the system and I urge you to consider to not pass this motion to indefinitely postpone this amendment because I think it's something that would help the entire State and if we really believe in that we want to continue to grow the economy and to help our youth be marketable in our State and in the country, as time goes on we need to defeat this motion. I ask you to do that. Thank you.

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

Senator **CLEVELAND:** Thank you Mr. President, men and women of the Senate. I as well, am a very strong supporter of the Technical College System. I know the work that they do, the benefit that they do for the businesses of this State, but, more importantly the good work that they do for the people of this State, in providing them with the skills to meet the jobs of the future. But I'd like to make a couple points. One is that this amendment, were it offered to put some additional money, about \$.5 million back into the Quality Centers. When we spoke with president of the Technical College, he indicated that they could get by with the reduction that we took to put towards the Career Advantage Program. Certainly, like everyone else, they would like to have a little bit more money, but, they were willing to offer to reduce the amount of money that they felt they could get by with at the Quality Job Centers so that we could apply that to the Career Advantage Center. Secondly, it allocates again some money to the Career Advantage Center. Again, an excellent program, one which I have strongly supported. It funds it for the first year and again as we look back a second year, we can look at a supplemental budget, or other revenues to fund that source. I'd like to make one final point. I took the opportunity to look through all of the amendments that are being offered here today, and looked at the sources of funding from which they wish to do all sorts of good things for the State of Maine and I observed that there were 6 different bills that wish to deappropriate money from the Research and Development Fund. If we had actually passed any one of those amendments, awful good causes, we would have spent \$9 million from Research and Development, to which we've only allocated \$3 million. So, we would have spent it three times over. It's one of the difficulties about trying to draft the budget here, on this floor, is that you can't put all of the pieces together. You don't see the consequences of each amendment as they form a whole, so, you spend the same money several times over. So, I would hope that you would not support this amendment, and support the motion to indefinite postponement.

On motion by Senator **RUHLIN** of Penobscot, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senators: MACKINNON, NUTTING

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **RUHLIN** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "M" (S-43) to Committee Amendment "A" (H-15), **PREVAILED**.

On motion by Senator **SMALL** of Sagadahoc Senate Amendment "P" (S-46) to Committee Amendment "A" (H-15) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Thank you Mr. President. This amendment proposes to close all State operated liquor stores by August 31, 1997, and privatize the sale of liquor in Maine, and it also provides an additional general fund revenue, realized from privatization, be appropriated to out of district placements. For those of you who haven't heard this discussion before, out of district placement is the cost that school districts incur when they have to send special needs or special education children to a program outside of their district. Often times these children have such severe handicaps or special needs that they have to get treatment at a place such as Spurwink or Sweetser or another program that's offered in another community, and the cost can range anywhere from just a few thousand over what the average cost of educating a child in Maine is, to actually up to 100,000, sometimes over that. As many of you know, for a small community, or a small district that has already a very, very tight budget, in many cases have already had to make cuts, if you have one of these children move into your district, particularly in town meeting, they'll be hotly debated questions on whether or not you should even afford this child, they're guaranteed right to a free and appropriate education. And, I think for many of us

who have seen that go on at town meeting, that's probably one of the most heart wrenching things that we see when townspeople who are already strapped for funds actually argue whether or not they should fund the education for these children. So, a number of years ago we came up with a program to pay for out-of-district placement and in order to still encourage the communities to try to keep that child as close to home as possible for the treatment or for the program, we said that we would pick up the cost after they'd spent three times the State average for that child's special education. Then any cost over that would be picked up in that same year by the State. Three times the State average is approximately 10,105 so the community would pay that and then the State would kick in the rest of it, so that you didn't have these \$50,000, \$100,000 appropriations that were many times unexpected in the school budget. In 1994, we funded about 71 cents on the dollar for these out of placement costs. In 1996, we dropped down to 25 cents on a dollar, we're losing ground. The total cost to districts in 1996 was \$13,485,990. These are only the communities that have actually reported to the Department of Education their out of district placement costs. Many communities incur these now, but they don't bother to report it because with 25 cents on a dollar, they probably figure it's not worth the effort, and actually I believe it's been lower than that. Our current appropriation is \$1.7 million, that's what's in the budget now for out of district placement. That's 28%, so you'll get 28 cents on a dollar. If you have to send a child to a placement that's \$100,000, you'll get \$28,000 of that back. I have communities, as many of you do, that raising \$100,000, particularly unexpectedly, an extreme hardship. I have one community that has no schools in it's town, they tuition all there students out. They have a school board but they tuition out all their elementary and their high school students. This means there's no place for them to make cuts, if one of these sudden costs come up. They have no buildings that they can delay maintenance on, they don't even hire teachers to let go and increase class size. They are pretty much at the mercy of all the surrounding towns and what they charge for tuition. So, when a community like that, if you suddenly have a child move in that needs very specialized and expensive treatment, they have to come back to town meeting and they have to try to raise that money. And once again, unfortunately many times the actual child and the nature of their special need gets debated in front of the whole town while they're trying to appropriate that money. That's why I think out of district monies are so important. If we put the \$3.6 million in from shutting down the liquor stores and put that into out of district placement, that would give us a total of \$5.1 million in this budget and that would put us at about 50% funding. It's still not enough. We will still have to incur costs locally when these out of district placements occur. But, I think it would make it a little easier for some school districts, particularly the small ones, to try to come up with those costs. And again, many times these are unexpected. The family moves into the district and the school board is suddenly hit with that bill. So, this I believe, would go a major step towards relieving some of that burden on the community, and also relieving some of that burden on the family that has the special needs child, because I don't think any family should have to fight and justify why that child needs a free and appropriate education. I hope you will adopt this amendment and then we can work towards bringing the out of district placement costs up even higher than 50% level. Thank you.

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

Senator **DAGGETT:** Thank you Mr. President, men and women of the Senate. I have several concerns regarding this amendment. One of them I addressed before, in regard to the issue of the liquor stores and the fact that the Legal and Veterans Affairs Committee is going to be holding public hearings and taking a look at a comprehensive policy that regards our State liquor stores as an asset and suggest that we need to manage that asset in a very careful fashion. So, I hate to see the State liquor stores pitted against out of district placements. The other issue that I would address is the issue of out-of-district placements. There have been some significant movements made towards handling special needs kids within the school system, and I would hope that there would continue to be support from this legislature, to projects such as the one that has been developed by the Kennebec Alliance. There were recently four awards made to school systems with innovative projects for handling these types of special needs students that have been sent out-of-district, to manage them within the district, at significant cost savings to the State and to the municipalities. And, it would be certainly my preference to see that any money that we have, extra money, or money would be used to invest in our local school's systems ability to handle these children within the system. I would just read briefly here a letter that was sent to me regarding this and it says...“typically these children are sent to a residential program which not only separates them from their family, hometown and piers, but also represents a huge financial drain on the local school fund.” It is specifically those students, that these projects are designed to handle, at far less cost and far less disruption to the families and the children. So, I would hope that the money that we would spend here would be spent in a cost effective manner to encourage keeping special needs kids in the school systems instead of trying to subsidize further out of district placement, which I feel is very disruptive and extremely expensive. The other issue that I wanted to mention regarding liquor stores, one of my concerns about closing these stores, I would just add this on, is it does break faith with the agency licensees that we have given licenses to in the past. This could be an extremely difficult issue for small businesses because the current network of State stores keeps our distribution system, which is a cost saving for small business. So, with these things in mind, I would move indefinite postponement of this amendment.

Senator **DAGGETT** of Kennebec moved to **INDEFINITELY POSTPONE** Senate Amendment “P” (S-46) to Committee Amendment “A” (H-15).

THE PRESIDENT: The Senator from Kennebec, Senator Daggett moves indefinite postponement. The Chair recognizes the Senator from York, Senator Libby.

Senator **LIBBY:** Thank you Mr. President, men and women of the Senate. I think this argument may fall upon deaf ears but I'd just like to remind the members of this Body, that as a member of this Body, I've never had the opportunity to listen to the debate regarding the opening of two additional State liquor stores, and for the exact same reason, some of the people oppose the pending motion. Where's my opportunity to have a fair hearing? We have 2 State liquor stores down in my county that we're going to open out of the blue, and this is the precise

reason why this motion is being indefinitely postponed, precise reason in reverse. I mean, let's face it, there's some things going on here that are extremely unfair and point to the reason why we should have had this bill recommitted in the first place. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Sagadahoc, Senator Small.

Senator **SMALL:** Thank you Mr. President, men and women of the Senate. I just want to respond to some of the questions raised by the good Senator from Kennebec, and I'd certainly concur with her concerns that we not make it too easy to just send kids far away from their home, because of course, the best education is always one that is the closest to home and that most serves the needs of that student. And, I don't think anytime you send a child a distance from their home you are doing the least restrictive, however there are certain places where there is no program nearby, and the only program that is available is a costly placement, might be just in the next community, but there's still additional and very high cost associated with that. The Committee, when we first deliberated on this, when it was first enacted, tried to safeguard a community from doing exactly what the good Senator from Kennebec was concerned about, and that's shipping kids out rather than working on getting a program in their own area that would serve these children. I absolutely believe consolidating programs and working together as a region to provide these programs is the most appropriate and the best way to go. That's one of the reasons that you do not receive any money until you have already spent three times the State average. So, if you're going to have to spend \$10.5 or \$10,500 of your own dollars to begin with, before you begin to be reimbursed for an out of district placement, we felt that communities would look to see if there were a more appropriate and less costly method of treating these children that would be done locally. And you're also only going to get a 50%, a 50% reimbursement of those costs, so you've already spent the 10.5 of your own dollars before you even become eligible and then this appropriation will only get you to 50%. And, talk about keeping faith with the constituents or our communities, at one point we were giving 71 cents on a dollar, so the State has not kept their bargain with the communities by having a declining portion of the cost. Now, in fairness to the State, the State hasn't lowered the money but the need from the communities has increased. And it may be much greater out there, this is only the people that have applied, but I do think we need to assist those communities who have no resources. Many of the larger towns, many of the towns that are together can come up with those programs and they can work as a region, and I certainly encourage that. And I think, if every community who wants to save the initial 10.5 gets together, they can come up with programs. And I think the State ought to be looking at other ways the Special Education Department of encouraging and assisting these communities on doing that, but there is always going to be some communities, and there is always going to be some placements that can't be dealt with at home, and these are extremely expensive and as I said they're often times a budget breaker at home and if we can alleviate that problem, not only for the communities but for the parents and the families of these children, I think it would be very prudent to do so. Thank you.

The President requested the Sergeant-at-Arms to escort the Senator from Knox, Senator **PINGREE** to the Rostrum where she assumed the duties as President Pro Tem.

The President retired from the Chamber.

The Senate called to Order by the President Pro Tem.

THE PRESIDENT PRO TEM: The Chair recognizes the Senator from Penobscot, Senator Mitchell.

Senator **MITCHELL:** Thank you Madam President, my good friends and colleagues in the Senate. Although it's very obvious that the need to change Maine's high income tax status in our State isn't shared by all of us, we are all very much interested in the reduction of property tax, and this is why I would encourage you to support the amendment that my good friend and Senator has proposed to you this afternoon. Our municipalities, the burden of this property tax of carrying this burden is extreme and I agree with the fact that the district, serving this within their realm, the needs of these special children within their district is great. Sometimes it isn't in the best interests of these children. Some of these small schools whom the burden of this extra cost of education is too great to have them sent out. They are trying to keep them within the schools. They are exposed to an atmosphere with other students, and sometimes it is more harmful than it is good. The regionalization and the State assuming this responsibility is the answer and for us to assume that responsibility in funding and taking that responsibility away from the municipalities is going to ensure our property tax not being increased and is going to ensure the proper education for these dear children who have special needs in education. So, I would encourage you to please support this amendment. Thank you.

On motion by Senator **SMALL** of Sagadahoc, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT PRO TEM: The pending question before the Senate is the motion of the Senator from Kennebec, Senator **DAGGETT** to Indefinitely Postpone Senate Amendment "P" (S-46) to Committee Amendment "A" (H-15)

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CASSIDY, CATHCART, CLEVELAND, DAGGETT, FERGUSON, GOLDTHWAIT, HARRIMAN, JENKINS, KILKELLY, LAFOUNTAIN, LAWRENCE, LONGLEY, MICHAUD, MILLS, MURRAY O'GARA, PARADIS, PENDLETON, RAND, RUHLIN, TREAT, THE PRESIDENT PRO TEM - CHELLIE PINGREE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, KIEFFER, LIBBY, MITCHELL, SMALL

ABSENT: Senators: MACKINNON, NUTTING

EXCUSED: Senator: HALL

23 Senators having voted in the affirmative and 9 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **DAGGETT** of Kennebec to **INDEFINITELY POSTPONE** Senate Amendment "P" (S-46) to Committee Amendment "A" (H-15), **PREVAILED**.

The President Pro Tem requested that the Sergeant-at-Arms escort the Senator from York, Senator **LAWRENCE** to the Rostrum where he resumed his duties as President.

The Sergeant-at-Arms escorted the Senator from Knox, Senator **PINGREE** to her seat on the floor.

Senate called to order by the President

On motion by Senator **HARRIMAN** of Cumberland Senate Amendment "U" (S-53) to Committee Amendment "A" (H-15) **READ**.

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

Senator **HARRIMAN:** Thank you Mr. President and good afternoon ladies and gentlemen of the Senate. This amendment is another way to approach the funding that my good friend from Sagadahoc, Senator Small mentioned to find the funding for out of district placements for special education. This approach simply says that if there is funds in the budget as outlined in House Amendment, that \$2 million of that funding, rather than being used for the purchase of Sears Island, would instead be used to fund the out of district placements for special education. Thank you Mr. President.

Senator **MICHAUD** of Penobscot moved to **INDEFINITELY POSTPONE** Senate Amendment "U" (S-53) to Committee Amendment "A" (H-15).

On motion by Senator **AMERO** of Cumberland, supported by a Division of at least one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary called the Roll with the following result:

ROLL CALL

YEAS: Senators: CAREY, CATHCART, CLEVELAND, DAGGETT, GOLDTHWAIT, JENKINS, KILKELLY, LAFOUNTAIN, LONGLEY, MICHAUD, MURRAY, O'GARA, PARADIS, PENDLETON, PINGREE, RAND, RUHLIN, TREAT, THE PRESIDENT - MARK W. LAWRENCE

NAYS: Senators: ABROMSON, AMERO, BENNETT, BENOIT, BUTLAND, CASSIDY, FERGUSON, HARRIMAN, KIEFFER, LIBBY, MILLS, MITCHELL, SMALL

ABSENT: Senators: MACKINNON, NUTTING

EXCUSED: Senator: HALL

19 Senators having voted in the affirmative and 13 Senators having voted in the negative, with 2 Senators being absent and 1 Senator being excused, the motion by Senator **MICHAUD** of Penobscot to **INDEFINITELY POSTPONE** Senate Amendment "U" (S-53) to Committee Amendment "A" (H-15), **PREVAILED**.

THE PRESIDENT: The pending question before the Senate is the **ADOPTION** of Committee Amendment "A" (H-15) as Amended by House Amendments "FF" (H-73); "HH" (H-75) and "JJ" (H-82). The Chair recognizes the Senator from Oxford, Senator Bennett.

Senator **BENNETT:** Thank you Mr. President, fellow members of the Senate. Before we vote on Committee Amendment "A" I would like to just take a few brief moments to share my view with the Senate on where we are and how we got here. As you all know, I served on the Appropriations and Financial Affairs Committee, been serving now for two months with the Senator from Penobscot, Senator Michaud and the Senator from Androscoggin, Senator Cleveland, and we have been working cooperatively together and we've passed a supplemental budget in record time. I don't think there's any easy way to put together a budget, particularly one that is roughly \$3.8 billion big and two years long, but I can certainly attest that the method we used, I think was not the right one, even if I'm unable to decide exactly what the right one is. But, I heard an analogy which I'll repeat, which I think is fairly valid. It's sort of the notion of a person going to the grocery store and taking their shopping cart and going down each aisle and picking off all the things that they'd like to have in their shopping cart that week and then at the very end of the process, making determination at the check-out, how much money it's going to cost. And then, looking in the wallet, after all that process is done and figuring out how much money you have. In the case of a normal shopper, you might have to put some things back but not in the case of the Maine legislature. This budget increases spending from the last biennium to this biennium by about \$265 million of general fund money. I'm also told that there is something in the neighborhood, give or take a few, of about 130 new general fund State employee positions in this budget. As has been stated earlier, there have been no public hearings on a lot of substitute policy issues that are in this budget. Issues like the purchase of Sears Island, recently considered. Issues like a new program for Research and Development at the University of Maine System. Issues like the liquor stores, which was dubbed in committee as "Productivity II," but includes, as we all know, two new liquor stores, I understand at plazas on the Maine Turnpike. This morning, on the way in here, I heard on my car radio that both the Governor and the Maine Turnpike Authority opposed this measure, and they considered it ill-advised, without proper hearing. The Maine Turnpike questions whether or not there's room at those plazas. Other issues, no public hearings, from family court, brand new spending. Two new District Attorney's in York County, there are others. What troubles me

and disturbs me is that in my view, we were so close when negotiations ended abruptly. There was recently an editorial in the Kennebec Journal that was entitled, "State Budget Differences Too Close To Lack Resolution." Down below the subheader was, "Don't Give Up." I trust many of you saw that, I won't extend the debate further by reading from it. I encourage you, if you haven't read it, to read it. At one point in our debate, in our negotiations at the Blaine House, we were literally less than 1% of the \$3.8 billion state Budget apart. We had some differences in spending within that, but less than 1%. When you agree on essentially 99% of the State budget, there's no reason why we couldn't come together on the other 1%. Even today, not much separates us, even after the majority party decided to go this route of putting out a majority budget. The Democrats budget before you, the majority budget, Committee Amendment "A", if you will, spends over the biennium about \$3,815,000,000 in general fund. This compares to the Governors original request, in his budget, of \$3,791,000,000. The Republicans last offer, during negotiations, was \$3,766,000,000. The difference between the majority and the minority, if you use those numbers is \$49 million. Now, we've been willing to talk about something during these negotiations that was anathema to many members of my caucus, who fought hard for the income tax stabilization fund, the so-called tax cap, inappropriately named, over the last 2 years. We're willing to talk about other mechanisms, aside from the tax stabilization fund. That was a huge concession. We started with a tax stabilization fund, the income tax cap of about \$131 million using that mechanism to provide tax relief. We, during the process of negotiations, reduced that down to about \$54 million. In my view, at it's essence, this is a debate, not so much over spending but over taxes, over the revenue side. The question is, will we continue taxing Maine people at outrageous rates compared to other states nationally? Our top marginal rate on income taxes is eight point five percent of taxable income, at a taxable income level for the individual of \$16,600. At that low a taxable income level, a person in the State of Maine reaches a top marginal rate of 8.5%. Our system is so progressive, our tax system is so progressive that is essentially flat because 8.5% is reached at such a low income level. We're looking for 4 things in tax relief. First, that it be on income tax, because this has been represented by others today, that is the only tax that only Maine people pay. Second, we're looking for tax relief that has an impact in both years of the upcoming biennium. Third, we're looking for a mechanism which is ongoing and continuous and will continue to provide tax relief, not as a one time subsidy, a by-off of tax periods, but over the indefinite future. And fourth, we're looking for tax relief that will impose fiscal restraint, in other words that gets money, if you use the term and I hate to, to fund the tax relief from real trimming back of the growth in state government. And that last piece is so important because we're already looking, if we pass this budget, of the structural gap that we will hand to the next legislature, in excess of \$150 million. That's what I consider this debate over, it's taxes. We need to begin now, bringing down our tax rates. As I've said earlier, I thank those in the majority party who offered a tip of the hat by the House Amendment "JJ". As I've said before it's certainly not perfect, the funding mechanisms flawed. It violates those 4 principals of the tax relief that I'm looking for, in a couple of key areas. But, it is a gesture of good will toward consensus. It is not very much money but I consider it a very good place to begin negotiations, not end them. I implore you to vote against the pending motion, which is adoption of this Committee Amendment, so that we can go back

to the negotiating table, whether that's in the Appropriations and Financial Affairs Committee or whether that's at the Blaine House or some other place in this vicinity, and bargain in good faith, as I think I've been doing in the Appropriations Committee, and the rest of my caucus and our leadership has been doing over the last couple of weeks. And create a constructive, consensus document that will get a two-thirds vote and will insure that we continue our long standing tradition of getting budgets passed out of this legislature, budgets that are the most important bill, I think, to go before a legislature, as a consensus among the people who are elected. That's a very good tradition to uphold, one which I loathe to abandon and I think every member should be loathed to abandon. So, I encourage you, please, to vote against the pending motion. Thank you.

On motion by Senator **PINGREE**, of Knox, **TABLED** until Later in Today's Session, pending **ADOPTION** of Committee Amendment "A" (H-15) as Amended by House Amendments "FF" (H-73); "HH" (H-75) and "JJ" (H-82) thereto, in concurrence (Roll Call Ordered) .

PAPERS FROM THE HOUSE

House Papers

Bill "An Act Regarding Information Provided to Pharmaceutical Companies" H.P. 1144 L.D. 1609

Bill "An Act to Amend the Laws Regulating Occupational Therapy Practice" H.P. 1151 L.D. 1616

Come from the House, referred to the Committee on **BUSINESS AND ECONOMIC DEVELOPMENT** and **ORDERED PRINTED**.

Which were referred to the Committee on **BUSINESS AND ECONOMIC DEVELOPMENT** and **ORDERED PRINTED**, in concurrence.

Bill "An Act to Amend Snowmobile Registration Fees and Promote Snowmobile Club Participation" H.P. 1146 L.D. 1611

Comes from the House, referred to the Committee on **INLAND FISHERIES AND WILDLIFE** and **ORDERED PRINTED**.

Which was referred to the Committee on **INLAND FISHERIES AND WILDLIFE** and **ORDERED PRINTED**, in concurrence.

Bill "An Act to Allow the Child Support Obligor the Right to Provide Regularly Scheduled Child Care" H.P. 1148 L.D. 1613

Bill "An Act to Amend the Freedom of Access Laws" H.P. 1149 L.D. 1614

Come from the House, referred to the Committee on **JUDICIARY** and **ORDERED PRINTED**.