

LAWS

OF THE

STATE OF MAINE

ONE HUNDRED AND EIGHTH LEGISLATURE AT THE

> SECOND REGULAR SESSION January 4, 1978 to April 6, 1978

FIRST SPECIAL SESSION (No laws enacted) September 6, 1978 to September 15, 1978

> SECOND SPECIAL SESSION October 18, 1978

THIRD SPECIAL SESSION December 6, 1978

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN ACCOR-DANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SEC-TION 164, SUBSECTION 6.

> K. J. Printing Augusta, Maine 1979

LEGISLATIVE PROGRAM AND BUDGET MESSAGE

January 6, 1978

by

GOVERNOR JAMES B. LONGLEY

to the

SECOND REGULAR SESSION

One Hundred and Eighth Legislature

INTRODUCTION

To the Honorable Members of the 108th Maine Legislature:

We are presenting a legislative program which we feel is concise and compact. In preparation for this session, we wanted to fully cooperate with the Legislature as we recognize the limited nature of this Session. Therefore, we requested that each department and agency of government submit its legislation through the Governor's call, rather than directly to the Legislature. Consequently, the great majority of the bills in this program are bills generated by departments of government. This procedure allowed us to screen every bill and apply the same stringent standards to departmental legislation that we did to our own in determining if a proposal was of sufficient importance to warrant the attention of the Legislature this session. It also enabled us to substantially trim the number of bills which will be presented.

LEGISLATION WITH BUDGET IMPLICATIONS

In the program area, our top priority is to bring about improvements which hopefully will give the State of Maine one of the best, if not the best, programs for the mentally retarded in the country. If we could accomplish this goal, I am convinced it would be the greatest of all testimonies to the caring nature of the people of Maine and to fiscally responsible government.

Hopefully, such a program would also help us resolve the Right to Treatment suit which has been a cloud over our program for several years.

The budget for the Department of Mental Health and Corrections is a statement of commitment to provide services to those individuals of the State of Maine who are in need. It recognizes the rights of the mentally handicapped to receive appropriate services whether in our institutions or in the community, and it recognizes our responsibility to the recipients of correctional services. At the same time, it provides for the safety of our citizens through improved security programs at the Maine State Prison and the Maine Youth Center. It will take Maine down the road towards a better network of human services for those most needy citizens.

The Department is requesting \$257,300 to comply with fire and safety codes at the state's nine institutions. The major expenditure of funds will be used to purchase mattresses that meet fire standards and upgrade fire equipment to meet fire and safety code requirements.

The Department's request for \$900,000 in capital improvements will be expended to insure the safety and security of the Department's clients.

The most critical projects include improving security at the Maine State Prison by replacing obsolete locking systems and bars; providing major repairs and replacement of the heating plant and steam distribution system at Pineland Center; meeting ICF standards at Pineland; installing an inmate control center at Maine Correctional Center; replacing roofs at Augusta Mental Health Institute and Bangor Mental Health Institute; and renovating a cottage at Maine Youth Center to provide an intermediate security facility.

MENTAL RETARDATION

The State of Maine has throughout the years recognized the need for residential services for the mentally retarded. Today, the State of Maine is in the process of developing a full range of services to mentally retarded children, adults and families of the retarded.

This proposed range of services recognizes the need for outstanding residential services both in the institutions and in the community. To achieve this goal, Pineland Center will be improved so as to meet the needs for acute care, training and treatment of the severely and profoundly multiple-handicapped residents. In addition, a full range of community residential services will also be developed including group homes, foster homes, and intermediate care facilities.

Recognizing that the problems of mental retardation are a responsibility shared by all citizens of the state, we are submitting legislation to provide community diagnostic services, day services, vocational training and home services to move Maine towards excellence in the delivery of institutional and community based services for the mentally retarded.

While this budget will be used to help resolve the Right to Treatment suit at Pineland Center, it must be recognized that the commitment to provide services to the mentally retarded comes first regardless of any legal action.

Specifically, the budget addresses improvement in staffing ratios and physical plant at Pineland Center to make it more home like and conducive to good care. It will allow for the development of a state-run group home for Pineland Center and will provide for necessary equipment and supplies to improve services at the Center. The budget contains funding for the establishment of group homes in the community, an ICF intermediate care facility, and the development of contractual arrangements with community agencies for day services, activity training programs, home training programs, sheltered employment, diagnostic and evaluation services, work activities and transportation.

CORRECTIONAL PROGRAMS

In Corrections, the major thrust of the budget is to meet the provisions of the new Criminal Code as well as the new Juvenile Code. The Department's request contains necessary funds for additional staffing and services to meet security needs at the Maine Youth Center, Maine Correctional Center and Maine State Prison.

In addition to funding new locking devices and security improvements at the Maine State Prison and providing an intermediate security cottage at the Maine Youth Center, the budget will include funding for other significant improvements. It allocates \$133,180 to fund seven additional staff at Maine Correctional Center to open a cottage to alleviate overcrowding which has resulted from the lengthening of sentences by the Criminal Code. An additional \$127,315 is also requested at Maine Correctional Center to continue funding of the pre-release center, which is an integral part of the institution's program to rehabilitate inmates for return to the community. The Department requests \$204,585 to fund eleven additional guard positions and supplement the funding at the Maine State Prison to provide adequate protection to the public and to increase security of the inmates.

The Department budget also includes \$453,883 to allow for the development of a statewide network of intake services for juveniles. These services will be aimed at the 11,000 youths arrested across the state and more than 4,000 who are referred for judicial action and will be provided by youth intake workers who will divert youths into community based services or refer them to adjudicatory services of the court.

Recognizing the need for community based services in corrections, the budget contains \$309,000 to provide services which include funding for half-way houses, diversionary programs for juveniles, emergency shelters, prevention and intervention programs. Without these services, additional pressures would be placed on the criminal justice system to again provide correctional services in a more expensive and in a less rehabilitative setting.

HUMAN SERVICES

In the Department of Human Services, three General Fund requests are being made.

As a result of the increase in the minimum wage to \$2.65 an hour effective January 1, 1978, additional money will be required for medical care provided in our hospitals and nursing homes for the elderly and indigent. We are requesting an additional \$466,153 for the current year and \$1,017,702 for Fiscal Year 1978-79.

In the prior session, money was appropriated from Title II in the amount of \$1,-200,000 to provide resources for Protective Services to Children. To continue this program, a General Fund request of \$312,500 is being made that will be matched with federal funds to maintain the level of service.

We are also requesting \$225,000 for the current year and \$450,000 for Fiscal Year 1978-79 to increase the reimbursement to small boarding homes of six beds or less. Our current payment to these facilities is \$200.00 a month per patient and has not been adjusted since 1972.

The total additional General Fund request for the Department of Human Services is \$2,471,355.

In addition, adjustments will have to be made to allocate funds now deposited by

Human Services to the General Fund from the Mental Health Improvement Fund. The Fund is discontinued effective July 1, 1978, but no provision was made by the Legislature to replace the Fund.

HIGHWAY ALLOCATION ACT

As a result of careful management of the highway program and unanticipated revenues, I am recommending the allocation of an additional \$4 million of highway funds. I am pleased to report that we can undertake this program without additional taxes or without increasing our bonded indebtedness. Approximately \$2.8 million would be utilized to complete the matching of the basic available highway funds. Federal-aid funds of \$5.8 million will become available as a result of this action for an additional improvement program of approximately \$8.6 million. I believe this action is important for Maine people and an improved transportation system.

In addition, we are recommending funding for an additional 100 miles of maintenance resurfacing in order to further improve the condition of Maine roads at low cost. This is a continuation of an effort to assure that this program is funded at a level more nearly approximately the life-cycle of the improvement.

Also, I am suggesting the creation of a town-way bridge improvement program of \$500,000 to be matched with town funds. This will assist municipalities in addressing the burdensome costs of improving unsafe bridges on local roads.

OTHER

In addition to appropriation requests for the Departments of Human Services and Mental Health and Corrections, we are requesting \$600,000 for the Department of Conservation. Of this total, \$300,000 will be allocated for the 1978 Spruce Budworm Spray Project. Because most of these costs are paid by landowners through the budworm excise tax, net cost to the General Fund is expected to be approximately \$300,000. The remaining \$300,000 requested for the Department of Conservation is to improve our forest fire suppression capability. These funds will allow us to upgrade certain items of equipment such as tank trucks, communications equipment and rotary wing aircraft.

To continue out efforts to bring quality jobs to Maine, we are requesting \$250,000 to enable the newly created Maine Development Foundation to operate effectively over a two-year period. It must be emphasized that the Development Foundation is a public/private partnership and matching contributions must be raised equal to any funds from the legislative appropriation. If we can assure sufficient funds for a two-year startup period, and demonstrate the good faith and support of the Legislature, it is anticipated that the fund raising effort from the private sector would be more successful.

The state has a statutory obligation under the Maine Tree Growth Tax Law to reimburse municipalities for tax revenues lost under this statute. I have been advised by the Department of Finance and Administration that these reimbursements will total approximately \$262,000 through fiscal year 1979. We are also requesting \$380,000 to improve property tax assessment practices throughout the state. Of that total, approximately \$138,000 is to provide for state assessment of industrial properties valued in excess of \$10,000,000; while the remainder, \$242,000, will be used to provide technical assistance to the municipalities in their efforts to comply with state assessment standards.

In addition, we are also asking the Legislature to approve miscellaneous appropriations adjustments for various departments in order that they can continue to provide quality service to the people of Maine. In this regard, we are asking for \$39,500 to increase the salaries of the members of the Public Utilities Commission. They have not had a salary adjustment in the past two years, and this request will more appropriately compensate the members of the Commission for the quasi-judicial responsibilities which they have.

LEGISLATIVE PROGRAM

HUMAN SERVICES

A year ago, I stated that the goal of this administration in the area of human services was to address the genuine needs of people whom government must serve and serve better. We can all be proud of the record which the Departments of Human Services and Mental Health and Corrections have established as they continue to meet that goal and respond with efficiency and accountability as well as humanitarianism to the needs of the people who require assistance from government.

The Department of Human Services has been recognized by other states for the high standard of performance and effectiveness that it is setting for itself. While the Department provides care and help for those who cannot help themselves, it continues to maintain the integrity of the various assistance systems, maintaining efficiency and effectiveness as well as accountability to the taxpayers.

(1) Currently, federal legislation that allows people to transfer property without reasonable consideration in order to gain Medicaid eligibility causes significant problems for states. Federal legislation has been introduced to give states more flexibility in dealing with this problem. In combination with the federal action, state legislation would result in significant savings to the taxpayer, but would not adversely affect those who genuinely need assistance.

(2) As part of its efforts to constantly explore ways to improve efficiency, the Department will submit a bill to empower administrative hearing officers to sign fair hearing decisions. Hundreds of fair hearings are conducted monthly, and timely notices are delayed as each decision must be signed by the Commissioner. Based on the advice of the Assistant Attorney General assigned to the Department, this legislation is being submitted to correct this problem. Again, the benefit runs both to the taxpayers of Maine and the clients served by the Department.

(3) I am advised that there is confusion regarding the scope and services and the legal rights of individuals covered under the child welfare laws. A bill will be introduced to correct that situation and make clearer the respective rights and services available.

The Department of Mental Health and Corrections has done an excellent job in the many varied areas for which it has such a heavy responsibility. There is perhaps no greater challenge in government than to provide top quality care and management to the varied institutions in our state which must continue to address those human and societal problems that are the responsibility of government.

(1) There is a need to clarify the confidentiality of departmental records of clients. I am advised that the proposed legislation would be of significant benefit to the State. It would bring us into compliance with other state and federal laws and would also protect clients' rights along with giving the Department specific responsibilities for the privacy and security of client information.

(2) Emergency admission procedures which were recently enacted for mental health facilities failed to provide for the relatively common situation when a severely disturbed, disruptive, or dangerous person is brought to a mental health institute late at night, or at other times when a judge is not immediately accessible. It is absolutely essential to have a procedure for providing for the care and custody of such a person until a judge can be notified and involved in the admissions process. This bill would amend the existing law to cover such emergency situations.

(3) It is my understanding that previous legislatures, as well as governors, have recommended the elimination of the Mental Health and Mental Retardation Improvement Fund, a special revenue account. Elimination of this account would result in crediting approximately \$3.5 million of estimated revenue to the General Fund annually. This would also provide a greater degree of accountability and fiscal responsibility.

(4) Currently, it is questionable whether or not mental health authorities have the ability to provide life saving medical treatment to people who are not competent to give their personal consent. The proposed legislation specifies the responsibilities of authorities and patients, as well as includes appropriate protection for patients' rights.

(5) Institutions which are required to be operated by the Department of Mental Health and Corrections tend to concentrate school age children from the entire state into a few administrative units. This places an unfair financial burden on these units when the children attend public schools. The proposed legislation would provide 100 percent reimbursement to administrative units for the cost of education of residents of state operated institutions who are attending public schools.

(6) The first regular session of the 108th Legislature enacted, by Chapter 502 of

the Public Laws, a comprehensive program for delivery of services to mentally retarded citizens of Maine while guaranteeing those citizens substantial procedural protections before allowing institutional placement. As efforts began to implement Chapter 502 and particularly to bring together the court system with service providers, various difficulties arose.

This bill is aimed at reducing the substantial amount of ambiguity, confusion and needless procedural complexity in the procedures for admission to residential facilities for the retarded. These measures should remove unnecessary barriers to providing services to mentally retarded citizens and their families.

(7) Presently, the probate court has virtually no flexibility with respect to appointing and designating guardianship. This legislation would allow the probate court to tailor the extent and duration of guardianship so that a ward will not unnecessarily lose rights and will be able to achieve maximum self-reliance consistent with his or her own ability.

GOVERNMENT REORGANIZATION

A responsive government is one that can adjust to meet changing needs. A stagnant bureaucracy by definition is inefficient and ineffective. I know that this administration and this Legislature are very concerned with the performance of government and with all efforts to streamline government and make it as responsive and economical as possible. We have reviewed the following proposed legislation in this light, and we believe that each bill offers the opportunity for significant improvement.

(1) The Chairman of the Public Utilities Commission has cited a recent study which indicates that the lack of having one individual statutorily designated as being responsible for administration of the Public Utilities Commission has inhibited the effective performance of the Commission. This proposed legislation would specifically place that responsibility with the Chairman of the PUC, a practice which I understand has been informally followed in the past.

(2) The Department of Environmental Protection has suggested the statutory authority, with appropriate checks and balances, to reorganize the internal structure of the Department. The present structure was developed in 1971 and implemented in 1972. The fact that there was an existing strong water quality program, along with the absence of experience as to what the other programs would be and how they should be structured, led to the development of the three bureau concept with centralized staff in Augusta. Since that time, experience, both in terms of efficient management of the Department and in terms of more complex environmental issues, indicates a significant amount of overlap between the categorybureau areas of air, land and water.

The removal of the subject matter labels attached to the bureaus would enable the Commissioner, with the approval of the Governor, to organize available limited resources from time to time to meet changing priorities and needs. This will allow for cross training and better utilization of personnel. It will also permit a greater emphasis on regional field offices and delivery of services to the citizens of Maine in their localities, and permit a unified departmental approach to licensing, enforcement, and planning, rather than the current segmented system.

(3) I urge this Legislature to enthusiastically endorse the legislation proposed by Commissioner Levesque to reorganize the Department of Manpower Affairs in order to free the Department head from the burden of daily involvement in the hearings process under the employment security laws and allow closer and more concentrated and effective management of the entire Department, due to the elimination of time and travel commitments presently imposed on the Commissioners.

The present Commissioner of Manpower Affairs estimates that during the last year he spent 1,300 hours involved in hearings and appeals. Under the current law, the Commissioner of the Department is not only responsible for managing the Department, he is also Chairman of the present Employment Security Commission which conducts the final administrative hearing before a case can be further appealed to our court system. Since 1973-74, the number of appeals to the Commission has more than tripled.

The bill would replace the Maine Employment Security Commission with a Bureau of Employment Security within the Department. While the bill would relieve the Commissioner of the burden of sitting as part of an appeals board, it would maintain a three-member panel by providing for the appointment of a public member to the Bureau to act as its Chairman.

This reorganization would be a major step toward improving the delivery of "employment" services and better management practices within the Department, while still maintaining the current hearings process.

(4) In conjunction with the preceding bill, the Commissioner is also recommending an emergency bill which would be in effect until and/or if the changes previously suggested become law. Currently, all three of the Employment Security Commissioners, one of whom is the Department Head, must sit and hear those cases which are appealed to the Commission. The present law does not provide for the absence of the Chairman unless the office is vacant or unless the Chairman is ill. Because of the increased workload since 1973-74 and because the Department head now spends between 50 and 60 percent of his time in Commission hearings and appeals, he is virtually handicapped by this one responsibility which could be assumed by the other two Employment Security Commissioners.

This emergency act would require the Department head to participate only in those instances where the other two members were unable to agree. Again, this would be emergency, temporary legislation until the previously mentioned reorganization could be effectuated.

(5) In an effort to continue developing the central licensing services and bring

continued economies to this area of government, the Department of Business Regulation is proposing legislation which offers certain changes in the licensing laws. The bill would provide for more uniformity in licensing and make it possible for the Central Licensing Division to continue this major effort to be more responsive to the needs and requests of the public.

(6) Article V, Part First, Section 1, of the Constitution of Maine states that "The supreme executive power of this state shall be vested in a Governor" and Section 12 further states that "He shall take care that the laws be faithfully executed." In spite of the reorganization efforts by this and previous legislatures and Maine governors, our administrative structure is still not organized in a way that makes it possible for a governor to exercise the authority to be held accountable to his Constitutional mandate for the workings of the Executive Department.

During this time when the Maine public, the press and members of the Legislature all cry out for closer scrutiny and oversight of the bureaucracy, common sense demands that we provide the Governor and appointed commissioners with the most effective management tools possible.

For these reasons, I am submitting legislation modeled after that which Congress recently passed granting President Carter authority to reorganize the bureaucracy through submission of reorganization plans to the Legislature. As of 1975, sixteen states had also recognized the need for administrative reorganization and approved this approach. This bill details what may and may not be included in a reorganization plan and states that by the simple passage of a joint resolution within 60 calendar days, the Legislature may veto any such plan for reorganization.

This proposed legislation establishes a procedure whereby a Governor may initiate and submit a plan for reorganization to the Legislature detailing the changes necessary to increase the efficient operations of the Executive Branch of government. The Departments of the Attorney General, Secretary of State, Treasury and Audit have been exempted. A reorganization plan shall be delivered to the Senate and House during a legislative session and contain the recommended transfers or consolidations of an agency or agencies.

The plan shall estimate changes in appropriations and personnel within existing budgets, include a schedule for implementation, and describe improvements in management and delivery of state services.

Enactment of this bill will go a long way toward providing Maine government with an approach that will keep state functions efficiently and properly structured. It will make it possible for the Governor and agency heads to manage more efficiently the Executive Branch of government. At the same time the reorganization plan approach safeguards legislative prerogatives by allowing for disapproval by the Legislature and by preventing any reorganization that would create a function not previously authorized. The reorganization plan also guarantees protection of the rights of any affected employees and provides an opportunity for the public to participate in preparing the plan.

AGRICULTURE

No industry is more important to the State of Maine's agricultural economy than the potato industry. In 1976, Maine family farms received \$138 million from potato sales. Beyond the farm are hundreds more who benefit directly from our potato industry, including the handlers, processors, suppliers and local communities.

I recite these facts because I am sure that we all agree that a quality, and therefore prosperous, potato industry is critical to both Maine agriculture and the state's total economy.

For these reasons, the Commissioner of Agriculture has recommended the following two bills which are intended to improve the marketing of Maine potatoes and the administration of this effort.

(1) The first bill amends the Maine potato branding law. Simply stated, the branding law requires that consumers be assured that the potatoes they buy are of the same quality as that stated on the label. Branding law inspectors are authorized to intercept shipments of Maine potatoes to see if the product is properly graded. Unfortunately, some shipments do not live up to the label. The increased penalty in 1975 sought to encourage greater conformity. The 107th Legislature voted to increase the fines imposed for violations of the law. However, I am advised that because the overwhelming majority of carriers whose shipments are in violation are out-of-staters, it is difficult to enforce fines absent the possibility of jail sentences.

(2) The second bill represents a major aspect of our continuing emphasis on marketing and economic development. It is a proposal to reorganize the administration of the potato tax law by replacing the Maine Potato Commission with the more comprehensive Maine Potato Board. Currently, there are three major segments of the potato industry: the growers, the dealers, and the processors. All three are represented on the Potato Commission, but the growers also have a separate organization, as do the dealers. It is the belief of a special industry task force that leadership is badly fragmented under these conditions. This legislation, therefore, will consolidate production, research and marketing functions under one administration, with provisions to utilize fully all available expertise.

DRUG LAWS

(1) We will also be introducing legislation to tighten up the drug laws in this state. Specifically, we will offer a bill which will increase the severity of penalties for trafficking and/or furnishing large quantities of marijuana. We have been advised by federal law enforcement agencies that lenient state laws may very well influence an individual's decision to smuggle drugs into and through the State of Maine. We are presenting this bill to close any loopholes that presently exist and to provide appropriate punishment and deterrence relative to smuggling activity.

(2) In a related bill, the Department of Public Safety will offer legislation to re-classify certain hard drugs in order to make trafficking and furnishing of those drugs a more serious offense subject to more severe punishment. We will support the Department of Public Safety, as well as individual legislators, in any attempt to tighten up the laws and provide appropriate, severe punishment for those who deal in drugs.

(3) We are also presenting legislation from the Department of Transportation, supported by the Department of Public Safety, that would allow the use of portable breath testing equipment for testing the blood-alcohol content of those arrested for operating a motor vehicle under the influence. Current law requires the breath samples to be analyzed in central laboratories, a process which is expensive and time-consuming.

The proposed legislation would allow the use of breath testing equipment that has been developed to permit accurate and reliable collection and simultaneous analysis of breath to determine alcohol content. I am advised that this bill will reduce the cost of each test from approximately \$25 to 25¢ and will also significantly reduce processing time.

TAXATION

In addition to the major tax measures addressed in the budget part of this document, we are also very pleased to be able to offer this Legislature an opportunity to consider other areas of tax equity.

(1) Federal law requires that after December 31, 1978, states must have a reasonable law protecting the confidentiality of federal tax return information in order for exchange of federal information to continue. The proposed legislation would establish uniform confidentiality laws for all applicable tax information.

(2) The Bureau of Taxation is presenting legislation to revise and standardize the interest and monetary penalty feature in Maine tax law. The current diversity of penalty charges in Maine tax law creates significant administrative frustration and taxpayer confusion. This bill would change the interest penalty from six to nine percent. I am advised that in light of current economic conditions, the six percent interest rate is too low and encourages delay in payment of taxes. Additionally, in those cases where an increase in the interest rate does not result in more timely payment, this change will increase the state's compensation for the state's expenses incurred by delay. This act will also unify the penalty provisions of tax law by establishing a standard interest rate and a logical basis for determining penalties.

OTHER

(1) Our budget will set forth in detail this administration's commitment to economic development through the Maine Development Foundation, and also through tax reform measures and the return of tax overcollection to the people of Maine.

We will also submit a bill to encourage the formation of Small Business Investment Companies (SBIC) in Maine. A SBIC is a privately owned and privately operated small business investment company which has been licensed by the Federal Small Business Administration to make "venture" or risk investments by supplying equity to worthy small businesses. Over the years, SBICs have become important factors in the success of small business development in a large number of states. However, I am advised that no SBICs have been established in Maine. This proposed bill would encourage the formation of small investment business companies in our state by allowing additional financial institutions to invest in them and by eliminating double taxation consequences and other related tax disincentives.

(2) Last session, we presented a consumer bill which would have provided the consumer with protection against excessive costs when purchasing life insurance. That bill was eventually defeated. We are again submitting to this Legislature a bill which, although different in certain respects, addresses the same purpose. to offer Maine citizens adequate protection against excessive costs when purchasing life insurance. As I have stated previously, this bill would not affect the many reputable and outstanding companies that do business in the State of Maine. However, the bill would help prevent the buyer from being taken advantage of and would help the consumer to avoid an inferior product at an excessive cost. I consider this legislation both pro-consumer and pro-responsible industry.

There are many legitimate complaints that the constantly growing bureaucracy is spreading its inefficiency and ineffectiveness to all sectors of our economy through ever-increasing taxes and constantly decreasing productivity and responsiveness. However, in some cases I believe that one might find the source of the intitial involvement of government, especially at the federal level, is the inability or unwillingness of certain industries to police themselves. I am hopeful that this bill will be supported by the insurance industry and will reflect the industry's desire to accept appropriately limited and defined regulation. I have no desire to over-regulate or to mandate unnecessarily, but the industry must have a responsibility to the public, as well as a responsibility to itself, to best maintain the integrity of the product and the trust of the consumer.

(3) The Department of Business Regulation is also suggesting legislation that would provide a vehicle for the implementation of our own health insurance program in state government. At the present time, we are spending over \$8 million per year for health insurance on a non-competitive basis. The proposed legislation would give us a competitive vehicle to implement our own plan, with the potential savings to the state of \$150,000 per year. If the state chose to utilize this ability to establish its own health insurance program, in addition to dollar savings, there is also the possibility of providing more local knowledge and control of the plan itself.

(4) We are advised that legislation is necessary to eliminate an unnecessary duplication of bargaining units for state employees. Last session, the University of Maine collective bargaining law was amended, over my veto, to cover the state's vocational and technical institutes. Bargaining is now underway with the representatives of the faculty. However, the same legislation also allows for the creation of units for administrative employees and classified employees at the institutes. People who might come within such units are already in bargaining units which were created under the normal procedures in accordance with the State Employee Labor Relations Act. The proposed legislation would also eliminate the inconsistency of placing in different bargaining units state employees who are doing the same work.

(5) In keeping with my commitment last year to several members of the Legislature, I directed the Committee on Coastal Development and conservation and the various state agencies which are members of the Committee to prepare reports for presentation to the Legislature on the following topics: siting for industrial development; transferring natural resource information; improving the prospects of commercial fishing; dealing with the total impact of development; improving Maine's ports; and improving the state's travel industry.

I am advised that the Committee has been diligently preparing these reports and will be reviewing them in January. I hope to send a status report on each of these subjects to the Legislature in February. I believe that each of us would be well advised to have public input regarding most, if not all, of these reports before we fix a course of action for this state. I have asked the Committe to solicit public input and again to revise these reports as necessary after public comment. It is our goal to have the final reports, including recommendations for legislative and executive action, completed prior to the next regular session.

(6) I have asked the State Fire Marshal to present to this Legislature fire safety legislation which would make whatever changes or additions he feels are necessary to provide the State of Maine and its citizens with maximum protection from fire.

The Fire Marshal has recommended legislation which would require all hotels to install sprinkler systems. Apparently, the current legal requirement is that only hotels constructed after September, 1971 must have sprinkler systems installed. The Fire Marshal has stated that arbitrarily exempting pre-1971 hotels from compliance needlessly jeopardizes the lives and safety of people and property. For those who do not possess the economic resources to immediately install such systems, the legislation proposed by the Fire Marshal has a two-year implementation period in order to diminish any adverse, immediate impact.

I do not pretend to be an expert in this area and this draft legislation has been presented to me and to this Legislature based on my request that the Fire Marshal provide those changes in the law that are necessary in order to best protect the lives and safety of Maine's citizens. Recent disasters have demonstrated the potential for destruction that fire poses to the public, and I welcome legislative participation and scrutiny in determining what course of action is necessary to provide maximum safety and protection.

(7) I am proposing changes in the area of dam inspection to assure the safety

of Maine citizens living below potentially dangerous dams. I am recommending that dam inspection responsibilities be placed under the umbrella of the Department of Agriculture in order to consolidate the remaining responsibilities regarding dam activities, since some of these functions are already carried on by the Soil and Water Conservation Commission. In addition, I am assuring that the engineering expertise available in the Department of Transportation can be made available in order to effectively utilize the resources within state government.

(8) I have already communicated with this Legislature regarding the necessity to return to local government and town officials the responsibility for controlling the education policy of their particular communities. Otherwise, I believe we will only be partially carrying out the recent expression of the voters regarding education and local control.

We are submitting a bill to clarify the Legislature's intent not to allow the inherent authority of local decison-makers to be interfered with as they establish their own education policies. We must make it very clear that there is no doubt that the responsibility for formulating these policy decisions on behalf of the students of our schools, the parents of the students, and the taxpayers paying for education costs lies exclusively with the local entity. We cannot permit education policy to be a matter of bargaining or trading. Rather, it is a fundamental right that people at the local level must control and decide. There is no such thing as bargaining with the lives and future of our children in our public schools. The bill which we will submit will clearly define education policy, and clearly state areas in which public employers have exclusive and inherent authority regarding education policy matters.

(9) Legislation will be introduced which modifies the boundary of Spruce-fir Protection Districts, and provides for several minor clarifications in the 1976 Budworm Law. The state's budworm control program was authorized by the 107th Legislature in 1976. That law established a Spruce-fir Protection District within which owners of parcels exceeding 500 acres would be taxed for budworm control.

The Department of Conservation proposes that the boundaries be modified in the coastal areas of Hancock and Washington County, in Aroostook, and in the Dover-Foxcroft area. In these areas the lack of continuous forest type, the proximity of dwellings and the general unsuitability for aerial spraying combine to make spraying uneconomical.

The final language will list towns to be deleted from the District. These changes will aid small landowners in the affected areas. Several minor changes will also be proposed to clarify sections dealing with automatic withdrawals, new market withdrawals and definitions of terms.

CONCLUSION

We have some great opportunities before us this session. Thanks to the Legislature and departments of state government, the business for this session has been streamlined, and we are perhaps in a better position than even before to address some major issues and take positive steps in a number of critical areas. This session could be a historical one from the standpoint of returning to Maine people the dividends of fiscal responsibility. Our tax relief and other positive programs demonstrate that the Legislature and the Governor can concentrate on priority areas, helping people who need help, while simultaneously beginning what will hopefully be a continuous and constant process of providing relief to the overburdened taxpayers through both the direct return of overcollections and through increased economy, efficiency and effectiveness.

I pledge my cooperation and support, and I respectfully ask for the support of the Legislature for the proposals which we are submitting.

Thank you very much.